



HYPERION DECIMUS

CRYPTO NEWSLETTER

POWERED BY WEEKLY CRYPTO BRIEF

2nd March 2025

BITCOIN-RELATED



NYDIG: Bitcoin's price continues to struggle, falling \$78.2K early Friday morning. Bitcoin was down 15.4% on the week and 18.0% through Thursday for February. While no one fundamental event seems to be at fault for Bitcoin's decline, a lack of near-term catalyst coupled with the Bybit hack and memecoin mayhem seem to have rankled industry confidence. In addition, traditional financial markets are struggling against the backdrop of geopolitical drama and the impact of Trump's economic policies, like tariffs.

Montana halted proposals to include Bitcoin in state reserves. House Bill 429, which sought to create a special revenue account allowing up to \$50 million in allocated for crypto, stablecoins, and precious metals, encountered strong opposition from lawmakers – culminating in a 41-59 vote in the House.

South Dakota rejected a Bitcoin reserve bill, deferring it until after the legislative session ended and effectively leaving it dead in the water. State representative Logan Manhart posted: "My bill to allow South Dakota to invest in Bitcoin died 9-3 in committee this morning," – adding he "will be back next year" for another shot.

While similar bills that would have seen US states create Bitcoin reserves have failed in North Dakota, Pennsylvania, and Wyoming, the states of Florida, Arizona, Utah, Ohio, Missouri, Kentucky and Georgia are considering Bitcoin bills, with the legislation moving through local governments. (Follow all of it on the Bitcoin Reserve Monitor, [here](#).)

Oklahoma's Strategic Bitcoin Reserve bill passed the Government Oversight Committee. Texas Strategic Bitcoin Reserve legislation SB 21 passed the Business and Commerce Committee and now heads to the Senate floor.

On Feb. 24, El Salvador's President Nayib Bukele announced the country acquired an additional 7 BTC, worth ~\$614,000. The purchase increases El Salvador's Bitcoin holdings to 6,088 BTC, which are valued at ~\$541 million.

Michael Saylor proposed a Bitcoin reserve plan to the SEC aiming to create up to \$81 trillion in wealth for the US Treasury. The proposal addresses the national debt, which currently stands at \$36.2 trillion as of Feb. 5, 2025. (See his “Digital Asset Framework, Principles and Opportunity for the US,” [here](#).)

Strategy purchased an additional 20,356 BTC for \$1.99 billion at an average price of \$97,514 per Bitcoin between Feb. 18 and Feb. 23, according to an 8-K filing with the SEC.

Japanese investment firm Metaplanet purchased an additional 135 Bitcoin for \$13 million, according to a company disclosure.

Publicly traded miner Bitdeer bought 50 Bitcoin for \$4 million.

GameStop CEO Ryan Cohen received a letter from Strive Asset Management urging the company to adopt Bitcoin as a reserve asset using the \$5 billion in cash on the balance sheet.

\$1 trillion Standard Chartered Bank said Bitcoin could hit \$500,000 before Trump leaves office.

CME Group announced its new financially settled options on Bitcoin Friday futures are now available for trading. The first trade, a block, was executed between Cumberland DRW and Galaxy and cleared by Marex.

Jack Dorsey’s Block rolled out the Bitkey self-custody Bitcoin wallet on Feb. 26. It introduces an inheritance feature that lets users set a beneficiary for their Bitcoin holdings, creating a simple system for transferring the digital currency in the case of death – a fix for long, largely unsolved problem: “What happens to your Bitcoin when you die?”

INDUSTRY ADVANCES



Germany's \$370 billion DekaBank launched crypto trading and custody for institutional clients.

Citadel Securities, the market-making juggernaut that's a sister company to Ken Griffin's \$63 billion Citadel hedge fund, is gearing up to become a crypto liquidity provider, seizing on the new US pro-crypto agenda under President Donald Trump, reported by Bloomberg.

Arkham Exchange will launch spot crypto trading for users in 17 US states on Mar. 1. The exchange hopes to challenge Crypto.com and Coinbase, which hold ~85% of the USD-supported exchange market.

AlphaPoint, the leading exchange infrastructure provider, is launching spot margin trading capabilities. CEO Igor Telyatnikov said: “As the digital asset market continues to grow and regulatory clarity emerges, margin trading has become a demanded offering on many exchanges for capital efficiency and leverage.”

BitGo announced the launch of its comprehensive OTC trading desk. The platform has operated in stealth mode since early 2024 and has already processed billions in trading volume and has built a lending book of over \$150M that services leading asset managers.

BitGo and Copper announced the launch of their first-of-its-kind trading and settlement solution.

This solution enables clients to trade on Deribit, while their assets are secured off-exchange in qualified custody with BitGo, with trades automatically settled via Copper's ClearLoop and BitGo's Go Network infrastructure.

CME Group will introduce Solana futures on Mar. 17, expanding its suite of crypto derivatives, it

said in a press release on Feb. 28. The new contracts, pending regulatory review, will allow traders to manage SOL price risk with two contract sizes: 25 SOL and 500 SOL.

MetaMask is expanding its wallet to support Bitcoin and Solana, rolling out a redesigned mobile

app, a MetaMask-linked Mastercard, and a gas fee-free transaction feature to compete with emerging rivals.

Coinbase's Layer-2 Base cut block times to 200 milliseconds on its testnet using Flashblocks, a

tenfold speed improvement that is expected to roll out on mainnet in Q2.

iTrustCapital launched Premium Custody Account (PCA) – its first non-IRA account. PCA offers a

secure way to buy and sell crypto with institutional-level custody, operating within a closed-loop system.

XDC Network, an enterprise-grade Layer-1 blockchain, announced the launch of the first funds on

its platform in token form in collaboration with Archax.

Ethereum's Pectra upgrade went live on the Holesky testnet, marking a crucial step toward

improving scalability and validator efficiency, although finalization issues may delay its rollout on the Sepolia testnet and mainnet activation.

BNB Smart Chain is set to undergo the Pascal hard fork. The fork is scheduled for Feb. 25, on the

testnet and mid-March 2025 for the mainnet. The fork enhances BSC's Ethereum compatibility by integrating key features from Ethereum's Pectra upgrade, like native smart contract wallets and improved security and cryptography.

The Avalanche Foundation, along with Rain, launched the Avalanche Card, enabling seamless

crypto payments anywhere Visa is accepted, with a focus on underbanked regions.

Ondo Finance is integrating its tokenized US Treasuries product with Mastercard's Multi-Token

Network, giving businesses seamless access to real-world assets and yield opportunities.

Memecoin launchpad Pump.fun is reportedly developing its own automated market maker, a move

that could disrupt Solana's token trading landscape by allowing memecoins to bypass Raydium's liquidity pools and fee structure.

Three blockchain/crypto companies made the Forbes 10th annual Fintech 50 list: Figure,

Fireblocks, and Securitize.

MINING



Bitcoin mining difficulty fell on Feb. 23 from over 114 trillion to 110.5 trillion, according to CoinWarz, as Bitcoin's price has plummeted. Declines in mining difficulty during bear markets are typical. As prices

dip and demand for assets wanes, some companies may cut their mining capacity, pulling devices offline to conserve power. The latest drop also coincides with a brutally cold winter spell in many parts of the US that has ratcheted up energy prices.

ETPS (EXCHANGE-TRADED PRODUCTS), FUNDS & INDEXES

US spot Bitcoin ETFs have surpassed \$750 billion in cumulative trading volume – just over a year after their debut. However, they witnessed all-time high daily outflows of more than \$1.1 billion on Feb. 25. A total of \$754.6 million left the combined US spot Bitcoin ETFs on Feb. 26 – the second-highest daily outflows recorded since their debut. (US spot Bitcoin ETFs have seen an eight-day negative streak, experiencing \$3.2 billion in net outflows over that time.)

On Feb 25, ARK Invest sold \$8.6 million worth of its own spot Bitcoin ETF, ARKB, as the Cathie Wood-led investment firm rebalanced its fund weightings amid the continued market slump. Conversely, the firm bought 41,032 Coinbase shares for its Next Generation Internet fund – worth \$8.7 million – the same day.

BlackRock added the iShares Bitcoin Trust (IBIT) to one of its model portfolios. According to James Seyffart, ETF analyst at Bloomberg Intelligence, BlackRock added a 1% to 2% allocation to IBIT in its target allocation portfolio that allows for alternative assets. (These models suggest portfolios and rebalances which are then followed by advisors and platforms who can also request adjustments to the models based on their investment needs.)

The SEC acknowledged and started reviewing NYSE Arca's proposal to allow staking activities for the Grayscale Ethereum Trust ETF and Grayscale Ethereum Mini Trust ETF, with a decision expected before May 26.

Solana futures ETFs appeared on the Depository Trust and Clearing Corporation's fund listing on Feb. 26, fueling optimism about a potential spot Solana ETF approval following recent SEC acknowledgments of multiple filings.

