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US regulatory reset: Why 2025 will be historic for digital assets

During his campaign, the new US President Donald Trump promised friendlier regulations for digital assets, support for various industry sectors, and the establishment of a strategic bitcoin reserve. But what can Trump realistically implement with his administration in the coming months?

For four years, the crypto industry suffered under the Biden administration. Authorities such as the SEC, FDIC, OCC, and the Fed deliberately hindered companies in the sector. As a result, investors and industry representatives eagerly await the change in leadership—especially after Trump's bold promises. Digital assets have already recorded strong price gains in anticipation. However, actions must follow these words, or the new administration risks losing credibility.



Figure 1: Crypto market capitalization skyrocketed after Trump's victory / Source: Digital Asset Solutions

Removing regulatory barriers

During the previous administration, financial intermediaries and crypto companies struggled with completely unclear regulatory frameworks. Various agencies competed for oversight authority and at times used legally questionable methods to push an anti-crypto political agenda. Over the past four years, the SEC filed 40 lawsuits against crypto projects, and record-breaking bitcoin ETFs only received approval under orders from a US court. Additionally, banking authorities systematically obstructed domestic crypto service providers' access to the traditional financial system—directly under instructions from

the White House. This approach earned the nickname "Operation Choke Point 2.0," due to its similarity to the debanking efforts targeting "high-risk industries" during the Obama administration.

The environment is changing radically under Trump. Even before the inauguration on January 20, SEC Chair Gary Gensler was forced to announce his resignation. Trump has appointed crypto-friendly entrepreneur Paul Atkins as his replacement. The FDIC, which played a central role in implementing Operation Choke Point 2.0, also announced a radical restructuring ahead of the inauguration due to its controversial stance on crypto.

New crypto ETFs on the horizon

The immediate impact of these regulatory changes is already evident. Within a day of Gensler's departure, product issuers submitted 15 more applications for crypto ETFs. Nearly 50 funds are now awaiting approval. A significant portion of these products aims to package alternative cryptocurrencies ("altcoins") into ETFs. In the coming months, more cryptocurrencies are expected to gain regulated access to the world's largest capital market. Yield-generating ETFs could also emerge—a benefit for the Ethereum fund, which currently does not allow staking, making it less attractive to investors.

Digital assets as a reserve

Trump's boldest promise is the establishment of a national strategic bitcoin/crypto reserve. This plan involves two key components. First, bitcoin holdings confiscated by authorities over the past decade are expected to be transferred to the vaults of the



Treasury Department. Currently, the Department of Justice holds 200,000 bitcoin, valued at approximately \$21 billion.

ASSET	PRICE	HOLDINGS BY CHAIN	HOLDINGS	VALUE
BTC	\$104,974.00 (+0.47%)		190,589K BTC	\$20.00 (+0.47%)
ETH	\$3,222.51 (-1.20%)		64,763K ETH	\$176.44M (-1.20%)
USDT	\$1.00 (+0%)		122,131K USDT	\$122.53M (+0%)
WBTC	\$104,775.00 (+0.28%)		768,722 WBTC	\$76.66M (+0.28%)
DGB	\$683.05 (-1.03%)		48,285K DGB	\$27.50M (-1.03%)
AUUSD	\$1.00 (+0%)		13,30M AUUSD	\$13.30M (+0%)
USDC	\$1.00 (+0%)		11,840M USDC	\$11.80M (+0%)
WETH	\$3,221.02 (-1.48%)		3,00K WETH	\$9.92M (-1.48%)

Figure 2: Crypto holdings of US authorities / Source: Arkham Intelligence

These bitcoin will no longer be liquidated but instead held as a strategic reserve—a move Trump has confirmed through an executive order. The exact details remain unclear, but the order references "digital assets" rather than specifically naming bitcoin. This leaves the door open for Trump to include alternative cryptocurrencies in the reserve. The global message of such a move would be monumental.

There is also the wildcard of actively expanding the reserves. A legislative proposal by US Senator Cynthia Lummis suggests acquiring one million bitcoin over the next five years, equivalent to a current value of over \$100 billion. The proposal will need bipartisan support in Congress before being presented to Trump for approval.

SAB 121 overturned: a game-changer for banks

The repeal of SAB 121 marks another key shift in US crypto regulation. This SEC accounting rule previously required banks to classify customer-held crypto assets as their own liabilities, significantly complicating institutional custody services. Its removal eliminates a major regulatory barrier for financial institutions—a move likely to encourage some banks to offer crypto services to their clients. This development is expected to significantly accelerate institutional crypto adoption in the US.

Conclusion: 2025 as a turning point for crypto

The stage is set for a new era in the US crypto market. With Trump's inauguration, the regulatory blockade of recent years has ended, and early measures indicate that his administration is taking a pro-crypto stance. Key developments include the appointment of a new SEC chair, the repeal of SAB 121, and the announcement of the government's crypto strategy.

New crypto ETFs for altcoins are expected to receive approval in the coming months, offering institutional investors broader market access. At the same time, the planned strategic crypto reserve introduces a new dynamic with far-reaching global implications.

In 2025, the US is driving institutional crypto adoption—a message that is resonating across Wall Street and global markets. For asset managers, the focus will shift from *whether* to invest in crypto to *how* to allocate. With our diversified approach, this challenge is already overcome—investors are positioned to take advantage of the new asset class, which is set to unlock billions in the financial world.



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