NOVEMBER 3 - 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	$20,132	-1.28%	$20,086	$20,742	-0.0095%
ETH/USD	$1,532	-1.31%	$1,507	$ 1,613	0.0069%
XAU/USD	$1,620.80	-0.87%	$1,616.10	$1,639.80	
USD/CAD	$1.3778	0.49%	$1.3681	$1.3809	
EUR/CAD	$1.3438	-0.14%	$1.3405	$1.3472	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $20,132 representing a 1.28% decrease the last 24 hours and 60.31% increase in trading volume. The funding rate of BTC is -0.0095%.

ETHEREUM

ETH is trading at $1,532 as of this writing, representing a 24-Hour decrease of 1.31% and a funding rate of 0.0069%. Over the last 24 Hours, the trading volume increased by 74.52%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

OVERVIEW

Latest Digital Asset News

1- 401(k) Plans Now Let Workers Put Retirement Money Into Cryptocurrency

Bitwage announced its partnership with ForUsAll to offer the first-ever one-stop shop for cryptocurrency 401(k) combined with cryptocurrency payroll. The decision to introduce these products was based on overwhelming demand from customers, which was measured by a waitlist posted by Bitwage. It was clear that companies and employees desired direct access to Bitcoin and other cryptocurrencies as part of their company-sponsored retirement plans. Through Bitwage's integration with ForUsAll, companies across the U.S. now have access to an easy-to-use, fully compliant 401(k) retirement plan that enables employees to automatically contribute a portion of their paycheck to crypto via ForUsAll's self-directed crypto window.

2 - JPMorgan Executes Its First DeFi Trade Using Public Blockchain

JPMorgan Chase & Co executed its first live trade on a public blockchain, a significant step toward integrating with the plumbing underlying the world of cryptocurrencies. The bank issued tokenized S$100,000 ($71,000) as part of the Singapore central bank's pilot programs exploring the use of decentralized finance, or DeFi, in the banking sector, then traded it for tokenized yen with Japan's SBI Digital Asset Holdings. DBS Bank Ltd., Standard Chartered Plc and HSBC Holdings Plc are also part of the pilots. While the transaction wasn't a crypto trade, it used the infrastructure developed by crypto firms: the Polygon blockchain, which makes transactions on the Ethereum blockchain cheaper, and a modified version of Aave, a major DeFi lending project.

3 - Meta's Instagram Plans NFT Minting, Trading Tools

Instagram is developing an NFT minting and sale feature through its app, parent company Meta announced Wednesday. The upcoming "end-to-end toolkit" for NFTs will allow users to create and launch their own NFTs for sale through Instagram. "A small group of creators will soon be able to create digital collectibles (NFTs) and sell them right on Instagram," said Meta's Head of Commerce and Fintech Stephane Kasriel in a statement. At launch, Instagram will use the Polygon blockchain for NFT minting. The app will also pull NFT metadata from OpenSea so that collection names and descriptions can be viewed on Instagram.

(1) https://www.wsj.com/articles/401-k-plans-now-let-workers-put-retirement-money-into-cryptocurrency-11667480401
(2) https://www.bloomberg.com/news/articles/2022-11-02/jpmorgan-executes-its-first-defi-trade-using-public-blockchain
(3) https://decrypt.co/113395/metas-instagram-plans-nft-minting-trading-tools

OVERVIEW

Trader's Digest

Yesterday's FOMC Meeting took us on quite the roller-coaster ride. As anticipated, the only thing that matter was the following question:

Is the Fed ready to stop hiking rates at 75 bps after tomorrow's meeting and Is the Fed ready to start hiking at a slower pace, to finally take a break after January's meeting?

On that note, the first leg of the meeting pushed the market higher, as the FOMC Statement showed an initial dovish tone, from Fed officials. Then, everything changed when Powell showed up to the base, and highlighted very clearly, that it was ''VERY PREMATURE TO BE THINKING ABOUT PAUSING''. (See figure 1)

