

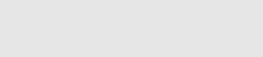


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# DIGITAL MARKET NEWS

JULY-26-21 // GLOBAL MARKET

## MARKET INSIGHT | July 26 2021, 9:45AM EST

| Key Metrics |             |            |             |              |   |
|-------------|-------------|------------|-------------|--------------|---|
| Assets      | Spot Price  | Change (%) | Low         | High         | 7-Day Volatility  |
| BTC/USD     | \$38,173.95 | 17.49%     | \$34,244.27 | \$ 39,748.12 |  |
| ETH/USD     | \$ 2,321.09 | 13.74%     | \$ 2,146.01 | \$ 2,391.71  |  |
| Gold        | \$ 1,802.40 | 0.03%      | \$ 1,831.70 | \$ 1,810.20  |  |
| USD/CAD     | \$ 1.256    | -0.01%     | \$ 1.255    | \$ 1.259     |  |
| EUR/CAD     | \$ 1.481    | 0.14%      | \$ 1.479    | \$ 1.483     |   |

**BITCOIN:** A snapshot of Bitcoin's spot price as of this writing is \$32,423.67 representing a **92.93%** increase in trading volume since over the weekend. The 30-day volatility of BTC is **50.52%**. Bitcoin remains the top cryptocurrency trading with a support at \$30,000 and resistance at \$34,000.

**ETHEREUM:** ETH is trading at **\$2,066.66** as of this writing, representing a **24-Hour** increase of **3.75%**, and 30-day volatility of **77.46%**. Over the last 24 Hours, the **trading volume** increased by **55.45%**. As of today, ETH holds 17.83 % of the cryptocurrency market, making it the second-largest coin traded.

## FIVE THINGS TO START YOUR DAY

- 1) **The Chinese Foreign Ministry announced the government** was sanctioning seven individuals and entities, including former U.S. Commerce Secretary Wilbur Ross, in retaliation for a Biden administration cautious to companies and individuals conducting business in Hong Kong. China's move invokes a new law to stand against sanctions by the U.S. and its allies.
- 2) **The preliminary July PMI for Japan indicates a weak start to Q3.** The manufacturing PMI fell to 52.2 from 52.4. This is the lowest reported figure in five months. Furthermore, output and new orders slipped to a six-month low. The services PMI fell further into contraction. It is important to note that the services PMI is no longer above 50 boom/bust level since January 2020, a five-month low down from 48.2.
- 3) **U.S. economic data will be unveiled this week with the FOMC meeting and Q2 GDP.** However, there are a number of other important events to be noted. First, the Senate will likely test whether it will approve the bipartisan \$579M infrastructure initiative. In consideration that the Senate strikes a compromise, the House may prove to be more challenging. There is also a difference of opinion regarding immigration. Some members requested immigration to be included. Meanwhile, others could reject a funding compromise from the Senate. Second, Treasury Secretary Yellen confirmed that the debt limit is back on August 1 and that various maneuvers can buy for a couple of months.

- 4) **The ECB confirmed last week that the cap on dividends and buybacks for banks would expire at the end of September.** Nevertheless, it urged banks under supervision to be cautious. In the U.K., similar steps were taken earlier this month. More than a third of the banks in the Euro Stoxx 600 Index report earnings this week. Most eurozone banks pay dividends only once a year. Today, bank shares are down about 0.6%.
- 5) **Today, the EU's economics and finance ministers** will hold a video conference to discuss recovery plans and anti-money laundering measures.

## LATEST CRYPTO EVENTS

- **Senator Peter has launched an investigation into how cryptocurrencies facilitate cybercrime and the rise of ransomware attacks.** He noted, this month alone, ransomware attacks have crippled nearly 200 companies' networks, with hackers requesting a total of \$70 million in cryptocurrency to unscramble the affected networks. Nevertheless, the investigation will focus on oversight of digital currencies and their regulations.
- Peters is the chairman of the Homeland Security and Governmental Affairs Committee. Several of his initiatives have aimed at strengthening the U.S. cybersecurity defenses.
- **The Atlantic Council's Geoeconomics Center has launched an updated interactive database featuring a central bank digital currency (CBDC) tracker.** The new CBDC tracker shows that 81 countries are exploring digital currencies. By comparison, 46 more countries have joined the growing list of CBDC investments. Furthermore, the tracker revealed five countries have fully launched their digital currencies.
- **Moreover, the tracker revealed that China is ahead of the adoption curve,** by allowing foreign visitors to use digital yuan during the upcoming Winter Olympics if they provide passport information to the People's Bank of China.
- **Financial institutions in Ireland** have welcomed an upcoming reform of the European Union's anti-money laundering regulations that will affect the digital asset space. The Irish banking industry organization voiced support for the changes aimed at disrupting illicit transactions at the union level while calling them "radical."
- Last week as reported, the European Commission proposed legislation tailored to make EU anti-money laundering and counter-terrorism financing rules applicable to the crypto sector. The amendments will ensure "full traceability of crypto-asset transfers." The legislation also proposes establishing a new Anti-Money Laundering Authority (AMLA) in the EU.
- **Police in Brazil seized \$33 million in a money-laundering probe.** There are 17 bogus companies involved in the money-laundering scheme that wired funds between each other and across crypto exchanges. Crypto exchanges are said to have known all about it, according to the

police. [In a statement dated July 22](#), police said the probe, called "Operation Exchange," involved six search warrants in Sao Paulo's Diadema municipality and in the capital itself.

