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DIGITAL MARKET NEWS

JULY-14-21 // GLOBAL MARKET

MARKET INSIGHT | July 14, 2021, 9:30AM EST

| Key Metrics | | | | | |
|-------------------------------------------------------------------------------------------|-------------|------------|-------------|--------------|-------------------------------------------------------------------------------------|
| Assets | Spot Price | Change (%) | Low | High | 7-Day Volatility |
|  BTC/USD | \$32,833.88 | 1.01% | \$31,606.01 | \$ 32,887.30 |  |
|  ETH/USD | \$ 1,987.20 | 2.02% | \$ 1,865.36 | \$ 1,990.07 | |
|  Gold | \$ 1,828.70 | 1.04% | \$ 1,831.70 | \$ 1,810.20 | |
|  USD/CAD | \$ 1.246 | -0.42% | \$ 1.245 | \$ 1.253 | |
|  EUR/CAD | \$ 1.472 | -0.03% | \$ 1.472 | \$ 1.475 | |

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$32,833.88 representing a 3.72% decrease in trading volume since July 13th at 9:20 AM. The 30-day volatility of BTC is 62.81%. Bitcoin remains the top cryptocurrency trading with a support at \$27,000 and resistance at \$36,000.

ETHEREUM: ETH is trading at \$1,987.20 as of this writing, representing a 24-Hour decrease of 0.01%, and 30-day volatility of 83.36%. Over the last 24 Hours, the trading volume decreased by 4.24%. As of today, ETH holds 17.19% of the cryptocurrency market, making it the second-largest coin traded. It has a circulating supply of 116,688,791 coins, an increase of 13,288 overnight.

FIVE THINGS TO START YOUR DAY

- 1) This morning, Federal Reserve Chair Jerome Powell is scheduled to testify before the House Financial Services Committee. Democrats on the committee will be asking for his support for another round of spending. The higher-than-expected inflation print yesterday will be cited by Republicans as evidence of the dangers of further stimulus. The Senate will hear his testimony tomorrow before meeting with Treasury Secretary Janet Yellen on Friday to discuss risks associated with the hot U.S. housing market.
- 2) The Senate Democrats on the Budget Committee voted to advance a \$3.5 trillion spending bill that would deliver nearly all of President Joe Biden's economic agenda without the need for Republican support. Today, the president will be on Capitol Hill to discuss the deal.
- 3) European Central Bank approves next stage of digital Euro.
- 4) Canada's central bank decision will release at 10 a.m. The latest crude oil inventories data is at 10:30 a.m. Powell's appearance before the House panel begins at noon.
- 5) The UAE and Saudi Arabia came to an agreement on OPEC. UAE is planning to boost oil production to 3.65 million barrels per day as part of future oil deals.

LATEST CRYPTO EVENTS

- **India, Delhi High court calls** for "standardized disclaimers" on crypto advertisements. The court asked that the concerned regulatory bodies take note of the matter and issue guidelines for standard disclaimers on public interest advertisements. Similarly, a campaign to crack down on crypto ads has been initiated in London.
- **China's crackdown continues**, Anhui and Gansu have become the latest provinces to impose a complete ban on Bitcoin mining. The number of Bitcoin and crypto mining farms in China have already declined to near zero due to the ongoing crackdown by authorities that started in late May. The recent crackdown by the Chinese authorities is the most severe to date as Beijing's focus on carbon neutrality intensifies.
- The Chinese crackdown on miners is a bullish move for the crypto ecosystem. Many experts have suggested that Bitcoin mining farms will relocate to other nations, thereby introducing important decentralization. Despite the recent decline in hash rates, the Bitcoin network is showing signs of recovery.
- **Cryptocurrencies regulation tightens in Turkey.** Government authorities mandated that exchanges report cryptocurrency transactions over 10,000 Turkish Lira (\$1,200 at the time). Furthermore, the country restricted the use of cryptocurrency as a payment system at the end of April.
- Turkish authorities have instructed companies who operate cryptocurrency-related businesses to report information about their ultimate controllers in their tax filings. By Aug. 31, crypto companies must submit their first regulatory filings or face penalties.
- The Turkish cryptocurrency market is nevertheless thriving. A recent survey in Turkey found 11-fold growth in cryptocurrency transactions within a year.
- **The Brazilian Securities Regulator (CVM)** approved a cryptocurrency exchange-traded fund (ETF) on Tuesday, July 13. The QR Asset Management announced the approval of this Ether ETF – QETH11 – listed on Brazilian Stock Exchange B3. This marks a new milestone for cryptocurrency adoption in Latin America, as it is the first exchange to list a 100% Ethereum ETF.
- As digital currencies continue to see rapid adoption in Brazil's financial system, the country sees a growing demand for cryptocurrency derivatives. In addition, the struggling economy of the country prompts investors to focus on investments like digital assets.
- **France's stock market regulator**, the Autorité des marchés financiers (AMF), has proposed some new reforms to increase its oversight authority over crypto. On July 13, it announced its main proposals for the European Commission's consultation on supervisory convergence. The AMF has proposed several movements it would like to accomplish in terms of supervision and regulation, and crypto could play a significant role in the program.
- **Alongside the U.S., U.K., Canada, South Korea, Japan, and China**, EU members are now seeking to impose stricter regulations on the crypto market. The market has gained enough

traction and interest from prominent investors that authorities can no longer ignore oversight problems. Christine Lagarde, the president of the European Central Bank, called for global regulation of bitcoin.

