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DIGITAL ASSET MARKET NEWS

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Market Insight



Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$18,944	-0.42%	\$18,770	\$19,464	-0.0007%
ETH/USD	\$1,292	0.82%	\$1,258	\$ 1,353	-0.0038%
XAU/USD	\$1,644.50	-1.60%	\$1,640.20	\$1,675.10	
USD/CAD	\$1.3565	0.57%	\$1.3467	\$1.3578	
EUR/CAD	\$1.3197	-0.50%	\$1.3171	\$1.3281	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$18,944 representing a 0.42% decrease the last 24 hours and 31.51% decrease in trading volume. The funding rate of BTC is -0.0007%.

ETHEREUM: ETH is trading at \$1,292 as of this writing, representing a 24-Hour increase of 0.82% and a funding rate of -0.0038%. Over the last 24 Hours, the trading volume decreased by 22.49%. 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) IRS hunts crypto tax evaders with M.Y. Safra Bank summons ¹

The U.S. Internal Revenue Service (IRS) has been granted the power to issue a so-called "John Doe" summons to M.Y. Safra Bank, allowing the tax agency to obtain data on customers of the bank's partner SFOX, a crypto prime broker. The news is the result of a court ruling on Thursday. The court order, which U.S. district judge Paul G. Gardephe approved, authorizes the IRS to serve the summons against M.Y. Safra Bank, asking for information about SFOX customers that may not have reported their crypto transactions on tax returns. M.Y. Safra Bank partnered with SFOX in 2019 and offers SFOX users access to cash-deposit bank accounts. The IRS has identified at least ten SFOX users who failed to report their crypto transactions as required by law.

2) Singapore's DBS Expands Crypto Trading for Wealthier Clients ²

The rapid expansion of the cryptocurrency sector is ushering increasingly more financial institutions into offering crypto-related services and products for their clients, including Singapore's largest bank DBS. Indeed, DBS Group Holdings Ltd. has expanded access to crypto trading services for its 100,000 investors that belong to the DBS Treasures section, Bloomberg's Natalie Ching Mun Choy reported on September 23. This section of the bank's operations covers wealthy clients with investable assets of at least \$246,000, and the new development will allow them to trade cryptocurrencies like Bitcoin, Ethereum, Bitcoin Cash, and XRP, on DBS Digital Exchange.

3) California's Golden Gate University will educate students on blockchain and crypto ³

California-based Golden Gate University is set to offer blockchain and cryptocurrency education in collaboration with the decentralized web development-centered organization Filecoin Foundation. The learning will focus on decentralized storage, technologies behind Web3, and the next generation of the internet while capitalizing on the crypto sector's growth, Filecoin Foundation said in a press statement on September 7. Under the program, the institution's new Filecoin Foundation Blockchain Academy Lab will host meetups and training seminars to cater to the growing interest in cryptocurrencies at a higher education level.

¹ <https://www.theblock.co/post/172325/irs-sfox-my-safra-bank-crypto-tax>

² <https://finbold.com/singapores-largest-bank-expands-crypto-trading-services-for-its-100000-clients/>

³ <https://finbold.com/californias-golden-gate-university-will-educate-students-on-blockchain-and-crypto/>

4) Growth of Bitcoin ATMs installed globally stalls for the first time in history ⁴

According to data acquired by Finbold, there are 38,538 crypto ATMs across 77 countries, as per Coin ATM Radar statistics retrieved on September 23, 2022. Although this represents a marginal climb since the start of September, 38,458 is still a drop off from the total number of installations on August 1. Notably, the number on the date was 38,757, showing that crypto installations haven't made any significant advancement in almost two months since. The revelation should not come as a surprise, given that Finbold reported that the expansion of cryptocurrency ATMs worldwide fell by 32% in the second quarter, from 2,362 to 1,600 machines.

⁴ <https://finbold.com/growth-of-bitcoin-atms-installed-globally-stalls-for-the-first-time-in-history/>

Traders' Digest

Risk assets fell Friday, putting markets on course for a losing week. The Nasdaq, in particular, has had a brutal time, since risk-heavy tech stocks are more sensitive to changes in interest rates. The three major indices tumbled again Thursday, a day after the Fed announced its decision to raise its benchmark rate by yet another three-quarters of a point to the highest mark in over 14 years.

On top of that, the Russian government is sticking by President Vladimir Putin's warning that he could use "all the means at our disposal to protect Russia and our people" as Western weapons and money fuel Ukraine's increasingly successful defense. Leaders and experts saw a nuclear threat in Putin's words. Indeed, Dmitry Medvedev, a former Russian president who is a key figure in Putin's government, followed by saying the country would use any weapons to defend itself, including strategic nukes.

Finally, Bitcoin is now trading just shy of \$19,000, overperforming US equities ahead of the US open while Ether is still pressured by the \$1,350 pivot point. The USD Index broke 112.000, on its way to our long-term target of 113.000.





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Altcoin Analysis

Litecoin has been stuck in a tight consolidation zone since mid-June with an average price of \$54. The average balance of LTC holders, calculated by dividing the market cap by the number of addresses, has shrunk to a 5-year low and is now sitting at \$507.

The lack of momentum is causing investors to lose patience.

Looking at LTC’s correlation to BTC, we can see that the somewhat low correlation of 0.70 may help Litecoin set its own path forward despite the bearish pressure that risk assets are going through.



Correlation Matrix		
	BTC	ETH
30d	0.696	0.781
60d	0.783	0.826
90d	0.748	0.788
1Y	0.811	0.817

Looking at price action, we can see that LTCUSDT has been capped by a trend channel and is about to rebound off the bottom-end of this pattern. Since December 2021, Litecoin has been trading within a declining trend channel, dragging prices lower. The pair pulled back right at the top-end of this pattern at \$68 and will continue to serve as resistance in the near future.

LTCBTC is about to rebound off the bottom-end of a short-term trend channel as well and is about to break above a resistance zone, meaning LTC should outperform BTC for the next couple of weeks.

As long as prices hold above \$47, we expect further upside towards \$64.50



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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Disclosure

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