JANUARY 13 - 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	$19,115	5.58%	$18,080	$19,115	0.0079%
ETH/USD	$1,413	1.99%	$1,384	$ 1,432	0.0100%
XAU/USD	$1,912.40	0.78%	$1,892.20	$1,914.70	
USD/CAD	1.3414	0.36%	$1.3320	$1.3440	
EUR/CAD	$1.4523	0.12%	$1.4453	$1.4538	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $19,115 representing a 5.58% increase the last 24 hours and 3.40% decrease in trading volume. The funding rate of BTC is 0.0079%.

ETHEREUM

ETH is trading at $1,413 as of this writing, representing a 24-Hour increase of 1.99% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume decreased by 32.20%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

OVERVIEW

Latest Digital Asset News

1- SEC charges Gemini and Genesis with unregistered securities offering

The Securities and Exchange Commission charged Genesis Global Capital LLC and Gemini Trust Company LLC for the unregistered offer and sale of securities to retail investors through a Gemini crypto lending program. The program has been the subject of a public fight between the two erstwhile corporate partners. The U.S. regulator said Genesis, which is part of Digital Currency Group, entered into an agreement in December 2020 with Cameron Winklevoss-led Gemini to offer Gemini customers an opportunity to loan their crypto to Genesis in exchange for Genesis' promise to pay interest.

2 - FTX allowed by bankruptcy judge to sell LedgerX, other assets

The judge in charge of overseeing the FTX bankruptcy proceedings has given the embattled crypto exchange the approval to sell some of its assets to aid its efforts in repaying its creditors.According to a filing in Delaware Bankruptcy Court, Judge John Dorsey has approved the sale of four key units of FTX. The assets include the derivatives platform LedgerX, the stock-trading platform Embed and its regional arms, FTX Japan and FTX Europe. Interested bidders can now contact investment bank Perella Weinberg, tasked to begin the sale process, representing FTX and its assets. Earlier this week, 117 parties expressed interest in purchasing the FTX assets for sale. These parties can access information regarding the assets as part of their due diligence before buying up the units.

3 - Bitfarms seeks to avoid BlockFi loan default with renegotiation

Bitfarms is seeking to modify a loan with BlockFi to avoid default as the value of equipment plummets. Last year, Bitfarms' Backbone Mining Solutions entered into a $32 million equipment financing facility with BlockFi Lending LLC. BMS owns and operates the assets of Bitfarms' 20-megawatt active crypto mining facility in Washington state. The loan is secured by certain assets of BMS, which has a market value of about $5 million, while the outstanding principal and interest is approximately $20 million. "During 2022, Bitfarms began taking proactive actions to increase financial flexibility and to reduce indebtedness and capital expenditure obligations," Bitfarms CFO Jeff Lucas said in a statement.

(1) https://www.theblock.co/post/201805/sec-charges-gemini-and-genesis-for-unregistered-offering?utm_source=twitter&utm_medium=social
(2) https://cointelegraph.com/news/ftx-allowed-by-bankruptcy-judge-to-sell-ledgerx-other-assets
(3) https://www.theblock.co/post/202081/bitfarms-seeks-to-avoid-blockfi-loan-default-with-renegotiation?utm_source=cryptopanic&utm_medium=rss

OVERVIEW

Trader's Digest

Bitcoin and other Risk assets were supported by the US Consumer Price figures released this yesterday. The US CPI numbers, headline and core, came in line with expectations of 6.5% and 0.3% respectively. Prior headline number was 7.1%.

Not only the US CPI figures showed signed of softening, which is positive for the US economy, but UK GDP grew 0.1% in November, according to new data Friday from the Office for National Statistics, defying economists' expectations and reducing the likelihood that Britain entered a technical recession in the fourth quarter.

Additionally, this morning, the US Michigan Inflation expectations headline number came in at 4% versus a prior number of 4.4%. These figures are positive for the market, and will support risk assets like Bitcoin further... The US, so called "unanchored inflation", is indeed showing signs of easing, which is what the Fed wants to see.

Bitcoin rallied right to the point of control we highlighted in yesterday's market note, as it broke resistance. Bitcoin is up almost 15% since Monday and traded as high as $19,300. post US Equity open.

If the global economy improves markedly this year and (institutional/smart money) investors feel confident enough to invest in high-return assets such as cryptocurrencies, bitcoin will going to lead the way.

Let's take a look at the ETHBTC ratio for ma second...

ETHBTC retraced heavily from the symmetrical triangle breakout we saw last week. The ratio hit a high of 0.07800 before being rejected below 0.07400, now approaching the 0.07300 technical support.


NicolasCarrier published on TradingView.com, Jan 13, 2023 11:16 UTC-5
Bitcoin / U.S. Dollar, 1W, COINBASE O17125.17 H19313.78 L17102.97 C19114.42 +1989.24 (+11.62%)
TradingView


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Ethereum / Bitcoin, 1D, BINANCE O0.075123 H0.075124 L0.073686 C0.073762 −0.001362 (−1.81%)
TradingView


NicolasCarrier published on TradingView.com, Jan 13, 2023 11:17 UTC-5
TradingView

OVERVIEW

Altcoin Analysis

After the FTX collapse, Solana has been under serious pressure.

Recently, SOL saw its open interest in native units double since the start of 2023 as the funding rate fell to -0.8%. This is the equivalent of shorts paying long positions in SOL 2.4% a day for the privilege of being short SOL.

When the overall market started to rebound off the recent lows, SOL shorts were liquidated and funding returned back to neutral territory. This triggered a 100% move since the start of January.

Right now, SOL is trading at an important level which represents the consolidation area after the FTX meltdown. Prices tumbled from $28 to $19 rapidly which means that the price range doesn't have a lot of volume (vacuum zone). If ever we get back to that range, and the overall market is bullish, then you can expect a rapid increase back towards the high of $27-$29.

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