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DIGITAL ASSET MARKET NEWS

September 20 - 22 // TRADING@SECUREDIGITALMARKETS.COM

Key Metrics					
Pairs	**Spot Price**	**24 Hr Change**	**Low**	**High**	**Funding Rates**
BTC/USD	$18,941	-1.04%	$18,867	$19,693	0.0040%
ETH/USD	$1,344	-0.61%	$1,326	$ 1,388	0.0020%
XAU/USD	$1,663.70	-0.79%	$1,660.30	$1,678.10	
USD/CAD	$1.3337	0.65%	$1.3226	$1.3345	
EUR/CAD	$1.3320	0.27%	$1.3239	$1.3327	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is $18,941 representing a 1.04% decrease the last 24 hours and 13.50% decrease in trading volume. The funding rate of BTC is 0.0040%.

ETHEREUM: ETH is trading at $1,344 as of this writing, representing a 24-Hour decrease of 0.61% and a funding rate of 0.0020%. Over the last 24 Hours, the trading volume decreased by 30.91%. 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) Crypto Firm Fights SEC by Claiming Its Investors Lack Rights [1]

Cryptocurrency firm Ripple Labs Inc. sought to defeat a Securities and Exchange Commission suit by claiming that its XRP token isn't a security subject to the regulator's authority. Ripple over the weekend filed a motion seeking dismissal of the suit before trial in federal court in Manhattan. The company argued that XRP can't be considered a security because there was no "investment contract" granting investors rights or requiring the issuer to act in their interests.

2) Colorado Residents Can Now Use Crypto to Pay Taxes [2]

Colorado residents can now pay state taxes with cryptocurrencies using PayPal, according to the state's payment portal. Payment takes place through PayPal's cryptocurrencies hub for an additional fee. In February, Gov. Jared Polis outlined plans to accept crypto for tax payments by the end of summer during an appearance on CoinDesk TV. The option allows residents to use crypto to pay for personal income tax, business income tax, severance tax and withholding tax, according to an Axios report that cites a speech Polis gave in Denver on Monday.

3) Nasdaq is preparing to launch an institutional crypto custody service [3]

Equity exchange operator Nasdaq has been plotting a move into institutional crypto custody service, according to several people briefed by the company. The firm, which operates markets in U.S. and global equities, is no stranger to the cryptocurrency market, having served as a provider of market surveillance technology to cryptocurrency exchange venues since at least 2018. In February 2021, the exchange announced the debut of the Hashdex Nasdaq Crypto Index ETF, which is based on its own index. Historically, the firm has opted to provide technology to crypto market participants versus operating a market itself to compete with the likes of Coinbase and FTX.

[1] https://www.bloomberg.com/news/articles/2022-09-19/crypto-firm-fights-sec-by-claiming-its-investors-have-no-rights?leadSource=uverify%20wall
[2] https://www.coindesk.com/policy/2022/09/20/colorado-residents-can-now-use-crypto-to-pay-taxes/
[3] https://www.theblock.co/post/171095/nasdaq-is-preparing-to-launch-an-institutional-crypto-custody-service

4) Wintermute Whacked by $160M Hack Exploiting Known Vulnerability [4]

Liquidity provider Wintermute, which provides liquidity across most CeFi and DeFi exchanges, has suffered a major setback in a second security-based incident this year. CEO Evgeny Gaevoy disclosed in a Twitter thread on Tuesday that the platform encountered a $160 million breach in its decentralized finance (DeFi) operations. The firm's CeFi operations and over-the-counter services weren't affected, he said. Gaevoy indicated Wintermute remains solvent, with $320 million in equity left after the hack. Users can expect the platform to face disruptions over the next few days until operations return to normal.

5) Indonesia to tighten rules for crypto exchanges, ensure more local control [5]

Indonesia's trade ministry plans to issue a new rule governing crypto asset exchanges, requiring two-thirds of the board of directors and commissioners to be Indonesian citizens and reside in the country, a deputy minister said Tuesday. The measure comes following financial issues faced by Southeast Asia-focused cryptocurrency exchange Zipmex, which temporarily prevented users from withdrawing funds. "We don't want to give permits (to exchanges) carelessly, so only for those that meet the requirements and are credible," deputy trade minister Jerry Sambuaga told reporters after a parliamentary hearing.

[4] https://blockworks.co/wintermute-whacked-by-160m-hack-exploiting-known-vulnerability/
[5] https://www.reuters.com/article/idUSKBN2QL1DH

