



HYPERION DECIMUS

CRYPTO NEWSLETTER

POWERED BY WEEKLY CRYPTO BRIEF

15th February 2026

BITCOIN-RELATED



NYDIG: Bitcoin rebounded this week after finding support at \$60K last Thursday evening. The subsequent rally from the oversold condition (14-day RSI hit 17) carried prices back through \$70K before fading throughout the week, leaving BTC up 2.9% over the past 7 days. Consistent with this pattern, spot Bitcoin ETFs recorded inflows in three of the past five sessions during the rebound phase, followed by renewed outflows as price momentum stalled, suggesting tactical dip-buying rather than sustained allocation.

K33 Head of Research Vetle Lunde said a “vast list of extreme outliers” across volume, funding rates, options skews, and ETF flows makes a “strong case” that Bitcoin's plunge to \$60,000 marked a local bottom. The firm highlighted 95th percentile spot volumes, deeply negative funding rates, and a 6 reading on the Crypto Fear & Greed Index as evidence of “capitulation-like” conditions across markets. K33 expects Bitcoin to enter a prolonged consolidation phase between \$60,000 and \$75,000, with elevated odds of a retest but limited material downside below the recent low.

Bernstein analysts on Feb. 8 maintained their \$150,000 target for Bitcoin in 2026 despite the recent selloff that they said was being driven by lacking investor confidence rather than structural stress. They called the pullback the “weakest bear case” in the asset’s history and said: “The current Bitcoin price action is a mere crisis of confidence. Nothing broke, no skeletons will show up.”

Standard Chartered warned Bitcoin could fall to around \$50,000 in the coming months before rebounding later this year. In a note on Feb. 12, Head of Digital Assets Research Geoffrey Kendrick said: “I think we are going to see more pain and a final capitulation period for digital asset prices.” The bank now sees Bitcoin reaching \$100,000 by year-end, marking further downgrades from a prior \$150,000 target.

Brazilian lawmakers reintroduced a bill proposing the creation of a Strategic Sovereign Bitcoin Reserve (RESBit) to acquire one million Bitcoin over five years.

Illinois introduced a budget-neutral Community Bitcoin Reserve Bill: On February 5, Senator Emil Jones III introduced the groundbreaking Community Bitcoin Reserve Act (Senate Bill - SB3743), originally

proposed by Illinois State Representative John Cabello as a separate bill in January 2025. The Bill recognizes Altgeld Bitcoin Reserve in Chicago as the first community reserve site and encourages greater community participation without additional tax burdens.

Binance completed the \$1 billion conversion of its Secure Asset Fund for Users reserve into Bitcoin on Feb. 12, finalizing the transition within 30 days of its initial announcement. The crypto exchange bought a final 4,545 BTC tranche, bringing the fund's total holdings to 15,000 BTC valued at ~\$1.005 billion.

Strategy bought a further 1,142 BTC for ~\$90 million. As of Feb. 8, Strategy holds 714,644 BTC. (Strategy is preparing to issue additional perpetual preferred shares, including a new product called “Stretch” with an 11.25% reset dividend, designed to reduce stock volatility while giving investors structured exposure to digital assets, as the company continues funding BTC purchases through a mix of common and preferred equity.)

Coinbase announced: “We increased our bitcoin holdings by \$39 million, driven by weekly purchases for our crypto investment portfolio.”

Bitcoin Treasury company ProCap Financial announced it entered into an agreement to acquire CFO Silvia, Inc to become the first publicly traded agentic finance firm and combining artificial intelligence and Bitcoin in a very unique way.

Jack Dorsey’s Cash App announced no fees on large Bitcoin buys and recurring Bitcoin buys.

Motiv Peru, a non-profit co-founded by Rich Swisher and Valentin Popescu, has spent years equipping underserved and unbanked communities to use Bitcoin for everyday needs, education, and local trade. What began as a simple shoe donation program has evolved into a network of about 10 active zones with hubs in Lima, Cusco, and Huanchaco and satellite programs in Tarapoto and Iquitos, among others, serving 750+ families weekly.

Bitcoin Improvement Proposal 360 has been merged into the official Bitcoin BIPs repository, aiming to strengthen Bitcoin against quantum.

Bitcoin Magazine's parent company BTC Inc. released a new Bitcoin commercial. (View it, [here.](#))

INDUSTRY ADVANCES

Nicholas Peach, head of the Asia and Pacific region iShares at BlackRock, predicted that even a modest model portfolio allocation to crypto in Asia could drive massive inflows into the market. He said: “Some model advisors are now recommending a 1% allocation to cryptocurrencies in your standard investment portfolio. If you do some fun math... there’s about \$108 trillion of household wealth in all of Asia. So, you take 1% of that... and that’d be just south of \$2 trillion of inflows into the market, which is what, 60% of what the market is now?”

Nikita Bier, X’s head of product, confirmed on Feb. 14: “We are launching a number of features in a couple weeks, including Smart Cashtags that will enable you to trade stocks and crypto directly from timeline.”

Coinbase, which made headlines with its QR code-based Super Bowl ad in 2022, ran a 60-second spot in Super Bowl 60 that broadcast a karaoke version of the 1997 Backstreet Boys song “Everybody (Backstreet’s Back).” The ad garnered mixed reviews.

Cross-asset marketplace LMAX Group unveiled Omnia Exchange, a next-generation infrastructure layer enabling users to seamlessly convert any asset in real-time via a single API, anywhere, anytime. Omnia unifies FX, crypto, stablecoins, and other digital assets in one platform.

BitMEX launched Hyperliquid copy trading: The crypto derivatives and trading exchange now allows users to replicate trading strategies of up to 5 Hyperliquid elite traders through a dedicated leaderboard.

A Super Bowl ad for ai.com, the domain name recently bought for a record-breaking \$70 million in cryptocurrency by the founder of Crypto.com, Kris Marszalek, crashed its website. (The site will offer a personal “AI agent” that consumers can use to send messages, use apps and trade stocks.)

Ondo Finance launched Ondo Perps, a new perpetual futures venue that brings 24/7 leveraged trading to a lineup of US equity, ETF, and commodity underlyings for non-US users (with leverage advertised up to 20x).

MegaETH launched its “real-time” mainnet on with 50+ live apps, promoting a new in-memory architecture designed to dramatically cut blockchain delays and support up to 50,000 transactions per second after raising massive investor interest through an oversubscribed token sale.

Telegram is expanding its built-in TON wallet to 87 million users in the US, integrating cryptocurrency management directly into the messaging platform.

Ethzilla, an ETH treasury company, launched the first tradable aviation asset token on Ethereum, converting revenue-generating Boeing 737-800 aircraft engines leased to major US airlines into digital tokens that allow qualified investors to access engine-leasing cash flows through secondary market trading.

BitMine Immersion Technologies acquired over 40,000 ETH worth \$83.2 million, increasing its total Ethereum holdings to 4,325,738 ETH valued at \$8.8 billion.

The UK’s government appointed HSBC’s tokenization platform to power a pilot issuance of digital government bonds, known as “gilts,” marking the latest step in its push to modernize sovereign debt markets using blockchain technology.

BlackRock is enabling direct onchain trading of its \$2.4 billion tokenized Treasury fund BUIDL via UniswapX in collaboration with Securitize and Uniswap Labs, marking the asset manager's first move into DeFi.

Robinhood moved its blockchain ambitions forward, launching a public testnet for Robinhood Chain, its Ethereum-based L2 network built on Arbitrum. The company says the network is designed to support tokenized RWAs (including stocks and ETFs), while enabling 24/7 trading and self-custody through the Robinhood Wallet.

Blockchain.com and Ondo Finance announced an expansion of their partnership to offer RWAs onchain to the European market. Eligible users in Europe can now gain direct access to regulated, tokenized US stocks and ETFs seamlessly within the Blockchain.com DeFi wallet.

xStocks, one of the most widely-adopted tokenized equity standards (backed by Kraken) is now available to trade on 360X, a regulated secondary trading venue for financial instruments backed by Deutsche Börse Group.

LayerZero is launching a new L1 blockchain called Zero, an infrastructure built for tokenized markets and high-throughput finance. The announcement came with notable institutional involvement, as Citadel Securities and ARK Invest have made strategic investments by buying LayerZero's ZRO token. (LayerZero also unveiled a partnership with Google Cloud, designed to support the development of AI-powered agents using crypto.)

