

WEEK OF 16-23 DECEMBER

WEEKLY MARKET REPORT

ICRYPEX | RESEARCH

ECONOMIC CALENDAR

Last Week's Economic Calendar

10:30	CHF	PPI (MoM) (Nov)	-0,60%	0,20%	-0,30%
11:35	EUR	ECB President Lagarde Speaks			
17:45	USD	S&P Global US Manufacturing PMI (Dec)	48.3	49,4	49,7
17:45	USD	S&P Global Composite PMI (Dec)	56.6	55.1	54,9
17:45	USD	S&P Global Services PMI (Dec)	58.5	55,7	56,1
Tuesday, December 17, 2024					
10:00	GBP	Unemployment Rate (Oct)	4.3%	4,60%	4,30%
17:15	USD	Industrial Production (MoM) (Nov)	0.90%	0,20%	-0,30%
Wednesday, December 18, 2024					
10:00	GBP	CPI (MoM) (Nov)	0.1%	0.1%	0,60%
13:00	EUR	Core CPI (YoY) (Nov)	2.7%	2,70%	2,70%
13:00	EUR	CPI (MoM) (Nov)	-0.3%	-0,30%	0,30%
22:00	USD	FOMC Economic Projections			
22:00	USD	FOMC Statement			
22:00	USD	Fed Interest Rate Decision	4.50%	4,50%	4,75%
Thursday, December 19, 2024					
05:30	JPY	BoJ Monetary Policy Statement			
06:00	JPY	BoJ Interest Rate Decision	0.25%	0,25%	0,25%
11:30	SEK	Interest Rate Decision	2.50%		2,75%
15:00	GBP	BoE Interest Rate Decision (Dec)	4.75%	4,75%	4,75%
15:00	GBP	BoE MPC Meeting Minutes			
16:30	USD	GDP (QoQ) (Q3)	3.1%	2,80%	3,00%
16:30	USD	GDP Price Index (QoQ) (Q3)	1.9%	1,90%	2,50%
16:30	USD	Philadelphia Fed Manufacturing Index (Dec)	-16.4	2,9	-5,5
16:30	USD	Philly Fed Employment (Dec)	6.6		8,6
18:00	USD	Existing Home Sales (Nov)	4.15M	4.11M	3.96M
18:00	USD	US Leading Index (MoM) (Nov)	0.3%	-0,10%	-0,40%
Friday, December 20, 2024					
02:30	JPY	National Core CPI (YoY) (Nov)	2.7%	2,60%	2,30%
02:30	JPY	National CPI (MoM) (Nov)	0.6%		0,40%
04:15	CNY	PBoC Loan Prime Rate	3.10%	3,10%	3,10%
10:00	EUR	German PPI (MoM) (Nov)	0.5%	0,30%	0,20%
13:30	RUB	Interest Rate Decision (Dec)	21.00%	23,00%	21,00%
16:30	USD	Core PCE Price Index (MoM) (Nov)		0,20%	0,30%
16:30	USD	PCE price index (MoM) (Nov)			0,20%
16:30	USD	Personal Spending (MoM) (Nov)		0,50%	0,40%

The past week was quite eventful in terms of global economic data and central bank decisions. The Chinese economy showed a performance close to expectations in fixed asset investments and industrial production while maintaining a stable unemployment rate. In Europe, PMI data generally displayed a weak trend, although German and Eurozone services PMIs delivered positive surprises.

In the UK, PMI data remained steady, while the unemployment rate fell below expectations. In the US, the FOMC cut the interest rate to 4.50%, with economic projections and statements influencing market dynamics. Central banks in Japan and Sweden kept their rates unchanged, while Russia maintained its interest rate at 21%. At the end of the week, the US PCE price index and personal spending data indicated persistent inflationary pressures. These developments reflect the global economy's struggle to find balance and the cautious stance of central banks.

