



HYPERION DECIMUS

CRYPTO NEWSLETTER

POWERED BY WEEKLY CRYPTO BRIEF

13th April 2025

BITCOIN-RELATED



NYDIG: Bitcoin fell 2.9% amidst the tariff-induced market volatility. Against that backdrop, stocks, bonds, and oil all fell. The drop in US Treasuries (rise in yields), even as stocks dropped, was one of the more problematic signs of the week, an indication that investors may no longer consider the US the haven it once was. A weaker-than-expected CPI print was of little help to markets, although the receding inflation may give the Fed more room to maneuver with interest rate cuts.

Standard Chartered said it sees Bitcoin as a hedge against tariff risks amid “US isolationism.” And despite the recent market dips, it maintains a bullish long-term outlook on Bitcoin, still projecting it could hit \$500,000 by 2028.

On April 10, Florida’s House Insurance and Banking Committee passed the state’s Bitcoin reserve bill, HB487, with a unanimous vote. The bill has three committees to clear before it progresses to Florida’s House.

New Hampshire’s House passed its Bitcoin reserve bill, HB302, in a 192-179 vote on April 10 which will now head to the Senate. The state is now the fourth to pass a Bitcoin reserve bill through one chamber, joining Arizona, Texas, and Oklahoma.

Block released a new open source toolkit designed to help companies manage their Bitcoin treasury holdings more efficiently. The release includes a corporate Bitcoin holdings dashboard and a BTC-to-USD real-time price quote API, now available for all companies and developers via Block’s public GitHub repository under the Block Open Source initiative.

Strategy reported \$5.91 billion in unrealized losses on its Bitcoin holdings in Q1 2025 due to a sharp market downturn driven by macroeconomic pressures.

A conservative think tank and McDonald’s shareholder National Center for Public Policy urged the company to invest in Bitcoin, arguing it offers better long-term value than real estate, cash or bonds. McDonald’s declined to entertain the proposal.

Cboe announced plans to introduce Cboe FTSE Bitcoin Index futures, which are expected to be trading on April 28, further expanding its Bitcoin derivatives offerings.

Agustin Cruz introduced a Bitcoin Improvement Proposal called the Quantum-Resistant Address Migration Protocol (QRAMP) to shift Bitcoin wallets from their current signature type (ECDSA) to post-quantum cryptography – and aiming to preempt potential vulnerabilities from emerging quantum computing power.

Theya, a Bitcoin self-custody platform backed by Y Combinator, launched Theya for Business, a new solution designed to help companies securely hold, manage, and operate on Bitcoin.

12 of the world's leading human rights and humanitarian organizations announced the formation of the Bitcoin Humanitarian Alliance. The coalition seeks to harness the power of Bitcoin to deliver civil liberties, support dissidents, and provide aid where traditional financial systems fall short.

INDUSTRY ADVANCES



North Carolina lawmakers – led by Representative Neal Jackson filed H.B. 920, the Digital Asset Freedom Act – filed a bill that seeks to authorize the use of crypto (with liquidity and time in the market constraints) for economic transactions, such as tax payments.

A New York lawmaker, Clyde Vanel, introduced legislation (Assembly Bill A7788) that would allow state agencies to accept cryptocurrency payments, signaling growing political momentum for digital asset integration in public services.

Mastercard is teaming up with Kraken to allow European users to pay with Bitcoin at over 150 million merchants worldwide.

Binance teamed up with Worldpay to enable Bitcoin and Ethereum purchases via Apple Pay and Google Pay, expanding fiat on-ramps across 125+ currencies and launching new services in 20 countries.

Coinbase launched SuperPay, a demo app built on its Developer Platform to simplify onchain payments. The app allows for easy USDC purchases, crypto transfers, and invoice management. It is now live on the Base Sepolia testnet.

Cantor initiated coverage of crypto exchange Coinbase with an overweight rating and a \$245 price target.

The market of tokenized assets, including stablecoins, is projected to reach \$18.9 trillion by 2033, according to Ripple and BCG, which highlight tokenization of money markets, private credit, and carbon emissions as use cases offering operational efficiencies.

Janover, a commercial property financing firm, bought over 83,000 SOL worth ~\$9.6 million as part of its new digital asset treasury strategy. A small, publicly traded software company is looking to become the MicroStrategy of Solana. The company intends to change its name to DeFi Development Corporation and revise its ticker symbol.

Solana developers have launched token extensions that enhance onchain privacy by encrypting token balances and transfer amounts while maintaining compliance.

Taurus has launched an interbank digital asset network designed to streamline settlement and collateralization processes by enabling members to pledge funds or assets for instant credit within the network.

The World Food Program USA is now accepting donations in 80+ cryptocurrencies. That includes the likes of Bitcoin, Ethereum, and USDC, but also allows for donations in ApeCoin, BONK, and Dogecoin.

Global crypto exchange KuCoin successfully completed its SOC 2 Type II audit, marking a significant achievement in its commitment to the highest security and compliance standards.

Forgd, a token advisory and optimization platform, announced The Liquidity Transparency Initiative – a suite of free tools that empower blockchain projects to engage reputable market makers and analyze their impact on token liquidity.

Jupiter Mobile launched Portfolio V2, enabling Solana users to track millions of tokens and thousands of dApps, often revealing hidden or forgotten assets. The release involved significant backend work and marked the start of a broader Mobile V2 rollout focused on delivering the best trading, portfolio, onboarding, and accessibility experience in crypto.

Pipe Network, a decentralized infrastructure project from Permissionless Labs, is publicly spotlighting its verifiable access to Solana snapshots through its decentralized CDN in a new case study. According to internal performance benchmarks provided to Lightspeed, usage points to 30% faster node initialization and far lower infrastructure costs.

Cosmos launched a new bridge product, IBC Eureka, that delivers fast and affordable 1-click connections between Ethereum and Cosmos chains.

South Korea's \$836 billion National Pension Service is evaluating blockchain to modernize its accounting infrastructure, reduce fund tampering risk, and improve transparency in managing retirement transactions.

China is turning to blockchain and AI to improve the state of its water management systems. China's water management faces peculiar challenges stemming from rapid urbanization and aging architecture, problems that authorities say are tough to solve. The Harbin Institute of Technology is leading the charge with its AI-powered water management systems. The systems have seen action in key metropolises, including Beijing and Shanghai, supporting real-time automation and seamless monitoring.

Melbourne-based ShareRing was tapped as the first digital identity provider to begin testing its tech for the Australian government's US\$4 million verification technology trials approved late last year to enforce social media restrictions for underage users. The blockchain firm will launch a pilot program with school students in Darwin, testing its self-sovereign identity platform that allows users to safely and securely provide age verification while keeping control of their personal data.

WISeKey International Holding announced that its subsidiary SEALCOIN AG has demonstrated a groundbreaking Proof of Concept integrating IoT devices through satellite communications. The architecture comprises three key components: device-to-device exchange via satellite using SEALCOIN

for value exchange, REST API integration with WISat via FOSSA, and blockchain settlement via SEALCOIN on the Hedera network. Each data set is cryptographically signed at the source device for security.

MINING



The Bitcoin network passed an historic milestone, with multiple trackers reporting its hashrate briefly surpassing 1 Zetahash per second (ZH/s) – 1,000,000,000,000 hashes per second – for the first time.

Arizona state legislature passed HB 2342, a bill that protects individuals who mine Bitcoin or operate blockchain nodes at home from zoning and usage restrictions imposed by cities or counties. The bill cleared the Arizona Senate in a narrow 17–12 vote and now heads to Governor Katie Hobbs for final approval.

