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MARKET INSIGHT
February 2nd, 2021, 10:00 AM EST

Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$37,882.76	-2.16%	\$37,881.18	\$39,115.13	-0.0057%
ETH/USD	\$2,719.47	-1.89%	\$2,718.92	\$2,802.32	0.0007%
XAU/USD	\$1,802.70	0.11%	\$1,794.20	\$1,809.20	
USD/CAD	\$1.2688	0.01%	\$1.2648	\$1.2700	
EUR/CAD	\$1.4344	0.32%	\$1.4286	\$1.4359	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$37,882.76 representing a **2.16%** decrease the last 24 hours and **15.90%** decrease in trading volume. The funding rate of BTC is **--0.0094%**.

ETHEREUM: ETH is trading at \$2,773.37 as of this writing, representing a **24-Hour increase of 7.85%** and a funding rate of **-0.0327%**. Over the last 24 Hours, the **trading volume increased by 30.89%**. 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: NYDIG offering allows participating companies to pay employees in Bitcoin¹

The New York Digital Investment Group, or NYDIG, has launched a benefit program allowing employees of participating companies to convert a portion of their paychecks into Bitcoin. In a Tuesday announcement, the NYDIG said several firms involved with sports, entertainment and digital currencies would be among the first to offer the crypto payments, including Everbowl, MVB Bank, StretchZone, crypto analytics firm The TIE, crypto mining firm Iris Energy and Fertitta Entertainment — the conglomerate behind restaurant giant Landry's and the National Basketball Association's Houston Rockets. Company employees who participate in NYDIG's Bitcoin Savings Plan can choose how much of their pay will be converted into Bitcoin (BTC), with no transaction or cold storage fees.

2) Four Ex-Facebook Developers Join Forces to Build Future of Web3²

Fed up by the red tape of Big Tech, four former Facebook employees banded together and created a startup focused on Web3 and blockchain infrastructure. Now, they're planning to launch a blockchain in the near future. The co-founder and CEO of Myster Labs, Even Cheng, spent the last 16 years at tech companies, namely Apple and Facebook, now known as Meta. He and three other ex-Facebook employees — Sam Blackshear, Adeniyi Abiodun and George Danezis — worked together on Meta's Novi Financial team to help develop the Diem blockchain and Move programming language, a cross-platform smart contract language that helps developers secure against exploits. But they felt there were too many restrictions at their previous employer, so they turned to their own devices.

3) Coachella partners with FTX US to launch NFTs³

Popular music festival Coachella has partnered with crypto exchange FTX US to launch an NFT collection, according to a tweet from the festival's official Twitter account. The NFTs, a limited number of which will drop this Friday, will be on the Solana blockchain. To be eligible for the initial drop users must have an FTX account. Proceeds from items sold will go to three charities including GiveDirectly, Lideres Campesinos, and Find Food Bank, with a royalty supporting the creators involved. The NFTs, called Coachella Collectibles, will give consumers the opportunity to unlock festival passes, art prints, photo books, digital collectibles, unique real-life experiences at the festival and physical merchandise, according to the website.

¹ <https://cointelegraph.com/news/nydig-offering-allows-participating-companies-to-pay-employees-in-bitcoin>

² <https://blockworks.co/four-former-facebook-developers-launch-web3-startup/>

³ https://www.theblockcrypto.com/linked/132706/coachella-partners-with-ftx-us-to-launch-nfts?utm_source=cryptopanic&utm_medium=rss

4) Reddit Cofounder's VC Firm Raises \$500M Primarily For Crypto Startups ⁴

Alexis Ohanian – co-founder of Reddit – recently raised \$500 million for his venture capital firm 776 Management LLC. He said that the new funds will primarily be used to “double down” on investment in crypto startups. As reported by Wall Street Journal, Ohanian showed confidence in the growing entrepreneurial and software activity in crypto. As such, the company has 40% of its current funds in the sector, while the remainder goes towards others like space exploration, climate, and food. The firm’s new capital goes towards two new funds. One is the \$300 million 776 Fund II, formed to support early stage crypto startups prior and leading to Seed A funding. The other is the \$200 million Arete Fund I, focused on companies with more mature growth hosting larger Series A and B funding rounds.