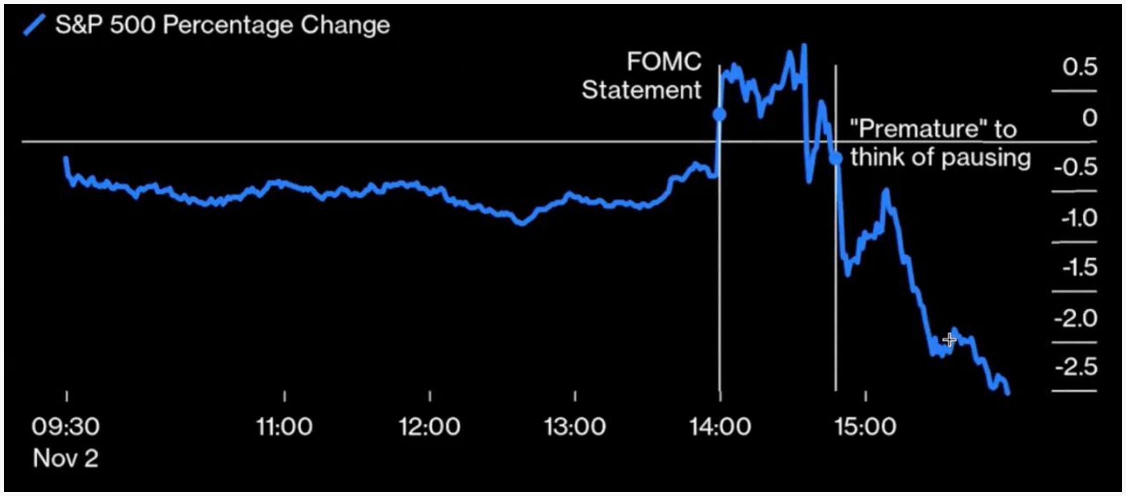
After the fact, more hawkish comments were mentioned by the Fed chairman, pushing risk assets, Bitcoin and Ethereum included, and bonds to new session lows while the US Dollar rallied on its way to break the 114.500 pivot point

So what's next?

The narrative unfortunately still stands, where risk assets will move towards pre-covid levels, the USD will attempt to break its multiyear cyclical high, and the short end of the curve will underperform massively on the back on unanchored inflation. And this stands until US CPI next week.

On that note, here's another hawkish comment from Powell that sent the terminal Fed fund rate above 5.1%:

''We still have some way to go. And incoming data since our last meeting suggests that the ultimate level of interest rates will be higher than previously expected.''




NicolasCarrier published on TradingView.com, Nov 03, 2022 09:41 UTC-4
Ethereum / U.S. Dollar, 1D, COINBASE O1518.15 H1558.95 L1515.00 C1535.79 +17.75 (+1.17%)
TradingView


NicolasCarrier published on TradingView.com, Nov 03, 2022 09:41 UTC-4
U.S. Dollar Currency Index, 1D, TVC O112.165 H113.148 L111.818 C112.920 +0.805 (+0.72%)
TradingView


NicolasCarrier published on TradingView.com, Nov 03, 2022 09:41 UTC-4
US10Y-US02Y, 1D, TVC O−0.517% H−0.517% L−0.913% C−0.542% −0.025% (−4.84%)
PRESENT BEAR MARKET
TradingView

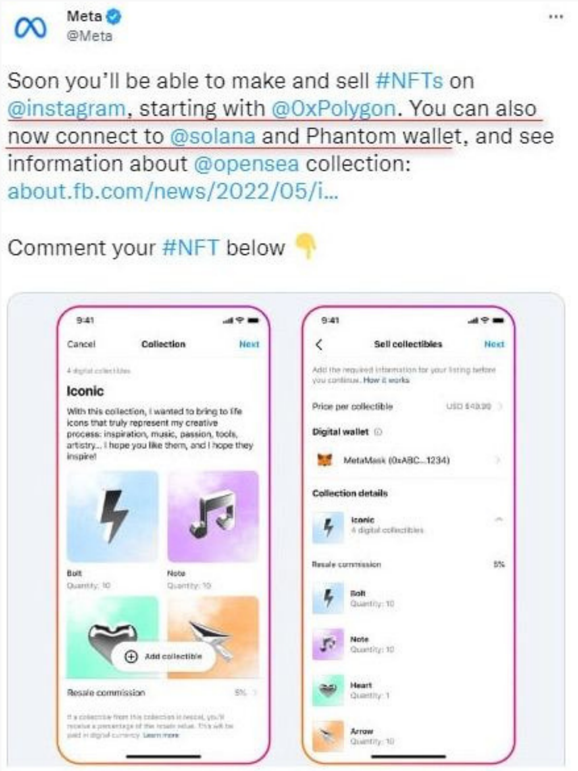
OVERVIEW

Altcoin Analysis

Polygon (MATIC) surged the most overnight out of the top 20 coins.

What happened?

Meta has partnered with Polygon to support minting, displaying and selling NFTs on Instagram. The project will start with US-based creators but will soon expand internationally. Instagram has 500+ million daily active users (DAUs) globally so this initiative can very well be the catalyst to fuel the global adoption of NFTs.



US banking giant, JPMorgan, executed its first DeFi trade using the Polygon network. The bank is expected to explore using other blockchain networks over time. “Today was the first step to show that we can actually trade on these public networks,” said Tyrone Lobban, head of Blockchain Launch and Onyx Digital Assets at JPMorgan.

Moving on with the technicals.

Prices have broken above a triangle pattern and continue to trend higher. There seems to be a psychological resistance near $1 but once we break that level, we’re looking to reach higher levels near $1.31 (38.2% Fib level) and $1.50 in extension.

MATICBTC has surged by 175% since mid-June, meaning MATIC has outperformed BTC significantly since the Summer. The pair is only 25% from reaching the high of December 2021.

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