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MARKET INSIGHT

January 28th, 2021, 10:15 AM EST

Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$36,855.43	-0.30%	\$35,629.28	\$37,423.99	0.0068%
ETH/USD	\$2,394.92	-4.31%	\$2,328.45	\$2,510.45	-0.0109%
XAU/USD	\$1,787.80	-0.57%	\$1,780.30	\$1,800.60	
USD/CAD	\$1.2797	0.11%	\$1.2712	\$1.2797	
EUR/CAD	\$1.4241	0.33%	\$1.4175	\$1.4255	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$36,855.43 representing a **0.30%** decrease the last 24 hours and **19.50%** decrease in trading volume. The funding rate of BTC is **0.0068%**.

ETHEREUM: ETH is trading at \$2,394.92 as of this writing, representing a **24-Hour decrease of 4.31%** and a funding rate of **-0.0109%**. Over the last 24 Hours, the **trading volume decreased by 25.00%**. 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	Arp. 3. 2022
VanEck	Commodities & Bitcoin Strategy ETF	Apr. 3 2022
Teucrimum	Bitcoin Futures Fund	Arp. 8. 2022
Global X	Global X Bitcoin Trust	Apr. 14 2022

LATEST DIGITAL ASSET NEWS

1) Regulations: SEC Denies Fidelity's Bitcoin Spot ETF ¹

The Securities and Exchange Commission has rejected Fidelity's Wise Origin Bitcoin Trust, a Bitcoin-based spot ETF. The SEC approved various Bitcoin futures ETFs last year, but the spot ETF has remained elusive. It was denied today, the Commission wrote, because BZX failed to meet its burden of demonstrating that fraud and manipulation could be sufficiently prevented, as per the Exchange Act and the Commission's Rules of Practice. Moreover, the SEC remained unconvinced that the Exchange had not taken sufficient measures that might protect investors and "the public interest." Similar concerns were cited by the Commission in its past denials.

2) Facebook Gives Up On Lofty Stablecoin Ambitions As Diem Sells Assets To Silvergate For \$200 Million ²

Facebook's ambitious cryptocurrency project has met an unceremonious end. Recent reports reveal the Diem Association will be selling the technology behind Diem stablecoin to NYSE-listed crypto bank Silvergate Capital. ZyCrypto reported earlier that the Diem Association, the Facebook-led group looking to create a stablecoin, was mulling to sell off its assets in order to return money to investor members. Today, The Wall Street Journal has reported that California-based Silvergate Capital has agreed to purchase the project's assets and intellectual property for a sum of \$200 million.

3) Wonderland CFO Outed as Ex-convict and QuadrigaCX Co-founder Michael Patryn; Steps Down ³

Wonderland chief financial officer, who goes by the moniker OxSifu on Twitter, has allegedly been exposed as Michael Patryn, a convicted criminal and co-founder of defunct Canadian crypto exchange QuadrigaCX. He will now relinquish his position as treasury manager of the DeFi protocol. Pseudonymous on-chain sleuth Zach on Thursday posted their chat with Daniele Sestagalli, the high-profile developer who co-founded DeFi protocol Wonderland with Patryn, saying that they have identified OxSifu as Patryn. Sestagalli issued a statement saying that Patryn, or OxSifu, will now step down pending a vote of whether he should be reinstated as Wonderland's treasury manager.

¹ https://cryptobriefing.com/sec-denies-fidelitys-btc-spot-etf/?utm_source=main_feed&utm_medium=rss

² <https://zycrypto.com/facebook-gives-up-on-lofty-stablecoin-ambitions-as-diem-sells-assets-to-silvergate-for-200-million/>

³ <https://beincrypto.com/wonderland-cfo-outed-as-ex-convict-and-quadrigacx-co-founder-michael-patryn-steps-down/>

4) Fireblocks Valued at \$8 Billion Following a \$550 Million Fundraiser ⁴

The leading cryptocurrency custodian – Fireblocks – closed a \$550 million Series E venture capital round, co-led by Spark Capital, D1 Capital Partners, General Atlantic, Mammoth, and other investors. The financing boosted the company's valuation to a whopping \$8 billion. Last summer, Fireblocks raised \$310 million in a Series D round. Among the most notable investors co-leading the initiative were Stripes Group, Sequoia Capital, Spark Capital, DRW Venture, and more. As a result, the company became a crypto unicorn with a valuation of around \$2 billion. Back then, it intended to use the capital to expand geographically, particularly in the Asia-Pacific region.

