

Weekly Crypto Market Wrap

13th November 2023



ZEROCAP.COM

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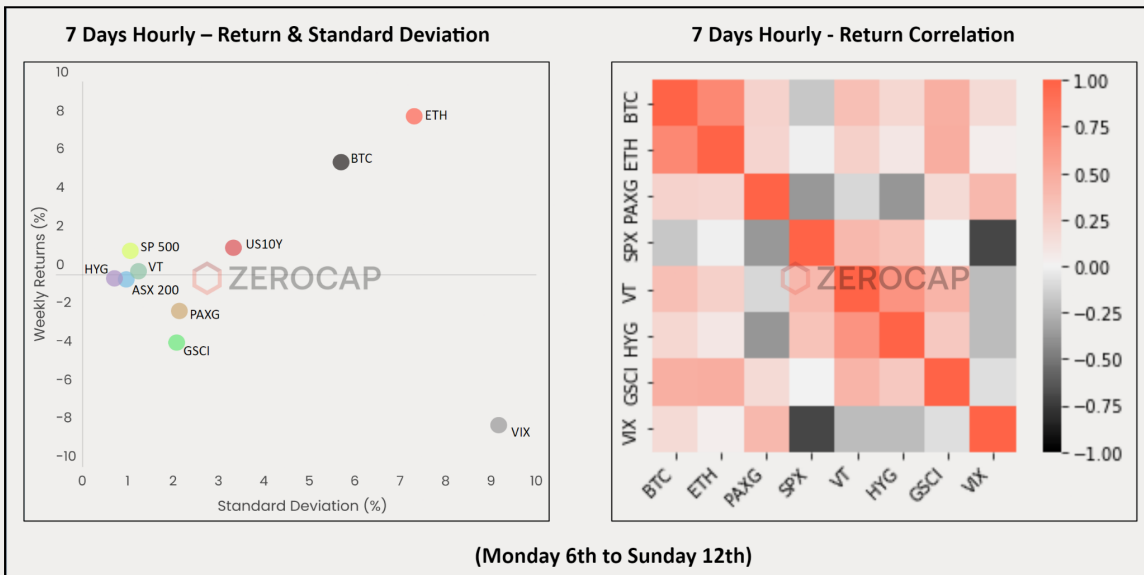
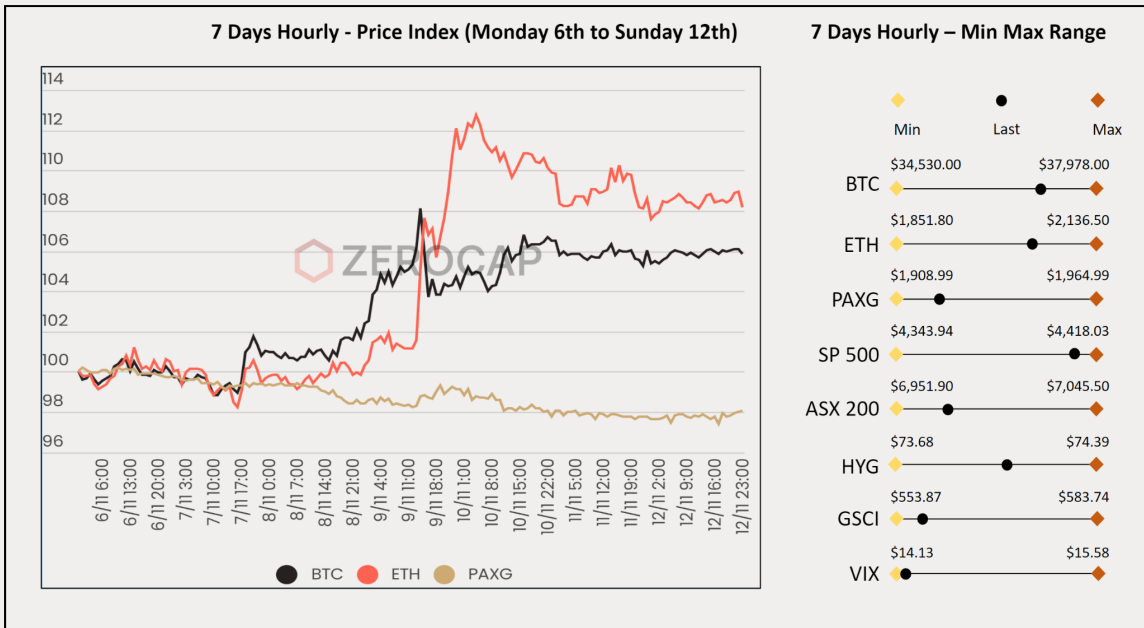
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Week in Review

