OCTOBER 26 - 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	$20,862	7.07%	$19,494	$20,874	0.0051%
ETH/USD	$1,542	13.94%	$1,378	$ 1,576	0.0100%
XAU/USD	$1,670.70	1.00%	$1,655.50	$1,676.40	
USD/CAD	$1.3627	0.16%	$1.3506	$1.3652	
EUR/CAD	$1.3649	0.65%	$1.3533	$1.3699	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $20,282 representing a 7.07% increase the last 24 hours and 168.79% increase in trading volume. The funding rate of BTC is 0.0100%.

ETHEREUM

ETH is trading at $1,542 as of this writing, representing a 24-Hour increase of 13.94% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume increased by 247.90%. 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- Singapore Proposes Ban on Borrowing to Fund Cryptocurrency Purchases

Singapore proposed to ban retail investors from borrowing to fund cryptocurrency purchases, part of a slew of suggestions to further tighten the city-state's regulatory regime for digital assets. Other potential steps in a Monetary Authority of Singapore consultation paper include stopping companies from using tokens deposited by retail investors for lending or staking to generate yields. Staking is the process of earning rewards by deploying coins for crypto applications.

2 - A16z's flagship crypto fund dropped 40% in value

A16z's flagship crypto fund dropped 40% in value in the first half of this year, according to a Wall Street Journal report citing people familiar with the matter. This compares to the end of last year, when the company's first crypto fund, launched in 2018, saw 10.6x paper returns on its investments. To date, the company has raised more than $7.6 billion in crypto and web3 startups across four funds, the most recent of which launched in May. At the time, general partner Arianna Simpson said that “bear markets are often when the best opportunities come about” — but the company's recent investment track record doesn't seem to back this up.

3 - UAE's central bank pilots cbank digital currencies transactions

The Central Bank of the United Arab Emirates (CBUAE) said on Wednesday it has completed the world's largest pilot of central bank digital currencies (CBDC) transactions, with other regulators including the People's Bank of China's Digital Currency Institute. The pilot was part of Project mBridge, which experiments with cross-border payments using a common platform based on distributed ledger technology (DLT) which central banks can use to issue and exchange their CBDCs.

(1) https://www.bloomberg.com/news/articles/2022-10-26/singapore-proposes-further-crackdown-on-retail-crypto-investment?leadSource=uverify%20wall
(2) https://www.theblock.co/post/179956/a16z-flagship-crypto-fund-dropped-value-wsj?utm_source=rss&utm_medium=rss
(3) https://www.reuters.com/article/idUSL4N31R30W

OVERVIEW

Trader's Digest

Bitcoin soared over 8% since yesterday\s session, breaking the $20,500 resistance level overnight. Bitcoin performed tremendously well yesterday, as we saw a wave of risk-on price action, and a softer US Dollar.

Bitcoin hit a six-week high in early this morning, while its price action this week is seeing a big and bullish upside "breakout" from the choppy and sideways trading range of the past few weeks. Bulls now have the firm near-term technical advantage to suggest still more upside price action in the near term.

A rally across risk-sensitive assets created a “short squeeze” dynamic that sent crypto prices skyward, delivering a space that has been uncharacteristically calm its best showing in a long while.

More importantly, the BOC has raised its benchmark interest rate by 50 bps versus an expectation of 75 bps at 10:00 am this morning. This created a wave of buying across risk assets, building on the Fed pivot narrative.

Finally, as you can see on the chart below, Bitcoin and Us equities rallied on the news, both making new session highs after retesting the lows of the day.