Kalshi processed over \$1B in wagers during the Super Bowl, a 2,700% YoY jump, with Bad Bunny's opening song alone drawing \$100M in bets.

Polymarket took legal action against Massachusetts regulators, arguing that the state lacks authority to regulate its platform. The ongoing battle involves a federal lawsuit and a preliminary injunction that could restrict prediction market platforms in the US.

Circle announced a partnership with Polymarket to support reliable dollar-denominated settlement infrastructure for Polymarket users.

Polymarket announced it's partnering with Kaito AI, a crypto-focused research and data aggregator, to allow users to bet on the popularity and public opinion of trends, brands, and people.

Jump Trading, a Chicago-based quantitative trading company, is reportedly set to acquire minority stakes in prediction market platforms Polymarket and Kalshi.

Milwaukee Bucks forward Giannis Antetokounmpo acquired a minority equity stake (< 1%) in Kalshi through his company Ante Inc. (Based on Kalshi's most recent \$11 billion valuation, a 1% stake would be worth more than \$100 million.)

Kalshi announced an expansion of its market surveillance and enforcement framework, forming an independent surveillance advisory committee and new trading surveillance partnerships with Solidus Labs and the Director of the Wharton Forensic Analytics Lab.

MINING



Bitcoin's mining system went through one of its biggest resets in years. Mining difficulty, a built-in setting that controls how hard it is to earn new Bitcoin, fell by about 11%, the sharpest drop since China's mining ban in 2021. That decline reflects how many machines have gone offline as prices slid and operating costs surged.

Singapore-based miner Canaan reported a major rebound in Q4 revenue (\$196 million and up 121% from a year earlier) as demand for Bitcoin mining hardware picked up, while the company also expanded its Bitcoin treasury through its own mining operations.

Cango, a China-linked Bitcoin mining firm, raised \$75.5 million in new equity after selling \$305 million worth of bitcoin, strengthening insider voting control while pivoting its mining infrastructure toward AI and high-performance computing services.

Morgan Stanley initiated coverage on Cipher Mining and TeraWulf with Overweight ratings, while downgrading Marathon to Underweight.

ETPS (EXCHANGE-TRADED PRODUCTS), FUNDS & INDEXES



Harvard University holds more in Bitcoin ETFs than it holds shares in Alphabet.

Denmark-based Danske Bank will now allow customers to invest in cryptocurrency-linked ETPs tied to Bitcoin and Ethereum, marking a shift for Denmark's largest lender after years of resistance to the asset class.

Goldman Sachs disclosed over \$1 billion in Bitcoin ETF holdings despite a 47% Bitcoin price drop since October, and also revealed positions of just over \$1 billion in Ethereum ETFs, \$152 million in XRP ETFs, and \$108 million in Solana ETFs.

ProShares announced the launch of the ProShares CoinDesk 20 Crypto ETF (KRYP), the first ETF designed to track the CoinDesk 20 Index, a broad-based benchmark representing 20 of the largest and most liquid cryptocurrencies.

President Trump's media conglomerate, Trump Media & Technology Group, filed paperwork with the SEC for two new ETFs linked to major cryptos: The Truth Social Bitcoin (BTC) and Ether (ETH) ETF alongside the Truth Social Cronos (CRO) Yield Maximizer ETF.

BitGo Holdings and 21Shares expanded their existing partnership to include custody and staking services supporting 21Shares' crypto ETPs for investors in the US and Europe.

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



Backpack, a crypto exchange founded by former employees of FTX, is reportedly raising \$50 million at a \$1 billion valuation. The company unveiled a tokenization plan splitting 1 billion tokens between post-IPO treasury reserves (37.5%) and pre-IPO market circulation (37.5%) tied to expansion milestones.

BLUFF, the blockchain-based, next-gen betting platform and a leading name in the iGaming sector, secured \$21 million strategic funding from leading investment firm 1kx.

Opinion Labs, the blockchain-powered prediction market platform, secured \$20 million in a Series A funding round – backed by Hack VC, Primitive Ventures, and others.

Singapore-based crypto firm Penguin Securities raised \$18 million (2.8B Yen) – led by Mint, Daiwa Securities Group, Thirdwave, Tusim, and UNITED in pre-series A round to accelerate its presence in the Japan market.

IPOS, M&A, PARTNERSHIPS & DEALS



Beast Industries, linked to YouTube star MrBeast, is set to acquire fintech startup Step, known for its mobile banking for teenagers – following its crypto trademark filing.

Boerse Stuttgart Group, operator of one of Europe's largest stock exchanges, said it will merge its crypto business with Frankfurt-based digital asset trading firm Tradias in a strategic move to expand its presence in institutional crypto markets.

Ripple accelerated its institutional custody adoption – through new partnerships with Securosys and Figma – by expanding security, compliance, and staking capabilities.

Fireblocks, the enterprise platform securing more than \$5 trillion in digital asset transfers annually, announced an expanded collaboration with Thales, a global leader in cybersecurity, to deliver institutional-grade digital asset security architecture for financial institutions.

DEFI



Aave Labs has thrown down a bold proposal called “Aave Will Win,” asking the DAO to approve a plan that would send 100% of revenue from Aave-branded products back to the community treasury. The framework is tied to the long awaited V4 upgrade and would formalize a structure where Labs builds products, but all related revenue flows to token holders.

Kraken announced the availability of a bespoke yield solution, marking an important first step as Kraken Institutional expands access to professionally managed strategies within a secure, regulated framework. Eligible Kraken Institutional clients can access the Bitwise Custom Yield Strategy, with the Bitwise team responsible for day-to-day portfolio management, while Kraken provides the underlying infrastructure, governance, and ongoing oversight.

World Liberty Markets, a lending platform linked to the Trump-family-associated crypto project, announced the upcoming launch of World Swap – a foreign exchange platform.

Aster L1 testnet went live. The futuristic perp DEX rolled out its L1 blockchain testnet for users. It is now open to the public, with potential mainnet deployment in Q1 2026. The Q1 launch aims to introduce several features, including fiat on-ramps, Aster's open-source code for builders, and more.

CBDCS & STABLECOINS



The CFTC's Market Participants Division expands its rules and reissues CFTC Staff Letter 25-40. The new guidance permits national trust banks to issue “payment stablecoins” as collateral in crypto markets.

The United States National Credit Union Administration, which oversees 4,000+ federally insured credit unions serving ~144 million members and ~\$2.4 trillion in assets as of mid-2025, proposed its first rules under the GENIUS Act, sketching out how subsidiaries of federally insured credit unions could apply to become federally supervised payment stablecoin issuers.

Bank Negara Malaysia's Digital Asset Innovation Hub is onboarding three 2026 pilots: a ringgit stablecoin settlement led by Standard Chartered Bank Malaysia and Capital A and two tokenized deposit payment projects led by Maybank and CIMB focused on wholesale domestic and cross-border payments.

Tether plans to sharply increase its US Treasury bill purchases in 2026, aiming to rank among the top 10 global buyers as its USDT stablecoin grows, with current holdings already exceeding \$122 billion in T-bills.

Binance, whose founder President Donald Trump pardoned in October, holds ~87% of all USD1, the stablecoin issued by a Trump family crypto venture. The crypto exchange's holdings represent the highest concentration at any third-party exchange among the top 10 stablecoins by market cap, according to Forbes.

Agant obtained registration as a crypto-asset business with the UK's FCA to introduce a pound-denominated stablecoin, GBPA, designed for institutional use.

Fosun Wealth Holdings launched its own yield-bearing stablecoin. The Hong Kong-based firm rolled out the FUSD stablecoin on Avalanche C-chain, boasting institutional-grade execution and native yield derived from offchain money market funds.

Aptos-incubated Decibel will launch a protocol-native stablecoin ahead of mainnet. The dollar-backed token, USDCBL, will serve as collateral for onchain perps, with cash and Treasury reserves generating yield retained within the protocol.

Securitize is launching a stablecoin backed by tokenized private credit assets in partnership with Hamilton Lane, OKX Ventures, and stablecoin infrastructure firm STBL.

