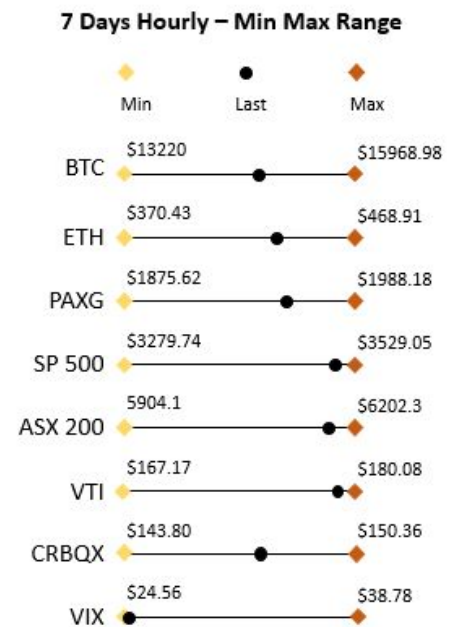


Week in Review

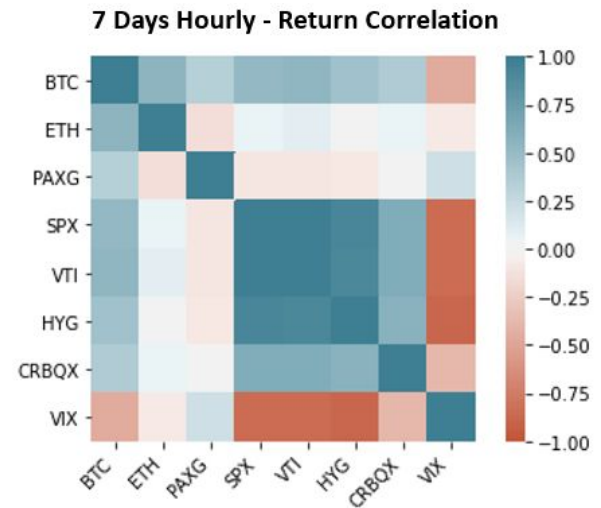
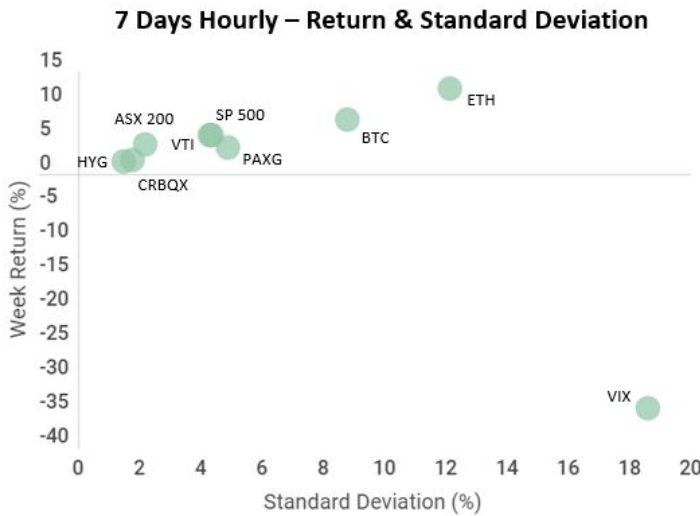
- Joe Biden [wins the US election](#), whilst Trump’s administration contests the results and sues for alleged [issues on mail-in ballots](#).
- Ethereum aims for a December 1st launch of their upgraded [ETH 2.0 network](#), bringing substantially higher scalability and safety protocols to its blockchain.
- PayPal [crypto services](#) will be available by early 2021, according to CEO Dan Schulman.
- Crypto exchange [Blox](#) became the very first crypto platform to officially operate in the Netherlands under the registration of the Dutch Central Bank.
- Brazil will have [its own CBDC by 2022](#), announced by Economy Minister Paulo Guedes during a Central Bank conference.
- Russia’s Central Bank claims the Covid-19 crisis has increased their interest in [developing a CBDC](#).

Winners & Losers



ZEROCAP Weekly Market Wrap

1 November 2020 – 7 November 2020



- Last week was a positive week for the digital asset markets. Bitcoin and ethereum both rallied for some stellar weekly returns (8.05% for BTC, 12.48% for ETH). Both climbed during the competitive U.S. presidential election, only pairing gains after news outlets began calling a clear Biden win.
- Financial markets surged throughout the presidential election week, and continued as the probability of a Trump re-election became less likely. Equity markets and bond markets closed near to the max of their weekly price range.
- The gold price slightly increased last week, as the dollar weakened and the Fed reiterated its willingness to provide additional support, whilst urging the government to provide more fiscal stimulus.
- In summary – the markets have clearly spoken on a Biden outcome. The VIX volatility index had a high standard deviation alongside an aggressively negative return - the sharpest weekly decline since April. Whilst a Biden presidency may represent a wind back of Trump's tax cuts, it also represents lower rates for longer, monetary and fiscal stimulus and a clear plan for Covid recovery. Perhaps the drop in VIX volatility is the market giving us expectations for 2021 volatility under Biden?

