DECEMBER 22 - 2022

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	$16,777	-0.94%	$16,702	$17,895	0.0042%
ETH/USD	$1,205	-1.09%	$1,201	$ 1,219	0.0076%
XAU/USD	$1,800.60	-0.83%	$1,799.30	$1,821.50	
USD/CAD	1.3658	0.35%	$1.3570	$1.3663	
EUR/CAD	$1.4466	0.23%	$1.4425	$1.4497	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $16,777 representing a 0.94% decrease the last 24 hours and 14.88% decrease in trading volume. The funding rate of BTC is 0.0042%.

ETHEREUM

ETH is trading at $1,205 as of this writing, representing a 24-Hour decrease of 1.09% and a funding rate of 0.0076%. Over the last 24 Hours, the trading volume decreased by 20.20%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

OVERVIEW

Latest Digital Asset News

1- Crypto Investment Firm 3iQ Adds Support to Fir Tree's Grayscale Suit

Crypto investment fund manager 3iQ is adding a voice of support to Fir Tree Capital Management's lawsuit centered on Grayscale Investments' Bitcoin trust, becoming the latest firm to publicly express concern over the assailed product. The Toronto-based company's move follows early-December news that Fir Tree is suing Grayscale Investments for information to investigate potential mismanagement and conflicts of interest at its $10.6 billion Bitcoin investment product known as GBTC. The trust is trading at a near 50% discount to its underlying holdings, which 3iQ says it's looking to remedy in the hope of restoring investor value and confidence at a time when both are "sorely needed."

2 - Brazilian president signs bill regulating use of Bitcoin as payment

Brazilian President Jair Bolsonaro today morning signed a bill into law that establishes a complete regulatory framework for the trading and use of bitcoin in the country, according to the federal government's official journal (DOU). President Bolsonaro enacted the bill approved by Congress without any modifications. As previously reported, the new rules recognize bitcoin as a digital representation of value that can be used as a means of payment and as an investment asset in the South American nation. A virtual asset is "a digital representation of value that can be negotiated or transferred electronically and used for payments or as an investment," per the bill's text.

3 - Genesis and DCG creditor committee propose plan for asset recovery

Houlihan Lokey, an investment and financial services firm, presented a liquidity resolution plan on behalf of the creditor committee for the crypto broker Genesis and its parent company, DCG. Gemini co-founder Cameron Winklevoss took to Twitter to explain the path for asset recovery for Gemini Earn users. "This plan is based on information received from Genesis, DCG, and their respective advisors to date. The creditor committee expects an initial response this week," Winklevoss wrote. Gemini has been working with Genesis and DCG since Nov. 22 to help customers get their Earn redemptions. Genesis owes Gemini Earn users $900 million USD.

(1) https://www.bloomberg.com/news/articles/2022-12-22/crypto-firm-3iq-adds-voice-of-support-to-fir-tree-grayscale-suit?leadSource=uverify%20wall
(2) https://bitcoinmagazine.com/legal/brazil-enacts-bitcoin-payments-bill
(3) https://www.theblock.co/post/197117/genesis-and-dcg-creditor-committee-propose-plan-for-asset-recovery?utm_source=rss&utm_medium=rss

OVERVIEW

Trader's Digest

First, the US Final GDP Q3 figures came out this morning and shook the market in a way it doesn't usually do.

The US Dollar jumped on this report while Bonds and Risk assets tumbled, a rare market move for the third reading on GDP. The sense is that higher GDP raised the odds that the Fed will follow through on rate hikes.

Additionally, from what we discussed yesterday, markets continue to play the back-and-forth between inflation and concerns about growth. Still, growth will be what the market is really worried about.