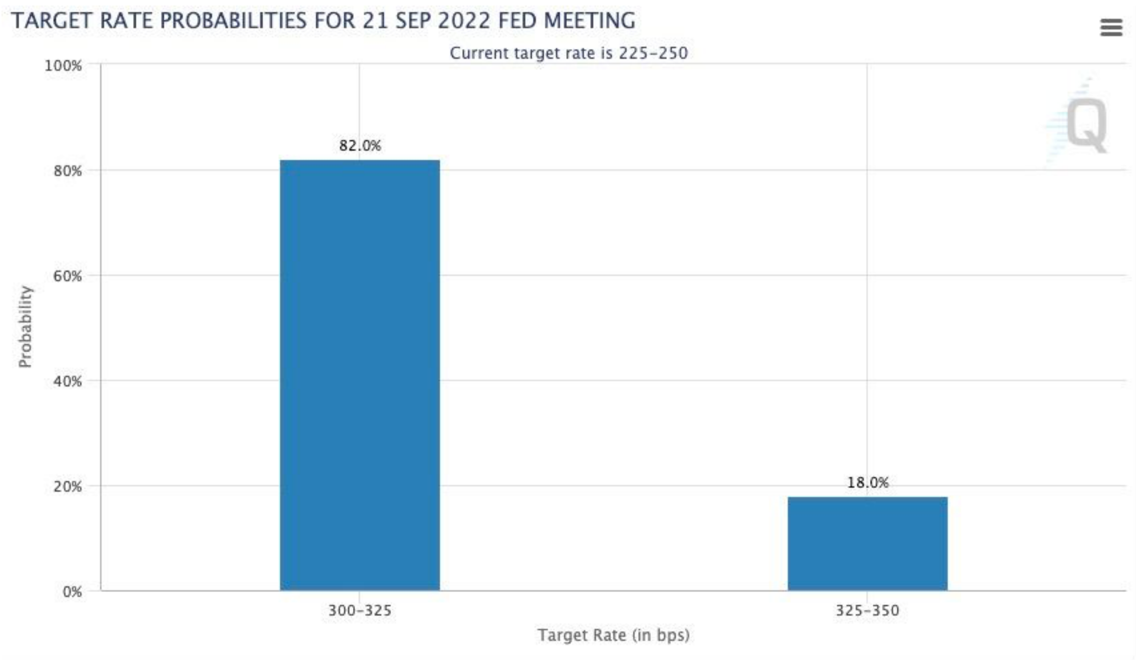
Our main cryptocurrency is weaker in early U.S. session, after hitting a three-month low Monday. The drop in prices below the former $18,500 support at the early-September low gave the bears the overall near-term technical advantage and they are presently working on a price downtrend on the daily chart.

Ether also reached our $1,285 target during Monday’s session, now trading just shy of $1,350. On a technical perspective, Ether’s next support level is situated at $1,200 while the next resistance is the most recent Head and Shoulder’s next line at $1,425.

The overnight session was also shaken by a very negative news, where Cryptocurrency market maker Wintermute has lost $160 million in a hack relating to its decentralized finance (DeFi) operation. On the positive side, the firm’s CEO confirmed that the lending and OTC side of their business have not been affected.

On the traditional market side, Nasdaq, one of the largest U.S. stock market operators, is starting a cryptocurrency custody service as it aims to cash in on the demand from institutional crypto investors. This seems to be the second biggest traditional market adoption since the Black Rock and Coinbase partnership.

Finally, let’s make sure we have our eyes on the FOMC Meeting tomorrow 2pm EST, as Jerome Powell and his colleagues will give their rate decision as well as their economic projection ahead of Q4.



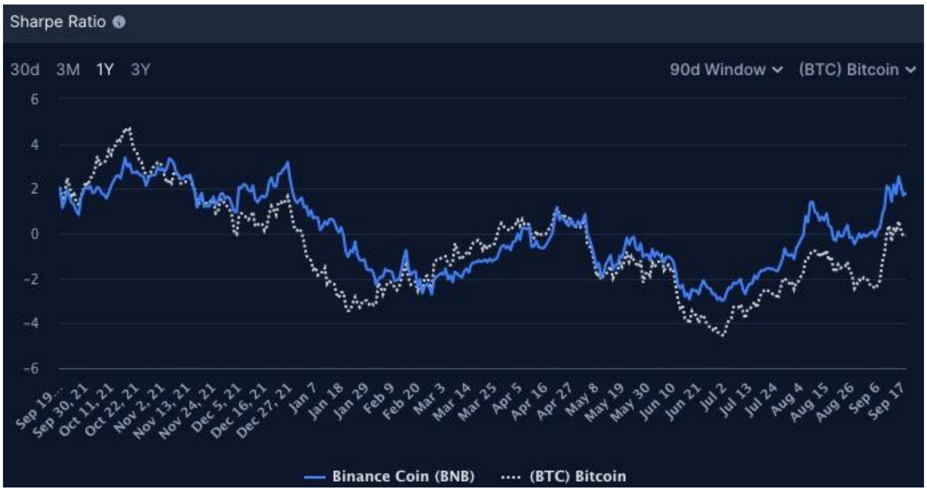
TARGET RATE (BPS)	PROBABILITY(%)			
	NOW *	1 DAY 19 SEP 2022	1 WEEK 13 SEP 2022	1 MONTH 19 AUG 2022
275-300	0.0%	0.0%	0.0%	53.0%
300-325	82.0%	81.0%	69.0%	47.0%
325-350	18.0%	19.0%	31.0%	0.0%

Altcoin Analysis

Binance Coin remains at the top of the food chain with a rank of #3 (#5 if you include USDT and USDC). Recently, the world's largest crypto exchange by volume secured a license in Dubai to offer a multitude of crypto services including payments and custody. The firm also received approval to operate in Kazakhstan, France and Spain earlier this year.

In the last 24hrs, tweet volume has fallen by 33% while the number of unique Twitter accounts surged by 57%.

Looking at the Sharpe ratio, we can see that the risk-adjusted return of BNB within a 90-day window is double the risk-adjusted return of BTC.



Moving on with some price action, BNBBTC continues to show us strength but it seems that the pair might take a breather after BNB outperformed BTC by 60% since mid-June. The pair broke below a short-term rising trend channel which is a clear warning sign. Another warning sign would be the breakdown of the dotted line located near the recent low, which might confirm the breakdown of a triple top or Head-and-Shoulders pattern (depending on how price fluctuates until then). As long as the pair is trading above the top-end of the ascending triangle pattern (red line), we should expect BNB to continue to outperform BTC in the near future.

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.

Disclosure

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