This Week's Economic Calendar

Time	Cur.	Event	Actual	Forecast	Previous
Monday, December 23, 2024					
10:00	GBP	GDP (QoQ) (Q3)		0,10%	0,50%
10:00	GBP	GDP (YoY) (Q3)		1,00%	0,70%
18:00	USD	CB Consumer Confidence (Dec)		113	111,7
Tuesday, December 24, 2024					
16:30	USD	Durable Goods Orders (MoM) (Nov)		-0,40%	0,20%
18:00	USD	New Home Sales (Nov)		650K	610K
Thursday, December 26, 2024					
16:30	USD	Initial Jobless Claims			220K
19:00	USD	Crude Oil Inventories			-0.934M

This week's economic calendar offers significant insights into the UK, US, and global economic outlook. On Monday, the UK's Q3 GDP data will take center stage. Quarterly growth is expected to show a weak performance at 0.10% against a 0.50% forecast, while annual growth is anticipated to surpass the 0.70% estimate, reaching 1.00%. This suggests that the UK economy is struggling to recover but may display slight improvement on an annual basis.

Additionally, the US CB Consumer Confidence Index will be released, with expectations set at 111.7, providing clues about the direction of consumer spending. On Tuesday, the US will release durable goods orders and new home sales data. Durable goods orders are expected to rise by 0.20% month-over-month; however, a 0.40% decline might highlight concerns about US manufacturing and demand. New home sales, on the other hand, are projected to increase, with a forecast of 650K compared to 610K, signaling a partial recovery in the real estate sector. On Thursday, the US initial jobless claims and crude oil inventory data will be published. Maintaining initial jobless claims at 220K could indicate resilience in the labor market. Meanwhile, a decline in crude oil inventories by -0.934M might provide signals regarding the supply-demand balance in the energy market.

Overview

In the past week, which saw markets closing with significant losses, economic data releases and central bank meetings played a crucial role in determining market direction. With the upcoming week being the last of the year and coinciding with the Christmas holiday, numerous significant data points will be released globally. Notably, the FED meeting and Powell's speech had a profound impact on all markets, particularly cryptocurrencies. Additionally, as investors opted to exit positions ahead of Christmas, profit-taking, especially by Bitcoin and Ethereum holders, pushed prices to lows within just two days.

Looking at economic data, the FED meeting, alongside BoE and BoJ meetings, stood out as the top three key events. While the central banks of England and Japan kept rates unchanged, the U.S. Federal Reserve concluded the year with a 25 basis point rate cut, amounting to a total of 100 basis points for the year. Powell's speech and projections indicated less optimistic macroeconomic signals for 2025. FED members revised their expectations, reducing the anticipated rate cuts from three to two and adjusting inflation and growth forecasts upward. The U.S. PCE data released on Friday, the year's last major data point, showed an increase compared to the previous month but came in below expectations, helping to ease selling pressure and spark a brief rally.

Cryptocurrencies ended the week with an 11% loss in total market capitalization, retreating to the \$3.2 trillion level. Bitcoin, which opened the week at \$104,400, closed at \$95,000, marking an 8.8% decline. Ethereum, after testing levels above \$4,000 and starting the week at \$3,960, ended at \$3,280. The \$3,080 level seen on Friday represented a five-week low. Bitcoin dominance rose to 60% during this period, starting Monday slightly below 59%. A rejection from the 60% dominance level could increase positive expectations for altcoins.

Turning to ETFs, Bitcoin and Ethereum ETFs experienced outflows for the first time since December 22 and 26. Ethereum ETFs saw \$135 million in outflows on Thursday and Friday, while Bitcoin ETFs recorded outflows of \$956 million during the same days. The total size of Bitcoin ETFs retreated to \$110 billion, while Ethereum ETFs fell to \$12.15 billion.

WEEKLY HIGHLIGHTED NEWS

16.12 Bitcoin Reaches Historical High: Bitcoin hit a new record high of \$106,352 and is now trading at \$104,700.

16.12 MicroStrategy Listed on Nasdaq: MicroStrategy's inclusion in the Nasdaq 100 has increased institutional investments and ETF exposure.