Bitcoin miners are rushing to adjust to new tariffs that could increase costs on essential mining equipment. The Trump administration's proposed tariffs have caused panic, but a 90-day pause has temporarily eased concerns. The tariffs are expected to slow US Bitcoin mining growth, potentially shifting hashrate dominance to other countries. Luxor COO Ethan Vera said: “In terms of the scale of geopolitical impact, it’s probably relevant to think about this as being on par with the China ban in 2021.”

Pakistan’s Crypto Council is planning to use surplus electricity to power Bitcoin mining and AI data centers, with site selection based on excess grid capacity and discussions already underway with mining firms.

ETPS (EXCHANGE-TRADED PRODUCTS), FUNDS & INDEXES



The Hong Kong Securities and Futures Commission said it provided regulatory guidance about staking for licensed “virtual asset trading platforms” (VATPs) and for crypto ETFs.

BlackRock added Anchorage Digital as a second custodian alongside Coinbase for its \$45 billion Bitcoin and \$1.8 billion Ethereum ETFs, implementing a dual-custody model with insurance and cold storage coverage.

Calamos launched the following structured protection Bitcoin ETFs in April: Calamos Bitcoin 80 Series Structured Alt Protection ETF – April (CBTA) with an estimated cap range: 47% - 52%... Calamos Bitcoin 90 Series Structured Alt Protection ETF – April (CBXA) with an estimated cap range: 27% - 30%... and Calamos Bitcoin Structured Alt Protection ETF – April (CBOA) with an estimated cap range: 10% - 11%.

Grayscale and Osprey Funds settled their two-year legal fight over Bitcoin ETF marketing practices, pausing litigation for 45 days to finalize terms after a February ruling dismissed Osprey’s claims of deceptive advertising.

The SEC approved options trading on Ethereum ETFs. Filings on April 9 show that the regulator approved trading options for BlackRock's iShares Ethereum Trust, along with the Bitwise Ethereum ETF and Grayscale's Ethereum Trust and Ethereum Mini Trust.

The first XRP-focused ETF in the US began trading on NYSE Arca on April 8. The Teucrium 2x Long Daily XRP ETF, a leveraged product listed under the ticker XXRP, aims to deliver twice the daily performance of XRP futures through derivative instruments. Bloomberg ETF analyst Eric Balchunas commented: "Very odd (maybe a first) that a new asset's first ETF is leveraged. Spot XRP ETFs still not approved, although our odds are pretty high."

21Shares filed to introduce a spot Dogecoin ETF in the US, joining Bitwise and Grayscale. The asset manager has partnered with the House of Doge – the Dogecoin Foundation's corporate arm – to help promote the fund.

Nasdaq filed to list VanEck's Spot Avalanche ETF after VanEck publicly announced its application a few weeks ago.

MarketVector Indexes and Crypto Insights Group are teaming up to deliver institutional digital asset benchmarks.

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

Mantra, an (L1 blockchain built for tokenized RWAs, launched a \$108 million ecosystem fund to accelerate the growth of startups focused on RWA tokenization and DeFi.

Wunder.Social raised \$50 million from Rollman Management to launch a blockchain-verified, bot-free social platform that shares ad revenue with users. It's planning a token offering too.

Restaurant star Ben Leventhal raised another \$50 million for crypto dining app Blackbird. (The serial entrepreneur raised \$11 million for Blackbird back in 2022.)

Meanwhile, a startup offering Bitcoin-based life insurance, raised \$40 million – aiming to scale globally with BTC-denominated annuities that hedge against fiat devaluation.

Node Capital released its first liquid fund to invest in listed tokens, believing bearish market conditions offer attractive entry points for pre-ETF crypto assets. The open-ended fund, which is accepting capital quarterly, targets select investors and focuses on long-term holds of two to five years rather than short-term trading. Its last venture fund raised \$20 million.

Cap, a blockchain startup building a yield-generating stablecoin and lending platform, raised \$11 million in a seed round – led by Franklin Templeton.

Octane raised \$6.7 million from Winklevoss Capital and others to scale its AI code auditor, which scans smart contracts in real-time to prevent exploits.

IPOS, M&A, PARTNERSHIPS & DEALS



USDC issuer Circle is reportedly considering putting off plans to go public, amid the Trump administration's tariff-induced rout that has overwhelmed global markets.

Crypto-focused financial services firm Galaxy Digital aims to debut on the Nasdaq as "GLXY" shortly after a May 9 shareholder vote.

Ripple is acquiring global prime broker Hidden Road for \$1.25 billion, marking one of the crypto industry's largest deals and making Ripple the first crypto firm to own a multi-asset prime brokerage.

NFT marketplace Magic Eden made its first major acquisition by purchasing crypto trading app Slingshot Finance in a bid to rival centralized exchanges.

Apollo made a strategic investment of around seven figures into RWA platform Plume.

Watr, the blockchain infrastructure built for the \$20 trillion global commodities industry, announced a partnership with Avalanche and migration to an Avalanche L1. This strategic move is focused on bringing the world's commodity trade and financing – spanning metals, minerals, food, and fuel – into an onchain environment built for liquidity, scale, and adoption.

BlockFills (a destination for digital asset trading and market technology leveraged by institutions and professional traders) and Fordefi (a self-custody multi-party computation platform built for institutions to securely access DeFi across multiple blockchains) partnered to enable BlockFills to access Fordefi's cryptocurrency wallet infrastructure.

The Canton Network and Flowdesk partnered to advance onchain margining for crypto derivatives.

DEFI



Binance is introducing LDUSD, a new reward-bearing margin asset that allows users to trade crypto futures while still earning passive rewards from locked USDT.

Solana DeFi startup Loopscale, which wants to give blockchain borrow-lend a facelift, launched for more efficient Solana DeFi. Loopscale's distinguishing feature is its order book architecture that executes loans by directly matching lenders and borrowers with fixed rates and terms. This is in contrast to the pool-based model, which allows users to lend into and borrow against different baskets of reserve assets.

CBDcs & STABLECOINS



The SEC clarified that “covered” stablecoins like USDT and USDC are not considered securities, meaning transactions involved in minting and redeeming these tokens do not require SEC registration.

Trump-backed DeFi project World Liberty Financial proposed a live airdrop test of its new USD1 stablecoin to the firm’s early supporters on Ethereum, as part of efforts to showcase the token’s onchain functionality ahead of full deployment.

Tether chief executive Paolo Ardoio told the Financial Times that if the new rules “make [US] domestic stablecoins competitive, there could be an interest from Tether to create a domestic stablecoin in the US,” adding that it would be “basically a settlement currency.”

Sling Money secured a MiCA license from the Dutch financial regulator. It is rolling out Circle's EURC stablecoin for European users to enable seamless, euro-denominated global transfers.

Stablecoin infra project M^0 expanded to Solana, partnering with Kast to launch two Solana-native stablecoins.

NFTS, BLOCKCHAIN GAMING & METAVERSE



NFT marketplace OpenSea urged the SEC to formally declare that NFT marketplaces are not securities brokers or exchanges, arguing that previous enforcement efforts had created uncertainty and stifled innovation in the NFT sector.

A CryptoPunks owner sold their NFT for \$6 million worth of Ethereum, netting a \$10 million loss in the process. CryptoPunk #3100, one of nine Alien Punks in the 10,000-piece collection and the only one with a headband, sold for 4,000 ETH or ~\$6,076,840 at current prices via a private offer on the CryptoPunks marketplace.

Truth Arts – formerly known as Truth Labs, the team behind the 2022 Goblintown Ethereum NFT collection – released NFT “licenses” inspired by driver’s licenses.

