



HYPERION DECIMUS

CRYPTO NEWSLETTER

POWERED BY WEEKLY CRYPTO BRIEF

22nd February 2026

BITCOIN-RELATED



NYDIG: Bitcoin was up 2.7% on the week, trading near \$67K and finding stability after the recent drawdown. While dip-buying has emerged, absent a clear catalyst, price action is likely to remain rangebound in the near term as the market consolidates and digests prior losses. Volatility is beginning to compress, with both realized and implied measures trending lower, but remaining at elevated levels.

Wells Fargo analyst Ohsung Kwon said the coming refund wave (US tax filers seeing bigger refunds) may help bring back the so-called “YOLO” trade, with as much as \$150 billion potentially flowing into equities and Bitcoin by the end of March. Kwon said the extra cash could be most visible among higher-income consumers.

\$3.8 billion Pantera Capital CEO Dan Morehead said: “I think there will be a global arms race for Bitcoin within the next 2-3 years.”

Arizona’s strategic Bitcoin and crypto reserve fund bill passed the Senate Finance Committee and is headed to the Rules Committee.

Goldman Sachs CEO David Solomon announced he owns a small amount of Bitcoin and is an observer of the asset.

Strategy acquired 2,486 BTC for ~\$168.4 million. The purchase brings its holdings to 717,131 BTC. (Founder Michael Saylor also revealed the firm plans to convert its \$6 billion in bond debt into equity, a move that reduces debt on the balance sheet. “Strategy can withstand a drawdown in BTC price to \$8,000 and still have sufficient assets to fully cover our debt,” stated the firm on X on Feb. 15, prompting Saylor’s response.)

In its fiscal year 2025 earnings report, Japanese public company Metaplanet reported revenue climbed to 8.9 billion Japanese yen (\$58 million) from \$7 million a year earlier, a 738% year-on-year increase. A breakdown showed ~95% of total income came from Bitcoin-related operations, largely generated through premium income from BTC options transactions.

Trump family-backed American Bitcoin increased its holdings to over 6,000 Bitcoin.

Nakamoto, the Bitcoin treasury company formerly known as KindlyMD, acquired BTC Inc. and UTXO Management GP, advancing its plan to build a Bitcoin-native operating company, in an all-stock deal valued at ~\$107 million.

Fast food giant Steak 'n Shake said “sales have risen dramatically” since it started accepting Bitcoin as payment.

Milo, a Miami-based fintech firm, has facilitated over \$100 million in crypto mortgages, including a record \$12 million loan, catering to institutional and high net worth borrowers seeking alternative financing options. The company's innovative product allows clients to secure home financing by pledging Bitcoin without selling their holdings.

Bitcoin infrastructure company Voltage launched Voltage Credit, a programmatic revolving line of credit designed to let businesses send payments with Lightning-style instant finality while still repaying the credit line in US dollars from a standard bank account or in Bitcoin.

INDUSTRY ADVANCES



On February 13, Indiana lawmakers announced adding cryptocurrency to public retirement plans after a Senate committee approved House Bill 1042. The bill would allow digital assets to be offered as an investment option within state-managed retirement programs. It will now move to the full Senate for further review and voting.

CME Group plans to launch 24/7 Bitcoin and Ether futures and options trading on May 29, pending regulatory approval.

CME Group announced its new Cardano, Chainlink, and Stellar futures began trading on Feb. 9, with the first trades for LINK futures and Lumens futures executed between FalconX and Marex, and the first trade for ADA futures executed between Cumberland DRW and Wintermute.

Intercontinental Exchange announced the launch of crypto futures contracts based on seven CoinDesk Indices including CoinDesk 20 and CoinDesk 5 Indices.

Kraken integrated its over-the-counter desk with Intercontinental Exchange’s ICE Chat, enabling institutional traders to access Kraken’s crypto liquidity directly through a messaging platform widely used across global financial markets.

OpenAI and crypto investor Paradigm introduced EVMbench, a new benchmark designed to measure how well AI agents can find, fix, and even exploit vulnerabilities in smart contracts.

Coinbase’s L2 network Base is stepping away from deep reliance on Optimism’s OP Stack, announcing it will migrate to a “unified, Base-operated stack” that consolidates its core infrastructure under one codebase. The shift is meant to reduce coordination overhead and speed up upgrades.

Bitmine Immersion Technologies bought 45,759 Ether and now holds a total 4,371,497 ETH, representing 3.62% of the 120.7 million ETH supply. Of that amount, 3,040,483 ETH are staked, valued at about \$6.1 billion at \$1,998 per ETH, with annualized staking revenue estimated at \$176 million.

Sharplink, one of the largest corporate holders of Ethereum, said its ETH holdings have grown and that it has attracted a growing portion of institutional investors – with the firm revealing a brand refresh (formerly known as Sharplink Gaming) following last year’s crypto pivot.

Peter Thiel and Founders Fund fully exited their 7.5% stake in ETHZilla, the rebranded former biotech firm turned Ethereum treasury company.

Solana Company, the Solana-focused and Nasdaq-listed company, announced a lending program that allows institutions to unlock liquidity by borrowing against natively staked SOL without the need for unstaking or selling tokens. The firm teamed up with Anchorage Digital and Kamino to facilitate the lending initiative.

SEC leaders Hester Peirce and Paul Atkins outlined a proposed “innovation exemption” that would allow limited trading of tokenized securities on blockchain platforms, signaling a cautious, step-by-step approach to integrating digital stock issuance into US markets while broader regulatory rules are developed.

Ethereum is becoming the primary hub for tokenized real-world assets, with more than \$17 billion now issued on its mainnet, up roughly 315% from about \$4 billion a year ago. The network holds about a third of all on-chain RWA value across blockchains.

Franklin Templeton and Binance Advance announced a new institutional off-exchange collateral program. Institutions can now use Benji-issued tokenized money market funds as off-exchange collateral to trade on Binance using Ceffu’s custody layer.

Robinhood's Ethereum L2 testnet processed 4M transactions in the first week following its public launch, according to CEO Vlad Tenev. The Arbitrum-based Robinhood Chain targets tokenized real-world assets and onchain financial services, including equities and ETFs.

Kraken’s xStocks – it’s tokenized equity alternative – surpassed \$25 billion in lifetime transaction volume. It now claims the largest market share of tokenized equities with over 80,000 unique holders and \$225 million in assets under management.

World Liberty Financial’s announced plans to tokenize loan revenue interests tied to the Trump International Hotel & Resort in the Maldives is just the start of a larger plan. The company selected Securitize to tokenize the loan interests.

