

## Weekly market wrap: Dec. 1-7, 2021



**\$2.537 bn (-10.3%)**  
total crypto market cap

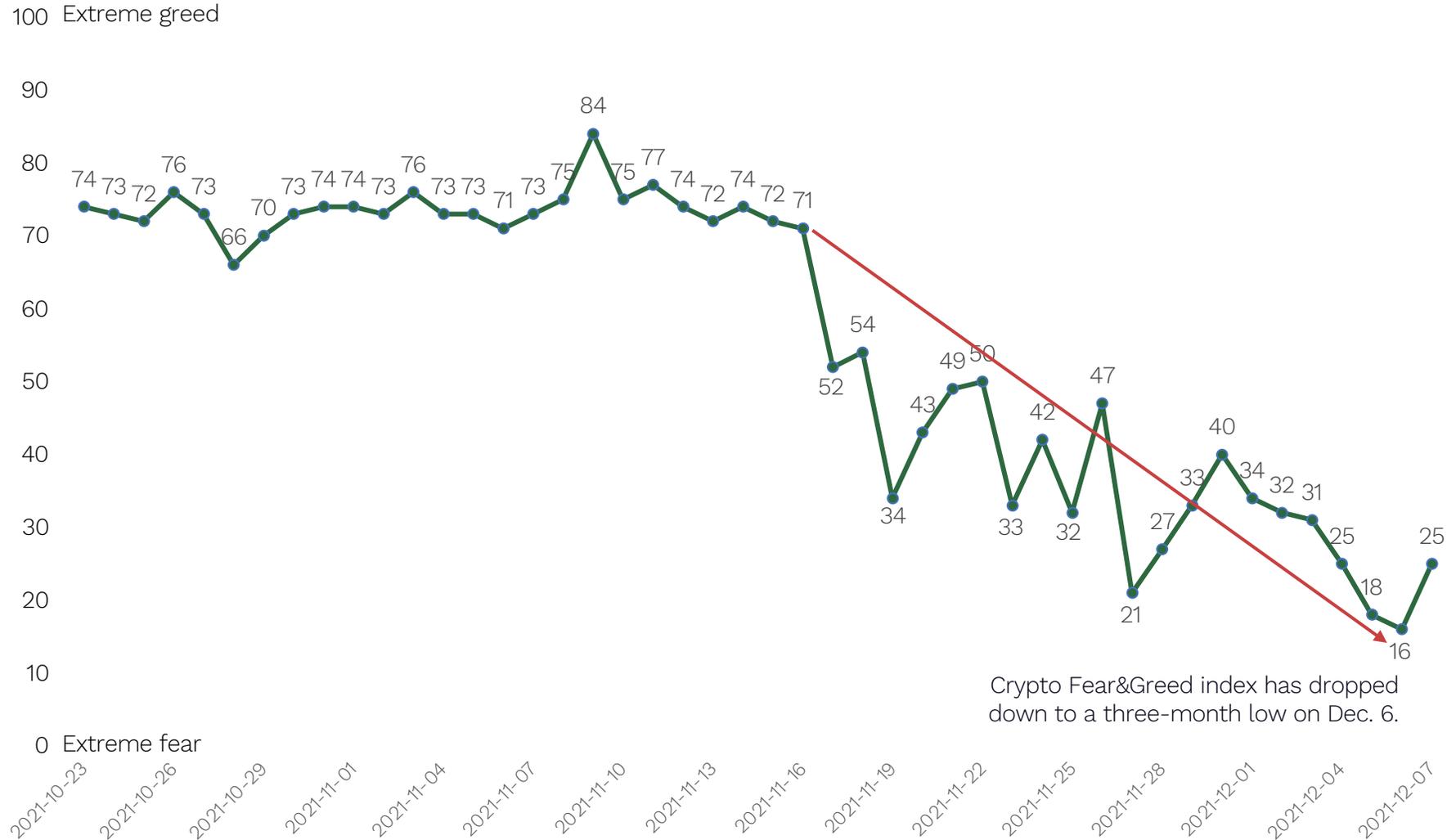
**41.89%**  
Bitcoin dominance

The crypto market was still recovering from November's correction when it was hit hard on Dec. 4. Bitcoin saw a flash crash, plunging below \$43,000 after a hefty liquidation flush. The broader crypto market followed suit in this deep sell-off.

Still, the market has since bounced back partly, with Bitcoin trading above \$51,000, while the major altcoins saw an even speedier recovery.

## Crypto market sentiment went from bad to worse amid macro fears, but may recover

Crypto Fear and Greed Index: Oct. 23 - Dec. 7, 2021



Crypto Fear&Greed index has dropped down to a three-month low on Dec. 6.

