



FEBRUARY 8 - 2023

DAILY MARKET REPORT



SECURE
DIGITAL MARKETS

Institutional research.

OVERVIEW

Markets Insights

KEY METRICS					
PAIRS	SPOT PRICE	24 HR CHANGE	LOW	HIGH	FUNDING RATES
BTC/USD	\$22,985	0.17%	\$22,851	\$23,867	0.0100%
ETH/USD	\$1,665	1.86%	\$1,628	\$1,688	0.0100%
XAU/USD	\$1,874.00	0.03%	\$1,869.10	\$1,887.10	
USD/CAD	1.3419	0.16%	\$1.3359	\$1.3427	
EUR/CAD	\$1.4386	0.12%	\$1.4352	\$1.4407	



BITCOIN

A snapshot of Bitcoin's spot price as of this writing is \$22,985 representing a 0.17% increase the last 24 hours and 11.13% increase in trading volume. The funding rate of BTC is 0.0100%.



ETHEREUM

ETH is trading at \$1,665 as of this writing, representing a 24-Hour increase of 1.86% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume increased by 26.97%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.



OVERVIEW

Latest Digital Asset News

1- CoinGecko and 21Shares propose global crypto classification standard

Major cryptocurrency data aggregator CoinGecko and crypto investment firm 21Shares have joined forces to launch a global standard for classifying various crypto asset. On Feb. 8, CoinGecko and 21Shares released The Global Crypto Classification Standard report, proposing a uniform method to categorize crypto assets. The effort aims to help investors and regulators better understand the specifics of each asset class in crypto, including potential failures like those seen by the industry in 2022. "Since Bitcoin's inception around 13 years ago, thousands of unique crypto assets and protocols have emerged, each with unique characteristics and different value propositions," Carlos Gonzalez, research analyst at 21Shares' parent firm 21.co said.

2 - Dubai Prohibits Privacy Coins Under New Crypto Rules

In Dubai, the issuance of and all activities related to anonymity-enhancing cryptocurrencies such as Zcash and monero are prohibited under new laws published Tuesday. The jurisdiction in the United Arab Emirates (UAE) published its long-awaited crypto regulations, which sets licensing and authorization requirements for virtual asset companies and issuers looking to operate in Dubai. The new rules define anonymity-enhancing crypto as "a type of Virtual Asset which prevents the tracing of transactions or record of ownership through distributed public ledgers and for which the [Virtual Asset Service Provider] has no mitigating technologies or mechanisms to allow traceability or identification of ownership."

3 - Crypto Super Bowl Advertising Will Be Absent This Year

There will be "zero representation" of crypto companies in the advertising lineup for this year's Super Bowl championship game on Sunday, according to broadcaster Fox Sports. Two crypto companies had commercials "booked and done" and two others were "on the 1-yard line," Mark Evans, executive vice president of ad sales for Fox Sports, told the Associated Press. Following the collapse of crypto exchange FTX in November, however, the deals fell apart, he said. The National Football League's Super Bowl championship game is watched by roughly 100 million viewers worldwide each year, which makes it one of the most attractive commercial opportunities for companies. In 2022, crypto companies spent a combined \$54 million on Super Bowl ads.

(1) <https://cointelegraph.com/news/coingecko-and-21shares-propose-global-crypto-classification-standard>
(2) <https://www.coindesk.com/policy/2023/02/08/dubai-prohibits-privacy-coins-under-new-crypto-rules/>
(3) <https://www.coindesk.com/business/2023/02/07/crypto-firms-banned-from-super-bowl-ads-this-year-report/>



OVERVIEW

Trader's Digest

Powell's speech ended up being a whole rollercoaster ride yesterday, with Nasdaq bouncing from the lows and the highs at repetition, following Powell's tone.

First of all, Powell's entrance was quite dovish, pushing risk assets and bond prices higher as he came in hot with the word disinflationary:

