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Market Insight



Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$31,911	-4.11%	\$29,944	\$33,062	0.0100%
ETH/USD	\$2,416	-0.40%	\$2,206	\$2,450	0.0100%
XAU/USD	\$1,855.40	0.07%	\$1,855.20	\$1,866.40	
USD/CAD	\$1.2981	-0.20%	\$1.2960	\$1.3038	
EUR/CAD	\$1.3699	-0.27%	\$1.3683	\$1.3771	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$31,911 representing a **4.11%** decrease the last 24 hours and **75.73%** increase in trading volume. The funding rate of BTC is **0.0100%**.

ETHEREUM: ETH is trading at **\$2,416** as of this writing, representing a 24-Hour decrease of **0.40%** and a funding rate of **0.0100%**. Over the last 24 Hours, the trading volume increased by **77.63%**. 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
WisdomTree Digital Commodity Services	WisdomTree Bitcoin Trust	May 15, 2022
One River Carbon Neutral Bitcoin Trust	One River Digital Asset Management	June 2, 2022
Bitwise	Bitwise Bitcoin ETP Trust	July 1, 2022
Grayscale	Grayscale Bitcoin Trust	July 6, 2022
WisdomTree Bitcoin Trust	WisdomTree	October 10, 2022

Latest Digital Asset News



1) Terra Blockchain Backer to Lend Bitcoin After UST Losing Dollar Link ¹

The closely watched stablecoin TerraUSD is getting propped up by its backers after losing its peg to the dollar over the weekend. TerraUSD, or UST, dropped well below the crucial \$1 level again on Monday, trading as low as \$0.9202 on the crypto exchange Binance. The declines spurred backers led by Do Kwon, the founder of Terraform Labs -- which powers the Terra blockchain -- to issue \$1.5 billion in loans denominated in both UST and Bitcoin to help support the digital currency. "We're watching carefully to see how the market fares over the next 24 hours," Steven Goulden, senior research analyst at crypto market maker Cumberland DRW, said in an email. "Including whether mechanisms being introduced to help increase reliance, such as LFG lending out Bitcoin to OTC trading firms, will be enough to hold in times of deep stress or if we need additional stabilization mechanisms."

2) Compound Treasury nabs credit rating from S&P ²

Compound Treasury, a crypto firm that allows institutions to tap into the interest rates available on the Compound protocol, nabbed a B- rating from S&P, making it one of the first offerings in decentralized finance to receive such a score from a major rating agency. Credit ratings provide investors with insights into the degree to which corporations or governments issuing debt will meet their obligations in a timely fashion. Those ratings range from D all the way up to triple-A. Compound Treasury said the rating could increase in the future as part of ongoing "discussions" with S&P.

3) RCD Espanyol to become first Spanish soccer club to accept Bitcoin ³

Next season, Reial Club Deportivo (RCD) Espanyol will become the first team in La Liga, Spain's major soccer league, to accept bitcoin and other cryptocurrencies for the purchase of tickets, merchandise and food and beverages, according to a press release. "The sponsorship agreement offers huge advantages both on and off the pitch, and for both Pericos and all soccer fans who visit our fantastic facilities," said Mao Ye Wu, CEO of Espanyol. "With this step, we become pioneers in a field that is not the future, but already the present." Through this sponsorship with Crypto Snack, Espanyol is committing to a long-term approach of adopting cryptocurrency. This adoption is set to bring Bitcoin to the forefront of Europe through one of the main professional soccer leagues in the world.

¹ <https://www.bloomberg.com/news/articles/2022-05-09/terra-stablecoin-backer-to-lend-tokens-after-losing-dollar-link>

² https://www.theblockcrypto.com/linked/145757/compound-treasury-nabs-credit-rating-from-sp?utm_source=rss&utm_medium=rss

³ <https://bitcoinmagazine.com/business/rcd-espanyol-to-become-first-spanish-soccer-club-to-accept-bitcoin>

4) IMF recommends the Bahamas ‘accelerate its education campaigns’ on CBDC ⁴

The International Monetary Fund, or IMF, has turned its attention to the Bahamas’ central bank digital currency (CBDC), the Sand Dollar, and suggested additional regulatory oversight and education. Reporting on a consultation with the Caribbean nation on Monday, the IMF said its executive directors “recognized the potential of the Sand Dollar to foster financial inclusion” and recommended the Central Bank of The Bahamas “accelerate its education campaigns and continue strengthening internal capacity and oversight.” The consultation was somewhat of a departure from several of the IMF’s previous warnings to many countries against the adoption of digital assets — but many of those did not include CBDCs.

5) Around the world: El Salvador Buys Bitcoin Dip, Adding 500 Coins to Holdings ⁵

El Salvador’s government bought 500 Bitcoins on Monday, in its largest purchase to date of the cryptocurrency. A wider markets rout has driven Bitcoin’s price below \$31,000 for the first time since July 2021. The government bought the coins at an average price of \$30,744, President Nayib Bukele said on Twitter. The government has purchased 2,301 Bitcoins since making it legal tender in September last year, according to data tracked by Bloomberg.

⁴ <https://cointelegraph.com/news/imf-recommends-the-bahamas-accelerate-its-education-campaigns-on-cbdc>

⁵ <https://www.bloomberg.com/news/articles/2022-05-09/el-salvador-buys-bitcoin-dip-adding-500-coins-to-crypto-holding>

Traders' Digest

Bitcoin dipped below \$30,000 last night before recovering back above \$32,000 ahead of the European open. Once again, this downturn in the broader cryptocurrency market comes on the back of the Bitcoin-Equity correlation and the Fed aggressive monetary tightening.

Monday's decline left bitcoin at a 10-month low and set its lowest price this year. The last time the largest cryptocurrency by market cap fell below the \$30,000 threshold was on July 20, 2021, when it hit \$29,301 before rebounding.

Moreover, Terra's stablecoin and the financial system built around it are under pressure as UST has lost its dollar peg twice in just three days, falling to as low as \$0.65 yesterday.

UST is the largest algorithmic stablecoin, a type of dollar-pegged cryptocurrency that is not backed by assets and maintains its price by creating and destroying supply through a swap with another token, in this case, LUNA.

Finally, let's not forget the US CPI data being released tomorrow morning at 8:30 AM ET. This macroeconomic event will be market moving and will affect Bitcoin's price action in the short term.



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Altcoin Analysis

Following the sell-off, it seems that many traders are playing the rebound.

MANAUSDT is trading near the bottom-end of a falling wedge pattern. This is a bullish reversal pattern, but is only confirmed when prices break above the top-end of the wedge. Recently, prices broke below a symmetrical triangle pattern, which was the start of the bearish price action. One thing to note is that the profit target of this triangle was reached last night and since then, prices have been rebounding along with the rest of the market.

Looking at the indicators, RSI is rebounding off oversold levels while the MACD is trying to break above its signal line.

As long as prices don't break below these lows, we believe prices will rebound towards \$1.436 and \$1.68 in extension.



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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