

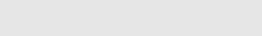
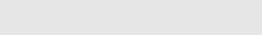
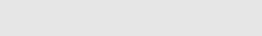


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DIGITAL MARKET NEWS

JULY-29-21 // GLOBAL MARKET

MARKET INSIGHT | July 29 2021, 9:45AM EST

Key Metrics					
Assets	Spot Price	Change (%)	Low	High	7-Day Volatility
BTC/USD	\$39,835.22	-0.27%	\$39,271.27	\$ 40,662.80	
ETH/USD	\$ 2,312.09	0.75%	\$ 2,267.31	\$ 2,331.30	
Gold	\$ 1,824.70	1.39%	\$ 1,831.70	\$ 1,810.20	
USD/CAD	\$ 1.247	-0.42%	\$ 1.245	\$ 1.254	
EUR/CAD	\$ 1.481	-0.14%	\$ 1.479	\$ 1.485	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$39,835.22 representing 0.24% gain in the past 24 Hours and 3.62% decrease in trading volume. The 30-day volatility of BTC is 54.15%. Bitcoin remains the top cryptocurrency trading with a support at \$35,000 and resistance at \$42,000.

ETHEREUM: ETH is trading at \$2,312.09 as of this writing, representing a 24-Hour increase of 1.10%, and 30-day volatility of 69.49%. Over the last 24 Hours, the trading volume decreased by 25.67%. 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 Fed's gradual shift toward slowing its bond purchases and more positive signals from Chinese officials have had a positive impact on risk appetites.** Asia Pacific equity markets increased yesterday after the MSCI benchmark registered its lowest level for the year after a 3% recovery in the Hang Seng.
- 2) **FOMC's press conference and statement yesterday offered two main takeaways. First, the Fed is still on track to make a formal tapering announcement.** However, the actual tapering could begin before year-end, depending on the state of the economy. Powell seemed relatively calm about the possibility that the new Delta variant will cause significant economic disruption. Timeframe of Jackson Hole-September FOMC meetings seems reasonable, particularly if future employment data is solid as anticipated. Furthermore, several forecasts for non-farm payrolls are forecasted to rise by a million when announced next week.
- 3) **Second, the Fed continues to argue that surged in inflation is temporary.** In the CPI basket, Powell asserts, a relatively small basket of goods accounts for the elevated prices. It has been noted that only about a third of the components are rising faster than 2%. Powell cited cars, airfare, and hospitality as significant contributors
- 4) **Chinese officials moved to calm markets.** This was accomplished through the regulators meeting with banks and signaling that IPOs in the US are not banned. There may have been state funds deployed to support equity. Nevertheless, additional liquidity was provided by the PBOC. In the event that Chinese officials succeed in stabilizing the market, the damage to sentiment and confidence among foreign investors will take some time to heal.

5) **Tomorrow is a big day for eurozone releases.** It reports the June unemployment rate, CPI, and the first estimate for Q2 GDP (a 1.5% quarterly gain, which would be the first expansion in three quarters and only the second quarterly expansion since Q3 19 (it was stagnant in Q4 19).

LATEST CRYPTO EVENTS

- **In a statement on July 28, Warren reiterated her intention to implement stricter** government regulation of cryptography and introduce a new wealth tax. As part of her presidential campaign in 2020, she proposed a tax of 2% on net worth over \$50 million and 6% on fortunes over \$1 billion.
- Gabor Gurbacs, head of VanEck's digital assets unit, blasts U.S. senator Elizabeth Warren's enthusiasm for a new wealth tax.
- **The latest iteration of the bipartisan infrastructure plan** in the United States Senate has been updated to include several provisions that target crypto-related taxation and regulations.
- U.S. Senators look to raise an extra \$28 Billion via Crypto Taxes. Policymakers plan to raise \$28 billion more through these taxes, as detailed in the document published today. The new crypto tax would be a part of the \$550 billion planned to fund transportation and electricity infrastructures across the nation.
- In addition to tightening transaction reporting rules for crypto brokers, the revised plan requires businesses to report all transfers of digital assets worth \$10,000 or more to the Internal Revenue Service.
- Just last week, U.S. Janet Yellen called on regulatory agencies to "act quickly" on stablecoins.
- **Large financial institutions have stepped in to offer various regulated investment options as Bitcoin's popularity continues to grow.** A product of this kind is now being offered by ProFunds, an entity that provides multiple mutual funds. The company has launched the first Bitcoin mutual fund to be available to the public in the United States. The mutual fund named Bitcoin Strategy ProFund would be trading under the ticker symbol BTCTFX.
- **The ProFund, the mutual fund provider**, said that its new Bitcoin fund would be an alternative to unregulated third-party crypto exchanges and wallets. The firm has 20 years of experience in managing several innovative funds.
- **Paxos has raised more than \$500 million to date**, and its Series D round valued the company at \$2.4 billion, a steep price even for companies such as Coinbase or FTX. Several strategic investors have now invested in Paxos, including FTX, Coinbase Ventures, Founders Fund, and Bank of America. The most prominent of these is Bank of America. Paxos is a low-profile but increasingly important player in the crypto industry based in New York.
- Paxos Trust Company specializes in blockchain technology, which digitizes and mobilizes assets. In addition, the company focuses primarily on the back-end infrastructure. The company's products include cryptocurrency brokerage services, asset tokenization services, and settlement services.
- **UNICEF will invest in seven blockchain start-ups across six countries**, including India and Nepal. The funding will be overseen by UNICEF's Innovation Fund, launched in 2016. Now companies will receive up to **US\$100,000**, and start-ups will be receiving allocations in ETH.

- UNICEF is also developing blockchain-based projects aimed at increasing financial inclusion. As estimated, around 1.7 billion people worldwide do not have access to essential financial services similar to a bank account. Nevertheless, Blockchain has a unique role to play in financial inclusion. As noted by a spokesman from UNICEF, the solutions range from providing remittance options, humanitarian cash transfers for emergencies, the creation of community currencies to providing underserved communities with opportunities for loan and investment opportunities.

UPCOMING DATES

Date	EVENTS
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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