OCTOBER 7 - 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	$19,651	-1.46%	$19,586	$20,148	0.0068%
ETH/USD	$1,337	-1.34%	$1,329	$ 1,368	0.0089%
XAU/USD	$1,669.70	-0.76%	$1,690.70	$1,715.80	
USD/CAD	$1.3691	-0.43%	$1.3676	$1.3762	
EUR/CAD	$1.3372	-0.67%	$1.3345	$1.3476	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $19,651 representing a 1.46% decrease the last 24 hours and 16.32% decrease in trading volume. The funding rate of BTC is 0.0068%.

ETHEREUM

ETH is trading at $1,337 as of this writing, representing a 24-Hour decrease of 1.34% and a funding rate of 0.0089%. Over the last 24 Hours, the trading volume decreased by 8.24%. 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- Grayscale Investments Announces New Bitcoin Mining Venture 1

Grayscale Investments, the world's largest crypto assets manager, has announced the creation of a new entity called Grayscale Digital Infrastructure Opportunities LLC ("GDIO") that will focus on Bitcoin mining infrastructure investments. In a press release, Grayscale stated that the venture will assist accredited investors to capitalize on the crypto market downturn. In particular, the co-investment vehicle will buy Bitcoin mining equipment at distressed prices with which it will expand its own mining operations. Grayscale is partnering with Foundry Digital, a subsidiary of Grayscale's parent company Digital Currency Group (DCG), to manage the entity in a first-of-its-kind arrangement in its product line. Foundry, which is the largest Bitcoin mining pool by computing power in the world, will run the day-to-day mining operations of GDIO.

2 - India's central bank outlines digital rupee CBDC plans 2

The Reserve Bank of India (RBI) has outlined the proposed features and reasoning behind its in-development central bank digital currency (CBDC) in a 51-page note published on Oct. 7. The country's central bank is looking to raise awareness of CBDCs, which are being developed by a number of central banks around the world, and to clearly define the objectives and choices as well as the potential positive and negative elements of introducing a digital rupee in India. The document summarizes the key motivations for the issuance of an Indian CBDC, highlighting trust, safety, liquidity as well as settlement finality and integrity as key components of a sovereign digital currency.

3 - MT Gox To Repay 141,000 Bitcoin in January-July 3

MT Gox is set to redistribute $1.7 billion in cash, 141,000 in bitcoin and 142,000 in BCH to some 10,000 creditors across the globe by July 2023. In a note to creditors the Rehabilitation Trustee said that the Cryptocurrency Repayment Reference Date is January 10, 2023. Creditors are now asked to chose the payment method on MT Gox's system. The trustee said you can enter bank details or chose a crypto exchange as well as custodian user information. These details have to be entered by January 10. The repayment of the crypto portion, more than 140,000 bitcoin worth $2.7 billion, may then be shortly after. All repayments are set to be done by July next year, closing a decades long chapter and the bankruptcy of MT Gox in February 2014.

4 - Binance-linked blockchain hit by $570 million crypto hack 4

A blockchain linked to Binance, the world's largest crypto exchange, has been hit by a $570 million hack, a Binance spokesperson said on Friday, the latest in a series of hacks to hit the crypto sector this year. Binance CEO Changpeng Zhao said in a tweet that tokens were stolen from a blockchain "bridge" used in the BNB Chain, known until February as Binance Smart Chain. Blockchain bridges are tools used to transfer cryptocurrencies between different applications. Criminals have increasingly targeted them, with some $2 billion stolen in 13 different hacks, mostly this year, researcher Chainalysis said in August. The hackers stole around $100 million worth of crypto, Zhao said in his tweet. BNB Chain later said that a total of 2 million of the BNB cryptocurrency - worth around $570 million - was withdrawn by the hacker.

(1) https://cryptonews.com/news/grayscale-investments-announces-new-bitcoin-mining-venture.htm
(2) https://cointelegraph.com/news/india-s-central-bank-outlines-digital-rupee-cbdc-plans
(3) https://www.trustnodes.com/2022/10/07/mt-gox-sets-repayment-deadline-in-months
(4) https://www.reuters.com/technology/hackers-steal-around-100-million-cryptocurrency-binance-linked-blockchain-2022-10-07/

OVERVIEW

Trader's Digest

Risk assets plunged into the red at the open on Friday as investors weighed up hotter-than-expected jobs data which showed American payrolls grew by 263,000 and the unemployment rate fell to 3.5% in September.

Looking back at yesterday's forecast analysis, this morning data follows the trade opportunity where investors will consider going long USD and short risk assets on a strong NFP reading.