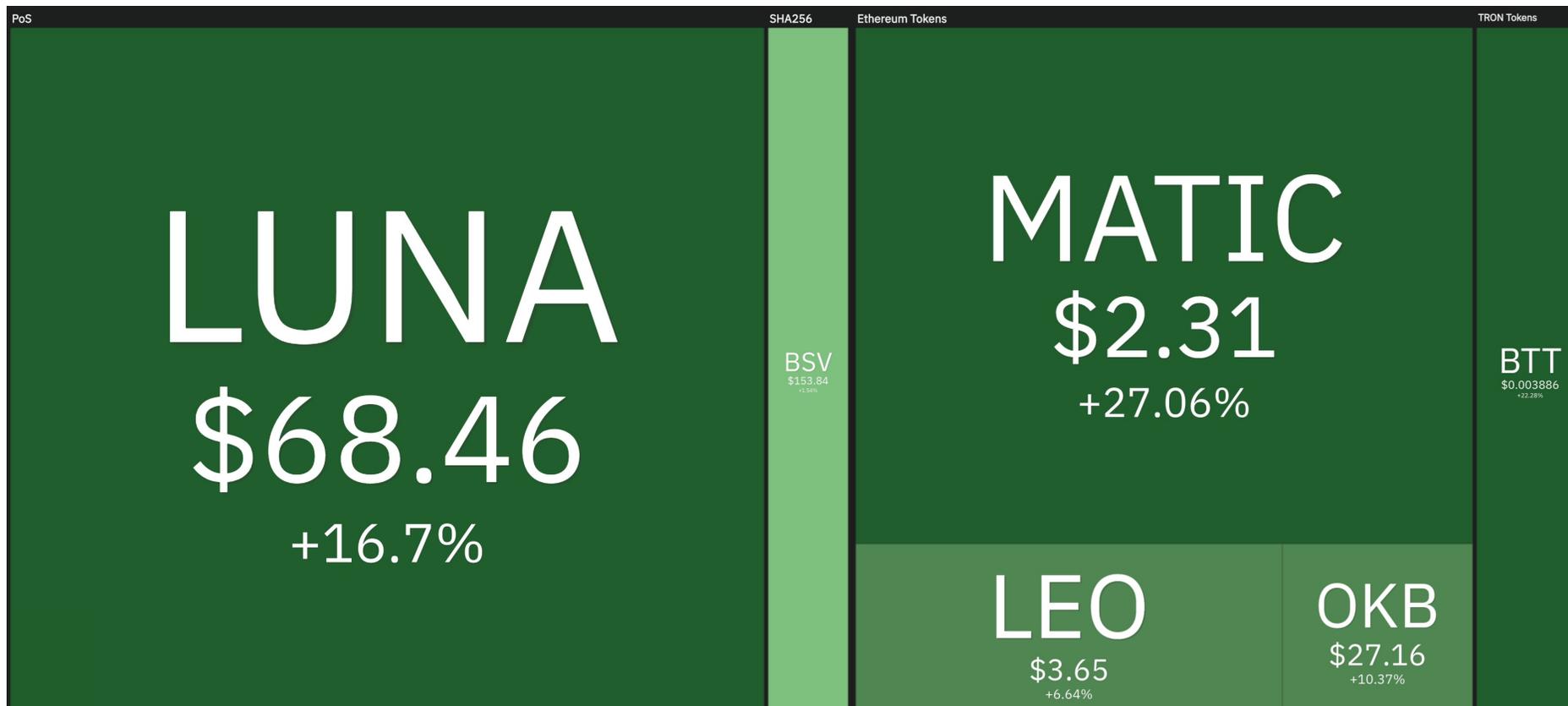
### What has given investors the heebie-jeebies?

Last week, the market sentiment turned to extreme fear as Bitcoin's price plummeted. The crypto Fear&Greed index had slumped to 16 by Dec. 6.

Yet, the index has been at worse levels this year. Compared to the crashes in May and June, the market's reaction to this most recent one is milder.

Overall, the brutal sell-off resulted from economic stresses brought about by the Omicron variant, rising inflation, a possible quicker taper of Fed stimulus, and even a tumble on Chinese tech stocks tumble.

## Top gainers of the week: Dec. 1-7, 2021



### Against the stream

Last week produced gains for a few coins and tokens.

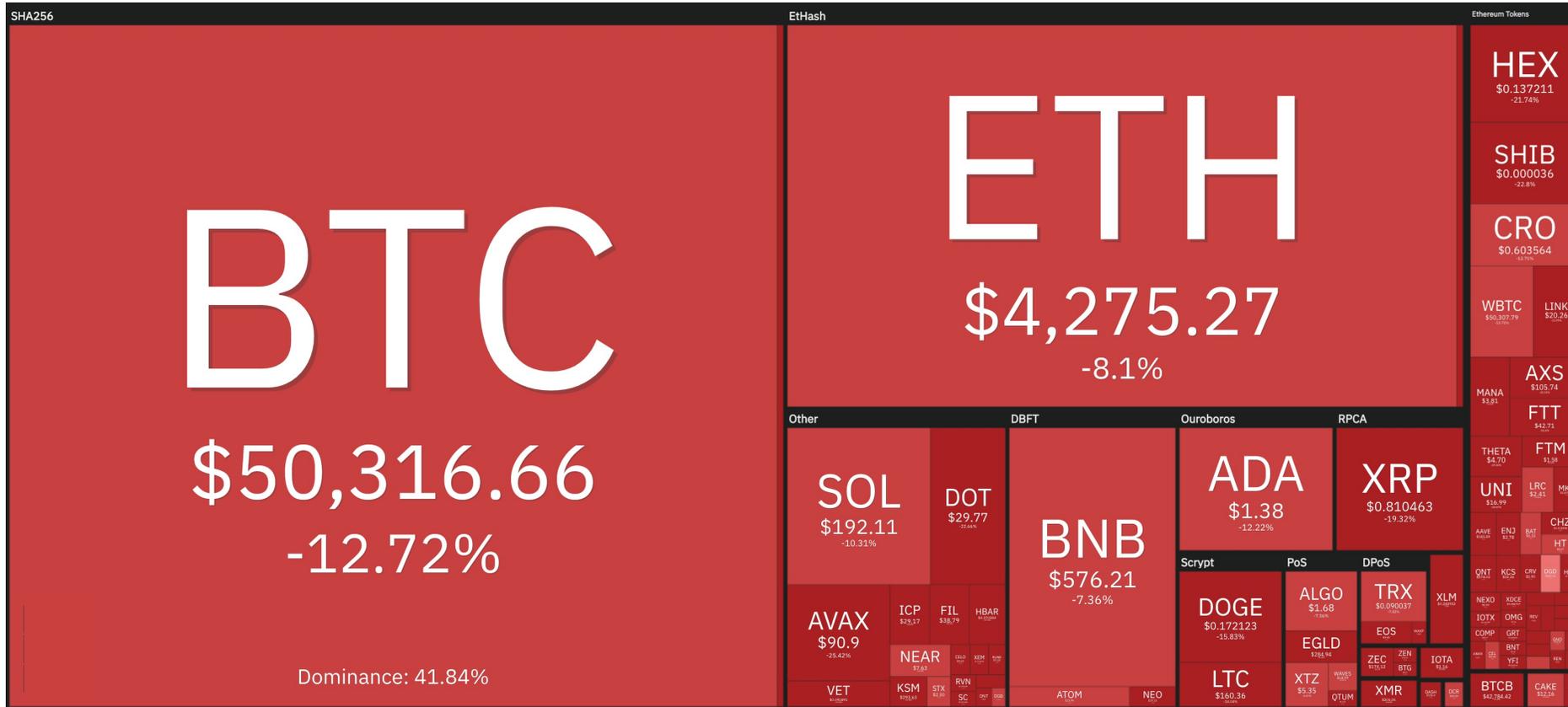
Despite the market turmoil, Terra's LUNA token has seen an impressive 22% gain. LUNA saw a rapid V-shaped recovery after falling by a fifth of its value from its all-time high set on Dec. 3. LUNA would proceed to erase this peak and establish a new ATH at \$85 on Dec. 5, all while the broader crypto market was blanketed with uncertainty.