Payments giant Stripe integrated Coinbase's open-source x402 protocol to let businesses charge AI agents directly in USDC on Base, expanding machine-to-machine payments as the company reportedly explores a \$140 billion valuation and CoinGecko simultaneously enabled \$0.01 pay-per-call crypto data access using the same system.

The MegaETH Foundation plans to use revenue from its USDM stablecoin – backed indirectly by BlackRock's tokenized money-market fund – to regularly buy MEGA tokens, tying future token supply releases to measurable ecosystem growth instead of a single launch event.

Confirmo, the global stablecoin-first payment platform built to simplify how merchants and enterprises move money, announced it will offer fully compliant digital asset deposits, payouts, and custody services to US businesses across all 50 states via Paxos infrastructure.

NFTS, BLOCKCHAIN GAMING & METaverse



Immutable, a gaming technology company, announced the official launch of Mintory, a next-generation Web3 game economy community, and the onboarding of its first title, Ragnarok Sharing Hero NFT.

JOB MOVEMENT



Tether has substantially grown its workforce to ~300 employees and plans to hire another 150 over the next 18 months as it accelerates a global expansion.

Jack Dorsey's Block has been notifying hundreds of employees (up to 10%) that their jobs may be eliminated during annual performance reviews due to a broader business overhaul.

Binance reportedly fired at least five members of its internal compliance team who uncovered evidence that Iran-linked entities had received \$1 billion through the exchange between March 2024 and August 2025, potentially violating sanctions laws.

Tomasz Stanczak to step down as Ethereum Foundation co-executive director.

Coincheck, the Netherlands-based holding company of one of Japan's leading digital asset trading platforms, said CEO Gary Simanson will resign effective March 31, with 3iQ Corp. CEO Pascal St-Jean scheduled to take over on April 1.

Kraken has moved CFO Stephanie Lemmerman to a strategic advisory role.

Dan Romero and Varun Srinivasan, co-founders of Farcaster, joined Tempo, a stablecoin-focused blockchain project.

REGULATIONS, RULINGS & COMMENTARY



A White House meeting on Feb. 10 about the Digital Asset Market Clarity Act ended without compromise after major US banking groups pushed for a total ban on stablecoin yield rewards, resisting pressure from crypto executives – including Coinbase and Ripple representatives – who view yield as central to their business models.

The US Senate Banking Committee said: “The future of digital asset innovation must be rooted here in America, not overseas.”

House Democrats sharply criticized SEC Chair Paul Atkins for scaling back crypto enforcement, arguing during a congressional hearing that dismissing high-profile cases tied to firms connected to President Trump has weakened investor confidence and damaged the regulator’s credibility.

US fintech trade groups are pushing the Federal Reserve to let non-bank payment companies access core Fed payment systems through a limited account, arguing it would boost competition and innovation, while banks warn it could increase financial risk and indirectly open the door for crypto-linked models.

Crypto-backed super PAC Protect Progress (an affiliate of Fairshake) committed \$1.5 million to unseat Representative Al Green in Texas’s Democratic primary, escalating the digital asset industry’s effort to reshape Congress by targeting a longtime Financial Services Committee member who opposed major crypto market and stablecoin legislation.

The CFTC formed a 35-member Innovation Advisory Committee packed with crypto heavyweights, giving the derivatives regulator direct input from exchange leaders, blockchain founders, and traditional market giants as it shapes future digital-asset rules.

SEC Chair Paul Atkins signaled that some prediction markets may fall under the agency’s authority, arguing the regulator already has sufficient power to oversee contracts that resemble securities, potentially expanding oversight beyond the CFTC depending on how such products are structured and described.

The EU is considering banning all crypto transactions with Russia to block sanction evasion and prevent new exchanges from replacing blacklisted platform Garantex, though the proposal still requires unanimous approval from member states.

The Netherlands’ House of Representatives advanced a legislative proposal to introduce a 36% capital gains tax on savings and most liquid investments, including cryptocurrencies.

The Israeli Crypto Blockchain & Web 3.0 Companies Forum launched a lobbying effort to push regulatory reforms that research from KPMG says may add 120 billion shekels (\$38.36 billion) to the country’s economy by 2035 and create 70,000 new jobs.

Japan's PM Takaichi's landslide victory signals sweeping reforms, including slashing crypto taxes and launching crypto ETFs by 2028.

Chinese regulators formally locked in a sweeping crypto crackdown by banning all unapproved yuan-linked stablecoins and classifying most real-world asset tokenization as illegal, framing both as threats to financial stability and national security even when issued offshore.

Hong Kong’s Securities and Futures Commission presented a new framework that allows licensed platforms to offer crypto perpetual contracts to professional investors and enables brokers to provide margin financing using assets like BTC and ETH as collateral, subject to strict risk controls.

The Thai Cabinet approved changes to allow crypto as underlying assets for regulated derivatives, promoting market growth and expanding investment opportunities.

Blockchain.com obtained UK regulatory approval after withdrawing its application in March 2022.

The company is now listed on the FCA's registry under the trading name "BC Operations," allowing it to conduct certain crypto-related activities in compliance with regulations.

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

Turkish authorities froze ~\$544 million in assets linked to alleged illegal betting operator Veysel

Sahin, with Tether executing the block at the government's request as part of a broader crackdown that has already seized over \$1 billion in crypto-linked funds.

A federal judge sentenced Praetorian Group International founder Ramil Palafox to 20 years in

prison for running a Bitcoin Ponzi scheme that raised over \$200 million from customers between 2019 and 2021.

A US court sentenced Daren Li, a crypto scam organizer, to 20 years in prison for his role in a \$73

million global fraud scheme. Li, a fugitive, was convicted for targeting victims through social media and spoofed trading websites.

Former SafeMoon CEO Braden John Karony received an eight-year prison sentence and was

ordered to repay \$7.5 million after being convicted of fraud, money laundering, and manipulating his project's token to siphon investor funds for personal luxury spending.

Paxful, the peer-to-peer Bitcoin exchange, was sentenced to pay \$4 million in fines after admitting

to transferring funds involved in money laundering, fraud, and prostitution schemes. The company facilitated \$3 billion in trades between 2017 and 2019, collecting nearly \$30 million in revenue.

Seoul's Gangnam Police lost 22 seized Bitcoin worth about \$1.5 million after funds were drained

from a USB cold wallet held since 2021, prompting an internal investigation amid wider scrutiny of how Korean authorities safeguard confiscated crypto assets.

Elmin Redzepagic, a 24-year-old man from Connecticut, is accused by federal prosecutors of

defrauding crypto investors of nearly \$1 million and gambling the funds online. The DoJ indicted him on multiple charges, including wire fraud and money laundering, potentially facing 375 years in prison.

Sam Bankman-Fried, the imprisoned former CEO of FTX, reportedly filed a motion for a new trial in

the Southern District of New York today, claiming he was a political victim of the Biden Administration.

South Korea, after the Bithumb accident, is expanding crypto market investigations in 2026 to crack

down on price manipulation tactics like whale-driven trades and exploits during exchange outages, a push accelerated by recent exchange mishaps that exposed operational and market risks.

The FDIC agreed to pay legal fees and release crypto-related "pause letters" after settling a FOIA

lawsuit. The regulator faced criticism for withholding records showing pressure on banks to limit crypto activities, leading to a court ruling against them.

A proposed class action in DC accuses Steve Bannon and Trump advisor Boris Epshteyn of

misleading investors by promoting the Let's Go Brandon memecoin as decentralized despite alleged

operator control. The suit claims the defendants leveraged a politically loyal audience to drive purchases of what plaintiffs argue was an unregistered, highly speculative security.

Israel arrested army reservists and a civilian for allegedly using classified military information to place bets on Polymarket about strikes on Iran. Authorities said the suspects leveraged nonpublic details from their military service to inform their wagers. The case marks the first known arrest for insider trading on a prediction market.

Three individuals have been arrested after allegedly attempting to break into the home of David Prinçay, President of Binance France. After finding that Prinçay was not at home, the trio reportedly stole two mobile phones from the residence.

Six people were arrested in France after a magistrate and her mother were kidnapped for a crypto ransom. The captors demanded a ransom in crypto, threatening to mutilate the victims if not paid quickly.

