OCTOBER 5 - 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	$19,874	-1.14%	$19,801	$20,380	0.0100%
ETH/USD	$1,323	-1.89%	$1,320	$ 1,364	-0.0035%
XAU/USD	$1,709.00	-1.05%	$1,700.60	$1,729.10	
USD/CAD	$1.3691	1.33%	$1.3502	$1.3696	
EUR/CAD	$1.3492	-0.01%	$1.3450	$1.3517	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $19,874 representing a 1.14% decrease the last 24 hours and 2.57% decrease in trading volume. The funding rate of BTC is 0.0100%.

ETHEREUM

ETH is trading at $1,323 as of this writing, representing a 24-Hour decrease of 1.89% and a funding rate of -0.0035%. Over the last 24 Hours, the trading volume decreased by 9.26%. 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- Bitwise launches web3-focused ETF [1]

Crypto index fund manager Bitwise Asset Management has launched the Bitwise Web3 exchange-traded fund (ETF), which includes exposure to five categories of web3 companies. The Bitwise Web3 ETF (BWEB) is now listed and trading on NYSE Arca, a U.S. Securities and Exchange Commission (SEC) filing dated Oct. 4 shows. NYSE Arca is an an all-electronic, U.S.-based exchange for listing and trading ETFs. BWEB is based on the Bitwise Web3 Equities Index and has management fees equivalent to .85% of average daily net assets. The fund's inception is listed as October in a prospectus filed with the SEC. "With the Bitwise Web3 ETF, we're excited to give investors the opportunity to capture one of the fastest-emerging themes in technology through a diverse mix of companies that we believe will lead the charge," Bitwise Chief Investment Officer Matt Hougan said in a statement.

2 - Nasdaq to Wait for Regulation Before Launching Crypto Exchange [2]

Nasdaq Inc. will likely wait until there is greater regulatory clarity and institutional adoption around crypto exchanges before debuting plans to launch one of of its own, says Tal Cohen, the company's executive vice president and head of North American markets. "Those are discussions we are happy to have," Cohen told Bloomberg TV on Tuesday. "But right now, on the retail side, the market is fairly saturated," he added. "There's a number of exchanges servicing the retail customer base." Instead, the company will stay focused on its crypto custody services which Cohen says are foundational for clients, citing "massive" demand and opportunity there.

3 - Custodian Anchorage Adds to Asia Push With Batch of Institutional Crypto Partners [3]

U.S.-regulated cryptocurrency custody specialist Anchorage Digital is continuing its push into Asia, naming a brace of new institutional partners in the region. Following Anchorage's recent participation in a Japanese yen-denominated stablecoin project, the firm is partnering with Bitkub, Dream Trade, FBG Capital, GMO-Z.com Trust Company, IOSG Ventures, and Antalpha, the companies said on Wednesday. Asia's financial institutions and wealthy investors have among the highest exposures to crypto on the planet, according to Anchorage Digital co-founder and President Diogo Mónica. That said, places like Singapore, where Anchorage now has a 10-staff office, have rolled back somewhat on digital assets with the Monetary Authority of Singapore (MAS) calling for a crackdown on irresponsible crypto firms.

4 - EU Seals Text of Landmark Crypto Law MiCA, Fund Transfer Rules [4]

The European Union (EU) has agreed the full legal text of its landmark legislation known as the Markets in Crypto Assets Regulation (MiCA), alongside a further law to reveal the identity of those making crypto payments. At a Wednesday meeting, diplomats, representing the bloc's member governments in the EU's Council, signed off on the text of laws which were the subject of a political deals struck in June, apparently without further discussion, a source briefed on the talks told CoinDesk. MiCA introduces the first-ever licensing regime for crypto wallets and exchanges to operate across the bloc and imposes reserve requirements on stablecoins that are intended to avoid Terra-style collapses. A separate law on funds transfers requires require wallet providers to check their customer's identity, in a bid to cut money laundering.

(1) https://www.theblock.co/post/174739/bitwise-launches-web3-focused-etf?utm_source=rss&utm_medium=rss
(2) https://www.bloomberg.com/news/articles/2022-10-04/nasdaq-to-wait-for-regulation-before-launching-crypto-exchange?leadSource=uverify%20wall
(3) https://www.coindesk.com/business/2022/10/05/custodian-anchorage-adds-to-asia-push-with-batch-of-institutional-crypto-partners/
(4) https://www.coindesk.com/policy/2022/10/05/eu-seals-text-of-landmark-crypto-law-mica-fund-transfer-rules/

OVERVIEW

Trader's Digest

The reason why you saw risk assets and commodities rally early this week, is because the RBA was the first Central bank to hike below expectations. This had a trickle effect on the broader market as we know all major central banks talk to each other. Then, at 9 pm yesterday, the RBNZ was also announcing their rate decision, where investors were anticipating a potential softening on the back of the RBA previous decision.

Therefore, once the RBNZ announced they were sticking to their 50-bps hike, the market faded out the rally we saw the last couple of days. On that note, a few FOMC members reiterated that the inflation was still way too high for the Fed to ease off the break, whereas the bond market is still pricing in a 67-bps hike in November.

