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Market Insight



Key Metrics					
Pairs	Spot Price	24 Hr Change	Low	High	Funding Rates
BTC/USD	\$21,408	-0.43%	\$21,195	\$21,646	-0.0006%
ETH/USD	\$1,646	1.19%	\$1,610	\$ 1,666	0.0003%
XAU/USD	\$1,745.10	-0.24%	\$1,742.10	\$1,754.70	
USD/CAD	\$1.3019	0.45%	\$1.2948	\$1.3019	
EUR/CAD	\$1.2909	-0.03%	\$1.2886	\$1.2929	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$21,408 representing a 0.43% decrease the last 24 hours and 2.72% decrease in trading volume. The funding rate of BTC is -0.0006%.

ETHEREUM: ETH is trading at \$1,646 as of this writing, representing a 24-Hour increase of 1.19% and a funding rate of 0.0003%. Over the last 24 Hours, the trading volume decreased by 0.73%. 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 Bitcoin Trust	WisdomTree	October 10, 2022

Latest Digital Asset News



1) EU Crypto Lobby Fights MiCA Limits on US Dollar Stablecoins ¹

Dollar-pegged stablecoins might be blocked in the European Union's 27 countries if the bloc's new Markets in Crypto-Assets (MiCA) legislation enters into force in its current form. The European Union's landmark crypto law has already been approved but technicalities still have to be ironed out. Blockchain for Europe and the Digital Euro Association this weekend sent a letter to the EU Council, a collegiate body formed by EU member states, in a bid to reverse controversial rules which would effectively quash any large stablecoin projects tied to anything but the euro.

2) MakerDAO Opens \$100M DAI Loan to Huntingdon Valley Bank ²

MakerDAO has officially connected its native stablecoin DAI to traditional finance through a partnership with Huntingdon Valley Bank (HVB), a community bank in Philadelphia. The protocol announced today its formal offering to HVB of 100 million DAI, marking the "first commercial loan participation between a US Regulated Financial Institution and a decentralized digital currency." HVB sought the DAI to support the growth of existing businesses and investments in March, when it formally submitted a MakerDAO onboarding application. In return, MakerDAO will be able to diversify its counterparty risks and generate yields from its DAI holdings via HVB's bond managers.

3) Stablecoin issuers hold more US debt than Berkshire Hathaway ³

Stablecoin issuers like Tether (USDT) and Circle have accumulated a significant share in the United States Treasury market, outperforming major traditional finance players. Various stablecoin providers collectively held \$80 billion worth of short-term U.S. government debt as of May 2022, according to a study by the investment bank JPMorgan released on Aug. 16. Tether, Circle and other stablecoin firms accounted for 2% of the total market for the U.S. Treasury bills, holding a bigger share of T-bills than totally owned by Warren Buffett's investment giant Berkshire Hathaway. Stablecoin issuers have also outperformed offshore money market funds (MMF) and prime market MMFs in terms of their Treasury-bill investment proportion, according to the data.

¹ <https://blockworks.co/eu-crypto-lobby-fights-mica-limits-on-us-dollar-stablecoins/>

² <https://blockworks.co/makerdao-opens-100m-dai-loan-to-huntingdon-valley-bank/>

³ <https://cointelegraph.com/news/stablecoin-issuers-hold-more-us-debt-than-berkshire-hathaway-report>

4) Beijing announces two-year Metaverse innovation and development plan ⁴

The Beijing municipal government on Aug. 23 announced a two-year (2022-2024) metaverse innovation and development plan that would require all districts to adhere to the newly released Web3 innovation plan. The development action plan refers to the Metaverse as a new generation of information technology integration and innovation that would drive the growth of the internet towards Web3. The innovation plan focuses on promoting the development of metaverse-related industries and helping Beijing build a benchmark city for the digital economy. The action plan demands that various districts build technological infrastructure at a city level and promote its use in various fields, including education and tourism.

⁴ <https://cointelegraph.com/news/beijing-announces-two-year-metaverse-innovation-and-development-plan>

Traders' Digest

Bitcoin has been supported at the \$21,000 mark for the last 6 sessions, bought back to session highs every time. Like we mentioned yesterday, the next level to the upside is \$22,500 while the next level to the downside is \$19,000.

Investors are now bracing in for the Jackson Hole Economic Symposium beginning tomorrow 9:00 am E.T, with a focus on reassessing constraints on the economy and monetary policy. This yearly event brings together the most important monetary policymakers – FOMC Members to discuss our current market dislocation and solution.

This event will bring a lot of volatility as well as clarity moving into September. Now, looking at the Fed watch tool one day prior to the vent, we can see a shift in the probability. A 75 bps hike is now showing a 60% probability versus a 50 bps hike for the September meeting, on the back of strong growth data, good unemployment numbers, and supported equity market.

Finally, the USD Index is now hovering around the most recent multiyear high after trading above 109.000 prior to the US open, while the fixed income curves are showing sign of unanchored inflation.



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Altcoin Analysis

Many altcoins have pulled back just like the rest of the market. Solana has been on everyone's watchlist for quite some time now and rightfully so given their innovative technology.

Let's focus on the technical setup.

SOLUSDT has broken below a rising trend channel, dragging prices lower. The next support is located at \$32 which needs to stay intact for buyers to feel comfortable.

Looking at SOLBTC, the pair wasn't able to break above resistance yet and is now ranging within a consolidation zone. A break below this pattern would open the door for a period of underperformance of SOL vs. BTC.

We are neutral on Solana with a bearish bias. Prices need to break above \$39 for more confidence and above \$47 to get back to bullish territory.



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

Disclosure

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