Another winner of the week is Polygon. Its token, MATIC, has been steady over the past few months, but it skyrocketed this week amid rumors of a massive VC fundraiser for the project.

### Best performing, market cap > \$500 million

	Price	Last week	Last month
\$MATIC (Polygon Network)	\$2.31	+27.06%	+22.2%
\$BTT (BitTorrent)	\$0.0039	+22.9%	-1.4%
\$LUNA (Terra)	\$68.46	+16.7%	+35.15%

## Losers of the week: Dec. 1-7, 2021



### Buying opportunity?

On Dec. 4, Bitcoin plunged, and altcoins followed. Still, large altcoins saw a swifter recovery than Bitcoin.

ETH, SOL, BNB, ADA, and AVAX followed a uniform upward pattern, quickly gaining the value lost from the crash.

CEX and DEX coins have recovered at breakneck speed, indicating bullish sentiment as investors bought the dip. CRO, SUSHI, CRV, and 1INCH saw double-digit gains in just 24 hours.

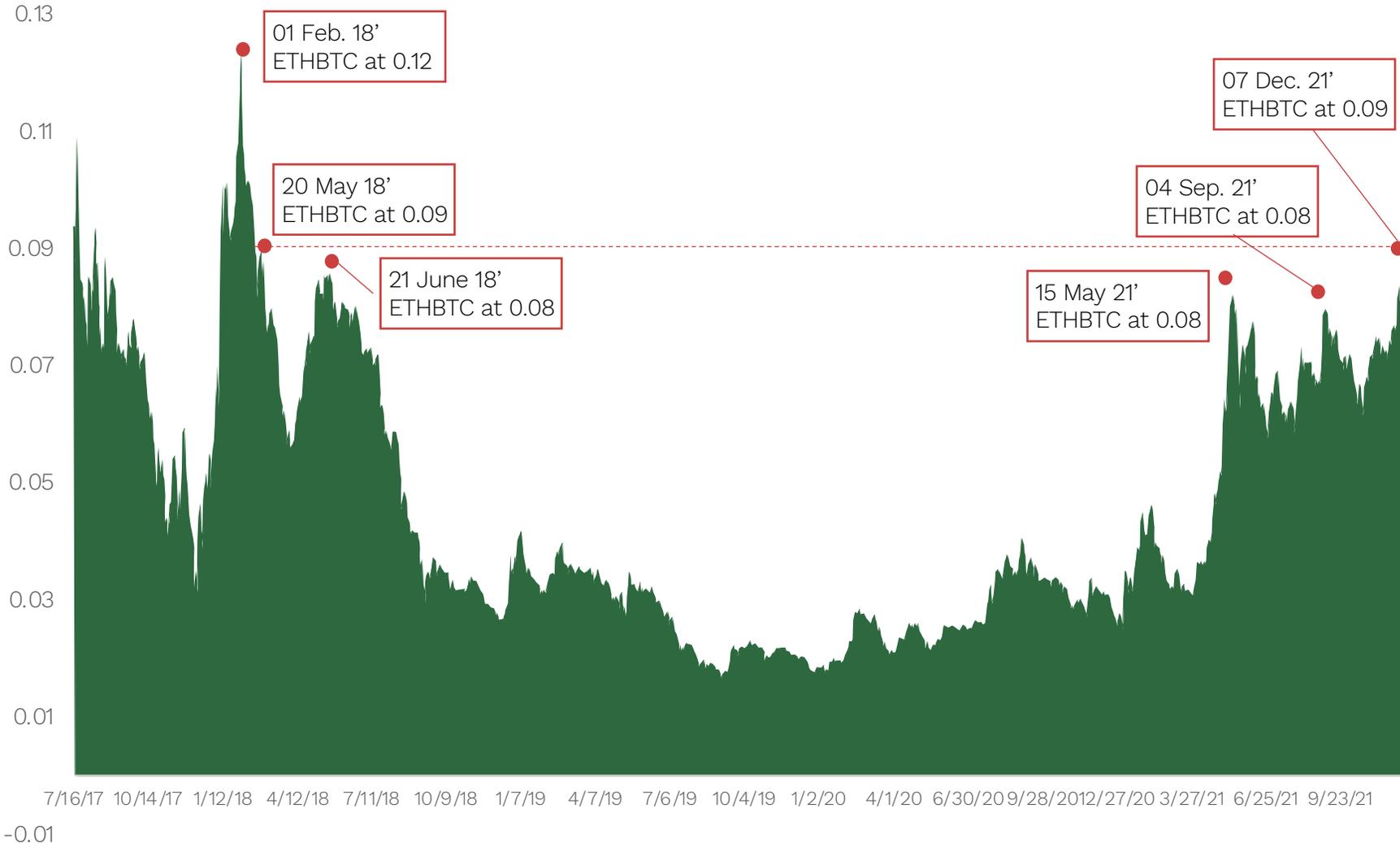
But some coins like SHIB and LTC still have a long way up compared to the other large altcoins.

### Worst performing, market cap > \$500 million

	Price	Last week	Last month
\$ZEN (Horizen)	\$72.82	-37.82%	-11.7%
\$RUNE (THORChain)	\$7.22	-35.48%	-48.7%
\$QTUM (Qtum)	\$11.05	-20.70%	-32.8%

## ETHBTC pair is at its highest levels since May 2018 as Ether quickly retraces the losses

ETHBTC Spot Price: July 2017 – December 2021



### Ether is fuming with strength

As Ether saw a faster recovery than Bitcoin, the ETHBTC pair is now at its highest levels since April 2018.

