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July 19 - 22 // [TRADING@SECUREDIGITALMARKETS.COM](mailto:TRADING@SECUREDIGITALMARKETS.COM)



## Market Insight



| Key Metrics |            |              |            |            |               |
|-------------|------------|--------------|------------|------------|---------------|
| Pairs       | Spot Price | 24 Hr Change | Low        | High       | Funding Rates |
| BTC/USD     | \$22,110   | -0.28%       | \$21,487   | \$22,795   | 0.0100%       |
| ETH/USD     | \$1,546    | 4.44%        | \$1,458    | \$1,607    | 0.0100%       |
| XAU/USD     | \$1,712.50 | 0.13%        | \$1,707.40 | \$1,719.00 |               |
| USD/CAD     | \$1.2925   | -0.41%       | \$1.2912   | \$1.2991   |               |
| EUR/CAD     | \$1.3230   | 0.52%        | \$1.3132   | \$1.3292   |               |

**BITCOIN:** A snapshot of Bitcoin's spot price as of this writing is \$22,110 representing a 0.28% decrease the last 24 hours and 31.76% increase in trading volume. The funding rate of BTC is 0.0100%.

**ETHEREUM:** ETH is trading at \$1,546 as of this writing, representing a 24-Hour decrease of 4.44% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume increased by 22.86%. 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<br>Bitcoin Trust | WisdomTree           | October 10, 2022  |

## Latest Digital Asset News



### 1) Valkyrie to launch venture capital fund <sup>1</sup>

Issuer Valkyrie is raising for an upcoming venture capital fund focused on early stage "web 2.5" firms. Valkyrie Ventures is the firm's first foray into venture capital. It brought in Lluís Pedragosa to head the venture. Pedragosa comes to Valkyrie from VC firm Team8, which focused on enterprise technologies, artificial intelligence and fintech. The firm will geographically focus on startups in the US and Israel, both areas of expertise for Pedragosa. The plan is to invest in startups seeking to bridge the gap to web 3 for the average user, a sector Pedragosa and Valkyrie have dubbed "web 2.5." Filling in the gap between the familiar web 2 user experience and connection to web 3 assets is the path to the next billion users of blockchain

### 2) US Government Officials Must Now Publicly Declare NFT Holdings <sup>2</sup>

The Office of Government Ethics (OGE) issued a legal advisory over the weekend to regulate financial disclosure reporting requirements applicable to NFTs. The general rule of thumb to follow is that NFTs held for investments or "production of income" exceeding a valuation of \$1,000 must be reported within the prescribed window. The document adds that the reporting requirements will extend to NFTs that generate over \$200 in income within the reporting window. All transactions involving sales, and purchases of NFTs and fractionalized NFTs (F-NFTs) that take the form of security must be disclosed without exception.

### 3) Dubai's metaverse strategy plans to add \$4 billion to economy by 2027 <sup>3</sup>

Dubai's crown prince, Hamdan bin Mohammed bin Rashid Al Maktoum, announced on Monday that the emirate would look to use the metaverse to create 40,000 "virtual jobs" and add \$4 billion to its economy over the next five years. In a tweet, he laid out the region's intent to increase the number of blockchain and metaverse companies by five times in the same timeframe. The push for the "Dubai Metaverse Strategy" aims to put the region on the virtual map as one of the "top 10 cities globally in terms of virtual economy." The tweet stated that the metaverse and blockchain sector currently contributes \$500 million to Dubai's national economy. It also said it will look to develop metaverse use-cases and applications in Dubai's government.

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<sup>1</sup> [https://www.theblock.co/post/158389/valkyrie-to-launch-venture-capital-fund?utm\\_source=cryptopanic&utm\\_medium=rss](https://www.theblock.co/post/158389/valkyrie-to-launch-venture-capital-fund?utm_source=cryptopanic&utm_medium=rss)

<sup>2</sup> <https://beincrypto.com/us-government-officials-must-now-publicly-declare-nft-holdings/>

<sup>3</sup> [https://www.theblock.co/post/158413/dubais-metaverse-strategy-plans-to-add-4-billion-to-economy-by-2027?utm\\_source=cryptopanic&utm\\_medium=rss](https://www.theblock.co/post/158413/dubais-metaverse-strategy-plans-to-add-4-billion-to-economy-by-2027?utm_source=cryptopanic&utm_medium=rss)

