



DECEMBER 19 - 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	\$16,703	-0.13%	\$16,671	\$16,815	0.0052%
ETH/USD	\$1,181	0.21%	\$1,176	\$ 1,192	-0.0010%
XAU/USD	\$1,792.10	-0.11%	\$1,790.30	\$1,799.80	
USD/CAD	1.3637	-0.43%	\$1.3624	\$1.3702	
EUR/CAD	\$1.4466	-0.20%	\$1.4452	\$1.4538	



BITCOIN

A snapshot of Bitcoin's spot price as of this writing is \$16,703 representing a 0.13% decrease the last 24 hours and 29.48% increase in trading volume. The funding rate of BTC is 0.0052%.



ETHEREUM

ETH is trading at \$1,181 as of this writing, representing a 24-Hour increase of 0.21% and a funding rate of -0.0010%. Over the last 24 Hours, the trading volume increased by 25.88%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.



OVERVIEW

Latest Digital Asset News

1- Grayscale Will Explore Returning up to 20% of Investor Capital if SEC Refuses Spot Bitcoin ETF

Grayscale Investments is exploring options to return a portion of capital of its flagship Grayscale Bitcoin (GBTC) product if the Securities and Exchange Commission (SEC) refuses to approve its spot bitcoin exchange-traded fund (ETF), the firm said in an investor letter. One option is to offer tender for up to 20% of outstanding GBTC shares, which are currently trading at a 49% discount to net asset value (NAV), the letter said. Grayscale has been knocked back multiple times in its mission to convert its bitcoin trust into an ETF, with the SEC citing a lack of regulatory oversight in a brief earlier this month. The letter by Grayscale Chief Executive Michael Sonnenshein attempted to ease concerns among shareholders following a turbulent month across the crypto industry following the collapse of FTX, one of the largest exchanges.

2 - Biden Administration Calls on Congress to Rein In Crypto Risks

The Biden administration called on Congress to cover gaps in the regulation of cryptocurrencies, renewing a push for tougher oversight following the collapse of crypto exchange FTX. The Financial Stability Oversight Council, chaired by Treasury Secretary Janet Yellen, said Congress should take steps to ensure the crypto industry is subject to orderly and transparent trading, investor protections, and other rules imposed on traditional financial firms. While crypto-asset interconnections with the traditional financial system at present are limited, they could increase rapidly, the policy makers warned Friday, posing a threat unless the industry is more-tightly overseen.

3 - Nigeria passes amendment bill to regulate crypto

According to the Nigerian magazine Punch, the country's Securities and Exchange Commission will accept the use of crypto assets as "capital for investment" after the "Investments and Securities Act, 2007 (Amendment) Bill" is passed. It's important to note that the securities regulator formed a fintech department to research the use of digital currencies in Sep. 2021. According to the SEC Director-General Lamido Yuguda, the main reason for creating this division was to secure crypto investments. Last year in October, the central bank developed a central bank digital currency (CBDC), the e-Naira, after crypto was identified as illegal. Until Aug. 2022, the wallet app was downloaded more than 840,000 times with over 270,000 active wallets.

(1) <https://www.coindesk.com/business/2022/12/19/grayscale-will-explore-returning-20-of-investor-capital-if-sec-refuses-spot-bitcoin-etf-report/>
(2) <https://www.wsj.com/articles/biden-administration-calls-on-congress-to-rein-in-crypto-risks-11671210294?pages=1>
(3) <https://crypto.news/nigeria-passes-amendment-bill-to-regulate-crypto/>



OVERVIEW

Trader's Digest

We're only six days away from Christmas Eve and have one more week of trading before the holiday break!

The first few days of this week are uneventful in terms of economic data, while the second half could bring volatility, especially with the usual low holiday liquidity. Thursday, the US Bureau of Economics will be releasing the US GDP figures. Friday, we will receive data about the PCE price index, Personal spending and New home sales. Followed by the Christmas holidays, this late wave of economic data will give us a good understanding of the current market health ahead of the new year.

Let's circle back on an important topic I highlighted last week, the Equity/Bond decorrelation. As you can see on the graph below, Stocks decoupled from Bonds last week, showing growing signs of recession worries. This morning, the correlation came back as the S&P500, and the Nasdaq made new session lows at the open.

Bitcoin is showing historically low signs of volatility and volume ahead of the holidays, as it consolidated into a 200\$ range over the weekend. Interesting research was released by Glassnode, where Whales, the largest holders of BTC, have been selling the most BTC ever recorded on a 30-day basis; where over the last 30 days, these whales have offloaded a total of 280,000 BTC.

Technically, we'll be looking at both \$16,875 and \$16,535 levels early this week after Bitcoin broke a significant uptrend late last week. Once again, from a technical perspective, Bitcoin should continue its downward momentum toward the low \$16,000s.



Source: @TheTerminal, Bloomberg Finance L.P.



