



HYPERION DECIMUS

CRYPTO NEWSLETTER

POWERED BY WEEKLY CRYPTO BRIEF

10th August 2025

BITCOIN-RELATED



NYDIG: Bitcoin closed the week roughly unchanged, capping off a period of significant volatility.

The turbulence began after the FOMC opted to hold interest rates steady, sparking choppy trading. As concerns over the unfolding tariff deals grew, Bitcoin began to slide in tandem with broader risk assets. Then, a weaker-than-expected jobs report intensified market jitters, pushing both stocks and Bitcoin lower. At one point, Bitcoin briefly dipped to \$112,000, before staging a recovery to end the week above \$117,000.

Eric Balchunas, Bloomberg Senior ETF analyst, said: “The 90-day rolling vol is below 40 for the first time – it was over 60 when the ETFs launched. Since BlackRock filing Bitcoin is up like 250% with much less volatility and no vomit-inducing drawdowns.”

Brazil’s House of Representatives will hold a hearing on August 20 to discuss a bill proposing the creation of a national Bitcoin reserve in the country. At least six institutions are slated to participate, including the Central Bank of Brazil, the Ministry of Finance, a crypto advocacy association and representatives from fintech companies and the banking sector.

Indonesia is considering mining and holding Bitcoin as a national reserve asset, after a local advocacy group pitched the idea to the Vice President’s office.

Strategy made its third-largest Bitcoin purchase ever, acquiring \$2.46 billion in BTC between July 28 and August 3. Strategy funded this purchase through a combination of common stock and preferred stock, including the latest addition of STRC.

Coinbase plans to raise \$2.6 billion through a private offering of convertible senior notes split between 2029 and 2032 maturities. Management intends to use part of the proceeds to fund the capped calls, with the remainder for general corporate purposes, including debt repurchases, investments, and expanding its crypto treasury. (It recently disclosed buying \$222 million BTC in Q2.)

Galaxy Digital added over 4,200 BTC in Q2, helping the company return to profitability (posting a \$31 million profit) after a \$295 million loss in Q1.

Jack Dorsey's fintech giant Block reported that it added 108 BTC during the quarter, bringing its holdings to 8,692 BTC (\$1 billion).

Nakamoto, a new Bitcoin treasury company led by Donald Trump whisperer and Bitcoin Magazine publisher David Bailey, is set to buy almost \$1 billion worth of Bitcoin when it completes a blank-check merger that will see it listed on the Nasdaq exchange.

The Winklevoss twins invested Bitcoin into American Bitcoin Corp., a mining firm backed by Eric and Donald Trump Jr., which plans to go public next month via a merger.

Metaplanet bought 463 Bitcoin for 8 billion Japanese yen (\$53.7 million) on August 4. This brought Metaplanet's Bitcoin holdings to 17,595 BTC, worth over \$2 billion.

The Smarter Web Company, a publicly traded UK-based company holding Bitcoin on its balance sheet, raised \$21 million through a Bitcoin-denominated bond offering.

London-listed tech firm Satsuma Technology locked in \$217.6 million in gross proceeds from its second convertible loan note round, with ~\$125 million settled in Bitcoin, to boost its Bitcoin treasury strategy. The raise overshot its minimum \$129 million target by more than 63%.

BitBridge Capital Strategies will begin trading under the ticker symbol BTTL by the end of Q3, with plans to uplist to the Nasdaq thereafter as a pure-play Bitcoin treasury firm. The company also plans to launch Bitcoin Respect Loan, a lending product designed to disrupt crypto lending with borrower-friendly terms that treat Bitcoin as collateral.

Mogo, a digital wealth and payments company, initiated a process to obtain full crypto regulatory approval in Canada. The company is positioning to become the first publicly traded company in Canada to offer both equity and crypto trading and has a board-approved \$50 million Bitcoin treasury authorization.

Binance opened Bitcoin options writing to all users, responding to increased retail demand for advanced trading tools.

Nasdaq-listed Acacia Research has announced a new partnership with Unchained and Build Asset Management, focusing on a Bitcoin-backed commercial loan strategy designed to offer attractive, risk-adjusted returns, while expanding Acacia's exposure to the Bitcoin ecosystem.

Brit James Howells may have ended efforts to excavate a hard drive with access to 8,000 BTC accidentally dumped in a Newport landfill 12 years ago, but he has a new plan. He wants to tokenize his legal ownership of the 8,000 BTC, citing a High Court ruling confirming his digital rights to the over \$900 million stash. Howells aims to launch a new Bitcoin L2 "smart token" called Ceiniog Coin (INI), intended to represent the lost Bitcoin that backs it.

A new nonprofit, the Tennessee Bitcoin Alliance, formed to accelerate Bitcoin adoption in Tennessee through coordinated public-education programs and a focused legislative agenda. Its stated mission is to integrate Bitcoin with commercial activity in the state.

INDUSTRY ADVANCES

Tom Lee's BitMine Immersion Technologies added another 208,137 Ether to its crypto treasury over the last week, pushing the value of its holdings to over \$3 billion.

Nasdaq-listed SharpLink Gaming purchased \$264.5 million worth of Ethereum last week, increasing its holdings to 521,939 ETH valued at nearly \$1.9 billion. The company also raised \$200 million in a direct offering to grow its ETH treasury to over \$2 billion.

Cosmos Health, a healthcare group with a public market cap of \$29 million, announced it was joining the ranks of Ethereum treasury companies. The firm has secured "\$300 million in senior secured convertible promissory notes" to jumpstart its new strategy.

MEI Pharma, a Nasdaq-listed company, bought \$100 million of Litecoin as a treasury asset.

Social commerce company Verb Technology announced a \$558 million PIPE deal. The company said it plans to rebrand as TON Strategy Co., becoming the first publicly traded treasury reserve vehicle for Toncoin, the native token of Telegram's blockchain ecosystem.

Nasdaq-listed Hyperion (HYPED) became the first public company to farm Kinetiq's K-Points on Hyperliquid, via iHYPE, a liquid staking derivative.

Nasdaq-listed Fundamental Global filed to offer up to \$5 billion in securities, with most of the proceeds earmarked for buying ETH.

Cardano's core development team, Input Output Global (IOG), secured approval for a \$71 million treasury allocation to fund 12 months of network upgrades following a drawn-out governance vote that drew concerns around transparency, accountability, and cost.

Chainlink launched a strategic LINK reserve funded by both onchain service revenue and offchain enterprise payments, designed to support the long-term growth of the decentralized oracle network. The Chainlink Reserve has begun by accumulating over \$1 million worth of LINK as part of this initial launch phase, a haul it intends to grow over the coming months.

Trading and investing platform eToro announced plans to launch tokenized US stocks as ERC-20 tokens on the Ethereum blockchain. The upcoming rollout will include the 100 most popular US-listed stocks and ETFs, tradable 24/5 as blockchain-based assets.

Galaxy Digital unveiled plans to tokenize its stock, GLXY, via Robert Leshner's Superstate, according to a filing published August 5.

Pendle introduced Boros, a new primitive that takes the floating funding-rate on perpetual futures – one of crypto's most volatile, yet essential flows – and turns it into a tokenized instrument that can be traded.

Base said it will start collecting tokenized posts on @baseapp to directly support creators.

Gas station giant SHEETZ announced 50% discounts when paying in crypto "every day."

Coinbase is about to make every Base token, meme or utility, searchable and tradable by its ~8 million active users, removing the need for formal listings.

Coinbase launched ‘Embedded Wallets’ for developers, allowing them to add self-custodial wallets with onramps and swaps directly into apps using minimal code.

Ethereum recorded \$238 billion in onchain volume in July, a 70% MoM increase and its highest since December 2021. It also hit an all-time record of 46.67 million monthly transactions and 17.55 million active addresses, marking a full onchain revival.

Ethereum developers proposed a new fee model to simplify how users pay for transactions, aiming to streamline costs after the 2024 Dencun upgrade slashed average gas fees by 95%.

Switchboard’s new “Surge” oracle network went live on mainnet. The oracle will be free to integrate and is claimed by the Switchboard team to be the fastest on Solana yet. Surge promises to deliver price feeds at a sub-100ms latency – a performance gain of about 8x faster and at roughly 1/100th the cost of existing oracle providers.

Solana Labs subsidiary Solana Mobile began shipping 150,000+ of its second-generation Android-based Seeker devices to customers in 50+ countries. The \$450 Saga handset successor comes pre-loaded with Seed Vault key storage, a Solana dApp Store, and a soulbound Genesis Token – granting holders early access to new apps and token rewards.

Apex Fusion will debut Vector, a Cardano-aligned blockchain that claims instant finality and 10x transaction speed,

Decentralized ad platform Alkimi began running its full infrastructure on the Sui blockchain stack to bring ad delivery, payments, and data transparency fully on-chain, removing middlemen and enabling brands like AWS and TikTok to test blockchain-based ads at scale.

Banks invested over \$100 billion in blockchain infrastructure between 2020-2024, participating in 345 blockchain deals globally. A new report by Ripple, CB Insights, and the UK Centre for Blockchain Technologies, which surveyed 1,800+ global finance leaders, found that major banks are increasing investments in custody, tokenization, and payment infrastructure.