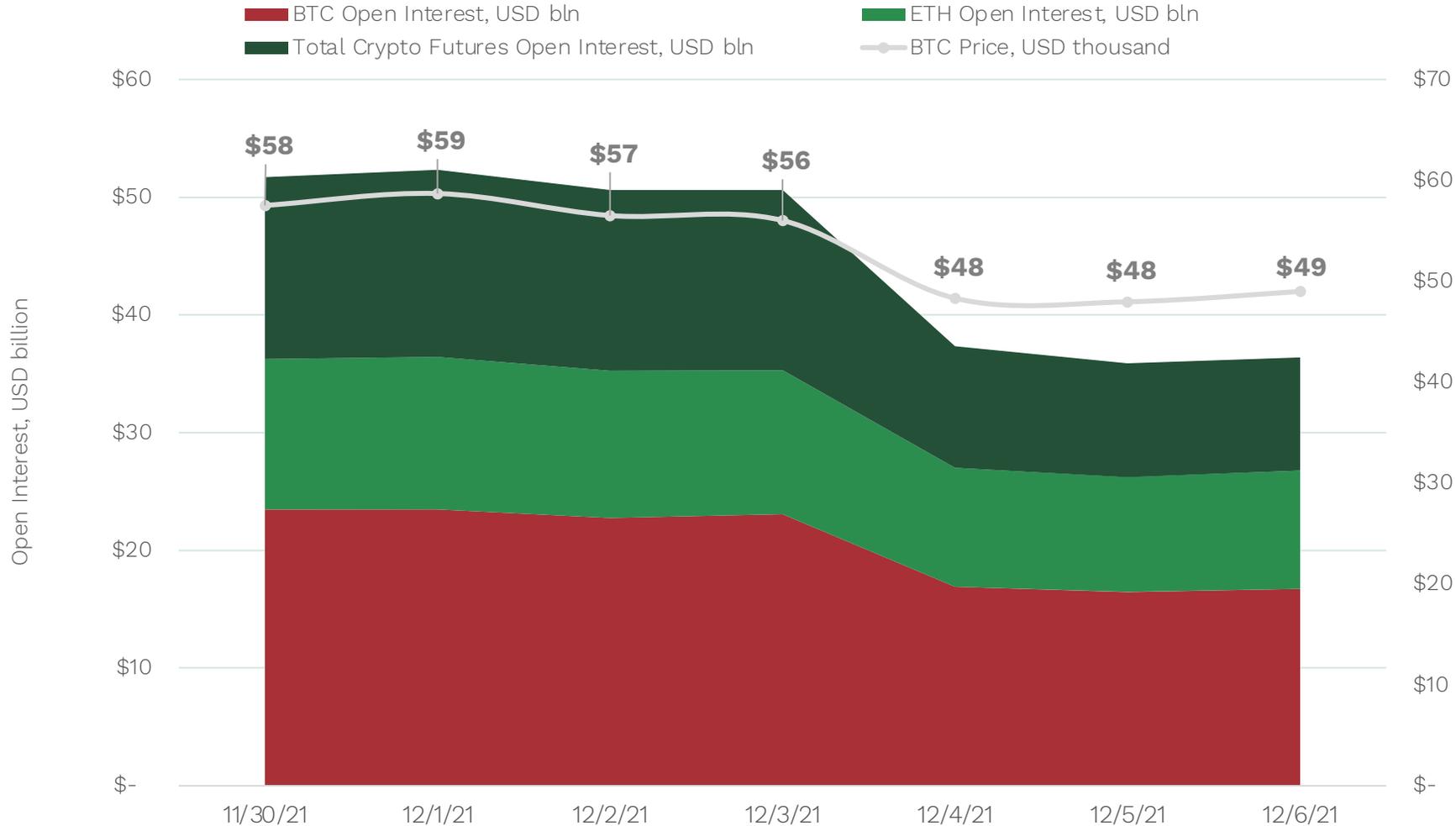
The fact that the investors bought the Ether dip much quicker may indicate growing confidence in the Ethereum ecosystem as the forerunner of future growth of the crypto industry.

Meanwhile, Ether's market cap, compared to Bitcoin's, has also reached a three-year high, with the current ETH market cap sitting at 53% of the bitcoin market cap (\$523.6 billion vs. \$979.8 billion).

This is the third time this year when the ETH-BTC market cap ratio is at 50%, and it is worth noting that a sell-off has ensued in each instance.