Grayscale is aiming to expand its spot crypto offerings with an ETF tracking the price of Polkadot, according to a filing on Feb. 25 with the SEC. Nasdaq submitted an application for a 19b-4 rules change that would allow the Grayscale Polkadot Trust (DOT) to begin trading on the exchange. The SEC now has 45 days to acknowledge the filing.

Bitwise filed to establish a Delaware trust entity for a proposed Aptos ETF, marking an initial step before formal SEC registration.

Franklin Templeton launched the Franklin Crypto Index ETF (EZPZ), providing exposure to the price movements of Bitcoin and Ether.

Grayscale announced the opening of its private placement investment product Grayscale Smart Contract Fund. The Fund, previously known as Grayscale Smart Contract Platform Ex-Ethereum Fund, has been updated to include Ethereum as an eligible asset for the basket. Investors gain exposure to

protocols within the smart contract platform ecosystem, which include Ethereum, Solana, Cardano, Avalanche, Sui, Near, and Polkadot.

Bullish listed memecoin perpetual futures, following an announcement from CoinDesk Indices, which has launched the CoinDesk Memecoin Index and CoinDesk 100 Index.

FUNDRAISING & OTHER FUNDING (\$5 MILLION OR MORE)



Ethena Foundation raised \$100 million in a private sale of ENA tokens to help build out a new chain for its ecosystem and institutional product iUSDe.

Bitwise completed a new \$70 million round of fundraising to continue building its crypto asset management firm. The round includes some of the top investors in finance and technology, including Electric Capital, MassMutual, MIT Investment Management Company, Haun Ventures, ParaFi Capital, and others.

Raise netted \$63 million in a round to build a crypto platform for gift cards – led by Haun Ventures.

Foresight Ventures is committing up to \$25 million to BNB Chain's Incubation Alliance in 2025.

Ronin-based strategy game Fableborne Kingdoms' NFT presale raised over \$21 million.

Orochi Network successfully raised \$12 million in funding, which powers Orochi Network to build Verifiable Data Infrastructure.

Geodnet secured \$8 million, led by Multicoins, to enhance its hyper-accurate location network for industrial use, offering mapping data as precise as the dimensions of a golf ball, catering to farming drones and robots.

Mavryk Dynamics closed \$5.2 million to advance its Layer-1 blockchain focused on tokenizing real- world assets and integrating DeFi.

IPOS, M&A, PARTNERSHIPS & DEALS



Singapore-based crypto mining rig manufacturer Bgin Blockchain Limited filed to go public in the US in an offering that's predicted to generate \$50 million.

BitMEX is reportedly seeking a buyer and has enlisted investment bank Broadhaven to explore acquisition options as competition in crypto derivatives trading heats up.

Phantom has acquired SimpleHash, a leading token data platform, to enhance its wallet with real- time pricing, NFT metadata, and advanced spam detection across 80+ blockchains. This marks Phantom's third acquisition in eight months.

Figure Technology Solutions, a technology platform powering an liquid blockchain-based

marketplace for financial products, and Sixth Street, a global investment firm, announced the formation of a new joint venture vehicle in which Sixth Street's Asset Based Finance platform committed to invest \$200 million of equity. This commitment is unique in that it can be recycled and used for future Figure production driving additional liquidity for Figure private credit loans.

Multicoin Capital led an \$8 million strategic acquisition of GEOD, the native token of the Geodnet

Network, from the Geodnet Foundation.

YZi Labs, formerly Binance Labs, invested an undisclosed amount in crypto-AI startup Vana, which

focuses on data ownership. As part of the deal, Binance co-founder and former CEO Changpeng "CZ" Zhao joined Vana as an advisor.

A group of big-name crypto/blockchain firms joined forces to deliver open AI services using

combined infrastructure. The Open Agents Alliance (OAA) consists of NEAR AI, the payments and AI arms of crypto exchange Coinbase and an array of other blockchain and AI projects.

UMA announced a collaboration with Polymarket and EigenLayer to create a prediction market

oracle designed to address the growing complexity and scale of decentralized prediction markets. The initiative plans to implement the use of multiple tokens for dispute resolution, dynamic bonding systems, and enhanced security against bribery attacks. It will also explore AI agent integrations for improved scalability.

Rayls, a blockchain ecosystem focused on institutional DeFi, announced a partnership with

LayerZero, an interoperability protocol, to enhance connectivity and liquidity for financial institutions across more than 120 blockchains.

Midnight, a new data protection blockchain and first partner chain to Cardano, announced that it

has teamed up with OpenZeppelin, a leader in blockchain security and development, to facilitate the creation of new use cases while strengthening existing applications across the blockchain ecosystem through the provision of new smart contract development frameworks.

The University of Austin partnered with the Texas Bitcoin Foundation, Bitcoin Policy Institute,

Unchained, and Strive Asset Management to host the Satoshi Papers Symposium, an academic conference celebrating the launch of the Texas Bitcoin Foundation's first book, "The Satoshi Papers: Reflections on Political Economy after Bitcoin."

DEFI



Uniswap integrated off-ramp services from Robinhood, MoonPay, and Transak, allowing users in 180+ countries to cash out crypto directly into bank accounts.

Hyperliquid flipped PumpFun to become a top 3 revenue generator in DeFi. The protocol only trails stablecoin issuers Tether and Circle.

The OpenZeppelin Uniswap Hooks Library v1.0 went live, offering secure, modular hooks for

Uniswap v4 to simplify the building of advanced applications on liquidity pools. This release includes

Base Hooks for core functionality, Fee Hooks for dynamic fee management, and Utilities for streamlined development.

Sonic, the rebranded Fantom blockchain, is experiencing a surge in total value locked and user activity, driven by high DeFi yields and an ongoing incentive program that will distribute \$160 million worth of S tokens to early adopters.

CBDs & STABLECOINS



Bank of America CEO Brian Moynihan expects US dollar-backed stablecoins to “become legal” in the US, adding that the bank would “go into that business” if they do. He stated: “It's pretty clear there's going to be a stablecoin, which is going to be a fully dollar backed type of thing, which is no different than the money market fund with check access, it's no different than a bank account, really.” Moynihan also envisions a future “Bank of America coin,” saying that up until now his bank has not been able to utilize stablecoins.

Circle CEO Jeremy Allaire called for all issuers of US dollar-backed stablecoins to register in the US, arguing that regulatory oversight should apply regardless of jurisdiction.

PayPal said it wants 20 million merchants using the PYUSD stablecoin by the end of 2025.

The executive director of the Wyoming Stable Token Commission said the impending launch of its fully backed and compliant stablecoin could lay the groundwork for the State Treasurer’s Office to run on the blockchain.

Dubai's Financial Services Authority approved Circle's stablecoins, USDC and EURC, for use within the Dubai International Financial Centre, allowing financial institutions and fintechs to integrate them into digital asset services.

NFTs, BLOCKCHAIN GAMING & METAVERSE



DraftKings agreed to settle a class action lawsuit which alleged it violated Federal Securities Law when it sold NFTs on its marketplace. The settlement, which was negotiated by both parties, will see the company pay \$10 million cash to a settlement fund which will pay for legal fees, settlement costs, and compensation to each participating class member, defined as “persons or entities who purchased, acquired, sold, disposed of, owned, held, used, or otherwise transacted in NFTs in a DraftKings account.”

Wildcard migrated its Wildpass NFTs to Ethereum mainnet and is planning to launch a token.

Aston Villa FC expanded its presence in the Web3 space via the launch of a digital sticker album in partnership with blockchain provider Chiliz. Celebrating the club’s 150th anniversary, the limited-edition sticker album enables fans to collect digital stickers for each home game at Villa Park. Previously, these

stickers were only available in physical form, however, using Proof of Attendance Protocol (POAP) technology fans can collect them digitally.

Popular battle royale shooter Fortnite recently added a fake cryptocurrency as an in-game gag, along with other elements that appear to poke fun at the industry. But at least one crypto degen took it seriously, launching a real version of the coin – with some traders profiting tens of thousands of dollars before it crashed.

Hit Telegram crypto game Hamster Kombat now has its own Layer-2 chain, The Hamster Network, which launched on The Open Network (TON) on Feb. 25.

Blockchain-driven battle royale shooter Off the Grid launched what Gunzilla Games is calling its “biggest update yet” by unlocking a region of the map, adding a new cyberlimb into the game, and debuting a new “street event.”

The Trump team is exploring a Trump-branded metaverse, according to a recent trademark application. The trademark filing was submitted on an "intent to use" basis, indicating plans for commercial use. This marks Trump's latest move into the crypto world following previous involvement in NFTs, DeFi and memecoins.

Rockstar Games is reportedly in talks with top metaverse creators in an attempt to make GTA 6 the next big creator platform.

JOB MOVEMENT



Aya Miyaguchi, the Executive Director of the Ethereum Foundation, is reducing her role within the organization amidst an ongoing leadership restructuring. Miyaguchi served in the role for seven years and transitions to a smaller role but will remain active and pivotal in the Foundation’s operations.

Former House Financial Services Committee Chair Republican Patrick McHenry is joining VC firm a16z as a senior advisor, aiming to cut barriers to emerging startup companies in DC. McHenry also joined Ondo Finance as vice chairman of its advisory board.

