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DIGITAL ASSET MARKET NEWS

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Market Insight



Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$31,286	2.23%	\$30,458	\$31,949	0.0100%
ETH/USD	\$1,936	1.38%	\$1,895	\$2,005	0.0100%
XAU/USD	\$1,859.50	0.29%	\$1,854.20	\$1,865.60	
USD/CAD	\$1.2673	-0.37%	\$1.2669	\$1.2739	
EUR/CAD	\$1.3647	-0.05%	\$1.3626	\$1.3680	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$31,286 representing a 2.23% increase the last 24 hours and 26.82% increase in trading volume. The funding rate of BTC is 0.0100%.

ETHEREUM: ETH is trading at \$1,936 as of this writing, representing a 24-Hour increase of 1.38% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume increased by 27.58%. 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
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) Bank of America Has No Plans to Offer Crypto Services ¹

Brian T. Moynihan – the CEO of Bank of America – recently confirmed that the company will not be offering crypto-related services in the near future. Though he acknowledged the importance of digital payments in today’s economy, he claimed that regulatory roadblocks prevent the bank from foraying deeper into the industry. “We can’t do it,” the CEO replied. “By regulation, we’re not really allowed to engage. Regulatory challenges have become a running theme for the US crypto industry. Whether due to concerns around the issuance of a given token (ex. Ripple) or the lending practices of certain platforms (ex. Coinbase), blockchain businesses everywhere remain leery of when the Securities and Exchange Commission (SEC) may strike next.

2) A \$90 million DeFi exploit on Terra went unnoticed for seven months ²

In October 2021, DeFi application Mirror Protocol succumbed to a \$90 million exploit on the old Terra blockchain — and it went completely unnoticed until last week. Whenever someone wanted to bet against a stock on Mirror, they had to lock collateral — including UST, LUNA Classic (LUNC), and mAssets — for a minimum of 14 days. After the trade concluded, users could unlock the collateral to release the funds back to the wallet. All of this was done with the help of smart contract-generated ID numbers. However, due to buggy code, the Mirror’s lock contract allegedly failed to check when someone used the same ID more than once to withdraw funds. In October 2021, one unknown entity noticed that they could use a list of duplicate IDs to repeatedly unlock hundreds of times more collateral than they had. This basically meant the perpetrator could withdraw funds without any authorization.

3) Prada Joining Top Luxury Brands in Web3 With Ethereum NFTs ³

Luxury brands like Gucci, Balmain, and Balenciaga are getting into all things crypto, and Prada is joining the crowd with the release of its own NFTs. Prada will be launching 100 Ethereum NFTs this Thursday to go along with its latest Timecapsule apparel release. NFTs are unique blockchain tokens that signify ownership of an asset. The Prada x Cassius Hirst unisex button-down shirts come in black or white, and the corresponding NFTs are a GIF of the black or white pill capsule. The NFTs will refer to the drop’s serial number as well as include a number associated with each physical shirt.

¹ <https://cryptopotato.com/bank-of-america-has-no-plans-to-offer-crypto-services/>

² https://www.theblockcrypto.com/post/149342/a-90-million-defi-exploit-on-terra-went-unnoticed-for-seven-months?utm_source=cryptopanic&utm_medium=rss

³ <https://decrypt.co/101620/prada-joining-top-luxury-brands-in-web3-with-ethereum-nfts>

4) Dubai Hotel Does Deal With Binance to Take Payment in Crypto ⁴

Binance has been assisting The Manor Hotel by JA to develop a crypto payment gateway that can be accessed through the hotel's website. "Virtual assets go in line with The Manor's vision for sustainability and digital transformation, considering its position among top eco-friendly boutique hotels in Dubai," The Manor Hotel's Managing Partner Mohammed Hanif Al Qassim said. According to the report, the gateway will be accessible through The Manor's official website, following strict security measures to protect the rights of customers and business owners alike.

5) Around the world: China to gift citizens 90M digital yuan via lottery to restart economy ⁵

Three Chinese provinces have announced plans to disburse roughly 90 million yuan among citizens in the form of digital yuan (e-CNY) in "red packets" to restart the country's economy following multiple Covid-19 lockdowns, according to local media reports. Red packets are popular in Chinese tradition to send monetary gifts in red envelopes during special occasions, most notable during the Chinese new year. The e-CNY is China's attempt at creating a central bank digital currency.

⁴ <https://beincrypto.com/dubai-hotel-does-deal-with-binance-to-take-payment-in-crypto/>

⁵ <https://cryptoslate.com/china-to-give-citizens-90m-digital-yuan-via-lottery-to-restart-economy/>

Traders' Digest



Bitcoin added 7.69% in the past yesterday to rise over \$32,000 during Asian trading hours on Monday in a brief show of strength amid last week's record losing streak. Bitcoin was able to break and denied the descending triangle and the May \$29k-31k range.

The asset has slid for nine straight weeks for the first time in its history, falling from the \$48,160 level in late March to last week's close of \$29,600. The drop came alongside inflation concerns in the broader economy, a move away from risk assets, and systemic risk from within the crypto industry.

Now, the daily close above the 38.2% fib is a strong sign of recovery. The closest support is the \$30,982 fib level whereas the next resistance level is situated at the 50% fib around \$32,715. This level also coincides with the January pivot point which will add to the short-term resistance.

U.S. equities saw a modest revival last week with stocks rising across the board, although crypto didn't see quite the same revival. Prices have now been holding steady in major cryptos such as bitcoin, suggesting support and potential bottom.

The most interesting that happened last week is the decoupling we saw between Nasdaq and Bitcoin on a few occasions. Nevertheless, Bitcoin underperformed as Equities were recovering from their most recent downtick.

Finally, the Conference Board (CB) Consumer Confidence, measuring the level of consumer confidence in economic activity, came out quite stronger than expected at 106.4 vs 103.9. A higher than expected reading should be taken as positive/bullish for the USD, while a lower than expected reading should be taken as negative/bearish for the USD.

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Altcoin Analysis

As Bitcoin recently rebounded, many altcoins are seeing double-digit returns on a daily basis.

AXSUSDT has been going through a period of bullish divergence in the last couple of weeks. Prices made a new recent low on May 11th while RSI made a higher low. Then when prices pulled back towards the previous low a couple of days ago, the RSI posted an even higher low, meaning the selling is fading away.

Technically speaking, prices broke above a double bottom pattern but weren't able to close above this breakout level. The RSI broke above a declining trend line but remains below the neutral level of 50 for now.

A clear break and close above \$25 would confirm the bullish reversal pattern and potentially send prices higher towards \$33 and \$43 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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