DECEMBER 6 - 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	$16,996	-1.30%	$16,922	$17,224	0.0023%
ETH/USD	$1,256	-2.44%	$1,250	$ 1,286	0.0038%
XAU/USD	$1,778.60	0.48%	$1,767.40	$1,782.40	
USD/CAD	1.3636	0.36%	$1.3569	$1.3646	
EUR/CAD	$1.4319	0.48%	$1.4244	$1.4341	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $16,996 representing a 1.30% decrease the last 24 hours and 9.12% decrease in trading volume. The funding rate of BTC is 0.0023%.

ETHEREUM

ETH is trading at $1,256 as of this writing, representing a 24-Hour decrease of 2.44% and a funding rate of 0.0038%. Over the last 24 Hours, the trading volume decreased by 4.82%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

OVERVIEW

Latest Digital Asset News

1- Ledger's latest crypto wallet taps iPod designer in bid to boost accessibility

Ledger, a security-focused firm that sells crypto hardware wallets, has partnered with the designer behind the iPod, Tony Fadell, in hopes of creating an easier, more accessible way for users to secure their crypto assets. Crypto hardware wallets have gained traction in recent weeks, thanks to users wanting to self-custody their digital assets after industry-changing events like crypto exchange FTX exploding and halting customers from withdrawing their assets. Ledger's chief experience officer, Ian Rogers, said that the company had its biggest sales day ever, which ended its biggest sales week ever, in mid-November after FTX collapsed, which signals the demand for hardware crypto wallets is rising.

2 - Exclusive-Goldman Sachs on hunt for bargain crypto firms after FTX fiasco

Goldman Sachs plans to spend tens of millions of dollars to buy or invest in crypto companies after the collapse of the FTX exchange hit valuations and dampened investor interest. FTX's implosion has heightened the need for more trustworthy, regulated cryptocurrency players, and big banks see an opportunity to pick up business, Mathew McDermott, Goldman's head of digital assets, told Reuters. Goldman is doing due diligence on a number of different crypto firms, he added, without giving details.

3 - ConsenSys intends to store MetaMask user data for only seven days

Blockchain software company ConsenSys clarified that it plans to only store and retain user IP addresses and wallet data for up to seven days. This is an attempt to reassure users that their personal information is being handled securely, after it saw a backlash when it first said it was collecting such data. “We retain and delete user data such as IP address and wallet address pursuant to our data retention policy. We are working on narrowing retention to 7 days and we will append these retention policies to our privacy policy in an upcoming update,” it said in a statement.

(1) https://techcrunch.com/2022/12/06/ledgers-latest-crypto-wallet-taps-ipod-designer-in-bid-to-boost-accessibility/
(2) https://www.reuters.com/article/idUSL4N32R2V4
(3) https://www.theblock.co/post/192468/consensys-says-it-will-store-wallet-and-ip-data-for-seven-days?utm_source=rss&utm_medium=rss

OVERVIEW

Trader's Digest

Yesterday brought more unexpectedly firm economic news as the ISM non-manufacturing index for November came out much stronger than expectated. Investors were looking for a downtick to 53.3, but what came out was an increase to 56.5, adding more uncertainty on the economy and where monetary policy are heading.