Figure Technology, a blockchain-based lending firm, was reportedly hit by a data breach after attackers manipulated an employee in a social-engineering scheme.

Crypto trading and lending firm BlockFills temporarily suspended client deposits and withdrawals, citing “recent market and financial conditions.”

Security firm Socket identified malicious dYdX libraries on npm and PyPI that exfiltrate wallet seed phrases and device fingerprints.

Coinbase dealt with a temporary outage on Feb. 12 that was preventing some users from buying, selling, or transferring crypto on its main website. The company said it was investigating the issue and that user funds are safe, with no signs of long-term risk.

MISCELLANEOUS

OKX’s Valentine’s Survey, which polled 1,000 US adults in January, found: Only 5% of Americans have paid for a date using crypto (13% for Gen Z)... 21% of Americans (25% of men and 17% of women) said receiving crypto for Valentine's Day would be a “turn-on”... 17% of respondents overall said holding digital assets makes someone more attractive... and 29.5% of respondents said they currently own or previously owned crypto assets.

Coinbase reported a \$667 million net loss in Q4, reversing a \$1.3 billion profit from a year earlier. Revenue fell 20% to \$1.8 billion, missing expectations, as lower crypto prices weighed on trading activity. Transaction revenue dropped to \$983 million, down from \$1.56 billion a year ago and just over \$1.04 billion in the prior quarter. “Crypto is cyclical,” Coinbase said in its shareholder letter, adding that it is “never as good, or as bad as it seems.”

Trading app Robinhood delivered record Q4 2025 revenue of \$1.28B as retail investors stayed active through market volatility. However, shares slid, as Wall Street fixated on falling crypto revenue and rising costs. CEO Vlad Tenev doubled down on the vision of building a “Financial SuperApp,” while CFO Shiv Verma pointed to a renewed focus on profitable growth into 2026.

VanEck's Matthew Sigel showed data that CEO Brian Armstrong has sold ~\$545.7 million worth of COIN over the past nine months. The transaction history showed Armstrong offloaded more than 1.5 million shares between April 2025 and January 2026.

Ethereum co-founder Vitalik Buterin sees Ethereum and AI sees the two working together to improve markets, financial safety and human agency. His vision sees humans being empowered by AI, rather than replaced. He pointed to four key areas where Ethereum and AI could intersect in the near future: enabling trustless and/or private interactions with AI, Ethereum becoming an economic layer for AI-to-AI interactions, using AI to fulfill the “mountain man” ideal by verifying everything onchain and improving market and governance efficiency.

ENS Labs abandoned plans for its custom Namechain L2 network and will deploy the next version of Ethereum Name Service entirely on Ethereum’s main network, citing sharp drops in transaction costs and faster-than-expected base-layer scaling.

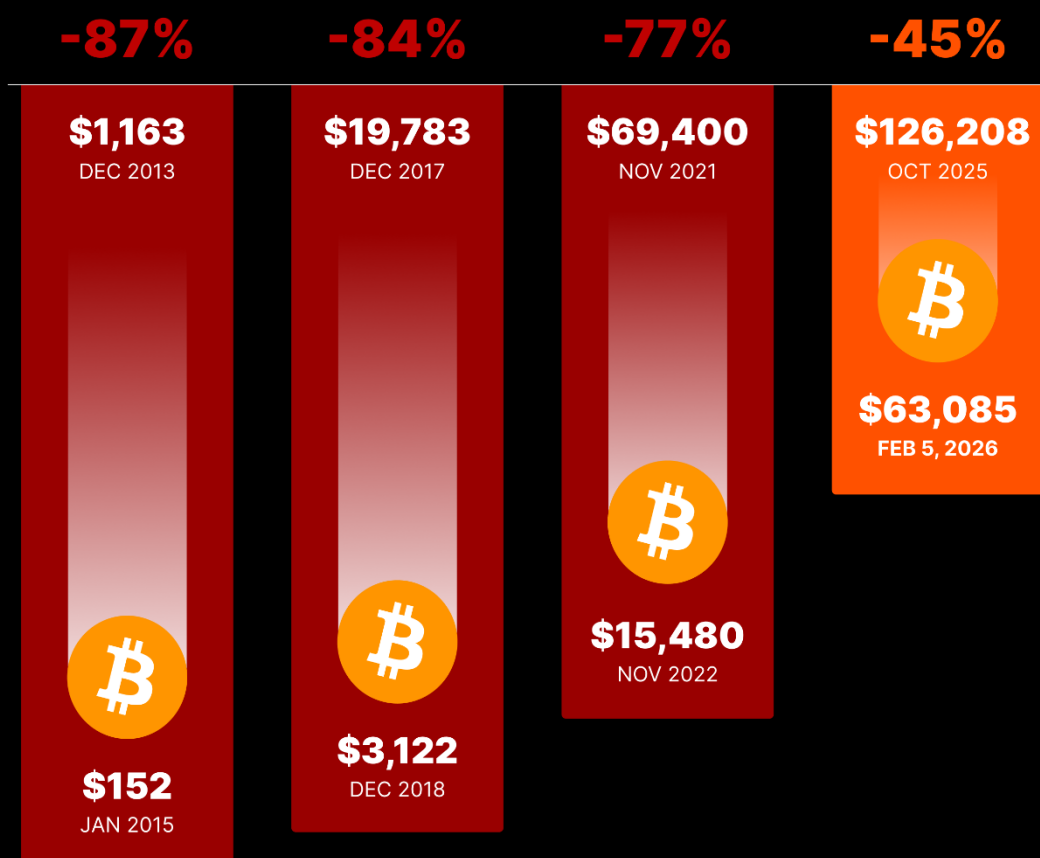
Sonic, an L1 blockchain, abandoned its reliance on transaction fees alone and shifted to a vertically integrated model, planning to own key trading, lending and payment applications so that revenues flow directly to its S token, while replacing airdrops with revenue-funded buybacks and recycling gas fees to attract users more efficiently.

The Base App, Coinbase’s non-custodial wallet rebrand tied to its Ethereum L2 network, removed its Farcaster-powered social feed and ended its \$450,000 creator rewards program to concentrate solely on onchain asset trading and swaps.

CHARTS, TABLES, QUOTES, COMMENTARY & OTHER IMAGES

Bitcoin Magazine: Every Bitcoin cycle, the downside compresses. -87% → -84% → -77% → -45%.
Volatility is declining. Demand is increasing.

HISTORIC BITCOIN CRASHES (PEAK TO BOTTOM)



Source: reddit.com/r/Bitcoin/comments/1qzxs9q/test_of_time



Blockforce Capital: When Gold Leads and Bitcoin Lags...

Precious metals have taken center stage in global macro markets. Gold and silver have both posted strong gains, while Bitcoin – after reaching a new all-time high in October 2025 – has undergone a sharp correction. This divergence has reignited skepticism around Bitcoin’s “digital gold” narrative. If gold is acting as a safe haven and preserving purchasing power during periods of uncertainty, why is Bitcoin not doing the same? Given recent price action – including a sharp sell-off in Bitcoin – the question is understandable. Yet it reflects a short-term view that overlooks both historical precedent and the deeper forces shaping these markets. A broader perspective shows that this divergence fits well within established patterns, and that longer-term trends support Bitcoin’s store-of-value thesis.

Since Bitcoin’s peak on October 6, 2025, at ~\$126,000, gold has significantly outperformed. From that date, gold climbed to new highs above \$5,000 per ounce and is still up ~25% despite a modest pullback. Silver’s performance over the same period has been even more dramatic, up approximately 60% from early October levels. Bitcoin, by contrast, is now down ~45% from its all-time high, following a steep drawdown last week before stabilizing. This dynamic – precious metals surging while Bitcoin struggles – has been widely interpreted as a challenge to the digital-gold narrative.

It is crucial, however, to place this performance gap in its proper context. Bitcoin’s pronounced underperformance relative to gold and silver is largely confined to the past four months, a narrow window within a much longer market cycle. From the start of 2025 through early October, Bitcoin broadly tracked gold’s performance. A few months of divergence, even when punctuated by a sharp weekly sell-off, do not meaningfully redefine an asset’s long-term role.