Figure, the blockchain-based lending and capital markets firm founded by former SoFi CEO Mike Cagney, is launching FGRD – a natively issued tokenized version of its own stock – alongside a \$150 million secondary offering, allowing shares to trade and settle directly on blockchain rails while enabling holders to lend/borrow against them through its DeFi platform.

OpenAssets announced the launch of OpenAgent, a first of its kind SEC-registered transfer agent built natively for tokenized asset markets.

The Dubai Land Department and Ctrl Alt introduced a secondary market for real estate-backed tokens, allowing trading of \$5 million in fractional property ownership. Transactions will be recorded on the XRP Ledger blockchain and secured by Ripple Custody.

Wintermute launched institutional OTC trading for tokenized gold products PAXG and XAUT.

Elemental Royalty announced that investors can now receive dividends in Tether's XAUT (tokenized gold). This move aims to differentiate the company as a growth-oriented investment, with investors expected to receive a 12-cent dividend in quarterly payments.

The CFTC filed an amicus brief asserting Congress granted it exclusive federal authority over prediction market event contracts under Dodd-Frank, challenging states' efforts to regulate platforms. Chair Mike Selig said: “The CFTC has regulated these markets for over two decades. They provide useful functions for society by allowing everyday Americans to hedge commercial risks like increases in temperature and energy price spikes, they also serve as an important check on our news media and our information streams. The CFTC will no longer sit idly by while overzealous state governments undermine the agency’s exclusive jurisdiction.”

US Federal Judge Aleta Trauger granted Kalshi a preliminary injunction against Tennessee, finding its sports event contracts fall under CFTC jurisdiction.

The Netherlands Gambling Authority ordered Polymarket to cease operations in the country, on penalty of fines of €420,000 (\$462,000) per week. The regulator said that prediction markets constitute “illegal gambling” under Dutch law.

On Super Bowl Sunday, single-day spot volume on prediction markets reached a staggering \$1.4B while daily transactions surged to 7.6M: both record highs.

Polymarket launched ultra-short 5-minute Bitcoin prediction markets and hinted at a potential POLY token airdrop, fueling speculation after trademark filings and developer comments, as the platform’s 2026 trading volume already nears \$5 billion following record monthly activity.

Polymarket acquired Dome, a Y Combinator-backed startup that built a unified API for connecting multiple prediction markets, strengthening its developer infrastructure.

Polymarket announced it’s teaming up with Substack to enable authors on the platform to seamlessly integrate market data into articles and newsletters.

Polymarket has withdrawn a controversial prediction market on NASA’s Artemis II booster rupture after a viral screenshot sparked criticism about wagering on space disasters. The company said the market was narrowly defined around a hardware failure, not crew safety, but the headline “Artemis II explodes?” invited darker interpretation.

Zora introduced “attention markets” on Solana, allowing users to trade tokens based on internet trends, memes, and cultural moments.

Ethereum co-founder Vitalik Buterin warned prediction markets are drifting toward short-term gambling and risk long-term collapse, proposing AI-driven hedging tools tied to real-world expenses as an alternative model.

MINING



Bitcoin mining difficulty jumped 14.7% to 144.4 trillion on Feb. 20, marking the largest absolute

increase on record after a sharp rebound in hashrate. The surge followed a US winter storm that led to a curtailment of roughly 200 EH/s of mining power, with miners subsequently reconnecting equipment and restoring network capacity.

Crypto investment firm Paradigm argued that Bitcoin mining should be viewed as a flexible grid participant rather than an energy drain, emphasizing that miners adjust electricity use based on price signals, account for just 0.23% of global energy consumption, and help absorb surplus power instead of operating as constant loads like AI data centers.

Bitcoin miner MARA acquired a 64% stake in French computing infrastructure operator Exaion, expanding into AI and cloud services as Bitcoin miners pivot toward data center revenue.

JPMorgan Chase analysts say a new leader has emerged in the public Bitcoin mining race.

Singapore-based Bitdeer has overtaken American Bitcoin mining giant MARA in self-mining hash rate. According to analysts led by Reginald Smith, Bitdeer now allocates 63.2 exahashes per second (EH/s) to mine Bitcoin for itself, surpassing MARA's last reported 60.4 EH/s.

Arkham Intelligence reports that UAE royal-linked mining operations hold 6,782 BTC worth \$453.6 million, with an estimated \$344 million in unrealized profit. The holdings have grown through domestic mining since 2022 with, notably, minimal selling over the past four months.

Activist investor Starboard Value is pushing for Bitcoin miner Riot to step up its transition from mining company to AI data center, in a letter written by Starboard managing member Peter Feld.

Hive Digital Technologies reported record quarterly revenue of \$93.1 million, up 219% year-over-year, but posted a \$91.3 million net loss after accelerating equipment depreciation tied to its Paraguay expansion and AI-focused infrastructure strategy.

FutureBit launched the Apollo III, a new home Bitcoin mining system combining a high-performance miner and a full Bitcoin node in a single desktop device.

ETPS (EXCHANGE-TRADED PRODUCTS), FUNDS & INDEXES

Abu Dhabi-based investment funds increased their Bitcoin exposure to over \$1 billion by the end of last year, with Mubadala Investments and Al Warda Investments collectively owning nearly 21 million shares of IBIT, a BlackRock spot Bitcoin ETF. Following Bitcoin's slide, their combined IBIT exposure was ~\$803 million based on recent prices.

An obscure Hong Kong-based company called Laureore acquired \$436.2 million of IBIT in a single purchase reported to the SEC. According to Bitwise's Jeff Park, Laureore's newly disclosed position could be an early indication of institutional Chinese capital entering Bitcoin.

Brevan Howard slashed its direct stake in BlackRock's IBIT by 86% and shifted into options contracts instead, replacing billions in spot ETF exposure with call and put positions as falling arbitrage spreads made holding physical shares less capital efficient.

Harvard University's endowment reduced its Bitcoin ETF exposure by 21% while opening an \$87 million Ethereum ETF position, maintaining Bitcoin as its largest disclosed holding despite crypto market volatility during Q4.

BlackRock seeded its upcoming iShares Staked Ethereum Trust (ETHB) with \$100,000 to begin acquiring Ether, positioning the fund to stake 70% to 95% of its holdings for an estimated ~3% annual yield. (BlackRock and Coinbase will receive an 18% share of staking revenue from ETHB.)

On Feb. 18, Canary Capital and Grayscale launched the first US-listed spot SUI ETFs (SUIS, and GSUI, respectively). These ETFs give investors regulated access to Sui Network's native token and ~7% staking rewards.

Grayscale filed a Form S-1 registration statement with the SEC to convert its trust tracking the token of the decentralized lending protocol Aave into an ETF.