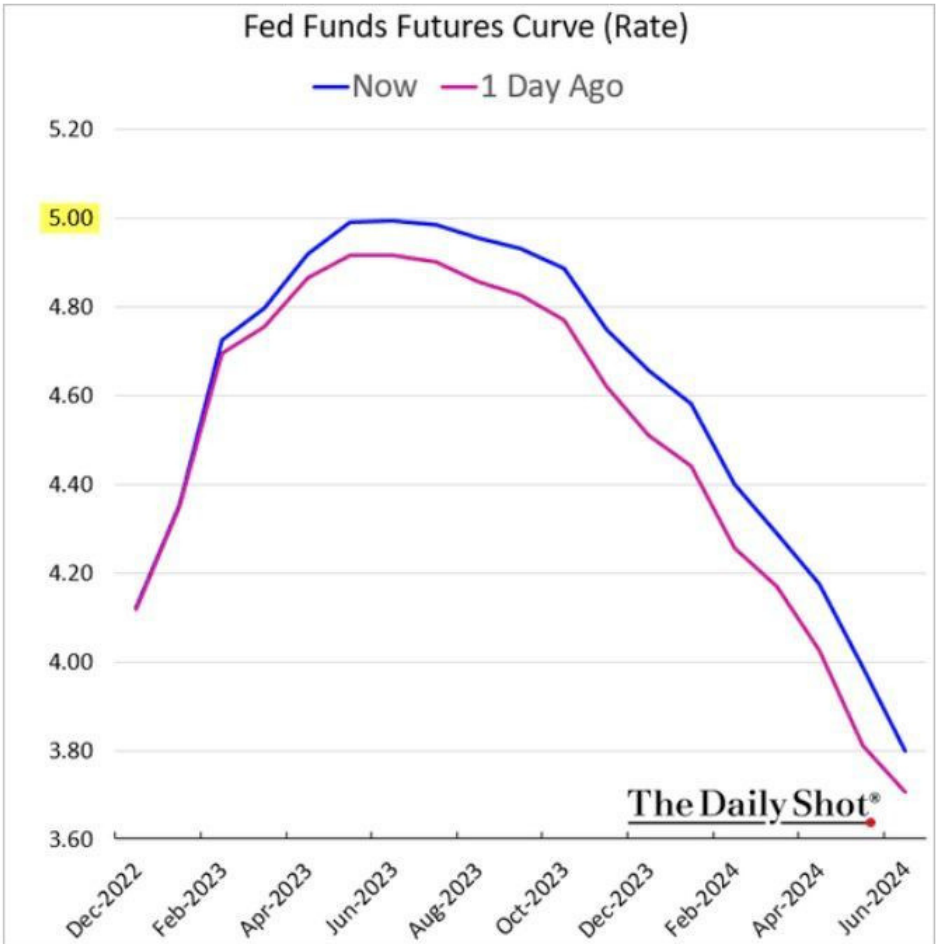
Ahead of the US CPI next Tuesday, the US10-US02Y spread is still inverted to multi-decade extremes, while the Fed funds futures curve ticked up on yesterday’s data, back above 5%. An inversion that deep is a tricky situation for the Fed as they will need to cut rates substantially if we go into a recession. Therefore, they need to give themselves room and leeway, taking into consideration potential massive rate cuts.

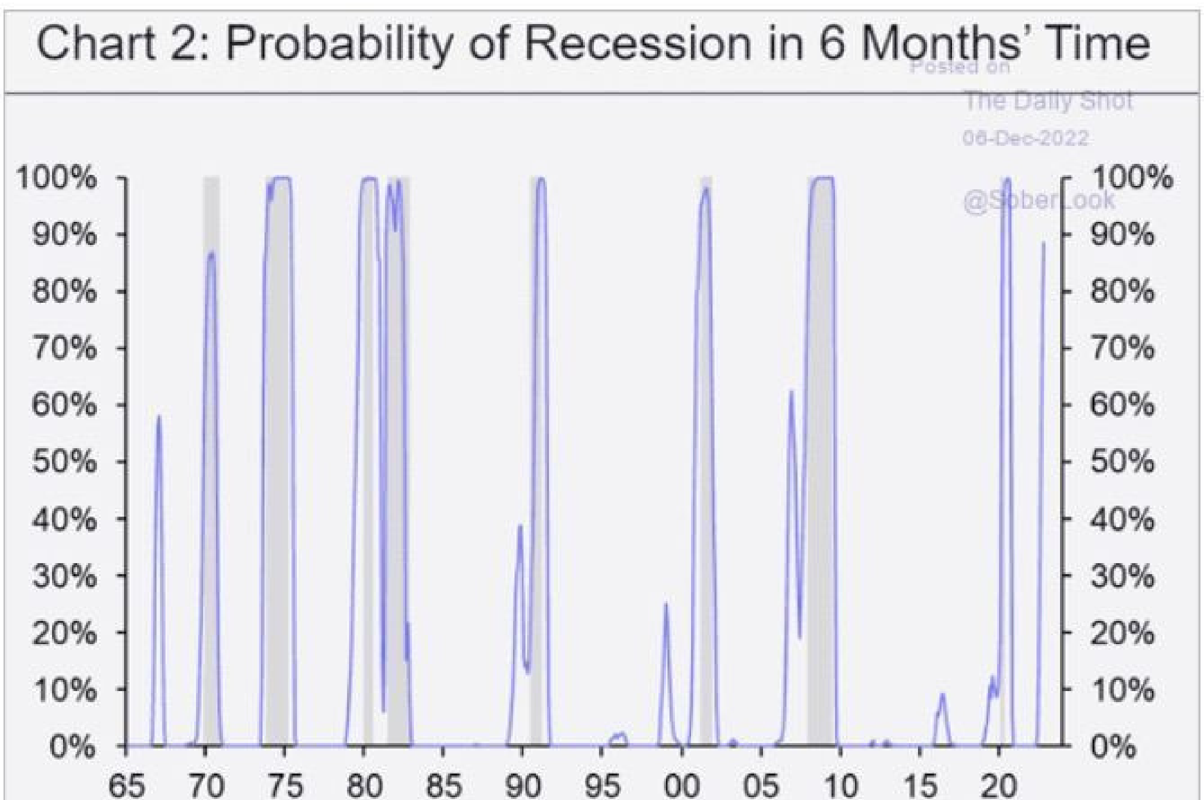
Now, let’s take a look at Bitcoin and what it tells us technically.