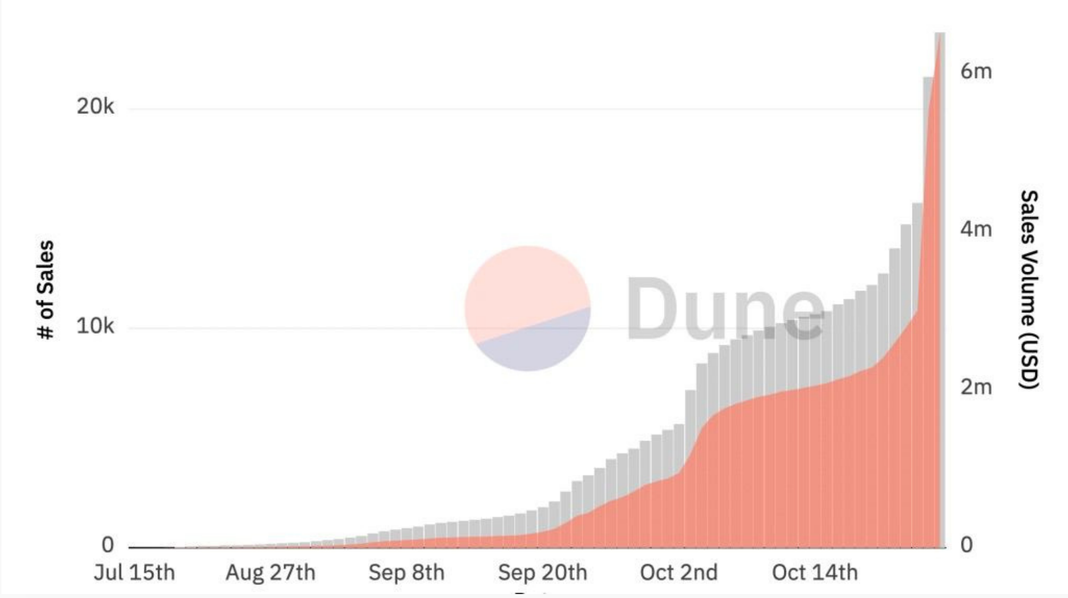
NicolasCarrier published on TradingView.com, Oct 26, 2022 10:39 UTC-4

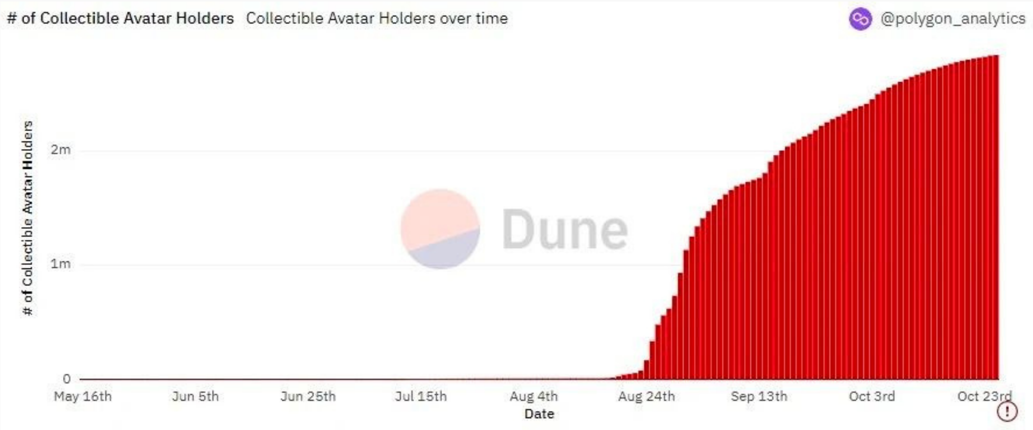
NicolasCarrier published on TradingView.com, Oct 26, 2022 10:40 UTC-4

OVERVIEW

Altcoin Analysis

Reddit NFTs on Polygon soared by 642% in sales volume since October 1st to $6.52M and 2.8m holders, according to Dune Analytics. Two months ago, the number was only 13,000 holders. Reddit users can claim their NFTs based on their karma score, community engagement, and “other special ingredients”. With other 52m daily active users on Reddit (2020 figure), the online message board community can serve as a powerful force for NFT adoption.





From a chartist point of view, MATICUSDT has been trading within a consolidation zone between $0.70 and $1.05. Recently, prices broke above a triangle pattern while also breaking above the 200-day moving average and are trying to retest the $1 level which should act as a psychological resistance.

MATICBTC has been on a tear recently as MATIC outperformed BTC by 170% since June.

A pullback towards $0.77 would serve as an attractive entry level while a break above $1.06 would trigger bullish implications sending MATIC towards $1.31 intersecting with the 38.2% Fibonacci level taken from the record high to the yearly low.

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