## TRADER'S DIGEST: SUPPORT AND RESISTANCE

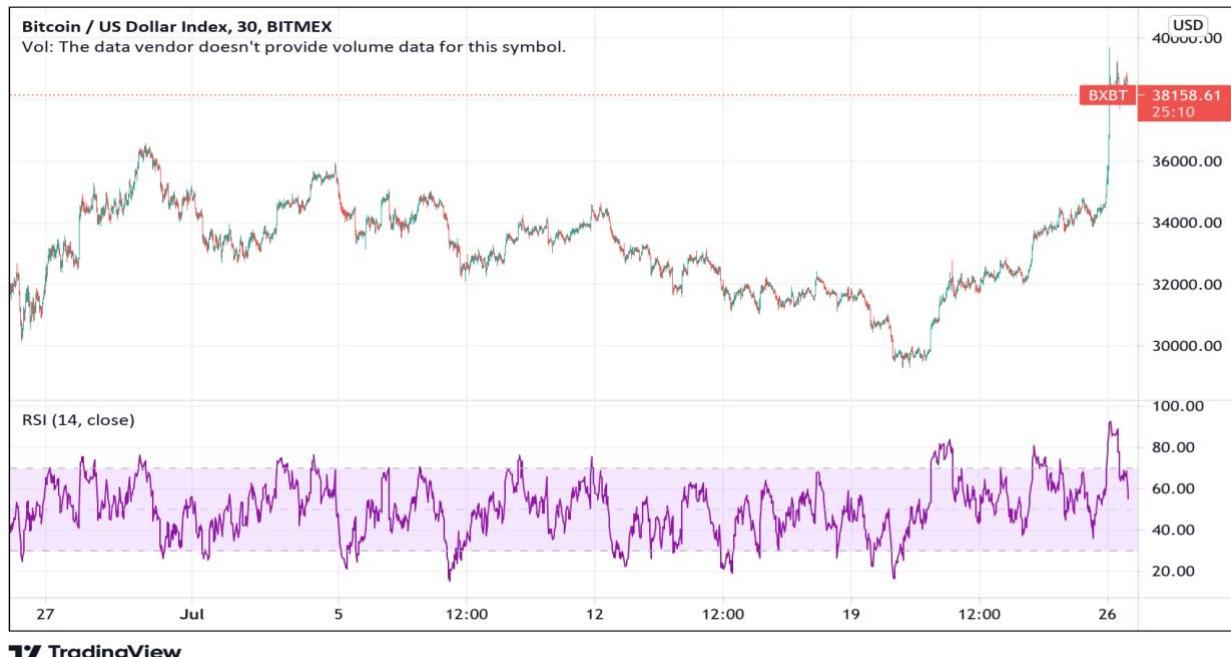
Our Friday analysis noted that bitcoin volatility has been relatively subdued over the past few weeks, with implied volatilities ticking down. As a result, we expect upcoming the coming week to result in some strong reactions from the market. As historical volatilities lead us to believe that implied is currently trading cheap.

Following this weekend announcement from Amazon pointing to a potential involvement in cryptocurrency, bitcoin's price rallied by 15% in the span of 3 hours. Over \$640M of short positions were liquidated by shorts pulling many players out of their short positions following a relatively bearish summer.

**Market mover:** Bitcoin sustains a 5-day rally, breaking through \$34,000 resistance level, as rumours have it that Amazon plans to accept bitcoin payments by the end of 2021, reported by London business newspaper City. A.M.

According to London business newspaper City AM, information was released by an anonymous source from inside of Amazon. However, the report is full of exaggerated vocabulary, there is no cross-validation, no official verification and not a professional report, more like the style of opinion writing, therefore it is important to remain cautious when investing into cryptocurrencies.

Furthermore, the report also stated that Amazon may be looking into its own coins, while keen to add other established cryptocurrencies in the future. Although the rumour carries a hint of doubt, it is worth to note that earlier this month, Amazon is looking to recruit a digital currency and blockchain product lead.



**Technical Analysis:** At the press time, Bitcoin was changing hands near \$38,173.95 representing a 12.10% gain on the day. The Bitcoin price may have bounced significantly over the weekend after reaching correction and reclaiming its 50-day moving average, which stood at \$35,200 as reported on Friday, along with Amazon rumors. We anticipate the uptrend will continue in the long run, and the next target will be \$44,670, which is the 200-day moving average.

**Resistance:** There appears to be a slight resistance level at \$40,000 in the three-day timeframe.

**Support:** As previously mentioned, the \$35,200 level is an important point for Bitcoin, as it is the previous resistance level. Therefore, if Bitcoin stays above the \$35,200 support level, we can expect the bull market to continue.

**What to expect:** According to Bitcoin daily chart, the digital currency's RSI is currently trading hands near oversold levels. Therefore, we can expect a slight pullback into consolidation around 35,000-38,000K in the next few trading sessions.

## UPCOMING DATES

| Date                       | EVENTS   |
|----------------------------|--|
| July 27 <sup>th</sup>      | Second SEC response date for Kryptoin Bitcoin Trust    |
| July 30 <sup>th</sup>      | CME futures and options expiration                     |
| August 10 <sup>th</sup>    | Second SEC response date for Valkyrie Bitcoin Fund     |
| August 25 <sup>th</sup>    | Second SEC response date for First Trust SkyBridge ETF |
| September 15 <sup>th</sup> | The Third Sec response date for VanEck Bitcoin Trust   |

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