JPMorgan expanded its blockchain initiatives with the launch of an onchain intraday repo solution designed to transform the way institutional traders exchange cash/securities in real time and enhance transaction efficiency and settlement precision.

FedEx adopted Kinexys by JP Morgan for blockchain-based payments.

MINING



Bitcoin's mining difficulty, a measure of the computing power required to mine the next block, reached an all-time high of 127.6T hashes.

Sazmining became the first mining-as-a-service company to integrate Square’s payment platform, offering customers a faster and more reliable way to purchase mining hardware and services. The

integration allows payments via credit and debit cards, Apple Pay, Google Pay, Cash App Pay, ACH and also supports Bitcoin, Lightning, Tether and wire transfers.

Three months after divesting its auto financing unit to focus on Bitcoin mining, Chinese conglomerate Cango (CANG) has significantly ramped up crypto production, indicating that its acquisition of Bitmain mining rigs is enhancing its capacity amid intensifying industry competition. Cango produced 650.5 Bitcoin in July, a sharp increase from 450 BTC in June.

Rassemblement National (RN), a French political party, is reportedly pushing to mine Bitcoin using surplus energy from nuclear power plants and preparing a draft law, signaling a shift from its leader's previous anti-crypto stance.

ETPS (EXCHANGE-TRADED PRODUCTS), FUNDS & INDEXES

In an SEC filing on August 5, Michigan's state pension fund reported owning 300,000 shares of the ARK 21Shares Bitcoin ETF (ARKB) as of June 30 (valued at \$10.7 million). That's an increase from 100,000 shares previously reported as of March 31.

Also in an August SEC filing, Harvard University reported owning a \$116 million stake in the iShares Bitcoin Trust ETF (IBIT).

SBI Holdings unveiled plans to launch two Japan ETPs, including a gold-crypto ETF and a Bitcoin-XRP dual ETF.

ProShares announced the launch of ProShares Ultra CRCL (CRCA) – the first ETF designed to target 2x the daily returns of Circle.

REX Shares launched the T-REX 2X Long GLXY Daily Target ETF (GLXU). It also announced T-REX 2X Long CRCL Daily Target ETF (CCUP) would be launching soon.

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

Subzero Labs emerged from stealth with \$20 million in funding, led by Pantera Capital, to build a developer-friendly blockchain called Rialo aimed at making decentralized apps feel as fast and easy as traditional web platforms.

OpenMind raised \$20 million in a round led by Pantera Capital to develop a universal, decentralized robot OS called FABRIC, which lets AI-powered machines cooperate regardless of who made them or where they are.

Scenius Capital closed a “slightly oversubscribed” \$20 million fundraiser for a fund of emerging crypto VC funds.

Web3 AI startup Perle raised \$9 million in a round, led by Framework Ventures, to scale its blockchain-powered system that pays people to improve AI training with better, human-reviewed data.

Euphoria raised \$7.5 million from over 100 investors to build a mobile-first crypto derivatives app on MegaETH that simplifies complex trading into quick tap-based decisions.

IPOS, M&A, PARTNERSHIPS & DEALS



Bullish, a crypto platform backed by billionaire tech investor Peter Thiel, filed for a US IPO aiming to raise up to \$629 million at an implied valuation of \$4.2 billion, according to an SEC filing. The company plans to sell 20.3 million shares at \$28 to \$31 each, per the prospectus, with JPMorgan and Jefferies acting as the lead underwriters.

Figure Technology Solutions, a fintech company focused on transforming financial services through blockchain technology, filed confidentially for an IPO with the SEC.

Core Scientific's largest shareholder announced it would oppose CoreWeave's \$9 billion buyout, arguing the deal undervalues the Bitcoin miner and unfairly benefits the AI firm amid growing demand for data center infrastructure.

Ripple will buy stablecoin payments firm Rail for \$200 million, which allows Ripple to delve deeper into the stablecoin ecosystem after launching its RLUSD stablecoin.

Phantom acquired the Solana trading and analytics platform Solsniper. Phantom declined to disclose the deal terms.

Bakkt Holdings announced the pricing of its previously announced underwritten public offering of 6,753,627 shares of Class A common stock and pre-funded warrants to purchase up to 746,373 shares of Class A common stock at a public offering price of \$10.00 per share and public offering price of \$9.9999 per pre-funded warrant. (Bakkt also struck a deal to acquire a major stake in Marusho Hotta, which will be rebranded as bitcoin.jp.)

Tether bought a minority stake in Bit2Me and led a €30 million round to support the Spanish exchange's expansion across the EU and Latin America following its new regulatory license.

KuCoin Ventures, the investment arm of crypto exchange KuCoin, announced a strategic investment in Stable, the world's first high-throughput L1 blockchain powered by USDT.

MEXC Ventures made a strategic equity investment in licensed Indonesian crypto exchange Triv, valuing it at \$200 million. The investment reflects MEXC's focus on Southeast Asia and support for compliant local champions in the growing institutional crypto market.

Stone Ridge, a financial services firm focused on alternative asset management, reinsurance, and Bitcoin, announced that its energy platform, Stone Ridge Energy, agreed to acquire a major portfolio of Oklahoma energy assets from ConocoPhillips for ~\$1.3 billion.

CACEIS announces the acquisition of a minority stake in Kriptown, the French fintech specializing in asset tokenization. This investment coincides with the upcoming launch of Lise (Lightning Stock

Exchange), its subsidiary, which will be the first European tokenized exchange dedicated to SMEs and mid-cap companies.

Binance partnered with Spanish bank BBVA to offer custody of user funds in US Treasuries, allowing clients to trade on the exchange while reducing risks linked to platform failure.

Marex, a diversified global financial services platform, and GFO-X, the UK's first FCA-regulated and centrally cleared digital asset derivatives trading venue, partnered to meet growing institutional demand for secure, regulated access to digital asset derivatives.

University of Sharjah (UOS) partnered with Binance Academy via MoU to advance blockchain research, education, and talent development in the UAE.

DEFI



The DeFi Education Fund and top crypto firms urged US lawmakers to regulate DeFi with tech-neutral rules and protect builders from being treated like centralized companies.

Aave V4 will revamp DeFi lending with a “Liquidity Hub” that consolidates all assets into one central pool per chain, eliminating V3's fragmented market inefficiencies. Users interact through modular “Spokes” tailored for use cases like stablecoins (E-Mode), new assets (Isolation), tokenized RWAs, or vault collateral. Each Spoke has customized risk settings and authorization control, while the Hub enforces global accounting and withdrawal limits.

Hyperliquid saw its July trading volume jump 47% to a record \$320 billion, while holding over 75% of the decentralized futures market.

Lido DAO proposed using up to 70% of incoming assets for \$LDO buybacks, targeting more efficient capital use of its \$145M+ treasury (stables + stETH).

CurveDAO member phil_00Llama proposed that Curve Finance should halt all future deployments to new Ethereum L2 networks. The reasoning is based primarily on the low economic returns and significant developer time required to maintain these deployments. Per phil_00Llama, L2 deployments collectively generate only ~\$1,500/day in revenue – just a fraction compared to the main Ethereum network, where Curve earns around \$28,000/day.

CBDOS & STABLECOINS



The SEC issued new guidance suggesting that USD-backed stablecoins could be treated as cash equivalents – if they offer guaranteed redemption – marking a step toward integrating crypto into traditional accounting standards.

China is set to allow the launch of its first stablecoins as part of a strategic effort to internationalize the renminbi and compete with the US dollar in global markets, according to a report from the Financial

Times. The plan involves testing and issuing stablecoins through Hong Kong, which has enacted a new legal framework allowing licensed businesses to issue tokens backed by fiat currencies. Hong Kong's new Stablecoins Ordinance, effective August 1, requires issuers to be licensed by the Hong Kong Monetary Authority (HKMA) and meet rigorous operational and financial standards.

According to Pantera Capital, stablecoins (USDC and USDT) accounted for 90% of salaries paid in crypto in 2024. (Last year, 9.6% of crypto industry employees were paid in crypto.)

Circle earned \$625 million in Q2 interest income from USDC reserves but paid out \$332.5 million to Coinbase, raising concerns about shrinking margins as Circle adds new distribution partners like Binance.

Animoca Brands, Standard Chartered, and HKT launched a new joint venture in Hong Kong to pursue a stablecoin license under the city's new rules, aiming to issue a local currency-backed digital token.

MetaMask could be planning to launch its own US dollar-pegged stablecoin MetaMask USD (mmUSD) issued by Stripe, according to a now-deleted proposal on Aave's governance forum.

Crypto startup Payy launched a Visa card that hides stablecoin payments from blockchain surveillance using zero-knowledge cryptography and a custom-built settlement network.

Slash launched Global USD in partnership with Base, offering international users US bank accounts without needing an LLC, EIN, or facing sudden account shutdowns. Users get a real US account and routing number in ~10 minutes using local documents, earn up to 4.5% cash rewards, and pay zero fees to receive USD or USDC.

NFTS, BLOCKCHAIN GAMING & METaverse



Billionaire Adam Weitsman said he bought 5,000+ NFTs from Yuga Labs, the once powerful Web3 studio that created the Bored Ape Yacht Club. Weitsman said he hopes to support Yuga Labs' efforts to build out its metaverse project, Otherside.

The original knitted beanie worn by Achi, the dog behind the Dogwifhat memecoin, sold for 6.8 BTC (\$794,074) via Bitcoin Ordinals marketplace Ord City.