Bitcoin is still hovering around $17,000, consolidating around the inverse head & shoulder neckline. A key level to monitor today will be $16,750 to the downside, which would be right at the convergence of the uptrend line that you can see on the graph below as well as the pattern's neckline. To the upside, the next level is still $18,145, but nothing is done until we break this week’s high.

Finally, looking at the US equities, we can see the S&P500 currently trading at a major support level after it got rejected at a multi-month’s resistance. Investors will be looking closely at this uptrend line, being right at the $4,000 psychological level. Let’s not forget, a breakout of this technical level could drive other risk assets down with it.

4. The terminal rate moved back up to 5% in response to the ISM Services print. Below is the market pricing for the fed funds rate trajectory.





Source: Capital Economics


NicolasCarrier published on TradingView.com, Dec 06, 2022 09:42 UTC-5
Bitcoin / U.S. Dollar, 8h, COINBASE O17003.88 H17044.68 L16904.04 C16988.20 −15.68 (−0.09%)
USD
TradingView


NicolasCarrier published on TradingView.com, Dec 06, 2022 09:42 UTC-5
S&P 500 E-mini Futures, 1D, CME_MINI O4005.75 H4014.75 L3992.25 C3992.50 −10.75 (−0.27%)
USD
1(4801.00)
0.786(4238.50)
0.618(3798.75)
0.5(3489.00)
3644.50
3378.25
TradingView

OVERVIEW

Altcoin Analysis

Chainlink is getting ready ahead of its Staking launch set for 12pm ET for eligible holders. General access opens on December 8th. There shouldn't be an immediate effect but there is no doubt that its long-term effect will be felt among bulls. The feature will enable the community to contribute to earn rewards.

LINK is going through a period of accumulation as whale addresses holding between 1,000 to 1 million tokens, picked up 26.8 million LINK in two months.

Time to dive into the technicals.

LINKUSDT is trading in the middle of the consolidation channel that has been in place since the meltdown in May. After we suggested our clients take long positions near the support around $5.75, prices squeezed over 35% to the upside. Right now, prices are currently trading in “no man's land”, meaning there's no reason to go long or short if you're not already in a position.

Looking at both LINKUSDT and LINKBTC, it seems that a slight pullback is in sight. We believe there's a high probability that prices will come down to the $6.5-$6.9 range which will serve as a very attractive entry for bulls.

yacine.ouldchikh published on TradingView.com, Dec 06, 2022 09:39 UTC-5

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

TRADING@SECUREDIGITALMARKETS.COM

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