



JANUARY 5 - 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	\$16,797	-0.24%	\$16,789	\$16,964	0.0057%
ETH/USD	\$1,246	-0.34%	\$1,245	\$1,264	0.0100%
XAU/USD	\$1,836.70	-1.04%	\$1,831.30	\$1,856.60	
USD/CAD	1.3544	0.48%	\$1.3469	\$1.3550	
EUR/CAD	\$1.4273	-0.10%	\$1.4271	\$1.4363	



BITCOIN

A snapshot of Bitcoin's spot price as of this writing is \$16,797 representing a 0.34% decrease the last 24 hours and 1.76% decrease in trading volume. The funding rate of BTC is 0.0057%.



ETHEREUM

ETH is trading at \$1,246 as of this writing, representing a 24-Hour decrease of 0.34% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume decreased by 3.00%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.



OVERVIEW

Latest Digital Asset News

1- Silvergate Raced to Cover \$8.1 Billion in Withdrawals During Crypto Meltdown

Silvergate Capital Corp. shares plunged after the bank said the crypto industry's meltdown triggered a run on deposits, prompting the company to sell assets at a steep loss and fire 40% of its staff. Customers withdrew about \$8.1 billion of digital-asset deposits from the bank during the fourth quarter, which forced it to sell securities and related derivatives at a loss of \$718 million, according to a statement Thursday. Executives said on a conference call that Silvergate may become a takeover target. "In response to the rapid changes in the digital asset industry during the fourth quarter, we took commensurate steps to ensure that we were maintaining cash liquidity in order to satisfy potential deposit outflows, and we currently maintain a cash position in excess of our digital asset related deposits," Chief Executive Officer Alan Lane said in the statement.

2 - Animoca halves fundraising target for web3 fund to \$1 billion

Animoca Brands has cut in half the amount it hopes to corral for a new web3 and metaverse investment fund. Yat Siu, the Hong Kong-based company's chair, said in a Twitter Spaces interview that it is now looking to raise around \$1 billion for Animoca Capital this quarter, according to a Bloomberg report. Siu had told Nikkei as recently as November that Animoca would target \$2 billion for the fund, which will make mid- to late-stage bets in the sector. The news comes with the crypto sector still reeling from the spectacular collapse of Sam Bankman-Fried's FTX in November. Around a dozen of Animoca's portfolio startups were affected, Siu told Bloomberg.

3 - Celsius Network Wins Ownership Rights to Customer Crypto Deposits

A U.S. bankruptcy judge ruled on Wednesday that Celsius Network owns most of the cryptocurrency that customers deposited into its online platform, meaning most Celsius customers will be last in line for repayment in the crypto lender's bankruptcy. The ruling by U.S. Bankruptcy Judge Martin Glenn in New York affects approximately 600,000 accounts that held assets valued at \$4.2 billion when Celsius filed for bankruptcy in July. The company does not have enough funds to fully repay those deposits, Glenn wrote. The ruling means that most Celsius customers will be lower priority than customers who held non-interest bearing accounts and other secured creditors. It was unclear whether Celsius has significant secured debt.

(1) https://www.wsj.com/articles/silvergate-raced-to-cover-8-1-billion-in-withdrawals-during-crypto-meltdown-11672895207?mod=searchresults_pos1&page=1
(2) https://www.theblock.co/post/199352/animoca-halves-fundraising-target-for-web3-fund-to-1-billion-bloomberg?utm_source=rss&utm_medium=rss
(3) <https://www.reuters.com/business/finance/us-judge-says-celsius-network-owns-most-customer-crypto-deposits-2023-01-05/>



OVERVIEW

Trader's Digest

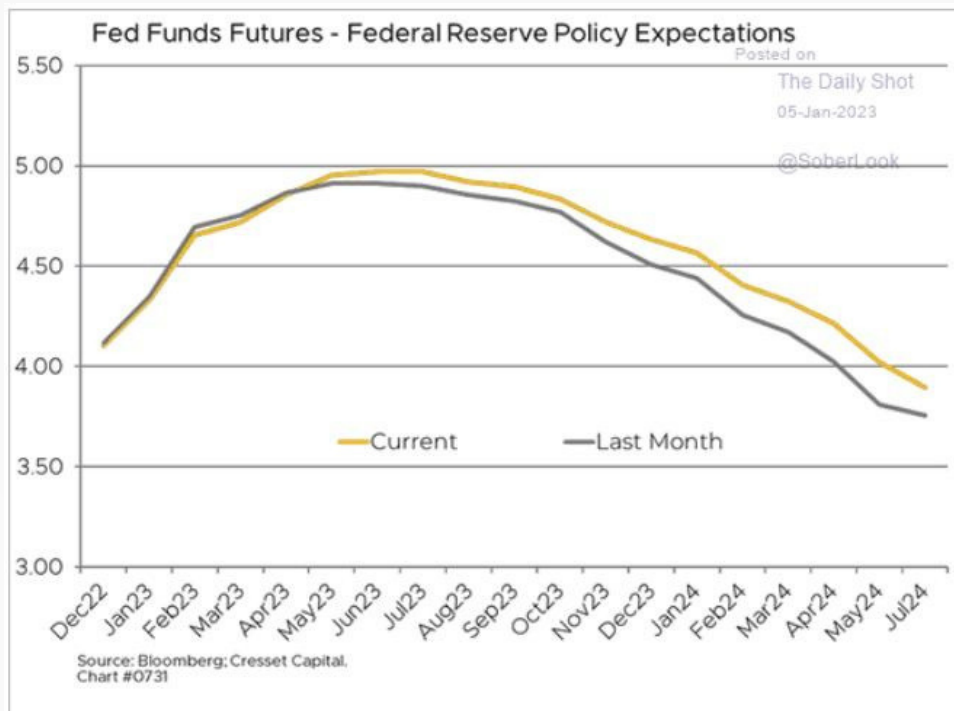
The FOMC minutes confirmed the Fed's hawkish stance, confirming no rate cuts were table for 2023.