JOB MOVEMENT



Lido cut 15% of its workforce across three internal groups to control spending and stay financially viable long-term, despite its strong position in the crypto staking sector.

VP of Blockstream, Fernando Nikolic, announced his departure to launch Perception, a market intelligence platform for Bitcoin, stablecoins, and tokenization.

Barry Silbert rejoined Grayscale as board chairman as the firm prepares to go public. Grayscale also added four senior executives from Bridgewater, Apollo, Goldman Sachs, and Citadel to its leadership team.

Jeff Park joined ProCap BTC as a Partner and CIO. Park is the former Head of Alpha Strategies at Bitwise Asset Management.

REGULATIONS, RULINGS & COMMENTARY



President Trump signed executive order on August 7 directing the Labor Department to allow crypto, private equity, and other alternative assets in 401(k) plans. (In Q1, Americans held around \$8.7 trillion in 401(k) assets.) Under the EO, Labor Secretary Lori Chavez-DeRemer must revisit ERISA guidance and coordinate with federal agencies on rule changes to support crypto in retirement accounts. It also reportedly instructs the SEC to help expand 401(k) access to crypto products like Bitcoin ETFs by easing regulatory barriers.

President' Trump signed another EO to officially cement the end of Operation Chokepoint 2.0 and prevent crypto debanking. The "Fair Banking for All Americans" order instructs regulators to remove "reputational risk" considerations from supervisory handbooks and bank oversight.

President Trump's flagship super PAC, MAGA Inc., has received a surge of donations from the crypto sector, according to a report from the New York Times. Crypto interests alone accounted for \$45 million of MAGA Inc.'s total fundraising, which gathered \$177 million in the 1H 2025. Some of the biggest crypto donors to the pro-Trump Maga super PAC during the 1H 2025 included an affiliate of the exchange Crypto.com (\$10 million), Blockchain.com (\$5 million), and Winklevoss's Gemini (\$4 million).

President Trump nominated Stephen Miran, a longtime supporter of crypto deregulation and critic of overreach, to fill a vacant seat on the Federal Reserve Board through early 2026.

In a new staff statement, the SEC clarified that certain crypto liquid staking practices do not constitute securities offerings, marking a step toward clearer digital asset regulation.

SEC Commissioner Hester Peirce defended the right to financial privacy, urging regulators to protect people's ability to self-custody crypto and use privacy-preserving tools.

The CFTC is looking to enable spot crypto trading on federally registered exchanges. The effort is part of a new initiative dubbed "Crypto Sprint," where the commodities regulator will work on implementing recommendations from President Donald Trump's Working Group on Digital Asset Markets.

FinCEN issued a notice urging financial institutions to monitor and report suspicious crypto ATM activity, highlighting increased usage by criminal organizations (e.g., drug cartels) and targeting of vulnerable elderly populations. Lawmakers have responded by introducing legislation to tighten regulation of crypto ATMs, aiming to prevent fraud and ensure operators enforce customer verification protocols.

Former UK Chancellor George Osborne issued a blunt warning over Britain's approach to crypto, arguing that regulatory caution is costing the country its place in the next wave of financial innovation. In an op-ed published by the Financial Times, Osborne accused Chancellor Rachel Reeves and Bank of England Governor Andrew Bailey of falling behind global peers. Osborne wrote: "On crypto and stablecoins, as on too many other things, the hard truth is this: We're being completely left behind. It's time to catch up."

China launched a \$54.5B blockchain initiative by 2029, led by SOEs and guided by the National Development and Reform Commission and National Data Administration. The project will strengthen technological self-reliance through regulated national infrastructure, mirroring "Made in China 2025" strategies with telecom/infrastructure firms as key implementers.

China's top security agency warned that crypto projects collecting iris and facial data may pose espionage threats, indirectly referencing Sam Altman's Worldcoin initiative.

South Korea's BDACS rolled out institutional custody support for XRP, following its partnership with Ripple and integration with top South Korean exchanges.

Paul Grewal, chief legal officer at Coinbase, met with Priyank Kharge, the IT minister of India's Karnataka state, as Coinbase seeks to expand its role in India's growing digital infrastructure.

The Philippines SEC flagged OKX, Bybit, KuCoin, and others for offering crypto services without authorization, warning of enforcement and app store bans.

FalconX, an institutional digital asset prime broker, announced its expansion into Latin America. It's now working with some of Latin America's largest financial institutions, such as BTG Pactual and Mercado Bitcoin.

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

Blockchain analytics firm Arkham Intelligence uncovered that 127,426 BTC, now valued at ~\$14.5 billion, was quietly stolen from the Chinese mining pool LuBian in December 2020.

Changpeng "CZ" Zhao, the former CEO of Binance, filed a motion to dismiss a \$1.76 billion lawsuit brought by the FTX bankruptcy estate, which seeks to claw back funds linked to a 2021 share repurchase agreement between Binance and FTX.

The Delhi High Court has ordered Zettai Pte Ltd, the owner of WazirX, to disclose its acquisition agreement with Binance and restructuring scheme details following a \$235 million hack. The court intervention reflects growing scrutiny over WazirX's ownership structure and recovery efforts post-cyberattack.

Paxos Trust Company agreed to pay \$26.5 million in fines and invest \$22 million in compliance upgrades after the New York State Department of Financial Services found it failed to vet Binance properly during their BUSD stablecoin partnership.

The founder of defunct lending platform MyConstant agreed to pay \$10.5 million after the SEC found he used customer funds to gamble on the failed TerraUSD stablecoin.

The Enforcement Directorate in India has seized \$4.8 million in assets from a US prisoner who scammed crypto investors through fake Coinbase websites. The agency froze properties and bank accounts connected to the individual, his relatives, and associates.

A hacker stole \$4.5 million from CrediX, bridging the funds from Sonic to Ethereum. CrediX promised to recover all funds within two days, but its website remained offline, and then, the CrediX team “disappeared” in an apparent exit scam.

A crypto investor lost \$3 million in a phishing scam after signing a malicious blockchain transaction without verifying the contract address.

Nexus Mutual paid ~\$250,000 in DeFi hack insurance claims to users hit by July’s \$3.5 million Arcadia Finance hack on Base.

The SEC’s long-running case against Ripple Labs officially ended, marking another win for the XRP issuer. Both parties jointly filed a dismissal of their appeals with the US Court of Appeals for the Second Circuit – something that dismisses all appeals related to the lawsuit, marking the conclusion of a legal battle that began in December 2020.

Meta has removed over 6.8 million WhatsApp accounts tied to “pig butchering” scams in Southeast Asia this year, part of efforts to combat crypto theft by organized crime syndicates.

North Korean hacking groups are using job lures to infiltrate cloud systems and steal millions in cryptocurrencies. Google Cloud and Wiz research reveal UNC4899's sophisticated tactics, including posing as recruiters or journalists to build rapport with targets and using AI for convincing emails and malicious scripts.

The Qubic mining pool, which is attempting a 51% takeover of Monero, is allegedly being hit by a distributed denial-of-service attack linked to the Monero community.

The creators of a memecoin have confessed to profiting from – and encouraging – the spate of sex toys being thrown onto the court during WNBA games.

A Manhattan jury found Tornado Cash co-founder Roman Storm guilty of operating an unlicensed money transmitter. However, the jury remained deadlocked on conspiracy to commit money laundering and US sanctions violation charges, resulting in no verdict on those counts. As the jury was not unanimous, the government said it would get back to the court on whether it will retry the money laundering and sanctions evasion charges. (The Ethereum Foundation pledged to match \$500,000 in donations for Storm’s legal defense.)

Texas Securities Board dismissed lawsuit against Apertum Foundation and Josip Heit, confirming Apertum token and DAO1 platform aren't securities under US law.

A software bug in Ledger hardware wallets is preventing some Cardano users from participating in the Midnight Foundation’s Glacier Drop due to the handling of message signing. Developers are implementing a workaround to allow affected users to claim tokens.

Coinbase’s Base network suffered its first major outage since 2023, halting transactions and block production for 33 minutes due to a technical glitch called an “unsafe head delay.”

Decentralized exchange Hyperliquid reimbursed ~\$2 million to users affected by a brief outage, a move that may strengthen confidence in decentralized trading platforms.

MISCELLANEOUS



Coinbase chief executive Brian Armstrong claimed UK TV networks banned its musical satire ad, titled “Everything Is Fine,” calling it an attempt to “censor this message.” The ad depicts the UK economy as collapsing amid soaring inflation and crumbling infrastructure, with characters saying they’re fleeing to Dubai. Armstrong said: “If you can’t say it, then there must be a kernel of truth in it.”