17.12 Bitcoin Hits Record Level: Bitcoin surged to a new peak of \$106,352, driven by rising institutional demand.

17.12 MicroStrategy Joins Nasdaq 100: MicroStrategy joined the Nasdaq 100 index, marking a significant step in integrating crypto-focused companies into major financial indices.

18.12 Avalanche Upgrade: The Avalanche9000 upgrade aims to simplify and reduce costs for launching subnetwork blockchains, enhancing the network's usability.

18.12 Ripple Stablecoin Launch: Ripple launched its RLUSD stablecoin, adding an enterprise-grade asset to its ecosystem.

19.12 Fed Rate Cut: The Fed reduced its interest rate to a range of 4.25%-4.50% but signaled fewer rate cuts in 2025.

19.12 Bitcoin Drops Below \$100,000: Bitcoin fell to \$98,940 after Jerome Powell opposed a strategic Bitcoin reserve plan.

20.12 SEC Approves Crypto ETFs: The SEC approved Bitcoin-Ether index ETFs from Hashdex and Franklin Templeton, signaling broader regulatory acceptance of crypto investment products.

20.12 MicroStrategy May Pause Bitcoin Buys: Rumors suggest MicroStrategy may temporarily halt Bitcoin purchases in January due to a "blackout period," causing market concerns.

BTC-ETH-AVAX Technical Analysis

BTC Analysis



BTC closed the past week with an 8.8% drop at 95,186. It continues the downtrend that began from the peak at 109,500 and is currently trading around 95,757. During the decline, the price has retreated to the green demand zone between 97,500-95,000, which previously acted as a support level. This zone is being monitored as a key support area for a potential recovery. If the price holds in this area, it could start a short-term upward move, targeting 100,000 as the first resistance level. However, if this support zone is broken, selling pressure is expected to increase. In this scenario, the price may move toward the next support level at 90,757, a critical level where strong buying reactions were observed previously. A break below this level could lead to a deeper decline.

In the recovery scenario, the price must first break above 97,500. Sustaining above this level could push the price back toward 100,000 and further up to 105,500. However, these resistance levels could present challenges due to strong selling pressure.

ETH Analysis



ETH closed the past week with a 17.11% drop at 3,281.83. During the decline, the price broke the 3,443-3,400 support zone and is now attempting to hold in the 3,260-3,180 support range. This area has historically seen strong buyer reactions, helping the price recover. If ETH can hold this level, it may initiate a short-term upward move, with 3,443 as the first target. A sustained break above this level could push the price toward 3,613 and subsequently to 3,829 resistance zones. For continued upward momentum, a strong close above 3,613 is necessary. On the downside, if the price loses the 3,260 support, selling pressure could intensify, pulling the price toward the next support at 3,060. In a more severe correction, 2,461 and 2,338 would serve as strong support levels to watch.

AVAX Analysis



AVAX closed the past week with a significant 27.96% drop at 36.57. During the decline, the price broke important support levels at 45.80 and 42.56, indicating continued selling pressure and weak buyer activity. The price is now trading below the previously supportive 37.67 level. If it fails to recover above this level, the decline could deepen, with the next support level at 32.95. Further below, 30.85 and 21.88 stand out as stronger support zones. In a recovery scenario, the price must first reclaim the 37.67 level. Sustaining above this level could lead to a move toward resistance levels at 42.56 and 45.80. However, these resistance zones may encounter significant selling pressure.

Top Rising Coin



FORTH Analysis:

FORTH closed the past week with a 6.04% increase at \$5.952. After gaining momentum from the \$5.614 level, the price rose to \$6.561, making FORTH the top-performing crypto asset of the week. However, it started the new week on a negative note. If the negative trend continues, the first support level to watch is \$5.660. A sustained move below this level could lead to further declines, with \$4.375 and \$3.556 acting as strong support levels.

