NOVEMBER 16 - 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	$16,485	-2.27%	$16,468	$17,051	-0.0075%
ETH/USD	$1,206	-4.53%	$1,206	$ 1,273	-0.0052%
XAU/USD	$1,774.90	-0.30%	$1,770.80	$1,785.90	
USD/CAD	$1.3303	0.18%	$1.3227	$1.3310	
EUR/CAD	$1.3809	0.52%	$1.3724	$1.3828	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $16,485 representing a 2.27% decrease the last 24 hours and 7.45% decrease in trading volume. The funding rate of BTC is -0.0075%.

ETHEREUM

ETH is trading at $1,206 as of this writing, representing a 24-Hour decrease of 4.53% and a funding rate of -0.0052%. Over the last 24 Hours, the trading volume decreased by 0.44%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

OVERVIEW

Latest Digital Asset News

1- Genesis' Crypto-Lending Unit Is Halting Customer Withdrawals in Wake of FTX Collapse

The lending arm of crypto investment bank Genesis Global Trading is temporarily suspending redemptions and new loan originations in the wake of FTX's collapse, Interim CEO Derar Islim told customers on a call Wednesday. The unit, known as Genesis Global Capital, serves an institutional client base and had $2.8 billion in total active loans as of the end of the third quarter of 2022, according to the company's website. "Today Genesis Global Capital, Genesis's lending business, made the difficult decision to temporarily suspend redemptions and new loan originations. This decision was made in response to the extreme market dislocation and loss of industry confidence caused by the FTX implosion," said Amanda Cowie, vice president of communications and marketing at DCG.

2 - Matter Labs raises $200 million to boost zkSync adoption and grow its team

Matter Labs, the parent company of Ethereum scaling protocol zkSync, has raised $200 million in a Series C round. Blockchain Capital and Dragonfly led the investment, with participation from LightSpeed Venture Partners, Variant, and Andreessen Horowitz — who had led the previous $50 million Series B round — according to a statement. Matter Labs did not disclose the valuation. The funds from its Series C round will be used to launch first-party projects built by Matter Labs itself, grow the Matter Labs team and fund projects built by external parties. It will also be used to start Matter University, which will act as its onboarding and education platform for users and builders.

3 - Class action filed against Tom Brady, Larry David and others who endorsed FTX

Celebrities who promoted troubled crypto exchange FTX are facing a class action lawsuit. Tom Brady, Gisele Bundchen, Steph Curry and Larry David are among the stars named in the lawsuit, which was filed by attorneys David Boies and Adam Moskowitz in Florida. The Block first reported that Boies was discussing a class action suit with clients on Tuesday. The move comes days after FTX filed for bankruptcy protection in Delaware. Former CEO Sam Bankman-Fried, who stepped down from the company last week, is also named in the suit.

4 - Luna Foundation Guard Spent $2.8B Defending UST Peg, Third-Party Audit Finds

Luna Foundation Guard (LFG), the entity behind the collapsed Terra ecosystem, spent $2.8 billion of crypto trying to defend the peg of algorithmic stablecoin TerraUSD (UST) in May, according to a third-party audit by JS Held, a Jericho, N.Y.-based consultancy firm. The audit also suggests that Terraform Labs (TFL), the developer of the Terra blockchain, spent $613 million trying to defend the peg. A stablecoin is an asset that is designed to mirror the value of another asset, commonly fiat currencies. UST was an algorithmic stablecoin, designed to maintain its peg through market forces.

(1) https://www.coindesk.com/business/2022/11/16/genesis-crypto-lending-unit-is-halting-customer-withdrawals-in-wake-of-ftx-collapse/
(2) https://www.theblock.co/post/187503/matter-labs-raises-200-million-to-boost-zksync-adoption-and-grow-its-team?utm_source=rss&utm_medium=rss
(3) https://www.theblock.co/post/187570/class-action-filed-against-tom-brady-larry-david-and-others-who-endorsed-ftx?utm_source=onecryptofeed&utm_medium=social
(4) https://www.coindesk.com/business/2022/11/16/luna-foundation-guard-spent-28b-defending-ust-peg-third-party-audit-finds/

OVERVIEW

Trader's Digest

Genesis, a major player in the crypto space, announced this morning that it would pause withdrawals from its lending arm, citing "unprecedented market turmoil" due to crypto exchange FTX. Additionally, Genesis revealed that their derivatives trading arm had around 175M in exposure.

"In consultation with our professional financial advisors and counsel, we have taken the difficult decision to temporarily suspend redemptions and new loan originations in the lending business," the firm wrote.

"Today Genesis Global Capital, Genesis's lending business, made the difficult decision to temporarily suspend redemptions and new loan originations. This decision was made in response to the extreme market dislocation and loss of industry confidence caused by the FTX implosion," said Amanda Cowie, vice president of communications and marketing at DCG.

Another macroeconomic data release moved the market quite significantly prior to the US equity open this morning. Indeed, the US Retail Sales expanded by most in eight months in broad metric increase.

The retail sales are impressive with the current month higher than expectations and revisions in the Ex-auto & gas as well as the control group also came out higher. The numbers are positive on a inflation adjusted basis as well, but the price reaction across asset classes showed us the market is still in a ‘’good news is bad news’’ mood.

