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DIGITAL ASSET MARKET NEWS

October -20-21 // TRADING@SECUREDIGITALMARKETS.COM

MARKET INSIGHT | October 20 2021, 9:30 AM EST

Key Metrics					
Assets	Spot Price	Change (%)	Low	High	7-Day Volatility
 BTC/USD	\$64,384.55	0.40%	\$63,525.61	\$ 64,552.66	
 ETH/USD	\$ 3,941.85	3.62%	\$ 3,800.34	\$ 3,947.83	
 Gold	\$ 1,785.40	0.84%	\$ 1,773.00	\$ 1,790.00	
 USD/CAD	\$ 1.235	-0.09%	\$ 1.234	\$ 1.237	
 EUR/CAD	\$ 1.438	0.00%	\$ 1.434	\$ 1.439	

BITCOIN: A snapshot of Bitcoin's spot price as of this writing is \$64,384 representing **2.80%** increase the last 24 hours and **1.5%** increase in trading volume. The 30-day volatility of BTC is 58%. Bitcoin remains the top cryptocurrency trading with a support at \$57,000 and resistance at \$64000.

ETHEREUM: ETH is trading at \$3941 as of this writing, representing a 24-Hour increase of **3.7%** and 30-day volatility of 71%. Over the last 24 Hours, the trading volume decrease by **1.50%** As of today, ETH holds 18% of the cryptocurrency market, making it the second-largest coin traded.

THREE INTERESTING FACTS TO START YOUR DAY

- 1) **Inflation:** Oil reached another multi-year high this morning, further adding to concerns. Federal Reserve economists project 2% inflation in 2022, but there has been debate about how transitory this rise in prices will prove. The problem for central banks is that their usual tools to fight higher prices cannot solve a supply shortage. In other words, it is unlikely that monetary policy will impact supply chain or commodity price inflation.
- 2) **Market:** As corporate earnings helped ease concerns over high inflation and Federal Reserve accommodation, the S&P 500 Index closed within half a percent of its all-time high. Tesla Inc.'s corporate results will be closely watched for any chips that might be having problems, as well as any updates on its new factories in Texas and Germany.
- 3) **Coming up:** Grayscale Investments is planning to file an application to convert the world's biggest bitcoin fund into a spot ETF as early as today, October 19, 2021, according to a person familiar with the matter.

LATEST DIGITAL ASSET NEWS

1) Business Week:

Coinbase Pilot deal with Facebook Digital Wallet Novi. Coinbase stock jumps after pilot deal with Facebook digital wallet Novi:

Coinbase has said that Facebook has chosen it as the custody partner for Novi. This new digital wallet will allow users to convert local currencies into crypto via an app that allows users to connect to Facebook ecosystems such as WhatsApp and Instagram.

To test out the wallet, Facebook will roll out a small project using the Stablecoin "Pax Dollar" in both the U.S. and Guatemala by allowing users to buy that Stablecoin within its own digital wallet Navi. Coinbase will then store these funds within its custody trust company.

"We have an opportunity to help change the game for so many people who the current financial system has left behind," said David Marcus, who leads Facebook's 'F2' financial division. "I believe we should take that opportunity, and I'm eager for us to start the journey."

Ripple Partner CGI teams up with banks to pilot intelligent automation. The partnership between CGI and Bank of Montreal and the National Bank of Canada will allow for intelligent process automation to capture, identify, and classify documents as part of the CGI trade360 global trade platform's transaction flow.

The purpose of this is to help both banks speed up their transformation to the digital world by automating paper document flows, which will improve compliance relationship management and their trade finance operations. Both banks commented on the partnership.

"We at BMO view this initiative as foundational in our ambition to be a digitally enabled Global Trade Finance business. Integration to our core CGI Trade360 platform will enhance operational efficiency and our client experience with this proven intelligent process automation. We appreciate the partnership with CGI and Compend in our digital transformation journey," said Dean Gillis, Managing Director & Head, Global Trade, BMO.