5) Around the world: Putin 'Not Going To Ban Bitcoin In Russia' As He Supports Proposal To Regulate Crypto Mining ⁵

Russia's government and central bank (the Bank of Russia) advocate for two opposite approaches to regulating cryptocurrencies in general and Bitcoin mining in particular. The Bank of Russia has issued a proposal to prohibit mining in the territory of the Russian Federation, while Russia's government offers a more moderate strategy regarding taxing and regulating this market. According to recent information, President Putin has supported the path advocated by Russia's government. Therefore, there is a very high probability that respective regulatory reforms regarding mining regulation and taxation in Russia will be developed and enforced within the following months.

Market Insight – Jan 24

Regulations:

- [Biden Administration Preparing to Release Government-Wide Crypto Strategy:](#)
- [The Pros and Cons of a CBDC, According to the Federal Reserve](#)

Company-Wide news:

- [Solana Updates to Version 1.8.14 Following Three Days of "Degraded Performance"](#)
- [Bitcoin Registers New Hash Rate and Mining Difficulty Highs](#)

Around the world:

- [S.Korea adds crypto to annual finance survey as household asset](#)

⁴ <https://cryptopotato.com/fireblocks-valued-at-8-billion-following-a-550-million-fundraiser/>

⁵ <https://zycrypto.com/putin-not-going-to-ban-bitcoin-in-russia-as-he-supports-proposal-to-regulate-crypto-mining/>

Market Insight – Jan 25

Regulations:

- [Congressman McHenry says regulators are overstepping their bounds in the absence of crypto legislation](#)

Company-wide news:

- [Twitter is growing its in-house crypto team](#)
- [Walmart director joins board for crypto wallet company Blockchain.com](#)
- [Ethereum Scraps "ETH 2.0" in Roadmap Rebrand](#)

Around the world:

- [South Korea's Central Bank Completes Phase One of CBDC Pilot](#)

Market Insight - Jan 26

Regulations:

- [Valkyrie Applied With the SEC to Launch a Bitcoin Miners ETF](#)

Company-wide news:

- [Ripple announces \\$200M share buyback and expresses optimism for 2022](#)
- [OpenSea Reportedly Planning to Integrate Solana And Phantom Wallet](#)
- [Binance to resume SEPA bank transfers in partnership with Paysafe](#)

Around the world:

- [Kazakhstan is cutting off power supplies to crypto miners](#)

Market Insight – Jan 27

Regulations:

- [SEC pushes decision on ARK 21Shares Bitcoin ETF to April 3](#)

Company-Wide news:

- [Mark Zuckerberg's Stablecoin Ambitions Unravel With Diem Sale Talks](#)
- [UBS to acquire robo-advisor Wealthfront for \\$1.4 billion](#)
- [FTX U.S. Raises \\$400M During Series A Funding Round, Valuing Company at \\$8B](#)

Around the world:

- [Putin Says Russia Has 'Competitive Advantages' in Bitcoin Mining](#)

TRADER'S DIGEST: MARKET MOVEMENT

On Wednesday, the Fed set the stage for a more aggressive withdrawal of liquidity to tame high inflation. The Fed fund futures have now priced in five rate hikes of 0.25% each for 2022, up from four ahead of Wednesday's meeting.

Bitcoin and other risk assets with fortunes tied to centralized liquidity are likely to remain under pressure with the Fed focused on fighting inflation

Moreover, Blockchain data provided by Glassnode shows that more than 18,000 bitcoin worth \$670 million left centralized exchanges on Thursday, registering the biggest single-day net outflow in over a month. Crypto exchange BitMEX alone saw net outflow of over 9,500 bitcoins.

Technically, the Equity-Bitcoin correlation is still on, although we can see more strength from the main cryptocurrency while the tech and growth sector is hit the most.



Fantom is signalling that a period of underperformance vs. Bitcoin might be on its way.

Looking at a daily chart, we can see that the FTMBTC pair is forming a Head-and-Shoulders pattern which is a bearish reversal pattern at the end of a bullish trend. The pattern is only confirmed when we break the neckline to the downside which looks like it can happen any moment now. This pattern was formed at the top-end of a bullish trend channel, thus reinforcing the bearish case for the pair. RSI is in bearish territory (below 50 level) and MACD is below its signal line and is about to break below 0.

If prices do break below the neckline, thus validating the bearish reversal pattern, the profit target is indicating that a 35% decline would be possible. This pattern can be invalidated (meaning the bearish outlook is no longer in play) if prices break above the right shoulder which is 18% away from current levels.



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