Macro, Technicals & Order Flow

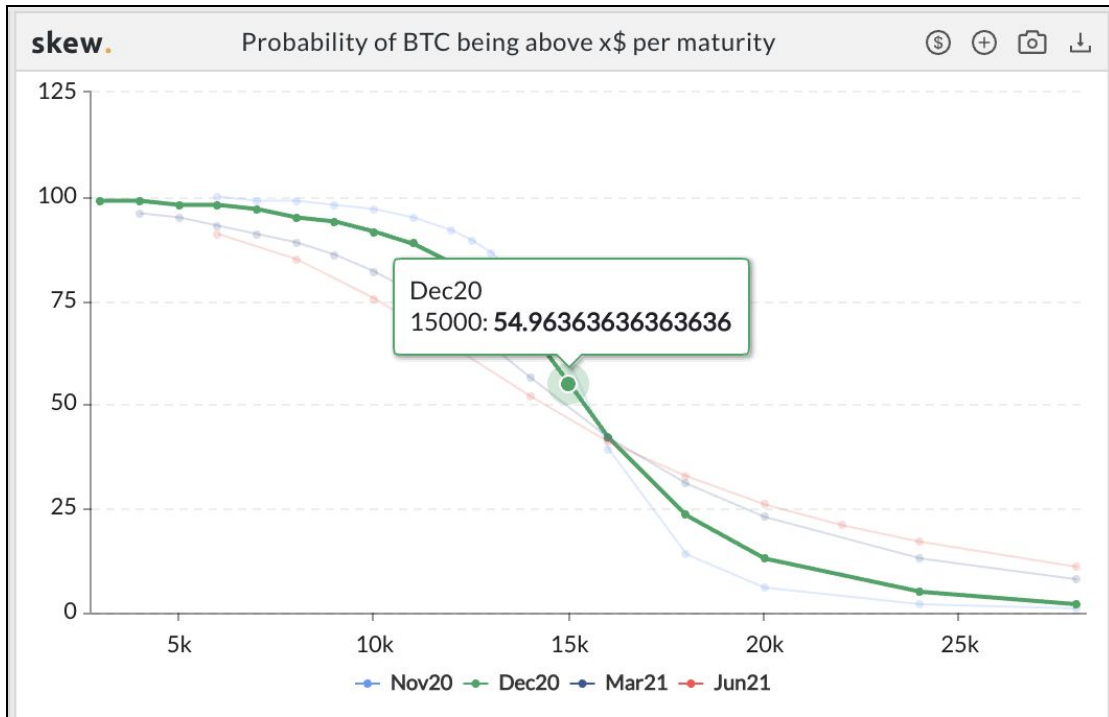
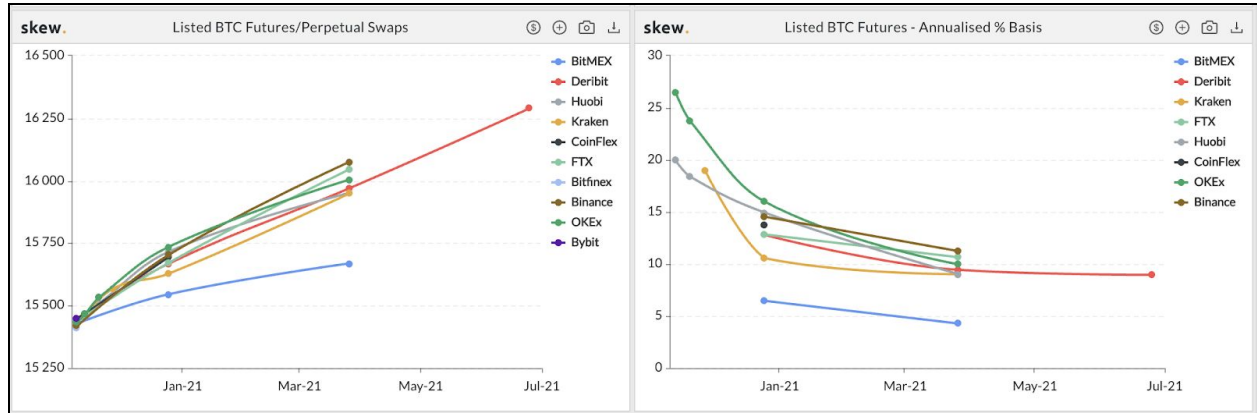
Bitcoin



- Last week we called another run higher, and what a run after breaking another ascending triangle formation. Both election outcomes were bullish for BTC, but a Biden outcome brings a new interface, with less of a known entity than the incumbent.
- The retracement has been shallow, and it's looking to be another bullish week. Orderflow is consistently bid on dips, particularly in the more liquid European and US sessions.
- The fundamental drivers behind BTC are gaining momentum, and not showing signs of slowing down into the end of 2020.
- The futures basis skew has normalised entering the new week, yet still showing strong contango.

