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**MARKET INSIGHT**  
January 25<sup>th</sup>, 2021, 9:40 AM EST

Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$36,669.74	9.21%	\$33,455.26	\$37,247.52	-0.0100%
ETH/USD	\$2,439.61	11.57%	\$2,188.07	\$2,463.59	-0.0067%
XAU/USD	\$1,841.30	-0.16%	\$1,834.40	\$1,844.20	
USD/CAD	\$1.2634	-0.02%	\$1.2617	\$1.2659	
EUR/CAD	\$1.4235	-0.51%	\$1.4224	\$1.4325	

**BITCOIN:** A snapshot of Bitcoin's spot price as of this writing is \$36,669.74 representing a **9.21%** increase the last 24 hours and **17.59%** increase in trading volume. The funding rate of BTC is **-0.0100%**.

**ETHEREUM:** ETH is trading at \$2,439.61 as of this writing, representing a **24-Hour increase of 11.57%** and a funding rate of **-0.0067%**. Over the last 24 Hours, the **trading volume decreased by 0.91%**. 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
VanEck	VanEck Gold & Bitcoin strategy ETF	Mar. 02 2022
NYDIG	NYDIG Bitcoin ETF	Mar. 16. 2022
21Shares / Ark Invest	ARK 21Shares Bitcoin ETF	Mar. 30 2022
VanEck	Commodities & Bitcoin Strategy ETF	Apr. 3 2022
Global X	Global X Bitcoin Trust	Apr. 14 2022

## LATEST DIGITAL ASSET NEWS

**1) Regulations: Congressman McHenry says regulators are overstepping their bounds in the absence of crypto legislation<sup>1</sup>**

The leading Republican on the House Financial Services Committee has written to the committee chair to call for more crypto legislation. In a letter to Maxine Waters (D-CA), Patrick McHenry (R-NC) wrote of rules for crypto: "We should not cede these important issues to regulators such as SEC or CFTC, or to the judicial branch, to determine. This Committee should do its work to appropriately categorize these assets and determine the rules that will govern their use." While many in the crypto industry may like McHenry's sentiment of restraint at these agencies, legislation that addresses crypto directly has floundered in nearly all cases. Many of the main figures in crypto lobbying are have also pushed back against the need for new laws as a whole.

**2) Twitter is growing its in-house crypto team<sup>2</sup>**

Twitter is hiring a senior product manager for crypto, according to a tweet by the company's crypto engineering lead Tess Rinearson. The position is described as a member of a new team at Twitter that explores "decentralized technologies, including blockchains, cryptocurrencies, and web3." There's a particular focus on creators, "especially creator monetization. In this capacity, we'll be looking closely at NFTs and NFT tooling, membership tokens, DAOs, and more!" the post says.

**3) Walmart director joins board for crypto wallet company Blockchain.com<sup>3</sup>**

Crypto startup Blockchain.com is adding Tom Horton, the lead independent director from Walmart, to its own board. The crypto startup is known for its blockchain wallet that manages digital currencies. Horton will add to Blockchain.com's list of backers from other firms. The board recently added Marcie Vu, former head of consumer Internet banking at Morgan Stanley, and other financial backers include Google Ventures, Sir Richard Branson, and Lightspeed Commerce Inc.

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<sup>1</sup> [https://www.theblockcrypto.com/linked/131401/congressman-mchenry-says-regulators-are-overstepping-their-bounds-in-the-absence-of-crypto-legislation?utm\\_source=cryptopanic&utm\\_medium=rss](https://www.theblockcrypto.com/linked/131401/congressman-mchenry-says-regulators-are-overstepping-their-bounds-in-the-absence-of-crypto-legislation?utm_source=cryptopanic&utm_medium=rss)

<sup>2</sup> [https://www.theblockcrypto.com/linked/131228/twitter-is-growing-its-in-house-crypto-team?utm\\_source=cryptopanic&utm\\_medium=rss](https://www.theblockcrypto.com/linked/131228/twitter-is-growing-its-in-house-crypto-team?utm_source=cryptopanic&utm_medium=rss)

<sup>3</sup> [https://www.theblockcrypto.com/linked/131393/walmart-director-joins-board-for-crypto-wallet-company-blockchain-com?utm\\_source=cryptopanic&utm\\_medium=rss](https://www.theblockcrypto.com/linked/131393/walmart-director-joins-board-for-crypto-wallet-company-blockchain-com?utm_source=cryptopanic&utm_medium=rss)

#### 4) Ethereum Scraps "ETH 2.0" in Roadmap Rebrand <sup>4</sup>

The Ethereum Foundation has rebranded the terms "Ethereum 1.0" and "Ethereum 2.0" in order to avoid future confusion. Going forward, they will be known as Ethereum's "execution layer" and "consensus layer," respectively. The "execution layer"—formerly known as Ethereum 1.0—refers to the Proof-of-Work blockchain that is known today as Ethereum. The Proof-of-Stake Beacon Chain, which is intended to take over consensus processes after the merging of the two blockchains, will henceforth be known as the "consensus layer." Taken together, they are to be known collectively as "Ethereum."

