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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

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
Teucrimum	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.



SECURE DIGITAL MARKETS

NicolasCarrier published on TradingView.com, Feb 04, 2022 09:12 UTC-5

S&P 500 E-mini Futures, 1D, CME_MINI O4518.00 H4528.00 L4438.50 C4453.50 -15.50 (-0.35%)



TradingView

NicolasCarrier published on TradingView.com, Feb 04, 2022 09:14 UTC-5

US Government Bonds 10 YR Yield, 1W, TVC 1.894% +0.121% (+6.82%)



TradingView

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.

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Disclosure

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