Since the beginning of the week, the market has been folloing the "bad news is good news / good news is bad news narrative". Hence, once the ISM data came in much weaker than anticipated yesterday, the market rallied, and once the ISM-Non data came in stronger than anticipated this morning, the market went down. In simple words, weak economic data means a less hawkish Fed, and vice-versa.

Now, Bitcoin was sold over night, after it reached a very key technical level. The $20,500 level has been our main resistance for the past several weeks being right at the hedge of a potential vacuum zone. Additionally, the set-up we are currently seeing ahead of Non-Farm payroll is quite interesting and looks very similar to technical pattern we printed mid-September ahead of the US CPI data.

So, where are we going from here?

Well, US equities now erased the whole rally from yesterday’s session while Bitcoin was rejected heavily at the top of the resistance wedge situated at the hedge of the low volume area. Therefore, we can anticipate some consolidation around $19,600, while the next support is situated around $19,000.


NicolasCarrier published on TradingView.com, Oct 05, 2022 10:26 UTC-4
Bitcoin / U.S. Dollar, 4h, COINBASE O20031.59 H20075.68 L19750.00 C19814.77 −216.67 (−1.08%)
USD
19814.77
TradingView


NicolasCarrier published on TradingView.com, Oct 05, 2022 10:27 UTC-4
NASDAQ 100 E-mini Futures, 30, CME_MINI O11493.50 H11501.00 L11390.25 C11401.00 −92.50 (−0.80%)
VRVP (Number Of Rows, 1000, Up/Down, 70) 4.162K
SVP HD (All, 0930-1600, Exchange, Up/Down, 70) 0 1.333K 1.333K
ISM-Non
USD
11401.00
MACD (12, 26, close, 9, EMA, EMA)
TradingView

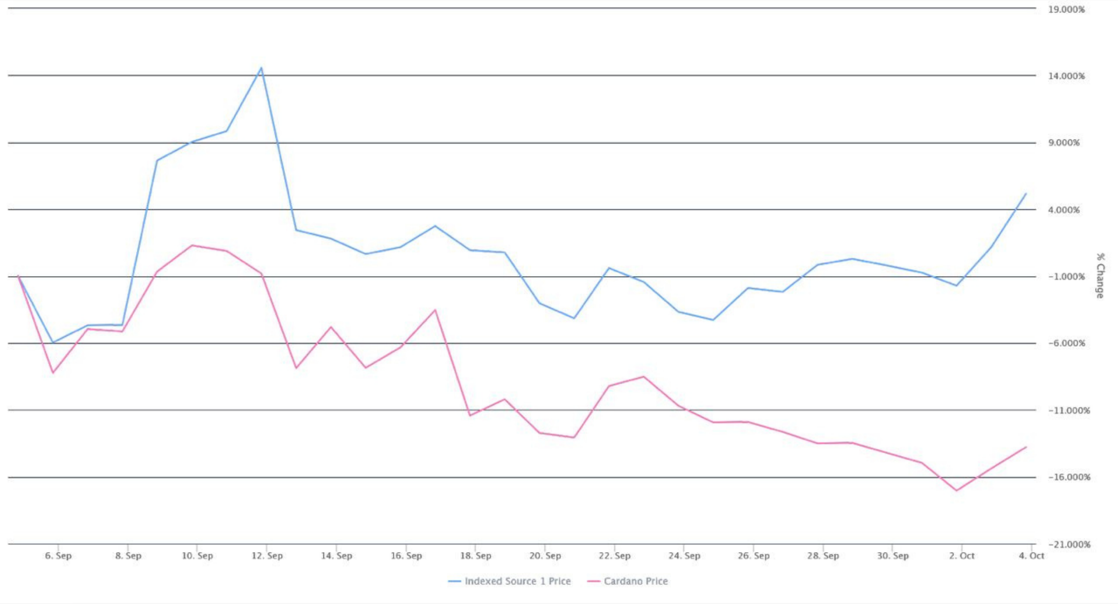

NicolasCarrier published on TradingView.com, Oct 05, 2022 10:27 UTC-4
U.S. Dollar Currency Index, 4h, TVC O110.813 H111.735 L110.805 C111.655 +0.846 (+0.76%)
BOE Announcement
USD
111.655
105.778
TradingView

OVERVIEW

Altcoin Analysis

As much as Cardano has been all over the news lately with its recent network upgrade, ADA holders aren’t too happy with the recent price action.

In the last 30 days, ADA has gone down by 13% while the top 20 holders (excluding stablecoins) have witnessed a price appreciation of 6% on average.



From a chartist point of view, ADAUSDT has been trading within a declining trend channel and is currently flirting with the recent lows near $0.405. A break below this level, especially a close, would trigger major bearish implications for the pair. If it rebounds, the next targets to the upside would be $0.52 and $0.57.

Moving on with ADABTC, the pair is trading near the bottom-end of a short-term consolidation zone. If it breaks below this level, it would open the door for a period of underperformance vs. BTC.

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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