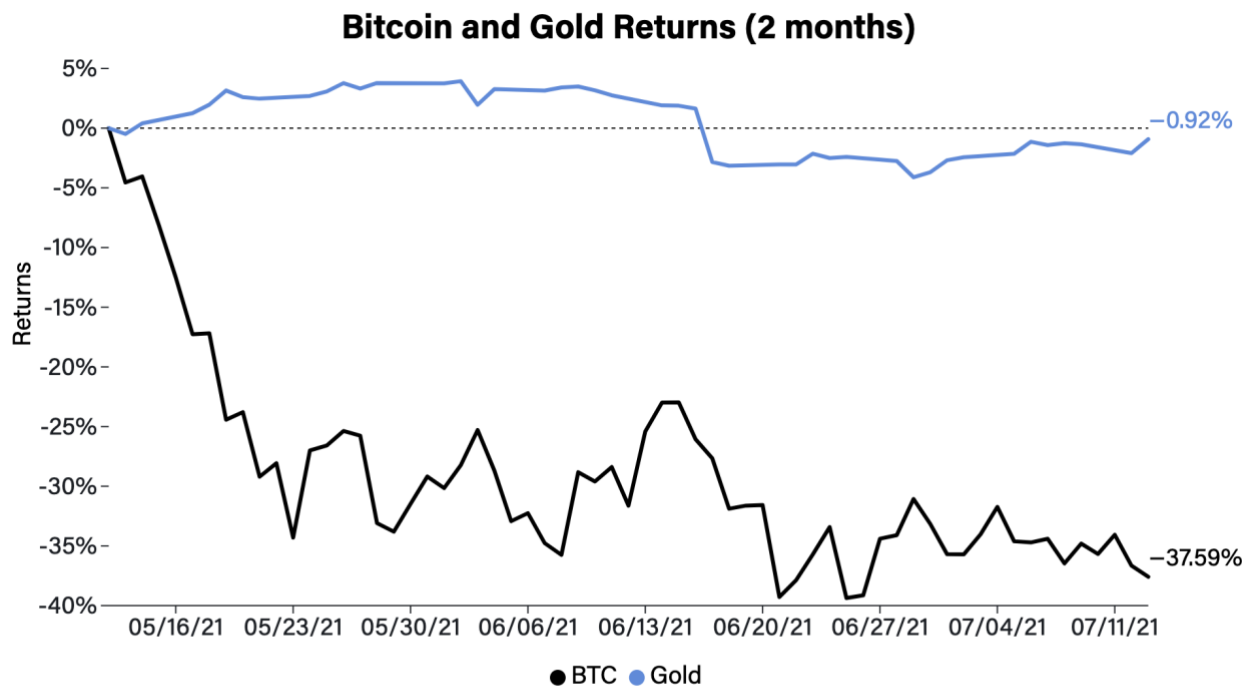
- **The European Securities and Markets Authority** reportedly reviews Binance's stock tokens for possible violations of securities laws. The company argued that stock tokens are not subject to prospectus requirements.


TRADER'S DIGEST



- **Potential downside:** \$30,000 - \$29,000
- In response to yesterday's news of accelerating inflation, it is no surprise that cryptocurrency prices went down. It is marketed as an inflation hedge while considered as a risky asset.
- Following the announcement that China will phase out cryptocurrency mining within three years, Bitcoin fell roughly 4% Wednesday morning to just over \$31,500 a token, its lowest point in almost three weeks.
- Ethereum, Cardano, and ripple, which often mimic bitcoin's ups and downs, also fell by 5-6.5% on Wednesday morning.
- Bitcoin remains confined to a tight consolidation range around \$30,000, trading at \$32,511, down more than 4% on the week.
- Now, 30-day volatility is returning to levels in March, when bitcoin consolidated above \$50,000.
- According to [Glassnode](#) data, the derivatives markets are experiencing dampened volatility as the open interest consolidates, and the trade volume is falling to 2021 lows.

- Crypto market data provider CryptoCompare reports that trading volumes dropped by more than 40% at major crypto exchanges during June compared to the previous month.
- The sharp drop in derivative market volume provides a strong indication that volatility on the market will be driven more by spot volumes than short/long squeezes or leveraged liquidations.
- Although bitcoin is losing ground, gold is currently trading 0.35% higher on the day at \$1,814 an ounce. Amber Group, a crypto services provider, pushed for caution in reading too much into the rates-hike narrative for now in response to this discrepancy.
- Amber Group said Bitcoin's weakness this morning might be the result of Fed rate hike fears. "However, it is hard to force this rate-hike narrative as a headwind if other risk assets (stocks) are hitting new highs and gold remains bid."
- Though bitcoin has come under pressure this week, it remains stuck in the broad two-month range of \$30,000 to \$40,000. With prices stuck in this range, it is challenging to make sense of the market movements.



 **coindesk**® Gold = London Bullion Market pm fixing price;
Source: CoinDesk Research, St. Louis Fed, Yahoo Finance

UPCOMING DATES

| Date | EVENTS |
|----------------------------|--------------------------------------------------------|
| July 14 th | Second SEC response date for WisdomTree Bitcoin Trust |
| July 16 th | First SEC response date for Wise Origin Bitcoin Trust |
| July 21 st | The B Word Conference |
| July 27 th | Second SEC response date for Kryptoin Bitcoin Trust |
| July 30 th | CME futures and options expiration |
| August 10 th | Second SEC response date for Valkyrie Bitcoin Fund |
| August 25 th | Second SEC response date for First Trust SkyBridge ETF |
| September 15 th | The Third Sec response date for VanEck Bitcoin Trust |

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