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DIGITAL ASSET MARKET NEWS

November-16-21 // TRADING@SECUREDIGITALMARKETS.COM

MARKET INSIGHT

NOVEMBER 16TH, 2021, 10:00 AM EST

Key Metrics					
Assets	Spot Price	Daily Change	Low	High	Funding Rate
BTC/USD	\$60,793.08	-4.89%	\$58,644.42	\$ 64,033.11	0.0100
ETH/USD	\$ 4,311.47	-5.56%	\$ 4,107.84	\$ 4,586.69	0.0100
XAU/USD	\$ 1,866.80	0.01%	\$ 1,819.00	\$ 1,832.00	
USD/CAD	\$ 1.255	0.27%	\$ 1.249	\$ 1.255	
EUR/CAD	\$ 1.422	-0.03%	\$ 1.422	\$ 1.425	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$64,222 representing 6.97% a decrease the last 24 hours and 67% increase in trading volume. The funding rate of BTC is 0.01%.

ETHEREUM: ETH is trading at \$4,606 as of this writing, representing a 24-Hour decrease of 8.30% and a funding rate of 0.01%. Over the last 24 Hours, the trading volume increased by 78%. As of today, ETH holds 19% of the cryptocurrency market, making it the second-largest coin traded.

LATEST DIGITAL ASSET NEWS

1) Regulations: Biden signs infrastructure bill, handing crypto broker definitions to the US Treasury: ¹

President Joe Biden signed the Infrastructure Investment and Jobs Act into law on Monday, with controversial crypto tax definitions now in the Treasury Department's hands. As part of its revenue-raising provisions, the infrastructure included new definitions for "broker" among cryptocurrency network participants. These expanded definitions aimed to increase transparency for the IRS, but ultimately run the risk of requiring network actors like node operators to report identifying information for crypto transactions that they have no way of gathering. Those definitions of broker will, however, face the process of rulemaking within the Treasury.

2) Google searches for NFTs spike to record highs: ²

Google's keyword search data shows interest in nonfungible tokens (NFTs) has surged to record levels, with traffic beating out search terms pertinent to many crypto assets ranked among the top ten. The spike in interest has seen "NFT" overtake many of keywords that have long-dominated crypto-related search traffic, including "DeFi," "Ethereum," and even "blockchain".

¹ https://www.theblockcrypto.com/linked/124387/biden-signs-infrastructure-bill-handing-crypto-broker-definitions-to-the-us-treasury?utm_source=cryptopanic&utm_medium=rss

² <https://cointelegraph.com/news/google-searches-for-nfts-spike-to-record-highs>

Google search traffic for NFT-related keywords has continued to surge, doubling over the past three months.

3) **Senators Introduce Bill to Amend New Crypto Regulations:** ³

President Biden has signed the \$1.2 trillion infrastructure bill, which contained new reporting requirements for digital assets, into law. On the same day, a bipartisan team of senators has introduced a bill to amend those requirements, which have been viewed as overly restrictive. The senators stressed the importance of encouraging American innovation in the digital assets space. Senator Cynthia Lummis and Senator Ron Wyden together wrote a new bill that would make these revisions retroactively to the infrastructure bill that was passed. "Digital assets are here to stay in our financial system and the decisions we make now will have impacts far into the future. We need to be fostering innovation, not stifling it," warned Lummis.

4) **Paradigm Launches \$2.5 Billion Venture Fund to Invest in Next Generation of Crypto Companies and Protocols:** ⁴

Investment firm Paradigm announced Monday the launch of a \$2.5 billion venture fund to invest in the next generation of crypto companies and protocols. This new fund will invest alongside our existing flagship fund across all stages and geographies. This is the largest new venture capital fund in history for the crypto space. Paradigm's first fund, which is structured like a hedge fund, raised an initial \$400 million in 2018. Its annual internal rate of return was more than 200% through the first half of this year, according to figures viewed by the Financial Times. The fund's assets have reached as high as \$10 billion. The cofounders added "The journey is just beginning, and the potential of crypto has never been more clear."

5) **Around the world: Israel enacts fresh crypto rules to combat laundering, terror funding activities:** ⁵

The nation already has strict anti-money laundering and tax regulations that crypto companies and investors are subjected to. Now, the country has introduced a new set of regulations on cryptocurrencies to combat terror funding. In line with the Financial Action Task Force's crypto travel rules, Israel has enacted a set of laws, known as the Money Laundering Prohibition Ordinance. This requires digital asset companies to obtain licenses from the government. Additionally, entities will be required to carry out a know-your-customer (KYC) procedure and comply with reporting requirements regarding their business. They are also expected to put a system in place that would track and record all aspects of each digital transaction.

³ https://cryptobriefing.com/senators-introduce-bill-to-amend-new-crypto-regulations/?utm_source=main_feed&utm_medium=rss

⁴ <https://news.bitcoin.com/paradigm-launches-2-5-billion-venture-fund-invest-next-generation-crypto-companies-protocols/>

⁵ <https://ambcrypto.com/israel-enacts-fresh-crypto-rules-to-combat-laundering-terror-funding-activities/>

TRADER'S DIGEST: MARKET MOVEMENT

Following the last week's new all-time high, BTCUSD struggled to stay above 64,000. Indeed, BTCUSD couldn't hold the bullish flag buyer's remorse nor the 20-day EMA. Indeed, BTCUSD went down over 5.00% overnight, breaking the 60,000 supports, touching the 50-day EMA on the way down which was right at the next high-volume node. BTCUSD did lose its upward momentum as the MACD histogram turned negative in the past 5 sessions. Many indicators are now showing hidden bullish divergence from last night's downtick to 58,638. Moving to today's session, it will be critical to monitor if we can stay above 60,000.

In Asia, the sell-off gained traction following Twitter's CFO's anti-crypto comments and USD index strength, which appears to be forcing exchanges to unwind long positions. We've also seen the U.S. infrastructure bill get signed, which has initiated a selloff from traders who are concerned about regulation and taxation. Bitcoin has dropped through the strong \$60,000 support with the opening of a new hourly candle. After breaking through the support, it also immediately lost another \$900 of its value, totaling a 7.3% daily loss at some point, 14% away from all-time highs. Looking at the 8H candle, BTCUSD did recuperate some of its losses, trading towards 61,000.



Bitcoin has more than doubled this year, while Ether is up about sixfold. Both scaled records last week amid a fervor for digital assets driven by speculative demand and controversial arguments that they can hedge inflation risks.

Moreover, Ether broke below its two months upward channel as it fell over 10% at some extent. If sustained, the move will be both cryptocurrencies' biggest daily fall since September. Ether did fall and found support at the 50-day EMA, as it couldn't hold the previous 4386 all-time high.

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Narratives seen on this downturn span from Evergrande global effects to Mt. Gox coins releasing into the market. Not surprising it affected the market this much.

UPCOMING DATES		
Company	Pending Applications	SEC Response Date
Global x Blockchain	\$BITS Global X Blockchain & BTC Strategy ETF	Nov. 16 2021
VanEck	\$XBTC Future base Bitcoin ETF	Nov. 16 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. 22 2021
Fidelity	Wise Origin Bitcoin	Jan. 27 2022
21Shares / Ark Invest	ARK 21Shares Bitcoin ETF	Mar. 30 2022
Global X	Global X Bitcoin Trust	Apr. 14 2021
Teucrium	Teucrium Bitcoin Futures Fund	Feb. 11 2022

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