



SECURE
DIGITAL MARKETS

SECUREDIGITALMARKETS.COM

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

February 4 – 22 // TRADING@SECUREDIGITALMARKETS.COM



MARKET INSIGHT

February 4th, 2021, 10:00 AM EST

Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$37,858.67	2.58%	\$36,388.14	\$38,139.66	0.0096%
ETH/USD	\$2,817.87	7.89%	\$2,587.78	\$2,846.03	0.0100%
XAU/USD	\$1,804.20	-0.08%	\$1,79130	\$1,815.90	
USD/CAD	\$1.2765	0.70%	\$1.2662	\$1.2788	
EUR/CAD	\$1.4572	0.48%	\$1.4488	\$1.4636	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$37,858.67 representing a 2.58% increase the last 24 hours and 6.05% increase in trading volume. The funding rate of BTC is -- 0.0016%.

ETHEREUM: ETH is trading at \$2,817.87 as of this writing, representing a 24-Hour increase of 7.89% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume increased by 7.80%. 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
Teucrium	Bitcoin Futures Fund	Arp. 8. 2022
Global X	Global X Bitcoin Trust	Apr. 14 2022

LATEST DIGITAL ASSET NEWS**1) Regulations: Bill advancing de minimis tax exemption for crypto transactions returns to Congress ¹**

On February 3, Suzan DelBene (D-WA) and David Schweikert (R-AZ) re-introduced the Virtual Currency Tax Fairness Act. The bill would free cryptocurrency users of the need to report capital gains accrued on crypto that the user spends in a personal transaction as long as those gains would not exceed \$200. Currently, users of cryptocurrencies may need to report capital gains based on the value of a crypto token that they were using as a means of exchange rather than an investment. The IRS has not generally been pursuing cryptocurrency users for failure to report small transactions, but the overall lack of clarity surrounding tax reporting duties is a major issue facing crypto users, holders and traders.

2) MIT, Boston Fed go public with 'Project Hamilton' central bank digital currency research ²

Open-source software developed in a collaborative research project between the Federal Reserve of Boston and the Massachusetts Institute of Technology's Digital Currency Initiative was released Thursday. The two sides announced their collaboration last August, forming a key component of a broader investigation of central bank digital currencies (CBDC) by Federal Reserve officials. While no decision has been made on whether the Fed will go live with a digital dollar in the near future, the Fed has been busy, recently releasing a report on the benefits and risks of a US-centric digital currency.

3) Disney Is Considering Entering the NFT Space, Recent Job Postings Show ³

Disney, the global entertainment behemoth recently posted a list of roles it's hiring for — one of which indicates the company is looking for prospective candidates with strong knowledge of the non-fungible token (NFT) industry. In total, four jobs posted by the company require the prospective candidate to have some knowledge of digital collectibles. The positions are Director, Sales & Digital Marketing, Culture Trend Marketing Manager, Manager, Business Development, and ESPN Business Development & Innovation.

¹ https://www.theblockcrypto.com/linked/132958/bill-advancing-de-minimis-tax-exemption-for-crypto-transactions-returns-to-congress?utm_source=cryptopanic&utm_medium=rss

² https://www.theblockcrypto.com/linked/132971/mit-boston-fed-go-public-with-project-hamilton-central-bank-digital-currency-research?utm_source=cryptopanic&utm_medium=rss

³ <https://crypto.news/disney-entering-nft-space-recent-job-posting/>

4) OpenSea monthly volumes top \$5B as NFTs continue to mainstream ⁴

In the last two weeks, Azuki, Bored Ape Yacht Club, CloneX and Mutant Ape Yacht Club have seen significant increases in floor prices and total sales volume. Over the last seven days alone, all four projects have generated an estimated \$365.9 million in value, according to data from OpenSea. While the crypto market is steadily recovering from its lengthy bloodbath, nonfungible token (NFT) marketplaces like LooksRare and OpenSea have consistently generated about \$100 million in daily total volume.

5) Around the world: Kazakhstan Extends Power Cuts for Cryptocurrency Miners ⁵

Data centers authorized to mint digital currencies in Kazakhstan will not be able to operate at least until next Monday, Feb. 7, after the country's power distribution company extended previously introduced supply restrictions for another week. The state-run Kazakhstan Electricity Grid Operating Company (KEGOC) has informed mining enterprises about the continuing restrictions in a notice quoted by Forklog. The utility cites unresolved problems with maintaining stable electricity supply. The measure was initially imposed on Jan. 24, when mining farms were shut down until Jan. 31. Almost 70 companies were affected by the power cuts caused by winter shortages. Blackouts due to a damaged power line hit Southern Kazakhstan and neighboring countries.