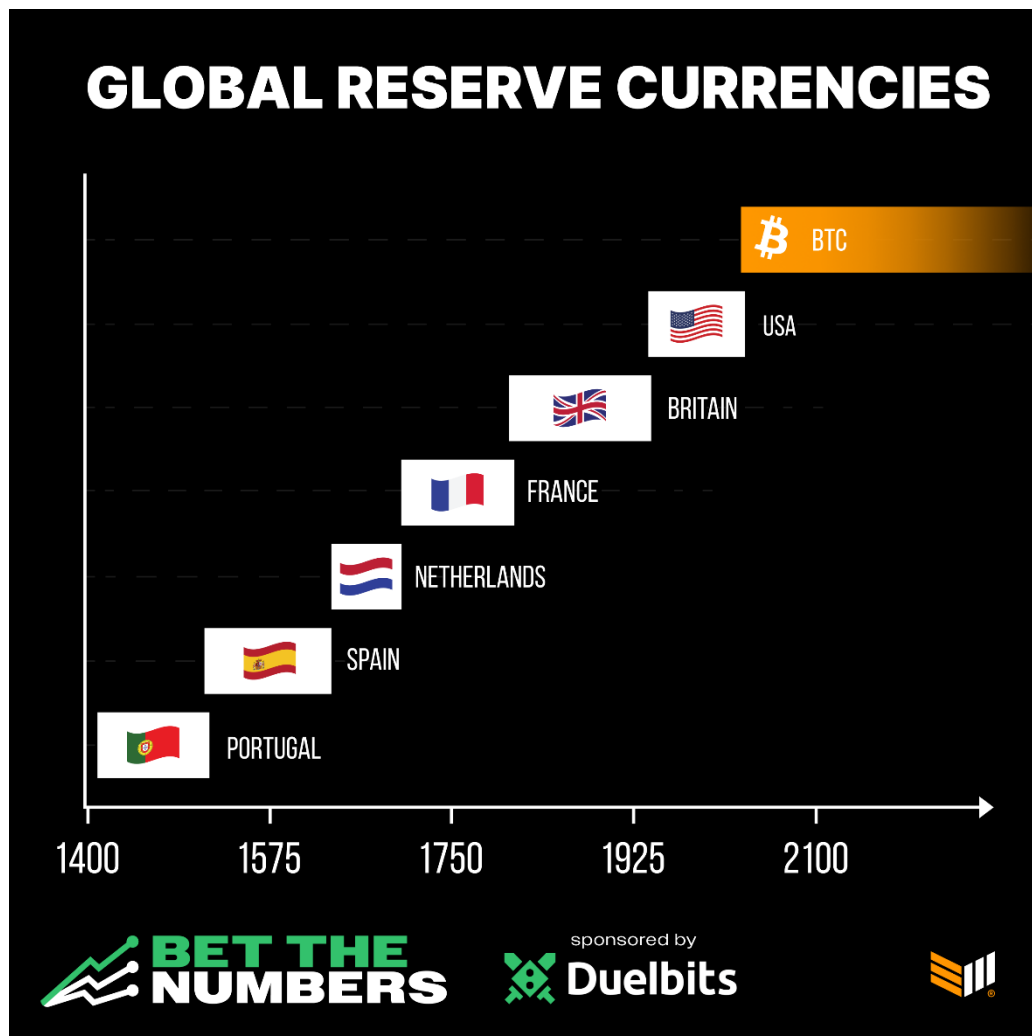
S&P Global assigned Sky Protocol (formerly Maker) a “B-“ credit rating – citing centralization, depositor concentration, and liquidity risks. The rating is the first ever given to a stablecoin ecosystem by S&P and reflects vulnerability to adverse economic conditions.

Solana-based memecoin platform Pump.fun saw its July revenue crash to \$25 million – an 80% drop from January highs – as the memecoin craze cooled and trading volumes sharply declined across the sector.

The vandalized statue of Bitcoin’s anonymous creator Satoshi Nakamoto, thrown into Lake Lugano during Swiss National Day celebrations, was recovered in pieces by city workers and remains a powerful symbol for the global crypto community.

CHARTS, TABLES, QUOTES, COMMENTARY & OTHER IMAGES

Bitcoin Magazine: France held the world reserve currency for 95 years. Britain held the world reserve currency for 105 years. USA has held the world reserve currency for 80 years and may be coming to an end. Bitcoin will be the future world reserve currency.



Bitcoin Magazine: BlackRock's Bitcoin ETF (IBIT) is now the 2nd best ETF in monthly flows. The Bitcoin effect.

Ticker		Fund Assets (M USD)	YTD Flow	YTD Return	1D Flow	1W Flow	1M Flow ↓
Sum		11,698,570.56	+661,894.10	+23297.49%	-5,146.28	+17,291.59	+103,255.18
1) VOO	US	699,531.61	+72,198.61	+6.75%	+314.46	+1,774.09	+12,770.16
2) IBIT	US	84,085.95	+20,348.55	+21.06%	-2.58	+355.34	+5,175.81
3) ETHA	US	10,711.02	+6,217.62	+4.82%	.00	+394.15	+4,164.54
4) VTI	US	505,490.93	+22,065.62	+6.19%	+211.14	+851.41	+4,158.17
5) IWV	US	633,019.93	+12,612.95	+6.77%	+749.88	+5,910.94	+4,093.82
6) SPLG	US	77,897.23	+19,788.73	+6.77%	-25.61	+260.54	+3,941.60
7) SPY	US	55,311.78	+18,958.87	+6.51%	+118.85	+618.88	+3,151.18

Conclusion from Coin Metrics’ “State of The Network” weekly report from 8/5/25. (Read the full report, [here](#).)

With several crypto exchange companies soon to go public, it’s in the best interest of the investing public to be knowledgeable about the relative qualities of these venues. While trading volume can help estimate transaction revenues, which still make up the majority of revenue, qualitative factors like business diversification, presence of wash-trading, and regulatory compliance are also important considerations for assessing exchange quality. These inputs can help market participants assess whether valuations are fair.

Coinbase continues to lead the way four years after its IPO, largely due to its success in diversifying revenue streams into custody, stablecoin, and Layer-2 fees. But, competition in the exchange market is intensifying. For other exchanges to compete, they must diversify their revenues beyond trading-related fees, which is highly cyclical with market sentiment. As we move towards a more defined market structure, exchanges are being given permission to evolve beyond trading venues into full-scale super-apps. How these exchanges capitalize on that opportunity and whether they deliver on their visions and match the success of past breakthrough IPOs will be a lucrative development to track in the next year.

Conclusion from Glassnode’s “The Week On-Chain” from 8/6/25. (Read the full report, [here](#).)

The Bitcoin market is navigating a post-ATH correction. The Bitcoin price has slipped below the \$116k accumulation range low and entered a low-liquidity “air gap”, first highlighted in earlier reports. Opportunistic buying has emerged, but demand has not yet been strong enough to reclaim the cost basis of recent buyers, leaving this level as a critical pivot for near-term direction.

Investor behaviour signals a relatively balanced environment, with several Short-Term Holder-based metrics trading at levels which are quite consistent with a typical bull market trend. The ETFs have experienced a large outflow; however, to date, these have been brief events, and there isn’t sufficient evidence to suggest a more structural trend of outflows is in play.

The market is effectively re-finding its footing, bounded by the previous cycle ATH of \$110k below, and the base of the most recent accumulation range near \$116k.

Blockworks updated key metrics...

Total Crypto Market Cap	\$3.94 T
Bitcoin Market Cap	\$2.31 T
Ethereum Market Cap	\$480.76 B
ETH/BTC Ratio	0.03
Ethereum Gas Price	0.90 gwei
DeFi TVL	\$275.90 B
Fear and Greed Index	74 (Greed)

Matt Hougan's (Bitwise) Weekly CIO Memo: "Project Crypto: Three Investments Poised to Benefit from the SEC's Shocking New Vision – the Most Bullish Document I've Read on Crypto Wasn't Written by Some Yahoo on Twitter. It Was Written by the Chairman of the SEC."

Last week, Paul Atkins, the chairman of the SEC, gave a speech to the America First Policy Institute, titled "American Leadership in the Digital Finance Revolution."

You should go read it now.

No, seriously. Go read it. It's a roadmap for how to invest over the next five years.

In the speech, the chairman lays out his vision for how financial markets will work in the future. Spoiler alert: It all centers around public blockchains like Ethereum. He argues that:

- All assets – stocks, bonds, dollars, etc. – will eventually move over public blockchains.
- DeFi will play a big role in our future.
- Crypto assets and blockchains can create exciting new business models.
- The primary thing that has held us back from this "revolution" has been a hostile regulatory environment, and that has now pivoted 180 degrees.

It's the most complete vision of how crypto can reshape financial markets that I've read.

I can't imagine reading the speech and not wanting to allocate a significant portion of your capital to crypto; or, if you work in finance, a significant portion of your career. (Side note: We're hiring at Bitwise.) It's like the chairman of the SEC took all the best ideas crypto supporters have been promoting for the past decade and packaged them in a single speech, along with details on how the SEC can actually make them happen.

"It is a generational opportunity," he writes.

A few years ago, I'm not sure my compliance department would have let me say that.

What This Means for Investors

There's a lot to unpack in the speech for investors; you could build an entire venture capital firm around the chairman's vision, creating companies to capitalize on each opportunity he lays out. But there are three immediate investing opportunities that stand out to me.

Opportunity 1: Ethereum (and Other Layer 1 Blockchains)

The first and most obvious opportunity is to invest in Ethereum and other Layer 1 blockchains that support stablecoins and tokenization.

"Today I am announcing the launch of 'Project Crypto,'" Atkins writes, "a Commission-wide initiative to modernize the securities rules and regulations to enable America's financial markets to move on-chain."

It doesn't take a genius to see it: If substantially all assets are going to move onto public blockchains, you want exposure to those blockchains.