Blockchain sleuth ZachXBT joined crypto VC firm Paradigm, as an incident response advisor to its portfolio companies, a role that still enables him to continue helping the community and publishing investigations.

Michael Novogratz's Galaxy Digital hired Zac Prince as a managing director. Prince will be working closely with Galaxy's President, Chris Ferraro, to expand the company's digital assets offerings. (Prince is the former CEO and co-founder of bankrupt crypto lender BlockFi.)

Blockchain gaming franchise Illuvium announced a restructuring, which included some staff being laid off.

REGULATIONS, RULINGS & COMMENTARY



The US House of Representatives took the first significant move to erase the work of the Internal Revenue Service to impose a tax regime on DeFi platforms in the final days of former President Joe Biden's administration. The House Ways and Means Committee – the panel responsible for overseeing the Treasury Department's IRS – advanced a resolution in a 26-16 vote to reverse the IRS transaction-reporting policy under the Congressional Review Act. Such an effort requires majority approval in both the House and Senate before a presidential signature would make the move final, and the matter now moves to the overall House.

A bipartisan group of lawmakers including Senators Cynthia Lummis (R-WY), Kirsten Gillibrand (D-NY), Steve Daines (R-MT), Bill Hagerty (R-TN), Thom Tillis (R-NC), Bernie Moreno (R-OH), and Ron Wyden (D-OR) delivered to the SEC, challenging the SEC's directive to exclude protocol staking in ETPs, highlighting how this position could undermine both investor protections and the competitiveness of US markets.

During a congressional hearing on Feb. 26, Sen. Cynthia Lummis (R-WY) said: “We're on the precipice of finally creating a bipartisan legislative framework for both stablecoins and market structure. I hope we can get both pieces of legislation to President Trump for his signature this year.” She has hopes that President Trump will sign the bills by year-end.

Illinois Senator Dick Durbin introduced the Crypto ATM Fraud Prevention Act, seeking to impose new regulations to curb the rising tide of fraud associated with these machines. The legislation would place strict transaction limits on crypto ATMs and require companies to offer full refunds to victims who report fraud within 30 days of the transaction. (There are now ~30,000 Bitcoin ATMs in the US, according to Coin ATM Radar data, with ~\$110 million in losses from scams involving Bitcoin ATMs reported to the FTC in 2023.)

Lawmakers in Ohio introduced House Bill 116, aiming to prevent the state from imposing additional taxes on digital assets when used for payments. The bill was introduced on Feb. 24 by Representative Steve Demetriou and co-sponsored by Tex Fischer, Brian Lorenz, Ty D. Mathews, Riordan McClain, and Josh Williams.

Democrat Rep. Sam Liccardo is set to introduce a bill to stop politicians and their families from issuing or sponsoring memecoins like those recently launched by President Trump and First Lady Melania Trump. The MEME Act would force President Trump to “disgorge” profits made from the sale of his family's memecoins, though it has little chance of passing in the current Republican-controlled Congress.

The SEC formally stated that memecoins do not qualify as securities, signaling a hands-off approach to their regulation. In a statement published on Feb. 27, the SEC's Division of Corporation Finance described memecoins as tokens inspired by internet culture, characters, or trends that lack utility or financial backing, placing them outside the scope of federal securities laws.

The CFTC could have an even stronger Republican majority when the chairman picked by President Donald Trump arrives, with the announcement on Feb. 26 that Democratic Commissioner Christy

Goldsmith Romero will step down after that expected confirmation. If Trump nominee Brian Quintenz, a former Republican commissioner at the agency, is approved by the US Senate, the Democrat's exit will leave just Commissioner Kristin Johnson to represent the agency's minority party. This leadership shift would take place at a particularly meaningful moment for the agency, when its expected leading role in crypto is being worked out in Congress and past resistance to the industry is being stripped away with the already active overhaul of CFTC personnel.

The UK government introduced the Crime and Policing Bill that, if passed, aims to help law enforcement agencies retrieve money from crypto criminals.

The European Council sanctioned Moscow-based crypto exchange Garantex, as part of the EU's 16th package of sanctions against Russia. As outlined in its implementation notice, the EU is sanctioning Garantex because the exchange "is associated with Sberbank, T-Bank and Alfa-Bank" – all of which have been subject to EU sanctions since 2014. The notice states that customers of these three sanctioned banks "can gain access to the global financial system via Garantex, as roubles from bank accounts are exchanged into cryptocurrency and subsequently cryptocurrency is exchanged into other currencies."

BUGS, OUTAGES, HACKS, SCAMS, ALLEGATIONS, INVESTIGATIONS, ENFORCEMENTS & WRONGDOINGS

A 2024 study by Cyvers analyzed 150 major crypto platforms, including exchanges, payment service providers, and banks, with a focus on the Ethereum blockchain. The research uncovered over 200,000 cases of "pig butchering" scams, which resulted in more than \$5.5 billion stolen across 1.15 million fraudulent transactions.

Bybit is offering a bounty of 10% of the \$1.5 billion stolen from it in exchange for help recovering the funds, the biggest sum stolen in any crypto theft to date. Bybit also declared a "war against Lazarus" and launched a new website tracking the group's wallet addresses, hoping to crowdsource the investigative efforts. In return for submissions that lead to frozen funds, the exchange is offering 5% of what gets frozen. Bybit's audit report revealed that the hack of its cold wallet stemmed from compromised servers at infrastructure partner SAFE, not Bybit itself, with attackers injecting malicious JavaScript code into Gnosis SAFE's UI. The FBI confirmed that North Korea's Lazarus Group was behind the hack and urged crypto service providers to block transactions linked to the hackers. (Bybit has also been hit with over \$4 billion of a "bank run," leading to a total \$5.5 billion outflow within the exchange.)

Crypto venture firm Mirana Ventures injected \$600 million worth of ETH into its strategic partner and anchor capital provider, Bybit, over the course of a few days, helping Bybit fill a gap in its reserves.

India's Central Bureau of Investigation has conducted raids at 60 locations across the country, including in cities such as Delhi NCR, Pune, Chandigarh, Nanded, Kolhapur, and Bengaluru, as part of its investigation into the \$800 million (₹6,600 crore) GainBitcoin scam.

Aave's vote to restrict lending on Polygon's proof-of-stake chain could result in a loss of more than \$300 million in total value locked due to concerns over Polygon's riskier yield generation methods and vulnerability to bridge exploits.

OKX settled the DOJ investigation and will pay an \$84 million fine and \$421 million in restitution.

Stablecoin neobank Infini was exploited for \$49 million after an attacker manipulated smart contract settings using retained administrative privileges, swapping stolen USDC into ETH via Tornado Cash. The platform says affected users will be reimbursed.

mETH Protocol recovered 15,000 cmETH tokens (\$43 million) from the Bybit hack, leveraging an 8-hour withdrawal delay to halt unauthorized transactions.

US authorities seized \$31 million of crypto linked to the 2021 Uranium Finance hack in one of the largest recoveries following a DeFi exploit, although the platform remains defunct with victims still awaiting restitution.

Police in Mumbai have booked the managing director of Coin ZX, an Indian cryptocurrency trading platform that allegedly scammed investors out of \$23 million (Rs 200 crore).

Kanye West may have sold or rented his X account to the BarkMeta Doginals crew for \$17 million – there are suspicions that they're orchestrating a crypto scam.

Pump.fun's X account was hacked again on Feb. 26 to promote a fake PUMP token whose market cap spiked to \$5 million before crashing.

OX.FUN, a crypto exchange that was spun up by 3AC founders Su Zhu and Kyle Davies after their previous venture, abruptly shut down and is down to its last \$1.7 million of assets.

The Ethereum Foundation donated \$1.25 million to support the legal defense of Alexey Pertsev, co-creator of the crypto mixing protocol Tornado Cash.

Kaspersky warns that hackers are embedding malicious code in fake GitHub projects such as Telegram bots and gaming tools to steal Bitcoin, with one victim losing over \$400,000 in a single attack.

The SEC closed six cases: 1) Its investigation of Robinhood's crypto unit. 2) Its enforcement case against Coinbase. 3) Its investigation into Ethereum-based DEX Uniswap. 4) Its investigation into crypto exchange Gemini. 5) Its investigation into OpenSea. 6) Its lawsuit against Consensus's MetaMask wallet. (The outcome of these cases follows a series of rollbacks of regulatory cases against the crypto industry following President Trump's election. The SEC's Crypto Task Force is also now reviewing whether securities laws have been misapplied to digital assets.)

The SEC, the Tron Foundation, and Justin Sun filed a joint motion on Feb. 26 asking a federal judge to pause the securities regulator's ongoing case against the crypto entrepreneur and his company.

FTX has begun repaying creditors, but jurisdictional restrictions are blocking refunds in countries such as Russia, China, and Nigeria. A survey shows that nearly 80% of creditors plan to reinvest, with Solana and memecoins among the top choices.

Police in South Korea arrested four individuals in connection with the murder of a Chinese man in his thirties. Authorities say he had travelled to the island city of Jeju to complete a private crypto exchange.

