OCTOBER 4 - 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	$20,073	4.53%	$19,190	$20,085	0.0100%
ETH/USD	$1,352	3.92%	$1,299	$ 1,356	0.0040%
XAU/USD	$1,711.10	0.56%	$1,697.90	$1,715.10	
USD/CAD	$1.3635	0.10%	$1.3567	$1.3665	
EUR/CAD	$1.3536	1.15%	$1.3371	$1.3559	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $20,073 representing a 4.53% increase the last 24 hours and 30.37% increase in trading volume. The funding rate of BTC is 0.0100%.

ETHEREUM

ETH is trading at $1,352 as of this writing, representing a 24-Hour increase of 3.92% and a funding rate of 0.0040%. Over the last 24 Hours, the trading volume increased by 15.30%. 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- U.S. Treasury encourages new laws to address crypto regulation gaps 1

The Financial Stability Oversight Council (FSOC), a U.S. regulatory panel comprising top financial regulators, on Monday recommended that Congress pass legislation addressing risks digital assets pose to the financial system, including bills to bolster oversight of crypto spot markets and stablecoins. In a report following U.S. President Joe Biden's executive order this year "on Ensuring Responsible Development of Digital Assets," the panel identified three gaps in the regulation of cryptocurrencies: limited oversight of the spot market for tokens that are not securities; opportunities for regulatory arbitrage, or taking advantage of favorable rules; and whether crypto firms should be allowed to integrate multiple services traditionally provided by intermediaries, like broker-dealers and clearing houses.

2 - Celsius sets dates for asset auction following bankruptcy 2

Celsius Network has set a timeline for the auction of its assets. The bankrupt cryptocurrency lender will have a final bid deadline of Oct. 17 at 4 p.m. Eastern Time — with an auction, if necessary, on Oct. 20 at 10 a.m. ET. A sale hearing will be held on Nov. 1 at 11 a.m. ET before Chief U.S. Bankruptcy Judge Martin Glenn via Zoomer, according to a filing with the U.S. Bankruptcy Court for the Southern District of New York dated Monday. Celsius filed for bankruptcy in July — roughly a month after halting client withdrawals and trapping billions of dollars across more than a million accounts. Recent court documents showed that Celsius's liabilities were more than $6.7 billion and its assets were worth only around $3.9 billion, resulting in a balance sheet hole of $2.8 billion.

3 - Mastercard pushes deeper into crypto with new tool for combating fraud 3

Mastercard will on Tuesday debut a new piece of software that helps banks identify and cut off transactions from fraud-prone crypto exchanges, the company told CNBC exclusively. Called Crypto Secure, the system uses "sophisticated" artificial intelligence algorithms to determine the risk of crime associated with crypto exchanges on the Mastercard payment network. The system relies on data from the blockchain, a public record of crypto transactions, as well as other sources. The service is powered by CipherTrace, a blockchain security startup Mastercard acquired last year. Based in Menlo Park, California, CipherTrace helps businesses and government agencies investigate illicit transactions involving cryptocurrencies.

(1) https://www.reuters.com/article/idUSL1N3141TJ
(2) https://www.theblock.co/post/174603/celsius-sets-dates-for-asset-auction-following-bankruptcy
(3) https://www.cnbc.com/2022/10/04/mastercard-deepens-crypto-push-with-tool-for-preventing-fraud.html

