

**KEY TAKEAWAYS**

- DOJ probes Powell; Trump pushes for lower rates amid macro events
- Metals and crypto rise; CPI this week may help drive crypto higher
- XMR hits new ATH; BTC eyes a long trade from \$93K-\$103K if no new lows

**DIGITAL ASSET COMMENTARY**

Federal Reserve independence was called into question again Sunday night after reports surfaced that the Department of Justice is investigating Fed Chair Jerome Powell, who was allegedly served with a criminal indictment last Friday. Although Powell's term as FOMC chair ends in a few months, President Trump appears to be accelerating pressure for his removal, implicitly pushing for lower interest rates. In a brief response, Powell framed the situation as a renewed threat of political interference in monetary policy. This development comes amid a busy macro backdrop, including a Supreme Court IEEPA tariff decision expected Wednesday.

Metals moved higher on the news alongside modest gains in digital assets, while legacy equity indices remain at all-time highs. The crypto market may need a catalyst for a shove higher, which could arrive with this week's CPI release. A downside surprise could further shift rate-cut expectations, though a cut at the January FOMC meeting remains unlikely. Notably, real-time inflation data from Truflation has fallen below 2.0%, and Fed inflation nowcasts show month-over-month declines in PCE, the Fed's preferred inflation gauge, dating back to October.

Most of the crypto market continues to consolidate, but Monero (XMR) reached a new ATH over the weekend, breaking out of a decade-long consolidation range. Launched in 2014, Monero prioritizes privacy by default, making transactions effectively untraceable. Other privacy-focused chains have also performed well recently, most notably Zcash (ZEC), which surged more than 1,500% in Q4 of last year.

The lingering concern remains BTC's four-year cycle, which presents an uncomfortable possibility: if the rally continues, it would mark the first time a bull market extends meaningfully beyond the typical ~1,000 days from the cycle low. Perhaps this time is different, but markets are now operating in uncharted territory relative to historical cycle expectations. From a technical perspective, BTC still supports a move from \$93K toward \$103K, provided no new lower lows are established.

**CHART 1: PRIVACY COIN MONERO HITS AN ALL-TIME HIGH**

Ascending triangle breakout after a decade long consolidation


**CHART 2: BITCOIN RETURN MULTIPLE - TROUGH TO PEAK**

A continued bull trend without a further retracement would be atypical

Trough		Peak		Return	Duration
Date	Price	Date	Price	Multiple	Days
11/2011	\$2	11/2013	\$1,242	621.0	742
1/2015	\$152	12/2017	\$19,892	130.5	1,068
12/2018	\$3,129	11/2021	\$69,000	22.1	1,061
11/2022	\$15,460	10/2025	\$126,219	8.2	1,147

Source: TradingView