Which ones?

The best approach is likely to buy a basket of the leading assets: Ethereum, Solana, Cardano, XRP, Avalanche, Aptos, Sui, NEAR, and so on.

I know some readers will say: Ethereum is clearly the dominant chain for tokenization and stablecoins. I agree! It's in pole position. But having watched the emergence of digital trading in the early 2000s – the last major upgrade of our financial system – I remember that the early market leaders were firms like Island ECN and Instinet.

Heard of those lately? Me neither. But Nasdaq's stock is up 2,275% since it started trading in July 2002.¹

Instead of trying to pick and choose, an indexed approach lets you buy a basket of assets and get exposure to the top ones, whichever they turn out to be.

Opportunity 2: Coinbase, Robinhood, and Other “Super-Apps”

The most prescriptive part of the speech is a section entitled “Facilitating Super-Apps: Horizontal Integration of Product Offerings.” In it, Atkins describes a future where a single application can offer a huge array of financial services to customers.

“A broker-dealer with an alternative trading system,” says Atkins, “should be able to offer trading in non-security crypto assets alongside crypto asset securities, traditional securities, and other services, like crypto asset staking and lending, without requiring fifty-plus state licenses or multiple federal licenses.”

Reading through this section it's hard not to think of Coinbase and Robinhood, two firms that have embraced the super-app concept, albeit from different ends of the spectrum: Coinbase started in crypto and is moving toward traditional assets, while Robinhood started in traditional assets and is moving quickly toward crypto.

I'll go out on a limb here: One of these companies could become the largest financial services company in the world, maybe even becoming the first financial services company worth more than \$1 trillion. Atkins just gave them a roadmap.

Opportunity 3: DeFi Applications

The final opportunity that jumps off the page from Atkin's speech is decentralized finance, or DeFi.

DeFi apps have always lived in a regulatory gray zone, neither allowed nor explicitly prohibited by existing regulations. This has hamstrung their growth: DeFi apps are widely used by crypto enthusiasts but have essentially zero uptake from mainstream investors or institutions.

In a section of the speech titled “Unleashing US Markets: Big Beautiful On-Chain Software Systems,” Atkins lays out why it's been so hard for regulators to get their heads around the concept of DeFi:

“Decentralized finance software systems – like automated market makers – facilitate automated, non-intermediated financial market activity. Federal securities laws have always assumed the involvement of intermediaries that require regulation, but this does not mean that we should interpose intermediaries for the sake of forcing intermediation where the markets can function without them.”

In other words: DeFi is not just a technical revolution, but a conceptual one. And the chairman of the SEC gets it.

Despite the lack of regulatory clarity, DeFi apps have significant usage. Uniswap, the largest spot trading app, processed \$88 billion in trading volume in June, its best month ever. DeFi lending protocols like Aave also hit a new high, with \$56 billion in total value locked. Derivatives platforms like Hyperliquid are massive.

With greater clarity, could these numbers rise by 10x? 50x? 100x? As traditional and crypto markets merge, the opportunity is huge.

Critics note that most DeFi tokens do not have a clear economic tie to their underlying protocol. Uniswap’s UNI token, for instance, is a “governance token” – meaning holders have a say over the direction of the Uniswap protocol but don’t benefit from the trading fees that the platform collects.

I suspect this is a vestige of the hostile regulatory environment of the past. Under the new SEC vision, assets like UNI could develop more direct economic ties to their underlying protocols, unlocking huge value.

The Big Question

The most obvious question to ask about Atkins’ vision is whether it’s priced in. If the markets were already anticipating this turn from the SEC – from crypto antagonist to crypto catalyst – then it should already be factored into the price of Ethereum, Solana, Uniswap, and other assets.

Maybe.

But I’ll close with this: I was caught off guard by the speech.

I’ve studied and written about crypto nonstop for the past eight years. I’ve long been bullish about the future of crypto, and I’ve said that all assets will eventually move over blockchain-based rails. But after reading the speech, I’m realizing I have to think bigger – and move to a faster timeline.

If it wasn’t priced in for me, I’m going to guess it wasn’t priced in for others.

Highlights from Travis Kling's (CIO – Ikigai Asset Management) monthly commentary [edited for brevity]...

July was the month of “DAT”s – Digital Asset Treasuries – public companies issuing securities to buy crypto on their balance sheet. We will go into depth on DATs (for the second time in three months) below but suffice it to say here that this was the dominant theme of crypto markets in July and ETH was the big beneficiary, +49% on the month, it's largest monthly gain since July 2022.

BTC also had its own fair share of “DAT” events. This led to BTC having a nice month too, ripping 10% above prior ATHs to briefly kiss \$123k before pulling back and closing the month at \$116k, +8% in July.

The other major event for crypto in July was the signing of the GENIUS stablecoin bill into law. Trump hosted a shindig for crypto VIPs at the White House for the occasion. He gave a speech that was at least 50% standup comedy. You should watch it. Funny stuff.

While this signing was not unexpected, it still felt like a watershed moment for the crypto ecosystem.

It's honestly incredibly impressive that crypto has the pull that it does in Washington. Trump has only signed eight bills into law since taking office in January – Laken Riley; stopgap funding; three congressional review act resolutions; Take It Down; Big Beautiful Bill; and now the GENIUS act. Let's not forget that Trump issued the crypto executive order only a few days after taking office.

It's a bit surreal. We have a president and an administration that are huge crypto bulls. Trump's publicly traded DJT owns over \$2bn of BTC. We have massive support from the US government to a degree that would have been completely unimaginable just a couple years ago.

TBD on what exactly we'll do with. In July, we did DATs.

"DAT"s A Lotta Financial Engineering

The birth of a new piece of crypto jargon! DATs! You can tell by the Monthly Highlights how dominate this theme was in July. It's all a lot to take in, so let's get the basics out of the way.

There are currently 24 public companies that hold at least \$100mm of BTC.

MSTR is the outlier, accounting for 72% of all the BTC held by public companies.

There are currently 5 public companies that hold at least \$100mm of ETH.

Tom Lee's BMNR is the leader, with \$2.1bn of ETH, all of which was bought in July.

Looking at it a different way, here's a table for public companies that announced crypto buys in July –

Company	Crypto	Amount Bought (USD)
Strategy (NASDAQ: MSTR)	BTC	\$3,672,300,000
BitMine Immersion Technologies (NYSE: BMNR)	ETH	\$2,500,000,000
Trump Media & Technology Group (NASDAQ: DJT)	BTC	\$2,000,000,000
Volcon Inc. (NASDAQ: VLCN)	BTC	\$500,000,000
180 Life Sciences (NASDAQ: ATNF)	ETH	\$425,000,000
SharpLink Gaming (NASDAQ: SBET)	ETH	\$425,000,000
Metaplanet Inc. (TYO: 3350)	BTC	\$424,800,000
Bit Digital (NASDAQ: BTBT)	ETH	\$400,000,000
Fundamental Global (NASDAQ: FGF)	ETH	\$200,000,000
Sequans Communications (NYSE: SQNS)	BTC	\$150,000,000
Upexi Inc. (NASDAQ: UPXI)	SOL	\$100,000,000
The Smarter Web Company	BTC	\$24,000,000
DeFi Development Corp (NASDAQ: DFDV)	SOL	\$24,000,000
Semler Scientific (NASDAQ: SMLR)	BTC	\$20,000,000
Vault Ventures Plc	SOL	\$12,000,000
Crypto	Total Amount Bought (USD)	
BTC	\$6,791,100,000	
ETH	\$3,950,000,000	
SOL	\$136,000,000	

Source: Grok. As of 7/30/25.

Yeah, so uhh...this was a big deal for July. I used Grok for those numbers, and it forgot about a few that I had to remind it about. So, it could have forgotten about some other ones that I didn't see. So, don't take these numbers as gospel, but they should be pretty close.

A huge amount of buying across 15+ companies. More than \$10bn total.

How have these stocks traded?

BMNR ripped 38x on the Tom Lee ETH news. It has since traded off but is still +7x since the announcement.

MSTR, the granddaddy of them all, traded up the first part of July and then gave most of it back.

DJT stock was flat in July, but down 60% since Trump won the election. Price is near the lows.

VLCN made the pivot with a \$500mm PIPE to buy BTC. Price ran up 5x but rapidly collapsed and is currently +43% since announcement.

ATNF, the stock soon to be known as ETHZilla, is +300% since announcement, and hasn't given anything back.

SBET was up strongly in the first part of July before giving a lot of it back. Still ended up more than a double from announcement.

BTBT did a relatively mild pump and dump, up about a double and then giving the majority of that back.

Metaplanet, aka Asian MSTR, had a massive rip earlier this year, but was down 28% in July while buying \$424mm of BTC. Metaplanet now owns ~\$2bn of BTC.

FGF effectively pump and dumped.

SQNS did a 325% pump and dump.

So What?

It was quite the ride in July for all this stuff. I can't help but look to draw parallels between The DAT Attack and the event below –

Galaxy Executes One of the Largest Notional Bitcoin Transactions Ever



NEWS PROVIDED BY
Galaxy Digital Inc. →
Jul 25, 2025, 16:30 ET

SHARE THIS ARTICLE

[f](#) [x](#) [in](#) [v](#) [e](#) [m](#)

NEW YORK, July 25, 2025 /PRNewswire/ - [Galaxy Digital Inc.](#) (NASDAQ: [GLXY](#)) (TSX: GLXY), a global leader in digital assets and data center infrastructure, today announced the successful execution of one of the largest notional bitcoin transactions in the history of crypto on behalf of a client.

