# Regulatory milestones and institutional moves signal a new era for crypto markets



Crypto markets are undergoing a fundamental transformation as digital currencies shift from speculative frenzy and regulatory uncertainty to becoming integrated components of established financial systems governed by clear rules and robust infrastructure. Across the United States, the United Kingdom, and economies under severe duress, this paradigm shift is signalling a maturing of the crypto space from volatile hype cycles to dependable indicators of liquidity, risk appetite, and capital flows, especially when traditional systems face instability.

A landmark development in this evolution came this summer with the enactment of the GENIUS Act in the United States, the nation's first comprehensive legislation to regulate stablecoins—cryptocurrencies pegged to the U.S. dollar. The law, signed by President Donald Trump on July 18, 2025, mandates that stablecoins be fully backed by liquid assets such as U.S. dollars and Treasury bills and requires monthly public disclosures of reserve compositions to enhance transparency. Treasury Secretary Scott Bessent praised the move as reinforcing the dollar’s global stature while boosting demand for Treasury bonds. This bipartisan-supported act creates the legal clarity that stablecoins lacked, converting them from grey-area financial instruments to fully regulated products. The law has been hailed by the crypto industry as a pivotal moment, promising to expand the stablecoin market from around $260 billion today to potentially $2 trillion by 2028. This framework also sets compliance standards, including Know Your Customer (KYC) protocols, that position banks to dominate the space due to their existing regulatory experience, although non-bank entities may face more hurdles in compliance and approval processes.

President Trump’s vocal pro-crypto stance, combined with the legislation, signals a broader institutional endorsement. Notably, Trump himself launched a personal cryptocurrency ($TRUMP) and has prioritized policies supporting digital assets, including an executive order to create a strategic bitcoin reserve. However, some critics point out that the GENIUS Act falls short on anti-money laundering safeguards and places few restrictions on tech giants issuing stablecoins—a concern that remains under debate.

This legislative clarity has catalysed significant interest from traditional financial institutions. Major banks and financial firms are rapidly moving to issue dollar-backed stablecoins, seeing them as a pathway to modernise cross-border transactions with faster, more secure blockchain infrastructure. Yet, industry experts caution that adoption will not be immediate. Challenges remain, including liquidity risk management, the design of suitable blockchain networks, and investor concerns about token stability. These issues suggest that while the regulatory groundwork is now in place, mainstream integration of stablecoins into daily finance will evolve over the coming years.

The US institutional shift is further underscored by Circle’s announcement to go public via an initial public offering on the New York Stock Exchange under the ticker CRCL. Following a failed attempt to go public via a SPAC in 2022, Circle's renewed IPO effort demonstrates its strategic alignment with mainstream finance. With reported revenues of $1.68 billion in 2024 and backing by major underwriters such as JPMorgan Chase and Citigroup, Circle aims to enhance disclosure and operational accountability, key factors in attracting institutional investors. This move reflects a broader trend where crypto infrastructure companies seek public market funding to solidify their legitimacy and transparency.

Across the Atlantic, the United Kingdom is signalling a parallel readiness for institutional crypto adoption. The Financial Conduct Authority (FCA) announced that from October 8, 2025, retail investors will be permitted to buy regulated Exchange Traded Notes (ETNs) tracking major cryptocurrencies like Bitcoin and Ethereum. Unlike prior bans on derivative products for retail investors, these ETNs offer a compliance-focused route to digital asset exposure for mainstream money managers. The flow of investment into these ETNs will serve as an important, regulated barometer of institutional and retail appetite for crypto, translating market sentiment into quantifiable data.

Examining real-world stress tests of these developments, Venezuela offers a compelling case study. Amid hyperinflation and stringent capital controls that rendered the national currency nearly worthless, businesses and individuals have turned to stablecoins—mainly USDT—to preserve value and facilitate payments. This widespread use in conditions where conventional financial systems fail underscores the practical utility of stablecoins not just as trading instruments but as essential fixes for broken monetary systems. Experts suggest that Venezuela’s experience provides early insights into the potential growth of cross-border payment corridors and remittance channels utilising stablecoins in other economically fragile regions.

Taken together, these policy, institutional, and practical shifts recalibrate how crypto markets function as investment signals. The growth of stablecoin supplies now serves as a credible indicator of global liquidity and U.S. dollar demand, while ETN trading volumes provide a transparent read on mainstream investor sentiment within a regulated framework. Increased merchant adoption in economies under financial stress further flags emerging payment resilience and new avenues for trade finance.