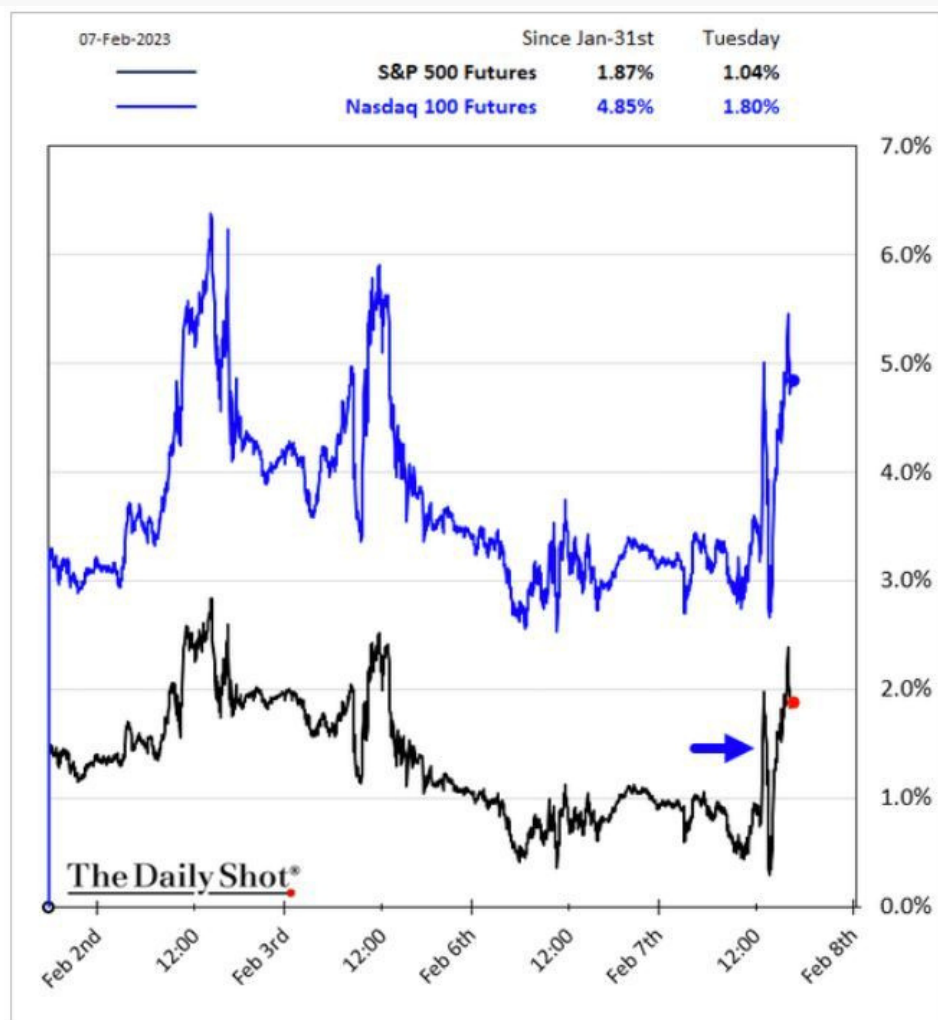
"So the message we were sending at the FOMC meeting last Wednesday was really that the disinflationary process, the process of getting inflation down, has begun, and it's begun in the goods sector, but has a long way to go."

Then, the Fed Chairman made sure the market wouldn't rally too much, pushing the US Dollar back to P1 as he jumped back on the bear train:

"Base case is that it will take time, more rate increases, to finish the process"

"If we continue to get strong labour market reports or higher inflation reports, we may need to hike rates more than is priced in"

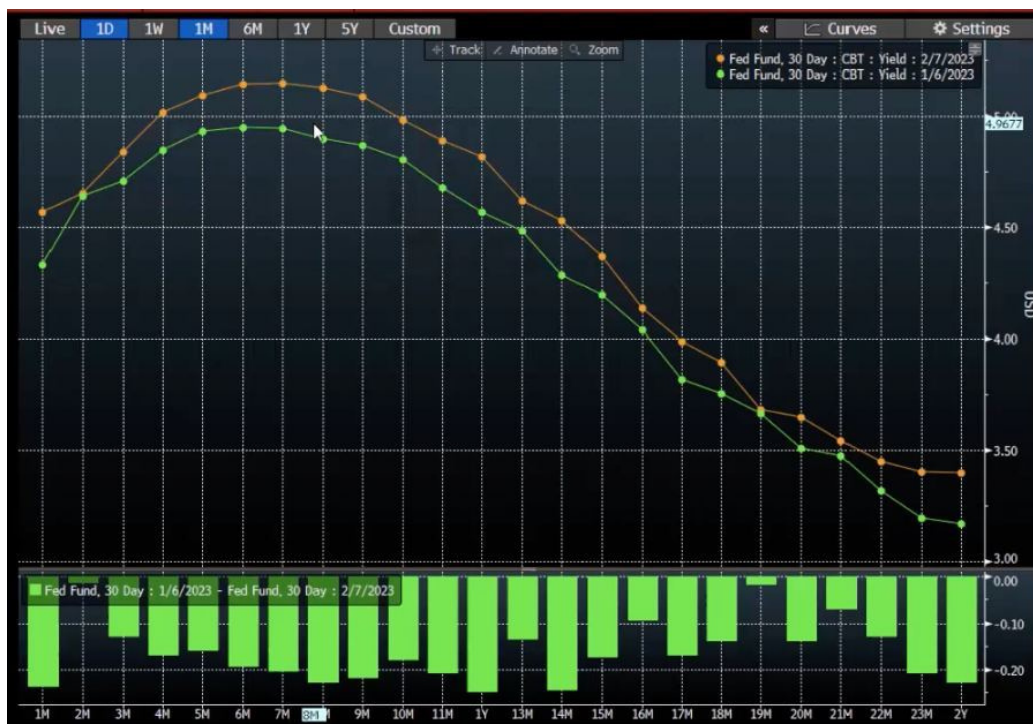
Finally, that was all counteracted when investors grabbed the dip, with risk closing at session highs.