Roundhill Investment filed with the SEC to launch six prediction markets-style ETFs tied to event contracts on the outcome of the 2028 US presidential election.

Bitwise filed a prospectus for a new lineup of ETFs branded PredictionShares, comprising six political-based prediction-market-style ETFs listed on NYSE Arca.

ETF issuer GraniteShares filed a prospectus offering six similar funds and structures based on US election outcomes.

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

Crypto venture firm Dragonfly Capital closed its fourth crypto venture fund at \$650 million (exceeding its \$500 million target despite a market downturn), doubling down on investments in payment networks and tokenization startups during what it described as a bear-market opportunity.

Betting app Novig ("no vig") raised \$75 million, as it looks to join the prediction market wave. The company is seeking federal approval to run as a designated contract market, like its heavyweight competitors Kalshi and Polymarket, but for now is limited to state-by-state regulation, similar to other sports betting operators.

Crypto investment firm DBA raised \$68 million for its second venture fund, expanding its capital base after launching a \$50 million debut fund in 2023.

Relay, a multi-chain payments network that enables instant swap and transfer of digital assets across 85+ networks, secured \$17 million in Series B funding, alongside the launch of its new platform, Relay Chain, led by Archetype and Union Square Ventures.

Newity, a US fintech firm specializing in government-backed small business loans, raised \$11 million – led by CMT Digital – to explore moving its \$12 billion loan-servicing platform onchain.

Bullshot, an AI-centric meme token launcher built on BNB chain, secured \$7.5 million in a private funding round from a group of top-tier Web3 investors, including Animoca Brands, to enhance product development and global user base.

Levl, the stablecoin-powered global Fintech platform, including USDC and USDT, raised \$7 million in seed round, led by Galaxy Ventures, to support the global expansion of its stablecoin payment system.

IPOS, M&A, PARTNERSHIPS & DEALS



Maya, a Philippine digital bank with a regulated crypto trading arm, is considering a US IPO of up to \$1 billion. The company, operating under a digital banking license, offers various financial services including in-app crypto trading.

Mirae Asset, South Korea's largest securities firm managing \$418 billion, agreed to acquire 92% of Korbit for \$92 million, marking the first time a major traditional financial institution will own a domestic crypto exchange.

Payward, the parent company of Kraken, acquired tokenization platform Magna, expanding the company's infrastructure.

Blockfills, a crypto lender backed by Susquehanna, is seeking a buyer after suffering ~\$75 million in losses during the recent market downturn. The company suspended deposits and withdrawals, aiming to restore liquidity swiftly for its 2,000 institutional clients.

Tether invested in Dreamcash, a mobile trading interface built on the Hyperliquid decentralized exchange, to expand USDT-backed perpetual markets for assets like Tesla, gold, and the S&P 500, supporting a \$200,000 weekly incentive program aimed at drawing traders into tokenized real-world asset markets.

Japan's SBI Holdings signed a letter of intent to buy a controlling stake in Singapore-licensed crypto exchange Coinhako.

BitGo Bank & Trust and InvestiFi partnered to support nationwide digital asset investing for banks and credit unions. Powered by BitGo's Crypto-as-a-Service, InvestiFi will now deliver digital asset trading capabilities to its network of financial institutions across all 50 US states.

DEFI



Uniswap governance is considering expanding protocol fees across all v3 pools and eight additional chains, including Arbitrum, Base, Celo, OP Mainnet, Soneium, X Layer, Worldchain, and Zora.

Wall Street heavyweight Apollo Global Management, which oversees roughly \$940 billion in assets, is stepping further into crypto through a new agreement with decentralized lending protocol Morpho. Under the deal, Apollo or its affiliates may acquire up to 90 million MORPHO tokens over the next four years, representing 9% of the token's total supply.

Coinbase announced the expansion of its crypto-backed lending product in the US, now supporting XRP, Dogecoin, Cardano, and Litecoin. Customers can borrow up to \$100,000 in USDC stablecoin by posting holdings as collateral on Morpho.

Crypto lending platform Nexo teamed up with Bakkt to relaunch its digital asset services and crypto exchange platform in the US, more than three years after it left the market following battles with federal and state regulators. It will offer flexible and fixed-term yield programs, a spot crypto exchange, crypto-backed credit lines and a loyalty program for US users.

BGD Labs said it will stop contributing to Aave after April 1, ending a nearly four-year role as a core technical builder behind major systems, including Aave v3. The firm cited governance misalignment, centralization risks, and Aave Labs' expanding control over v4 development as key reasons for its departure.

Espresso Network (ESP), the decentralized Proof-of-Stake platform on Ethereum, officially launched its ESP token on Feb. 12. The launch rolls out a fully unlocked total supply of 3.59 billion ESP tokens and 10% community airdrop to eligible and active wallets.

deBridge launched its Model Context Protocol, enabling AI agents and developer tools like Claude, Cursor, and Copilot to execute swaps, bridging, and multi-step transactions across EVM chains and Solana.

Ether.fi migrated its non-custodial crypto payment card from Scroll to Optimism's OP Mainnet, moving ~70,000 active cards and 300,000 accounts to tap deeper liquidity and broader DeFi access, as the Visa-compatible card already accounts for nearly half of crypto-native card transactions.

DeFi lender ZeroLend announced on Feb. 16 that it's winding down operations after liquidity has dried up across Layer 2s.

CBDCS & STABLECOINS



The ECB is set to begin selecting EU-licensed payment providers for its digital euro pilot this quarter, with the 12-month pilot set to kick off in the second half of 2027.

The Stablecoin Utility Report, released by BVNK, in partnership with YouGov, Coinbase, and Artemis, surveyed 4,600+ current and prospective crypto users across 15 countries. Key results: 39% of respondents said they receive income in stablecoins (representing ~35% of their annual earnings), whether through employment, freelance work or cross-border payments... 27% of stablecoin holders use them for routine purchases, with users holding ~\$200 on average in their digital wallets for transactions.... and 77% of respondents said they would open a stablecoin wallet if it were offered by their primary bank or fintech provider, while 71% indicated they would like a debit card tied to their stablecoin balance.

Stablecoin platform Bridge, owned by payments processor Stripe, said it had received conditional approval to operate as a federally chartered national trust bank under the OCC.

Sui Network introduced the eSui Dollar stablecoin – eSui Dollar (suiUSDe) – which went live.

Paxos Labs and Aleo Network Foundation announced the USAD stablecoin is live on Aleo mainnet.

Apex Group announced a partnership with World Liberty Financial to pilot the USD1 stablecoin for fund subscriptions, redemptions, and distributions across its tokenized fund ecosystem.

