



MAY 17 - 2023

DAILY MARKET REPORT



Institutional research.

Markets Insights

	S2	S1	R1	R2	24HR %	7D %	30D %	YTD %
Bitcoin	22,700	25,250	29,500	30,600	1.24%	1.24%	-8.74%	61.14%
Ethereum	1,570	1,710	1,995	2,150	1.16%	3.93%	-9.25%	50.21%
S&P 500	3,970	4,065	4,210	4,325	-0.64%	-0.67%	-1.07%	7.04%
Nasdaq	12,700	13,000	13,700	14,300	+0.09%	0.97%	2.65%	22.85%
US Dollar Index	99.50	100.35	102.30	103.20	0.39%	-0.11%	0.98%	-0.54%

Next FOMC meeting: June 14 2023.

- Probability of a 0bps hike → 76%
- Probability of a 25bps hike → 24%
- Probability of a 50bps hike → 0%



BITCOIN

A snapshot of Bitcoin's spot price as of this writing is \$26,627.98 representing a 1.29% decrease the last 24 hours and 20% decrease in trading volume.

The funding rate of BTC is 0.0094%.



ETHEREUM

ETH is trading at \$1,788.38 representing a 1.56% decrease the last 24 hours and 14% decrease in trading volume.

The funding rate of ETH is 0.0072%



Latest Digital Asset News

1- Judge Denies Motion to Seal Hinman Documents in Ripple SEC Case

The crypto firm has been tied up in a lawsuit with the SEC for several years after the Commission accused Ripple of illegally selling the XRP token without registering it as a security. Part of the legal battle has centered around a controversial 2018 speech and the documents that surround it. In the speech, Bill Hinman, a former SEC director, explained why he did not consider Bitcoin or Ethereum as securities. As a result, they filed a "motion to seal," which is a formal request that would prevent evidence from being available to the general public. Judge Analisa Torres has however denied the SEC's motion to seal these documents on Tuesday saying, "they are judicial documents subject to a strong presumption of public access."

2 - UK Lawmaker Group Clashes With Treasury Over Treating Unbacked Crypto as Gambling

Investing in unbacked digital assets like bitcoin (BTC) and ether (ETH) resembles gambling and should be regulated as such, a cross-party lawmaker group in the U.K. has said. But the government is sticking by its plans to regulate them as financial services. The Treasury Committee is worried the government's proposal "will create a 'halo' effect, leading consumers to believe this activity is safe and protected, when it is not," it said in a Wednesday announcement marking the publication of its report on crypto. The committee kicked off an inquiry into the industry in July to gather views from stakeholders and regulators.

3 - Tether to invest up to 15% of its profits in bitcoin

Tether, issuer of the world's largest stablecoin, will invest up to 15% of its profits in bitcoin as it shifts its reserves towards crypto and away from U.S. government debt. Tether will make regular purchases and self-custody all of its bitcoin holdings, the company said in a statement. It held \$1.5 billion in bitcoin as of the end of the first quarter, accounting for about 2% of its reserves. About 85% were held in cash, cash equivalents and other short-term deposits — mainly Treasury bills. The news comes a few days after Tether reported \$1.5 billion in net profit for the first quarter.

[1] <https://decrypt.co/140438/judge-denies-motion-seal-hinman-documents-ripple-sec-case>
[2] <https://www.coindesk.com/policy/2023/05/16/uk-lawmaker-group-clashes-with-treasury-over-treating-unbacked-crypto-as-gambling/>
[3] <https://www.theblock.co/post/231159/tether-bitcoin-investments-profits>



Upcoming:

THURSDAY

- US Unemployment claims + Home sales

FRIDAY

- US Fed chair speaks "Perspectives on Monetary Policy" at Research Conference in Washington DC

The demand for mortgages has witnessed a decrease as interest rates have surged to a two-month high.

- This development has significant implications for the housing market and potential homebuyers.
- The rise in interest rates has impacted the borrowing costs for home loans, leading to a decline in mortgage applications.
- Mortgage applications to purchase a home dropped 4.8% last week, compared with the previous week, according to the Mortgage Bankers Association.
- Market dynamics and buyer behavior are subject to various factors, including economic conditions, housing inventory, and buyer sentiment.

