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May 4 - 22 // TRADING@SECUREDIGITALMARKETS.COM



## Market Insight



Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$38,928	1.63%	\$37,585	\$39,095	0.0100%
ETH/USD	\$2,855	1.14%	\$2,762	\$2,876	0.0100%
XAU/USD	\$1,870.90	0.40%	\$1,849.70	\$1,872.70	
USD/CAD	\$1.2857	-0.17%	\$1.2835	\$1.2895	
EUR/CAD	\$1.3562	0.22%	\$1.3564	\$1.3594	

**BITCOIN:** A snapshot of Bitcoin's spot price as of this writing is \$38,928 representing a 1.63% increase the last 24 hours and 10.12% increase in trading volume. The funding rate of BTC is 0.0100%.

**ETHEREUM:** ETH is trading at \$2,855 as of this writing, representing a 24-Hour increase of 1.14% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume decreased by 8.72%. 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
Valkyrie Investments	Valkyrie XBTO Bitcoin Futures Fund	May 7, 2022
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 7, 2022
WisdomTree Bitcoin Trust	WisdomTree	October 12, 2022

## Latest Digital Asset News



### 1) Regulations: SEC to Hire More Crypto Cops to Fight Digital Frauds <sup>1</sup>

The Securities and Exchange Commission will boost the size of its special unit devoted to investigating cryptocurrency frauds and other misconduct, a move that follows the agency's aggressive push to get the unregulated industry to come under federal supervision. The SEC said it plans to add 20 investigators and litigators to its Crypto Assets and Cyber Unit, which was created in September 2017 when regulators noticed a surge of new digital coins sold to the public. The commission has positioned itself as the chief government bulwark against fraud in the \$1.7 trillion market, which so far has sidestepped most federal consumer- and investor-protection rules.

### 2) MicroStrategy says it may explore more 'yield generation opportunities' following bitcoin-backed loan deal <sup>2</sup>

MicroStrategy announced its first-quarter financial results for 2022 on Tuesday, reporting \$119.3 million in revenues for the period. The firm, which holds more than 129,000 BTC on its balance sheet, said that non-GAAP expenses came in at \$275 million for Q1, compared to \$298 million in the first quarter of 2021. In Q1 2022, \$170 million worth of those expenses were in the form of bitcoin impairment charges. In its earnings release, MicroStrategy made note of a bitcoin-backed loan deal with Silvergate via its MacroStrategy subsidiary and suggested it may pursue future deals of this kind. The loan deal was announced in late March.

### 3) Gatorade trademark applications hint at joining the metaverse <sup>3</sup>

Stokely-Van Camp, the beverage company with the original rights to market and produce Gatorade, may be exploring releasing virtual sports drinks in the metaverse. According to records submitted to the United States Patent and Trademark Office, or USPTO, on Wednesday, Stokely-Van Camp filed two applications for the word Gatorade and the sports drink's "G"-shaped orange, black and white logo to be used in connection with "virtual beverage products" and nonfungible tokens, or NFTs. The filings suggest Gatorade may be preparing to introduce its branded products to the metaverse.

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<sup>1</sup> [https://www.wsj.com/articles/sec-to-hire-more-crypto-cops-to-fight-digital-frauds-11651568403?mod=tech\\_lead\\_pos4](https://www.wsj.com/articles/sec-to-hire-more-crypto-cops-to-fight-digital-frauds-11651568403?mod=tech_lead_pos4)

<sup>2</sup> <https://www.theblockcrypto.com/linked/144930/microstrategy-says-it-may-explore-more-yield-generation-opportunities-following-bitcoin-backed-loan-deal>

<sup>3</sup> <https://cointelegraph.com/news/gatorade-trademark-applications-hint-at-joining-the-metaverse>

**4) Around the world:**

**i. Argentina's Largest Private Bank Launches Bitcoin, Ether, and XRP Trading For Millions Of Customers <sup>4</sup>**

In a partnership with Liechtenstein-based crypto infrastructure service, Lirium, Banco Galicia has started offering crypto services to its customers. According to Bloomberg, the decision is said to have been inspired by an Argentinian poll that reflected the rising demand for crypto in the South American nation. 60% of the individuals who took part in the poll have asked for more access to the developing market. The Argentinian banking giant will offer its over 7 million customers access to only Bitcoin, Ethereum, XRP, and USD Coin at the service's launch.