Shrapnel will launch in China with support from the country’s RWA Copyright Chain, offering real- world asset tokenization and full legal compliance. It's the first foreign Web3 game to make this leap.

Ethereum-based massively multiplayer online space survival game Eve Frontier will host a 10-day free trial period starting on April 11. Open until April 21, free trial players will get to explore the universe, building and commanding ships and attempting to survive in a game.

Ethereum-based game Aavegotchi is abandoning Polygon for Coinbase’s Base blockchain.

JOB MOVEMENT



Galaxy Digital received SEC approval to relocate from the Cayman Islands to Delaware.

Former Binance CEO Changpeng 'CZ' Zhao was appointed as a strategic advisor to the Pakistan Crypto Council to support crypto education, infrastructure, and adoption efforts in the nation.

The Solana Policy Institute, a newly established lobbying group focused on advocating for the Solana ecosystem in Washington, hired DC lobbyist Colin McLaren to be its engagement director.

Jito Foundation, which oversees ecosystem growth and adoption of Jito protocols under the direction of the Jito DAO, announced the hiring of Thomas Uhm as Chief Commercial Officer.

REGULATIONS, RULINGS & COMMENTARY



President Trump raised tariffs on China to 125% in response to Beijing's trade moves. But he also announced a 90-day pause on tariffs for other nations and temporarily lowered reciprocal tariffs to 10%. Following the announcements on April 9, major cryptocurrencies and US stock indices, including the S&P 500 and Nasdaq, posted gains of ~5-10%. Bitcoin jumped over 5% to exceed \$81,000.

Trump signed a congressional resolution ends the IRS DeFi Broker Rule. (The DeFi Education Fund's executive director Amanda Tuminelli commented: "The DeFi Education Fund commends all members of Congress who supported this resolution, recognizing the importance of protecting software developers and promoting the development of decentralized technologies. President Trump's signature is a critical signal change for the crypto industry: the United States has embraced a sensible, forward-thinking approach to digital assets.")

Acting SEC Chair Mark Uyeda ordered a full review of previous agency crypto guidance, including investor warnings, Howey Test interpretations, and pandemic-era policy statements to align with pro-crypto deregulation goals under Presidential Executive Order 14192.

The SEC advised crypto companies to provide detailed disclosures if their tokens may be considered securities. Their latest guidance emphasizes clarity about business operations and the role of tokens but does not specify which cryptocurrencies are securities.

Trump's pick to lead the SEC, Paul Atkins, was approved by the Senate, which voted 52 to 44. Atkins will now go through the swearing-in ceremony. (Trump's Executive Director Bo Hines congratulated Atkins and said he looks forward to working with the new pro-Bitcoin SEC Chair "to make the United States the crypto capital of the world!")

A bipartisan bill placing the Commerce Department at the center of the country's embrace of blockchain technology advanced out of a key House panel on April 8, putting it on deck for consideration before the full chamber. The Deploying American Blockchains Act of 2025 from Florida Reps. Kat

Cammack and Darren Soto directs the Commerce secretary to advise the president on the deployment and use of blockchain and other distributed ledger technology, as well as applications built on blockchain or other DLT tokens.

The US Department of Justice disbanded the National Cryptocurrency Enforcement Team (NCET) immediately, redirecting focus away from prosecuting exchanges and mixers in line with Trump's deregulatory executive order aimed at loosening federal oversight of digital assets. US lawmakers are intensifying efforts to create comprehensive crypto regulations after the announcement was made. At a House Financial Services Committee hearing, legislators emphasized the urgency of establishing clear digital asset rules, with momentum building behind bills like FIT 21.

New York Attorney General Letitia James urged lawmakers to pass legislation to create a federal regulatory framework for cryptocurrencies, arguing that digital asset investors urgently need stronger protections.

The EU's securities watchdog, the European Securities and Markets Authority (ESMA), warned on April 8 that problems in the crypto industry could pose risks to broader financial stability in future, as the sector grows and as ties between it and traditional financial markets increase.

South Korea's top bank executives urged lawmakers to scrap the one-bank-per-exchange rule, arguing that it restricts user choice and institutional participation as crypto regulations ease and institutional onboarding ramps up.

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

A Nigerian court postponed Binance's \$2 billion tax evasion case to April 30 as the exchange disputes the legitimacy of serving documents by email – arguing it lacks a local office and is registered in the Cayman Islands.

Jack Dorsey's Block agreed to a \$40 million settlement with New York regulators over past compliance failures tied to its Cash App's lax money-laundering safeguards and will now operate under the oversight of an external monitor.

Spanish police arrested six people as part of a two-year operation to cripple a crypto investment scam ring that used artificial intelligence to con 208 people out of over €19 million (\$21.5 million) in total.

A maximal extractable value bot named "Yoink" exploited Wayfinder's PROMPT airdrop on Kaito, stealing \$200,000 in ETH from early claimers by front-running transactions, forcing TokenTable to pause the process and promise full user reimbursements.

A crypto "mining farm" in Gwangju turned out to be a front for money-spinning of a different kind: illegal gambling. South Korean police busted a makeshift gaming room that funneled over \$95,000 (₩140 million) through unlicensed machines under the pretense of mining crypto.

Westpac CEO Anthony Miller apologized to a customer after the bank blocked a \$30,000 transfer to Australian crypto exchange CoinSpot and froze their accounts. The customer had deposited \$50,000 into

his Westpac account earlier this month and attempted to move a portion of the funds to CoinSpot to invest in Bitcoin.

Ripple Labs and the SEC jointly filed a request to suspend their respective appeals as they “pursue a negotiated resolution” of their long-running case.

The SEC dismissed its lawsuit against Nova Labs, the developer of the decentralized wireless network Helium, marking the conclusion of yet another Gary Gensler-era lawsuit.

The US Department of Justice will stop pursuing enforcement action against crypto mixers such as Tornado Cash, even if they are used to launder money, according to a memo issued this week by Deputy Attorney General Todd Blanche entitled “ending regulation by prosecution.”

Crypto lawyer James A. Murphy filed a lawsuit against the US Department of Homeland Security to seek documents that could reveal the identity of Bitcoin’s creator after his FOIA requests went unanswered.

A New York state judge tossed out two of the New York Attorney General's claims against Digital Currency Group and its executives but allowed most of the case to proceed in an April 11 ruling.

Thailand shut the door on unregulated foreign crypto services as it ramps up efforts to tackle online financial crime, backed by sweeping new legal amendments that target everything from mule accounts to rogue P2P platforms.

Argentina’s Congress approved three motions to investigate officials involved in the Libra token scandal, after President Javier Milei promoted the now-collapsed Solana-based memecoin, sparking calls for impeachment and fraud charges.

Bitcoin secure storage firm Casa’s chief security officer, Jameson Lopp, identified 48,000+ suspected Bitcoin address poisoning attempts since 2023, warning that attackers are exploiting low fees to imitate wallet addresses and trick users into misdirecting funds.

Sam Bankman-Fried was transferred to the high-risk Victorville Medium II prison in California, known for gang violence and racial segregation, after serving time in Brooklyn and Oklahoma facilities following his sentencing to 25 years for fraud.

First Digital Trust launched a defamation lawsuit against Tron founder Justin Sun following his public allegations last week that the Hong Kong-based custodian was “effectively insolvent.” FDUSD, First Digital’s stablecoin, temporarily depegged ~10% from its \$1 value on April 3 after Sun made that claim.

Former Ethereum Foundation developer Virgil Griffith was released on parole after serving part of a reduced 56-month sentence for violating US sanctions.

