



NOVEMBER 17 - 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	\$16,521	0.07%	\$16,430	\$16,726	-0.0023%
ETH/USD	\$1,192	-1.33%	\$1,189	\$1,224	-0.0102%
XAU/USD	\$1,761.20	-0.77%	\$1,754.60	\$1,771.90	
USD/CAD	\$1.3368	0.31%	\$1.3304	\$1.3402	
EUR/CAD	\$1.3818	-0.24%	\$1.3796	\$1.3866	



BITCOIN

A snapshot of Bitcoin's spot price as of this writing is \$16,521 representing a 0.07% increase the last 24 hours and 17.12% decrease in trading volume. The funding rate of BTC is -0.0023%.



ETHEREUM

ETH is trading at \$1,192 as of this writing, representing a 24-Hour decrease of 1.33% and a funding rate of -0.0102%. Over the last 24 Hours, the trading volume decreased by 14.98%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.



OVERVIEW

Latest Digital Asset News

1 - Top House Committee to Hold Hearing Into FTX Collapse

The House Financial Services Committee will hold a hearing into FTX next month, the committee announced Wednesday. Rep. Maxine Waters and Rep. Patrick McHenry, respectively the chair and ranking member of the committee, said in a joint statement that the lawmakers would want to hear about the collapse of the crypto exchange and its "broader consequences" for the cryptocurrency ecosystem. The committee plans to hear testimony from now-former FTX CEO Sam Bankman-Fried and representatives from FTX, its sister company, Alameda Research, and Binance, which briefly suggested it would acquire FTX.

2 - South Korean authorities seize Terra co-founder's assets worth over \$100 million

A South Korean court has approved the prosecution's request to seize assets belonging to Terraform Labs co-founder Shin Hyun-Seong over his role in the collapse of the Terra (LUNA) ecosystem. In particular, the court approved the confiscation of 140 billion won (\$104 million) in profits Hyun-Seong earned for reportedly selling pre-release LUNA at a high price without informing ordinary investors, South Korean local publication YTN reported. Notably, the decision by the court comes as a pre-trial precaution to deter possible disposal of the proceeds before the accused is handed over for trial.

3 - Market Maker B2C2 Offers to Buy Loans From Genesis Crypto-Lending Unit

Prominent crypto market maker B2C2 has offered to purchase loans from the suddenly-struggling crypto financial firm Genesis. News broke early Wednesday that the lending arm of Genesis was pausing redemptions and new loan originations, citing the impact on operations of the collapse of Sam Bankman-Fried's crypto exchange FTX. A B2C2 spokesperson said, "The company is in a position to support the wider market by offering to work with Genesis and their counterparties to novate existing loans at Genesis Global Capital to B2C2. Loans will have to fall within our established risk management framework to qualify."

(1) https://www.coindesk.com/policy/2022/11/16/top-house-committee-to-hold-hearing-into-ftx-collapse/?utm_medium=referral&utm_source=rss&utm_campaign=headlines
(2) <https://finbold.com/south-korean-authorities-seize-terra-co-founders-assets-worth-over-100-million/>
(3) https://www.coindesk.com/business/2022/11/16/market-maker-b2c2-offers-to-buy-loans-from-genesis-crypto-lending-unit/?utm_medium=referral&utm_source=rss&utm_campaign=headlines



OVERVIEW

Trader's Digest

The US10Y-US02Y spread shrank to as little as minus 67 basis points this morning and is heading for its deepest inversion in more than 40 years. The US10Y-US02Y spread is regarded as one of the bond market's most reliable gauges of an approaching U.S. recession, and a deeply negative inversion signals that the recession could be severe. The last time the spread has inverted by so much was on Feb. 18, 1982, when it went to minus 70.5 basis points.

Thomas Simons, a money market economist at Jefferies in New York, supported my current thesis, expressing it in a very neat matter saying: "If you extrapolate from October and expect that we get similar strength in November and December, then Q4 is looking really quite solid," "So long as demand is broadly strong then it means that pricing power remains, and this is not a sign that inflation is really slowing down,"

Until that narrative changes, the short-end of the curve, which is the most sensitive to the Fed fund rate changes, will over-perform the long-end inverting further and further.

Now, let's take a look at some technical analysis on the mother cryptocurrency.

Bitcoin is still hovering around \$16,500, holding its ground against the most recent \$15,500 pivot point. We haven't seen much movement from the main cryptocurrencies this week as the market is still digesting the FTX saga from last week.