OVERVIEW

Trader's Digest

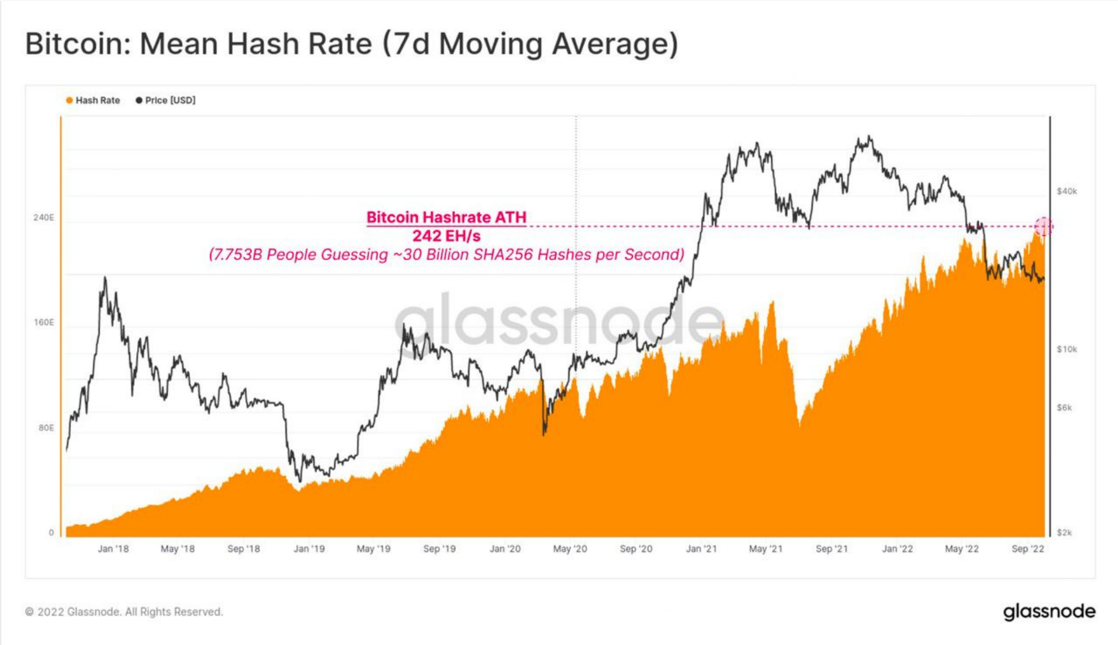
Bitcoin's correlation with gold has just hit its highest level in the last 12 months this week, as investors have been lured by a strong dollar amid rising interest rates. Therefore, this week's softening in USD did support our yellow metal and the main cryptocurrencies.

Additionally, Bitcoin and the S&P 500 currently have a correlation of around +0.61, as crypto is now traded with other risky assets, according to data from CoinMetrics as of September 30.

Compared to last week, Bitcoin has risen 3% while the Nasdaq 100 and S&P 500 each lost 1%. while compared to three months ago, Bitcoin has gained 1% while the Nasdaq 100 lost 3% and the S&P 500 lost 4%, seeing an overperformance of Bitcoin versus the main equity indices.

Finally, as global equity and bond markets continue to tread challenging ground, Bitcoin hashrate defies the odds, pushing to yet another all-time high. According to a glassnode analysis, this hashrate rise is due to more efficient mining hardware coming online and/or miners with superior balance sheets having a larger share of the hashpower network.