French banking group Societe Generale's digital asset arm, SG-FORGE, deployed its euro-denominated stablecoin, EUR CoinVertible, on the XRP Ledger, marking the token's third blockchain launch after Ethereum and Solana.

Crypto exchange OKX secured a Malta payment institution license to support EU-compliant stablecoin services, including OKX Pay and the OKX Card.

Dutch payments company Quantoz Payments has become a principal member of Visa, enabling it to issue virtual debit cards backed by its regulated e-money tokens and sponsor third-party fintechs seeking to offer stablecoin-linked payment products across Europe.

The TON Foundation is teaming up with Banxa (part of OSL Group) to offer stablecoin payment processing for APAC small and medium businesses.

Modern Treasury, a payments operations software provider that helps companies manage and reconcile money movement, introduced an integrated payment service provider that supports both traditional fiat rails and stablecoins.

NFTS, BLOCKCHAIN GAMING & METaverse



A.J. Scaramucci, the son of SkyBridge Capital founder and former White House communications director Anthony Scaramucci, paid \$16.49 million for Logan Paul's PSA 10 Pikachu Illustrator card (previously tokenized), setting a new record for a trading card sale.

The Sandbox's Season 7 launch focuses on enhancing accessibility by allowing users to join games directly from their browser without downloads or accounts. The platform features creator-built experiences and established IP partnerships to create a diverse gaming ecosystem.

Avalanche launched "Build Games," a 6-week, \$1M+ global competition to accelerate the development of on-chain, Web3 gaming, and consumer apps.

JOB MOVEMENT



Morgan Stanley is escalating its digital asset strategy by recruiting a lead engineer to develop a DeFi and RWA tokenization infrastructure.

Susquehanna International Group is looking to hire several prediction markets traders. According to the firm's careers page, the roles will center on building real-time models to help inform bets on event-driven outcomes.

The Monad Foundation hired three senior executives from Optimism, FalconX and BVNK as it expands its focus on institutional adoption following its November mainnet launch. Urvit Goel joins as VP of go-to-market, Joanita Titan becomes head of institutional growth, and Sagar Sarbhai joins as head of institutions for Asia-Pacific.

Gemini Space Station, the parent company of crypto exchange Gemini, said that three of its C-suite executives would be leaving effective immediately: COO Marshall Beard, CFO Dan Chen and CLO Tyler Meade. (Co-founder Cameron Winklevoss will absorb key operational and revenue duties, while Gemini appointed interim replacements for the CFO and CLO roles.)

REGULATIONS, RULINGS & COMMENTARY



US Treasury secretary Scott Bessent has said it's "very important" that the crypto market structure bill known as the Clarity Act is passed. He said: "I think some clarity on the Clarity bill would give great comfort to the market, and we could move forward from there. It's very important to get this done." (Lawmakers, so far, have failed to find bipartisan agreement on the Clarity Act, with how stablecoins pay interest to users and whether provisions should be included to address President Trump's crypto conflicts of interest emerging as sticking points.)

The latest White House-hosted meeting between crypto and banking groups – attempting to find a solution to the question of stablecoin interest payments in the stalled Clarity Act – was described as "constructive." Ji Kim (chief executive of the Crypto Council for Innovation) and Paul Grewal (CLO at Coinbase) both mentioned it was "constructive." While Ripple chief executive Brad Garlinghouse said he sees a 90% chance that the Clarity Act crypto market structure bill will now pass by the end of April. Odds the bill passes before the end of the year surged to 80% on Polymarket, up from lows of 40% last month. But there's no deal yet.

House Democrats formally pressed Treasury Secretary Scott Bessent over the OCC's review of Trump-linked World Liberty Financial's application for a national trust bank charter.

The Digital Chamber, a Washington-based crypto advocacy group, pushed back against Wall Street banks seeking a total ban on stablecoin yield, arguing that limited user rewards tied to activity – not passive interest – should remain in the Senate's pending crypto legislation as negotiations continue at the White House.

Hyperliquid established the Hyperliquid Policy Center in Washington, DC, to influence DeFi regulation. Led by Jake Chervinsky, the nonprofit aims to shape regulatory frameworks for decentralized exchanges and perpetual futures. To fund the initiative, the Hyper Foundation committed 1 million HYPE tokens, worth ~\$29 million.

California's Digital Financial Assets Law requires firms conducting covered crypto activities for residents to hold a DFAL license, apply by July 1, 2026, or qualify for an exemption. Applications open on March 9, 2026, through the NMLS, with industry training on March 23.

Kraken plans to sponsor Trump Accounts for children born in Wyoming in 2026, although it's unclear whether Kraken will match that \$1,000 figure and whether accounts will invest in cash or crypto.

Poland's president vetoed a second bill meant to align the country's crypto rules with the EU's MiCA framework, deepening uncertainty for local platforms as a key transition deadline approaches.

Russian citizens are now transacting ~\$648 million in crypto daily – or ~\$130 billion annually – according to the finance ministry, as lawmakers fast-track regulations to bring exchanges and derivatives platforms under state oversight while major institutions like the Moscow Exchange prepare to enter the market.

BSV Association announced formal recognition under the EU's MiCA framework through its collaboration with Zumo and work with the MiCA Crypto Alliance, alongside co-authoring a new white paper aimed at supporting the practical implementation of Europe's first comprehensive crypto regulation.

Animoca Brands secured a Virtual Asset Service Provider license from Dubai's Virtual Assets Regulatory Authority, clearing the way for the company to broaden its crypto operations across the Middle East.

Decentralized exchange DerivaDEX began offering crypto perpetual swaps after receiving a test license from Bermuda's regulator, operating under DAO governance and formal oversight.

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

A former fund manager who embezzled \$40 million in Bitcoin from Georgia's ex-prime minister was initially sentenced to 11 years in prison but later released after a plea deal. The manager admitted guilt, cooperated with the investigation, and paid compensation for damages.

South Korean prosecutors say they recovered more than 320 Bitcoin (worth ~\$21 million) that disappeared from government custody in 2025 after the cryptocurrency was returned to an official wallet this week.

A Florida federal judge awarded investor and television personality Kevin O'Leary \$2.8 million in a default defamation judgment after Ben "BitBoy" Armstrong failed to mount a legal defense. The ruling stems from Armstrong's March 2025 social media posts falsely accusing O'Leary and his wife of murder tied to a fatal 2019 boating accident, including the disclosure of O'Leary's private cell phone number.

A pricing oracle error on DeFi lender Moonwell misvalued cbETH at ~\$1 instead of ~\$2,200, allowing liquidators to seize ~1,100 cbETH for minimal repayments and leaving the protocol with ~\$1.8 million in bad debt after a governance upgrade misconfigured its price feed.