MISCELLANEOUS

With the Pectra fork now scheduled for May 7, Ethereum core developers have begun to shift their focus toward defining the next major upgrade: Fusaka.

A transfer of \$30 million from community funds of the Melania Trump crypto project MELANIA has been flagged by blockchain data firm Bubblemaps, which noted that the funds were “now being quietly sold, with no explanation from the team.”

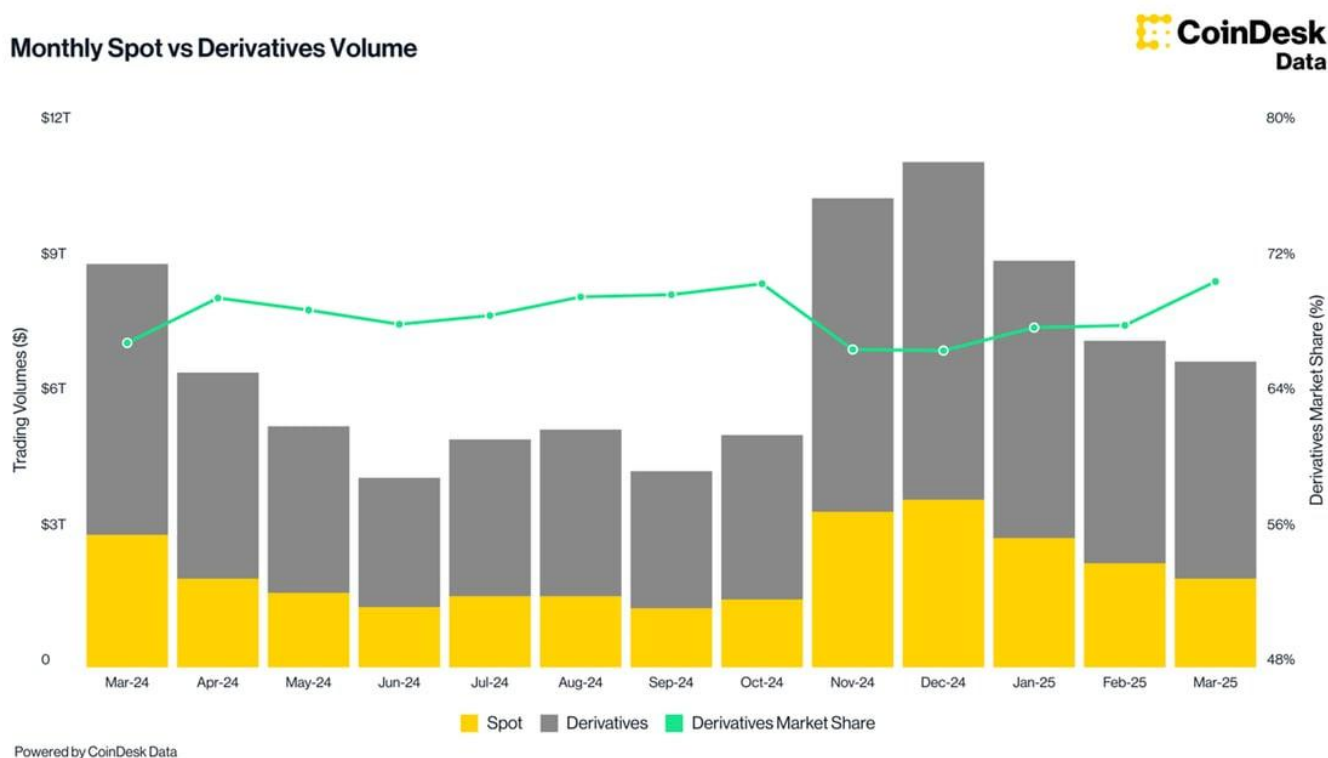
WalletConnect, an onchain connectivity solution that enables externally owned accounts to connect to Web3 applications, will launch its native WCT token on April 15.

Phaver, a once a promising social app with strong traction in the Lens and Farcaster ecosystems, went bankrupt because of a poorly executed token launch, overspending on CEX listings, and a failure to secure operational funding.

A token launched by MMA superstar Conor McGregor and Real World Gaming DAO raised only \$392,000 over its 28-hour presale period, failing to hit the \$1,008,000 minimum raise to launch.

CHARTS, TABLES, QUOTES, COMMENTARY & OTHER IMAGES

CoinDesk: Trading activity softened in March as market uncertainty grew amid escalating tariff tensions between the US and global trading partners. Centralized exchanges recorded their lowest combined trading volume since October, declining 6.24% to \$6.79tn. This marked the third consecutive monthly decline across both market segments, with spot trading volume falling 14.1% to \$1.98tn and derivatives trading slipping 2.56% to \$4.81tn.



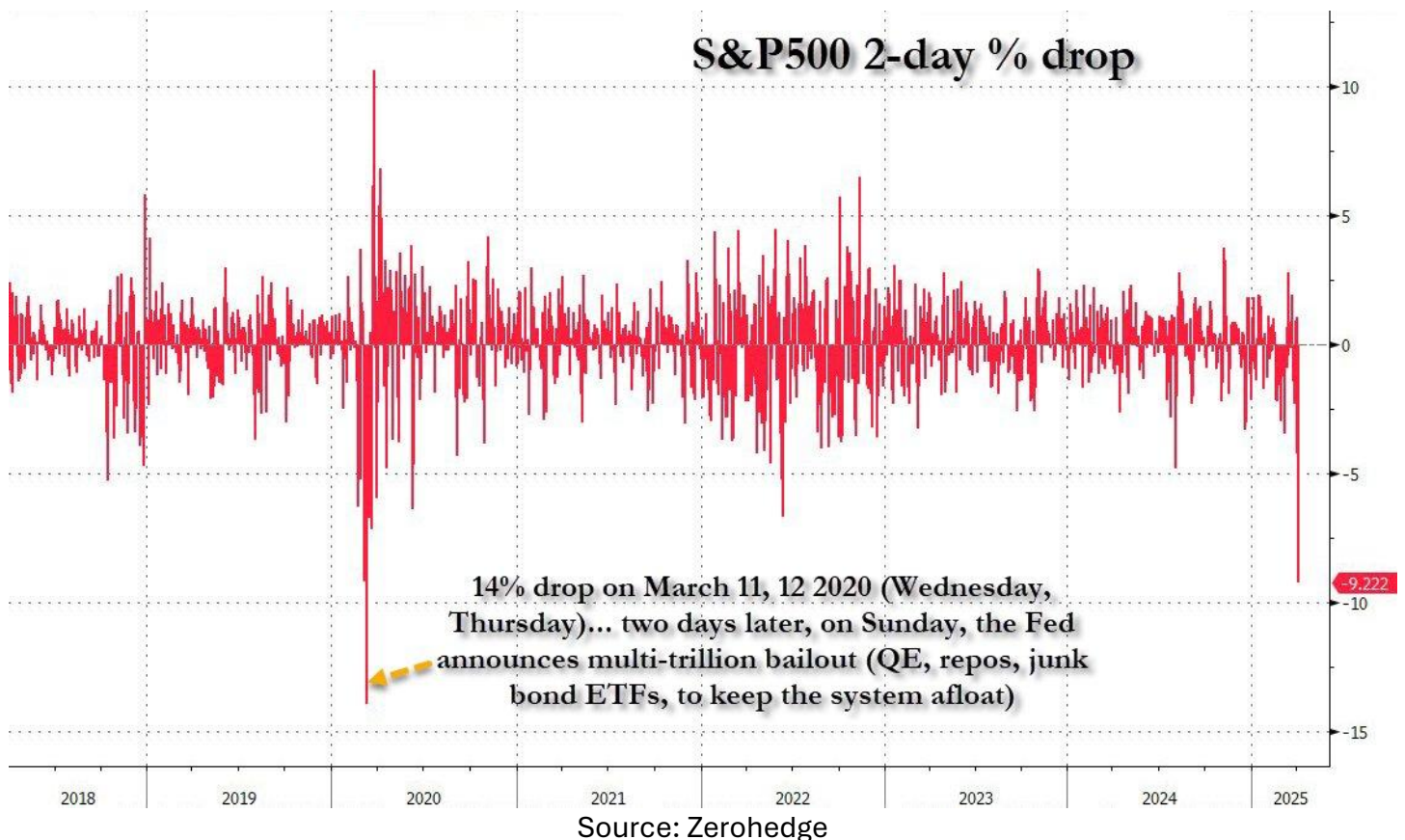
ARK Invest released “The Bitcoin Monthly: March Report.” (View the 22-page report, [here](#).)



