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DIGITAL ASSET MARKET NEWS

September 13 - 22 // TRADING@SECUREDIGITALMARKETS.COM

Market Insight

Key Metrics					
Pairs	**Spot Price**	**24 Hr Change**	**Low**	**High**	**Funding Rates**
BTC/USD	$21,360	-4.43%	$21,360	$22,673	0.0100%
ETH/USD	$1,613	-7.54%	$1,613	$ 1,752	-0.0260%
XAU/USD	$1,707.90	-1.01%	$1,696.50	$1,733.10	
USD/CAD	$1.3088	0.79%	$1.2953	$1.3093	
EUR/CAD	$1.3130	-0.08%	$1.3093	$1.3205	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is $21,360 representing a 4.43% decrease the last 24 hours and 0.81% increase in trading volume. The funding rate of BTC is 0.0100%.

ETHEREUM: ETH is trading at $1,613 as of this writing, representing a 24-Hour decrease of 7.54% and a funding rate of -0.0260%. Over the last 24 Hours, the trading volume increased by 28.69%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

UPCOMING DATES		
Company	Pending Applications	SEC Response Date
WisdomTree Bitcoin Trust	WisdomTree	October 10, 2022

1) Crypto Custody Firm BitGo Files $100M Lawsuit Against Galaxy Digital for Breaching Merger Agreement [1]

Cryptocurrency custody firm BitGo has filed a lawsuit against crypto financial services firm Galaxy Digital, seeking more than $100 million in damages as it alleges that Galaxy Digital intentionally breached the firms' $1.2 billion merger agreement, which was announced in May last year. The complaint was filed in Delaware Chancery Court and will be made available to public on Thursday. On Aug. 15, California-based BitGo declared its intention to sue Galaxy, which had planned to acquire BitGo, labelling the termination of the deal as "absurd." The deal came to a halt in March as Galaxy waited for a U.S. Securities and Exchange Commission decision on its plans to reorganize as a Delaware-based company. Galaxy's shares trade on the Toronto Stock Exchange, and the firm still intends to list its shares on Nasdaq.

2) Linux launches foundation to support development of open source wallets [2]

The Linux Foundation has announced its plans to launch the OpenWallet Foundation, an effort to support the development of open source software for digital wallet use cases. Its primary mission will be to develop a secure open-source engine that anybody can use - provided they have the technical expertise - to build an interoperable wallet, according to a release on Tuesday. While it will also aim to set best practices for digital wallet technology via collaboration on such code, the foundation will not develop a wallet itself or create any new standards.

3) UK venture firm Northzone eyes web3 startups with new €1 billion fund [3]

London-based venture capital firm Northzone launched a €1 billion fund with an eye on investing in crypto and fintech startups, according to an announcement today. Founded in 1996 as a generalist investor, Northzone has backed a wide range of tech companies, from fintech firms like open banking specialist TrueLayer and buy now play later giant Klarna, to music streaming platform Spotify, which is said to be exploring web3. But the company also counts crypto infrastructure startup Magic Labs, web3 privacy firm Sunscreen, and DeFi protocol Gro as portfolio companies.

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[1] https://www.coindesk.com/business/2022/09/13/crypto-custody-firm-bitgo-files-100m-lawsuit-against-galaxy-digital-for-breaching-merger-agreement/?utm_medium=referral&utm_source=rss&utm_campaign=headlines
[2] https://www.theblock.co/post/169557/linux-launches-foundation-to-support-development-of-open-source-wallets
[3] https://www.theblock.co/post/169381/uk-venture-firm-northzone-eyes-web3-startups-with-new-e1-billion-fund?utm_source=rss&utm_medium=rss

4) Brother of ex-Coinbase manager pleads guilty to insider trading charge [4]

The brother of a former Coinbase Global Inc (COIN.O) product manager pleaded guilty on Monday to a wire fraud conspiracy charge, in what U.S. prosecutors have called the first insider trading case involving cryptocurrency. Nikhil Wahi, 26,admitted during a virtual court hearing before U.S. District Judge Loretta Preska in Manhattan that he made trades based on confidential Coinbase information. Prosecutors say Ishan Wahi, the former product manager, shared confidential information with his brother and their friend Sameer Ramani about new digital assets Coinbase was planning to let users trade.

[4] https://www.reuters.com/markets/us/brother-ex-coinbase-manager-pleads-guilty-insider-trading-charge-2022-09-12/

The US August 2022 consumer price index inflation data came is at **+8.3% y/y vs +8.1% expected this morning**, putting intense pressure on the broader market.

The Current MoM came out at **+0.1% m/m vs -0.1%** expected and 0.0% prior,

While the **Core CPI** numbers, came out both significantly higher even with Food and Energy excluded from the reading:
6.3% y/y vs 6.1% expected and 5.9% prior
0.6% m/m vs +0.3% expected and +0.3% prior

Here is the **Detailed** inflation data:
CPI energy -5.0% vs -4.6% prior
Gasoline -10.6% m/m vs -7.7% prior
New vehicles +0.8% vs +0.6% prior
Used vehicles -0.1% vs -0.4% m/m prior
Owners' equivalent rent +0.7% m/m vs +0.6% prior
Food +0.8% vs +1.1% prior
Real weekly earnings -0.1% vs +0.5% m/m prior

Looking at Fed fund futures, it looks like 100 bps next week is now on the table. The implied odds of 100 bps are up to 23% from zero before the data.

The terminal rate is showing 4.20% in March now from about 4.00% beforehand. Having a terminal rate above the 4.00% threshold is very hawkish for the market and isn't looking pretty for risk assets.

Over in the stock market, S&P 500 futures are now down 57 points. In bonds, US 2-year yields are up 12 bps to 3.69%, which is a new cycle high. US 10-year yields is up to 3.451%, only a few basis points off the 3.500% cyclical high.

