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# DIGITAL ASSET MARKET NEWS

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## MARKET INSIGHT | October 14 2021, 9:30 AM EST

Key Metrics					
Assets	Spot Price	Change (%)	Low	High	7-Day Volatility
BTC/USD	\$57,557.32	1.03%	\$56,911.91	\$ 58,523.36	
ETH/USD	\$ 3,763.41	5.31%	\$ 3,554.75	\$ 3,780.00	
Gold	\$ 1,800.40	0.32%	\$ 1,788.00	\$ 1,801.00	
USD/CAD	\$ 1.237	-0.54%	\$ 1.237	\$ 1.245	
EUR/CAD	\$ 1.435	-0.51%	\$ 1.435	\$ 1.443	

**BITCOIN:** A snapshot of Bitcoin's spot price as of this writing is \$57,500 representing **4.43%** increase the last 24 hours and **3.7%** increase in trading volume. The 30-day volatility of BTC is **57.5%**. Bitcoin remains the top cryptocurrency trading with a support at \$50,000 and resistance at \$58,000 – \$60,000.

**ETHEREUM:** ETH is trading at \$3,700 as of this writing, representing a 24-Hour increase of **8.7%** and 30-day volatility of **71%**. Over the last 24 Hours, the trading volume increase by **18%**. As of today, ETH holds 19.31 % of the cryptocurrency market, making it the second-largest coin traded.

## THREE INTERESTING FACTS TO START YOUR DAY

- 1) **Inflation:** The Federal Reserve minutes published yesterday indicate that policy makers are shifting from debating whether inflation is transitory to determining whether it is structural. Treasury yields rose modestly as investors took confirmation of possible tapering in stride. While the latest U.S. inflation data gave little comfort to those arguing that the spike in prices will last a short while, there is growing evidence that the energy shortage is affecting a wider range of factory inputs.
- 2) **Global Market and Earning Season:** Inflation pressures are not on traders' minds as earnings season kicks off in earnest. The MSCI Asia Pacific Index gained 0.7% overnight, led by tech stocks. As Prime Minister Fumio Kishida dissolved parliament ahead of the Oct. 31 election, Japan's Topix index closed 0.7% higher.
- 3) **Coming up:** Representatives of the Food and Drug Administration are meeting to discuss vaccination boosters. In addition, seven Federal Reserve policy makers are scheduled to speak today. China PPI, CPI Thursday and US initial job claims – PPI Thursday.

## LATEST DIGITAL ASSET NEWS

### 1) Financial Institutions

**Swiss digital asset bank SEBA launches institutionally-focused crypto yield product:** Switzerland's fintech bank, SEBA, announced the launch of SEBA earn, which is its yield generating product for custodied crypto.

Guido Bueler, CEO of SEBA bank said that "It is clear that as institutional interest in digital assets accelerates, investors have a broader appetite for crypto assets, with a particular interest in earning services like staking DeFi and centralized crypto borrowing and lending." in a release statement.

SEBA bank will allow its institutional clients to lend out their bitcoins, which is a relatively low-risk way of generating liquidity for bitcoins on the corporate balance sheet.

As POS (proof-of-stake) protocols become more common alongside institutional adoption of digital assets, SEBA claims that it is meeting market demand from corporations that now hold crypto on their balance sheets and are after "internet bonds."

**Investment giant BlackRock CEO says its "researching blockchain and crypto":** During a segment in CNBC, BlackRock CEO Larry Fink discussed cryptocurrencies and investing in global markets.

The sector continues to expand in size and breadth, this is shown by the increasing number of financial service firms establishing and developing crypto platforms. When Fink was asked whether he had shifted his thoughts about providing cryptocurrency goods or other access to his investors, he claimed that his team was "researching blockchain technology and the concept of crypto."

When asked whether or not he agrees with Jamie Dimon, chairman and CEO of JPMorgan Chase, on whether he agrees with Dimon that Bitcoin is worthless or if he believes that there is true value in the commodity. Fink responded "I'm probably more on the Jamie Dimon camp, I'm not a student of Bitcoin and where its going to go so I can't tell you whether it's going to \$80k or 0. But I believe there is a huge role for a digitized currency."

