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D I G I T A L A S S E T M A R K E T N E W S

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MARKET INSIGHT

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Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$48,983.98	-3.87%	\$47,973.87	\$50,724.87	0.0100%
ETH/USD	\$3,915.82	-3.34%	\$3,913.76	\$4,173.61	0.0065%
XAU/USD	\$1,787.70	0.27%	\$1,781.80	\$1,792.40	
USD/CAD	\$1.2787	0.48%	\$1.2702	\$1.2790	
EUR/CAD	\$1.4430	0.22%	\$1.4351	\$1.4438	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$48,983.98 representing a **3.87%** decrease the last 24 hours and **14.61%** increase in trading volume. The funding rate of BTC is 0.0100%.

ETHEREUM: ETH is trading at \$3,915.82. as of this writing, representing a 24-Hour decrease of **3.34%** and a funding rate of **0.0065%**. Over the last 24 Hours, the trading volume increased by **18.63%**. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

LATEST DIGITAL ASSET NEWS

1) Regulations: Crypto Regulations Should Be Comprehensive, Consistent, and Coordinated, Says IMF:¹

In a recent blog post, the IMF acknowledged that crypto assets are rapidly revolutionizing the entire global financial system. However, policymakers still struggle to monitor the risks associated with the market. The financial institution pointed out that the rapid growth of the crypto space has caused it to interlink with the regulated economic systems while still being unregulated. The IMF noted that these interlinkages could pose serious risks if global financial regulators do not act quickly to mitigate the threats and harness the revolutionary power of crypto. “Policymakers struggle to monitor risks from this evolving sector, in which many activities are unregulated. In fact, we think these financial stability risks could soon become systemic in some countries,” the report reads.

2) Polygon Announces Nearly \$500,000,000 Deal in Effort To Lead Ethereum-Scaling Solution Race:²

In a new blog post, Polygon (MATIC) announces the acquisition of Mir, a start-up focused on developing zero-knowledge (ZK) technology. ZK-rollups are layer 2 solutions that bundle hundreds of transactions off-chain and produce cryptographic proof that is instantly

¹ <https://cryptopotato.com/crypto-regulations-should-be-comprehensive-consistent-and-coordinated-says-imf/>

² <https://dailyhodl.com/2021/12/12/polygon-announces-nearly-500000000-deal-in-effort-to-lead-ethereum-scaling-solution-race/>

verified by the mainchain, resulting in a faster finality time. With the acquisition of Mir and its recursive proof system Plonky2, MATIC hopes not only to improve the current ZK rollups compatible with ETH but also create ones that work with the Ethereum Virtual Machine (EVM). “ZK scaling represents the future of Ethereum, but scalable, EVM-compatible ZK Rollups don’t exist yet. The missing piece is efficient recursive proofs, as recursion allows us to parallelize proof generation for much better performance.

3) CryptoPunk#4156 Sells for \$10.2M in Highest CryptoPunk On-Chain Sale:³

A rare Ape CryptoPunk recently sold for 2500 ETH, making it the largest on-chain sale for Larva Labs, the creators of Cryptopunks. The NFT is rare, being one of 24 ape CryptoPunks. The seller has owned six NFTs, the cheapest of which was purchased for 44 ETH on May 4, 2021.

4) You Can Now Spend Shiba Inu at GameStop, Lowe's and Nordstrom:⁴

Flexa, a cryptocurrency payments company backed by the Winklevoss twins, has added support for Shiba Inu, according to a recent announcement. This means that the holders of the hottest meme coin can now spend it at roughly 40,000 stores across the U.S. The extensive list of supported merchants includes video game seller GameStop, luxury retailer Nordstrom, home improvement company Lowe's, pet retailer Petco, domestic merchandise and home furnishings company Bed Bath & Beyond, beauty store chain Ulta Beauty and plenty of other major retailers.

5) Around the world: Financial Sector Conduct Authority in South Africa To Provide Regulatory Clarity in 2022:⁵

In the light of two infamous cryptocurrency scams that have their roots in South Africa and the increasing interest in cryptocurrency, the Financial Sector Conduct Authority, the prudential authority, and the financial surveillance body will table new regulations in early 2022 to protect retail investors. The rules will include guidelines on trading XRP, Litecoin, and Ethereum. The FSCA sees cryptocurrencies as digital assets, not currencies. Unathi Kamlana, the FSCA commissioner, said that the best advice he can give to retail investors would be to closely follow the unfolding of plans by the South African Reserve Bank to create its own Central Bank Digital Currency.