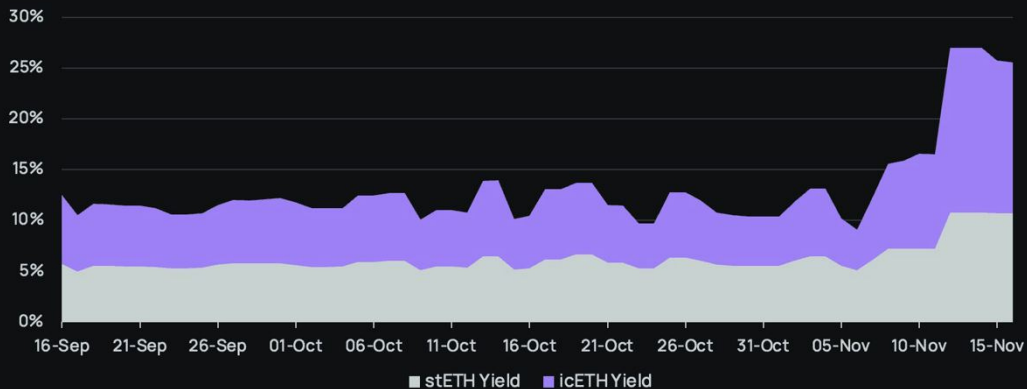
On another note, Ether staking yields jumped up as high as 25% since the merge amid a broader market meltdown. Operations at centralized crypto lending companies such as Genesis and Circle were caught in the contagion risks stemming from the exchange FTX in the past few weeks. Withdrawals have been paused at Genesis, while yields on clients' stable coin deposits at Circle have dropped to 0%.





ETH Staking Yields Rise Above 10% APR

Yield Earned on Interest Compounding ETH (icETH) and Staked ETH (stETH) Since the Merge



Data as of Nov 16, 2022

Source: Dune Analytics (@index_coop)

OVERVIEW

Altcoin Analysis

Most crypto-related problems this year have been linked to centralized exchanges. Despite governmental organizations around the world cracking down on DeFi and decentralized exchanges, there remains a unique opportunity for users to trade off the grid and retain full control over their funds.

DEX volume is on pace to reach the highest level since the month of May this year. Over the last week, \$31b of trades took place in which Uniswap was responsible for a whopping \$20.3b in the same timeframe.

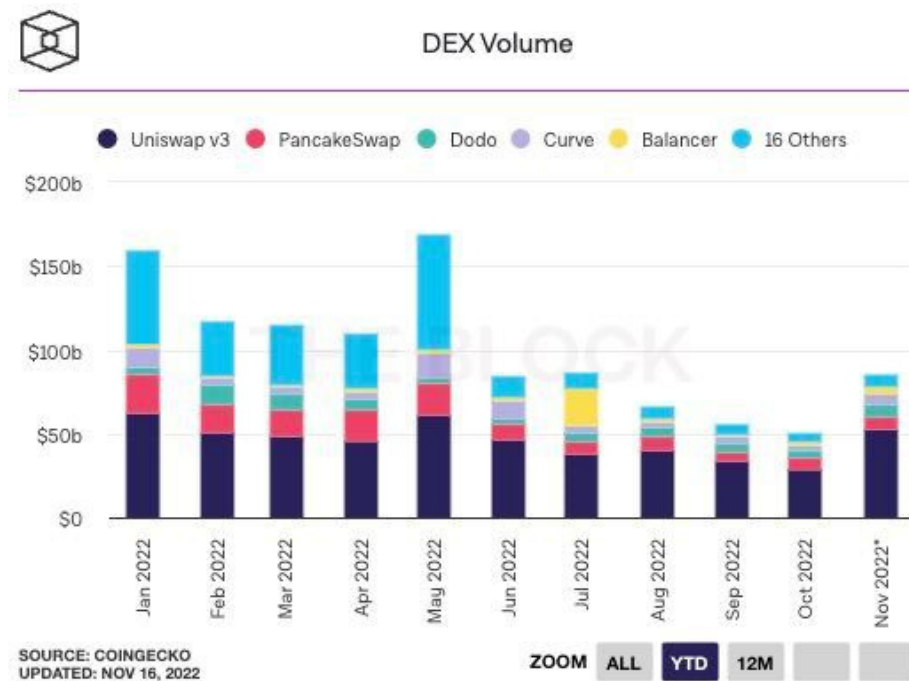


Chart embedded from [The Block Crypto Data](#).

Uniswap recently overtook Coinbase and became the 2nd largest exchange for ETH trading. Binance was responsible for \$1.9b of ETH trading while Uniswap was in charge of \$1.1b vs. Coinbase's \$0.6b.

Moving on with some price action.

UNI/USD has been trending lower within a trend channel pulling back from the recent high of \$9.80 to a recent low of \$4.70 which is now acting as support. The RSI broke below a rising trend line, advocating for further downside.

Prices are currently expected to reach lower levels if the pressure in the overall markets continue. However, if prices break above \$6.60, we would most likely continue higher towards \$8. If we break above \$8, it would also intersect with a breakout of the trend channel which should send prices higher towards \$9.30.



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