5) Around the world: El Salvador Shoots Down IMF's Call to Remove BTC Status as Legal Tender ⁵

The Treasury Minister of Salvador has hit back at the IMF to press them to drop BTC as their legal tender. Zelaya has warned that his nation is not ready to bow to any organization regarding their developments. He made these comments during an interview with a local Television. Last year, El Salvador passed the BTC bill into law making it their legal tender. The poll was supported unanimously by a notable number of lawmakers. Since then, the country has purchased more BTC and added it to its treasury. This move shocked the world and made international organizations like the International Monetary Fund comment.

TRADER'S DIGEST: MARKET MOVEMENT

Today was the release of the ADP nonfarm payroll numbers. ADP figures come from a private survey, released two days ahead of government data. It is usually a good predictor or at least gives clearer sentiment about the government's non-farm payroll report. The estimate for January 2022 were horrendous, coming in at -301K versus estimate of 200K. This event isn't much market moving but does set the table for the NFP figures this Friday.

- The fall was the largest since April 2020.
- The decrease was the first since December 2020.

The decline is a surprise versus the expectations. However there has been a lot of chatter even from Fed officials at the employment report this month would be weaker than expectations due to omicron. That seems to be playing out.

⁴ <https://cryptopotato.com/reddit-cofounders-vc-firm-raises-500m-primarily-for-crypto-startups/>

⁵ <https://crypto.news/el-salvador-imf-btc-status-legal-tender/>

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Bitcoin did find some resistance at the level we mentioned yesterday. Indeed, the top of the descending wedge, the 20-day EMA and the edge of low volume area acted as resistance. Equities overperformed Bitcoin towards the end of yesterday's session, ending up the day in positive territory after dovish comments from Fed members.

Moreover, the crypto Fear & Greed Index is starting to rise from extreme lows, indicating more bullish activity. And in the bitcoin futures market, there are signs of a potential short squeeze. With elevated leverage and an overall short bias, a reasonable argument could be made for a potential counter-trend squeeze to the low \$40,000's in the near-term.

Ether is also trading at very interesting resistance, now hovering around the long-term seller's remorse. This level is also last September's major support level and last June resistance level. \$2,775 is a very key area to monitors for the rest of the week.

Finally, on a positive note, Ethereum donations via The Giving Block totaled nearly \$30.8 million in 2021, with Bitcoin at almost \$25.9 million!

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The trend is always your friend.

As Bitcoin is trading on a major resistance level, it would be wise to capitalize on bearish setups.

The Sandbox is one of the top Metaverse coins in the market. As much as we are bullish on the industry and the coin itself in the long run, it seems that there could be an opportunity to capitalize on a short-term move down.

SANDUSDT jumped by 62% since it rebounded off the 200-day moving average on January 22nd. It is currently pulling back from resistance near \$4.215, which also intersects with its 20-day moving average. Looking at the RSI, it is capped by a resistance near the 50 level, which was support in December (helping the coin rebound 55%) and turned into resistance at the start of the year which dragged prices 50% lower.

As long as BTC does not break above its resistance of \$39,000 and SAND's RSI remains below 50, we are expecting further downward pressure for The Sandbox towards its 200-day moving average.

When it comes to trading alt coins, it is very important to track the movement of Bitcoin. When BTC appreciates or consolidates in a range, some of these coins can flourish but if the former gets dumped then the latter will get destroyed. Therefore, these types of analysis depend on the trajectory of Bitcoin's price action. Timing is of the essence.

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yacine.ouldchikh published on TradingView.com, Feb 02, 2022 10:02 UTC-5

SAND / TetherUS, 1D, BINANCE -0.1538 (-3.87%)



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