DECEMBER 7 - 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	$16,838	-0.98%	$16,750	$17,109	-0.0015%
ETH/USD	$1,235	-1.54%	$1,224	$ 1,272	-0.0019%
XAU/USD	$1,784.90	0.72%	$1,769.30	$1,789.00	
USD/CAD	1.3649	-0.04%	$1.3626	$1.3700	
EUR/CAD	$1.4359	0.50%	$1.4265	$1.4406	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $16,838 representing a -0.98% decrease the last 24 hours and 11.38% increase in trading volume. The funding rate of BTC is -0.0015%.

ETHEREUM

ETH is trading at $1,235 as of this writing, representing a 24-Hour decrease of 1.54% and a funding rate of -0.0019%. Over the last 24 Hours, the trading volume increased by 11.41%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

OVERVIEW

Latest Digital Asset News

1- Hedge Fund Sues Grayscale for Data on Battered Bitcoin Trust

Fir Tree Capital Management is suing Grayscale Investments for information to investigate potential mismanagement and conflicts of interest at its $10.7 billion Bitcoin fund. The Grayscale Bitcoin Trust closed Monday at a 43% discount to the value of the Bitcoin it holds, in part because the firm issued many shares in the past few years and didn't redeem any of them, according to a complaint filed Tuesday in Delaware Chancery Court. Fir Tree, which manages $3 billion, wants to use the information to push Grayscale to erase the discount by lowering fees and resuming redemptions, said people familiar with the hedge fund's plans. The trust has roughly 850,000 retail investors who have been "harmed by Grayscale's shareholder-unfriendly actions," the firm said in the complaint.

2 - Crypto ATMs market to grow 60% by 2030, exceeding $5 billion despite volatile markets

The global cryptocurrency ATM market size is projected to grow in the coming years, helping push the adoption of digital assets into the mainstream. In particular, a new study indicates that the market is set to record a growth of 61.7% between 2022 and 2030, hitting a valuation of $5.45 billion, Grand View Research said in a press release on December 7. The researchers attributed the projected growth to a surge in the usage of cryptocurrencies for making retail payments alongside assisting the conversion of digital assets into fiat currency.

3 - Nigeria forces CBDCs by limiting ATM cash withdrawals over $225 a week

To further its "cash-less Nigeria" policy and promote the usage of the eNaira, Nigeria's Central Bank's Digital Currency, the country has dramatically curtailed the amount of cash that people and businesses can withdraw (CBDC). According to a circular from the Central Bank of Nigeria, people and businesses are now only permitted to withdraw $45 USD (about 20,000 Naira) each day and $225 USD (almost 100,000 Naira) every week from ATMs. A 5% fee will be assessed to individuals who withdraw more than $225 and a 10% fee will be assessed to corporations who withdraw more than $1,125 every week from banks. Nigerian retailers and merchants could benefit from the expanding global trend of crypto payments by urging the nation to accept digital currency instead of cash payments.

(1) https://www.bloomberg.com/news/articles/2022-12-06/hedge-fund-sues-grayscale-for-details-on-battered-bitcoin-trust
(2) https://finbold.com/crypto-atms-market-to-grow-60-by-2030-exceeding-5-billion-despite-volatile-markets/
(3) https://ambcrypto.com/nigeria-forces-cbdcs-by-limiting-atm-cash-withdrawals-over-225-a-week/

OVERVIEW

Trader's Digest

Bitcoin and other risk assets picked up a bid this morning, as the USD Index soften below 105.000. The dollar felt some pressure as the Eurozone GDP figures came-in stronger than expectations, supporting the currency back above 1.05000.

Taking a closer look at Bitcoin's technical, we can see the uptrend line being respected again this morning, after the main cryptocurrency retraced to $16,700. This area will be the main level to monitor today, as bulls will want it to hold and break the $17,400 pivot point while bears will want to see the upside wedge break towards the $16,200 point of control.

On another note, an analysis on BTC, ETH and the traditional market came out from QCP Capital, and it right up my ally. According to QCP Capital, stocks have overtaken fundamentals and could soon fall back.

"We say this because the two-year Treasury yield, which has been a reliable indicator of the market's direction all year, is, in fact, moving in line with BTC and ETH, while the S&P 500 and Nasdaq have rallied away," QCP said in Monday's market update.

While bitcoin and ether continue to respect the negative correlation with the two-year yield, stocks have decoupled since mid-October on hopes that inflation has peaked and the Fed will pivot toward liquidity-boosting rate cuts in the second half of next year.

As you can see on the (QCP, TradingView) graph, the S&P 500 and Nasdaq have chalked up double-digit gains since mid-October, moving away from the two-year yield. Bitcoin, the leading cryptocurrency by market value, has dropped 6%.