Gotbit founder Aleksei Andriunin was extradited to US to face market manipulation and fraud charges. He was allegedly part of a wash trading scheme to facilitate token listing in major exchanges.

Popular Solana token launchpad Pump.fun had its X account compromised on Feb. 26 and used to promote a handful of fake tokens, including a purported official token for the platform.

Rabby's Safe integration has been temporarily affected because Safe has paused certain functionalities due to the recent Bybit hack.

MISCELLANEOUS



The Crypto Fear & Greed Index hit a multi-year low reading of just 10 on Feb. 27, reflecting “extreme fear” in sentiment amid the recent price rout. The last time it was at such levels was in June 2022, as the bear market was getting underway in earnest amid the collapse of Terra, 3AC and Celsius.

Ethereum co-founder Vitalik Buterin outlined several ways individuals lose large amounts of crypto, including software bugs, forgotten passwords, lost devices, accidental deletions, and failure to back up data when upgrading hardware. He explained that victims of such losses are often hesitant to speak out because there is no identifiable perpetrator to hold accountable. Buterin emphasized the need for wallet security solutions that address all forms of loss, not just cyberattacks. (The Ethereum co-founder has long advocated for social recovery solutions as a more secure and user-friendly approach to regaining wallet access.)

Crypto market maker Wintermute withdrew more than \$72.5 million of SOL from Binance in the 24 hours to 6 p.m. on Feb. 24, sparking fears of compounding selling pressure for the token ahead of one of the biggest unlocks in its history. (The upcoming unlock on Mar. 1 is set to release approximately 11.2 million SOL tokens currently worth around \$1.6 billion into circulation.)

Binance founder and former CEO CZ made his crypto holdings public, revealing that 98.6% of his portfolio is composed of BNB, while 1.3% is made up of Bitcoin. CZ also holds small amounts of a few other tokens, comprising less than 0.01% of his portfolio.

Former FTX CEO Sam Bankman-Fried reappeared on X for the first time since Jan. 2023, deciding to share his views on recent US government layoffs by the Trump administration. He posted: “I have a lot of sympathy for gov’t employees: I, too, have not checked my email for the past few (hundred) days. And I can confirm that being unemployed is a lot less relaxing than it looks.” FTT, the token associated with the now-defunct crypto exchange, briefly surged over 29% following the post before retracing most of the move.

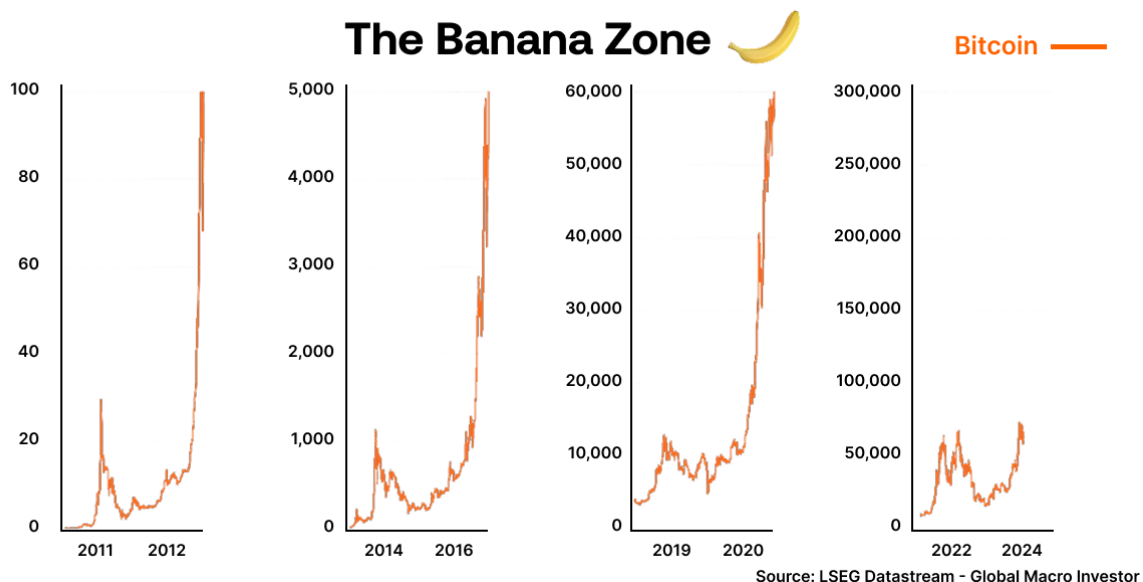
Ye (formerly Kanye West) hinted at launching a new, Nazi-themed token called “Swasticoins” in a series of inflammatory and antisemitic crypto posts, further escalating his variously racist, homophobic, and misogynistic rhetoric while also teasing plans to build his own blockchain.

CHARTS, TABLES, QUOTES, COMMENTARY & OTHER IMAGES

Charlie Bilello: At \$80,000, Bitcoin is now down around 27% from its all-time high of \$109,000. Is that a big drawdown for Bitcoin? No...

Bitcoin: Major Corrections From All-Time Highs (September 2010 - Today)							
Correction Period	# Days	Bitcoin High	Bitcoin Low	% Decline	% Return to New High	New High Date	# Days to New High
3/14/24 to 8/5/24	144	73798	49314	-33%	50%	11/6/2024	237
11/10/21 to 11/21/22	376	68991	15480	-78%	346%	3/5/2024	846
4/14/21 to 6/22/21	69	64802	29031	-55%	123%	10/20/2021	120
1/8/21 to 1/21/21	13	41962	28845	-31%	45%	2/8/2021	18
12/17/17 to 12/15/18	363	19783	3122	-84%	534%	11/30/2020	1079
11/8/17 to 11/12/17	4	7879	5507	-30%	43%	11/16/2017	8
9/2/2017 to 9/15/17	13	5014	2951	-41%	70%	10/12/2017	40
6/11/17 to 7/16/17	35	3025	1837	-39%	65%	8/5/2017	55
3/10/17 to 3/24/17	14	1326	892	-33%	49%	4/27/2017	48
11/30/13 to 1/14/15	410	1166	170	-85%	585%	2/23/2017	1181
4/10/13 to 7/7/13	88	266	63	-76%	323%	11/7/2013	211
6/8/11 to 11/17/11	162	32	1.99	-94%	1504%	2/28/2013	631
5/13/11 to 5/21/11	8	8.45	5.58	-34%	51%	5/25/2011	12
2/10/11 to 4/4/11	53	1.10	0.56	-49%	96%	4/17/2011	66
11/6/10 to 11/10/10	4	0.50	0.14	-72%	257%	1/31/2011	86
9/14/10 to 10/8/10	24	0.17	0.01	-94%	1600%	10/24/2010	40
 Data Source: CoinDesk @CharlieBilello							

The Banana Zone is a term macro analyst Raoul Pal uses to describe crypto's most explosive market phases, where everything surges in near-vertical moves. BTC's recent pullback? That's likely just the consolidation phase – a healthy pause before the next leg up.



If history holds true, the current pullback in Bitcoin's price will lead to another all-time high in 2025.

 **Mr. Anderson** 
@TrueCrypto28

 ...

#BTC Cycles

In 2013, #BTC made a new ATH, it then pulled back more than 70% before making yet another ATH later that year

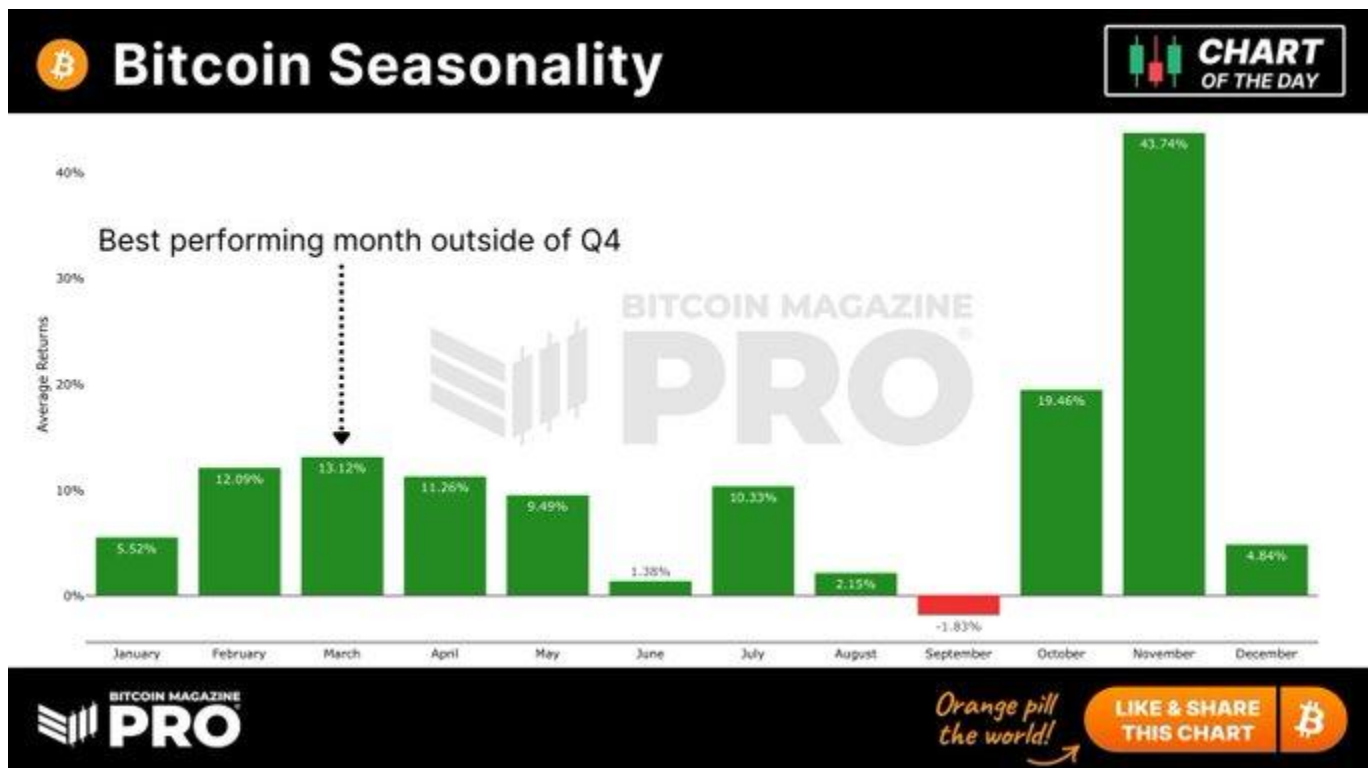
In 2017, #BTC made a new ATH, it then pulled back more than 30% before making yet another ATH later that year