## Huge sell-off triggered massive leverage off-load within couple of hours

Total Crypto Futures Open Interest: Nov. 30-Dec.6, 2021



### Correction, again

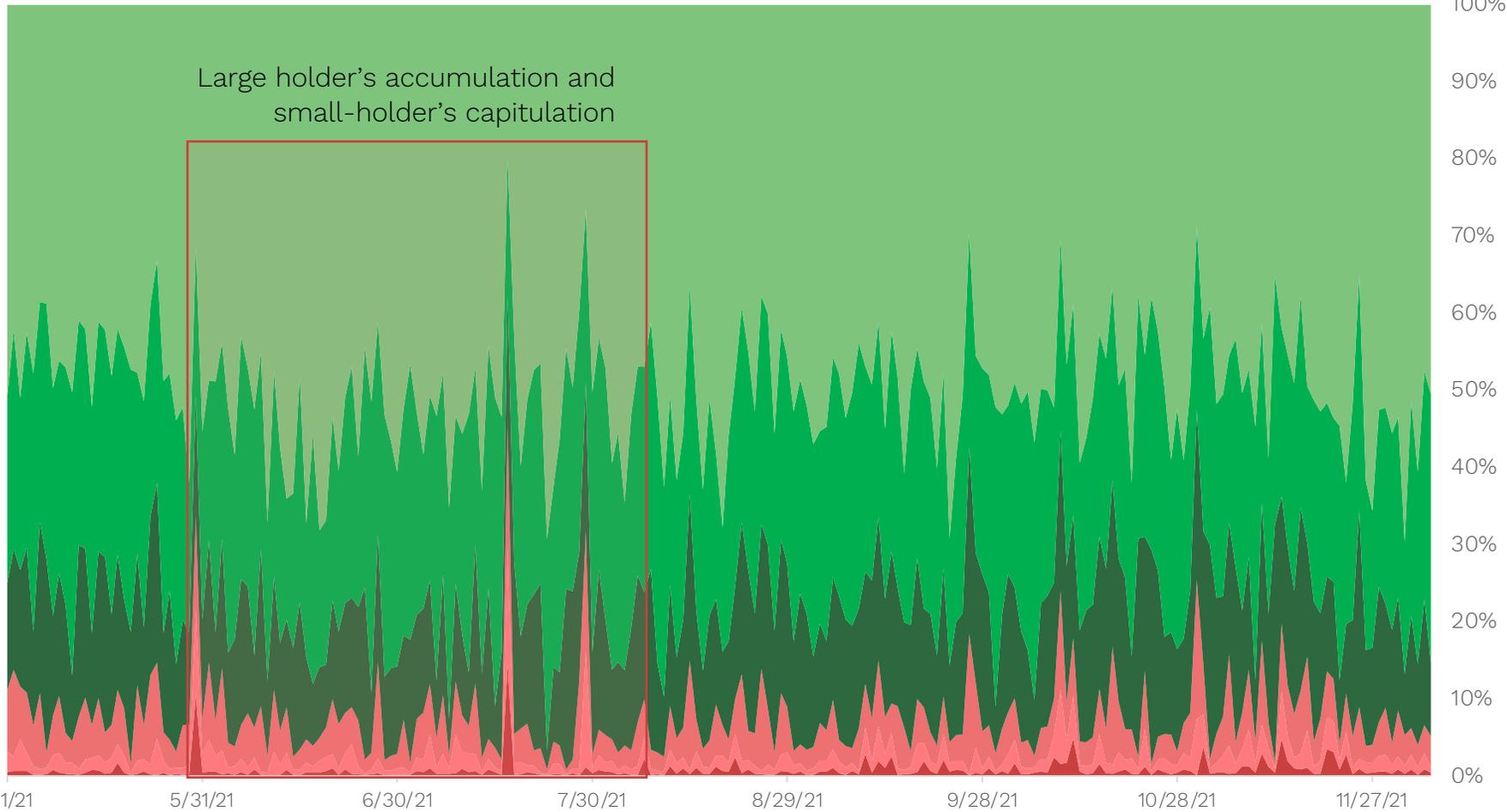
It may seem that nobody expected BTC to lose the \$53,000 level, but open interest was already at \$51 billion), and a colossal leverage squeeze had been looming for the past few weeks.

A cascade of liquidations drove open interest to \$36 billion, now on May's levels. Market sentiment went into the extreme fear territory, and market participants expect BTC price to drop further to the \$43,000 - \$45,000 zone. The question in the upcoming weeks is: Has BTC bottomed out, and will we see a Christmas rally?

## No change in long-term holder's sentiment, short-term holders sell heavily

BTC supply last revived time (% of total): May. 1-Dec. 7, 2021

■ Last 4 Years ■ Last 3 Years ■ Last 1 Year ■ Last 90 Days ■ Last 30 Days ■ Last 7 Days