- Zerocap wins [Blockchain Organisation of the Year Award](#) for Second Year in a Row at Blockchain Australia's Blockies 2023.
- BlackRock's Ethereum ETF [is confirmed](#) in Nasdaq filing, shortly after a BlackRock [iShares Ethereum Trust](#) was registered in Delaware.
- Poloniex suffers [\\$126 million hack](#) exploit - crypto exchange ensures customer funds are safe, but advise to transfer elsewhere for the time being.
- Twelve Bitcoin ETFs have a ["brief window"](#) for SEC approval; the countdown started last Wednesday.
- SEC chair Gary Gensler claims to be open [to an FTX reboot](#) under proper leadership.
- UAE central bank [will now penalise](#) unlicensed virtual asset service providers.
- [CME overtakes Binance](#) in grabbing largest share of Bitcoin futures open interest.
- NFT sales volume spikes to \$129 million in November; [Nansen data](#).
- Frankfurt Stock Exchange includes [crypto trading facility](#) in 2026 plans.
- France opens [institute for crypto](#) and blockchain research.
- Elon Musk launches AI chatbot ["Grok"](#) - claims it outperforms ChatGPT.
- Australia central bank RBA sees risk of [upside surprises](#) to inflation in policy outlook.
- FED chair Powell states [Reserve is "not confident"](#) it has done enough to bring inflation down.

Winners & Losers



Data source: TradingView

Market Highlights

BTC & ETH

BTC ended up breaking higher on the back of some serious momentum above 36,000. Gamma hedging from dealers, combined with a technical break of the ascending wedge led to topside volatility, a bunch of liquidations, and market sentiment buoying new price levels.

As mentioned in last week's note, 38,000 was the key resistance zone - which was just missed by a few basis points. It's been a strong run, and even with the consolidation inside the ascending wedge prior to the move, we would not be surprised if the market takes a breather until we get fresh newsflow into 2024. A retest of 36,000 with consolidation down to 33,000 into the Christmas lull could be on the cards. Even with an ETF announcement, so much has been priced in now - that we'd expect a spike, and then a sell-off on any announcements that are not already speculated within media channels. Watch illiquidity over this period, as things could get a little wild.

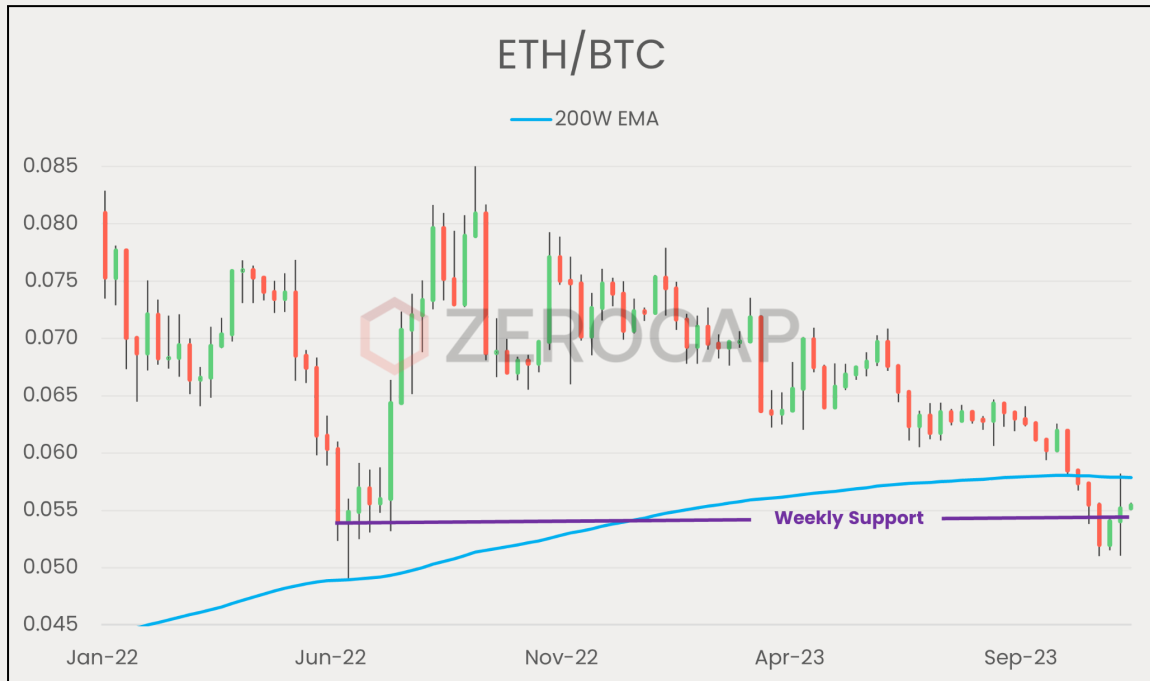


Data Source: TradingView

Following a bounce off the 0.052 level (2022's long-term support), ETHBTC's dominance has finally found some respite. The 200-week moving average now provides topside resistance. The ETH/BTC ratio is very low compared to

where it has spent most of the year - and now that the Blackrock ETH ETF is on the cards, we think there'll be some reversion in ETH dominance.