Galaxy completed the sale of more than 80,000 bitcoin—valued at over \$9 billion based on current market prices—for a Satoshi-era investor, representing one of the earliest and most significant exits from the digital asset market. The transaction was part of the investor's broader estate planning strategy.

These wallet movements were tracked on chain because the wallets had been dormant for a loooong time.

So, there was some reason a guy that had been holding BTC untouched since 2011 decided to puke the whole thing right now. Who knows? Maybe the \$9bn puke of 2011-era BTC had nothing to do with The DAT Attack. Could have been coincidence...

The point I'm trying to make here is that this feels like end of cycle type stuff to me. Feels like we've really run out of stuff to do if this is what the industry is focused on. It is financial engineering in its purest form.

There is no value created from these deals. These vehicles don't provide access to assets that isn't available elsewhere. DATs are an exploitation of a capital markets glitch.

Granted, it is a glitch that has worked tremendously well for MSTR and Saylor and the price of BTC. So, in a way, you can hardly blame others for trying. But it still strikes me as really stretching to find the last incremental dollar we can figure out how to get shoved into crypto to pump our bags. Frankly, it feels desperate.

It also feels like we could be sewing the seeds of the next crypto collapse with all this financial engineering. If there's even a hint that one or more of these companies may start selling their crypto for one reason or another, the market will likely get quite spooked at that. If the selling actually comes to fruition, the bottom could fall out. It's hard to time something like that. It doesn't feel near-term at all to me. Not even this year. Maybe not even 2026. And it could keep working for a while from here. If Tom Lee and SBET can keep finding appetite for their common equity, they will keep buying ETH and ETH price will keep going up. Tom's thesis on ETH is simple – if stablecoin market cap is going to 10x in the coming years like Scott Bessent said it would, then the price of ETH is probably going to go up a lot. Maybe it ends up being that simple.

There's also a path where this trend dies out, and we don't see continuous month after month of these types of deals. Maybe the ETH appetite ends up being a small fraction of what Saylor has been able to do with BTC. I could see that.

Market Update- Liquid Crypto Asset Investing

	Jul	Q2-25	Q1-25	YTD	2024	Q4-24	Q3-24	Q2-24	Q1-24	2023	2022
BTC	8%	30%	-12%	24%	121%	48%	1%	-12%	69%	155%	-64%
ETH	49%	36%	-45%	11%	46%	28%	-24%	-6%	60%	91%	-67%
XRP	35%	7%	0%	45%	238%	240%	29%	-24%	2%	81%	-59%
BCH*	11%	59%	-31%	22%	36%	25%	-12%	-44%	121%	157%	-75%
EOS	-10%	-8%	-20%	-34%	-8%	50%	-11%	-48%	30%	-2%	-72%
BNB	19%	9%	-14%	12%	124%	24%	-3%	-4%	94%	27%	-52%
XTZ	44%	-18%	-49%	-39%	28%	82%	-11%	-43%	40%	39%	-84%
XLM	69%	-10%	-20%	21%	157%	237%	8%	-35%	9%	81%	-73%
LTC	24%	4%	-19%	3%	42%	54%	-11%	-28%	44%	4%	-52%
TRX	16%	17%	-6%	28%	136%	63%	25%	1%	14%	98%	-28%
Aggregate Mkt Cap	13%	24%	-19%	13%	96%	46%	-4%	-14%	63%	119%	-64%
Aggregate DeFi*	31%	20%	-19%	26%	50%	52%	-15%	-21%	47%	132%	-77%
Aggr Alts Mkt Cap	18%	25%	-34%	-2%	72%	47%	-13%	-15%	58%	90%	-64%

Source: CoinMarketCap and Coingecko. As of 7/31/25. BCH includes SV.

BTC was +8% in July with NASDAQ and SPX both +2%. Most everything in crypto outperformed BTC by a healthy amount in July.

As mentioned earlier, BTC made meaningful new highs in July, briefly kissing \$123k before pulling back and closing the monthly at \$116k.

In May and June (yellow hammers), you had two failed breakouts above the prior ATH at ~\$108k. But then you held \$100k as support twice in June, and in early July (yellow thumbs up) you had the prior ATH hold as support and we took off from there.

It is noteworthy that even now, BTC is leaking lower and in danger of giving back that early July pump, to go retest \$108k again as support. The lack of strong follow-through after a decisive break to a new ATH is a new type of behavior from BTC. This is not the BTC price action of prior cycles. BTC really is acting MUCH more like a macro asset. And it can handle size like a macro asset too. On the buy side, as previously mentioned, there were ~\$7bn of buys just from DATs. The ETFs did another ~\$6bn of buys. That is THIRTEEN BILLION DOLLARS of publicly announced buying in the month of June. And price was +8%. On the sell side, an OG whale single handedly puked \$9bn of 2011 era BTC...and price was +8%. So, this is just a huge asset that we're dealing with now – just a hair smaller than Google. And it's kinda starting to move like Google.

As I mentioned last month, I don't think we rocket to \$150k+ in 2025. It's possible but not my base case. I think BTC will generally keep directionally grinding with macro and macro looks generally fine to me. Yeah, we could def get a pullback in the next couple months. Stocks have had a hell of a ripper.

+40% completely unabated since the first week of April. That's a ripper by any measure. We're probably overdue for at least a bit of a cooler. But I think directionally, it looks fine and should be generally supportive of BTC and crypto broadly.

On the back of Tom Lee, ETH had itself a MONTH. ETH has been in a VERY broad range for 4 ½ years. And in July, ETH went from the midpoint of the range to the top of range.

At the moment, ETH is sitting right at the \$4k point of major resistance. As previously mentioned, you had nearly \$4bn of DAT buying for ETH. Additionally, you had ~\$5.4bn of ETF buying. So that's >\$9bn of announced public buys of ETH in July. That's how we went from \$2500 to \$4,000.

Where ETH goes from here, will be dependent on how much Wall St is picking up what Tom Lee is putting down. If you get another \$9bn of DAT + ETF in August, my guess is we're looking at \$5k a month from now. I struggle to have high conviction on whether or not we will see strong DAT follow-through in August and beyond. The stocks involved mostly aren't really trading all that well. But BMNR and SBET are trading decent and maybe they can carry the load and keep issuing big chunks of equity to buy more ETH.

Below is a chart of stablecoin supply, transfer count and \$ transfer volume broken out by the blockchain on which that stablecoin moves –

#	Chain ▾	Issuer ▾	Ticker ▾	Outstanding supply sum(Latest)	Transfer count sum(30d sum)	Transfer volume sum(30d sum)
1	> Ethereum			\$130.85b	17.62m	\$1.44t
2	> Tron			\$82.71b	66.88m	\$691.76b
3	> Solana			\$9.93b		
4	> Arbitrum One			\$6.82b	22.24m	\$76.52b
5	> Base			\$3.73b	72.58m	\$1.24t
6	> Aptos			\$1.35b	69.81m	\$65.28b
7	> Avalanche			\$1.19b	23.45m	\$58.93b
8	> Polygon			\$646.03m	18.76m	\$13.17b
9	> TON			\$628.78m	1.88m	\$2.84b
10	> OP Mainnet			\$204.89m	9.70m	\$31.66b

Source: Token Terminal. As of 7/31/25.

So, ETH is the big leader and ETH + TRX make up ~90% of all the stablecoin supply. A question arises about what the “appropriate” market cap is for the blockchain(s) that carry stablecoins. ~\$238bn of stablecoins currently. Bessent says that’s going to \$2tn in the coming years. 90% of it is on ETH and Tron. ETH market cap is \$448bn with 55% of the stablecoin supply. TRX market cap is \$31bn with 35% of the stablecoin supply.

Is TRX cheap here? Is ETH expensive here? What is the relationship between the market cap of stablecoins and the market cap of the blockchain that the stablecoins are moving on?

You can’t exactly pick up The Intelligent Investor and flip to the right page to give you an answer for that. We’re out here in a wacky world of magic internet money. But Trump just signed the GENIUS act into law and the Treasury Secretary says stablecoin market cap is going to 10x in the coming years. So does that make ETH a buy here at a half trilly? Is it going to a trilly and beyond?

It would be an easier call to make if I had conviction around any of the other use cases for ETH other than shuttling stablecoins...But I don’t. As I’ve said many times before, Bitcoin has product-market fit and stablecoins have product-market fit and everything else is somewhere between a solution looking for a problem and outright vaporware grift.

ETH is 25th largest asset in the world, wedged right between Costco and Exxon.

You can move stables on many different blockchains. And people do. Solana has \$10bn of stables on it; Arbitrum has \$7bn, Base has \$3.7bn. The list goes on. So, it’s not like there is some kind of monopoly on block space to move digital dollars. You have plenty of block space available on a variety of L1s and L2s that are cheap and fast.

So, I can’t help but get a bit of heartburn at half a trilly for ETH as the stablecoin shuttler. But if Tom Lee and the gang can keep successfully shilling Wall St, my heartburn won’t matter. ETH is heading higher.