This report will keep the Fed on target for more hikes as they continue their playbook to more restrictive policy. Therefore, main cryptocurrencies and US equities retraced on the release while the USD Index traded higher.

Technically, Bitcoin is still looking quite heavy, after attempting to break the $17,000 handle quite a few times without success. Again, all eyes on the $15,500 pivot point, a level that can dictate where Bitcoin will be trading around the last month of the year.


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Bitcoin / U.S. Dollar, 1W, COINBASE O16298.75 H17169.68 L15790.25 C16490.00 +188.61 (+1.16%)
USD
2016
2017
2018
2019
2020
2021
Mon 27 Dec '21
2023
2024
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NASDAQ 100 E-mini Futures, 1D, CME_MINI O11882.00 H11963.00 L11826.75 C11847.25 −57.00 (−0.48%)
USD
PRE COVID
2020
2021
2022
2023
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OVERVIEW

Altcoin Analysis

Polygon continues to secure partnerships with top brands.

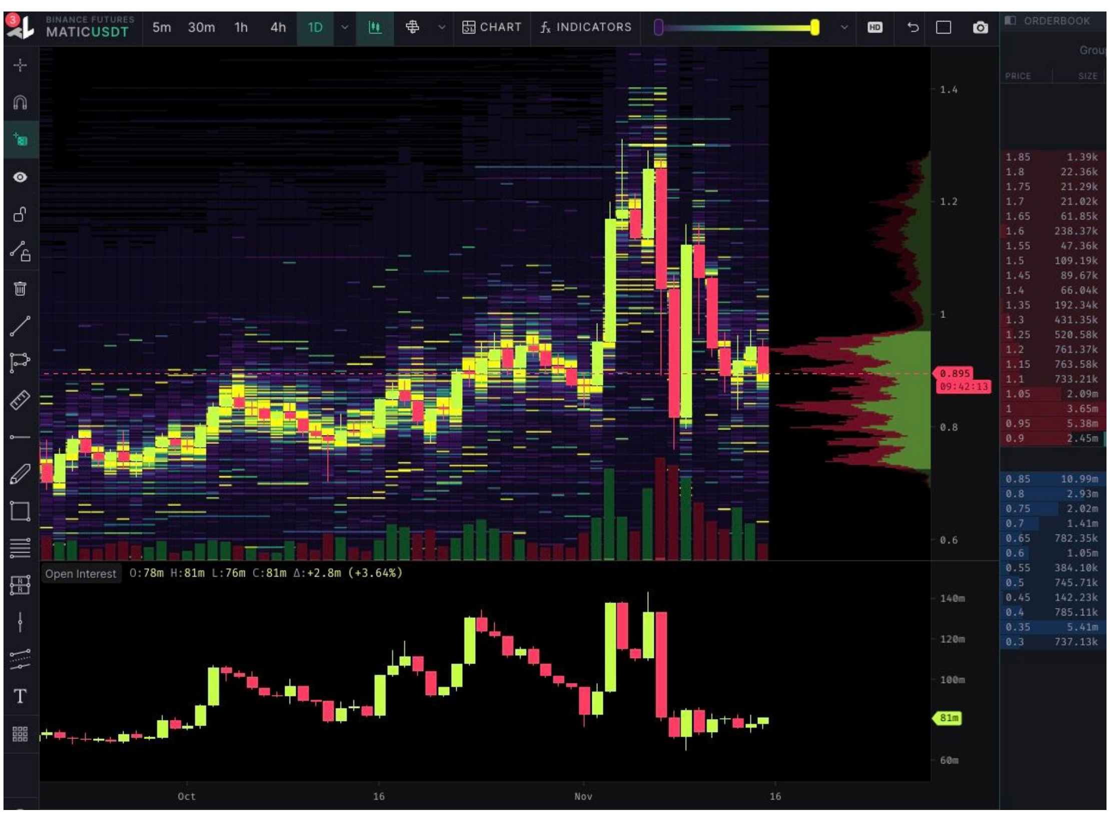
Nike is launching a Web3 platform called .Swoosh that will offer Polygon-based NFT products. The sneaker giant is making a big digital push to sell virtual apparel for avatars that can be used within Web3 games.

According to Santiment, the supply on crypto exchanges dropped from 1 billion MATIC tokens in mid-October to 833.03m. “MATIC’s supply on exchanges continue to fall even as prices skyrocket, indicating that folks are pretty confident about further price rise.”

In the last 30 days, MATIC has gone up 7% and outperformed BTC by 27%. Compared to its peers (top 20 coins excluding stablecoins), MATIC's price in the last 3 months has increased by 9% while the top 20 fell by 28% in the same timeframe.

Looking at the recent price action, we can see that MATICUSDT has been trading within a rising trend channel in place since the Summer. After the major squeeze to $1.31, we pulled back 40% towards the support level of $0.77 which serves as a very attractive entry point for bulls.

As long as prices remain above $0.77, we expect further upside towards $1.13 and then back to $1.31.



yacine.ouldchikh published on TradingView.com, Nov 16, 2022 09:48 UTC-5

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