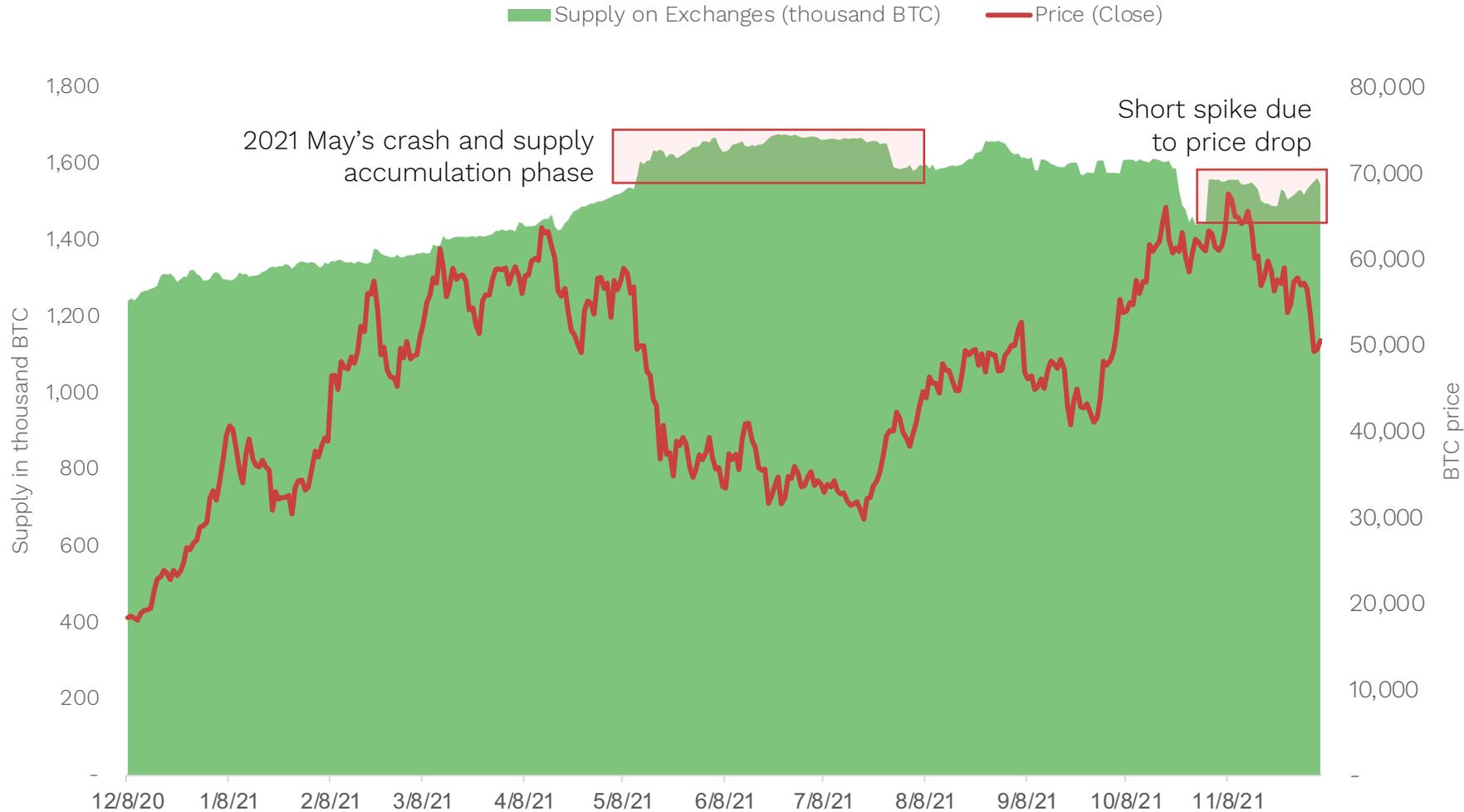
### HODLing all the way

A closer look at the supply age of BTC reveals that long-term holders have not been selling over the past week. The changes in volumes and balances were mostly driven by short-term traders who apparently bought at the top and were cutting losses during the price pullback.

It's worth mentioning that long-term holders didn't buy up BTC this time, contrary to the accumulation that took place in May. This suggests that long-term holders could be in plain "HODLing" mode.

## No panic from strong BTC believers and “hodlers”

CEX BTC supply and BTC close price: Dec. 8, 2020 - Dec. 7, 2021



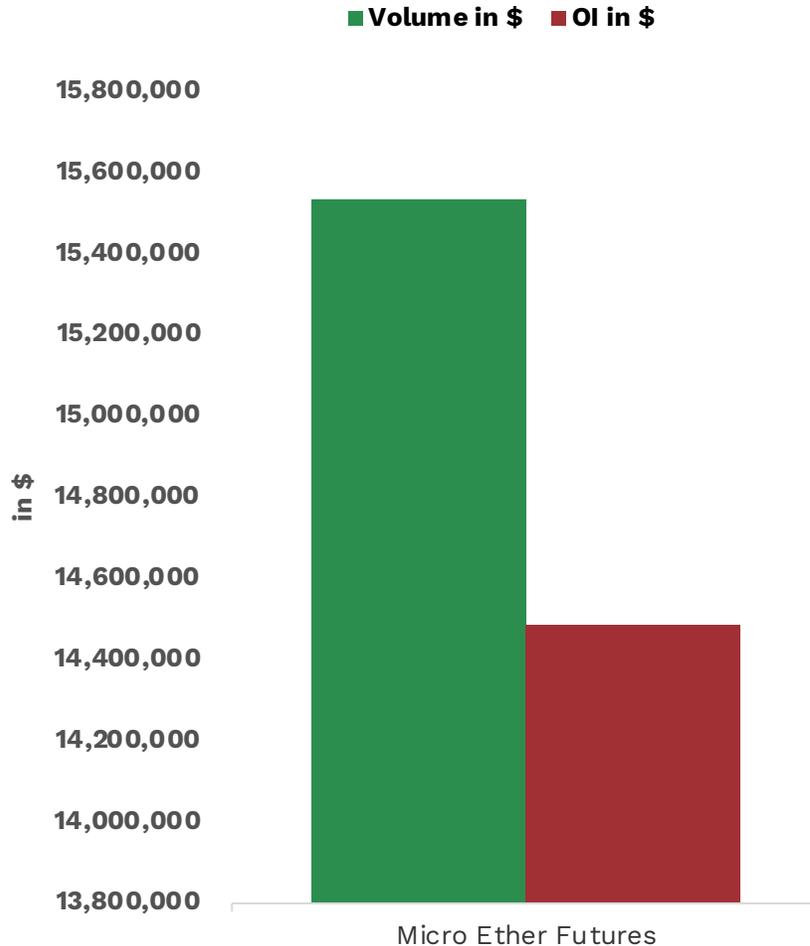
### Rise of uncertainty

Generally, BTC exchange outflows had persisted, but the exchange supply was still relatively higher than October's, at least on a broader view.

A decline in exchange supply is usually a sign of an upcoming price surge, and supply accumulation means the opposite, as is the case with 2020's bull run. The current BTC exchange supply levels remain low, but it could reverse if "hodlers" start off-loading their positions.

## CME launched Micro Ether futures to bring more flexibility for traders

Micro Ether Futures volume and open interest: Dec. 6, 2021



Contract	Micro Ether	Micro BTC	Micro E-mini S&P
Contract size	5 ether	0.1 bitcoin	\$5*S&P Index
Open interest in contracts (Dec. 6)	662	36,212	211,370
Open interest in \$ (Dec. 6)	\$14.4M	\$185M	\$4,915M
Volume in \$ (Dec. 6)	\$15.5M	\$169M	\$31,556M