Market Insight Jan 31:

Company-wide news:

- [Meta Joins Crypto Open Patience Alliance Alongside Coinbase and Block](#)
- [Venture froth catapults FTX to \\$32 billion valuation](#)
- [Coinbase Adds Shopify CEO to Board of Directors](#)
- [MicroStrategy to Host its Second Bitcoin for Corporations Conference](#)

Around the world:

- [Territory in northeastern Australia launches own CBDC](#)

⁴ <https://cointelegraph.com/news/opensea-monthly-volumes-top-5b-as-nfts-continue-to-mainstream>

⁵ <https://news.bitcoin.com/kazakhstan-extends-power-cuts-for-cryptocurrency-miners/>

Market Insight Feb 1:

Regulations:

- [US Senator: 'America Competes Act' Is a Direct Attack on Crypto Industry, Government Is Picking Winners and Losers](#)

Company-wide news:

- [Visa Records Unprecedented Growth In Crypto Card Payments](#)
- [VanEck Launches Its First Multi-Token Cryptocurrency Fund](#)
- [Binance Raises \\$1 Billion Towards Personal Insurance Fund](#)

Around the world:

- [India's Crypto Bill Won't Be Introduced in Budget Session](#)

Market Insight Feb 2:

Regulations:

- [NYDIG offering allows participating companies to pay employees in Bitcoin](#)

Company-wide news:

- [Four Ex-Facebook Developers Join Forces to Build Future of Web3](#)
- [Coachella partners with FTX US to launch NFTs](#)
- [Reddit Cofounder's VC Firm Raises \\$500M Primarily For Crypto Startups](#)

Around the world:

- [El Salvador Shoots Down IMF's Call to Remove BTC Status as Legal Tender](#)

Market Insight Feb 3:

Regulations:

- [House and Senate hearings on stablecoins will spotlight official behind Treasury report:](#)

Company-wide news:

- [Google Is Looking to Help Build Web3, Blockchain Products: Alphabet CEO](#)
- [Grayscale Launches Crypto-Focused ETF](#)
- [Pixel Vault raises \\$100M for NFT development platform](#)

Around the world:

- [El Salvador to Fix Chivo Wallet's Issues by Partnering With AlphaPoint](#)

TRADER'S DIGEST: MARKET MOVEMENT

The non-farm payroll numbers came out this morning with an impressive 470k beat versus an estimate of 150k and ADP figures (private survey conducted two days prior to NFP) of -300k. These numbers may sound positive for the market but are in fact hawkish as the Fed won't hold off hiking nor shrinking because of potentially bad employment data. On the contrary, economy is strong and pricing in fast pace monetary tightening.

Nonfarm payrolls is the measure of the number of workers in the U.S. excluding farm workers and workers in a handful of other job classifications. This is measured by the Bureau of Labor Statistics (BLS), which surveys private and government entities throughout the U.S. about their payrolls.

Moreover, USD Index picked up a bid, while equities retraced to new session lows. The US10Y yield benchmark broke the 1.900% resistance heavily pressuring the long end of the curve to levels last seen in 2019. As we know, higher yield environment is bad for growth stocks – Nasdaq, hence bad for the Equity-Bitcoin correlation.

Bitcoin is still trading below the top of the descending triangle, rejected above \$38,000 overnight. The daily momentum is still in positive territory while Bitcoin is trading below the 20-50-200-day EMAs. On the other hand, the S&P500 is now trading at the 200-day EMA, and the 38.6% Fibonacci retracement.

NicolasCarrier published on TradingView.com, Feb 04, 2022 09:11 UTC-5





It will also be interesting to monitor Metaverse-related tokens as Meta, formerly known as Facebook, reported a \$10 billion loss on its augmented and virtual reality division in an earnings release earlier this week. These alternative coins took a hit in the past two days, and are now trading at discount.

The metaverse concept has gained traction in the past year, alongside the rise of non-fungible tokens (NFTs). But reality has been more sobering. Metaverse games continue to cater to a niche in the crypto market, while virtual reality divisions like Meta's Facebook Reality Labs (FRL) pile on losses.

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.

Start trading with Secure Digital Market today by e-mailing Trading@securedigitalmarkets.com

Disclosure

This research is for informational use only. This is not investment advice. Other than disclosures relating to Secure Digital Markets this research is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. The information, opinions, estimates, and forecasts contained herein are as of the date hereof and are subject to change without prior notification. We seek to update our research as appropriate.

Any forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. The price of crypto assets may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Fluctuations in exchange rates could have adverse effects on the value or price of, or income derived from, certain investments. We and our affiliates, officers, directors, and employees, excluding equity and credit analysts, will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives, if any, referred to in this research.

The information on which the analysis is based has been obtained from sources believed to be reliable such as, for example, the company's financial statements filed with a regulator, company website, company white paper, pitchbook and any other sources. While Secure Digital Markets has obtained data, statistics, and information from sources it believes to be reliable, it does not perform an audit or seek independent verification of any of the data, statistics, and information it receives.

Unless otherwise provided in a separate agreement, Secure Digital Markets does not represent that the report contents meet all of the presentation and/or disclosure standards applicable in the jurisdiction the recipient is located. Secure Digital Markets and their officers, directors and employees shall not be responsible or liable for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses, or opinions within the report.

Crypto and/or digital currencies involve substantial risk, are speculative in nature and may not perform as expected. Many digital currency platforms are not subject to regulatory supervision, unlike regulated exchanges. Some platforms may commingle customer assets in shared accounts and provide inadequate custody, which may affect whether or how investors can withdraw their currency and/or subject them to money laundering. Digital currencies may be vulnerable to hacks and cyber fraud as well as significant volatility and price swings.