

Weekly Crypto Market Wrap

24th July 2023



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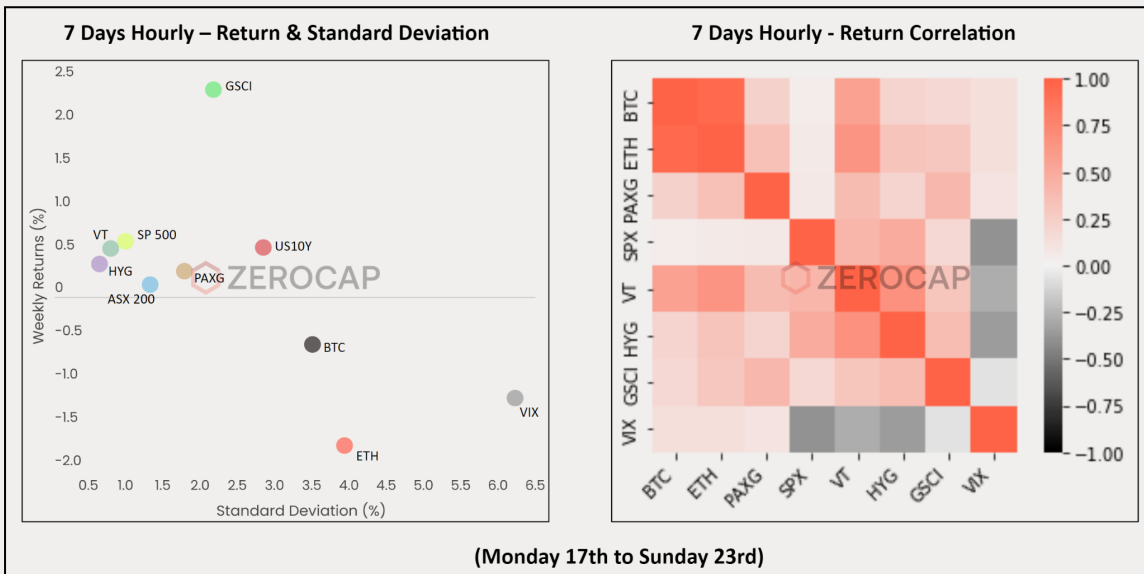
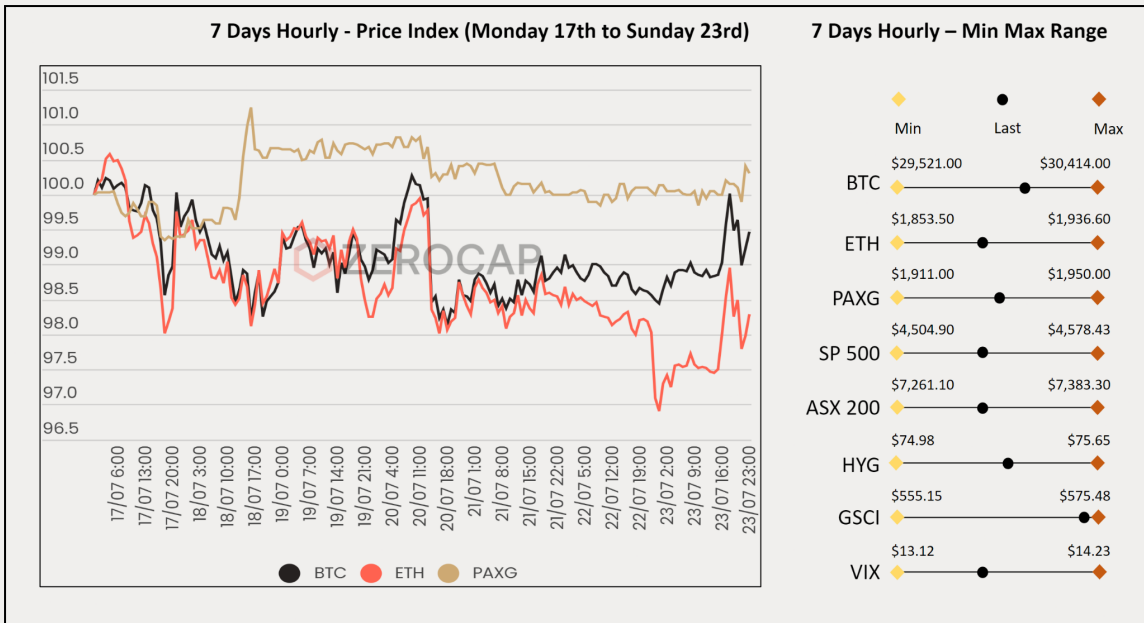
Zerocap Pty Ltd ABN: 99 164 874 597

Zerocap provides digital asset liquidity and custodial services to forward-thinking investors and institutions globally. For frictionless access to digital assets with industry-leading security, contact our team at hello@zerocap.com or www.zerocap.com

Week in Review

- International Financial Stability Board (FSB) finalises [global regulatory framework](#) for digital asset activities.
- Nasdaq [halts launch](#) of crypto custody service, claims to continue its position as “a leading digital assets software solutions provider.”
- SEC hints at [potential appeal](#) to XRP ruling from Ripple Labs lawsuit - Meanwhile, Ripple applies for [crypto license](#) in the UK.
- [FTX sues Sam Bankman Fried](#) and other former execs for more than \$1 billion.
- Number of [crypto-related employees](#) surged by 160% since 2019.
- Celsius Network (CEL) [reaches settlement](#) to exit bankruptcy.
- Federal Reserve launches instant payments service [FedNow](#), clarifies no relation to CBDC development.
- Binance integrates with [Bitcoin lightning](#) network.
- US Presidential candidate [Robert Kennedy Jr.](#) vows to back the US dollar with Bitcoin and end its taxes, if elected president.
- Dormant, pre-mined [Ethereum address](#) worth \$116 million is activated after 8 years of inactivity.
- [Kuwait](#) bans crypto payments, investing and mining as an AML measure.
- China's [quarter GDP growth](#) registers at 0.8%, compared to 2.2% in Q1 2023.
- [Canadian inflation](#) faults to 27-month lows, [UK inflation](#) report also below expectations.