In 2021, #BTC made a new ATH, it then pulled back more than 30% before making yet another ATH later that year

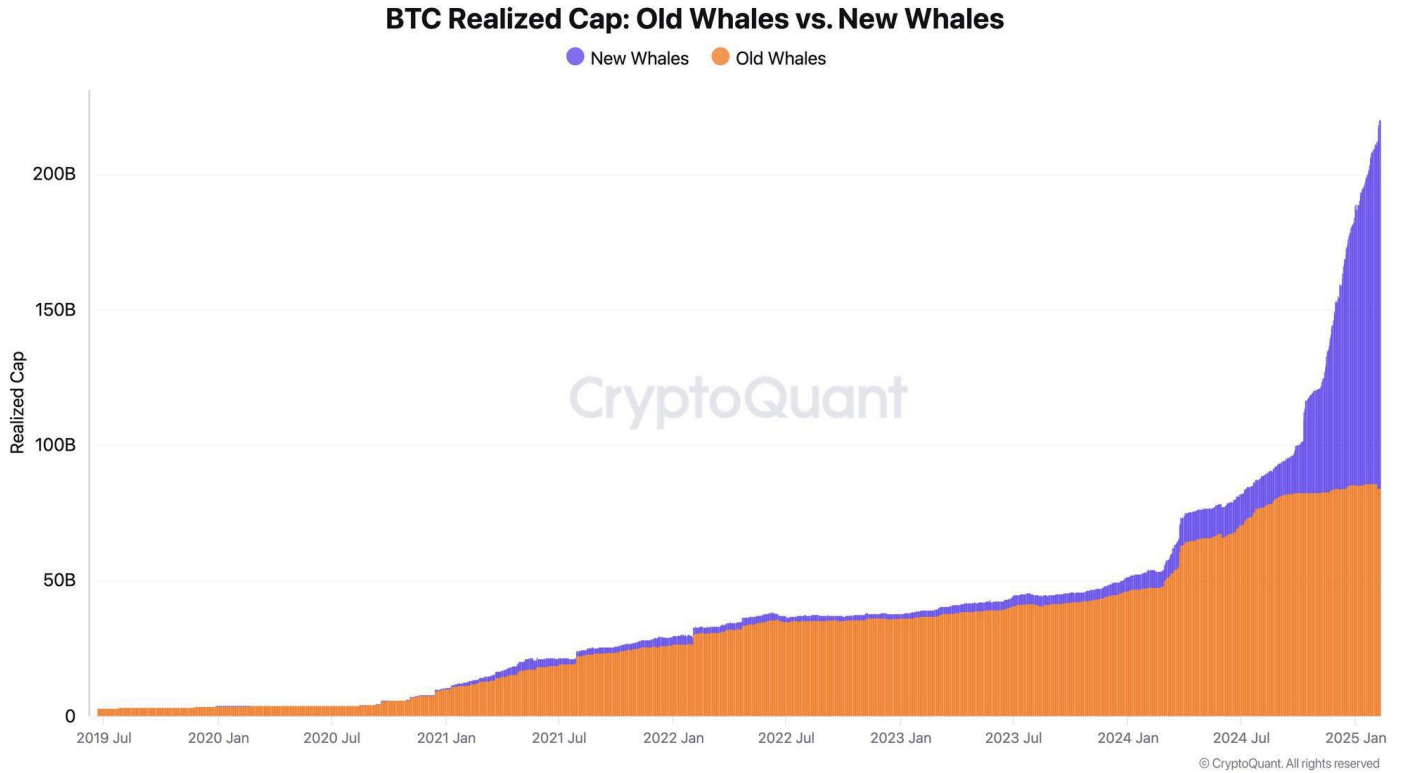
In 2025, #BTC made a new ATH, it has pulled back 27% & counting, what comes after?

9:45 PM · Feb 27, 2025 · **33.6K** Views

Bitcoin Magazine Pro: March has historically been the 3rd best performing month for BTC and the best outside of Q4.



Vivek: Whales Are Buying Bitcoin Like Never Seen Before...



Unchained and the Bitcoin Policy Institute released “Bitcoin Policy Under the Trump Administration: The First Thirty Days.” (See the 13-page policy brief, [here](#).)



CoinShares reported on Feb. 24 that crypto ETPs saw outflows of \$508 million (primarily due to Bitcoin ETPs) in the prior trading week, following \$415 million in outflows the previous week.

CoinShares	Week flows	MTD flows	YTD flows	AUM
Bitcoin	-571	-595	4,987	134,609
Ethereum	3.7	789.8	985	14,611
Multi-asset	3.1	18.2	78	7,133
Solana	9.0	30.8	65	1,688
XRP	38.3	68.9	200	1,136
Binance	-	-	-0	649
Sui	1.5	11.9	37	406
Litecoin	1.1	2.3	4	284
Cardano	0.1	4.5	8	143
Pyth	-	0.1	-1	127
Other	6.0	8.0	65	755
Total	-508	339	6,429	161,541

Conclusion from Coin Metrics’ “State of The Network” weekly report from 2/25/25. (Read the full report, [here](#).)

The Bybit hack was another test against the resilience of the crypto industry. In years past, this would be existential to not just an exchange, but the market as a whole. Miraculously, the community pulled together to track the funds flowing to the hacker on-chain, identify the malicious actor, validate the solvency of a custodian in real-time, and mitigate the damage that could result from this crisis. The velocity and efficiency with which this was done would not be possible without public tools, data, and a culture of transparency.

The industry will now have to reckon with a target on its back from hostile state actors and regulators. While the damage within the ecosystem seems mostly contained, this incident will raise national security concerns as crypto grows increasingly integrated with the broader international financial system. It will be up to the industry to address these legitimate concerns and prove the value of permissionless architecture.

Summary and conclusion from Glassnode’s “The Week On-Chain” from 2/26/25. (Read the full report, [here](#).)

A broad market correction following the Bybit hack pushed Bitcoin’s monthly performance down to -13.6 %, while Ethereum, Solana, and Meme Coins suffered even steeper losses, resetting market momentum to April 2024 levels.

As Bitcoin retraced into a realized supply “air gap,” short-term holders faced mounting unrealized losses. Accordingly, STH-MVRV and STH-SOPR edged down below their statistical low bands, showing significant loss realization by new investors due to declining profit margins.

If demand fails to recover, further downside risk persists, making the coming weeks critical in determining whether Bitcoin stabilizes or capitulation deepens.

Blockworks updated key metrics...

Total Crypto Market Cap	\$2.92 T
Bitcoin Market Cap	\$1.69 T
Ethereum Market Cap	\$266.58 B
ETH/BTC Ratio	0.03
Ethereum Gas Price	0.64 gwei
DeFi TVL	\$172.08 B
Fear and Greed Index	26 (Fear)

NYDIG: While significant developments have already unfolded since the election, important potential catalysts for investors remain:

Political and Legislative

- Policy recommendations from President's Working Group on Digital Assets
- Market structure and stablecoin legislation
- Digital asset stockpile/Bitcoin strategic reserve and a US sovereign wealth fund

Regulatory

- SEC settling or dropping outstanding enforcement actions
- SEC Crypto Task Force initiatives
- More crypto ETFs and regulated futures
- Increase in ETF options positions

Market

- FTX creditors begin receiving \$16B in claims next week
- Tether on Lightning Network
- Continued corporate adoption
- Schwab working with Trump Media and Technology Group on BTC ETFs and SMAs
- BNY Mellon and State Street digital asset custody

Matt Hougan's (Bitwise) Weekly CIO Memo: "Short-Term Pain, Long-Term Gain (Redux) – Thoughts on the Recent Market Pullback – and a Lesson From Crypto's Recent Past."