The better US jobs data, keeps the Fed on track toward a 75 basis point hike in early November and another 50 basis points in December. That would bring the Fed target rate to 4.5%. The question is what will the terminal rate be and when?

Bitcoin is now traded as low as $19,500 this morning, as it followed US Equities and US Bonds lower. Looking at the Daily chart, we can expect the next support level around $19,000, as investors should keep selling risk assets.

Finally, the cryptocurrency exchange Binance temporarily suspended its blockchain network after hackers made off with around $570 million worth of its BNB token. Binance CEO Changpeng Zhao said in a tweet that tokens were stolen from a blockchain "bridge" used in the BNB Chain, known until February as Binance Smart Chain.


NicolasCarrier published on TradingView.com, Oct 07, 2022 10:10 UTC-4
Bitcoin / U.S. Dollar, 1D, COINBASE O19963.75 H20065.26 L19478.23 C19628.01 −337.63 (−1.69%)
NFP
USD
TradingView


NicolasCarrier published on TradingView.com, Oct 07, 2022 10:11 UTC-4
U.S. Dollar Currency Index, 1h, TVC O112.595 H112.649 L112.564 C112.631 +0.035 (+0.03%)
BOE Announcement
NFP
TradingView

NicolasCarrier published on TradingView.com, Oct 07, 2022 10:12 UTC-4

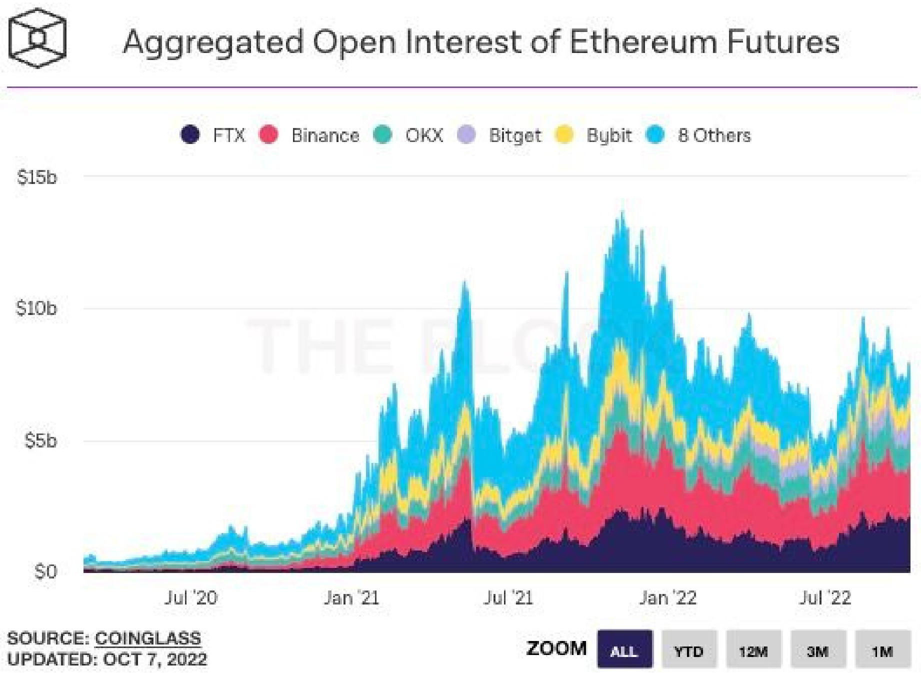
OVERVIEW

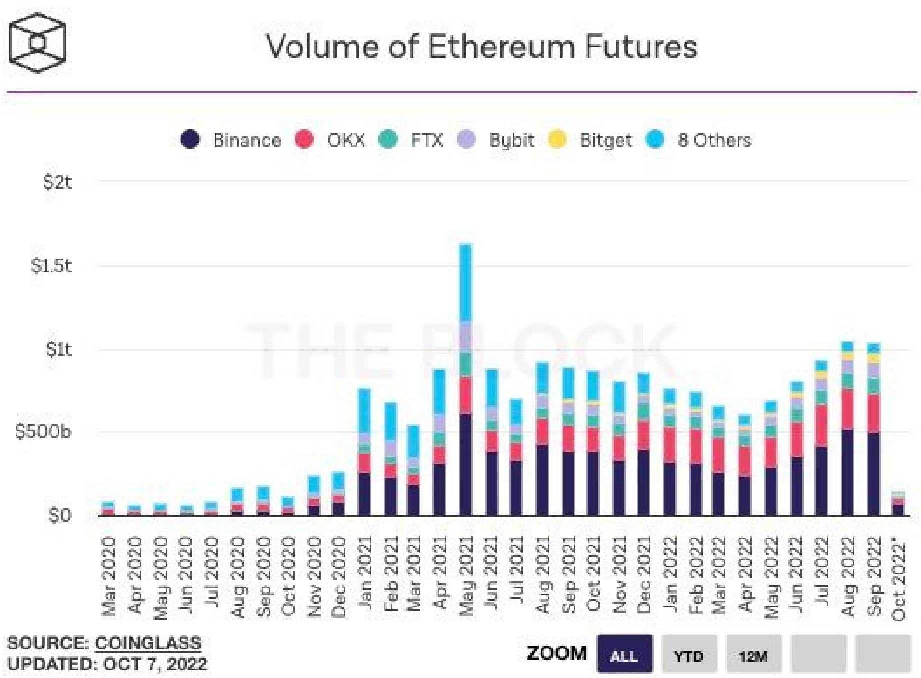
Altcoin Analysis

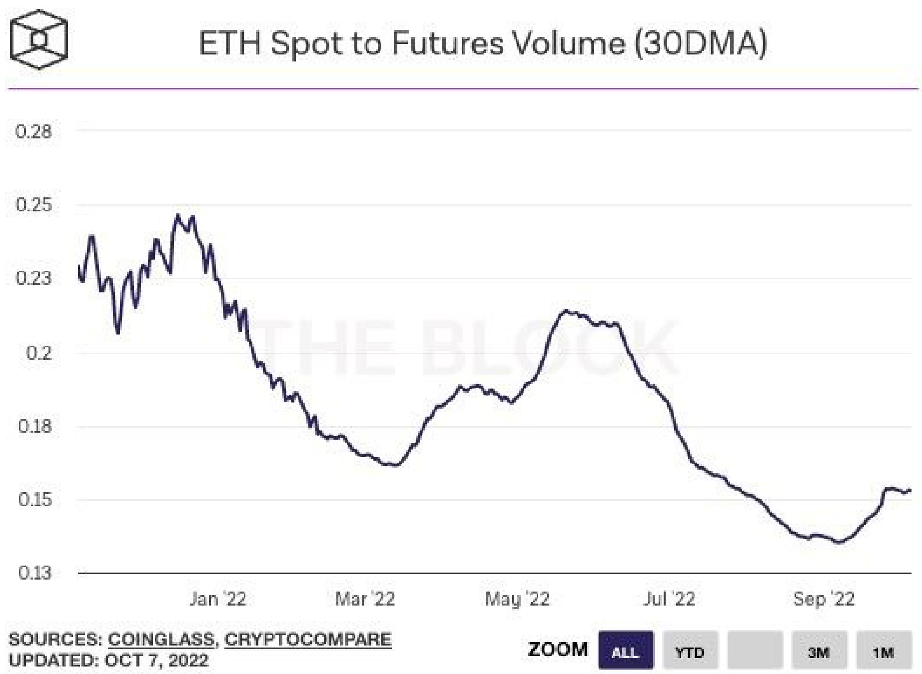
After the Merge, we're continued to witness a lot of demand for Ethereum on our trading desk. In the last 3 months, ETH went up 11% while the top 20 coins (excluding stablecoins) fell by 13.5%. Now for the last 30 days, ETH fell by 17% while the top 20 increased by 8%.

It seems that market participants are interested in playing the mean reversion by betting on ETH to get back on track.

However, the derivative market is indicating a lack of interest in leveraged longs as futures contracts have been trading lower than the spot market which reflects excessive demand for bearish bets. Open interest reached $7.7b, and given the recent price action, it seems that it's mostly dragging prices lower. An unexpected price swing may open the door for liquidations.







Time for some technicals.

ETHUSDT is trading within a symmetrical triangle on the 4H timeframe after having rebounded off the bottom-end of a declining trend channel. These patterns are usually neutral, meaning we need to wait for a breakout in either direction before making a move.

ETHBTC is still trading within a range. A break below would have ETH underperform BTC in the short-term while a break above this range would push for ETH to outperform BTC in the near future.

As long as prices remain within this pattern, it would be wise to buy the bottoms and sell the tops with a very tight stop loss. If prices break in either direction, the high probability setup would be to follow the move towards the top-end or bottom-end of the trend channel.

When it comes to trading alt coins, it is very important to track the movement of Bitcoin. When BTC appreciates or consolidates in a range, some of these coins can flourish but if the former gets dumped then the latter will get destroyed. Therefore, these types of analysis depend on the trajectory of Bitcoin's price action. Timing is of the essence.

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