Weekend headlines:

- [Russia's federation council to set up working group on crypto regulations](#)
- [Ethereum whale with \\$800 million in assets accumulated over 1.6 trillion \\$SHIB](#)
- [Imprisoned silk road founder Ross Ulbricht sells NFT for \\$5,799,000 worth of Ethereum in charity auction](#)

³ <https://beincrypto.com/cryptopunk4156-sells-for-10-2m-in-highest-cryptopunk-on-chain-sale/>

⁴ <https://u.today/you-can-now-spend-shiba-inu-at-gamestop-lowes-and-nordstrom>

⁵ <https://beincrypto.com/financial-sector-conduct-authority-in-south-africa-to-provide-regulatory-clarity-in-2022/>

- [Florida Governor Ron DeSantis proposed creating a cryptocurrency payment system for state fees](#)
- [E-Commerce giant Amazon backs a blockchain-based fractional trading card market Dibbs](#)
- [Brazilian fintech Nubank is not publicly listed in the US and Brazil](#)
- [Crypto exchange AscendEX hacked for \\$78 million in latest swindle](#)
- [Bloomberg's Mike McGlone bullish on Bitcoin and Ethereum in 2022](#)

TRADER'S DIGEST: MARKET MOVEMENT

Bitcoin was able to trade above 50,000 over the weekend, before getting rejected at the 200-day EMA. Bitcoin then saw a wave of selling pressure on Sunday night, pressured around 3.50% lower. Bitcoin is now making new session lows, trading around 48,500 ahead of the U.S session. Looking at the bigger picture, Bitcoin is still trading at the middle point of control, where a lot of volume has been trading in the past year. Last week's low of 46,783 will be important to monitor today, as Bitcoin is now trading 30% from its most recent all-time high seen last month.



Ether on the other hand, is trading 19% from its most recent all-time highs. Ether couldn't hold the 4,000 level, now down 4.50% during the overnight session. The next key levels to the downside are the 23.6% Fibonacci retracement around 3,860 and the next high-volume node at 3780. We can see an important gap in the volume profile, from 3,600 to 3,700, which could either act as rejection zone or liquidation area, depending on market sentiment.

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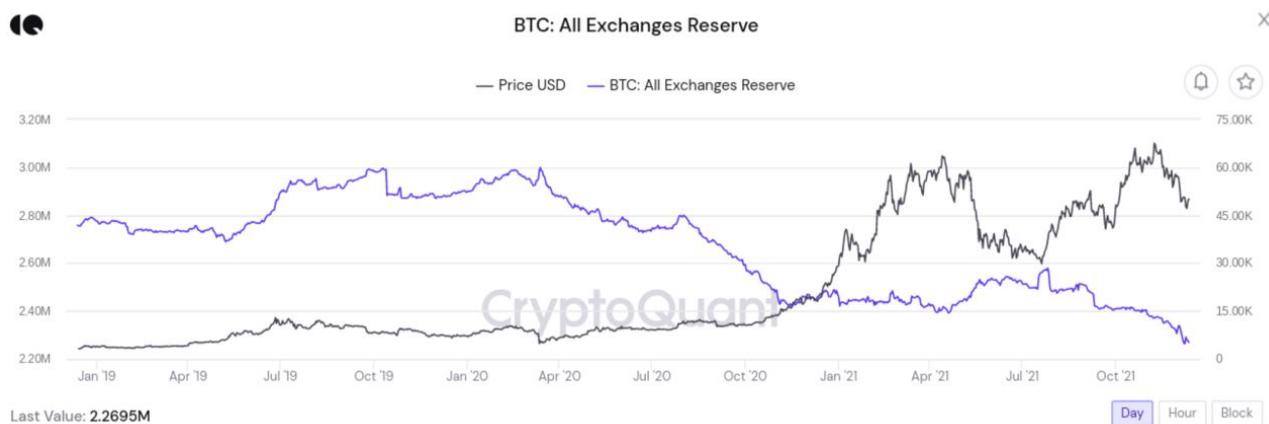


On-chain metrics remain strong.

Bitcoin seems to be causing people to panic as prices have tumbled over 30% from its record highs. That didn't stop Microstrategy (ticker: MSTR) from buying \$82.4M worth of BTC recently. Despite the bearish price action, it seems that the on-chain metrics remain promising. The exchange reserves have fallen dramatically which is usually a bullish signal for price action. The higher it gets, the more selling pressure as investors need to deposit their crypto in an exchange to sell. We can see that people aren't as interested in sending their crypto to the exchange to sell. The illiquid supply has continued to reach higher highs. This metric tracks the supply being transferred to stronger hands (bullish), which increases the probability of a future supply squeeze. The OTC desk balance has started to rebound, just like it did at the end of September right before the pump that brought us to record highs.

Finally, the taker buy/sell ratio has gone up quite a bit, reaching its highest level this year. Higher levels indicate that buyers are willing to buy at a higher price which means that the buying pressure is stronger than the selling pressure. Even though the on-chain metrics look strong, these uncertain times require strong risk management to capitalize efficiently.

Happy trading!



UPCOMING DATES		
Company	Pending Applications	SEC Response Date
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 2022
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 2022

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Disclosure

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