The morning's market sentiment is positive, with stock futures experiencing an increase, driven by investors' optimism surrounding the potential for a resolution on the U.S. debt ceiling issue.

- Stakeholders eagerly anticipate a mutually beneficial agreement between congressional leaders and President Joe Biden, aimed at averting a potentially disastrous debt default.
- Following a meeting between the president and congressional leaders on Tuesday, House Speaker Kevin McCarthy expressed confidence in the establishment of an improved framework for ongoing discussions, indicating the feasibility of reaching an agreement by the week's end.
- In light of the negotiations' significance, President Biden has decided to prioritize them by canceling a scheduled leg of an upcoming international trip, underscoring his commitment to the process.

It would be important to keep an eye on the intraday chart of the 2y-yield. If it breaks out of this pattern then it may place some pressure on risk assets.



The S&P500 continues to range between 4113 and 4174 and is looking for clear direction. The breakout of either 4210 and 4065 would have much more significance.



Bitcoin

Tether, the entity responsible for the issuance of the most substantial stablecoin globally, has unveiled plans to allocate a portion of its profits, up to 15%, towards Bitcoin

- It plans to reallocate its reserves away from U.S. government debt and towards the cryptocurrency market.
- This decision follows shortly after Tether announced a net profit of \$1.5 billion for the first quarter.
- Tether has expressed confidence in Bitcoin's investment potential, citing its remarkable performance and substantial returns spanning the past decade, during which the value of the leading cryptocurrency has witnessed a staggering surge of approximately 22,000%.

Ripple, the blockchain technology company behind the cryptocurrency XRP, has acquired a Swiss startup called Metaco.

- The acquisition comes at a significant time as Ripple awaits the conclusion of its lawsuit with the U.S. Securities and Exchange Commission (SEC).
- Metaco specializes in providing infrastructure for digital asset custody and management.
- The move by Ripple is seen as a strategic step to strengthen its position in the cryptocurrency market and enhance its offerings.
- The outcome of the SEC lawsuit will likely have a significant impact on Ripple's future operations and the broader regulatory landscape for cryptocurrencies.

BTCUSDT continues to trade lower as expected. Looking at an intraday chart, we were never able to break above the breakdown of the previous symmetrical triangle pattern around 28,300. Since then, we've been witnessing choppy action with a bearish bias. A break above 27,675 would be important for bulls to get excited but prices need to ultimately break above 28,300 for bulls to have a better chance of taking control.

Zooming out to the daily chart, prices remain below the neckline of the Head-and-Shoulders pattern, indicating that the trend remains bearish and further downside is expected.

- $BTC > 27,000$ → Bullish
- $BTC < 27,000$ → Neutral with a bearish bias
- $BTC < 25,250$ → Bearish

Bitcoin

yacine.ouldchikh published on TradingView.com, May 17, 2023 09:09 UTC-4



yacine.ouldchikh published on TradingView.com, May 17, 2023 09:12 UTC-4



Ethereum

ETHUSD is on the same downtrend as Bitcoin. As long as prices aren't trading above 1875 on an intraday basis then there seems to be no clear reasons to initiate long positions.

ETH has outperformed BTC by 5% since the start of May. The ratio of ETHBTC is approaching resistance, meaning BTC might get back in control soon.

- ETH > 1890 → Bullish
- ETH < 1890 → Neutral with a bearish bias
- ETH < 1710 → Bearish