On the upside, \$6.374 is the first resistance level to monitor. Positive closures above this level could support a rise toward \$7.107. Overall, FORTH's price action remains shaped by critical support and resistance levels. Investors should closely watch the break of \$6.374 for indications of the trend direction.

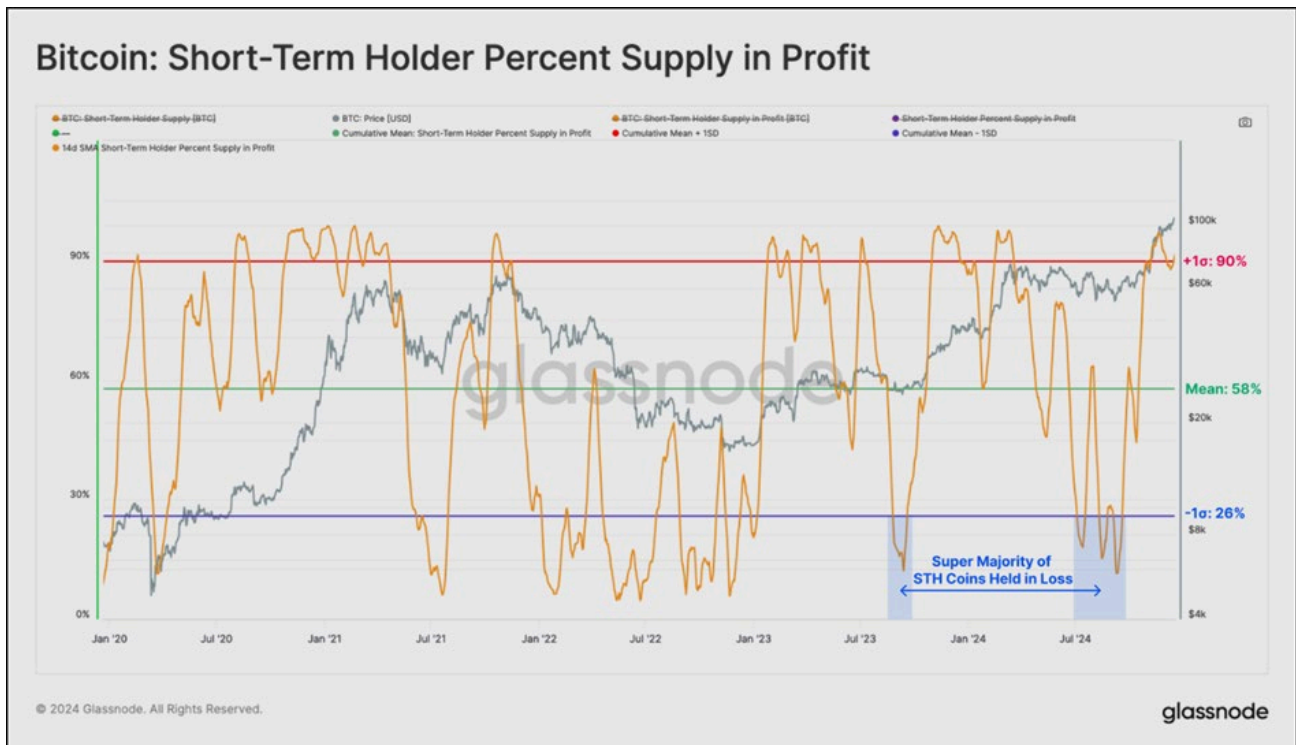


FTT Analysis:

FTT closed the past week with a 5.77% increase at \$2.9700. After bouncing from \$2.8085, the price climbed to \$3.3400, making FTT the second-best-performing crypto asset of the week. Following its peak, it began the new week positively. If the price holds above the \$2.9981 support level, a rise toward \$3.3954 and then \$3.8455 could be supported. These levels may also act as resistance.