Looking at the Fed Fund Curve, we see that the market FINALLY believes the Federal Reserve! Indeed, it currently shows a terminal Fed Fund Rate of around 5.15%, which the Fed has been targeting since the December meeting.

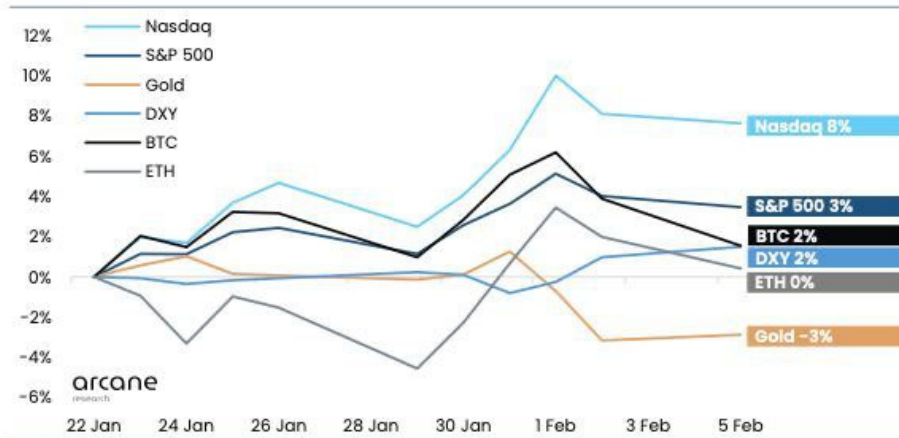


When comparing Bitcoin's performance with the traditional assets for the past two weeks, we're seeing the leading cryptocurrency trading on very low volatility. The market is waiting for Bitcoin to break the 18-day consolidation we see between \$24,000 and \$22,500. As you can see below, Tech overperformed, while precious metals had the worst performance.



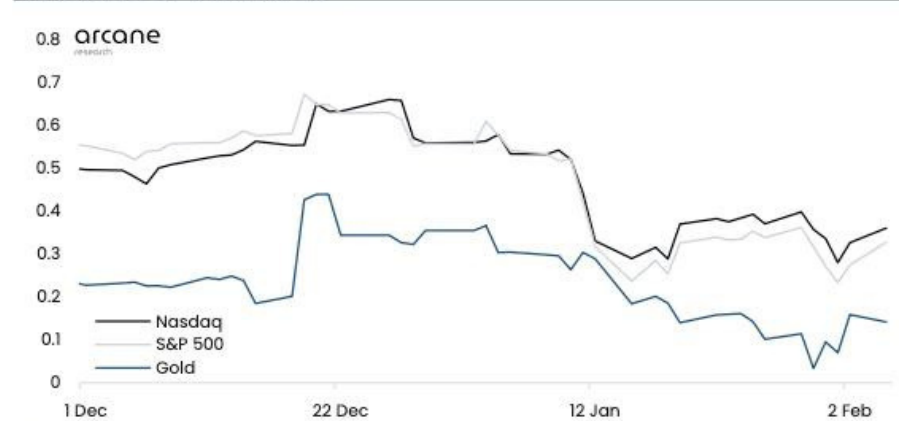
In terms of correlations, we've slightly uptick amid all the macro events of the past two weeks, even though we are still down-trending from the historically high numbers we saw in 2022.

Figure 18: 2-Week Performance (January 22-February 5)



Source: Tradingview

Figure 19: BTC 30-d correlations*



Source: Tradingview *Pearson

Technically, I cannot emphasize the importance of that consolidation pattern. Any break of structure will give us confirmation of the direction. Today, we expect a lot of market positioning and an increase in volatility. So, all eyes are on the top and bottom of Bitcoin's range!

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Bitcoin / U.S. Dollar, 8h, COMBASE 023235.07 H23239.79 L22970.38 C23005.05 -282.27 (-1.239%)



TradingView

NotasCenter published on TradingView.com, Feb 08, 2023 10:08 UTC-5

Bitcoin / U.S. Dollar, 15, COMBASE 023244.64 H23451.01 L22970.38 C23005.03 -285.94 (-1.24%)



TradingView

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