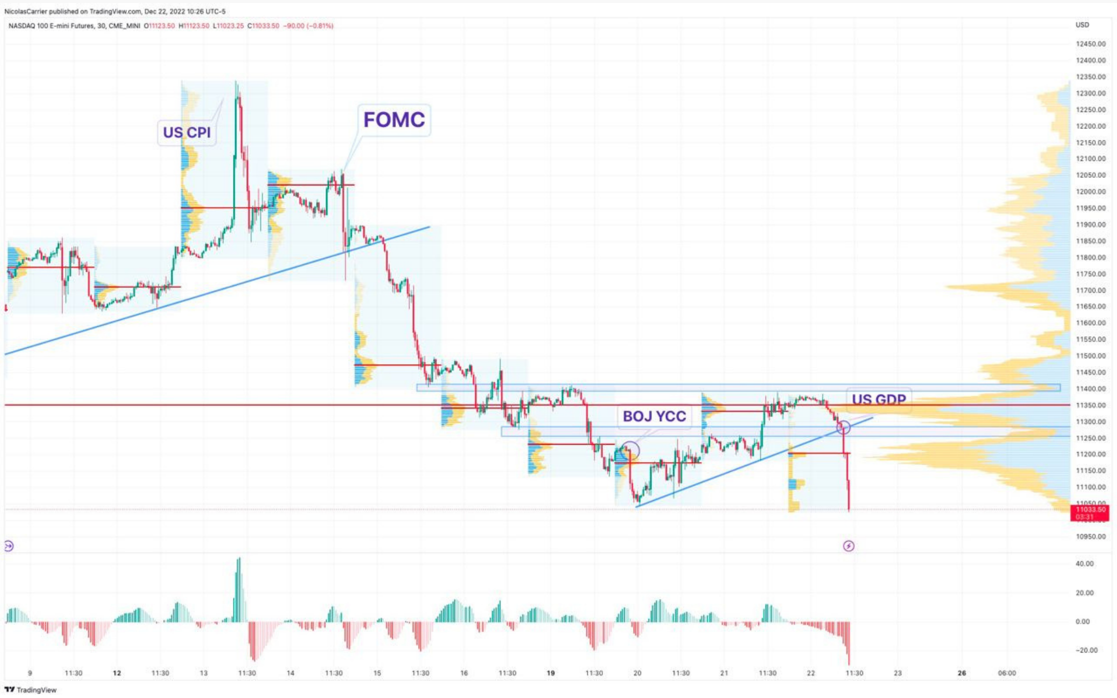
The Q3 PCE numbers were also higher, 4.4% actual versus 4.3% expected, putting additional pressure and uncertainty on the inflation narrative.

Tax selling continues...

In addition to the data, investors took advantage of the liquidity to sell more into year-end. Sadly, this all started last week when many sellers were waiting for Powell and the inflation figures. I mean, they saw CPI last week and jumped on the opportunity to liquidate, and then thought that Powell would come in dovish, where we would get a rally to sell in. Instead, Powell threw a hand grenade, and now everybody's selling into a falling market to take the tax losses, running out of time.

This morning was no different for US Equities. After the last two day's squeeze back to a clear resistance level, investors took the early opportunity to sell even more, while retailers bought the dip on better-than-expected growth data.

Bitcoin followed US equities lower this morning, now trading below $16,700, even though the S&P500 and the Nasdaq are underperforming the main cryptocurrency.

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H11384.75 L11023.25 C11032.25 −302.25 (−2.67%)
TradingView


NicolasCarrier published on TradingView.com, Dec 22, 2022 10:26 UTC-5
S&P 500 E-mini Futures, 1D, CME_MINI O3915.00 H3919.75 L3834.75 C3838.50 −67.25 (−1.72%)
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NicolasCarrier published on TradingView.com, Dec 22, 2022 10:27 UTC-5
Bitcoin / U.S. Dollar, 1h, COINBASE O16669.79 H16712.61 L16626.00 C16693.00 +22.15 (+0.13%)
US GDP
TradingView

OVERVIEW

Altcoin Analysis

One of the top performing altcoins this morning is Dogecoin (DOGE).

There is no major headline or hype this morning to support its price action, but it seems that the recent squeeze might be purely based on technicals.

Let’s analyze the charts more carefully.

Starting with the daily chart, DOGEUSDT has been stabilizing around the current price range as prices are supported by a trend line formed in November. The coin closed below the 200-day moving average briefly before closing higher, indicating a fakeout. The technical indicators aren’t showing any signs of recovery yet.

Moving on with an intraday chart, prices finally broke above a declining trend channel that was in place since December 12th. If prices keep trading above $0.07379 and $0.072, there’s a good chance it continues higher.

As long as prices remain above the 200-day moving average as well as the trend line, there is a healthy risk-reward to take a long position.

yacine.ouldchikh published on TradingView.com, Dec 22, 2022 10:37 UTC-5

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