This new phase favours tokens grounded in real usage—network fees, gaming utilities, and other applied blockchain services—over speculative and meme-driven assets, fostering sustainable value creation linked to regulatory progress and infrastructure maturity. While crypto’s inherent risks and uneven liquidity dynamics persist, the landscape today is fundamentally more predictable than five years ago, thanks to established legal frameworks and proven utility cases.

For investors, these developments mark a shift from viewing crypto as isolated, highly speculative assets to interpreting them as early indicators of broader monetary policies and technological adoption trends. As infrastructure solidifies and market access broadens, price movements and market behaviours increasingly reflect deeper financial currents and institutional engagement, offering systematic data points for strategic positioning in forthcoming market cycles.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.canyon-news.com/policy-shifts-and-market-access-transform-crypto-investment-signals/)
* Paragraph 2 – [[1]](https://www.canyon-news.com/policy-shifts-and-market-access-transform-crypto-investment-signals/), [[3]](https://www.reuters.com/legal/government/trump-signs-stablecoin-law-crypto-industry-aims-mainstream-adoption-2025-07-18/), [[4]](https://www.tomshardware.com/tech-industry/cryptocurrency/stablecoins-gain-critical-mass-after-genius-act-cements-rules-banks-and-companies-rush-to-register-new-coins), [[7]](https://www.tomshardware.com/tech-industry/cryptocurrency/stablecoins-gain-critical-mass-after-genius-act-cements-rules-banks-and-companies-rush-to-register-new-coins)
* Paragraph 3 – [[3]](https://www.reuters.com/legal/government/trump-signs-stablecoin-law-crypto-industry-aims-mainstream-adoption-2025-07-18/), [[4]](https://www.tomshardware.com/tech-industry/cryptocurrency/stablecoins-gain-critical-mass-after-genius-act-cements-rules-banks-and-companies-rush-to-register-new-coins), [[7]](https://www.tomshardware.com/tech-industry/cryptocurrency/stablecoins-gain-critical-mass-after-genius-act-cements-rules-banks-and-companies-rush-to-register-new-coins)
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* Paragraph 5 – [[1]](https://www.canyon-news.com/policy-shifts-and-market-access-transform-crypto-investment-signals/)
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* Paragraph 8 – [[1]](https://www.canyon-news.com/policy-shifts-and-market-access-transform-crypto-investment-signals/)