Winners & Losers



Data source: TradingView

Market Highlights

- Bitcoin's price continues to languish between \$29,500 and \$30,500 as the market takes on a tentative stance in anticipation of the upcoming FOMC decision on Wednesday. Despite a brief price surge on Thursday, Bitcoin and Ether remain in their respective confined trading ranges, contributing to an overall lacklustre trading week. Other cryptocurrencies such as SOL and XRP managed to recover some of their losses from last weekend, and MakerDAO's MKR token saw double-digit gains due to a token buyback program. Meanwhile, the effect of an SEC-approved Bitcoin ETF on the market remains a critical price driver, with the lack of price action we see largely down to the looming decision of the first ETF in mid-August.



- The past week has been quiet for traditional markets in anticipation of FOMC this week with the SPX gaining 0.69% and the DXY gaining 1.13%. Bonds also had a very quiet week with the 10-year yields recording the smallest daily range in almost a year on Friday. Markets are pricing in a 25-basis point hike by the Fed this week. The market is undecided on September's decision with a 56% chance of a hike, and will be looking for clues on a potential pause or pivot in the press release which may become a key driver of the markets in the coming weeks.

Key data releases to monitor this week

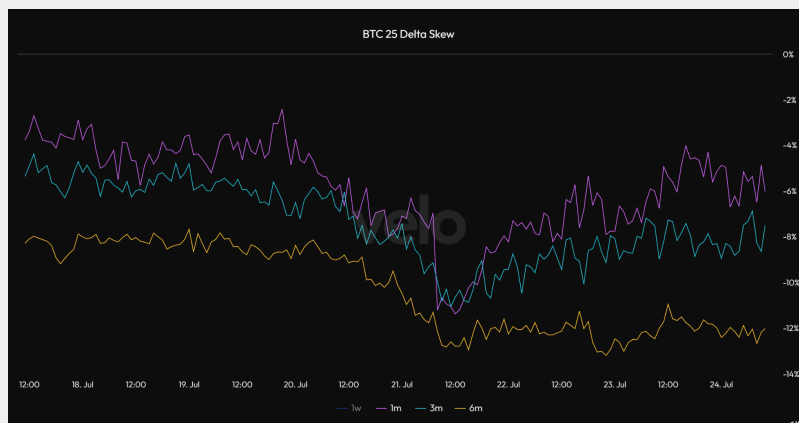
Tues | AUD Inflation Rate (YoY) - Forecast: 6.3%, Previous: 7%

Thurs (AEST) | FOMC - Forecast: 5.5%, Previous: 5.25%

Thurs | ECB IR Decision - Forecast: 5.5%, Previous: 5.25%

Fri | BOJ IR Decision - Forecast: -0.1%, Previous: -0.01%

- The past month's price movements have been shaped by the ETF narrative & XRP's partial case victory against the SEC. On Friday last week, we saw the SEC challenging the recent court ruling in favour of Ripple Labs, in which the judge ruled the company did not violate securities laws when offering its XRP token to retail investors but breached regulations for its institutional sales. Amid these legal battles is the use of the Howey test, with the SEC maintaining the Ripple decision incorrectly applied this test and created an unwarranted distinction between institutional and retail investors. XRP's price has stagnated as a result, trading 14% lower than the highs reached early in the week. Considering the implications, it's no surprise that the SEC has chosen this course of action and it proves to be a critical case for crypto assets.
- BTC collars in August are an interesting play, given the first ETF decision scheduled for August 13th. The market is expected to remain range-bound until the verdict is known, after which we may finally see this range tested in either direction. Although there's been a spike in put skew for July, calls continue to be favoured in August. To leverage this skew, one could consider purchasing an August 27k/33k collar, where you buy a 27k put and sell a 33k call.



Data source: Velodata

What to Watch

- France, Germany, UK and US' flash manufacturing reports, on Monday.
- US consumer confidence report, on Tuesday.
- FED's FOMC press conference and federal funds rate, on Wednesday.
- EU's monetary policy statement and US' advance GDP, on Thursday.
- BOJ's outlook report and monetary policy statements, on Friday.

Research Lab

- [Uniswap V3 - Maximising Capital Efficiency:](#)

Learn all about Uniswap Labs' groundbreaking V3, as Research Lab Innovation Analyst Beau Chaseling provides insights on how Uniswap V3 works - from the math behind the framework to Q notation, ticks, liquidity allocation and much more.

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* Index used:

Bitcoin	Ethereum	Gold	Equities	High Yield Corporate Bonds	Commodities	Treasury Yields
BTC	ETH	PAXG	S&P 500, ASX 200, VT	HYG	SPGSCI	U.S. 10Y

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