OCTOBER 13 - 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	$18,435	-3.47%	$18,319	$19,203	0.0092%
ETH/USD	$1,221	-5.69%	$1,209	$ 1,301	-0.0124%
XAU/USD	$1,648.40	-1.55%	$1,642.00	$1,683.50	
USD/CAD	$1.3901	0.63%	$1.3776	$1.3978	
EUR/CAD	$1.3476	0.54%	$1.3385	$1.3497	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $18,435 representing a 3.47% decrease the last 24 hours and 16.88% increase in trading volume. The funding rate of BTC is 0.0092%.

ETHEREUM

ETH is trading at $1,221 as of this writing, representing a 24-Hour decrease of 5.69% and a funding rate of -0.0124%. Over the last 24 Hours, the trading volume increased by 54.87%. 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- Coin Center sues Treasury over Tornado Cash sanctions

Washington, D.C.-based policy nonprofit Coin Center is suing the Treasury Department over its sanctioning of Tornado Cash, the open source software that can be used to anonymize transactions on the Ethereum blockchain. Treasury's August sanctioning of the transaction mixer, "exceeded their statutory authority because Tornado Cash is used to complete functions that do not include 'any property in which any foreign country or a national thereof has any interest,'" the co-plaintiffs argue in their brief. Joining Coin Center on the suit are an anonymous human rights advocate based in the Southeastern United States, a software developer who used the Ethereum blockchain, and David Hoffman, a digital asset manager. The lawsuit is the second against the Treasury Department over the sanctioning. U.S. crypto giant Coinbase is backing a lawsuit filed last month by six individuals who used the software, including two Coinbase employees.

2 - Blockchain venture funding falls for second consecutive quarter

For the first time since 2018, crypto venture funding has fallen for its second consecutive quarter. This quarter, venture funding for crypto startups dropped by roughly 35% to $6.2 billion, following a 22% decline in Q2 — according to a new report released today by The Block Research. Prior to this period, venture capitalists continued to heap cash on the sector — recording seven consecutive quarters of growth. This quarter-on-quarter drop in funding confirms that funding for the sector has receded, and investors weary of the downturn are no longer as loose with their pursestrings as in the heady bull market days of 2021.

3 - Stepn denies layoff reports, hints at new projects

Move-to-earn fitness app Stepn has denied reports that it has laid off staff. Earlier this week, reports from South China Morning Post and Wu Blockchain suggested the company laid off over 100 contract workers including community moderators and ambassadors. On Tuesday a spokesperson for the company told news outlet Decrypt that the claims were baseless and factually inaccurate. "The reality is that STEPN has parted ways with volunteer MODs who have not been active in the last few weeks and months. Regarding our staff, STEPN is actively hiring for several different roles within the company," they said.

4 - Crypto Exchange Uniswap Labs Raises $165M in Polychain Capital-Led Round

Decentralized exchange Uniswap Labs raised $165 million in a Series B funding round that was led by crypto-focused investment firm Polychain Capital. The capital will enable Uniswap to invest more in its web app and developer tools, non-fungible token launch and move to support mobile users. Other returning investors in the round included the crypto arm of venture-capital firm Andreessen Horowitz, Paradigm, SV Angel and Variant Investments.

(1) https://www.theblock.co/post/176701/coin-center-sues-treasury-over-tornado-cash-sanctions?utm_source=rss&utm_medium=rss
(2) https://www.theblock.co/post/176531/blockchain-venture-funding-falls-for-second-consecutive-quarter
(3) https://www.theblock.co/post/176885/stepn-denies-layoff-reports-hints-at-new-projects
(4) https://www.coindesk.com/business/2022/10/13/crypto-exchange-uniswap-labs-raises-165m-in-polychain-capital-led-round/

OVERVIEW

Trader's Digest

The US dollar was soft leading into the September CPI report but abruptly reversed on the high readings. Core inflation (Ex food and Energy) rose to 0.6 versus 0.4 expectation while headline Inflation rose to 0.4% in the month, doubling the 0.2% economists were expecting.

Headline CPI:

Prior was +8.5%
+0.4% m/m vs +0.2% expected and 0.1% prior

Core CPI:

+6.6% y/y vs 6.5% expected and 6.3% prior
+0.6% m/m vs +0.5% expected and +0.6% prior

The Fed funds futures market was pricing in a terminal top at 4.65% in March just ahead of the data and that's up to 4.84%. The market is now pricing in an 13% chance of 100 bps on Nov 2.

Bitcoin was also pressured by the higher than anticipated inflation data, as it pushed even lower than the September $18,150 pivot point, trading as low as $18,130 on the release.

Nasdaq and other US equities also felt the selling pressure, with the tech heavy indices falling 500 points just after the release.

Finally, it is safe to say that the Fed failed to anchored inflation, pressuring risk assets across the board.


NicolasCarrier published on TradingView.com, Oct 13, 2022 09:18 UTC-4
Bitcoin / U.S. Dollar, 1D, COINBASE O19153.97 H19174.82 L18131.00 C18282.21 −873.71 (−4.56%)
US CPI
TradingView


NicolasCarrier published on TradingView.com, Oct 13, 2022 09:19 UTC-4
NASDAQ 100 E-mini Futures, 1W, CME_MINI O11067.75 H11136.50 L10502.00 C10511.75 −589.75 (−5.31%)
PRE COVID
TradingView


NicolasCarrier published on TradingView.com, Oct 13, 2022 09:20 UTC-4
U.S. Dollar Currency Index, 1h, TVC O113.543 H113.856 L113.495 C113.847 +0.309 (+0.27%)
BOE Announcement
TradingView

OVERVIEW

Altcoin Analysis

SushiSwap has brought in a new “Head Chef” Jared Grey to shake things up but that unfortunately came with a side dish of drama. Luckily for our readers, we won’t get into that. The total value of cryptocurrency sent to the platform fell from a peak of $7b in November 2021 to $500m, according to DefiLlama. In a Twitter message to Bloomberg News, the big boss mentioned that his first tasks are to increase revenue and market share.

Three weeks ago, the CFTC sued Ooki DAO “for alleged violations of U.S. investment laws, seemingly targeting everyone who votes in that DAO”. This has pushed the SushiSwap team to revamp its legal structure into a trio of entities based in Panama and the Cayman Islands. “Currently, Sushi is unregistered and needs legal entity protection asap” says their leader Jared Grey.

Moving on with SUSHI’s technical outlook:

SUSHIUSDT has been trading within a symmetrical triangle pattern since the market meltdown in May. For now, the pair has been locked in a tight range between $0.99 and $1.39. A break above this pattern and range would most likely push prices higher towards $1.63 and $1.87 in extension.

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