



DECEMBER 12 - 2022

DAILY MARKET REPORT



SECURE
DIGITAL MARKETS

Institutional research.

Markets Insights

KEY METRICS					
PAIRS	SPOT PRICE	24 HR CHANGE	LOW	HIGH	FUNDING RATES
BTC/USD	\$17,000	-0.86%	\$16,899	\$17,245	-0.0007%
ETH/USD	\$1,250	-1.73%	\$1,243	\$1,281	-0.0031%
XAU/USD	\$1,786.90	-0.67%	\$1,785.20	\$1,796.90	
USD/CAD	1.3679	0.26%	\$1.3626	\$1.3684	
EUR/CAD	\$1.4431	0.42%	\$1.4346	\$1.4464	



BITCOIN

A snapshot of Bitcoin's spot price as of this writing is \$17,000 representing a 0.86% decrease the last 24 hours and 49.80% increase in trading volume. The funding rate of BTC is -0.0007%.



ETHEREUM

ETH is trading at \$1,250 as of this writing, representing a 24-Hour decrease of 1.73% and a funding rate of -0.0007%. Over the last 24 Hours, the trading volume increased by 64.62%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.



OVERVIEW

Latest Digital Asset News

1 - The Block CEO resigns after reports of undisclosed loans from Alameda Research

Michael McCaffrey, the chief executive officer of cryptocurrency news outlet The Block, resigned after media website Axios reported early Saturday, that he had received three undisclosed multi-million dollar loans from Alameda Research, the brokerage arm of failed digital assets exchange FTX.com. The company's chief revenue officer, Bobby Moran said that no one outside of McCaffrey knew of the three loans totaling US\$43 million from February 2021. McCaffrey's limited liability company, MJMCCAFFREY LLC, took the first loan of US\$12 million from Alameda in 2021 to buy out investors. He chose not to disclose the loan in fear of compromising the news outlet's objectivity in covering FTX.

2 - Grayscale says SEC filed first legal brief in ongoing bitcoin futures ETF lawsuit

Grayscale Investments said the U.S. Securities Exchange Commission has filed its first legal brief in the lawsuit the crypto asset manager filed over the rejection of its application for a spot bitcoin exchange-traded fund. "This is the next milestone in our ongoing litigation following the filing of our opening brief on October 11 and the supporting amicus briefs shortly after," the company said in a statement. In an October opening brief, Grayscale's legal argument centered around what it said was an uneven application of law after regulators approved bitcoin futures that are tied to spot market pricing. The SEC rejected Grayscale's request to convert its flagship GBTC fund into an ETF in late June, and the company has argued the refusal harms its 850,000 investors who already own shares in the trust.

3 - US Probes FTX Founder for Fraud, Examines Cash Flows to Bahamas

US prosecutors, laying the groundwork for a potential fraud case against Sam Bankman-Fried and others involved in the collapse of cryptocurrency giant FTX, are scrutinizing how funds held by the exchange operator moved outside the US as it was hurtling toward bankruptcy, according to a person familiar with the matter. Prosecutors are closely examining whether hundreds of millions of dollars were improperly transferred to the Bahamas around the time of FTX's Nov. 11 bankruptcy filing in Delaware, the person said, asking not to be named without authorization to discuss the case publicly.

(1) <https://forkast.news/headlines/block-ceo-michael-mccaffrey-resigns-alameda/>
(2) https://www.theblock.co/post/193900/grayscale-says-sec-filed-first-legal-brief-in-ongoing-bitcoin-futures-etf-lawsuit?utm_source=rss&utm_medium=rss
(3) <https://www.bloomberg.com/news/articles/2022-12-10/us-probes-ftx-founder-for-fraud-examines-cash-flows-to-bahamas?leadSource=verify%20wall>



OVERVIEW

Trader's Digest

This week's economic calendar is quite heavy in terms of market-moving events. Indeed, as early as Tuesday, the US Bureau of Labor Statistics will release the much-anticipated US CPI numbers at 8:30 am.

The following day, the Federal Reserve will announce its rate decision and release its economic projections at 2:00 pm EST, followed by Jerome Powell's press conference at 2:30 pm EST.

Together, these two events will create massive volatility across asset classes. The data will dictate where the market stands ahead of 2023 and give us a much clearer direction; thus, stay tuned for both event spoilers.

Now, let's do some technical analysis...

Looking at the US equity market, we can see that the S&P500 and the Nasdaq100 are still trading below their respective rejection level from last Friday. This week, investors will look at both seller's remorse levels on the daily chart and their respective December 7th pivot points.

To clarify, high CPI would push US equities to new December lows, while lower-than-expectation figures would support US equities toward new monthly highs. Tuesday's data will not necessarily affect the Fed fund rate decision but will influence the economic projections numbers.

Other risk assets, like the main cryptocurrencies, will move on the releases even though the correlation with the traditional market is decreasing weekly.

Over the weekend, Bitcoin broke the three-week uptrend line, showing signs of selling pressure ahead of this week. The main cryptocurrency is now trading at the \$16,900 point of control, looking for a clearer direction. This week's levels are the \$16,700 low volume gap and the \$17,400 pivot point. Once again, the macroeconomic factors will dictate where Bitcoin will be trading at the end of the week; I cannot stress this enough.

Finally, Ether also shows weakness this morning, hovering around the \$1,250 mark. The primary two levels to watch out for early this week are the \$1,200 psychological level and the \$1,310 triple top.





OVERVIEW

Altcoin Analysis

We're expecting an eventful week filled with market-moving news. It seems that the market is already unloading their unwanted holdings ahead of the most anticipated economic releases.

In other news, Tuesday's meeting with the House Financial Services Committee is going to attract a lot of attention as Sam Bankman-Fried of FTX and Alameda Research is expected to testify regarding the collapse of his crypto exchange.

Among the top 10 largest cryptocurrencies, today Dogecoin is the biggest loser. DOGE generated the third-most liquidations in the past 24 hours, right behind Ethereum and Bitcoin, which reached \$6.34m according to Coinglass.



Technically speaking, prices are currently trading within a symmetrical triangle pattern since the recent Twitter pump. We are trading at an important level. If we break above \$0.0995, it would confirm a bullish breakout. If prices break below the recent pivot point of \$0.084, we expect further downside towards \$0.073 and possibly lower towards \$0.066.



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