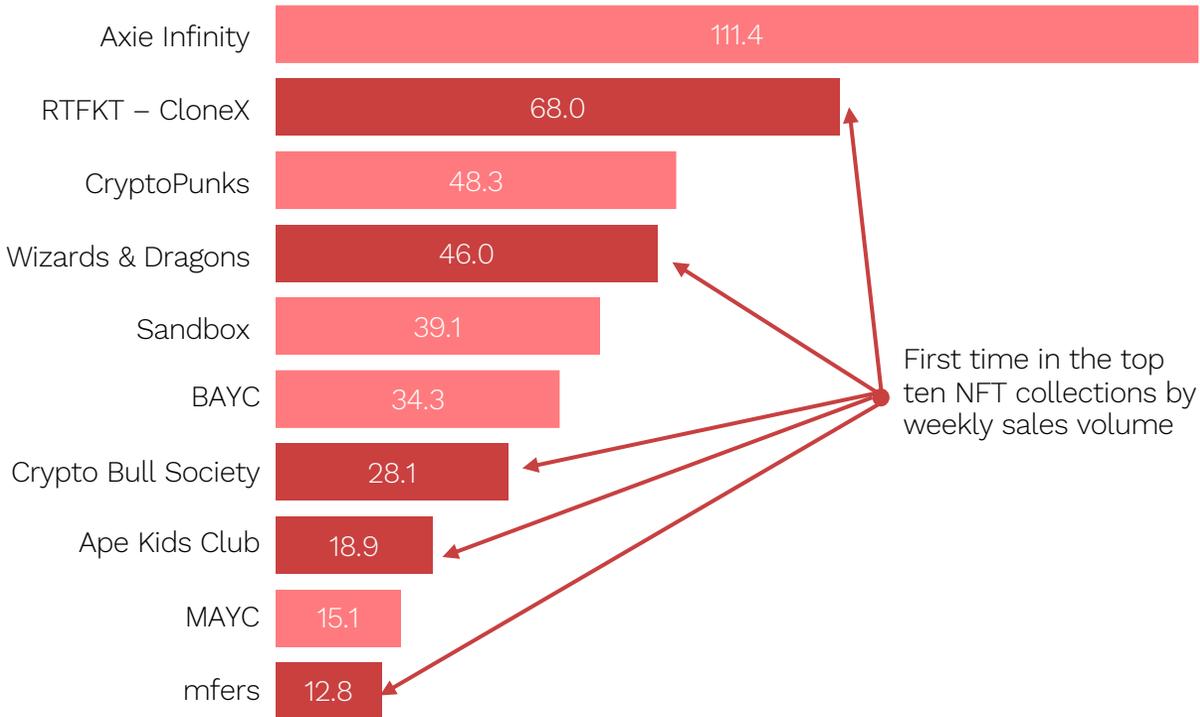
### What is the CME Micro Ether futures contract?

The CME Micro Ether Futures contract has a contract size of 5 Ether, a tenth of the size of one Ether futures contract. Micro Ether futures are based on the CME CF Ether-Dollar Reference Rate (ETHUSD\_RR), which aggregates Ether trading activity across major ether spot exchanges.

Compared to the Micro BTC contract, Ether is relatively small and is largely insignificant compared to the Micro E-mini S&P contract, with more than \$4 billion open interest and \$31B in daily volumes.

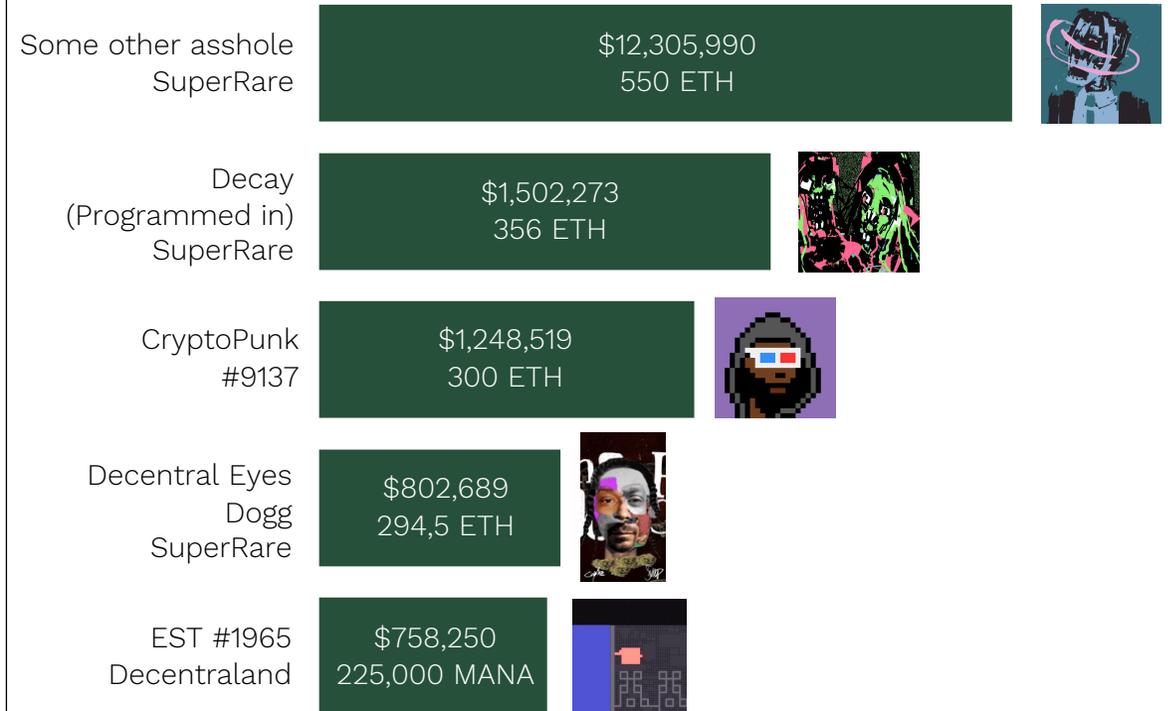
## What's moving the NFT market: Dec. 1-7, 2021

### Trending collections: 7-day sales volume, USD million



- The Sandbox, which saw its sales volume grow by 50% over the last week, could not keep the momentum this week. The hype around the project went down, and so did the sales volume.
- Virtual land on Ethereum worth roughly \$47 million was sold this week by the Sandbox, Decentraland, CryptoVoxels, Somnium Space and SuperWorld.

### The gallery: top NFT sales on Ethereum this week



- SuperRare sees an uptick in sales as three out of five top NFT purchases belong to this project.
- Hip-hop legend Snoop Dogg has debuted his first NFT collaboration with artist Coldie in the final release of the Decentral Eyes Portrait Series, which was auctioned for more than 294 ETH this week.

## News that make waves: Dec. 1-7, 2021



### **Binance Smart Chain and Animoca Brands form \$200M fund for GameFi projects**

- Binance Smart Chain (BSC) and Animoca Brands are co-investing up to \$100 million each to support game projects in the GameFi sector. BSC will be investing from its \$1-billion ecosystem accelerator arm.
- Animoca Brands is a major player in blockchain gaming, working on providing property rights via NFTs and gaming. The firm has invested in major NFT-related projects, including Axie Infinity, OpenSea, Bitski and Harmony.