#### 5) Youtube CEO Hints at potential NFT features <sup>5</sup>

YouTube NFTs may be in the works. In a letter published today, YouTube CEO Susan Wojcicki suggested the company is looking to branch into NFTs in the future as another source of revenue for creators. "We're always focused on expanding the YouTube ecosystem to help creators capitalize on emerging technologies, including things like NFTs, while continuing to strengthen and enhance the experiences creators and fans have on YouTube," the letter reads.

#### 6) Around the world: South Korea's Central Bank Completes Phase One of CBDC Pilot <sup>6</sup>

As central banks across various jurisdictions begin to make active plans towards creating digital versions of their sovereign currencies, South Korea's apex bank, the Bank of Korea (BOK) is already making significant progress in its digital won study. Per a report by local news source Yonhap, BOK has completed the first phase of its CBDC project which began in August 2021. The central bank says the first phase of the CBDC pilot, which was conducted in a cloud-based environment, tested the basic functions of the digital won such as issuance and distribution and everything worked out perfectly. The BOK has also revealed that it's currently in the second phase of its CBDC trials and it plans to test various important functions of the currency including cross-border payments, offline settlements, and more, during this phase.

### TRADER'S DIGEST: MARKET MOVEMENT

Bitcoin had a tremendous recovery yesterday, trading all the way to \$37,500 from its bottom of \$33,000. Bitcoin traded 14% from its session lows and is now consolidating above \$36,000.

The main cryptocurrency led the equity rally yesterday, both showing a very strong 'V' shape recovery throughout the session. Ahead of the US open, Bitcoin is trading to session highs, hovering below \$37,000.

Ether also had a very strong performance yesterday, recovering over 14% of losses in one session, able to trade back above \$2,500.

<sup>4</sup> [https://cryptobriefing.com/ethereum-scaps-eth-2-0-in-roadmap-rebrand/?utm\\_source=main\\_feed&utm\\_medium=rss](https://cryptobriefing.com/ethereum-scaps-eth-2-0-in-roadmap-rebrand/?utm_source=main_feed&utm_medium=rss)

<sup>5</sup> <https://www.bnnbloomberg.ca/youtube-s-ceo-says-the-company-will-explore-nft-features-for-video-creators-1.1712886>

<sup>6</sup> <https://btcmanger.com/south-koreas-central-bank-completes-phase-one-of-cbdc-pilot/>

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On the other hand, the looming threat of intensified regulatory action adds to the risks embedded in the crypto complex. The Fed is considering the launch of its own digital currency, while crypto mining's energy use has attracted scrutiny from the U.S. Congress and foreign governments.

Hence, who will lead today? Equities or Bitcoin? Once again, all eyes are on this correlation ahead of the FOMC meeting tomorrow 2pm ET.



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## Onchain metrics

At times like these, it's important to zoom out and look at the big picture. Let's see what is taking place within the blockchain.

The number of small holder addresses of ETH (0.01-1) and BTC (0.001 - 0.1) keeps increasing and has recently reached a milestone of 20M, indicating that more small players are coming to the market.

Over the weekend, \$2.5B in net losses were realized, which is similar to the amount in May 2021 (\$2.6B) but not as bad as the amount lost in June (\$3.5B). The recent drawdown of 52% is also quite similar to the drawdown of 56% last Summer.



Bitcoin's transaction volume just reached a 1-month high of 40,379.953 BTC, which makes sense after knowing that the equity market had a big amount of volume as well.

According to WillyWoo (onchain analyst), there are early signs that the number of coins moving to and from Whale holders are increasing and have reached its highest level since October.

### The Fed and Bank of Canada

Let's not forget that both the Fed and the Bank of Canada have a monetary policy announcement on Wednesday. It is expected that the Fed will not announce any major changes to the federal funds rate, but there is a possibility that BOC raises interest rates as the futures market has been pricing in a hike in early 2022 before the Fed recently changed their stance. It's also important to note that BOC has clearly stated in the past that they will diverge from the Fed.

### Watchlist

Both ONE and ETH are showing signs of a potential rebound. Let's take a look at these charts.

We see that the pairs have been trading within a bullish channel in place since April. ONEUSDT recently rebounded right off the bottom-end of the channel indicating that a potential reversal may be on its way, but we need to wait for confirmation before feeling confident about it. ETHBTC isn't rebounding off the bottom-end, so the risk-reward calculation is not as attractive but still remains interesting. The RSI is near oversold levels but is slowly curling back up. We need to see an improvement on this front before talking about confirmation. For now, there seems to be a good amount of volume at these prices. An ideal situation would be to witness some consolidation in price action so that the indicators like MACD and RSI can show us more bullish signals.

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