2) Around the world:

**Largest Canadian Bitcoin ETF opens to mutual fund investors:**

Purpose Investments, which is an institutional firm with more than \$12 billion under management, announced the launch of mutual fund units for the world's first ETF backed and settled by Bitcoin.

The purpose Bitcoin ETF invests directly in Bitcoin allowing investors efficient exposure to Bitcoin without the associated risk and burden of self-custody. This purpose ETF will accurately reflect the price of Bitcoin, meaning that its units may be purchased or redeemed at net asset value per unit of the applicable class without premiums or discounts, which might otherwise be associated with listed Bitcoin securities like GrayScale for example. The Purpose fund is currently has \$1.2 billion in assets under management consisting of 21,688.95 Bitcoin.

"We're happy to provide another easy and secure way for Canadian investors to gain exposure to Bitcoin," said the CEO and founder of Purpose Investments, Som Seif.

**Russia Accepts Bitcoin in the role of making payments:**

As regulators around the world grow weary of cryptocurrencies amid fears they can be used for money laundering and criminal activity, Russian President Vladimir Putin expressed a willingness to tolerate them.

In an interview with CNBC that was posted to the Kremlin's website Thursday, Putin said that cryptocurrency "has the right to exist and can be used as a means of payment." But he urged caution about using digital currencies for the bulk of Russia's exports, such as oil.

After sanctions were imposed in 2014 after the annexation of Crimea, Russia began seeking alternative currencies to dollars, and Putin claims that the United States uses its currency as a weapon. Some cryptocurrency proponents suggest that decentralized money will eventually replace fiat currency issued by central banks.

## TRADER'S DIGEST: MARKET MOVEMENT

Following the publication of minutes from the Federal Reserve's September meeting late Wednesday evening, bitcoin shows signs of weariness after inflation concerns were raised and growing support for a fast unwinding of the stimulus was revealed.

At the time of writing, Bitcoin is trading near \$57,700 after touching a five-month high of \$58,500 earlier this morning during Asia trading session. This month, however, BTC/USD the pair is up 30%, as market participants leans towards the possibility of SEC will approve a Bitcoin ETF based on futures.



Nevertheless, as it turns out from the Fed minutes, policymakers are worried that inflation may not be transitory as thought.

The shift away from the traditional narrative that high inflation will be short-lived suggests the central bank might opt for more aggressive policy tightening than anticipated. The central bank's policymakers voiced their preference for accelerating policy tightening. As Bitcoin hit a local high of \$57.3k, on-chain metrics began to show signs of light distribution across older coins, particularly the 3 to 5-year-old cohort according to Cryptoquant's UTXO Age Distribution metrics.

It corresponds to a slight rise in the Coin Days Destroyed Metric CDD (which shows increases in coin spending after a period of holding).

Compared to the aggressive distribution levels we observed in the latter part of the 2017 bull market or even at the beginning of the 2018 bear market, CDD is nowhere near as high. As expected after large rallies, the current data shows a light distribution.

In other words, some long-term holders took profits as BTC hit major resistance. At this time, on-chain metrics appear to be slightly distributed. For bitcoin, it's critical to monitor on-chain metrics closely for signs of aggressive distribution that would bode ill for the asset.

UPCOMING DATES		
Company	Pending Applications	SEC Response Date
VanEck	VanEck Bitcoin Trust	Nov. 10 2021
Wisdomtree	Wisdomtree Bitcoin Trust	Dec. 05 2021
Kryptoin Invst Advisrs	Kryptoin Bitcoin ETF Trust	Dec. 18 2021
Valkyrie Investments	Valkyrie Bitcoin Fund	Jan. 1 2022
First Trust & SkyBridge	First Trust SkyBridge Bitcoin ETF Trust	Jan. 16 2021
Fidelity	Wise Origin Bitcoin	Jan. 20 2022
21Shares / Ark Invest	ARK 21Shares Bitcoin ETF	Mar. 30 2022
Global X	Global X Bitcoin Trust	Apr. 14 2021

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