### **SEC rejects WisdomTree's application for spot Bitcoin ETF**

- The US SEC has disapproved WisdomTree's spot Bitcoin ETF. The Cboe BZX Exchange used the examples set by CME's crypto futures products in its argument for approval, but the SEC rejected them.

### **First NFT-focused ETF lists on NYSE Arca**

- Defiance has launched the first NFT-focused exchange-traded fund (ETF) on the NYSE Arca. The fund tracks an index of companies operating or intending to venture into the NFT space, as well as the Metaverse.



### **Dan Tapiero's 10T is raising \$500 million for a third digital assets fund**

- 10T, the crypto investment firm run by hedge fund veteran Dan Tapiero, is launching a third digital assets fund just two months on from closing its second.
- Like the first two vehicles, 10T's third fund will target mid-to-late-stage digital assets firms. "They have to be making significant revenue already. We don't invest in startups," Tapiero said of the first two funds. The third fund will invest in a fresh batch of those more mature cryptocurrency businesses.



### **Bitmart hacked for \$200M following Ethereum, Binance Smart Chain exploit**

- Crypto exchange Bitmart lost nearly \$200 million in a hot wallet compromise hosted over the Ethereum and BSC blockchains.

### **BadgerDAO reportedly suffers security breach, losing \$120M**

- The BadgerDAO DeFi protocol have suffered from a cyber attack leading to the loss of \$120 million.
- Cryptocurrency lending platform Celsius has lost over \$50 million in this exploit of BadgerDAO.

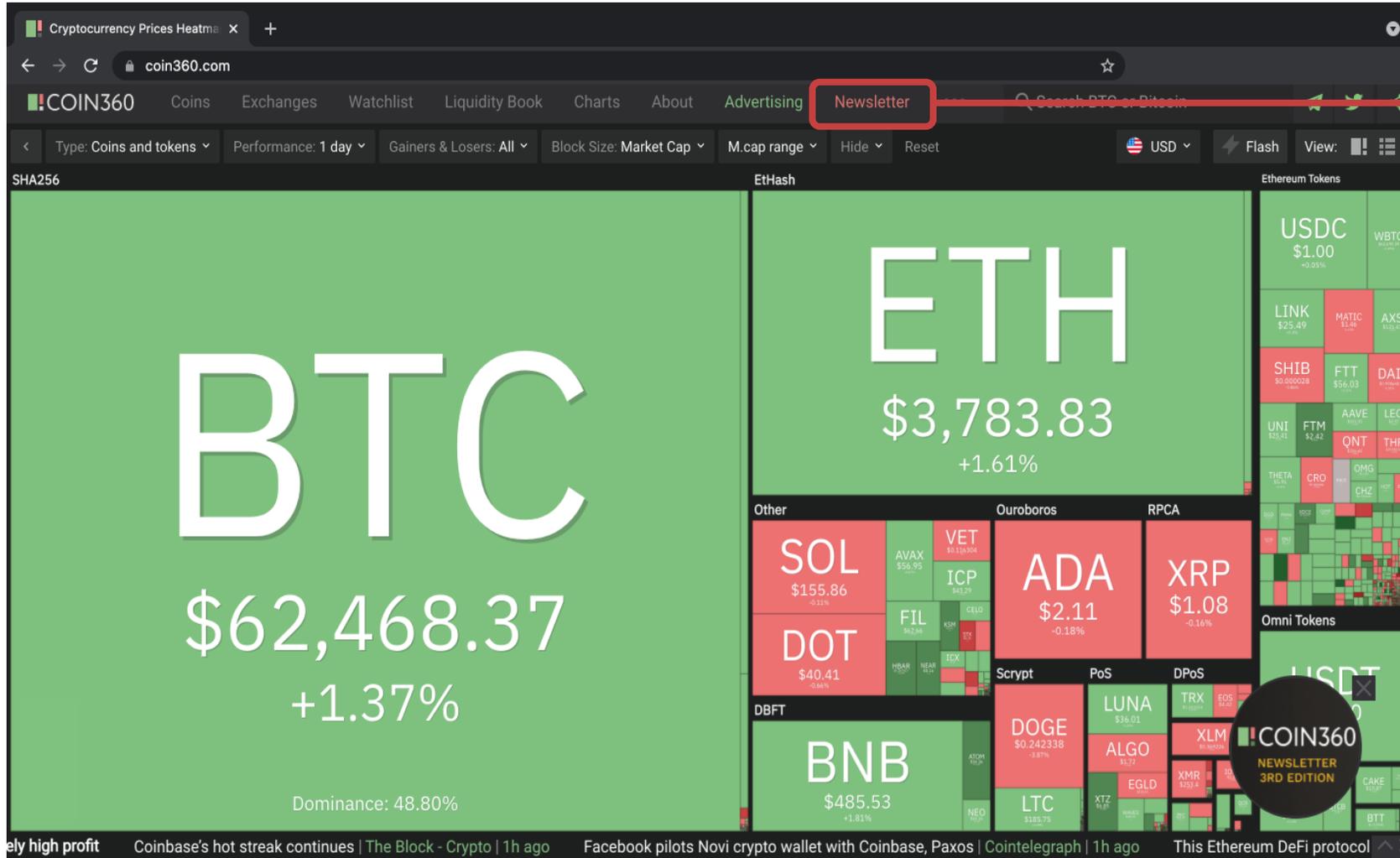


### **Maven 11 Capital raise \$120M in secondary funding round**

- Dutch digital asset investment firm Maven 11 Capital has announced a \$120 million funding round for its private investment establishment, Venture Fund II, in a move that will further expand its financial footprint across emerging sectors of decentralized finance (DeFi) and Web 3.0.

### **FTX to Seek \$1.5B in New Funding Round at \$32B Valuation**

- FTX CEO is looking to raise a total of \$1.5 billion for the global cryptocurrency derivatives exchange and its U.S. affiliate, FTX.US.



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The screenshot shows the Telegram channel for "COIN360 news" with 5,550 subscribers. The channel info on the right includes the link "t.me/COIN360Channel". A red arrow points from the word "link" in the text above to the "JOIN CHANNEL" button at the bottom of the channel page.