The concept of a store of value is inherently long term. It refers to assets that preserve purchasing power over years or decades, not over a single quarter. When viewed through that lens, Bitcoin’s record remains compelling. Even after the recent correction, Bitcoin’s cumulative gains over multi-year horizons far exceed those of gold. Since the start of the pandemic, gold is up roughly 3x, while Bitcoin is up 8.2x even with this recent correction. Over the past decade, gold has risen around 4.4x, whereas Bitcoin has appreciated by more than 186x. Short-term underperformance does not negate years of demonstrated outperformance or invalidate the broader thesis.

In fact, the recent surge in gold arguably strengthens the case for Bitcoin rather than undermining it. Gold’s rally is signaling rising stress in the global monetary system—concerns around sovereign debt, fiscal sustainability, and the long-term credibility of fiat currencies. Historically, gold performs best when confidence in monetary, fiscal, or geopolitical stability deteriorates. These themes – the debasement of currency, US government debt spiral, and rising hurdle rates – have been recurring subjects in this newsletter. Gold investors and Bitcoin proponents ultimately share the same core concern: preserving purchasing power in a world of expanding debt and monetary dilution. They simply express that view through different assets.

Bitcoin builds on gold’s foundational properties while improving on many of its limitations. Like gold, it is a scarce, bearer asset that exists independently of any fiat currency system. Unlike gold, it is natively digital, easily transportable, globally accessible 24/7, simple to verify, and much harder to confiscate. It can be sent across the world almost instantly, and its network can monetize otherwise wasted or stranded energy. Most importantly, while gold’s scarcity is relative and its supply issuance responds to price incentives – Bitcoin’s scarcity is absolute. Its supply is capped, its issuance schedule is fixed, and its rate of new supply creation is already lower than that of gold, with no mechanism for change.

Gold retains advantages that should not be dismissed. Time and familiarity matter. Gold has served as a monetary asset for centuries and has been embedded in institutional reserve management for decades. Central banks, sovereign wealth funds, and pension funds are deeply accustomed to allocating to gold. Institutional comfort with Bitcoin, by contrast, has only begun in recent years. As a result, during periods of rising macroeconomic anxiety, investors often turn first to established safe havens like gold, with newer alternatives such as Bitcoin following later as the situation evolves.

This sequencing has clear historical precedent. During the early stages of the COVID-19 crisis in 2020, gold initially outperformed as investors rushed toward immediate liquidity and familiar hedges. Gold rose from around \$1,500 per ounce in March to over \$2,000 by August, a gain of roughly 33%, while Bitcoin remained largely flat. Once gold's rally matured and macro conditions stabilized, Bitcoin surged, rising from about \$8,500 to over \$60,000 by early 2021 – a gain of more than 600%.

A similar pattern appeared in 2024. From March through October, gold advanced ~28% while Bitcoin was slightly down. From October to year-end, Bitcoin rebounded sharply, rallying ~74% while gold's price flattened. These episodes suggest a recurring rhythm: gold often leads during the initial phase of risk aversion, with Bitcoin following once broader confidence and narrative clarity return.

Quantitative measures reinforce this interpretation. The Bitcoin-to-gold ratio – representing how many ounces of gold are required to buy one Bitcoin – captures the relative performance of the two assets. When the ratio rises, Bitcoin is outperforming gold; when it falls, gold is leading. Historically, deep declines in this ratio have coincided with, or slightly preceded, major Bitcoin price bottoms.

That pattern has repeated across multiple market cycles. In the 2018–2019 cycle, the ratio fell ~83%, declining from ~15 to 2.6 by January 2019, before Bitcoin went on to nearly double over the remainder of the year. A similar dynamic played out in the following cycle: from its peak ~37, the ratio dropped ~76% to a low ~9 by January 2023, after which Bitcoin rallied ~160% over the rest of the year. In the current cycle, the ratio peaked ~40 in December 2024 and has since declined to ~13, a drawdown of ~67%. While the ratio could still move lower, both the magnitude and speed of the decline suggest Bitcoin is entering a zone that has historically aligned with relative bottoms versus gold. If these patterns persist, current levels suggest that in the not-too-distant future, Bitcoin may begin to outperform gold.

This broader historical context matters because the store-of-value thesis cannot be evaluated through short-term price movements alone. Monetary debasement, fiscal imbalances, and geopolitical uncertainty are structural forces influencing both gold and Bitcoin. Gold's recent rally – and Bitcoin's sharp but familiar drawdown – are not contradictory signals, but a pattern that has played out before and, as underlying global monetary stress intensifies, reinforces the case for Bitcoin's role and its eventual recovery.

At the same time, Bitcoin's institutional maturation continues. Its emergence as an institutional-grade asset – underscored by the most successful ETF launch on record – signals deeper integration into traditional portfolios. Over time, this expanding infrastructure should enhance liquidity, reduce volatility, and reinforce Bitcoin's position alongside established hard assets.

Seen in this light, the recent pattern – gold rallying first while Bitcoin lags – is not evidence that Bitcoin's thesis has broken. It is a historically consistent phase in a broader cycle of capital reallocation. Price-ratio dynamics, prior lead-lag relationships, and long-term performance all suggest that Bitcoin's recent weakness is not a repudiation of its store-of-value proposition, but another chapter in its evolution. Investors focused solely on short-term charts may grow skeptical when Bitcoin stumbles, but history warns against becoming a prisoner of the moment. If precious metals are signaling mounting macro

stress, it is more likely that gold is not stealing market share from Bitcoin but expanding the total addressable market for all hard assets. And if history is any guide, the stronger gold runs, the larger Bitcoin's eventual move back up could be.

World's largest asset manager BlackRock is now using billboards advertising its spot Bitcoin ETF...



Conclusion from Coin Metrics' "State of The Network" weekly report from 2/10/26. (Read the full report, [here](#).)

We estimate Coinbase will report Q4 2025 total revenue of approximately \$1.77B, down 5% from Q3's \$1.87B. For full-year 2025, this brings total revenue to approximately \$7.2B.

- Transaction Revenue: \$978M (vs. \$1,046M in Q3)
- Subscription & Services: \$726M (vs. \$747M in Q3)
- Corporate Interest & Other: \$73M (vs. \$76M in Q3)
- Total Revenue: \$1,777M (vs. \$1,869M in Q3)

Retreating trading volumes and asset price declines weighed on transaction and staking revenue, but Deribit's first full quarter and record USDC supply provided meaningful growth. While regulatory shifts, market competition, and interest rate risks remain, subscription and services account for 41% of net revenue, highlighting Coinbase's progress toward a more durable earnings base. As Coinbase expands its product suite across the broader financial services stack from derivatives, to tokenized equities and prediction markets, it continues to inch closer to being an everything exchange.

Conclusion from Glassnode's "The Week On-Chain" from 2/11/26. (Read the full report, [here](#).)

Bitcoin continues to trade within a structurally defensive regime, where price remains anchored between key cost-basis levels and absorption zones that are actively being tested. Sell-side pressure is still being met with demand in the \$60k–\$72k corridor, but overhead supply and negative short-term holder profitability suggest conviction remains fragile. This leaves rallies vulnerable to resistance while stabilization depends on sustained buyer participation.

Off-chain flows reinforce this cautious backdrop. Institutional treasury outflows point to ongoing de-risking, while spot activity has been reactive rather than accumulation-driven. At the same time, derivatives markets reflect a cooling in speculative appetite, with elevated hedging demand and dealer positioning keeping price action reactive rather than directional.

Taken together, the market appears to be navigating a period of balance under stress. Liquidity remains thin, participation is selective, and positioning is defensive. For conditions to improve, the market will likely require both renewed spot absorption and a shift in risk appetite. Until then, volatility is expected to remain driven by short-term positioning dynamics rather than broad-based expansion.

CoinDesk: Consensus Hong Kong Recap...

Day 1:

Consensus Hong Kong's first day wrapped up with the promise of new financial products tied to crypto in the Special Administrative Region of China.

Hong Kong's Chief Executive, Financial Secretary and the CEO of the Securities and Futures Commission all laid out their priorities for regulation, saying Hong Kong would begin issuing stablecoin licenses next month, publish a framework for perpetual contracts and otherwise work to develop the local crypto economy.