An Australian executive received over \$1.26 million in crypto for selling cyber tools to a Russian broker, endangering Five Eyes intelligence capabilities. Prosecutors seek a nine-year prison sentence, \$35 million restitution, and argue that crypto facilitates national security threats.

An Ethereum user fell victim to address poisoning, losing \$600,000 in a common crypto scam.

A 39-year-old farm owner in Russia's Komi Republic was arrested for stealing \$80,000 worth of power to run 80 ASIC Bitcoin miners. He used illegal connections to link devices to the power grid, authorities said, bypassing meters and failing to register his activities.

Crypto hardware wallet users were targeted in a sophisticated postal phishing campaign, with fake Ledger and Trezor letters featuring holograms and QR codes that directed victims to malicious sites designed to steal wallet backups and drain digital assets.

MISCELLANEOUS



eToro reported its first full-year results since becoming a publicly listed company, posting net contribution of \$868 million, up 10% year over year. GAAP net income climbed 12% to \$216 million amid growth in stocks, derivatives, and savings products. Adjusted EBITDA rose to \$317 million, while crypto income declined from 2024 levels due to lower retail trading volumes and reduced market volatility.

Vitalik Buterin argued that Ethereum must remain neutral and permissionless at the protocol level, insisting users should be free to build and transact even if they reject his views on DeFi, politics, privacy or AI, while encouraging the community to openly defend its own values at the application layer.

A wallet linked to the 2023 \$200 million Mixin Network hack moved 2,005 ETH through Tornado Cash after more than two years of inactivity, with associated funds quickly redistributed and partially sold, while the address still holds over \$170 million in crypto assets.

Blockchain analytics firm TRM Labs found that Monero's transaction activity held steady through 2024–2025 despite exchange delistings, noting that ransomware groups still request XMR for privacy but most ransom payments ultimately convert into Bitcoin before settlement.

Parsec, an onchain analytics startup launched in 2021 and backed by Galaxy Digital and Polychain Capital, shut down after five years, taking its customizable DeFi and NFT data dashboards offline while refunding subscribers and ending operations.

CHARTS, TABLES, QUOTES, COMMENTARY & OTHER IMAGES

Bitcoin Magazine: The last time Bitcoin closed red for five months straight, momentum flipped hard to the upside. Are we about to see that again?



THE LAST TIME THIS HAPPENED BITCOIN MONTHLY RETURNS

Time	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2026	-10%	-13%										
2025	+9%	-17%	-2%	+14%	+11%	+2%	+8%	-6%	+5%	-4%	-18%	-3%
2024	+1%	+44%	+17%	-15%	+11%	-7%	+3%	-9%	+7%	+11%	+37%	-3%
2023	+40%	+0%	+23%	+3%	-7%	-12%	-4%	-11%	+4%	+29%	+9%	+12%
2022	-17%	+12%	+5%	-17%	-16%	-37%	+17%	-14%	-3%	+6%	-16%	-4%
2021	+15%	+37%	+30%	-2%	-35%	-6%	+18%	+14%	-7%	+40%	-7%	-19%
2020	+30%	-1%	-2%	+4%	+1%	+1%	+24%	+3%	-8%	+28%	+43%	+47%
2019	-9%	+11%	+7%	+34%	+52%	+27%	-7%	-5%	-13%	+10%	-17%	-5%
2018	-25%	+0%	-33%	+33%	-19%	-15%	+21%	-9%	-6%	-4%	-37%	-5%
2017	+0%	+23%	-9%	+33%	+53%	+10%	+18%	+65%	-7%	+48%	+53%	+39%

Source: Coinglass



Anthony Pompliano hosted “Bitcoin Investor Week” in New York City from Feb 9-13. Here are his top 10 takeaways:

1. Bitcoin investors have been here before: Many investors have previously held Bitcoin through numerous drawdowns of 50% or more, so there was a lack of panic that was noticeable throughout the event. Multiple members of the media explicitly called this out to me as well. This lack of panic gives me the idea that odds are higher that the current bear market will be shallower and shorter than historical comparisons.
2. Institutions have arrived: Past Bitcoin conferences were filled with promises of institutions on the way. The conversation this year was centered around the progress that institutions have made in Bitcoin, including the highly successful launch of the Bitcoin ETFs, the various public companies that hold Bitcoin on their balance sheet, the accelerated adoption of digital credit, the fast growth of stablecoins, the current initiatives in tokenization, and the requirement that each legacy financial organization have a Bitcoin or crypto strategy.
3. Bitcoin and artificial intelligence are on a collision course: It was nearly impossible to have a conversation with a professional investor or an entrepreneur without both technologies coming up. It is obvious that Bitcoin and AI are the future of finance. There was plenty of speculation on how AI agents will transact or store value, so naturally Bitcoin and stablecoins were the popular answers.
4. Deflation is a big risk: My personal view is that deflationary pressure from tariffs, deportations, artificial intelligence and robotics are swallowing the US economy. I asked many speakers or attendees whether they agreed and the majority of answers were aligned with my view. There are some outstanding concerns about the economic data or the government’s continued money printing, but overall people seemed satisfied that high inflation was not going to be a problem in the short-term.
5. Financial advisors are holding or adding Bitcoin to portfolios: Bitwise CIO Matt Hougan explained that a recent survey showed that 99% of financial advisors who already had client assets in Bitcoin were either “holding” or “adding” based on the recent price drawdown. That data suggests the RIA channel is convinced of the long-term return potential of the asset, which creates sticky capital from their clients.
6. Institutions holding Bitcoin ETFs are not selling: Blackrock’s Robert Mitchnick explained that majority of the institutions holding Bitcoin ETFs have been holding their exposure during the Bitcoin drawdown. He sees continued demand from Blackrock clients and believes there is considerable more room for growth in the ETF allocations.
7. Stablecoins are not going away: Multiple speakers explained that stablecoin growth has been impressive, but the more important data point is how ingrained stablecoins are becoming in legacy institutions’ strategies. It feels like stablecoins are the third crypto product to find true product-market fit after Bitcoin and crypto exchanges.
8. No one wants to call “bottom” yet: The price of Bitcoin may be down 50%, yet there were not many takers when I asked various folks to claim the market had bottomed. People are cautious because it seems the past scars of previous bear markets has forced them to prepare for an even more significant drop in price.
9. All eyes are on the Strategic Bitcoin Reserve: The consensus feeling about the SBR is happiness that it was put together, but disappointment that the government has not purchased

more Bitcoin. If the market needs a new catalyst to rally higher, purchases for the SBR could be a simple way to ignite the end of the bear market.