**ii. Dubai's crypto regulator to launch metaverse headquarters in The Sandbox <sup>5</sup>**

Dubai's Virtual Assets Regulatory Authority (VARA) announced plans on Tuesday to establish a metaverse headquarters in The Sandbox virtual world. "Our presence in the metaverse... marks the beginning of a new phase in the Dubai government's march for the future; one that will have a positive impact in the long run," Sheikh Hamdan bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of the Dubai Executive Council, said in a statement to the WAM news agency.

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<sup>4</sup> <https://zycrypto.com/argentinas-largest-private-bank-launches-bitcoin-ether-and-xrp-trading-for-millions-of-customers/>

<sup>5</sup> [https://www.theblockcrypto.com/post/144813/dubais-crypto-regulator-to-launch-metaverse-headquarters-in-the-sandbox?utm\\_source=rss&utm\\_medium=rss](https://www.theblockcrypto.com/post/144813/dubais-crypto-regulator-to-launch-metaverse-headquarters-in-the-sandbox?utm_source=rss&utm_medium=rss)



Bitcoin's price action has improved this morning.

We bottomed out yesterday in the afternoon and ever since, jumped by 4.5% to reach a recent high of \$39,180. Prices have finally broken above the falling wedge in the 1h-4h timeframe, but couldn't break above the resistance we have been watching near \$39,200. In order to witness a clear recovery, we need to see prices breaking above the 20-day moving average as well as \$39,200 which would push BTC higher towards \$40,750.

Looking at the indicators, we see that the RSI is about to break above the neutral level of 50 on the daily chart, which would be bullish. The MACD is also about to cross above the signal line which would fuel additional bullish momentum.

Looking at the price action in the equity market, shorts are definitely more nervous than longs right now. Many market participants don't believe the bottom is in but are anxious about a sharp rebound rally. The Dow and S&P 500 witnessed their worst April since March 2020. It was the worst month for the Nasdaq since 2008, as yields are expected to continue to rise.

We have a very important Fed meeting today at 2pm EST followed by the press conference at 2:30pm EST.