Financial Secretary Paul Chan said he sees AI as one of a handful of trends maturing at this stage: "As AI agents become capable of making and executing decisions independent to it, we may begin to see the early forms of what some call the machine economy, where AI agents can hold and transfer digital assets, pay for services and transact with one another onchain."

Skybridge Capital's Anthony Scaramucci said he would stick to a prediction that Bitcoin would hit \$150,000, pointing to legislation under negotiation in the US. "I think once that legislation does pass, it's gonna open a floodgate of activity in the money center, banks in the United States," he said. "If we're just in the four-year cycle, then Bitcoin is starting to reascend at the end of the year, starting in the fourth quarter."

Consensys' Joe Lubin said Ethereum is anti-fragile, which is important for a decentralized foundation that can support further DeFi, which in turn would let developers "build, rearchitect the systems of the world essentially on sounder financial and trust foundations." "DeFi is roughly as safe as traditional finance," he said.

Nigel Feetham, Gibraltar's minister for justice, trade and industry, said smaller jurisdictions regulating crypto are focused on ensuring market safety and integrity.

"We are jealous about guarding our reputation because all it takes is one market failure, if I can put it that way, and clearly everybody gets damaged by that. Once you are licensed in a jurisdiction, you become a stakeholder, and therefore we have an obligation to ensure that we look after all our stakeholders."

Recent market action also attracted speakers' attention.

Bitmine's Tom Lee, whose company is sitting on a nearly \$8 billion unrealized loss through its ether (ETH) holdings, said people "should be thinking about opportunities here instead of selling."

"Gold is a meme," said Selini's Jordi Alexander.

Day 2:

CoinDesk wrapped up Consensus Hong Kong on Thursday with north of 11,000 attendees visiting booths and stages.

While day 1 focused on institutional projects and professional investor audiences, the second day concentrated more on developers.

Representatives of the Bitcoin, Ethereum and Solana communities all spoke to the challenge of scaling their networks and the tooling needed to support growing user bases.

World Liberty Financial, the crypto project linked to US President Donald Trump and his family, is planning to start a foreign-exchange platform called World Swap, which co-founder Zak Folkman said will target cross-border transfers. World Swap will use the USD1 stablecoin and charge less than traditional remittance providers, which can impose a cost of up to 10% per transaction.

The institutional-focused LayerZero blockchain will port over to Cardano, and the privacy-focused Midnight mainnet will go live next month, Input Output Global CEO Charles Hoskinson said on stage. In a question-and-answer session, he added that Midnight would not be targeting deeply committed privacy users who might use ZCash and Monero.

Binance co-CEO Richard Teng defended his company from accusations that it played an outsized role in the Oct. 10 liquidation event, which saw \$19 billion worth of liquidations. Rather, macro shocks caused a broader market downturn, he said.

Consensus day 2 also saw zkME win the Consensus PitchFest and FoundrAI win the Easy A x Consensus Hackathon.

Ric Edelman published a 4-page white paper titled “Is Crypto Done?” In it, he explains what caused the selloff, why this latest crypto winter – bitcoin’s 9th – is different from prior winters, and what advisors should tell clients who own crypto as well as those who consider current prices to be a buying opportunity. Edelman gives advisors the clear, fiduciary framework needed for today’s crypto conversations with clients and prospects. (View it, [here](#).)

The image is a promotional banner for a white paper. On the left, a blue background features the DACFP logo (a stylized cube) and the text "DACFP | Digital Assets Council of Financial Professionals". Below this, the title "IS CRYPTO DONE?" is written in large white capital letters, followed by "Ric Edelman's White Paper" in yellow italicized font. A white button with the text "DOWNLOAD NOW" is positioned at the bottom center. On the right, a 3D rendering of the white paper is shown, featuring a Bitcoin logo and the same title and author information.

Arca: How Money is Made in Blockchain Investing...

The Meltdown Was Caused by Bitcoin Selling from TradFi

There are many theories about why the majority of digital assets melted down last week. Most are looking for a single seller, either forced to sell aggressively due to margin calls or selling purposefully and manipulatively to drive prices down. I doubt that. First, digital assets weren't the only assets down last week. Many equities were also down 10-20% on February 5th, including all crypto equities. Second, the constant search for a blow-up is usually a fool's errand. In the rare cases when this is the cause, this information doesn't stay a secret for very long. Thus far, all blow-up rumors have originated from individuals who aren't necessarily plugged in, and I've yet to hear anyone credible confirming these rumors. As Alex Kruger pointed out, the mosaic theory approach is more credible. There has been a lot of negative information piling up for the past 3 months, and sometimes all you need is a little wind to blow it all over. This is especially true when the market is built on an asset (BTC) with no valuation technique, and is marketed almost exclusively to fast-money macro/momentum traders who use heavy leverage. That causes lots of volatility.

While looking for a single source is likely a dead end, there have been a few analyses that I think get us closer to the truth. Bitcoin drove this selloff, and it is very intertwined with other asset classes due to the proliferation of traders on the CME and via ETFs. I found Jeff Park's analysis insightful. For those who don't understand option Greeks (or just don't want to read this), Park argues that many multi-strat (correlation) funds suffered large losses last week and were forced sellers of risk in their books to delever. Many of these funds own Bitcoin versus some other asset (and potentially even versus software stocks since that correlation has increased recently).



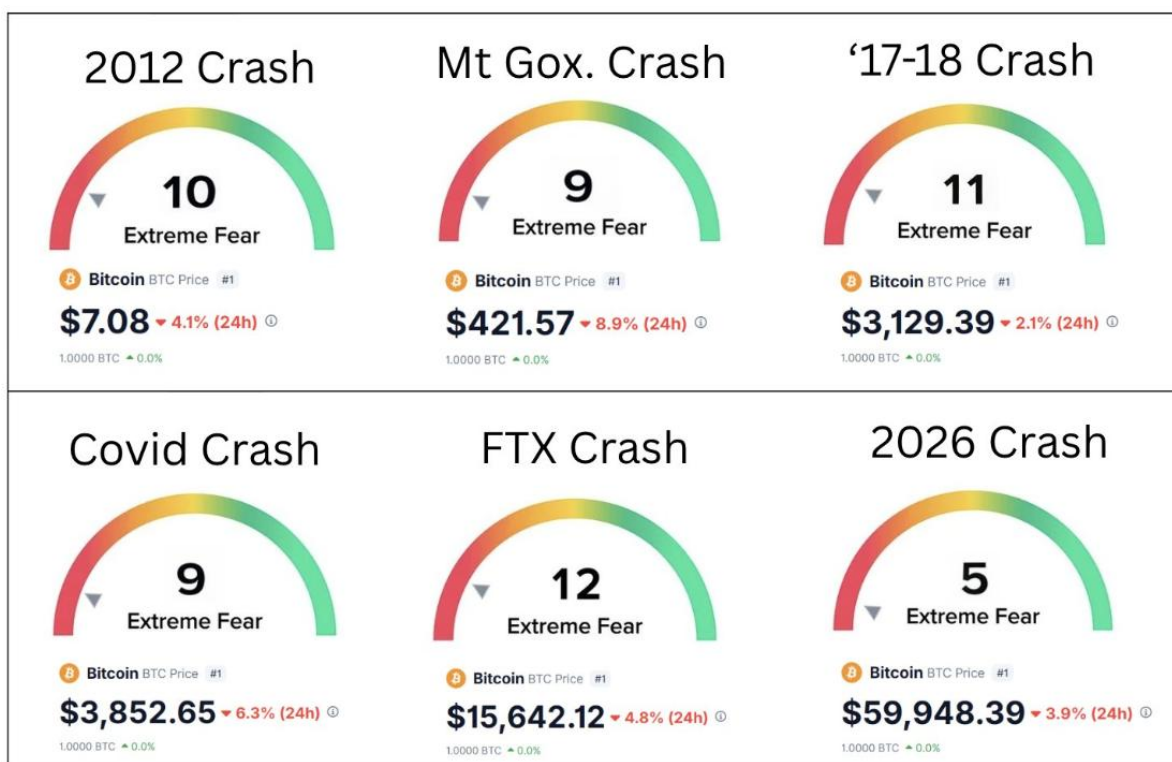
Source: X/Twitter

Further, the Bitcoin basis trade (long IBIT, short CME futures) is how many large market-making funds (Jane Street, Citadel, etc.) express views in Bitcoin, and that basis blew out, suggesting an unwinding of that trade (forced selling of BTC spot versus short-covering of CME futures). This unwind caused the near-dated basis to jump from 3.3% on 2/5 to a whopping 9% on 2/6.