*No participants anticipated that it would be appropriate to begin reducing the federal funds rate target in 2023

*Participants generally noted that the uncertainty associated with their economic outlooks was high and that the risks to the inflation outlook remained tilted to the upside. (Growth vs Inflation)

*In view of the persistent and unacceptably high level of inflation, several participants commented that historical experience cautioned against prematurely loosening monetary policy.

Once again, the bond market doesn't believe the Fed and keeps on pricing in rate cuts in mid-2023 while the terminal rate remains just below 5%.



Additionally, this morning, the ADP Figures shook the market more than it usually does, coming in at +235K vs +150K expected. The strong labour conditions make an even stronger case for the Fed to be more aggressive in tightening the economy, which is harmful to risk assets, Bonds, and Gold while positive for US Dollars and US yields.



OVERVIEW

Altcoin Analysis

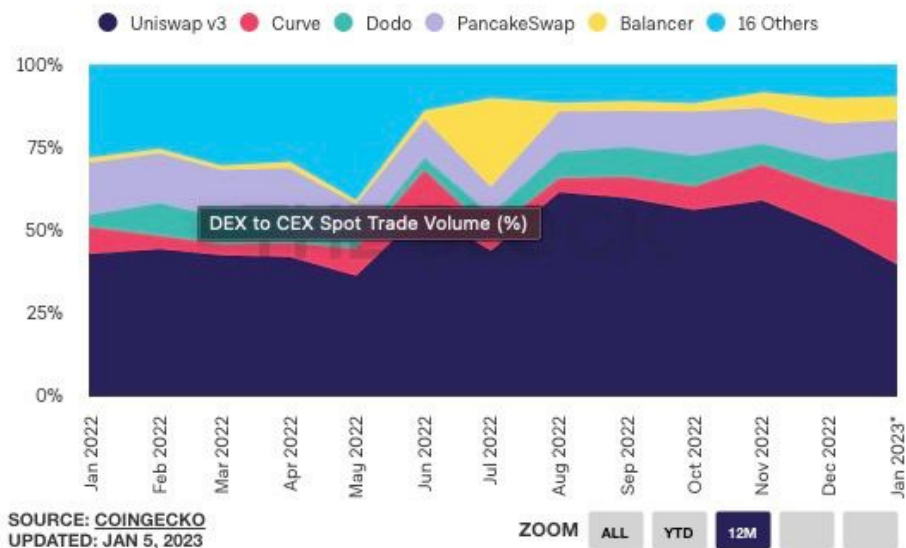
Uniswap continues to dominate the DEX market despite having to fight with increased competition.

The leading DEX is sitting on a 40% market share ahead of the runner up Curve with 19%. We've noticed an uptick of DEX volume vs. CEX but this ratio remains very low for now.

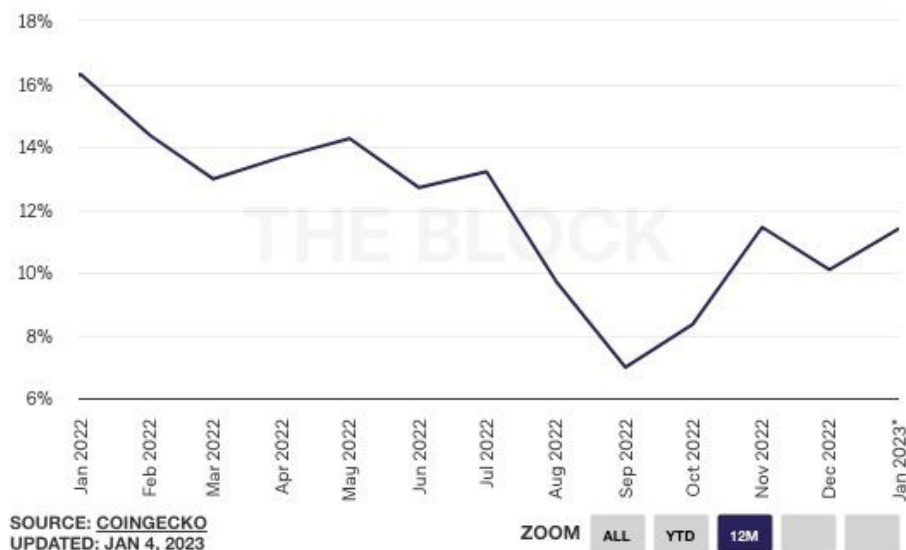
Will 2023 be the year where DEXs get more attention?



Share of DEX Volume



DEX to CEX Spot Trade Volume (%)



Let's move on with a chart on Uniswap.

UNIUSDT is trading within a range between \$4.95 and \$6.3. Prices are currently trading right on the 50-day moving average and are capped by a declining trend line, both serving as resistance.

RSI and MACD are both neutral with a bullish bias. A slight improvement from current levels would trigger additional bullish momentum.

If prices can break above \$5.6, we would expect further upside towards \$6.3 and \$6.9 in extension.



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