SOL continues its battle with \$200, where it failed again in July, while consolidating under prior ATH.

There are certainly finite dollars to go around for Alts, so SOL is definitely competing for buyers against ETH. To the extent ETH is getting the spotlight, it is to the detriment of SOL.

SOLETH is an interesting chart. It’s down 45% since late April, mostly due to the denominator.

That’s the largest pullback in SOLETH since the bottom at the FTX collapse. We know why the pullback is happening – ETH has been the biggest beneficiary of the DAT Attack. On the positive side for SOL, it should be getting a spot ETF very soon, potentially in August. That should be good for a decent pop – TBD on how the ETF inflows will be once they actually launch.

There weren’t many names that outperformed ETH in July. ENA was one of them. It makes sense to me that this would act as ETH beta, especially coming off of such low levels. It’s also a stablecoin project so it’s a way to play the GENIUS bill. TBH I have no view on where this goes from here, just worth noting how strong of a month it had in July.

Pump.fun launched a token in July. As a reminder, Pump is one of the most cancerous, extractive things to ever happen to crypto. A true poison to this ecosystem. It’s already been dying over the last several months. Hopefully, it continues to die.

Below is OTHERS (aggr mkt cap excluding top 10). It's a chart that failed hard at prior ATH in the wake of Trump winning, pulled back 60% in a straight line and has been attempting a jagged recovery since Trump put the tariffs on pause –



Source: TradingView. As of 8/1/25.

There is a lot of junk in this index, to put it lightly. This chart does represent the tail, tail end of the risk appetite spectrum. And it is noteworthy this chart is +240% in the last two years. So, it's not like it's been dead weight. But compared to BTC, Alts broadly have been brutalized –



Source: TradingView. As of 8/1/25.

Overall, ETH was really the star of the show in July and remains in the spotlight heading into August, for the reasons outlined above. BTC is doing fine. Chugging along. Alts broadly still strike me as starved for capital and saddled with bagholders that would love to offload at higher prices. There continues to be little to be excited about in terms of Alt fundamentals, other than guessing whether a half trilly is an attractive entry point for the primary stablecoin shuttler.

CoinDesk Data published “Stablecoin & CBDCs Report – July 2025.” (See key findings below. Read the full piece, [here](#).)

- Stablecoin Market Extends Growth Streak to 22 Months: The total market capitalization of stablecoins rose 4.87% to \$261B, marking the twenty-second consecutive month of growth and another all-time high. Despite this absolute growth, stablecoin market dominance declined to 6.64% as digital assets rallied amid increased adoption by public companies as corporate treasury holdings.
- Trading Volume Surges to \$1.68T: Centralized exchange trading volume for stablecoin pairs reached \$1.68T as of July 29th, trending toward higher activity levels as Bitcoin reaches new highs. USDT's trading dominance fell to 71.3%, while USDC captured 15.1% and FDUSD held 12.0% of total stablecoin trading volume.
- Non-USD Stablecoins Cross \$1B Milestone: Non-USD pegged stablecoins reached all-time highs above \$1B in cumulative market capitalization, coinciding with record crypto-fiat pair exchange volumes hitting \$41.7B.
- Tron Dominates USDT Supply: The Tron network reached a new all-time high of \$81.9B in stablecoin market capitalization, with over 50% of Tether's total USDT supply now hosted on its network for the first time since August 2024. The broader Tron ecosystem continues expanding with new entrants like A7A5, a RUB-pegged stablecoin reaching \$467M in market cap.
- USDe Achieves Record Growth: Ethena Labs' USDe stablecoin surged 43.5% to reach a new all-time high of \$7.60B in market capitalization. This growth occurred despite declining staked USDe APY from over 20% to 9.79%, suggesting users value its crypto-native design and censorship-resistant properties beyond yield generation.

Arca: Layer-1 Protocols: Overhyped or Misunderstood?

The Growth of Crypto is Still Lost on Most

Digital assets were broadly lower last week, but without a convincing reason for the decline. On the positive side, the White House released the Presidential Working Group (PWG) on Digital Asset Markets, and SEC chair Atkins announced “project crypto,” which will facilitate the flow of every asset on-chain, and will eventually allow broker-dealers to trade ALL assets in one place. On the negative side, the Fed held rates steady a day before a very weak employment report sent expectations of a September rate cut to 80%, copper prices tanked on tariff reversals, and mixed tech earnings created downside volatility in US equities.

The price action in crypto over the past 9 months has certainly gotten people’s attention, but is it the right attention? I get frequent calls from financial reporters asking for comment on story ideas. Despite this being arguably the most progressive year in the history of digital assets, which is generating arguably the most interest in blockchain and crypto from Wall Street and Main Street, the stories the media asks me to opine on have not changed much in 7 years. They typically focus on one of these basic themes:

- “Why is BTC up or down” and/or “what is your price target”?
- “Is this an alt-coin rally”?
- “Which L1 protocol (ETH, SOL, or pick your new favorite) is going to win?”
- “Memecoins” (I can’t even tell you what the question is because I stopped listening)
- [new] “What do Trump’s actions mean, or how does this affect TRUMP coin?”

I’ve never received a question about Binance Coin (BNB) – arguably the best token ever created from both a tokenomics standpoint and a returns standpoint, issued by arguably one of the most profitable and innovative companies in history. I have, however, been asked questions many times about CZ himself (the CEO and founder).

I’ve never received a question about Hyperliquid (HYPE), arguably one of the most profitable companies in history (per employee), and one of the fastest growing companies ever, with a token that was launched in the most unique fashion (airdropped to users, with \$0 in venture capital investments).

I’ve never been asked a question about Pump.fun (PUMP), another one of the fastest-growing companies, which recently issued one of the largest ICOs in history at the highest ICO valuation ever.

I’ve never been asked a question about Aave (AAVE), an on-chain lending protocol with more than \$50 billion in net deposits, which would rank Aave alongside the top 50 banks in the US by deposit volume. Aave accounts for nearly 18% of all DeFi TVL (total value locked), commanding nearly 80% of the on-chain lending market share and holding over half of net deposits in the DeFi space.

Imagine financial reporters not reporting on Amazon, or Google, or recent IPOs, or JPMorgan, and instead only asking generic questions about gold, memestocks, and the S&P 500. That wouldn’t capture many people’s attention. Unfortunately, that’s where we are in the evolution of digital assets. It’s hard to know if this stems from a lack of education to report on the more interesting areas of crypto, or a lack of interest from the financial audience.

Why are Layer-1 Protocols Valuable?

Frequent readers know that I hate the term “alt-coin” because it reduces the entire crypto token world outside of Bitcoin to a single entity. While it is an entirely outdated term, it does have an etymology. The term “alt-coin” stems from the fact that in the early days of crypto’s growth, the only other tokens that existed were Bitcoin clones (XRP, BCH, LTC) and Layer-1 smart contract protocols (like ETH, ADA, EOS, XLM, and others). At the time, these were alternatives to BTC. Almost every complaint we have about crypto nomenclature and coverage stems from the fact that most of this industry was created based on these two types of tokens only (BTC and Layer 1s), and the industry jargon has not evolved to include the growing facet of new sectors, token types, and issuer types that exist today. Nowadays, the universe of digital assets is much broader and has little to do with Bitcoin at all, so lumping everything into the “altcoin” universe is ignorant.[NOTE: We don’t just complain – we try to educate and fix – like our Digital Asset Taxonomy, and our calls for new definitions like “Adjusted Market cap”.]

Layer-1 smart contract protocols are the most important backbone infrastructure for all of crypto, but have also driven most of what we hate about crypto investing.

It started with the “Fat Protocol Thesis”, which was academically interesting but proved to be completely flawed. This thesis sparked a wave of investments from venture capital investors into new Layer-1 smart contract protocols, following the success of Ethereum’s ETH token. Now, 10 years after the ETH ICO, the market is littered with useless and overvalued Layer-1 smart contract protocols that carry enormous market caps and have received an ungodly amount of investments from VCs. Much like the recent wave of Digital Asset Treasury companies (DATs), investors rarely lose money funding a new Layer-1 smart contract protocol, so they aren’t going to stop funding these startups.

But have you ever asked an investor in a Layer-1 smart contract protocol token the most basic, simple question?

“Why does ETH (or any L1 token) have value?”

I have, many times, and have yet to receive a satisfactory answer.

Recall, for something to have value, it has to have a combination of financial value, utility value, and social value.

Many Layer-1 tokens have all 3 of these, which is a good start. Financial value is driven by fees created for using the network (gas or app payments), utility value is driven by the need to spend or use the asset (to pay gas, or as collateral, or for staking), and social value is driven by the tribalism of chains (cool factor). So, there is no question that Layer-1 smart contract platform tokens DO HAVE some value.

But how do you then get to a \$460 billion valuation for ETH, or a \$100 billion value for SOL, or any of the egregiously high valuations for all of the other Layer-1 protocols that barely house any economic activity at all?

Let’s start with a simple sum of the parts analysis:

1. Financial value: Using a very rough estimate of fee generation (in dollar terms), and a sample of a few of the largest Layer-1 protocols by market cap, we can estimate a P/E ratio for the tokens of a

Layer-1 protocol. The historical P/E ratio of the S&P 500 is 16x, whereas it is currently closer to 24x. Layer 1 protocols trade closer to 100x fees earned.

