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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

January 18th, 2021, 10:00 AM EST

Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$41,453.63	-2.76%	\$41,392.22	\$42,745.87	0.0100%
ETH/USD	\$3,120.93	-4.31%	\$3,112.10	\$3,259.47	0.0100%
XAU/USD	\$1,819.00	-0.07%	\$1,805.00	\$1,821.30	
USD/CAD	\$1.2519	0.03%	\$1.2485	\$1.2535	
EUR/CAD	\$1.4231	-0.32%	\$1.4218	\$1.4292	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$41,453.63 representing a **2.76%** decrease the last 24 hours and **23.86%** increase in trading volume. The funding rate of BTC is **0.0100%**.

ETHEREUM: ETH is trading at \$3,120.93 as of this writing, representing a 24-Hour decrease of **4.31%** and a funding rate of **0.0100%**. Over the last 24 Hours, the trading volume increased by **25.19%**. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

UPCOMING DATES		
Company	Pending Applications	SEC Response Date
Fidelity	Wise Origin Bitcoin	Jan. 20 2022
First Trust Advisors	First Trust SkyBridge Bitcoin ETF Trust	Jan. 22. 2022
VanEck	VanEck Gold & Bitcoin strategy ETF	Mar. 02. 2022
21Shares / Ark Invest	ARK 21Shares Bitcoin ETF	Mar. 30 2022
Global X	Global X Bitcoin Trust	Apr. 14 2022

LATEST DIGITAL ASSET NEWS

1) Metaplex Raises \$46M to Grow Solana NFT Ecosystem ¹

The Metaplex Foundation, an organization dedicated to developing the Metaplex Protocol, has closed a \$46 million funding round co-led by Multicoin Capital and Jump Crypto. The Metaplex Foundation has stated that it will use funds from the raise to provide grants, support ecosystem development, and empower creators from underrepresented communities. Additionally, the Foundation also plans to prioritize support for Metaverse and gaming applications in 2022. “Metaplex will serve as a common protocol and NFT standard to empower the next wave of decentralized commerce, social and gaming experiences,” says Metaplex Foundation director Sergey Vasylchuk.

2) Binance Destroys \$700 Million Worth Of BNB With New Auto-Burn Model ²

According to an announcement by the company, Binance destroyed a total of 1.68 million BNB worth roughly \$745 million at today's prices. The exchange reiterated its commitment to completely eliminating 100 million BNB, representing 50% of the total supply from circulation via quarterly burns. The latest burn is the 18th quarterly coin burn and it destroyed an amount equivalent to 0.84% of BNB's initial 200 million supply. Binance has destroyed approximately 34 million BNB so far since the token-burning program commenced back in 2017.

3) OpenSea transaction volume spikes to new ATH ³

OpenSea had reached its previous ATH in August last year when transactions on its platform hit \$3.42 billion. That figure has now been shattered thanks to the strong start of the NFT space this new year. According to data from Dune Analytics, the NFT marketplace had averaged around \$169 million in trading volume for each day of the year. The platform, on some days, had seen trade rise as high as \$261 million. While this is not entirely surprising, the trading volume on OpenSea had drastically dropped to as low as \$2.37 billion in November last year, but the level of renewed interest in NFTs has helped to push its volume back to its previous height.

¹ https://cryptobriefing.com/metaplex-raises-46m-to-grow-solana-nft-ecosystem/?utm_source=main_feed&utm_medium=rss

² <https://zycrypto.com/binance-destroys-700-million-worth-of-bnb-with-new-auto-burn-model/>

³ <https://cryptoslate.com/opensea-transaction-volume-spikes-to-new-ath/>

4) NFT-focused Animoca Brands valued at \$5B following \$358M raise ⁴

Hong Kong-based software and venture firm Animoca Brands has secured \$358.8 million in capital investments to fuel new acquisitions in the nonfungible token (NFT), gaming and metaverse sectors, further cementing crypto's biggest trends in 2022. Animoca said the capital injection will go towards financing strategic acquisitions and investments, product development, and license acquisition for intellectual properties. The company said its vision is to create a metaverse that enhances users' digital property rights through NFTs. Opportunities within GameFi — a broad concept that refers to the financialization of gaming through NFTs and DeFi — are also envisioned as being part of this environment.

5) Around the world: UK government latest to ramp up scrutiny of crypto ads ⁵

The UK government on Tuesday became the latest authority to tighten its rules around crypto advertising, in a move that will see the regulation of adverts brought into line with other financial promotions. In a press release, HM Treasury, the UK's finance ministry, said it is "eager to support innovation in cryptoassets" and recognizes the potential of certain products such as stablecoins to provide a more efficient means of payment.

TRADER'S DIGEST: MARKET MOVEMENT

Bitcoin couldn't trade above the \$42,400 level overnight, rejected to session lows. Bitcoin followed equities lower with the S&P500 and NASDAQ100 futures down over 1.00% after yesterday's holiday. Bitcoin also traded below \$41,500 early this morning, while the USD Index pushed back above \$95.500. Moreover, the US10Y yield traded as high as 1.855% overnight, pushing the T-Note at the lowest level since July 2019.

The tightening of fiscal policies and the Bitcoin-Equities correlations are still strong themes this week while the main cryptocurrency at-the-money 1-month implied volatility hits 14-months low.

⁴ <https://cointelegraph.com/news/nft-focused-animoca-brands-valued-at-5b-following-358m-raise>

⁵ https://www.theblockcrypto.com/post/130571/uk-government-latest-to-ramp-up-scrutiny-of-crypto-ads?utm_source=cryptopanic&utm_medium=rss

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Therefore, let's keep an eye on last week's pivot point as we are now trading back at the October 20' uptrend line. Now, as the bears apply pressure to the in-profit cohort of holders, Bitcoin bulls are defending a historically significant level of the Percent of Supply in Profit metric. Looking back at historical price performance, Glassnode reveals that once 30% of the supply goes "underwater," price rebounds often occur.

Looking at Ether, we are now down over 6% from the weekend consolidation. The next key level to monitor is still the \$3,000 support area and last week's pivot point. On the upside, bulls will want Ether to trade back above the \$3,270 point of control, where we failed to hold during yesterday's session. Finally, USDC's total supply on Ethereum surpasses USDT's for the first time. USDC is mostly used in decentralized finance and is one of the highest volume assets trading on DEXs.



The biggest market narrative in the past couple of weeks has been focused on Layer 1s. Some of the most popular would be Near (NEARUSDT) and Harmony (ONEUSDT).

Looking at Near, we can see that the coin broke above a flat trend channel in December and has been trading within a rising trend channel ever since. We are approaching a key support near \$16.5. If Near wants to retest previous highs, it would have to rebound off the 20-day moving average as well as the bottom-end of this trend channel. If it breaks below, then it would possibly reach the previous lows of \$13.25 as well as the 50-day moving average which should support it at least temporarily. Also, the RSI has been posting bearish divergence for quite some time now which is a bit concerning.

Moving on with Harmony, the pair pulled back from the top-end of a trend channel that has been in place since last March. Prices are also trading within a more short-term trend channel and are near support around \$0.30. If this level doesn't hold, we are looking at lower levels of \$0.27 and \$0.236 in extension. Finally, the RSI is also posting bearish divergence on this pair, which is usually not a very bullish sign, but could very well continue to show this before bearish price action is confirmed.



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