"This pilot is very exciting for the National Bank of Canada since it enables us to accelerate the deployment of digital solutions for our trade finance activities. We are confident this will improve our customers' experience while allowing us to be more efficient, flexible, and agile in answering their ever-evolving needs," said Normand D'Arcy, Senior Manager, International Services, National Bank of Canada.

- 2) **BTC ETF:** The first Bitcoin ETF in the U.S. has gone live in the New York Stock Exchange under "BITO." After about 15 minutes of going live, the ETF has traded \$250 million worth of shares and over \$500 million within the first hour of trading.

The Proshares Bitcoin Strategy ETF invests in Bitcoin futures instead of holding actual spot BTC. This future-based Bitcoin ETF by the SEC was finally made possible after the chairman, Gary Gensler, stated in September that these offerings would have the highest chance of being approved compared to spot Bitcoin ETFs. The ETF is trading between a daily range of \$40.07 bottom and \$42.14 as the top, while currently trading at \$41.51 at writing.

According to Bloomberg ETF analyst Eric Balchunas, the Valkyrie fund will likely be the next to list on either Wednesday or Thursday. The asset manager sent Bloomberg a listing strategy for the Valkyrie Bitcoin Strategy ETF, which was changed to "BTFD."

- 3) **Global:**

El Salvador: Bitcoin is part of the Pitch as El Salvador Courts IMF deal. El Salvador's government is looking to reach a \$1.3 billion loan agreement with the International Monetary Fund. This massive agreement will allow Bitcoin to prove itself as a legitimate payment system. The IMF is expected to release its latest review on El Salvador's finances and economy within the next month, accelerating the discussions.

This loan agreement would increase the adoption of Bitcoin within El Salvador and give the people more access to payment methods, especially in a country in which more than three-quarters of the citizens are unbanked.

Businesses in the capital of San Salvador, from Starbucks and McDonald's to local electronics stores, have begun to accept it in exchange for goods. Douglas Rodriguez, president of the central bank, reiterated that the cryptocurrency was optional and expected it to be used alongside the U.S. dollar.

TRADER'S DIGEST: MARKET MOVEMENT

As pointed out by GlassNode, on-chain data reveals Bitcoin outflows have been gradually decreasing over the past month. The critical metric is the BTC netflows. This indicator shows the net amount of coins exiting or entering exchange wallets. A negative netflow indicates that the outflows dominate the inflows. This type of behaviour has typically been a bullish development for Bitcoin. The 2021 bull run has been largely accompanied by outflow.



However, lately the outflows have slowed down, prompting concern of possible crash. As derived from the netflow indicator, when netflow became positive from May – July 2021, the leading digital currency floated the market red driving asset price south. Therefore, by diving deeper into the current compiled data, the indicator is likely to turn green if outflows continue

to decline. Should that happen, a price crash would likely follow.



On the other hand, technical indicators argue otherwise, and the pair (BTC/USD) could extend rally to a new ATH in the near term.

At the time of writing, Bitcoin is trading at \$64,300 against the US Dollar, having broken through local resistance of \$63,000 in the past 24 hours. While Bitcoin prices continue to close in on price records, most large-cap altcoins have remained unchanged, with a few exceptions. Ethereum is up slightly above \$3800. This morning, the cumulative crypto market cap has reached a new record of \$2.550 TRN.

UPCOMING DATES		
Company	Pending Applications	SEC Response Date
VanEck	VanEck Bitcoin Trust	Nov. 10 2021
Wisdomtree	Wisdomtree Bitcoin Trust	Dec. 05 2021
Kryptoin Invst Advisrs	Kryptoin Bitcoin ETF Trust	Dec. 18 2021
Valkyrie Investments	Valkyrie Bitcoin Fund	Jan. 1 2022
First Trust & SkyBridge	First Trust SkyBridge Bitcoin ETF Trust	Jan. 16 2021
Fidelity	Wise Origin Bitcoin	Jan. 20 2022
21Shares / Ark Invest	ARK 21Shares Bitcoin ETF	Mar. 30 2022
Global X	Global X Bitcoin Trust	Apr. 14 2021

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