OCTOBER 27 - 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	$20,618	0.18%	$20,484	$20,938	0.0010%
ETH/USD	$1,543	0.96%	$1,540	$ 1,578	0.0087%
XAU/USD	$1,663.70	-0.17%	$1,654.80	$1,670.90	
USD/CAD	$1.3519	-0.26%	$1.3509	$1.3627	
EUR/CAD	$1.3549	-0.83%	$1.3523	$1.3690	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $20,618 representing a 0.18% increase the last 24 hours and 17.15% decrease in trading volume. The funding rate of BTC is 0.0087%.

ETHEREUM

ETH is trading at $1,543 as of this writing, representing a 24-Hour increase of 0.96% and a funding rate of 0.0087%. Over the last 24 Hours, the trading volume decreased by 30.02%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

UPCOMING DATES		
PAIRS	24 HR CHANGE	HIGH
WISDOMTREE / BITCOIN TRUST	WISDOMTREE	OCTOBER 10, 2022

OVERVIEW

Latest Digital Asset News

1- SNorway Steps Into the Metaverse With Decentraland Tax Office

The Norwegian government is taking steps to embrace Web3 with the establishment of a metaverse tax office. At the Nokios conference on Wednesday, the Brønnøysund, Norway's central register, and Skatteetaten, the nation's tax authority, announced that they're partnering with consulting firm Ernst and Young (EY) to establish an office in Decentraland. The goal of the initiative, according to Nokios, is to deliver services to younger, tech-native individuals while establishing their Web3 footprint. Magnus Jones, Nordic blockchain lead at EY, wrote in a LinkedIn post on Tuesday that he hopes the partnership with Norwegian authorities will help spearhead education in the crypto space by teaching users about taxes related to decentralized finance and non-fungible tokens.

2 - Billionaire Quant Trader Donated a Record $1.9M of Bitcoin to a Super PAC

Jeffrey Yass is the billionaire co-founder of trading giant Susquehanna International Group (SIG) and also a political mega-donor: He and his wife are the 2022 elections' fifth-biggest contributors, right behind crypto exchange titan Sam Bankman-Fried. But when it comes to donating in crypto, Yass outranks even the FTX chief. In early July, Yass gave 100 bitcoin (BTC), then worth more than $1.9 million, to Crypto Freedom PAC, a representative for the super PAC confirmed to CoinDesk. It is the largest bitcoin-denominated political donation ever recorded by the Federal Election Commission. "I think Jeff wanted to signal support" for cryptocurrencies, said David McIntosh, president of Club for Growth Action, which is linked to the Crypto Freedom PAC. He added that the crypto PAC backs candidates who are against government regulation of cryptocurrencies.

3 - Hong Kong Plans to Legalize Retail Crypto Trading to Become Hub

Hong Kong is pivoting toward a friendlier regulatory regime for cryptocurrencies with a plan to legalize retail trading, contrasting with the city's skeptical stance of recent years and the ban in place in mainland China. A planned mandatory licensing program for crypto platforms set to be enforced in March next year will allow retail trading, according to people familiar with the matter, who asked not to be named because the information isn't public.

4 - Bitcoin Miner Core Scientific Says It May Seek Bankruptcy

Core Scientific Inc., one of the world's largest miners of Bitcoin, warned that it may run out of cash by the end of the year and could seek relief through bankruptcy protection. Operating performance and liquidity have been severely impacted by the prolonged drop in the price of Bitcoin, a rise in electricity costs, increased competition and litigation with bankrupt Celsius Networks LLC, the Austin, Texas-based company said in a US Securities and Exchange Commission filing on Thursday. Shares of Core Scientific tumbled more than 40% in trading before regular market hours.

(1) https://www.coindesk.com/web3/2022/10/26/norway-steps-into-metaverse-with-decentraland-tax-office/
(2) https://www.coindesk.com/business/2022/10/26/billionaire-quant-trader-donates-a-record-19m-of-bitcoin-to-a-super-pac/
(3) https://www.bloomberg.com/news/articles/2022-10-27/hong-kong-plans-to-legalize-retail-crypto-trading-to-become-hub?leadSource=uverify%20wall
(4) https://www.bloomberg.com/news/articles/2022-10-27/bitcoin-btc-miner-core-scientific-says-it-may-seek-bankruptcy?leadSource=uverify%20wall

OVERVIEW

Trader's Digest

A lot of economic data were being released this morning, both in the EU and US markets.

First, the ECB released their rate decision, meeting expectation and at first glance, there isn't anything in the statement that really stands out. The key passage in the forward guidance is that they expect to raise rates further as inflation is "far too high" and will stay elevated for a prolonged period. EUR/USD traded a touch lower on the decision, after yesterday's significant breakout of the 2022 downtrend.

Second, US stock futures rose after data showed the US economy rebounded in the third quarter, while the US Dollar is trying to find some support after two days of negative price action.

A contraction in services and manufacturing, and fewer new home sales showed the Fed's efforts to cool the economy seem to be bearing some fruit. Still, economists expect the Fed to hike by 75 basis points for the fourth time in a row when it meets next week. Traders have cut expectations for rates to peak next year to 4.86% from 5% a week ago.

So, how does Bitcoin look technically?

Well, Bitcoin finally broke out of its tight and low volatility range, as it broke the $20,500 resistance level. This morning, the main cryptocurrency found support at the previous resistance, after hitting a six-week high on Wednesday, where Bulls have the overall near-term technical advantage to suggest still more upside price action in the near term

Risk assets seem to be breaking out bullishly, with bitcoin challenging its 100-day simple moving average that aborted the August rally.

"It's a bit more constructive than August, as we're more removed from the Three Arrows Capital and Celsius and Terra events, and many more bitcoin miners have liquidated their position," Shiliang Tang, chief investment officer at crypto hedge fund LedgerPrime, said.

Finally, investors will be monitoring the $21,000 pivot point quite closely going into the weekend, as more material is to be released in pricing in the so-called Fed pivot.


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U.S. Dollar Currency Index, 4h, TVC O110.128 H110.521 L110.012 C110.361 +0.237 (+0.22%)
CPI
TradingView


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Bitcoin / U.S. Dollar, 4h, COINBASE O20624.99 H20781.64 L20505.35 C20703.38 +78.29 (+0.38%)
TradingView

OVERVIEW

Altcoin Analysis

Uniswap is the largest decentralized exchange with over 47% market share. Recently, the project raised $100m in its most recent funding round to reach a valuation of $1b.

A new project that has been gaining a ton of traction is set to launch on Uniswap in November: Uniglo.io (GLO) is a “decentralized crypto platform that allows users to have a unique store of value”. This will likely benefit Uniswap as many GLO holders/clients will rush to the exchange.

UNI has been underperforming the top 20 coins (excluding stablecoins) in the last 3 months. UNI is down 25% while the top 20 is down 15%.

From a technical perspective, UNIUSDT is showing an inverted Head-and-Shoulders pattern which is a bullish reversal pattern. Prices are currently right on the neckline. If we get a close above $7, it would confirm the breakout and push for prices to reach higher levels around $8 and $9.3 in extension.

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