Arca: Bitcoin's Relative, Short-Lived Outperformance...

Is Bitcoin Acting Rationally?

The S&P 500 fell 9% for the week and capped the worst two-day plunge since March 2020. The move in equities has shed about \$6 trillion in value so far from equity investors, with losses now 2.5x the size of the entire digital assets market (plus another ugly Sunday night futures session indicating a lower open as I write this). The last time the market dropped 9.5% in two days, the Fed unleashed a multi-trillion bailout of the economy, including \$500 billion in QE, \$1 trillion in daily repo, and tens of billions in junk bond ETF purchases. The VIX spiked nearly 40% higher Thursday and ended the week at 45.3, among the highest weekly closes in history. These moves in the VIX and the S&P are historically great buying opportunities, but prognosticators are focused on what's happening today, and today, things look bleak. Just about every major bank, which all had new ATH price targets for equities at the start of the year, has lowered their targets. Goldman Sachs, for example, cut its S&P 500 target for a second time this month. Strategist David Kostin expects the index to end the year around 5,700, making his forecast among the lowest on Wall Street, with trading specialist Richard Privorotsky stating, "We simply were not taking this [tariff] threat seriously because it seemed somewhat illogical to attempt to inflict this amount of economic harm on your own economy". Needless to say, there is blood in the streets.



The big story (or really only story) in digital assets was how well Bitcoin performed, relatively. According to Coinbase, the events of last week triggered a 4.6 standard deviation down move in the S&P 500 relative to its 65-business day average, but only a 1.4 standard deviation move in Bitcoin.



Joe Weisenthal ✓
@TheStalwart



Perhaps something to watch. In the last few days, Bitcoin hasn't been looking like a tech stock

Source: Bloomberg / Twitter (X)

There are many plausible reasons for this stark outperformance by Bitcoin:

1. Digital assets have already absorbed much of the pullback in risk appetite over the last two months, and expectations of return distributions in crypto have started to shift more positively.
2. A large buyer like Michael Saylor, or Gamestop, is in the market buying, artificially inflating the price in the short-term.
3. The drag on stock prices reflects the tariffs' direct impact on corporate earnings, particularly for companies reliant on global supply chains, and none of this affects digital asset protocols.
4. No investors actually care about crypto when the assets that 99% of investors own (stocks/bonds/RE) get crushed. Weeks like last week remind crypto investors how little this asset class makes up of total wealth. A -10% equity market drop is much more impactful to most investors' portfolios than a -50% move in Bitcoin.
5. Bitcoin is finally getting credit for being part of the solution to needless government and bank debacles.
6. It is pointless even to write because BTC will retrace next week and catch up to the carnage elsewhere.

While #1 is probably at least partially true, and #2 is likely to be untrue, the rest are a little more subjective. We've been arguing that #3 is true for years, but I don't believe most investors think this way. Longer-term, recessions and tariffs logically have no impact on the crypto market, but that's fairly irrelevant when the market is in fear mode.

So let's start with #4. It's no secret that crypto has become more sensitive to macro factors, and last week's outperformance was a bit shocking. I really don't believe that crypto investors are all of a sudden the smartest macro investors on the planet, considering most didn't even know what jobless claims and PPI were prior to 2022. So it is far-fetched to believe that crypto markets front-ran this move lower a few months ago based entirely on the expectations of tariff wars and recession fears. And I definitely don't believe the equity/macro world is watching crypto for a sign of what to do next, so it is equally unlikely that crypto investors are setting the tone for the global markets. I do, however, believe that Bitcoin is now a much bigger vehicle for big macro funds to push around. This would explain why we get zero color from any crypto OTC desks (because they don't have any anymore), and why crypto is all of a sudden a reliable leading indicator (like moving 5-15% lower Sunday morning long before equity futures opened later that evening). So while most investors largely ignore BTC, there are a handful of large TradFi funds that realize

they can dominate BTC trading in a way that no one has ever attempted before, causing a lot of volatility, but not necessarily consistent volatility. For example, last week, when equities and bonds were blowing up, their attention rightfully shifted away from crypto until the TradFi markets closed over the weekend, and crypto was once again the only game in town.

As per #5, I've written this 100x, but it bears repeating once again. Bitcoin is NOT, and never has been, a market hedge. It is a hedge for the lack of trust in local governments and banks. This market selloff is largely due to a loss of trust in global governments, sparked by US President Trump, and made worse by retaliation responses from other governments. We wrote this the following 8 months ago, and it is still true:

"I know I've written this same thing for five years, but I guess I must write it again. Bitcoin goes up when people lose trust in their local governments or banks, not when markets tank on other risk factors. Bitcoin rose during the March 2023 regional banking crisis, the Canadian trucking standoff, the Cypress banking crisis, the 2019 Chinese tariffs, and every time Argentina or Turkey currencies debase. There is a common theme here – Bitcoin rises like a credit default swap when the risk of governments or banks increases.

But Bitcoin never goes up when there is a market dislocation or geopolitical risk. Bitcoin will not protect your portfolio in a good old-fashioned fear trade.

And I would argue that being a hedge to local banks and governments stealing or harming your assets is a much better story than trying to pretend Bitcoin will protect your portfolio during a market crash.

Many are confused about what a "safe-haven" really is. A safe-haven investment is not an asset that never goes down; a safe-haven is an investment that is expected to retain or increase in value during times of market turbulence. More literally, "safe haven" is defined as "a place of refuge or security". US Treasuries lose substantial value when rates rise, but few argue that US Treasuries aren't a safe haven. Similarly, protecting your assets against macro factors and corrupt, overleveraged governments is a form of safe haven as well.

If you define what we're fleeing, Bitcoin is a flight to quality assets. But as a market hedge, it will not protect your portfolio from market dislocations."

So even though BTC will still get pushed around in after-hours trading sessions, and #6 is definitely still in play, the real long-term value proposition of BTC may be starting to play out.

Matt Hougan's (Bitwise) Weekly CIO Memo: "The Fallout From Trump's Tariff Push – The Trump Administration Wants a Weaker Dollar, Even if It Means Ending Its Role as the World's Reserve Currency. There Are Implications for Bitcoin."

It's hard to be an investor at times like this. The market is volatile and the news flow is constant.

Are the Trump tariffs a negotiating ploy or a permanent feature? Will we get a 90-day pause or not?

Financial media is full of market experts with bold takes. Scrolling through X, you might have seen a range of reactions from AQR's Cliff Asness ("tariffs are terrible"), Pershing Square's Bill Ackman ("tariffs

are okay, but these are poorly designed”), or Professional Capital’s Anthony Pompliano (“tariffs can be great”).