PRE COVID


Bitcoin: Mean Hash Rate (7d Moving Average)
Hash Rate
Price [USD]
Bitcoin Hashrate ATH
242 EH/s
(7.753B People Guessing ~30 Billion SHA256 Hashes per Second)
glassnode
240E
160E
80E
0
$40k
$10k
$6k
$2k
Jan '18
May '18
Sep '18
Jan '19
May '19
Sep '19
Jan '20
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Sep '20
Jan '21
May '21
Sep '21
Jan '22
May '22
Sep '22
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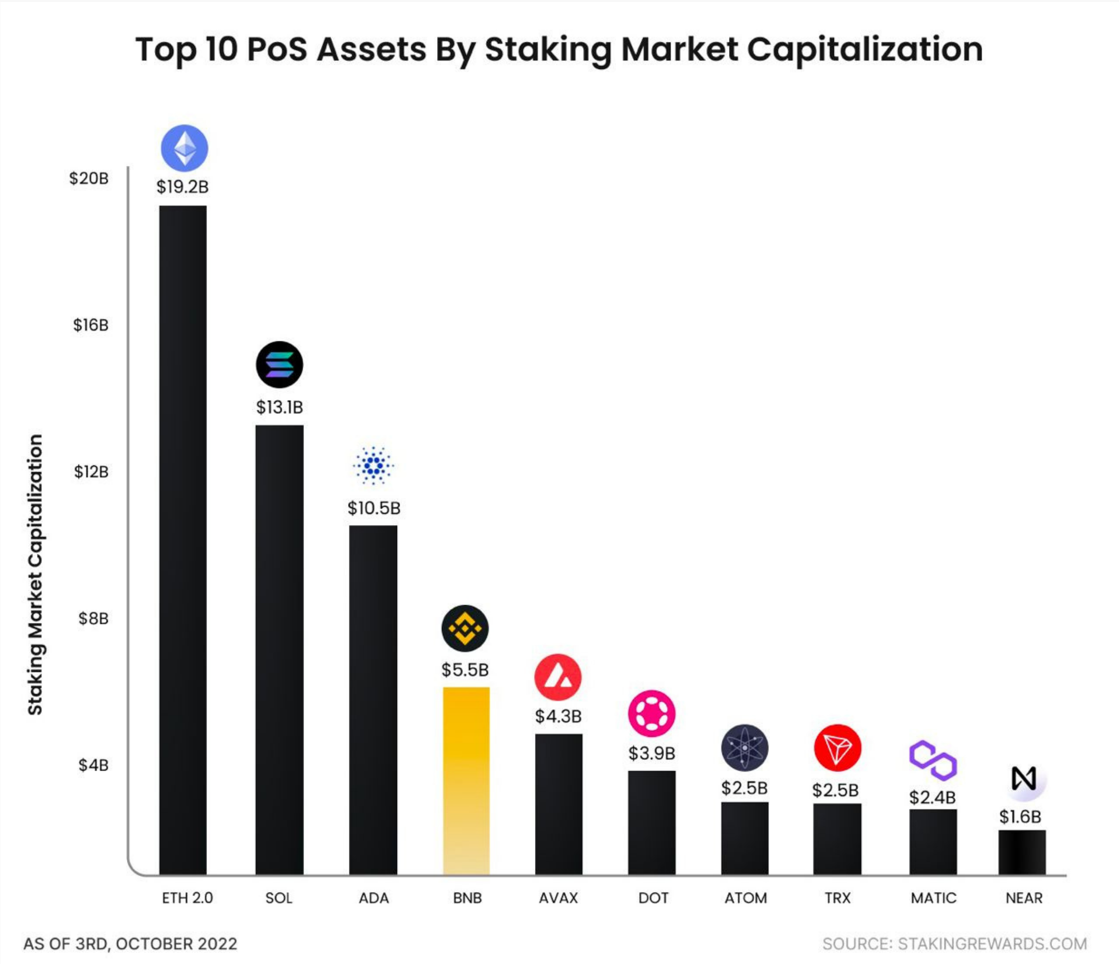
OVERVIEW

Altcoin Analysis

The BNB Chain network is one of the most active in the blockchain. Daily transactions reached 2.8m with over 196m unique addresses as activity and adoption keeps rising. BNB is 4th on the list of top 10 PoS assets by staking market cap and is expected to continue to gain traction in the near future.



Let's take a look at the technicals.

Binance Coin is currently rebounding off the bottom-end of an ascending triangle pattern on the daily chart which serves as an important support level, and is showing an attractive risk-reward entry for a long position. We continue to witness a big offer on $300 but there are enough bids below that level to push prices higher.

Looking at the weekly chart, prices broke above the 20-week moving average for the second straight week. This hasn't taken place since December 2021. The RSI is approaching an important resistance zone. If it breaks above 50, it will serve as a confirmation layer for this bullish reversal.

As long as prices remain above $260, we expect further upside towards $325 and $355 in extension.

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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