In July of last year, I wrote a CIO Memo called "Short-Term Pain, Long-Term Gain."

At the time, crypto was in a bad place. Bitcoin, which had peaked above \$73,000 in March 2024, had fallen to roughly \$55,000, a 24% pullback. Ethereum was down 27% over the same time period.

The crypto market is facing a weird dynamic right now, I wrote. All the short-term news is bad, and all the long-term news is good.

On the plus side, I saw long-term catalysts like ETF flows, the Bitcoin halving, and changing attitudes in DC. On the minus side, I saw short-term challenges like the Mt. Gox distributions and government sales of Bitcoin.

The dichotomy between short-term negatives and long-term positives is creating an incredible potential opportunity for long-term investors, I concluded.

That turned out to be prescient. Shortly after I wrote the memo, Bitcoin bottomed and proceeded to rip straight to \$100,000.

Today's market has a very similar setup, with short-term negatives weighing against long-term positives. For investors with a long enough time horizon, I think it offers a very similar opportunity.

The Bad News: The Death of the Memecoin Carnival

First, let's tackle the bad news.

As I write this memo on Tuesday morning, February 25, crypto markets are selling off sharply. Bitcoin is down 8% and trading below \$90,000, Ethereum is down 10%, and Solana is down 12%.

The proximate cause is fallout from last weekend's hack of Bybit, a Singapore-based crypto exchange. If you missed the news, hackers used a classic phishing scam to steal \$1.5 billion in Ethereum from the exchange. While Bybit (remarkably) was able to dip into its own coffers and make all its clients whole, the hack rattled crypto, causing a cascade of liquidations.

The Bybit hack didn't happen in isolation, however; it came after a series of memecoin-related scams over the past few weeks, including:

- Libra: Argentine President and crypto fan Javier Milei endorsed a memecoin called Libra, which turned out to be a multi-billion-dollar scam.
- Melania: A coin associated with First Lady Melania Trump similarly went sour, costing investors billions.
- Trump: To a lesser extent, a coin associated with President Trump did the same.

News reports have suggested that the Bybit hackers were affiliated with the government of North Korea, and that they attempted to launder the stolen ETH via memecoin platforms. The Bybit scam has a memecoin angle as well; regulatory investigations are likely to follow.

Taken together, these events probably spell the end of the recent memecoin boom.

And while that may cheer “serious” crypto investors, memecoins have been the hottest segment of crypto outside of Bitcoin over the past year, injecting significant trading volume and energy into the space (and particularly the Solana ecosystem). Removing that activity from the system will have fallout, and you’re seeing it today.

The Good News: Pro-Crypto Regulation, Institutional Investors, the Stablecoin Boom, and More

The thing about the short-term news is that its impact will end. With few exceptions, memecoins will stop mattering, and that will be that. Interest can’t drop below zero.

Fortunately, my long-term thesis on crypto has never revolved around memecoins.

On the flip side, there are a number of long-term trends that I believe will continue for years:

- Pro-Crypto Regulation: We are in the early days of a massive shift in Washington’s attitude towards crypto. In the past few weeks alone, we’ve seen the SEC drop high-profile lawsuits against firms like Coinbase and legislators coalesce around pro-crypto bills related to stablecoins and market structure. These developments will allow crypto to break into the mainstream and significantly reshape finance in the coming years.
- Institutional Adoption: Institutions, governments, and corporations are buying Bitcoin at massive rates. So far this year, investors have plowed \$4.3 billion into Bitcoin ETFs. We expect that to reach \$50 billion by year-end – with hundreds of billions coming over the next several years.
- Stablecoins: Stablecoin AUM is already at an all-time high of \$220 billion, up almost 50% over the past year. But we think this is just a down payment. As stablecoin legislation makes its way through Congress, we think the size of that market could spike to \$1 trillion by 2027.
- The Rebirth of DeFi and the Rise of Tokenization: DeFi applications are seeing renewed interest, with lending, trading, prediction markets, and derivatives all showing heightened activity. Meanwhile, tokenized real-world assets are setting new all-time highs in AUM daily.

Where the Market Goes From Here

I find this framing helpful because, at a certain level, it makes positioning obvious. On one side, you have the loss of memecoins and the Bybit hack. On the other side, you have pro-crypto regulation, mass institutional adoption, a trillion-dollar stablecoin boom, the rebirth of DeFi, and the rise of tokenization.

This is what I call a no-brainer.

I would caution, however, that this market pullback has more teeth than the one I highlighted in July 2024. That one was truly transient, driven by one-off asset sales that were over as soon as they started.

The memecoin boom was large, and the hangover could be more significant. It might take days, weeks, or months to work through it.

But the overall thesis is the same: The short-term news is bad, the long-term news is good. When that happens, I like my money on the long term.

Arca: FTX and Bybit – The Road to DeFi...

This is one of the most confusing investment environments we've seen as digital assets investors. We've written for weeks about the disconnect between sentiment and fundamentals, but there's also a curious lack of correlation. Whenever digital assets move up in tandem with other global markets, you often hear about how digital assets are just "speculation beta", which is a way of trying to discredit rising crypto prices. But you don't hear much about that when the correlation completely breaks down, which happens just as often and is happening again currently. The true sign of an uncorrelated asset class is that the short-term correlations come and go with no real rhyme or reason. At times, throughout the past few years, we've highlighted certain areas of the digital assets ecosystem showing strong short-term correlations with the Nasdaq, gold, the Chinese Yuan, the US dollar, interest rates and AI stocks. None of these correlations have held over longer-term horizons, as longer-term correlations between crypto and other risk assets remain close to 0. The charts below show the Bitwise 10 Index vs SPY, GLD, and TLT over the past four years. As you can see, none of these relationships are statistically significant.

Rolling Correlation | BITW

Dec 8, 2020 – Jan 31, 2025



Source: Bitwise

Recently, you may have noticed that:

- Gold is near all-time highs
- US equities are near all-time highs
- Credit spreads are at all-time highs
- The VIX (prior to Friday) has continuously been depressed
- Interest rates have fallen 50 basis points from the recent highs
- The DXY has fallen precipitously from recent highs
- Bitcoin is still hovering near all-time highs

And yet, the rest of the digital assets market is getting outright smoked. Since mid-December, most tokens are now -30-80%, with a few exceptions. And this selling has largely been broad-based, with little differentiation between sectors. So, it's not just that correlations have evaporated versus other asset classes, but it's also that correlations have increased within the asset class. Which is why this week's FTX and Bybit news serves as a reminder that

- Decentralized Finance is eating Centralized Finance's lunch and
- Investors do not seem to care one bit

On February 18th, FTX began repayments to creditors as part of the bankruptcy reorganization plan, which will distribute nearly \$17 billion back to customers at roughly ~120% of their account value at the time FTX filed for bankruptcy in November 2022. While that sounds great, compared to the November 2022 record date, BTC is now trading ~6x higher, SOL is up ~11x, and ETH is up ~2x. Creditors who trusted this centralized counterparty with their assets have still lost a ton of value despite the high dollar-based recoveries.

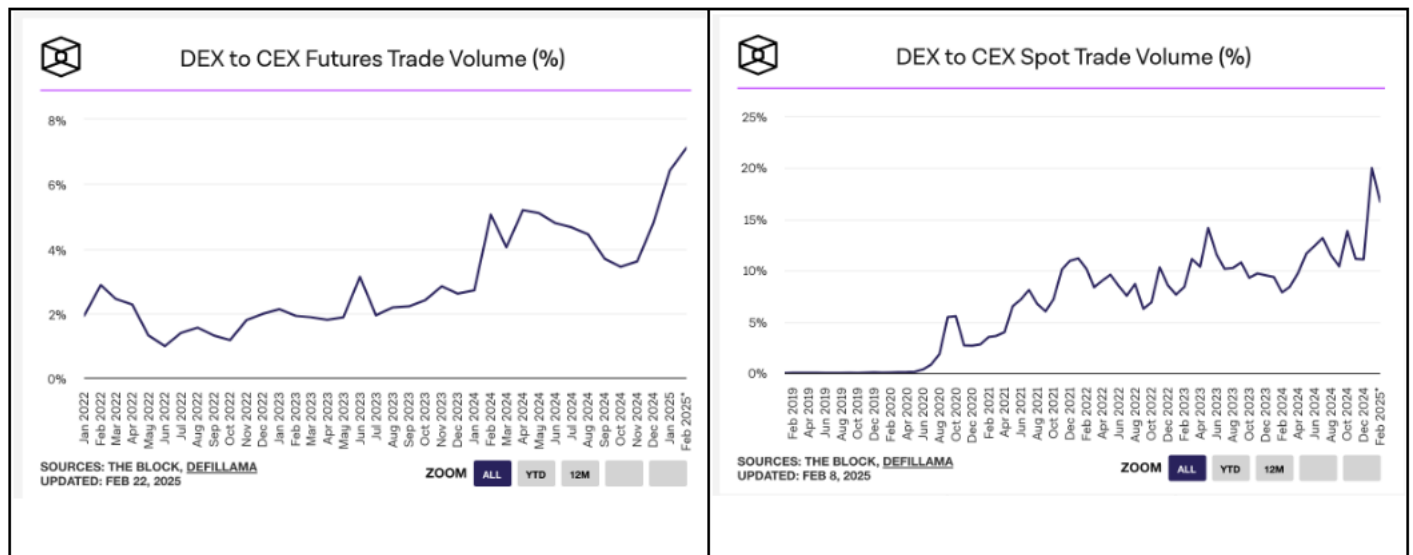
At the same time, Bybit, a top 10 crypto exchange by volume located in Dubai, was for over \$1.5 billion, the largest hack of all time. While Bybit seems to have no issues covering this loss, and the CEO did an excellent job of crisis management, it still led to billions of dollars of outflows from Bybit and other centralized exchanges.