It’s hard to know what to believe.

My strategy for dealing with confusing markets is to narrow my focus. Instead of speculating about all the things that might happen, I try to focus on the few things I’m confident will happen.

So, when it comes to the tariff push, the thing I’m most certain of is this: The Trump administration wants a significantly weaker dollar, even if it means sacrificing the dollar’s role as the world’s sole reserve currency.

This has big implications for Bitcoin.

The Most Important Thing You’ll Read Today

The most important thing I read on Monday was this speech by Steve Miran, chairman of the White House’s Council of Economic Advisers. The speech was published by the White House on Monday, just as the tariff tantrum came to a head. I don’t think that was by accident.

I want to quote extensively from the speech because I think it’s that important:

The reserve function of the dollar has caused persistent currency distortions and contributed, along with other countries’ unfair barriers to trade, to unsustainable trade deficits. These trade deficits have decimated our manufacturing sector and many working-class families and their communities, to facilitate non-Americans trading with each other. ...

... While it is true that demand for dollars has kept our borrowing rates low, it has also kept currency markets distorted. This process has placed undue burdens on our firms and workers, making their products and labor uncompetitive on the global stage, and forcing a decline of our manufacturing workforce by over a third since its peak and a reduction in our share of world manufacturing production of 40%.

The underlying message is clear: The dollar needs to go lower.

What Does This Mean for Bitcoin?

This insight has both short- and long-term implications for Bitcoin.

In the short term, I expect dollar weakness to be good for Bitcoin. Over the past five years, Bitcoin has had a -0.4 to -0.8 correlation to the US Dollar Index (DXY), a measure that compares the value of the US dollar to a basket of six major currencies. Dollar down equals Bitcoin up. I expect this pattern will continue.

In the long term, the implications are even more positive. A shake-up in the global macro system creates an opportunity for new reserve assets to emerge. And that makes sense: Governments and companies turn to the dollar for international trade precisely because of its stability. When that stability comes into question, they have to look elsewhere.

Continued on next page.

My sense is that we will move from a single reserve currency (the dollar) to a more fractured reserve system, with hard money like Bitcoin and gold playing a bigger role than it does today. In this context, the case for Bitcoin is simple: When international dynamics are fraught and global currencies are in flux, where else can investors go for a scarce, global, digital store of value that sits outside the control of any government or entity?

As the old saying goes, “chaos is a ladder.”

In December, Bitwise predicted that Bitcoin would end the year at \$200,000. I still think that’s in play.

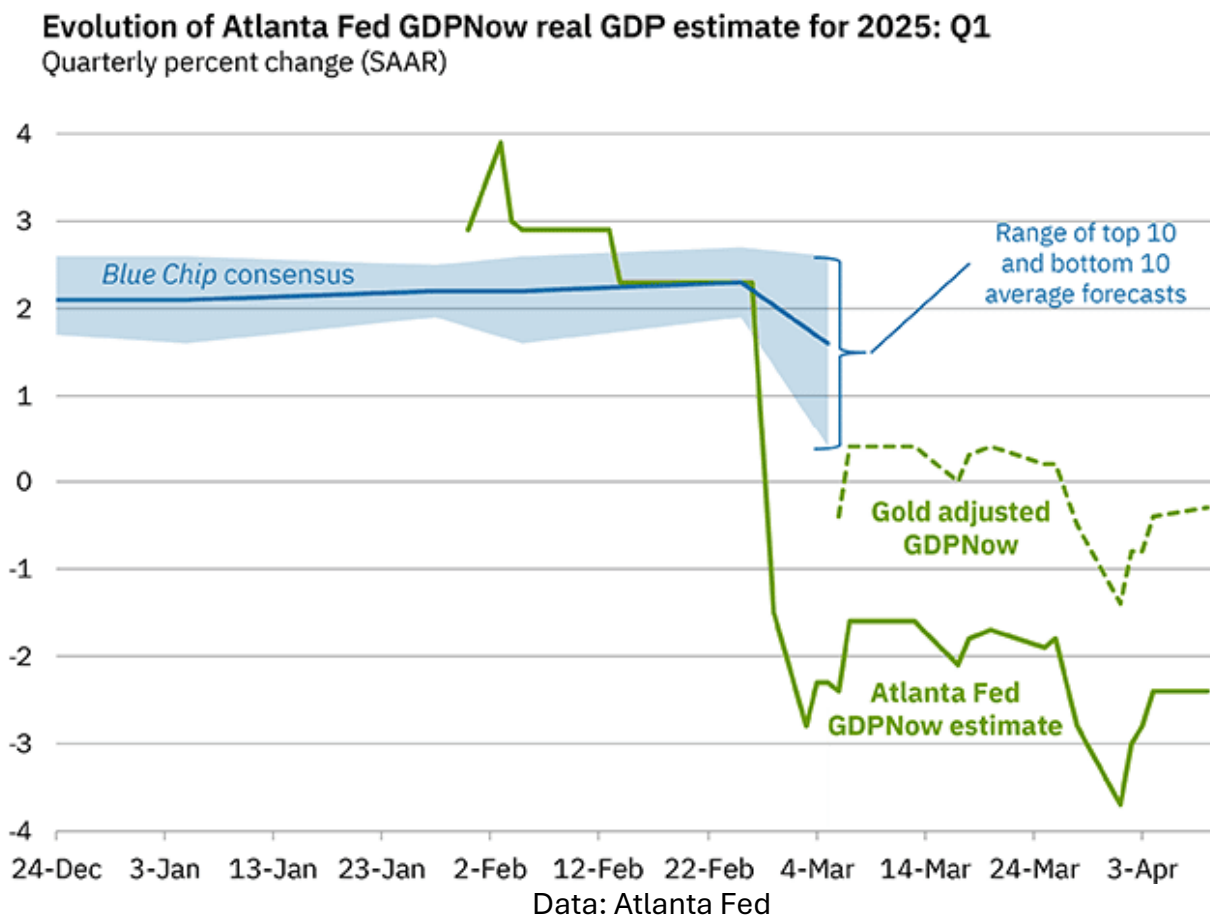
The DeFi Report analyzed the setup for Bitcoin & risk assets...

The setup for Bitcoin is beginning to improve as we look out on the horizon. We recently deployed about 15% of our dry powder into BTC (\$77k entry) and a small bag of TIA (\$2.34 entry) as long-term holds.

What’s making us more bullish despite the swirling uncertainty?

Given the volatility in the markets, we think the timeline for better liquidity conditions is moving closer:

- Inflation is at 1.4% (per Truflation)
- Growth is slowing. We think tariffs will accelerate this. Meanwhile, the Atlanta Fed is anticipating a 2.4% contraction in GDP in Q1.



- The probabilities of a recession are quite high (we think greater than 50%). Based on the Atlanta Fed projections, we may already be in a recession.
- The Treasury needs to refinance \$2.5 trillion of debt and issue another \$2 trillion (to pay for the deficit) by year-end, with even more coming in '26
- The dollar has dropped significantly (down to 100)

Furthermore, China has begun stimulating. We think more is to come. As the yuan comes under pressure, capital will flee China, and we think BTC will get a bid (as it did when China devalued the yuan in 2015, and during the trade war escalation in 2019).

With that said, we're still leaning cautious given the volatility, lack of resolution/certainty on tariffs & China, and Bitcoin's recent tight correlations with equities.

In terms of momentum indicators, Bitcoin's 50-day moving average dipped below its 200-day moving average this week ("death cross") as it currently trades below the all-important 200-day moving average. We are now watching the prior all-time high level. If it breaks (\$70k), this would be further confirmation for a more drawn-out bear market. Hence the caution. As this plays out, we are also beginning to see signs of seller exhaustion. We're keeping an eye on this.