Bitcoin broke back below $22,000 down over 4% so far in the session, while Ether is trend toward the lower bound of $1,600. The main two cryptocurrencies are following the US equities lower, with the correlation back in full steam.

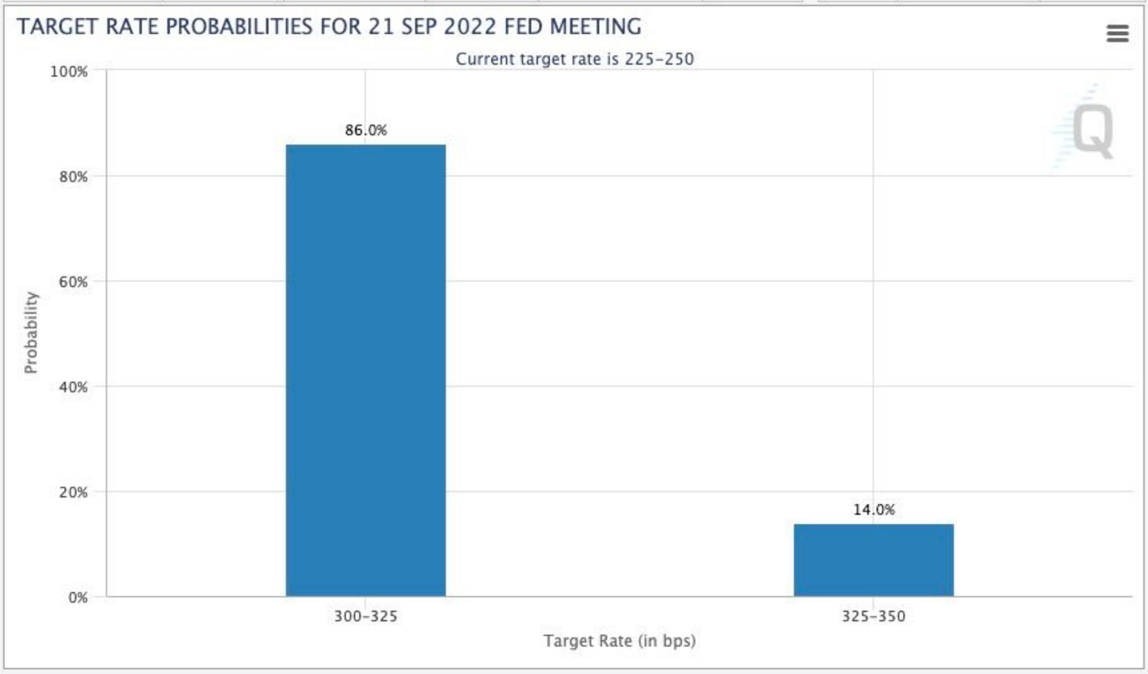
The USD Index is back above the 109.000 mark, up 1.50% on the data, pushing the EURO back towards parity and gold towards monthly lows.

Where are we going from here?

Risk assets will keep going down, as US Yields and the USD will keep making new cyclical highs on the back of tighter monetary stance from the Fed and unanchored inflation. Doing so, Bitcoin will go back below $21,000 while Ether will go back to the $1,550 point of control.

8:30 am	US CPI m/m Aug	%	-0.1 MNI	0.1	0.2	0.0
8:30 am	US CPI Ex Food and Energy m/m Aug	%	0.3 MNI	0.6	0.3	0.3
8:30 am	US CPI y/y (nsa) Aug	%	8.1 MNI	8.3	0.2	8.5
8:30 am	US CPI Ex Food and Energy y/y (core nsa) Aug	%	6.1 MNI	6.3	0.2	5.9

MEETING DATE	CONTRACT	EXPIRES	MID PRICE	PRIOR VOLUME	PRIOR OI	EASE	NO CHANGE	HIKE
21 Sep 2022	ZQU2	30 Sep 2022	97.4338	13,015	191,036	0.0 %	0.0 %	100.0 %



TARGET RATE (BPS)	PROBABILITY(%)			
	NOW *	1 DAY 12 SEP 2022	1 WEEK 6 SEP 2022	1 MONTH 12 AUG 2022
275-300	0.0%	9.0%	27.0%	55.0%
300-325	86.0%	91.0%	73.0%	45.0%
325-350	14.0%	0.0%	0.0%	0.0%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Bitcoin / U.S. Dollar, 8h, COINBASE
US CPI
TradingView


NicolasCarrier published on TradingView.com, Sep 13, 2022 09:17 UTC-4
Ethereum / U.S. Dollar, 1D, COINBASE O1716.65 H1761.04 L1608.17 C1614.89 −101.82 (−5.93%)
TradingView


NicolasCarrier published on TradingView.com, Sep 13, 2022 09:18 UTC-4
U.S. Dollar Currency Index, 4h, TVC O107.778 H109.556 L107.680 C109.438 +1.663 (+1.54%)
USD
113.892
109.438
109.288
109.012
108.708
108.069
107.682
0.039
TradingView

Altcoin Analysis

Cardano is making progress with its much-anticipated Vasil hard fork expected to go live on September 22nd. Many top exchanges like Binance and Coinbase have started to prepare for the upgrade.

What are the charts showing us?

ADAUSDT continues to trend within a trend channel with no clear direction yet. Clearly, the market has been supporting the coin near $0.42 as it rebounded off this level four times already.

Looking at ADABTC, we're witnessing the same technical setup.

As long as the lows of Cardano are intact, we expect prices to start improving soon towards the top-end of the consolidation zone near $0.57 and even $0.65. If Cardano breaks these lows, we could see prices reach much lower prices.

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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