So, in the same week, we were reminded of the centralized exchange's flawed history, as well as the current flaws. And this is, unfortunately, nothing new. Robinhood and Coinbase have historically listed and delisted assets on a whim, while frequently having downtime and withdrawal issues, while plenty of non-US exchanges have also been hacked and gone bankrupt over the past years. Trusting your assets with a 3rd party run by humans is simply a dangerous game. Naturally, you'd expect the tokens and stocks of competitors, especially in DeFi, to go higher, while the tokens and stocks of centralized venues would potentially get hurt.

So how did the market react? Binance Coin (BNB), the biggest centralized exchange most similar to ByBit, was down only -4% for the week, outperforming almost every other token in crypto. Meanwhile, Robinhood (HOOD) and Coinbase (COIN) stocks fell -17%, and the most significant Decentralized Exchange tokens fell more than just about everything else in crypto (HYPE -14%, UNI -10%, RAY -32%).



Even as decentralized futures exchanges and decentralized spot exchanges steal market share away from the centralized exchanges, the crypto investor base seems unenthused with this growing sector as an investment, failing to differentiate it from the rest of the crypto assets.



And it's not just a growth story. These DEX tokens are also value tokens, trading at the lowest multiples of just about anything in both the stock and crypto investment universe.

Exchange Sector:

Consolidated Comp Sheet												
(MM unless stated)	Market cap	Weekly Spot Volumes	Weekly Deriv Volumes	Weekly Total Volumes	WoW Delta	MoM Delta	Annualized Trading Volumes	Market Share Total	Monthly Revenue	P/S	P/Vol	
Binance	\$ 126,364.00	\$ 127,700.89	\$ 385,761.88	\$ 513,462.77	-41%	104%	\$ 23,606,168.80	56.2%	n/a	n/a	0.01x	
Coinbase	\$ 68,720.00	\$ 22,258.67	\$ 45,859.76	\$ 68,118.42	-24%	157%	\$ 575,958.32	7.5%	n/a	n/a	0.12x	
OKX	\$ 14,715.00	\$ 19,001.83	\$ 159,478.56	\$ 178,480.39	-42%	94%	\$ 5,415,360.60	19.5%	n/a	n/a	0.00x	
Huobi Global	\$ 135.74	\$ 16,732.16	\$ 14,113.08	\$ 30,845.25	-30%	96%	\$ 495,517.96	3.4%	n/a	n/a	0.00x	
Kucoin	\$ 1,711.28	\$ 6,712.62	\$ 9,614.39	\$ 16,327.01	-46%	114%	\$ 1,041,334.24	1.8%	n/a	n/a	0.00x	
Uniswap	\$ 9,170.00	\$ 12,647.19	n/a	\$ 12,647.19	-25%	29%	\$ 508,877.23	1.4%	n/a	n/a	0.02x	
PancakeSwap	\$ 1,107.00	\$ 6,906.04	n/a	\$ 6,906.04	26%	13%	\$ 87,533.95	0.8%	\$ 9.55	9.7x	0.01x	
Curve	\$ 1,562.57	\$ 625.50	n/a	\$ 625.50	-38%	23%	\$ 55,674.75	0.1%	\$ 2.30	56.5x	0.03x	
Aerodrome	\$ 1,116.55	\$ 3,910.48	n/a	\$ 3,910.48	-21%	-12%	\$ 10,383.17	0.4%	\$ 28.86	3.2x	0.11x	
Raydium	\$ 2,214.45	\$ 29,253.99	n/a	\$ 29,253.99	-13%	65%	\$ 2,421,719.27	3.2%	\$ 59.24	3.1x	0.00x	
Jupiter	\$ 6,813.60	\$ 2,616.48	n/a	\$ 2,616.48	-42%	12%	\$ 396,577.97	0.3%	\$ 60.49	9.4x	0.02x	
Thorchain	\$ 555.00	\$ 510.63	n/a	\$ 510.63	-13%	n/a	\$ 62,543.35	0.1%	\$ 3.89	11.9x	0.01x	
DYDX	\$ 806.49	n/a	\$ 1,316.17	\$ 1,316.17	-60%	-38%	\$ 538,581.69	0.1%	\$ 2.35	28.6x	0.00x	
Synthetic	\$ 349.07	n/a	\$ 191.51	\$ 191.51	-37%	-44%	\$ 26,577.32	0.0%	\$ 0.22	130.9x	0.01x	
GMX	\$ 271.23	n/a	\$ 2,584.34	\$ 2,584.34	-46%	3%	\$ 75,816.96	0.3%	\$ 2.29	9.9x	0.00x	
HyperLiquid	\$ 26,240.00	\$ 826.86	\$ 32,298.79	\$ 33,125.65	-28%	17%	\$ 417,446.74	3.6%	\$ 51.41	42.5x	0.06x	
Vetex	\$ 63.73	n/a	\$ 259.73	\$ 259.73	-44%	-40%	\$ 96,051.14	0.0%	\$ 0.20	26.0x	0.00x	
Gains Network	\$ 53.70	n/a	\$ -	\$ -	n/a	n/a	\$ 0.00	0.0%	n/a	n/a	n/a	
Average					-31%	37%						
Total CEX Spot	\$ 211,646.02	\$ 192,406.17	n/a	\$ 192,406.17	-43%	137%	\$ 8,300,628.30	76.9%	n/a	n/a	0.03x	
Total CEX Derivative	\$ 211,646.02	n/a	\$ 614,827.67	\$ 614,827.67	-39%	94%	\$ 29,816,184.66	92.7%	n/a	n/a	0.3x	
Total DEX	\$ 2,349.18	\$ 57,709.53	n/a	\$ 57,709.53	-15%	51%	\$ 776,348.80	23.1%	\$ 168.92	15.6x	0.00x	
Total DDEX	\$ 27,784.22	n/a	\$ 48,317.70	\$ 48,317.70	-31%	10%	\$ 863,356.22	7.3%	\$ 58.46	47.6x	0.03x	
All Exchanges Total	\$ 241,779.41	\$ 249,703.33	\$ 651,478.21	\$ 913,261.07	-38%	4%	\$ 39,756,517.99		\$ 227.37	132.5x	0.0x	

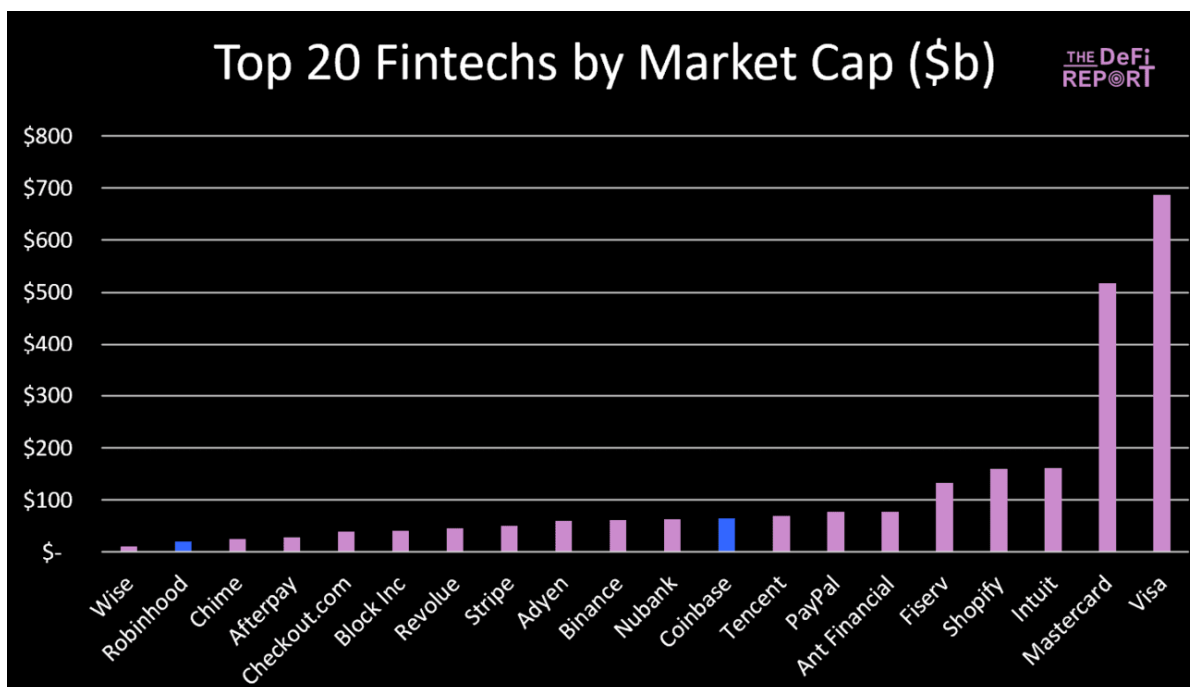
Source: Arca Internal Valuations

This past week just served as a reminder that the waiting game continues in crypto. COIN makes \$6.6 billion in revenue, and the stock trades at 11x sales. HOOD does \$3 bn of revenue, and the stock trades at 18x sales. Neither is growing as fast as DeFi. Meanwhile, these DeFi tokens trade at 1-10x sales and, in many cases, are conducting buybacks of their tokens.