Below, we can observe how BTC has performed in the past after the "death cross."

BTC RETURNS POST "DEATH CROSS"

THE DeFi
REPORT

Date of Death Cross	1-week (%)	2-week (%)	1-month (%)	3-month (%)	6-month (%)	12-month (%)
3/24/2014	-21.65	-18.53	-14.15	6.34	-27.5	-56.54
9/9/2014	-1.71	-8	-24.01	-23.14	-42.2	-50.01
9/14/2015	-1.57	3.91	9.74	89.08	78.51	164.72
3/30/2018	-3.35	15.08	37.37	-14.16	-5.63	-40.01
10/26/2019	0.76	-4.62	-22.91	-8.57	-18.87	41.18
3/25/2020	-0.6	10.22	12.35	44.1	55.97	668.42
6/19/2021	-9.21	-2.17	-13.17	33.14	34.11	-42.06
1/14/2022	-15.32	-12.37	-2.35	-7.28	-52.99	-51.34
9/12/2023	5.32	1.49	3.59	59.69	166.95	121.95
8/10/2024	-2.38	5.3	-6.37	25.58	58.49	n/a

Data: The DeFi Report

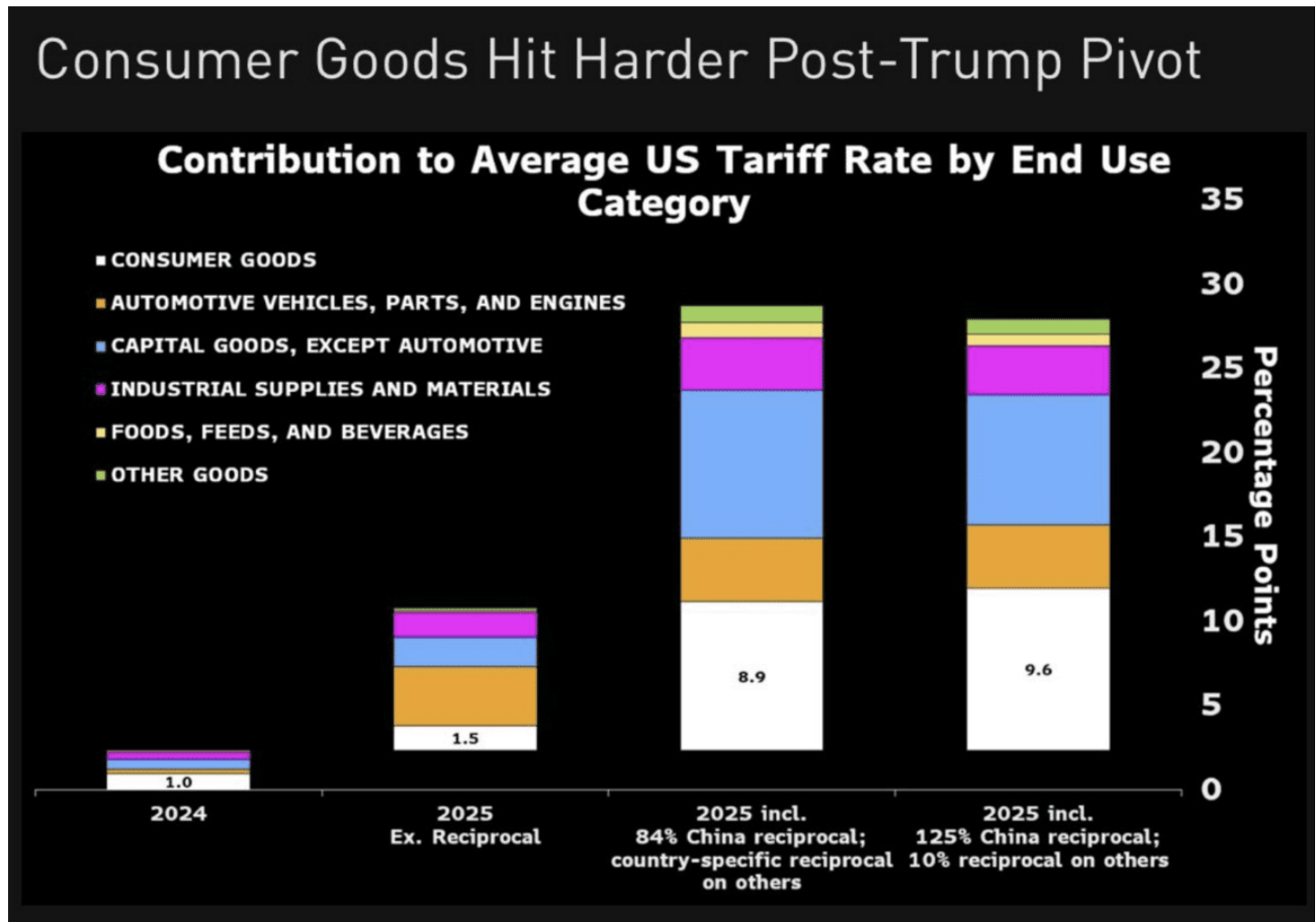
It's also important to consider that the Fed may be boxed in a bit here. Bond yields have been rising again. If the Fed starts easing, the long end of the yield curve may not like that (as we saw last September). Bitcoin should do well in this more stagflationary environment. The challenge is that equities may not (as well as alts). Given correlations to the Nasdaq and other risk assets, this could present a headwind for BTC in the near term.

We think it's prudent to keep the big picture in mind. We believe that we're in the early innings of a once-in-a-century event (in terms of the potential domino effects). If we're right, a resolution will take some time. That's why we want to keep plenty of powder dry. Of course, we have to balance these views against the fact that the narrative can change fast if 1) China comes to the table, 2) Trump backs off, 3) the courts step in to block tariffs or mitigate them. We just think the probability points to further tension and uncertainty in the near term.

We believe the real game being played is an attempt to lock Chinese goods out of many key markets globally. It's still very unclear if the strategy will work. Our base case is that China views Trump's actions as adversarial, rather than someone looking to negotiate. We anticipate further escalations as a result.

Trump's aggressive style works well in many settings. However, it may be a critical flaw in this one. Why? He cannot bully the bond market. The more he ratchets up pressure on China, the more pushback he gets from the long end of the curve.

Despite the 90-day pause, the markets still have no long-term resolution. Furthermore, given the 145% tariff imposed on China, the revised tariff mix (with 10% on others) is actually worse for consumers than what was rolled out on April 2nd (due to the volume of imports from China).



Source: Anna Wong, Bloomberg Economics

If tension with China escalates and economic conditions continue to deteriorate, we expect market prices to drop further and the Fed to step in with QE (or signal as such). This would be the key catalyst to aggressively move back into risk assets such as BTC.

Grayscale Research published “Market Byte: Tariffs, Stagflation, and Bitcoin.” (See highlights below. Read the full piece, [here](#).)

- Bitcoin’s price has declined since the White House announced new reciprocal tariffs, but we expect that tariffs and trade tensions will ultimately be positive for Bitcoin adoption over the medium term.
- First, higher tariffs contribute to stagflation, which tends to be negative for traditional asset returns and positive for scarce commodities like gold. Bitcoin was not around for past stagflations but can be considered a scarce digital commodity and is increasingly viewed as a modern store of value. Second, trade tensions may put pressure on reserve demand for the US Dollar, opening space for competing assets, including other fiat currencies, gold, and Bitcoin.
- Although near-term policy uncertainty is very high, in our view long-term oriented investors should position portfolios for sustained Dollar weakness and generally above-target inflation – consistent with how periods of severe US trade frictions have been resolved in the past.
- Bitcoin would likely benefit from this macro backdrop, in our view, and this may be why it has outperformed equity markets (on a risk-adjusted basis) through the recent drawdown. Moreover, like gold in the 1970s, Bitcoin today has a rapidly improving market structure, supported by US government policy changes, that may help broaden the Bitcoin investor base.