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Bitcoin / U.S. Dollar, 4h, COINBASE O16794.62 H16897.13 L16767.69 C16853.21 +57.98 (+0.35%)
USD
18144.13
12 12:00 19 12:00 26 Oct 5 10 12:00 17 12:00 24 28 Nov 7 15:00 14 15:00 21 25 Dec 5 15:00 12 15:00 19
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SPQP published on TradingView.com, Dec 05, 2022 15:36 UTC+8
NASDAQ 100 E-mini Futures, 4h, CME_MINI
ES1!, CME_MINI
ETHUSD, COINBASE
BTCUSD, COINBASE
US02Y, TVC
USD
2022 17 Feb 14 Mar 14 Apr 18 May 16 Jun 13 Jul 18 Aug 15 Sep 19 Oct 17 Nov 14 Dec
TradingView


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S&P 500 E-mini Futures, 4h, CME_MINI O3932.75 H3946.50 L3924.25 C3945.25 +12.50 (+0.32%)
USD
3644.50
3378.25
NASDAQ 100 E-mini Futures, 4h, CME_MINI O11472.00 H11524.00 L11440.50 C11522.00 +50.50 (+0.44%)
USD
TradingView

OVERVIEW

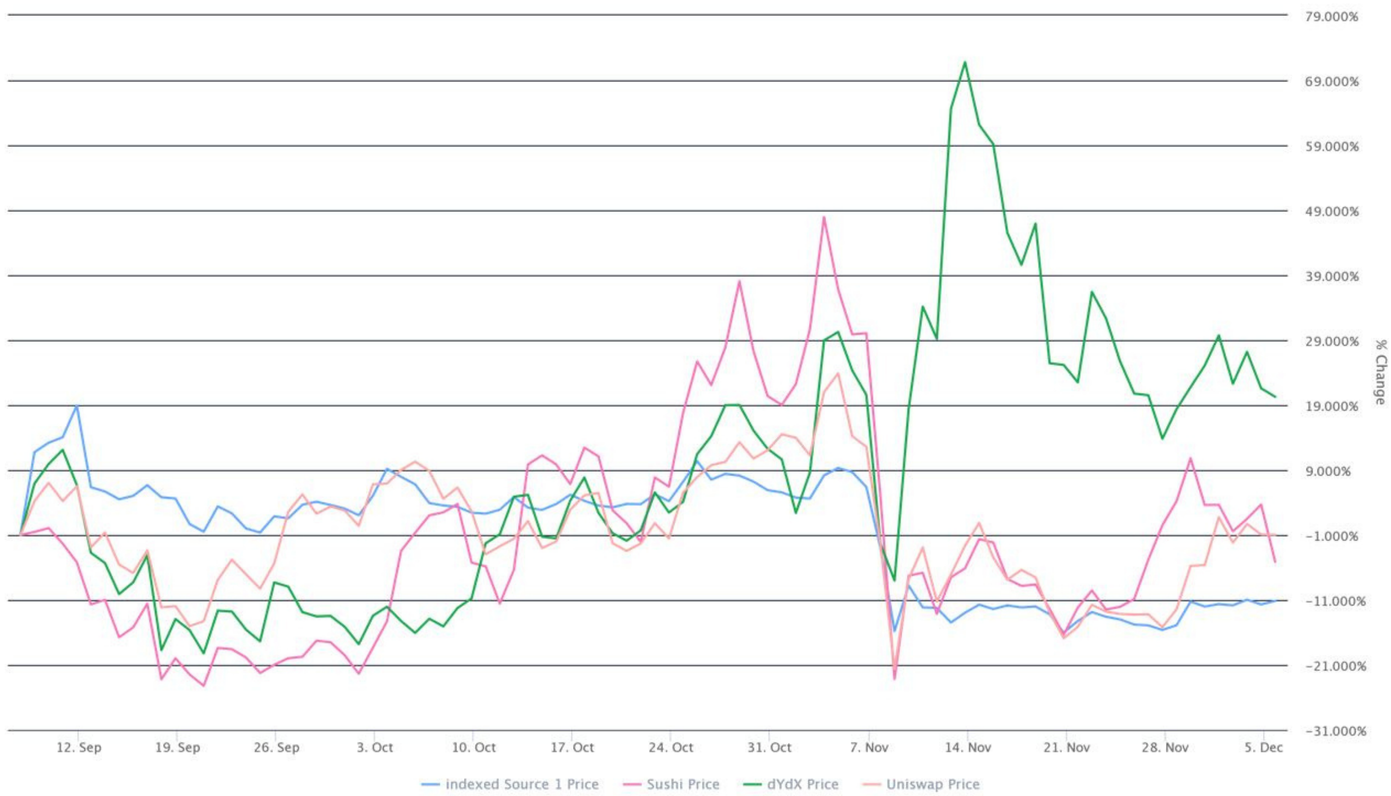
Altcoin Analysis

The new Head Chef of SushiSwap (SUSHI) has put forth a controversial proposal that has been raising eyebrows.

After having analyzed the decentralized exchange's expenses and liabilities, the Head Chef revealed that the famous DEX is operating with an annual runway of $5m. With the ongoing rate, it is projected that SushiSwap's treasury will run out of funds in 1.5 years. The CEO is proposing that the portion of fees sent to the exchange should be increased by 100% to avoid the need to sell SUSHI in the open market.

In other news, a new tokenomics structure may come into effect between Q2 and Q3 2023.

DEX tokens have outperformed the top 20 by market cap (excluding stablecoins) in the last 3 months.



Moving on with price action.

SUSHIUSDT has been trading within a consolidation channel since the start of June. This chart is very similar to Chainlink's where traders are capitalizing by buying when prices get close to the bottom-end of the channel and selling when it gets closer to resistance near the top-end.

The MACD isn't showing much but the RSI has been supported by a rising trend line, the sign of a bullish trend.

As long as prices remain above $0.99, we expect further upside towards $1.45 and $1.63 in extension.

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