Logic suggests that both growth and value investors flock to this space as rotation traders, given the recent spat of bad news at their centralized counterparts. And the fact that this isn't happening just shows us how early this asset class still is when it comes to fundamental investing.

The road to DeFi is clear as day. The road to liquid digital assets investing is still flashing "detour" signs.

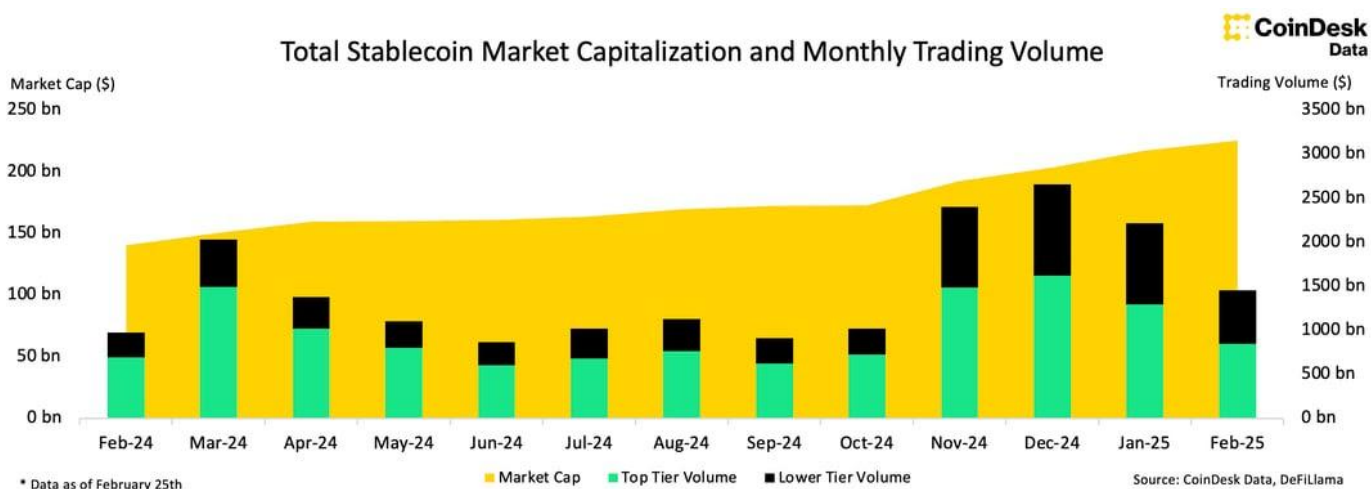
Per Brian Armstrong's comments in the Q4 earnings call, Coinbase is projecting 10% of global GDP to run on public blockchains by 2030 – significantly increasing its addressable market.



Robinhood launched 1 year after Coinbase. They broke into crypto in '20, growing like a weed during the mania of '21 due to their slick UX and young user base. While their user base has dropped since the mania of '21, revenues are up (both TradFi + crypto). In addition to crypto trading, Robinhood has rolled out a wallet (integration with MetaMask)... announced a partnership with Arbitrum with the intent of offering DeFi services such as staking and yield farming... and acquired BitStamp (a global crypto exchange with 4.4 million users).

ROBINHOOD'S CRYPTO BUSINESS			
THE DeFi REPORT			
KPI	Q4-24	Q2-21	Change
Total Revenue (\$M)	1,001.0	565.0	77%
Revenue from Crypto (\$M)	358.0	233.0	54%
% Crypto	36%	41%	-5%
% Users Engaged in Crypto	unknown	60%	n/a
Crypto Trading Volume (\$B)	71.0	unknown	n/a
Monthly Active Users (all users)	14.9	22.5	-34%

CoinDesk Data: In February, the total market capitalization of stablecoins rose 4.02% to \$226 billion, recording a new all-time high for the asset class. This represented the seventeenth consecutive increase in the monthly market capitalization of the stablecoins sector.



CoinDesk Data released “Stablecoins & CBDCs Report – February 2025.” (See key finding below. Download the full report, [here](#).)

- Stablecoin Trading Volumes On Track to Record Lower Total In February: Trading volume for stablecoin pairs on centralized exchanges recorded \$1.45tn in volumes as of the 25th. The trading activity is on trend to record a lower monthly trading volume compared to the \$2.21tn recorded in January. The decline in trading volume coincides with the cautious nature of the market following the inauguration of Donald Trump.
- USDC Trading Dominance on Binance Reaches New Highs: The market share of USDC trading pairs on Binance rose to a new all-time high of 10.5%, trading \$59.4bn. This represents an increase of 3.18% since USDC announced a strategic partnership with the exchange in December – designed to expand the adoption of the stablecoin on the exchange.
- USDC Market Cap Reaches New All-Time High: In February, the market capitalization of Circle’s USDC rose 6.46% to \$56.6bn, recording a new all-time high for the stablecoin. The increase in market capitalization for USDC is aided by strong demand within the on-chain ecosystem - with the number of networks supporting USDC surpassing 100.
- USDe Faces Depeg Following Bybit Hack: On February 21st, the price of Ethena Labs’ USDe momentarily depegged to as low as \$0.9675 following concerns over the stablecoin’s exposure to - Bybit which was hacked for a record \$1.46bn. The market capitalization of USDe fell 0.96% to \$5.88bn in February, recording the first decline in five months.
- Regulatory Compliance Shift Stablecoin Market Dynamics: There are currently 15 MiCA compliant stablecoins, issued by 10 authorized entities. Circle’s USDC and EURC leads the list in terms of market capitalization and trading volumes – with \$148bn and \$160mn volumes, respectively – followed by Societe Generale’s EURCV and Banking Circle’s EURI. This comes as centralized exchanges – including Kraken and Crypto.com – have announced their plans to delist USDT and other non-authorized stablecoins for their European users by March 31st.

CoinDesk Data published “MiCAR: The Institutional Playbook for Europe’s Digital Asset Market.” (See key finding below. Download the full report, [here](#).)

- Annualized EUR-Fiat Trading Activity Surpassed \$300 Billion in 2024, Closing the Gap with USD: EUR-fiat trading volumes surged by 74.3% year-on-year, increasing from €14.38 billion to €25.07 billion per month, surpassing €300 billion in annualized volume. This reflects growing institutional confidence and improved fiat on-ramping. However, despite this surge, the EUR still represents only about 6.66% of global fiat trading volumes, compared to the USD’s 52.7% dominance.
- USDT Dominates EUR Pairs but Faces Delisting Under MiCAR: MiCAR’s restrictions on non-compliant stablecoins are shifting liquidity away from assets like USDT towards regulated alternatives such as USDC, EURC, and EURCV. With EUR-USDT still representing 25.9% of all EUR-fiat trading, the ongoing transition to compliant stablecoins will be a key trend to observe in European markets.
- Regulated Custody Will Drive Institutional Growth in Europe: Custody failures were central to the FTX collapse, highlighting the critical need for secure asset protection in institutional crypto adoption. As institutional participants demand higher security standards, MiCAR-compliant custody solutions have become essential for capital deployment, ensuring compliance, asset protection, and counterparty risk mitigation.
- Institutional Adoption in Europe Faces Cross-Atlantic Competition: Despite Europe’s 135 ETP offerings, institutional inflows remain overshadowed by the US, where Spot Bitcoin ETFs drove a 2207% growth in AUM in 2024, compared to 104% in Europe. This stark contrast shows that while Europe leads in regulatory clarity, capital allocation is flowing to US markets, which benefit from greater liquidity and investor confidence, particularly under a new pro-crypto administration.

The global market for Blockchain Government was valued at US\$22.5 Billion in 2024 and is projected to reach US\$791.5 Billion by 2030, growing at a CAGR of 81% from 2024 to 2030.