NicolasCarrier published on TradingView.com, Dec 19, 2022 10:15 UTC-5

S&P 500 E-mini Futures, 1D, CME_MINI O13874.00 H43899.00 L3862.00 C3869.25 -9.75 (-0.25%)



USD NASDAQ 100 E-mini Futures, 1D, CME_MINI O11267.75 H14111.00 L11230.25 C11255.25 -89.50 (-0.79%)



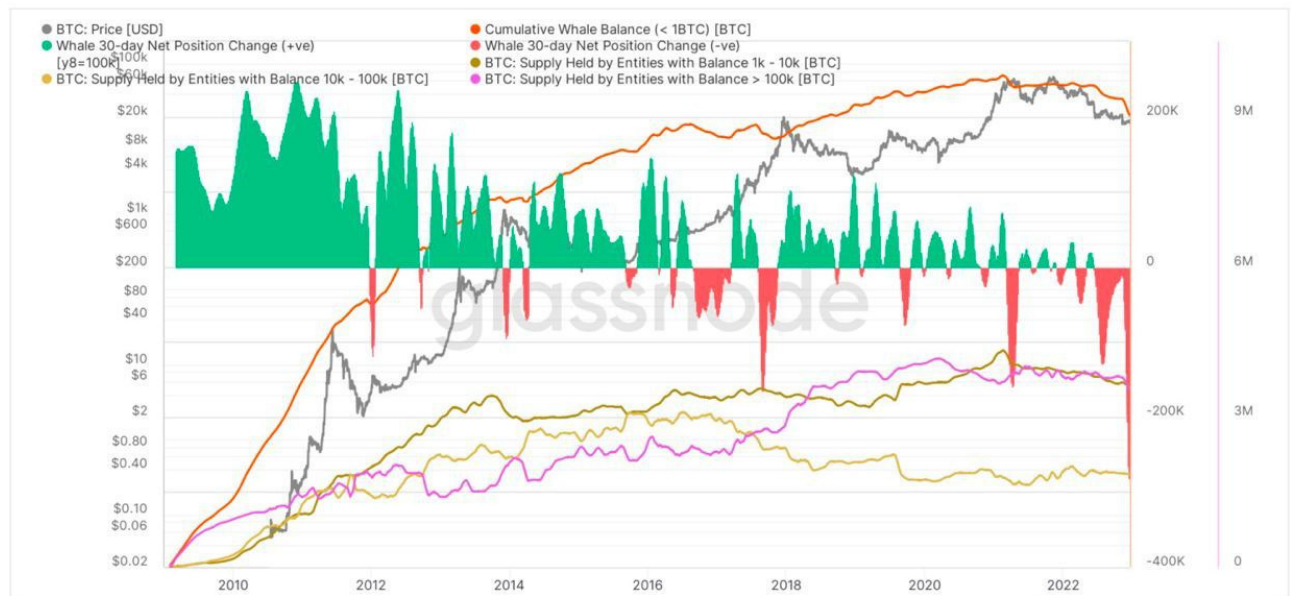
NicolasCarrier published on TradingView.com, Dec 19, 2022 10:15 UTC-5

Bitcoin / U.S. Dollar, 1D, COINBASE O16738.07 H17652.23 L16667.90 C16722.44 -14.46 (-0.09%)





Newsletter Bitcoin: Whales Net Position Change [< 1k BTC]



OVERVIEW

Altcoin Analysis

The main altcoin on our watchlist this morning is Chainlink (LINK).

Its first staking pool drew in 24.3 million tokens worth \$170 million and completely filled the staking pool's limit in two days in the search of 4.75% of annualized rewards. The oracle services provider imposed a limit of 7,000 LINK tokens per wallet to "promote greater inclusion and reduce the risk of a few participants dominating the pool in the early stages". That didn't stop the whale nicknamed "Oldwhite" on the OpenSea platform to create 150 addresses with the intent to stake the full 7,000 LINK allotment for each address.

Recently, LINK became one of the top 10 purchased tokens by the top 1000 ETH whales, according to WhaleStats.

Looking at the daily chart of LINKUSDT, we see that prices have pulled back towards the bottom-end of the trend channel that has been in place since the meltdown in May. We've said it before and we'll say it again: this pattern is providing a ton of trading opportunities. Buying the support and selling near the middle part of the pattern or closer to the top end has been one of the strongest risk/reward plays within the top 20 cryptocurrencies.

As long as prices remain above \$5.75 and \$5.3, we expect further upside towards \$6.5 and \$8.10.



Disclaimer

This research is for informational use only. This is not investment advice. Other than disclosures relating to Secure Digital Markets this research is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. The information, opinions, estimates, and forecasts contained herein are as of the date hereof and are subject to change without prior notification. We seek to update our research as appropriate.

Any forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. The price of crypto assets may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Fluctuations in exchange rates could have adverse effects on the value or price of, or income derived from, certain investments. We and our affiliates, officers, directors, and employees, excluding equity and credit analysts, will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives, if any, referred to in this research.

The information on which the analysis is based has been obtained from sources believed to be reliable such as, for example, the company's financial statements filed with a regulator, company website, company white paper, pitchbook and any other sources. While Secure Digital Markets has obtained data, statistics, and information from sources it believes to be reliable, it does not perform an audit or seek independent verification of any of the data, statistics, and information it receives.

Unless otherwise provided in a separate agreement, Secure Digital Markets does not represent that the report contents meet all of the presentation and/or disclosure standards applicable in the jurisdiction the recipient is located. Secure Digital Markets and their officers, directors and employees shall not be responsible or liable for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses, or opinions within the report.

Crypto and/or digital currencies involve substantial risk, are speculative in nature and may not perform as expected. Many digital currency platforms are not subject to regulatory supervision, unlike regulated exchanges. Some platforms may commingle customer assets in shared accounts and provide inadequate custody, which may affect whether or how investors can withdraw their currency and/or subject them to money laundering. Digital currencies may be vulnerable to hacks and cyber fraud as well as significant volatility and price swings.

Contact Us

Start trading with Secure Digital
Market today by e-mailing:

TRADING@SECUREDIGITALMARKETS.COM

SECUREDIGITALMARKETS.COM



SECURE
DIGITAL MARKETS

SECUREDIGITALMARKETS.COM