10. Nothing stops this train: There was not a single person I spoke with at the conference who believes the US government can balance the budget, stop printing money, or lower the national debt. The widespread belief is that assets that benefit from debasement (Bitcoin, gold, real estate, etc.) will do very well over the next decade, especially as the current administration runs the economy hot and drives economic growth.

Scott Melker: Bitcoin's Hidden Advantage...

I'm not entirely sure most people could explain why we celebrate President's Day beyond tradition and a three-day weekend – but it did get me thinking about something much bigger: time. More specifically, how much more time Bitcoin actually trades compared to traditional assets that shut down for holidays, weekends, and fixed market hours.

Because every time Wall Street closes – whether it's Presidents Day, Christmas, or just 4:00 PM on a random Tuesday – Bitcoin keeps going. There is no closing bell, no holiday calendar, no "see you Monday." It just continues price discovery happening somewhere in the world, all the time.

If you stop and think about it, over the course of a single year, Bitcoin doesn't just trade more than traditional assets – it lives through materially more market events, more sentiment shifts, more liquidity cycles, and more stress tests.

Which raises a really interesting question: if an asset experiences more market "life" per year than anything that came before it... can it mature faster too?

Before we answer that, let's do the math and quantify how much more time Bitcoin trades compared to a traditional asset – say, NVIDIA (NVDA).

Here's the math:

NVDA (US stock market hours)

- Trades 252 sessions per year (typical US market trading days)
- Trades 6.5 hours per session (9:30am–4:00pm ET)
- $252 \times 6.5 = 1,638$ hours per year

Bitcoin (24/7 market)

- Trades 365 days per year
- Trades 24 hours per day
- $365 \times 24 = 8,760$ hours per year

The bottom line

- Bitcoin trades 8,760 hours/year.
- NVDA trades 1,638 hours/year.

Another way to frame it: Bitcoin trades 7,122 more hours per year – roughly 5.35× more total trading time than a traditional US equity. That's a massive difference, and probably larger than most people

would expect, because it includes nights, weekends, and holidays when traditional markets are completely closed.

So, back to the bigger question: does more market life equal faster maturation?

I think the answer is yes – but not in an absolute sense.

More trading time doesn't mean Bitcoin magically matures 5.35 years for every calendar year that passes, or even two years per calendar year. The world around Bitcoin still moves at the same pace it does for every other financial asset. Regulation takes time. Institutional adoption takes time. Infrastructure buildout takes time. Human behavior and capital formation don't suddenly accelerate just because an asset trades 24/7.

That said, on a shorter-term time frame, Bitcoin has often acted as a canary-in-the-coal-mine asset. For example, watching it trade in the hours leading up to Trump's election was telling – price action started to reflect growing expectations that he would win. And during the onset of COVID, watching Bitcoin trade through the initial panic – at times when traditional markets weren't yet open or were forcibly shut down – helped put into perspective the magnitude of what was about to unfold across the global financial system.

A side effect of Bitcoin's programmed 24/7, 365-day trading schedule is that it becomes a constant, real-time reflection of global risk sentiment.

Zooming out, the advantages start to become more noticeable. One of the ways Bitcoin matures as a result of trading continuously is through faster price discovery. Because it trades without pause, it has more opportunities to process macro news, liquidity shifts, policy headlines, ETF flows, exchange stress, and leverage unwinds in real time. Traditional markets batch information into pockets of open and closed cycles. Bitcoin doesn't. That doesn't make it perfectly efficient, but it does create tighter feedback loops where mispricings, sentiment shifts, and regime changes tend to surface quicker.

Another way Bitcoin matures because of its increased trading time is through faster narrative stress testing. With markets always open, narratives don't get the luxury of sitting unchallenged overnight, over weekends, or through holidays. In traditional markets, weak narratives can sometimes survive for quarters before being fully challenged by real capital flows. In crypto, bad ideas often get exposed much faster. Whether it's unsustainable yields, weak exchange balance sheets, or overhyped technological promises, capital tends to test those assumptions immediately. Over time, that forces the market to learn faster, even if the learning process is painful.

Bitcoin also matures through faster leverage cycle resolution. In traditional finance, leverage imbalances can build quietly during market closures, only showing up once trading reopens. In crypto, leverage is continuously repriced in real time. Funding rates adjust constantly, margin pressure is visible immediately, and forced liquidations clear risk out of the system as soon as positions become unstable. Instead of leverage problems compounding in the dark, they tend to surface and get resolved in the open, which can accelerate how quickly positioning resets and risk management standards evolve across the market.

Infrastructure iteration is another subtle but important area. Because failures and stress events surface more quickly, the surrounding infrastructure is forced to adapt more quickly as well. In other words, the constant stream of market data and stress events forces the ecosystem to build around Bitcoin in real time. Custody models evolve. Exchange risk models get refined. Stablecoin transparency pressure increases. Each crisis becomes a forced upgrade cycle for the entire ecosystem.

The cleaner way to think about it is that Bitcoin may not mature faster in calendar time, but it likely matures faster in market experience. Each year, we effectively get about 5.35× more time-based data points to observe. It is forced to process more shocks, more liquidity events, more leverage cycles, and more sentiment shifts every year than traditional markets. Over time, that constant exposure helps Bitcoin build a kind of shell – a market structure that becomes harder, more resilient, and more battle-tested with each cycle.

And it's not just Bitcoin – it's the entire digital asset ecosystem. The baseline expectation for assets in this industry is perfect uptime, which forces a level of constant maturation and stress testing that no other traditional financial assets have ever had to endure. When markets never close, infrastructure doesn't get scheduled downtime either. Exchanges, custody providers, liquidity providers, and settlement rails are all expected to function continuously, which accelerates how quickly weaknesses are exposed and improvements are made. Over time, that creates an environment where both the assets and the systems supporting them have to become more resilient, more reliable, and more battle-tested with each passing cycle.

This advantage gives me hope, because it means the system is being hardened in real time rather than being protected from failure by artificial pauses and unnecessary breaks. If this technology is going to change the world, it's going to have to be more durable, more proven, and more resilient than what already exists – and the only way to get there is through repeated, real-world stress. It can't just be a little better, because a little better is usually ignored until something breaks and people are forced to look for alternatives.

Markets that never close don't get to hide weaknesses. They have to confront them, fix them, and move forward. Over time, that kind of constant testing is what turns fragile systems into ones that can actually support global-scale adoption – systems that aren't just innovative, but durable enough to matter when the world actually needs them.

Bitcoin is the answer I keep coming back to, and the reason I'm comfortable buying when everyone else is either saying it's over or calling for lower prices.

It's 24/7/365 hard money that simply can't be f**ked with.