In the case of a negative move, candle closures below \$2.9981 could see \$2.5092 acting as the first support level. Below this, \$2.2095 and \$1.5153 are critical support levels to watch. Overall, while the price fluctuates between support and resistance levels, \$3.3954 is a key level to monitor for a potential upward breakout.

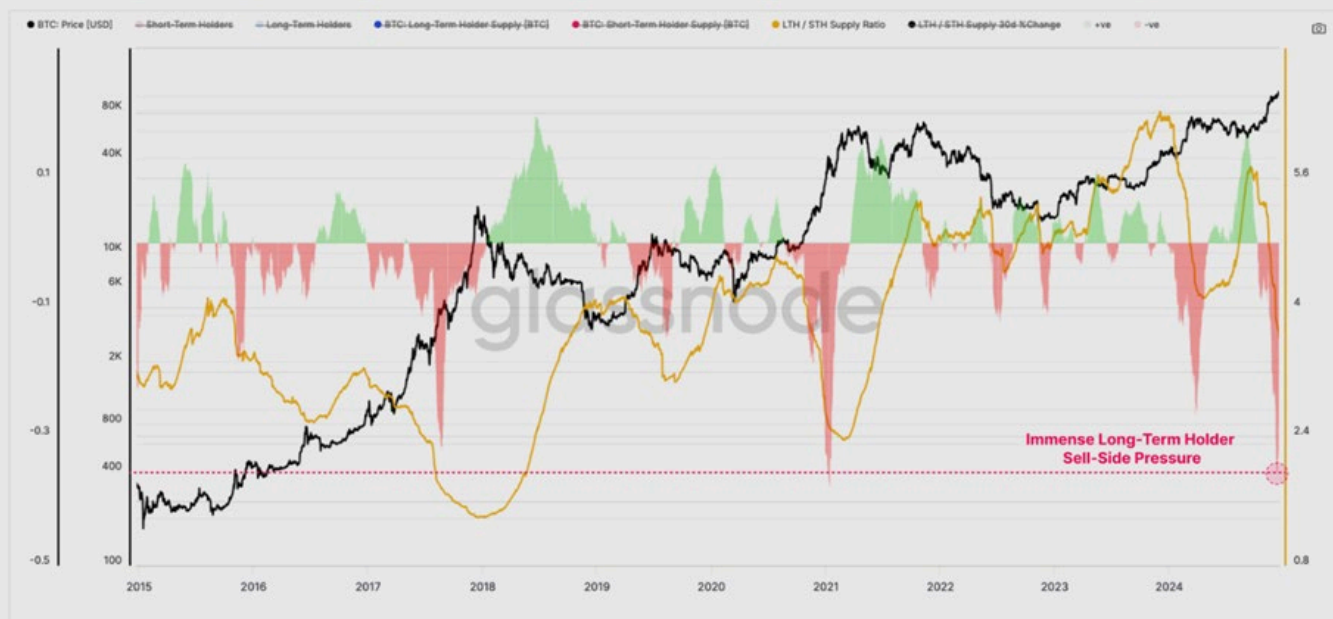
Statistics and On-Chain Data



The chart showing the profit ratio of Bitcoin's short-term holders (STHs) provides critical insights into market trends. In particular, the deep declines in August 2023 and September 2024 stand out as the two most significant periods of extreme market pressure during the current bullish cycle. During these times, a large portion of STHs held their coins in a loss position, creating a foundation that could accelerate fear and losses in the market. The chart illustrates how sensitive the market is to peak levels and how quickly this pressure can escalate.

The profitability or loss status of STHs offers direct information about the market's new demand levels and strong selling pressures. In August 2023 and September 2024, the majority of STHs were in a loss position, signaling a lack of confidence among market participants. However, despite these substantial losses, the market's resilience highlights the importance of buyer demand and resistance levels.