#### **4) 1000+ Page Legal Document Reveals Details About Bankrupt 3AC <sup>4</sup>**

A recent court document reveals that Three that Arrows Capital (3AC) owes 27 different companies. After its sequence of risky trades and borrowing, 3AC was forced to collapse, with its founders quickly fleeing the scene and filing for Chapter 15 bankruptcy on July 12. The document reveals that 3AC owes \$3.5 billion to 27 different companies including Blockchain.com and Vogater Digital. However, the biggest creditor on this list is Genesis, with a whopping \$2.3 billion loaned to 3AC. Additionally, the document also reveals a court paper that asked the Singapore Government (where 3AC is originally located) to recognize the liquidation proceeding and cooperate with liquidators. Further examination reveals that the borrowed funds were likely used to purchase the assets.

#### **5) Leading Auction House Christie's Launches Web3 and Fintech Venture Arm <sup>5</sup>**

The British auction house Christie's has revealed a new venture fund that aims to support "emerging technology and fintech companies." The firm said that it plans to work in unison with its portfolio startups in order to accelerate growth and push Christie's activities into innovative directions. "Christie's Ventures will start by exploring three broad categories," the company said on July 18. "[Web3] innovation, art-related financial products, and solutions and technologies that enable seamless consumption of art." With premises located in London, New York City, and Hong Kong, Christie's is the largest second-largest auction house in terms of auction turnover behind Sotheby's and above the auction firm Phillips and China Guardian.

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<sup>4</sup> <https://coinquora.com/1000-page-legal-document-reveals-details-about-bankrupt-3ac/>

<sup>5</sup> <https://news.bitcoin.com/leading-auction-house-christies-launches-web3-and-fintech-venture-arm/>

## Traders' Digest

Bitcoin was trading up slightly on the day, as Eurozone bond yields shot up after a report on the European CPI and whether the Central Bank would raise rates by 25 basis points or 50 basis points at the Thursday meeting.

Ether also broke up, rallying over 25% since our Friday heads-up. Indeed, Ether broke the 1200-1000 range, heading towards the 1700-1800 target. We can see a clean vacuum zone on Ether, which brought sharp squeezes and volatility to the upside.

On the other hand, the USD Index is still in consolidation mode ahead of the FOMC Meeting, now trading around 106.600. Again, a pull-back towards 105.00 is a healthy correction, which would be supported by the Hawkish stance from the FED.

Finally, let's not forget that risks assets surged at the end of last week after Federal Reserve Governor Christopher Waller and Bullard said they supported an interest rate hike of 75 basis points in July, easing fears of a larger 100 basis-point raise to combat high inflation.

These two members are the two most hawkish FOMC Member when looking at the Hawk and Dove analysis. Therefore, their most recent stance relieved some pressure on the possibility of historically severe hawkishness and tightening.





## Altcoin Analysis



Ethereum has been outperforming the overall market lately after having announced a tentative deadline for its merge from POW to POS for September 19th. Many clients have been asking our views on ETH to see if they should buy or sell.

Let's take a look at some charts.

Starting with the 4h chart: ETHUSDT broke above an ascending triangle pattern, pushing for further upside. The profit target for this pattern was \$1,615 and was reached on Monday evening.

Moving on with the daily chart: we see that ETHUSDT is approaching an important resistance near \$1,725 which should make it harder for prices to continue much higher without a catalyst or market-moving news. Looking at the RSI, we can see that it is currently at overbought levels. The last four times RSI was at these levels, prices pulled back quite significantly. It's important to note that it can remain overbought for some time before moving back down.

Now for a daily chart of ETHBTC, the pair is trading at the top-end of a declining trend channel, reinforcing the view that ETH might be peaking.

Finally, given that the correlation to the equity market remains very high, it's important to look at the stock market as well. For now, Nasdaq and the S&P500 are both trading under their 50-day moving average but are getting close. As long as the indices remain below that level, rallies are to be shorted.

As long as ETH is trading below 1,725, we expect prices to correct back towards the breakout levels of 1,265.



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*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)

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