Conclusion from Coin Metrics’ “State of The Network” weekly report from 2/18/26. (Read the full report, [here](#).)

As stablecoins draw increasing attention from institutions, payment providers and regulators, the ability to distinguish between different types of onchain activity becomes increasingly important. Headline transfer volume captures the total movement of value on a network, but as this analysis shows, it mixes fundamentally different economic activities. The growth in stablecoin usage is real; the challenge is accurately measuring which kinds of usage are growing and by how much. While this analysis focused on USDC on Base due to its outsized role, it points toward a need for more holistic classification, decomposing transfer volume into meaningful categories that reflect how stablecoins are actually being used and bring clarity to an ever-expanding onchain economy.

Conclusion from Glassnode’s “The Week On-Chain” from 2/18/26. (Read the full report, [here](#).)

Bitcoin remains confined within a structurally defined corridor between the True Market Mean near \$79k and the Realized Price around \$54.9k. The breakdown below active cost basis has shifted the regime firmly defensive, with price now relying on the \$60k–\$69k demand cluster to absorb persistent sell pressure. While this zone has so far moderated downside momentum, conviction remains fragile.

On-chain accumulation has improved from outright distribution but has yet to transition into strong, large-entity buying. Liquidity conditions remain constrained, as reflected by the Realized Profit/Loss Ratio hovering in a compressed 1–2 range, indicating limited capital rotation. Spot flows continue to skew negative, and ETF outflows confirm that institutional demand is not currently providing a structural bid.

In derivatives, the panic phase appears to be fading. Implied volatility and skew have compressed, and crash hedges are being unwound. However, this normalization reflects stabilization rather than renewed bullish positioning.

Taken together, the market is transitioning from reactive liquidation to controlled consolidation. For a durable recovery to emerge, renewed spot demand, sustained accumulation, and improving liquidity conditions will be required. Until then, range-bound absorption between key valuation anchors remains the dominant structural theme.

Matt Hougan's (Bitwise) Weekly CIO Memo: "DeFi Could Lead Us Out of Crypto Winter – Bear Markets Create Huge Opportunities for Investors Who Are Paying Attention. There's One Brewing in DeFi Right Now."

In bear markets, investors tend to ignore good news. That can create opportunities for people who are paying attention. There was a big example of this last week.

Aave Labs – the development team behind the largest decentralized lending protocol in crypto – published a governance proposal called "Aave Will Win."

I thought I'd explain what it is, why it matters, and why I think DeFi may help lead us out of the 2026 bear market.

The Token Value Problem

One of my highest-conviction beliefs is that the next crypto bull market will be focused on fundamentals. Crypto investors are tired of promises; they want to see real users, revenues, and value.

DeFi fits the bill.

DeFi protocols are very real. Uniswap, the leading decentralized spot exchange, regularly trades more volume than Coinbase. Aave, the leading lending protocol, does over \$100 million per year in revenue. These are serious businesses with real users that have proven themselves over the years.

But DeFi-linked crypto assets, unfortunately, have been poor investments. Even though usage on their platforms is way up, the tokens are way down. Aave has fallen 50% over the past year. Uniswap has been flat over the past five years!

The primary problem for DeFi tokens is their tokenomics – the dynamics that drive their value. Most DeFi tokens were created as "governance" tokens: They allow you to vote on how the protocol operates, but have no claim on revenues or profits.

There is a good reason for this. When the majority of DeFi tokens launched, the SEC was aggressively hostile toward crypto – particularly toward any token it could classify as a security. The primary framework the SEC used to make this determination was the "Howey test," which asks whether an investor expects to profit from the efforts of others. You can't expect to profit if the token has no way to accrue value, so token designers stripped out any claim on revenue as a legal survival strategy.

It worked, in the sense that the SEC allowed DeFi tokens to exist. But the result was a bunch of lightweight governance tokens with no real tie to the underlying economics of the protocols.

Enter Aave's New Proposal

Like most DeFi tokens, Aave has struggled with this dynamic over the years. For most of its existence, it was a governance-only token with little economic tie to the underlying protocol's growth.

Things improved in 2024 and 2025, when the "Aavenomics" upgrade created a buyback mechanism, whereby a portion of the fees generated by the protocol were used to buy back Aave tokens. But a core tension remained: Aave Labs, the development company that created Aave, retained an ability

to direct revenues to itself rather than to token holders. This tension bubbled over in December 2025, when Aave Labs directed \$10 million of swap fees to itself.

Who ought to benefit from Aave's growth, people asked. Aave Labs or token holders?

This is what the "Aave Will Win" proposal hopes to address. In simple terms:

Aave Labs commits to sending 100% of revenue from all Aave-branded products – the website, a forthcoming mobile app, the Aave Card, institutional services, etc. – directly to the DAO treasury (an entity controlled by Aave token holders).

In exchange, Aave Labs receives a funding package: \$25 million in stablecoins, 75,000 Aave tokens, and up to \$17.5 million in milestone-based grants. That's roughly \$50 million all in, covering development of Aave V4 (the next-generation protocol architecture) and transfer of Aave's intellectual property to token holders.

Additionally, a new foundation will hold the Aave brand and trademarks on behalf of the community, rather than leaving those assets under Aave Labs' control.

Why This Matters

This proposal aims to complete the Aave token's journey from a governance-only asset into something that looks much more like equity in a high-growth financial services business. In theory, every dollar of product revenue will flow to the DAO. The DAO will decide how to deploy it – for example, whether to fund Aave's development, buy back tokens, or build reserves. In that scenario, the token will become the central economic asset in the ecosystem, while the founding team will become a service provider that's incentivized to keep building on the asset.

Of course, there are still questions.

Some prominent community members have pushed back on the proposal, calling the funding request from Aave Labs "extractive." Others have argued that the proposal bundles too many things together, making it hard to evaluate each piece on its merits. And important questions remain over how "revenue" will be defined and whether Aave Labs will retain discretion over it.

These are legitimate concerns. The details matter enormously, and the final structure may look different from what's been proposed.

But if you zoom out, a bigger picture is evident.

Aave – the second-largest DeFi token – is transforming from a governance-only token to one where token holders have a clean claim on protocol revenues. And if Aave can do it, so can other DeFi assets.

Closing Thoughts

The Aave proposal wasn't the only good news in DeFi last week. BlackRock, the world's largest asset manager, announced an investment in Uniswap tokens. Apollo, one of the world's largest credit managers, announced an investment in Morpho, an Aave competitor.

Improving tokenomics. Institutional investment. Strong usage. In bear markets, you want to look for areas that show strength. It sure looks like DeFi is one of them.

Arca: Adoption Without Accrual, Again...