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## Bibliography

1. <https://www.canyon-news.com/policy-shifts-and-market-access-transform-crypto-investment-signals/> - Please view link - unable to able to access data
2. <https://www.ft.com/content/840b5a88-ac14-4145-9901-1ffbba39bd56> - In a letter to the Financial Times, John Wu, President of Ava Labs, discusses the growing importance of stablecoins in global finance and their positive impact on the U.S. dollar. He supports the EU's initiative to fast-track the development of a digital euro, recognising that dollar-backed stablecoins currently dominate the market. Wu argues that rather than undermining the dollar, stablecoins amplify its role in international payments by leveraging new technologies. He highlights the United States' proactive approach through the GENIUS Act, which offers regulatory clarity, promotes innovation, and strengthens consumer protections. Wu concludes that global adoption of stablecoins is inevitable and that the U.S. is strategically positioning the dollar at the centre of this transformation.
3. <https://www.reuters.com/legal/government/trump-signs-stablecoin-law-crypto-industry-aims-mainstream-adoption-2025-07-18/> - On July 18, 2025, President Donald Trump signed the GENIUS Act into law, establishing a regulatory framework for stablecoins—cryptocurrencies pegged to the U.S. dollar. The law, passed with bipartisan support in both the House (308-122) and Senate, mandates that stablecoins be backed by liquid assets like U.S. dollars and Treasury bills, and requires monthly public disclosure of reserve compositions. Treasury Secretary Scott Bessent praised the move as strengthening the dollar’s global role and boosting Treasury bond demand. This legislation is seen as a major victory for the crypto industry, which contributed over $245 million to the 2024 U.S. elections to support pro-crypto candidates, including Trump. Industry leaders believe the law will increase stablecoins' legitimacy and usage in mainstream financial transactions, potentially expanding the market from $260 billion to $2 trillion by 2028. However, critics argue the law falls short on anti-money laundering protections and fails to restrict stablecoin issuance by large tech companies. Trump, who launched his own coin ($TRUMP) and partially owns a crypto firm, has prioritised pro-crypto policies, including an executive order to establish a strategic bitcoin reserve. The law is expected to spark broader bank engagement with cryptocurrencies.
4. <https://www.tomshardware.com/tech-industry/cryptocurrency/stablecoins-gain-critical-mass-after-genius-act-cements-rules-banks-and-companies-rush-to-register-new-coins> - Following the enactment of the GENIUS Act by President Trump on July 18, 2025, major banks and financial companies are accelerating plans to launch U.S. dollar-backed stablecoins. The legislation introduces clear regulations for stablecoin issuance and is aimed at facilitating faster and more secure cross-border transactions using blockchain technology. Although the crypto space was previously viewed with skepticism by U.S. regulators, the current administration has taken a more favourable stance, with President Trump publicly supporting digital currencies and even profiting from memecoins. The GENIUS Act requires issuers to meet specific compliance standards, including Know Your Customer (KYC) protocols. While banks are well-positioned due to their existing compliance infrastructure, non-bank entities face more hurdles in gathering customer data and getting approval. Legal experts emphasise that the intended use of the stablecoin will be critical in evaluating its approval. Despite growing enthusiasm, challenges remain, such as liquidity risk assessment, blockchain infrastructure decisions, and investor concerns about token stability. Adoption by banks and institutions will require time as regulatory frameworks continue to evolve, suggesting that mainstream integration may still be several years away.
5. <https://www.cnbc.com/2025/04/01/usdc-issuer-circle-files-for-ipo-as-public-markets-open-to-crypto.html> - Circle, the company behind the USDC stablecoin, has filed for an initial public offering and plans to list on the New York Stock Exchange. The prospectus, filed with the SEC, lays the groundwork for Circle's long-anticipated entry into the public markets. JPMorgan Chase and Citigroup are serving as lead underwriters, and the company is reportedly aiming for a valuation of up to $5 billion. It will trade under ticker symbol CRCL. This marks Circle's second attempt at going public. A prior merger with a special purpose acquisition company (SPAC) collapsed in late 2022 amid regulatory challenges. Since then, Circle has made strategic moves to position itself closer to the heart of global finance, including the announcement last year that it would relocate its headquarters from Boston to One World Trade Center in New York. Circle reported $1.68 billion in revenue and reserve income in 2024, up from $1.45 billion in 2023 and $772 million in 2022. The company reported net income last year of about $156 million, down from $268 million a year earlier.
6. <https://www.cnbc.com/2025/04/01/usdc-issuer-circle-files-for-ipo-as-public-markets-open-to-crypto.html> - Circle, the company behind the USDC stablecoin, has filed for an initial public offering and plans to list on the New York Stock Exchange. The prospectus, filed with the SEC, lays the groundwork for Circle's long-anticipated entry into the public markets. JPMorgan Chase and Citigroup are serving as lead underwriters, and the company is reportedly aiming for a valuation of up to $5 billion. It will trade under ticker symbol CRCL. This marks Circle's second attempt at going public. A prior merger with a special purpose acquisition company (SPAC) collapsed in late 2022 amid regulatory challenges. Since then, Circle has made strategic moves to position itself closer to the heart of global finance, including the announcement last year that it would relocate its headquarters from Boston to One World Trade Center in New York. Circle reported $1.68 billion in revenue and reserve income in 2024, up from $1.45 billion in 2023 and $772 million in 2022. The company reported net income last year of about $156 million, down from $268 million a year earlier.
7. <https://www.tomshardware.com/tech-industry/cryptocurrency/stablecoins-gain-critical-mass-after-genius-act-cements-rules-banks-and-companies-rush-to-register-new-coins> - Following the enactment of the GENIUS Act by President Trump on July 18, 2025, major banks and financial companies are accelerating plans to launch U.S. dollar-backed stablecoins. The legislation introduces clear regulations for stablecoin issuance and is aimed at facilitating faster and more secure cross-border transactions using blockchain technology. Although the crypto space was previously viewed with skepticism by U.S. regulators, the current administration has taken a more favourable stance, with President Trump publicly supporting digital currencies and even profiting from memecoins. The GENIUS Act requires issuers to meet specific compliance standards, including Know Your Customer (KYC) protocols. While banks are well-positioned due to their existing compliance infrastructure, non-bank entities face more hurdles in gathering customer data and getting approval. Legal experts emphasise that the intended use of the stablecoin will be critical in evaluating its approval. Despite growing enthusiasm, challenges remain, such as liquidity risk assessment, blockchain infrastructure decisions, and investor concerns about token stability. Adoption by banks and institutions will require time as regulatory frameworks continue to evolve, suggesting that mainstream integration may still be several years away.