Blockware Intelligence: Impact of Tariffs on the Bitcoin Mining Industry...

The 54% net-tariff on Chinese imports is already causing ripple effects throughout the Bitcoin mining industry. Should this tariff hold, we expect the following second order effects:

- Higher ASIC Prices
- Higher Premium For US-Located ASICs (especially those with low-cost power hosting services)
- Slowing Mining Difficulty Growth

The duopoly of Chinese ASIC manufacturers Bitmain and MicroBT will almost certainly result in the import tax being passed onto the consumers (US-based miners). , Consequently, prices are rising even for machines ~already located in the United States.~ In fact, US-based machines already carry a price premium (less time between purchase and hashing), and tariffs are going to cause this premium to expand.

Moreover, tariffs are likely to cause a slowdown in ASIC orders from the manufacturers – which in turn will lead to a slowdown in the growth of the Bitcoin network hashrate/mining difficulty.

Conclusion from Coin Metrics’ “State of The Network” weekly report from 4/8/25. (Read the full report, [here](#).)

As Ethereum’s modular roadmap unfolds, its relationship with Layer-2s will remain central to both network scalability and ETH’s long-term value. While short-term growing pains are evident, the groundwork is being laid for a more sustainable and scalable economic model. As Ethereum positions for broad adoption, it must contend with balancing the complexity of ongoing protocol upgrades, while

scaling the ecosystem and restoring value accrual. With over \$230B in stablecoins and a growing share of tokenized assets, Ethereum remains well-positioned to capitalize on renewed demand and real-world adoption.

Summary and conclusions from Glassnode’s “The Week On-Chain” from 4/9/25. (Read the full report, [here](#).)

Pressure across global financial markets continues to escalate, driven by mounting uncertainty around the US tariff regime. This weakness has permeated nearly all asset classes, as evidenced by a significant drawdown across all major macro indices.

Digital asset markets have been no exception, experiencing a broad contraction across all market sub-sectors. Bitcoin has traded as far down as \$75k, marking one of the deepest drawdowns since the start of the bull cycle in January 2023. Ethereum has been hit even harder, and many longer-tail digital assets are now deep into bearish market trends.

Using a set of both on-chain and technical price models, the \$65k to \$71k region emerges as a key area of interest for the bulls to re-establish long-term support. If Bitcoin prices fall below this, it is likely sentiment will take a large hit, as a super-majority of active investors will be underwater on their holdings.

Blockworks updated key metrics...

Total Crypto Market Cap	\$2.77 T
Bitcoin Market Cap	\$1.67 T
Ethereum Market Cap	\$193.57 B
ETH/BTC Ratio	0.02
Ethereum Gas Price	0.45 gwei
DeFi TVL	\$158.71 B
Fear and Greed Index	45 (Fear)

The largest-ever study of crypto holders in the US finds 21% of adults use digital assets. (In partnership with Harris Poll, 10,000 American crypto holders were surveyed.)

The National Cryptocurrency Association (NCA), a non-profit organization dedicated to helping Americans better understand crypto, released a new report based on the largest study ever conducted of crypto holders in the US.

The 2025 State of the Crypto Holders Report found that 55 million US adults are using crypto, and 76% of them say it has a positive impact on their lives.

The results prove crypto doesn't have a type. While ownership generally skews younger with 67% of crypto owners under the age of 45, 15% are over the age of 55. Further, crypto isn't just for the "bros" - almost a third (31%) of holders are women. Surprisingly, crypto holders are more likely to work in construction (12%) compared to financial services (7%). While nearly half make more than \$150,000 (42%), many do not belong to higher income brackets: 26% of crypto-owning households earn less than \$75,000 a year, and 40% of crypto users hold less than \$5,000 in digital assets.

Trust in crypto amongst current holders is high, with 76% trusting crypto as much or more than traditional banking institutions. Nearly two-thirds (64%) are supportive of government regulation of crypto but also caution about regulation potentially threatening innovation (67%). Many also want to see the United States become a global leader in the field (73%).

Other key findings include:

- Crypto provides benefits beyond finance, with holders highlighting opportunities such as learning and personal growth (45%), fun and excitement of being part of a new and innovative field (45%), and sense of achievement from investment gains (44%).
- More than half (56%) first acquired cryptocurrency between 2020 and 2025, mostly for investment purposes (60%) but also largely due to curiosity about the technology (50%) and recommendation from family and friends (36%).
- Crypto owners crave information about the industry, with most interested in learning more about crypto (81%) and many (40%) watching, listening to, or reading news about crypto daily. They seek information on investment strategies but also want to know more about legal and regulatory topics, security measures, blockchain technology, and tax implications.
- A significant number of crypto owners (39%) use it to purchase goods and services, and of these, almost all (96%) do so at least once a year - while some (9%) pay with crypto daily.
- Many are also using crypto to participate in decentralized online gaming (20%), buy, sell and trade NFTs (32%), acquire and trade digital collectibles or art (21%), buy and sell artwork (17%), and purchase property and real estate (15%).

CoinDesk Data released its "Exchange Review – March 2025." (See key findings below. Download the full report, [here](#).)

- Trading Volumes Decline for Third Consecutive Month: Combined spot and derivatives trading volume on centralized exchanges fell by 6.24% to \$6.79tn in March 2025, reaching the lowest level since October. Both spot and derivatives markets recorded their third consecutive monthly decline, falling 14.1% and 2.56% to \$1.98tn and \$4.81tn respectively.
- Institutional Crypto Trading Volume on CME Falls 23.5%: In March, total derivatives trading volume on the CME exchange fell by 23.5% to \$175bn, the lowest monthly volume since October 2024. CME's market share among derivatives exchanges dropped from 4.63% to 3.64%, suggesting declining institutional interest amid current macroeconomic conditions.

- Bybit, Crypto.com Spot Market Share Slides in March: Spot trading volume on Bybit fell by 52.1% to \$81.1bn in March, coinciding with decreased trading activity following the hack of the exchange's cold wallets in February. Bybit's spot market share dropped from 7.35% to 4.10%, its lowest since July 2023. Crypto.com also experienced a significant market share decline in March, with the exchange's monthly volumes falling 46.7% to \$99.1bn, their lowest level since August 2024.
- Binance Maintains Trading Dominance: Binance continues to be the dominant exchange among spot markets with a market share of 28.6%. Coinbase and Crypto.com followed with a market share of 5.13% and 5.01% respectively. MEXC Global and OKX complete the top 5 spot exchanges with market share of 4.87% and 4.83% respectively.
- Derivatives Market Share Climbs While Open Interest Contracts: The derivatives market share rose from 68.2% to 70.8% in March, reaching the highest level since December 2023 and reflecting a shift toward hedging strategies amid market uncertainty. Simultaneously, open interest on centralized derivatives exchanges fell 6.00% to \$81.9bn, with Binance (24.0%), CME (18.7%), and Bybit (15.4%) holding the largest shares of open positions.

Coinstack: Stablecoin growth continues to accelerate – \$214B fiat-backed stablecoins in circulation in March, the most ever... 19 consecutive months of growth... And average total supply has increased 11% YTD and 40% since April 2024.

