

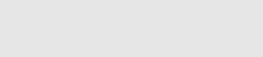
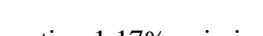


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# DIGITAL MARKET NEWS

JULY-27-21 // GLOBAL MARKET

## MARKET INSIGHT | July 27 2021, 9:40AM EST

Key Metrics					
Assets	Spot Price	Change (%)	Low	High	7-Day Volatility
BTC/USD	\$38,537.46	2.14%	\$36,409.14	\$ 38,580.86	
ETH/USD	\$ 2,312.05	2.06%	\$ 2,152.40	\$ 2,320.41	
Gold	\$ 1,803.30	0.23%	\$ 1,831.70	\$ 1,810.20	
USD/CAD	\$ 1.257	0.23%	\$ 1.254	\$ 1.259	
EUR/CAD	\$ 1.486	0.40%	\$ 1.480	\$ 1.487	

**BITCOIN:** A snapshot of Bitcoin's spot price as of this writing is \$38,537.67 representing 1.17% gain in the past 24 Hours and 3.98% increase in trading volume. The 30-day volatility of BTC is 50.52%. Bitcoin remains the top cryptocurrency trading with a support at \$30,000 and resistance at \$40,000.

**ETHEREUM:** ETH is trading at \$2,312.06 as of this writing, representing a 24-Hour decrease of 0.35%, 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) **China's aggressive foreign policy is the source of the disturbance in the capital markets**, but its aggressiveness is at home. China asserts control over portions of the tech sector and toughens anti-trust efforts. The stock market collapse in China extended into its second day, as the aftershocks of Beijing's regulatory crackdown reached the bond and currency markets. Tencent Holdings Ltd. slid over 10%, and Meituan fell by 17%, the most it has ever fallen.
- 2) **Today, several reports suggest China is considering raising tariffs (10-15%)** on steel exports in Q3 to rein in the industry. This is separate from its regulatory initiatives. The purpose of this seems more to contain commodity prices and rationalize the steel industry. The price of iron ore and steel rebar dropped immediately. Nickel, which is essential to the new batteries, proved resilient and is at new multi-year highs.
- 3) **A record number of covid cases in Tokyo** has not offset the flow into the yen today. For the first time in four sessions, the dollar has fallen below JPY110.00.
- 4) **In even more remarkable news, the US 10-year TIP yield has hit a record low today** 1.14%, despite the US economy being forecast to grow at an annualized rate of 8.5% and with a deflator near 5.5%. Yesterday's decline in the real yield was cited as a major contributing factor to today's greenback's strength. In the meantime, states that have had low vaccination rates are seeing an increase in covid cases.

5) **Today, the US reports June durable goods orders.** Aviation (\*2.1%) will dominate headline growth, without which a modest gain of (~0.8%) is expected. Tomorrow, Canada will report its June CPI numbers, and the year-over-year change may be lower (3.2% versus 3.6%) for the first time in 2021.

## LATEST CRYPTO EVENTS

- **Shopify now supports NFT sales directly from their storefronts**, starting with the Chicago Bulls' NFT. The NFT market surged near the start of the year and reached an estimated \$1.5 billion in trading volume in the first quarter of 2021. However, momentum decreased into Q2, despite DappRadar reports that the NFT market [ultimately saw \\$2.5 billion](#) in trading volume from the first six months of this year.
- **Goldman Sachs has filed for a new crypto ETF based on securities of crypto-related** companies and Defi protocols. As noted on the SEC filing on July 26th, the ETF will be called Innovate Defi and Blockchain Equity ETF. Moreover, the investment bank would invest approximately 80% of its assets exclusive to securities lending collateral.
- **Amazon denies a report of accepting bitcoin** as a payment method. The spokesperson from Amazon denied the most widespread rumor circulating that the e-commerce giant would accept bitcoin payments by the end of the year.
- **Former exchange giants in China, Huobi, and OKCoin have announced the closure** of their Beijing subsidiaries. Beijing Huobi Tianxia Network Technology Co. had informed investors about liquidating their accounts within the next 45 days. Huobi Technology Holdings, share prices plummeted by 22% in Asia's trading session. Huobi's Beijing subsidiary closure is in direct response to OKCoin's Beijing Lekuda Network Technology Co. June announcement to close down all projects and liquidate user assets.
- **China's crypto crackdown is intensifying at a rapid pace**, with mining operations forced to shut down and miners emigrating. Michael Saylor, the CEO of MicroStrategy, expressed his concerns about the Chinese crackdown on cryptocurrencies, calling it a "trillion-dollar mistake." He highlighted how China's crackdown had prompted Chinese miners to migrate into North American nations.

## TRADER'S DIGEST: SUPPORT AND RESISTANCE

**Market Mover:** As the crypto market recovered over the weekend, Ethereum hit a three-week high. In the world of cryptocurrency, Ethereum has long been hailed as the next big thing. Tesla CEO Elon Musk revealed last week that he personally owns ETH, the world's second-largest cryptocurrency.

Bitcoin (BTC) takes a breather following five straight days of rallying along with a gloomy mood in traditional markets. After Amazon's flat denial of allegations, the market pull-back into a consolidation that it would adopt bitcoin as a payment method. Moreover, the risk curve of bitcoin and cryptocurrencies is considered by some market participants to be at the end of the spectrum. As a result, an increase in risk aversion in traditional markets will be a disadvantage for cryptocurrencies. Nevertheless, recent price action indicates that bitcoin sellers have run out of steam. While Bloomberg reported that DoJ is investigating Tether, the cryptocurrency market rose on Monday.



**Resistance:** Short-sellers have been adversely affected by the impressive run of Bitcoin toward the \$40,000 price level. At press time, bitcoin is trading near \$37,000, slightly down after failing to hold Monday's gains above \$40,000. Nevertheless, over \$1 billion in short positions have been liquidated in the past 24 hours.

**Support:** While regulators have increasingly scrutinized Binance, the world's largest exchange by volumes, concerns about stablecoins, and mining bans in China, bitcoin has managed to hold onto the \$30k level.

## 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

## Disclosure

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