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Market Insight



Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$20,123	-0.85%	\$19,793	\$20,354	-0.0008%
ETH/USD	\$1,586	-1.02%	\$1,572	\$1,648	0.0100%
XAU/USD	\$1,689.00	-0.45%	\$1,679.90	\$1,693.80	
USD/CAD	\$1.3173	0.06%	\$1.3152	\$1.3214	
EUR/CAD	\$1.3177	0.30%	\$1.3116	\$1.3201	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$20,123 representing a 0.85% decrease the last 24 hours and 6.62% decrease in trading volume. The funding rate of BTC is -0.0008%.

ETHEREUM: ETH is trading at \$1,586 as of this writing, representing a 24-Hour decrease of 1.02% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume increased by 29.02%. 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

Latest Digital Asset News



1) Thailand's SEC Bans Crypto Firms From Offering Staking and Lending Service ¹

Thailand's Securities and Exchange Commission (SEC) has banned crypto companies from offering staking and lending services, according to a press release on Thursday. The decision to ban "depository services", which includes paying returns to depositors, was made to protect traders from the risks associated with crypto lenders, the release said. Several crypto lenders including Celsius Network and Babel Finance, as well as exchanges offering lending services, froze withdrawals over the past few months following a downturn in the crypto market, with bitcoin and ethereum losing over 50% of their value since the turn of the year.

2) Two Sigma Ventures raises \$400 million across two funds ²

Two Sigma Ventures, a venture firm focused on early-stage companies, announced Wednesday that it raised \$400 million across its two funds. Two Sigma Ventures will use the two funds to invest in companies that use data and technology for social advancement, according to a company release. The firm raised 85% of the \$400 million from external investors like college endowments, non-profit foundations and pension funds. Senior employees and partners at Two Sigma provided the remaining 15%. In addition to crypto and DeFi, Two Sigma Ventures invests in early-stage firms in software-as-a-service and fintech, among other areas.

3) Compound Treasury Launches Borrowing for Institutions ³

Last year, Compound Treasury launched an institutional cash management solution powered by the Compound Protocol, offering a 4.00% APR on USD and USDC with daily liquidity. Our clients, including fintechs, crypto companies, and banks, have been able to rely on Compound Treasury as a predictable source of yield. Last year, Compound Treasury launched an institutional cash management solution powered by the Compound Protocol, offering a 4.00% APR on USD and USDC with daily liquidity. Our clients, including fintechs, crypto companies, and banks, have been able to rely on Compound Treasury as a predictable source of yield.

¹ <https://www.coindesk.com/business/2022/09/15/thailands-sec-bans-crypto-firms-from-offering-staking-and-lending-service/>

² https://www.theblock.co/post/170033/two-sigma-ventures-raises-400-million-across-two-funds?utm_source=rss&utm_medium=rss

³ <https://medium.com/compound-finance/compound-treasury-launches-borrowing-for-institutions-432af2cd7e6b>

4) The Ethereum Merge Is Done, Opening a New Era for the Second-Biggest Blockchain ⁴

The massive overhaul of Ethereum known as the Merge has finally happened, moving the digital machinery at the core of the second-largest cryptocurrency to a vastly more energy-efficient system after years of development and delay. The ethereum blockchain has swapped from a proof-of-work run chain to a proof-of-stake. The payoff is potentially gigantic. Ethereum should now consume 99.9% or so less energy. Ethereum's developers say the upgrade will make the network – which houses a \$60 billion ecosystem of cryptocurrency exchanges, lending companies, non-fungible token (NFT) marketplaces and other apps – more secure and scalable, too.

⁴ <https://www.coindesk.com/tech/2022/09/15/the-ethereum-merge-is-done-did-it-work/>

Traders' Digest

The Ethereum merge is finally done, opening a new era for the second-biggest blockchain. The historic upgrade essentially casts aside the miners who had previously driven the blockchain, with promises of massive environmental benefits, consuming 99% less energy.

In a nutshell, Ethereum's developers say the upgrade will make the network – which houses a \$60 billion ecosystem of cryptocurrency exchanges, lending companies, NFT marketplaces and other apps, more secure and scalable.

Looking at Bitcoin, we are still consolidating around \$20,000 after the big wipeout we saw on Tuesday due to inflation. This point of control is acting as short-term support before the next leg down below 19,000.

The USD Index is trading just below 110.000, following the US yields to potential cyclical highs. These two asset together, are putting downward pressure on risk assets, with the S&P500 and Nasdaq100 respectively down 5.5% and 6.75% since the beginning of the week.

Finally, In the bond market, the benchmark U.S. 10-year Treasury note climbed above 3.45%, and the 2-year Treasury teetered past 3.8% after hitting a 15-year high on the heels of shock August inflation data earlier this week.





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Altcoin Analysis



The Merge has been completed, marking one of the crypto sector's most historic events to date. ETH 2.0 needed at least a 66% participation rate from the validators to go live and we are currently sitting at 98%. Traders have been hedging their bets in the derivative market just in case things didn't go as planned. One thing is for sure, the market seems quite bullish in the long run as the options market is dominated by calls at higher strike prices after the Merge. The real upside is yet to come.

Investors have been jumping into ETH, which has outperformed BTC by 75% since its recent lows posted in mid-June. One of the most bullish factors is that supply will be coming down, creating scarcity which should eventually push prices higher in the long run. The network has already burned 75 ETH since the Merge early this morning.

Despite popular belief, after the upgrade, Ethereum won't become faster, cheaper or more scalable. On Sep 9th, Bank of America mentioned in a note that the reduction in energy consumption after the Merge "may enable some institutional investors to purchase the token that were previously prohibited from purchasing tokens that run on blockchains leveraging proof of work (PoW) consensus mechanisms" for ESG reasons. This could potentially open the floodgates for institutional investors.

Looking at an intraday chart, we can see that prices haven't done much overnight. Despite the 3.5% pump starting at 5pm ET last night, prices have remained stable between 1553 and 1656. ETHBTC is also showing bearish divergence and is trading near resistance. Wouldn't be surprised if we the pair takes a breather and pulls back towards the mid-point of the recent bullish move.

It seems that we will continue to trade within this range of 1490 and 1780 in the near future until we find a clear direction. A break below 1490 would send prices towards 1430 then 1360 and possibly even 1275. A break above 1780 would imply bullish implications sending prices towards 1875 and 2030.

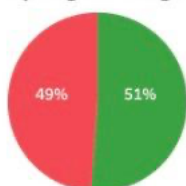
Finally, all ETH and ERC20 settlements have resumed to normal. If you have any questions, please contact your SDM representative or send an email to trading@sdm.co.

ETH Options Breakdown

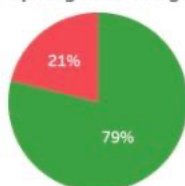
■ Calls ■ Puts

 Kaiko

Expiring Pre-Merge



Expiring Post-Merge



Data Source: Kaiko options data from Deribit





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.

Start trading with Secure Digital Market today by e-mailing Trading@securedigitalmarkets.com

Disclosure

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