yacine.ouldchikh published on TradingView.com, May 17, 2023 09:15 UTC-4



Ethereum

yacine.ouldchikh published on TradingView.com, May 17, 2023 09:16 UTC-4



TV TradingView

yacine.ouldchikh published on TradingView.com, May 17, 2023 09:16 UTC-4



TV TradingView

Altcoin Analysis

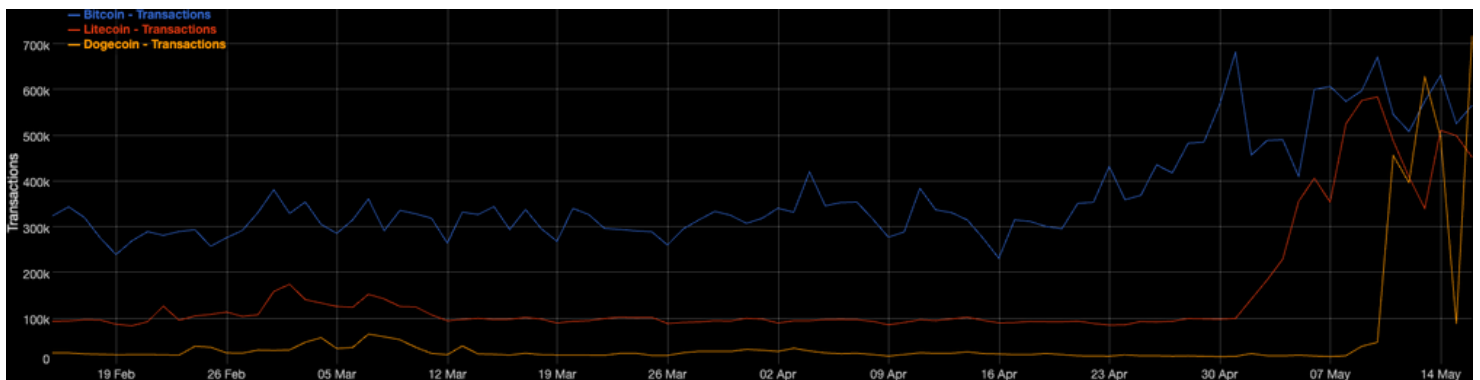
Dogecoin is at it again.

The daily transaction volume of Dogecoin experienced a significant increase of ten times the average recorded earlier this week, reaching an all-time high subsequent to the implementation of a novel mechanism enabling the creation of tokens on the Dogecoin blockchain.

This development introduces a new category of tokens referred to as 'DRC-20'.

According to data from BitInfoCharts, the network witnessed a remarkable surge in transaction activity on Sunday, surpassing the number of transactions conducted on both Bitcoin and Litecoin networks for that day. However, the transaction volume subsequently receded to previous levels by Wednesday.

DOGEUSDT is supported by a rising trend line in place since June while the RSI is curling up as well. If prices can break above the 20-day moving average then it may confirm the rebound in pricing. As long as prices remain above 0.06934 we should expect further upside towards 0.0838.



ycacine.ouldchikh published on TradingView.com, May 17, 2023 09:44 UTC-4



Disclaimer

This research is for informational use only. This is not investment advice. Other than disclosures relating to Secure Digital Markets this research is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. The information, opinions, estimates, and forecasts contained herein are as of the date hereof and are subject to change without prior notification. We seek to update our research as appropriate.

Any forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. The price of crypto assets may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Fluctuations in exchange rates could have adverse effects on the value or price of, or income derived from, certain investments. We and our affiliates, officers, directors, and employees, excluding equity and credit analysts, will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives, if any, referred to in this research.

The information on which the analysis is based has been obtained from sources believed to be reliable such as, for example, the company's financial statements filed with a regulator, company website, company white paper, pitchbook and any other sources. While Secure Digital Markets has obtained data, statistics, and information from sources it believes to be reliable, it does not perform an audit or seek independent verification of any of the data, statistics, and information it receives.

Unless otherwise provided in a separate agreement, Secure Digital Markets does not represent that the report contents meet all of the presentation and/or disclosure standards applicable in the jurisdiction the recipient is located. Secure Digital Markets and their officers, directors and employees shall not be responsible or liable for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses, or opinions within the report.

Crypto and/or digital currencies involve substantial risk, are speculative in nature and may not perform as expected. Many digital currency platforms are not subject to regulatory supervision, unlike regulated exchanges. Some platforms may commingle customer assets in shared accounts and provide inadequate custody, which may affect whether or how investors can withdraw their currency and/or subject them to money laundering. Digital currencies may be vulnerable to hacks and cyber fraud as well as significant volatility and price swings.

Contact Us

Start trading with Secure Digital
Market today by e-mailing:

TRADING@SECUREDIGITALMARKETS.COM

SECUREDIGITALMARKETS.COM



SECURE
DIGITAL MARKETS

SECUREDIGITALMARKETS.COM