Adoption Is Booming, But Token Accrual Is Not

Two weeks ago, I wrote about how certain cash-flow producing tokens with buybacks were acting “defensive” during the selloff. In a market that still trades mostly on narratives and reflexivity, it’s important to point out when actual cash flows take center stage.

Last week, I continued to write about where real blockchain adoption is happening:

- Stablecoins and payments
- DeFi
- RWA tokenization

But I also made a less comfortable point. Much of Wall Street’s adoption isn’t flowing through existing crypto infrastructure. TradFi firms are building their own rails, issuing their own stablecoins, and keeping the economics for themselves.

This past week gave us three relevant case studies illustrating this point. All of these announcements were bullish for infrastructure, RWA tokenization, and blockchain infrastructure. And all of these announcements further validated the RWA tokenization thesis and the growth of DeFi. But the uncomfortable throughline was that once again, Wall Street is adopting blockchain, but it’s not necessarily going to mean anything for the existing tokens.

1. Uniswap x BlackRock

BlackRock integrated its tokenized US Treasury money market fund, BUIDL, with UniswapX.

BUIDL isn’t new. It launched nearly two years ago on Ethereum. It peaked at \$2.9 billion in AUM in May 2025 and currently sits around \$1.8 billion across 82 unique holding addresses. The underlying assets are short-dated US Treasuries and repo. The minimum investment remains \$5 million. All participants must be KYC’d and whitelisted through Securitize. The assets never leave the regulated perimeter.

What changed this week is distribution.

Instead of transacting solely through Securitize, BUIDL can now trade via UniswapX’s RFQ-style system. In practice, that still means whitelisted institutional “fillers” competing to execute orders. This is not BUIDL sitting in an AMM pool; rather, it is regulated capital accessing liquidity rails built by Uniswap Labs.

BlackRock also reportedly acquired an undisclosed amount of UNI tokens as part of the integration, though there were no details disclosed. UNI jumped roughly 40% on the announcement and then fully retraced, trading below pre-announcement levels within days.



Source: TradingView

This is a meaningful validation of DeFi infrastructure. The world's largest asset manager is comfortable using on-chain rails. But nothing about this changes UNI token's value accrual mechanics, or usage on Ethereum or Unichain, or any other blockchain. There is no structural linkage between BUIDL AUM and UNI cash flow. No automatic revenue share. No buyback tied to this integration.

The headline validated the rails. The token still trades on reflexivity.

2. Morpho x Apollo Global Management

Apollo partnered with Morpho to bring institutional credit strategies on-chain and committed to purchasing MORPHO tokens.

Again, the signal is strong. Apollo is one of the largest alternative asset managers in the world with approximately \$1 trillion in AUM, and institutional credit migrating on-chain is the RWA thesis in motion.

Morpho rallied and is currently near weekly highs, though I'd imagine this, too, will reset given how vague the token buying language is. Under the Agreement, Apollo or its affiliates may acquire MORPHO tokens through a combination of open-market purchases, OTC transactions, and other contractual arrangements, subject to an overall ownership cap of 90 million MORPHO tokens over a 48-month period, as well as transfer and trading restrictions.



Source: TradingView

This playbook isn't new for Apollo.

Years ago, Apollo “partnered” with Figure’s Provenance blockchain and acquired some of its token, HASH. The press release was similarly flashy, making it seem like Apollo was purchasing HASH, yet there was no evidence of meaningful HASH token purchases tied to usage, nor was there sustained evidence that Apollo was meaningfully using the Provenance chain in a way that accrued to token holders. In fact, years later, I believe Apollo did not end up launching anything with Figure on Provenance.

Partnership headlines are easy. Token accrual is harder.

Morpho is a lending protocol with a governance token. The protocol’s growth does not automatically translate into token cash flow in the way equity would. A strategic purchase by a partner is a catalyst, not a structural value driver.

Institutional capital touching DeFi infrastructure is bullish for the ecosystem. It is not, by default, bullish for the token unless economics are explicitly designed that way. We continue to see adoption happening at the application and infrastructure layer while token design remains governance-heavy and economically thin.

3. LayerZero Labs Launches “Zero”

LayerZero unveiled plans for its own layer-one chain, “Zero,” with reported launch partners including ARK Invest, Citadel, and the DTCC.

Zero is positioned as a high-throughput, TradFi-oriented chain. It separates block producers (who do the expensive computation and ZK proving) from validators (who verify proofs). It introduces “Atomicity Zones” that execute asynchronously while inheriting shared security from a lightweight settlement layer.

Technically, it's an interesting design. Separating production from verification is a valid scaling approach. But it's also a different philosophical tradeoff than Ethereum's model, which constrains throughput to preserve broad participation in verification. Zero's model is likely to lead to fewer, more sophisticated block producers. Validation may be widely distributed; production will be specialized. That asymmetry matters.

Naturally, the ZRO token pumped on the announcement, and then retraced. Again, infrastructure innovation does not automatically translate into durable token value capture.



Source: TradingView

All three of these developments are bullish for blockchain advancement:

- BlackRock expanding distribution of tokenized US Treasuries.
- Apollo bringing credit strategies on-chain.
- LayerZero building infrastructure explicitly targeting institutional adoption.

Stablecoins, DeFi, and RWA tokenization continue to grow, and there seems to be little debate about this. The rails are maturing, and institutional comfort is increasing.

But the economic perimeter remains tight.

TradFi is experimenting with blockchain while preserving regulatory control, access control, and economic control. Many integrations are occurring inside whitelisted systems, RFQ modules, and governance processes that do not automatically distribute value to token holders.

This is why, during a selloff, the tokens that held up best were those with real cash flow generative properties, and buybacks, not just those that are drawing up new partnerships. When narrative fades, structure matters. That said, it's still marginally positive to see all of these announcements, partnerships, and advancements. But until the economics are explicit and enforceable at the token layer, headlines and partnerships will only continue to produce pumps and retraces.

CoinDesk Data released its “Exchange Review January 2026.” See key findings below. Download the full report, [here.](#))

- CEX Trading Activity Rebounds: For the first time in three months, centralized exchange trading volume increased, rising 2.43% to \$5.95 trillion in January. This recovery was driven primarily by spot markets, which jumped 5.83% to \$1.55 trillion, while derivatives saw more modest growth of 1.28% to \$4.40 trillion, causing the derivatives market share to dip slightly to 74.0%.

Binance Leads Spot Market Recovery: Binance recorded its first volume increase in three months, surging 10.8% to \$407 billion and capturing a 26.2% market share (a gain of 1.18%). MEXC and Gate also posted double-digit growth, while competitors Bybit and HTX saw significant declines, with volumes dropping 16.4% and 19.1