ZEROCAP Weekly Market Wrap

1 November 2020 – 7 November 2020



[Source](#)

1 November 2020 – 7 November 2020

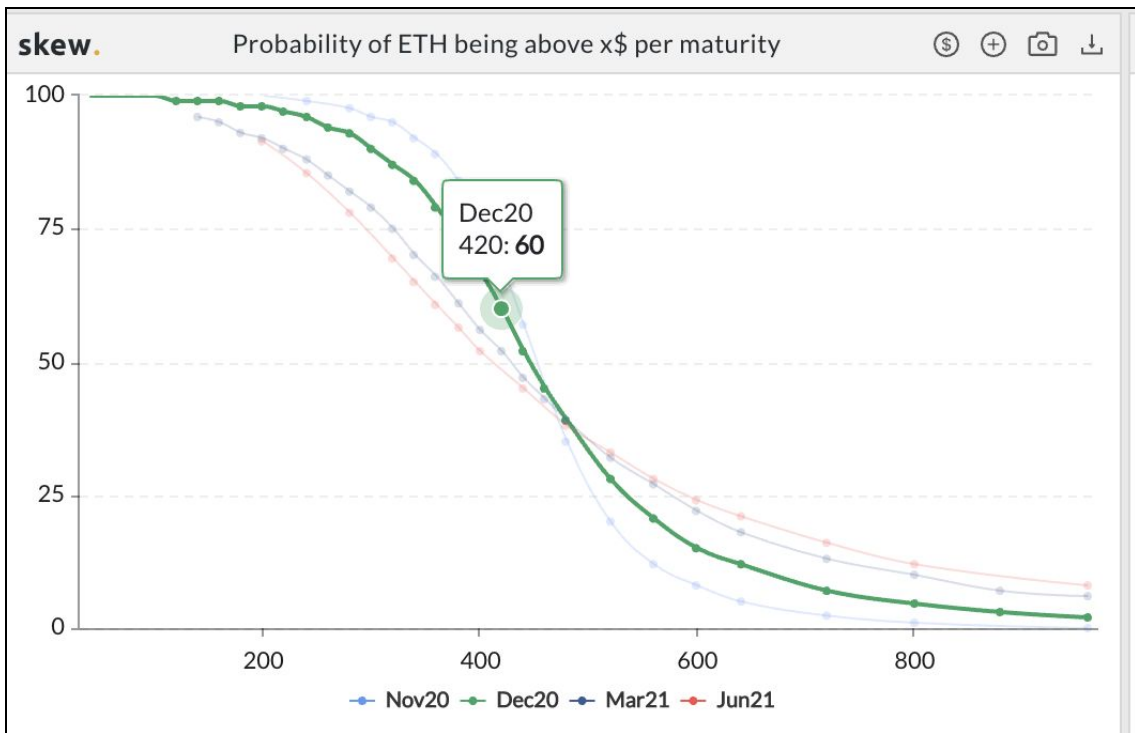
Ethereum



- Ethereum has broken out of its wedge, and has built a base above \$420.
- The asset has had a relatively uncorrelated week against other asset classes when compared to bitcoin. This has been largely due to isolated fundamental factors driving recent value:
 - The Ethereum 2.0 launch date was released – bringing staking yields to the protocol
 - CFTC Chairman advocating Ethereum’s value
 - Increasing acquisitions in the space, with a focus on prime services
- We expect ETH to follow bitcoin’s recent momentum and break near-term highs. The barrier to this could be a spike in VIX volatility and associated negative equity moves on election challenges.
- The ETH futures basis is strong, and looking to hold solid returns into next year.

ZEROCAP Weekly Market Wrap

1 November 2020 – 7 November 2020



What to Watch

- Biden’s US election win briefly slowed down bitcoin’s bull run before a strong bounce – where to next for the election challenge and what does this mean for all markets?
- Bitcoin’s ascension past \$13,800, amidst increasing dominance point to a trend of its own. Raoul Pal put it well in [this post](#), and this narrative seems to be taking hold.
- Alex Mashinsky (CEO, Celsius Network), Miko Matsumura (General Partner, Gumi Cryptos), Mark Friedler (CEO, Gigex) and Jon de Wet (Principal, Zerocap) will be discussing digital asset investment themes for 2021 across lending and yield, and how to get involved. Register [here](#) if you’re interested!

About Us

- Zerocap helps private clients, high net worth individuals and institutions purchase and custody of digital assets. If you would like to know more, hit up the team at hello@zerocap.io

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* Index used:

Bitcoin	Ethereum	Gold	Equities	High Yield Corporate Bonds	Commodities
BTC	ETH	PAXG	S&P 500, ASX 200, VTI	HYG	CRBQX