This is what happens when an asset becomes financialized. On the flip side, regular mom-and-pop retail investors in Bitcoin ETFs actually bought the dip (think boomers, RIAs). So in essence, sticky money bought, fast money sold, but it's still a black eye on an industry that has already lost a lot of trust due to the carnage from October 10th (amongst other massive selloffs in recent years).

As for the rest of the digital assets space, as usual, Bitcoin's weight was tough to overcome. Most digital assets fell in sympathy with Bitcoin, as market makers tend to drag down every asset in unison. While this response may seem simplistic, it is the norm until some other assets/sectors begin to diverge. As we wrote about last week, there are some continued bright spots in the market amidst the volatility. Once again, Hyperliquid (HYPE) bucked the trend and acted defensively, rising approximately +8% last week as the rest of the market slumped -15-30%. Sky Protocol (SKY - formerly MKR) and Canton (CC) were only marginally lower last week, also showing defensive characteristics. The silver lining is that market participants may stop crowning Bitcoin and other Layer-1s (L1s) as the "safe trade" and will instead look to see which assets hold up best during downturns. If the media, exchanges, and brokers would help to show off this dispersion and strength, it could lead to further dispersion as investors seek safety.

In terms of where we go from here, it's anyone's guess. There are reasons to believe that Bitcoin could fall further or snap right back (already up +15% from the lows). But we did start to see the cavalry arrive to support/defend their favorite assets. We saw defensive posts from the usual suspects, including a16z, Dan Tapiero, and Tom Lee. That's what we saw toward the end of 2019 and 2022 as well. Further, when comparing the current sentiment and fear to other crypto crashes, this one seems a bit ridiculous, relatively.



Source: X/Twitter

Stepping back even further, there is reason to be optimistic on risk assets in general. The US ISM Manufacturing PMI came in at 52.6 in January, versus the expected 48.5, signaling that the US economy has entered the expansion phase.

Why does this matter?

Historically, every single crypto bull run (2013, 2017, and 2021) has coincided with the ISM moving above 50. And since 2021, the ISM has been below 50 with only tiny short-term bursts above the 50 line. So January's move higher to 52.6 is by far the largest move higher since 2021.



Source: X/Twitter

President Trump, Treasury Secretary Scott Bessent, and Federal Reserve Chair nominee Kevin Warsh are telling us exactly how they want to solve the global debt crisis. They want to lower rates, lower the US dollar, run the economy hot, and let the private sector grow the US out of this mess (instead of the public sector). They are creating what could be a Golden Age environment for investing, and nearly every asset class has gotten the message.

Growth is coming. Whether certain areas of crypto follow suit remains to be seen.

How Money is Made From the Growth of Blockchain

If you randomly came across one of my writeups or tweets, you might think I'm just an aggressive person yelling at the crypto service providers to make changes (which, by the way, is working – we've seen real positive change at Coinbase, DeFiLlama, CoinGecko, and CoinMarketCap recently, directly related to our complaints and requests).

But if you've read every word I've written or listened to every word I've spoken over the past few years, you'll notice a very clear pattern to my words beyond just an angry rant. Over the past two years, we've not only laid out a blueprint of where this industry is headed, but also how the industry leaders (including Arca) need to change and evolve as Wall Street and Washington take over our once-niche industry. The status quo WILL NOT WORK. You can't build an industry around a single asset (sorry Bitcoin), you can't build an industry around a false narrative (that Layer-1 blockchains accrue value from the Fat Protocol Thesis), and you can't build an industry if every asset is viewed the same (lack of education around the nuances between different token issuers, different sectors, and different asset types).

As we've stated many times, there is so much growth happening on blockchain rails, but very little of it accrues value back to existing stocks or tokens. And those that do capture this growth are buried behind mega-cap stocks and tokens with twice the fanfare and half the value accrual.

So, how do you profit from the mass adoption of blockchain as an investor?

This is the most frequent and polarizing internal debate we have. If someone said, "I want to be long blockchain growth," it's really hard to point them to an index or a set of assets to capture this growth. All of the growth on blockchain rails is happening in DeFi, stablecoins/payments, and RWA tokenization, but the investment opportunities are slim. For example:

- Stablecoins/payments - There are many private companies focused on onramps and offramps, consumer/merchant transactions (like crypto debit cards), and cross-border payments, but there are very few publicly traded liquid stocks or tokens to capture this growth. Circle (CRCL) is probably the closest pure-play way to bet on this space, but its business model is flawed, and many competitors are challenging for supremacy in US stablecoins. Coinbase (COIN) is another potential investment, but it, too, is facing heavy competition on the exchange, brokerage, and payment fronts, and Coinbase can't seem to figure out what they do (are they a retail brokerage, or a professional trader's exchange, or a payment company?). There are a few algorithmic stablecoins (like Ethena's USDe) and some on-chain yield-bearing credit centers (like Sky Protocol), but the long-term growth prospects for these assets seem minimal, plus in many cases, the tokens don't adequately track the growth of the stablecoins/yield coins.
- RWA tokenization - This is really challenging. Major TradFi banks, brokerages, and exchanges are entering this race. JPMorgan, Goldman, Franklin Templeton, Apollo, BlackRock, NYSE, DTCC, and many others are rushing to tokenize stocks, bonds, real estate, and other assets. There are a few possible areas with which to invest in this growth – Chainlink (LINK), Centrifuge (CFG), Canton Coin (CC), Ondo (ONDO), Syrup Finance (SYRUP), but it is really a case-by-case basis on whether or not these entities (and others) actually benefit from the growth. Many of these tokens simply have nothing to do with the company that issued them, and therefore don't accrue any value from their success. You could argue Hyperliquid (HYPE) and Lighter (LIT) are in this race as well, as is Robinhood (HOOD), given they continue to list RWA assets on their platforms. What we do know is that more and more assets are coming on-chain, but the tokenization services are likely dime-a-dozen commodity offerings, and it is unlikely that any one middleman will dominate this effort.
- DeFi - This seems to be the only area where there are pure-play winners. The problem is, to pick a DeFi winner, you also have to pick an L1 winner (since the L1 that attracts the most assets will lead to its own DeFi platforms being the winners). And that's a difficult task. Even though Ethereum, Solana, and Canton seem to have a big lead over every other chain in terms of activity

and users, the actual user count and volumes are so low relative to where they are headed that I'm not sure any of these leads are meaningful. Again, the Perp DEXs (HYPE, LIT) seem to be in the best position since they are chain-agnostic. Perhaps some of the lend/borrow platforms as well like AAVE and MORPHO. But again, it's difficult to pick winners here. Those building wallets also benefit from more assets on chain, but until you get a MetaMask token or a Phantom token, this is also an area that is difficult to invest in.

The point is less about the winners and losers above per se and more about reiterating how small this list is and that NONE of the aforementioned blockchain adoption and growth seems to benefit any of the "market-leading majors." BTC, ETH, SOL, XRP, and other majors contribute little to this growth. Moreover, the leading public companies (with liquid stocks) probably don't benefit much either. Coinbase, Kraken, Gemini, and Bullish will likely face pressure from NYSE, Robinhood, Morgan Stanley, Goldman, JPMorgan, and others. BitGo, Anchorage, and other custodians could see serious competition from BNY and State Street. Circle and Tether, post-GENIUS Act, could see a flood of new stablecoins from FinTech giants and asset managers (which has already begun with PayPal and Fidelity launching their own stablecoins).

Now, many crypto bulls are trying to get you to stop looking at price and instead focus on adoption. I agree that adoption does not equal price, but at some point, adoption has to actually accrue value back to the software. And that's the biggest question mark.

The good news is that I've never been more bullish on crypto. Given recent industry developments, I believe the industry is more de-risked than ever, and the probability of long-term success is higher than it has been in the past. The bad news is that finding anything worth investing in to capture this growth remains a challenge.