Bitcoin: Long/Short-Term Holder Supply Ratio Percent Change



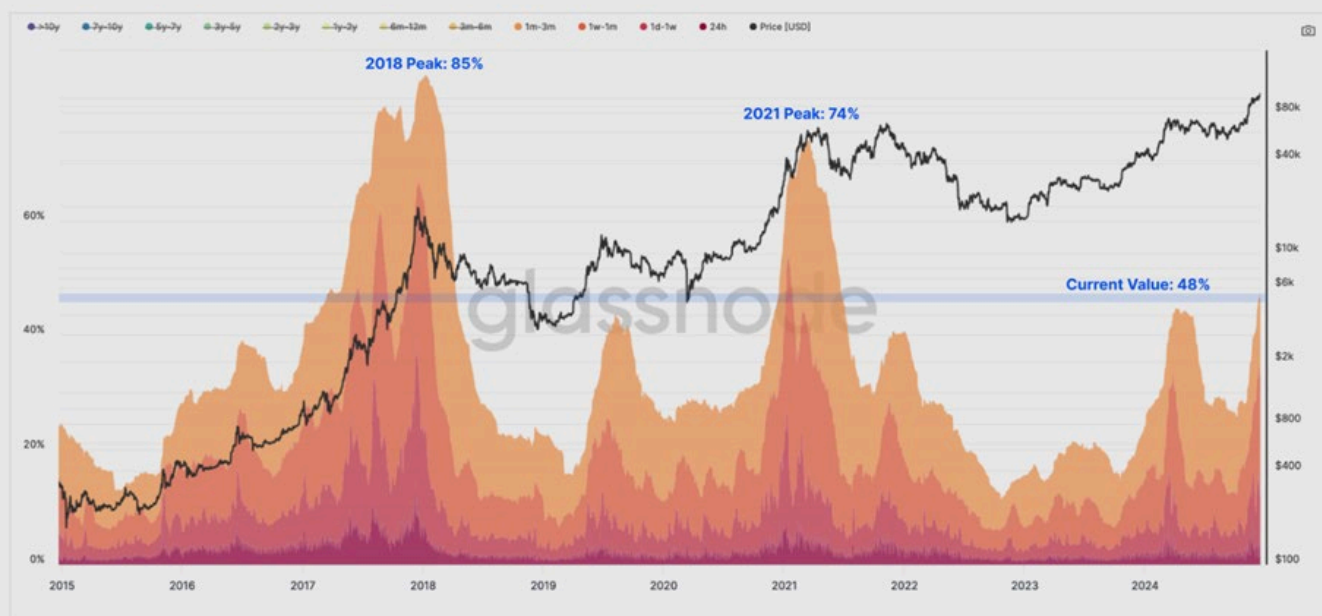
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In the Bitcoin market, the increasing selling pressure from long-term holders (LTHs) suggests that the ongoing rally is in a more advanced phase of the bull cycle. The visual data shows changes in the supply ratio of LTHs, revealing significant selling activity during the rally up to \$100K. This selling pressure has surpassed the levels seen during the previous peak at \$73K in March. This indicates that LTHs are taking profits and that the market dynamics are transitioning into a more mature phase of the cycle.

Nevertheless, the market continues to show resilience due to a demand profile that offsets the rising selling pressure. This dynamic, commonly observed in the later stages of Bitcoin bull markets, reflects a balanced struggle between supply and demand. The intensified profit-taking by LTHs could be a signal of strong new demand levels and participation from new entrants.

BTC: Realized Cap HODL Waves



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Recently, there has been an increase in the shorter-term supply (e.g., Bitcoin held for 1 week to 6 months), indicating a redistribution of coins to new investors. This reflects a dynamic where LTHs are selling their Bitcoin to newer investors. The rise in new demand-side activity, particularly during a price uptrend, demonstrates a renewed market vibrancy.

Despite this, the total value held by STHs has not reached the peak levels seen in previous bull markets (e.g., 2018 and 2021 highs). This suggests that the market has not yet reached the saturation point observed in past cycles. Current values may indicate a more balanced transition phase between LTHs and new investors. This, in turn, suggests that the market could continue its growth cycle without overheating.

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