While most alts have lagged in line with ETH's action, MATIC and AVAX are notable mentions both exhibiting 80% and 120% returns respectively since October lows.



Data Source: Trading View

Protocols and Alts

Hype is building around a potential Layerzero (ZRO) airdrop, with numerous hints suggesting it may come in early December. However, odds via the on-chain prediction betting market, Polymarket, suggest it's close to a 50/50 chance at the moment.

LayerZero not only brings bridges to chains (transferring assets/value between them) but also sends and executes arbitrary data just like a packet on the internet. It's pretty game-changing stuff, and with a \$3B valuation so far, the crypto communities are looking for some airdrop exposure.



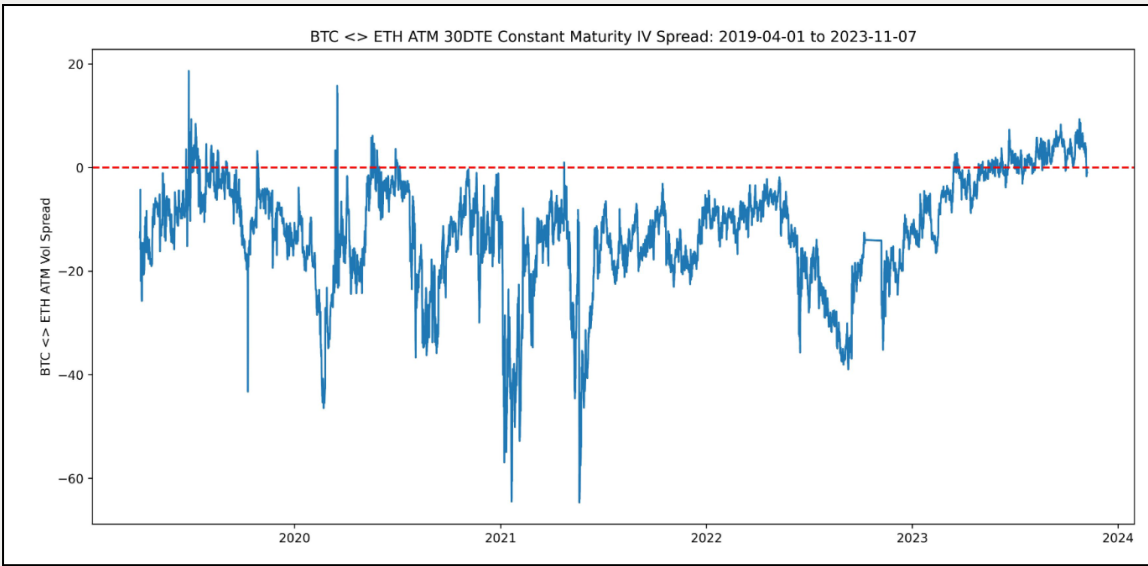
Data Source: Polymarket

Solana, along with numerous other altcoins, have been rallying in the past few weeks. The overhanging narrative surrounding Solana is around potential FTX estate selling pressure, with on-chain behaviour already indicating their asset manager Galaxy may have begun offloading. Some [in-depth analysis](#) from @solanobahn (Twitter) suggests that the selling pressure is at least 10% completed, with some 40% of their holdings already sold.

Derivatives

With ETH buoyed from the Blackrock news, the BTC vs ETH vol spread, which has been trading in BTC's favour for a large portion of 2023, has also begun to revert. After months of BTC's vol outpacing ETH, we're finally seeing this revert in a way that some market participants are calling a potential "altcoin revival". The show stopper could be macroeconomic challenges in risk assets though, especially given Powell's recent jawboning - stating that a 2% Fed inflation target is tough to get to, and we could be higher for longer.

One thing is for sure, for now - the ride for BTC and ETH at yearly highs is showing no signs of hitting levels we saw this time last year.



Data Source: @samchepal (Twitter)

What to Watch

- Bitcoin ETF approvals by the SEC - deadline is Friday 17th.
- US Core yearly and monthly CPI, on Tuesday.
- UK's yearly CPI, on Wednesday.

Insights

- [Zerocap wins Blockchain Organisation of the Year Award for Second Year in a Row:](#)

Zerocap has been named the 'Blockchain Organisation of the Year' at the prestigious Blockies 2023 awards, hosted by Blockchain Australia. This marks the second consecutive year that Zerocap has been honoured with this award, solidifying its position as a leading force in the blockchain industry.

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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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