So, unless you believe that volumes and transactions are going to balloon, and/or that fees are going to increase meaningfully, it's hard to make a financial argument for owning these assets at current financial valuations. There definitely is some financial value, but certainly not enough to warrant these massive market caps.

 Layer-1 Protocol Valuation vs. Fee Revenue (Updated)

Protocol	Annual Fee Revenue (2024)	Current Market Cap	Market Cap / Fees (P/E)
Ethereum	\$2.48 B	~\$466 B	~188x
Tron	\$2.15 B	~\$30.3 B	~14x
Solana	\$750.65 M	~\$102 B	~136x
BNB Chain	~\$195 M	~\$117.6 B	~603x
Avalanche	~\$20 M	~\$10.9 B	~545x

Source: ChatGPT

- Utility value: ETH is definitely useful, but so is aluminum, which is not very valuable. For the usefulness factor to create a demand sink, you'd need a world where everyone has to own some ETH (or SOL) in their wallets at all times in order to transact, or for collateral. But that's not true right now since there is way more block space available than there is demand for block space.

There are over 200 million wallet addresses that hold ETH or have interacted with the chain. A common industry guideline suggests that users maintain roughly 0.1 ETH in their wallet as a buffer for fees, particularly for ERC-20 transfers or DeFi interactions. Using this rough estimate, and multiplying 200M wallets × 0.1 ETH gives an approximate 20 million ETH potentially held idle across user wallets for gas purposes. At today's price (~\$3,600 per ETH), that represents \$72 billion in working capital parked purely for gas usage.

On Solana, minimal fees per transaction are extremely low. A standard transfer costs around 0.000005 SOL, enabling roughly 4,000 transactions from just 0.02 SOL in a wallet. Suppose there are ~100 million active Solana wallets holding small balances. If each keeps a modest 0.02 SOL buffer, that's an estimated 2 million SOL idle for transaction costs. At ~\$170 per SOL, that's roughly \$340 million reserved for gas.

Token	Estimated Idle Buffer per Wallet	Estimated Wallets	Total Idle Supply Reserved for Gas	Utility Value at Market Price
ETH	~0.10 ETH	~200 M	~20 M ETH	~\$72 B (≈\$3,600 per ETH)
SOL	~0.02 SOL	~100 M	~2 M SOL	~\$340 M (≈\$170 per SOL)

So, there is undoubtedly some utility value, but certainly not enough to warrant these massive market caps.

3. Social value: That leaves social value. Is it cool to be a part of these networks? Maybe 5 years ago, yes, but now every crypto project has its own L1, or is building its own L1, and that cache is largely gone. Social value exists, but it is declining. Yet the majority of the value of a Layer-1 smart contract protocol is coming from the social value, since the financial and utility value is relatively low relative to the market cap.

Let's look at the two largest smart contract protocols using the sum-of-the-parts analysis above:

Ticker	Financial Value (@ 25x P/E)	Utility Value	Actual Market Cap	Estimated Social Value Component (Plug in)
ETH	\$60 billion	\$72 billion	\$450 billion	\$318 billion (70%)
SOL	\$19 billion	\$340 million	\$90 billion	\$71 billion (77%)

If you run this exercise for all Layer-1 protocols, you'd get a similar answer. Financial value + utility value is WAY lower than market cap, which means that the majority of the value comes from social value (70-80% of the token's value).

Perhaps the above sum-of-the-parts analysis is too crude, and there are other reasons to assign value to the native token of a protocol. The native token, after all, becomes the reserve currency on the chain. So, for example, SOL memecoin traders use SOL to buy and sell, they don't use USDC or other stablecoins. NFT traders use ETH. But are these blockchains worth \$90B and \$450B simply because they support the trading of fads that almost no one believes are the future of blockchain? Perhaps it's less about today's fads, and more about the optionality of future fads and future use cases as well – no one knew that DeFi summer, ICOs, NFTs, memecoins or any other growth engines of blockchain were going to happen ahead of time. Still, those who owned these reserve currency L1 tokens benefited from the rapid rise of all of these.

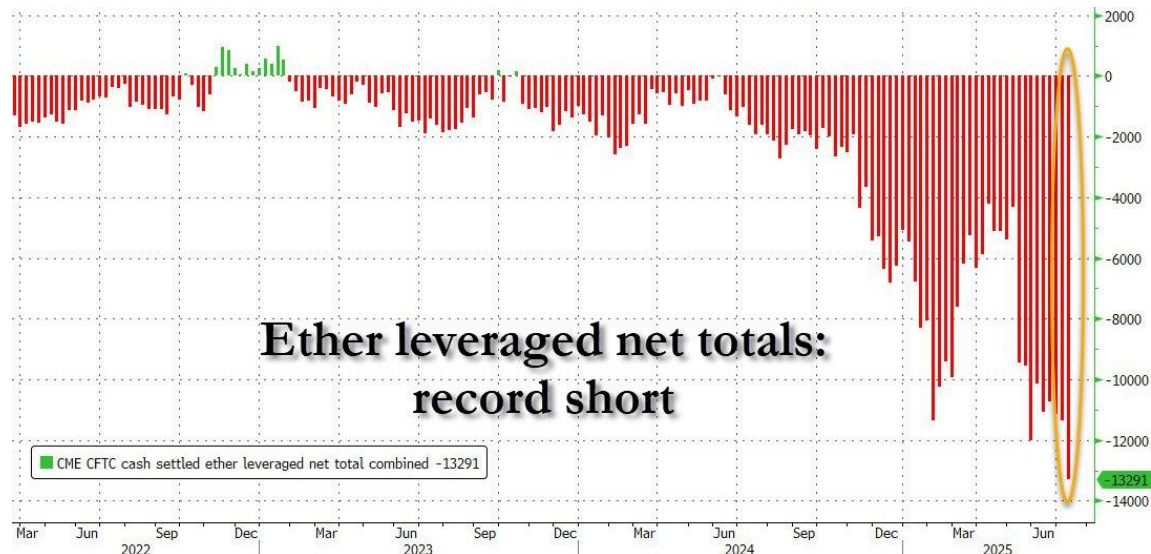
That said, the point of a blockchain is to move assets, and 99% of the world's assets are stocks, bonds, and real estate. These cute little "crypto assets" like NFTs and memes and even the equity-like tokens of real crypto businesses (like DePin and DeFi) are fairly meaningless in the big picture of moving the real assets on-chain.

So, the question is, which blockchain(s) will host the most real assets in the future? That chain is probably cheap even if the SOTP analysis says otherwise, because it will grow the fastest. But the trading pairs on that chain will be stablecoins, not the native currency.

Blockchains clearly have value, it just seems that any objective analysis of that value would place the token 50-80% lower than where they currently trade. Perhaps the reason why most of these L1s trade at 100x to 1000x fee multiples is due to the fact that the market used BTC as a benchmark to compare them instead of actual fundamental analysis. If you use an asset that has no valuation (BTC) as a comp, then you end up with pretty silly comparisons.

I've been building fundamental valuation models for crypto tokens for almost a decade, and no one has ever made a logical argument for why an L1 is worth as much as it is. My old colleague, Nick Hotz, probably came the closest when he tried to value Layer-1 blockchains as nations, and thus the native currency became an actual currency. But even this fell short of an actual valuation analysis because it was circular (valuing ETH in ETH terms).

While there is nuance to the reported data that ETH shorts are at record highs (due to basis trading), perhaps there is a good reason for this. If others start to think the way I think, Layer-1 protocols will morph into commodities like phone line operators.



Personally, I think collectively the value of all L1s is probably higher than where they all trade today, IF blockchain really becomes the technology that all assets ultimately transact on. What is the value of the internet? If that's the right comp, then yes, the sum of ALL blockchains collectively has a ton of value. But probably not most of them individually. There will likely only be 1 or 2 winners, so I'd rather buy ones valued at \$1-2B than anything over \$50B, simply because they all seem like total longshot bets, and I prefer the cheaper options.

But again, that's based on my view that 99% of the world's assets aren't on-chain yet, which means any lead ETH or SOL has today ultimately means very little in the long run because the assets on these blockchains are just test phases with meaningless assets.

The more optimistic answer has more to do with security than anything else. For example, Treasury Secretary Scott Bessent recently estimated that stablecoins will grow to \$3.7 trillion. What market cap does ETH have to be in order to support a \$4 trillion stablecoin market? Perma ETH-bull Tom Lee (via a private chat) said the following: "This is why I think Goldman and JP Morgan end up staking ETH, to be sure that it is a secure network." Since he thinks stablecoins grow 15x, he thinks ETH will grow 30x.



Thomas Lee

Stablecoins are 30% of gas fees for ethereum now. And if market is 15x bigger for stablecoins

Plus add in tokenized real estate and stocks

Seems like ETH should be 15x or even more if utility of ethereum is seen as exponentially gaining

So maybe 30x?



11:18 AM

I love this framing. It actually does make sense. If you are a TradFi firm attempting to be dominant in stablecoins, you naturally want to be invested in the layer 1 token that provides the security for that business.

Ironically, this is the opposite of the Fat Protocol Thesis. The value is in the applications built upon the chain, not the chain itself, but the chain's value will grow too in order to support the apps.

Cryptonews crunched the numbers to examine the extent of Trump's crypto wealth...