While it may be a waiting game for a few more months until the clear winners emerge, the regulators have not slowed down their efforts. The SEC staff recently released guidance on tokenized securities. The SEC divides tokenized securities into two broad categories:

1. Issuer-sponsored tokenized securities, in which a company makes its securities available on a blockchain, either by allowing the transformation from traditional to tokenized format or by issuing securities natively on-chain.
2. Third-party-sponsored tokenized securities, in which a third party (a tokenization company, crypto exchange, or asset manager) offers exposure to a security by some intermediary method. The market has experimented with two forms of third-party-sponsored securities:
 - a. Custodial tokenized securities in which a company unaffiliated with the issuer creates a security entitlement that may or may not grant the holder economic exposure, governance, or legal rights to an underlying security. Market participants typically do this by placing shares of a security into a fund structure (like a Special Purpose Vehicle, or SPV) and then tokenizing the fund's shares.
 - b. Synthetic tokenized securities may offer economic exposure to a security through a "linked security," in which the third party issues its own security and designs it such that its return is linked to that of the underlying asset. Alternatively, the third party may issue a "security-based swap" (SBS) in tokenized form, another method of providing synthetic exposure with different regulatory obligations.

Clarifying these taxonomies is a necessary first step towards ensuring that a diverse group of stakeholders can engage constructively. With the SEC on board, US companies have more confidence to start changing the game (as indicated by Robinhood recently). As governments clarify and companies build, investment opportunities will arise. It's just unlikely to come from many of today's most prominent companies and protocols.

Multicoin Capital's Core Investment Themes...

1. Fintech 4.0: Stablecoins and blockchains are the first significant innovations in moving money and settling transactions in decades. They make payments and assets programmable and accessible worldwide, lower costs for fintech builders, and start to challenge old monopolies like card networks and big banks. We're focused on investing in:
 - a. Specialized stablecoin fintechs that can now be built at lower cost and with better unit economics;
 - b. Products that collapse and capture large portions of the fintech stack (e.g. Altitude);
 - c. Companies that make stablecoins accessible to consumers and businesses globally (e.g., p2p.me and El Dorado).
2. DeFi Mullet: As the DeFi stack matures and software development barriers drop, there is value to capture up and down the stack from specialized frontends that own customer relationships, global DeFi backends that benefit from economies of scale, and DeFi middleware that helps connect frontends to backends. We believe opportunities exist across this entire DeFi stack:
 - a. Customer-facing frontends that monetize as order flow engines (e.g. Phantom, Fuse Wallet, and Robinhood);
 - b. Equity in public markets companies building on top of DeFi (e.g. Coinbase/Morpho);
 - c. DeFi middleware companies (e.g., LI.FI, Fun.xyz, and Yield.xyz);
 - d. DeFi protocols (e.g., Kamino, Drift, Aave, and Ethena) that manage large amounts of risk and compound as more assets move onchain.
3. Financial Globalization: Traditional equity, FX, interest rate, debt, etc. markets are only accessible in certain parts of the world, but blockchains enable worldwide access. Crypto will globalize existing liquid markets, add transparency to dark ones, lower the cost of issuing new assets, and open up trading for new markets. We envision a world where anyone, anywhere can trade any asset at any time. We've invested in several projects focused on increasing market access and will continue to focus on this segment:
 - a. Companies tokenizing liquid markets, like Paxos;
 - b. Protocols building synthetic derivatives contracts to give global access to investors, like Drift, Hyperliquid, and Lighter;

- c. Operators lighting up dark markets and making them more efficient, like BAXUS and Triumph;
 - d. Companies leveraging the ability to create new markets, like Kalshi and Sway;
 - e. We're also investing in companies helping push onchain market microstructure forward, such as DFlow, Jito, and FastLane.
4. More Efficient Borrow/Lend: In the past, loan access often depended as much on where borrowers live and who they know, as it did on their true creditworthiness. Crypto changes this by letting money and collateral move directly between lenders and borrowers anywhere in the world. As onchain borrow/lend tools like prime brokerages and DeFi vaults become increasingly common, productive loans can be underwritten globally.
- a. We're an investor in borrow/lend protocols, including Kamino and Aave;
 - b. We want to invest in emerging vault protocols and DeFi prime brokerages as well, and are actively looking for opportunities in these areas.
5. Entertainment Finance: When long-term goals like the American Dream seem out of reach, people start taking bigger swings. Entertainment Finance describes this trend, and crypto is a key market for those taking these risks more openly, with fewer intermediaries taking their egregious cuts.
- a. We're interested in projects aimed at reducing take rates in the entertainment and degen economies, including Cheddr and Novig.
6. Programmable Ownership: When designed well, we believe tokens are a superpower. They enable programmable ownership in DePIN, crypto-linked equities, and online marketplaces, and are one of the best tools for bootstrapping and scaling networks.
- a. We helped pioneer the DePIN category with our investment in Helium in 2019, and have since backed projects like Hivemapper, Render, io.net, Geodnet, Pipe, and Gradient;
 - b. We're investing in novel Internet Labor Markets, which expand the surface area of contribution to arbitrarily bespoke actions, like CrunchDAO and Fuse;
 - c. We're an investor in many virtual marketplaces that are managed by DAOs, such as Jito, Drift, Kamino, etc.;
 - d. We're exploring investing in equity 2.0 structures, where teams are creating novel use cases for their stock.
7. Credibly-Neutral Blockchains: Being credibly neutral at the base layer is extremely important. Financial markets grow faster when competitors feel safe building on shared systems. We believe chains that are neutral by design generally attract more issuers, more liquidity, and more builders over time and that corporate chains are going to struggle attracting third party builders, because, for example, we don't think E*TRADE will want to build on Robinhood's chain and Adyen will be skeptical about building on Stripe's Tempo chain.

a. We've been actively investing in credibly-neutral base layers like APT, SOL and SEI. Over time, we think value capture will move up the stack and we will concentrate our investments in applications building on top of credibly neutral chains.

8. Cryptographic Primitives: Stablecoins give AI agents a straightforward way to send and receive payments, and cryptographic primitives give us a way to verify what's real online without creating massive data honeypots and introducing unnecessary trust assumptions. Crypto provides a necessary substrate for a world in which internet commerce increases several orders of magnitude driven by the proliferation of agentic systems.

a. We're investing in teams building out cryptographic primitives, like Zama, Fhenix, and zkMe.

Grayscale Research published "Market Byte: Bitcoin Trading More Like Growth Than Gold." (See key takeaways below. View the full article, [here](#).)

- Bitcoin's price fell to about \$60,000 on February 5 before partially recovering in recent days. The move lower was correlated with the sell-off in high-growth software companies and other early-stage tech equity market segments.
- Grayscale believes Bitcoin can be considered a long-term store of value, because of its design features (e.g., supply scarcity and independence from governments) and its demonstrated resilience; however, Bitcoin's short-term price movements have not been tightly correlated with gold or other precious metals.
- Investing in Bitcoin is a bet on growth in its adoption as a digital currency; it has not yet achieved the same status as gold. So, is Bitcoin a store of value like gold or a growth asset like tech stocks? The short answer: we believe it's both. If Bitcoin succeeds as a monetary asset in the longer term, its price may eventually behave more like gold (e.g., in terms of volatility and correlation to stocks).
- Market technicals look potentially consistent with a local bottom. To position for recovery in the crypto asset class, investors can consider the major fundamental trends: regulatory clarity driving adoption of stablecoins and tokenized assets, and innovation in blockchain technology related to privacy, perpetual futures, and prediction markets. Key related assets include ETH, SOL, LINK, ZEC, and HYPE.

CoinDesk Data released its "Stablecoins & Tokenized Assets Report – January 2026." See key findings below. Download the full report, [here](#).)

- Tokenization market cap hit \$24.6B, a new all-time high. Treasuries remain the primary driver at 39% of the market.
- Commodities surged 22.8% to \$5.21B as gold crossed \$5,000 for the first time. Tether Gold and Paxos Gold both hit record highs.
- Stocks & ETFs grew 25.1% to \$735M. Ondo just brought 200+ tokenized US stocks to Solana.

- USDT market cap fell for the first time in 29 months. Meanwhile, USD1 (World Liberty Financial) jumped 48% to become the fifth-largest stablecoin.