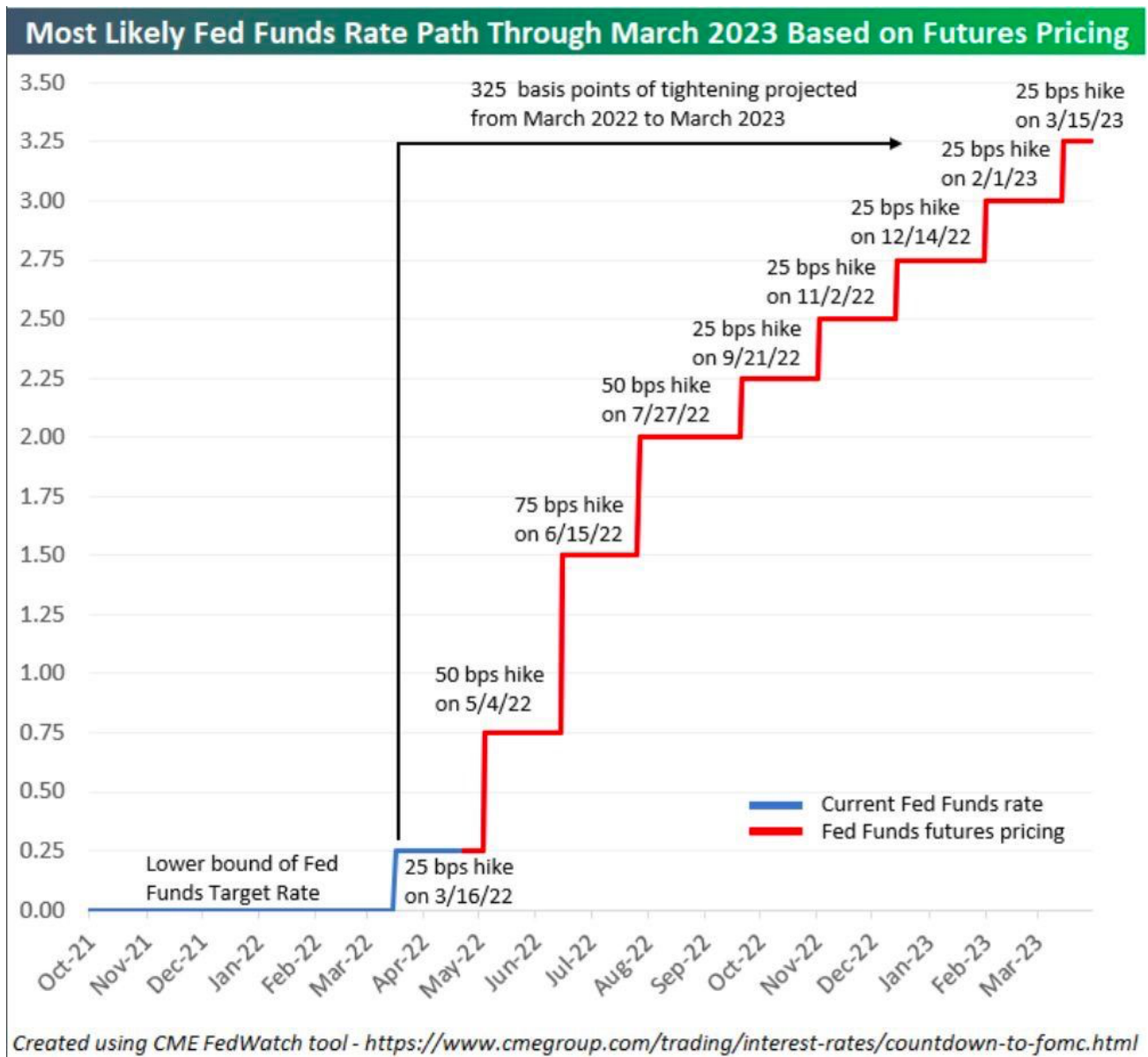






### **Key takeaways of today's Fed meeting:**

- \* The Federal Reserve is expected to raise rates by 0.50bps
- \* The futures market is pricing in a 50bps hike in the next couple of meetings to end the year with 250bps.
- \* It's all about the balance sheet at this point: The Fed is expected to confirm a \$95B per month sell program starting in June. This has not yet been unleashed on the market and equates to \$1T of assets this year
- \* Many firms like Blackrock believe that inflation peaked in 1Q2022 and should trend much lower near year-end, partly due to supply chain issues taking time to improve and a cooldown in oil prices. ISM Manufacturing has also been trending lower which reinforces this view.
- \* We are already seeing an impact in the housing market as the US mortgage payment to rent ratio reached its highest level in 10 years. The number of mortgage applications in the US has been dropping rapidly, indicating pressure ahead.
- \* Looking at the price action in the equity market, shorts are definitely more nervous than longs right now. Many market participants don't believe the bottom is in but are anxious about a sharp rebound rally. The Dow and S&P 500 witnessed their worst April since March 2020. It was the worst month for the Nasdaq since 2008, as yields are expected to continue to rise.
- \* The Fed is expected to release its next quarterly forecast at the June meeting, which reinforces the importance of Powell's press conference in today's meeting.



### Scenario analysis

25bps hike →

Big rally in risk assets like Bitcoin and Equity market. The news itself is enough to send prices flying. However, negative news relating to the balance sheet during the press conference could put a temporary pause to this rally.

50bps hike →

Should already be priced in. Traders will be capitalizing on intraday volatility between the announcement and the press conference, but we are not expecting a new trend to emerge.

75bps hike →

Bearish price action ahead as the Fed would be prioritizing inflation control over economic stability. We don't believe Powell would consider this for this meeting as the equity market is already very fragile and no one wants to enter a recession in a midterm election year. Powell made it clear in his past meeting that he wants to stabilize the economy as much as possible by ignoring questions about balance sheet timing.

## Altcoin Analysis

Cardano is trying to get back in shape to maintain its dominance. Let's go over some technical to analyze what is currently happening.

ADAUSDT recently broke above a falling wedge as well as a trend channel, sending prices higher by 55% in only 12 days. Since then, prices have pulled back towards the previous low. What is interesting, is that prices just broke above a declining trend line this morning, pushing for a potential reversal to the upside.

Looking at the indicators, RSI continues to be supported by a rising trend line and has recently broken above the oversold level of 30, advocating for a potentially new trend to the upside. The MACD continues to trade below its signal line since the recent highs but is slowly getting ready to break above it any time now.

As long as prices don't break these recent lows, we expect further advance towards \$0.975 (20%) and \$1.10 (35%) in extension.

yacine.ouldchikh published on TradingView.com, May 04, 2022 08:02 UTC-4



*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](mailto:Trading@securedigitalmarkets.com)

## Disclosure

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