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A New Turning Point for Crypto Assets: On-Chain USD, Trump's Diminished Influence, and What Comes Next for Bitcoin

Summary:

As markets gradually move past Trump's influence, stablecoin regulation accelerates, and Bitcoin reaches new highs, a new asset paradigm is emerging: the long-term crypto bull market may only be starting. This isn't hyperbole—it follows naturally from structural shifts. USD is going on-chain, stablecoins are transitioning to compliance, and liquidity is becoming more market-driven. In this context, Bitcoin and other crypto assets are being revalued as the value anchors of an "on-chain dollar system."

1. Market Desensitized to Trump, Refocusing on Fundamentals

Previously, a single Trump tweet could crash equities and send gold skyrocketing. Now, markets are largely desensitized to his "tariff rhetoric." Starting in April, his policy commentary has been filtered out by investors, while improving economic data has become the real driver.

Recent PMI data across the U.S., Europe, Brazil, and India show synchronous improvement. Meanwhile, expectations for Fed rate cuts this year remain high, and the ECB has already begun easing. Fundamentals have returned to center stage, relegating political turbulence to the background.



Result: Market pricing is no longer tied to one personality but now focuses on macroeconomic trends—stabilizing asset valuations and providing a clearer framework for mid- to long-term capital.

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2. Stablecoin Regulation on Track: The U.S. “On-Chain Dollar” Takes Shape

In contrast to Trump’s waning influence, Congress is speeding up crypto legislation. July has become known as “Crypto Legislative Month,” with the House advancing three key bills, including the “GENIUS Stablecoin Act” and “Digital Asset Market Clarity Act.” The stablecoin bill mandates 100% backing in USD or similarly liquid assets, annual audits, and a formal regulatory regime.

Signal: The U.S. is cultivating a **compliant on-chain dollar system**—not challenging the Fed’s monetary authority, but extending the international use of USD in the digital era.



Legally compliant issuers—such as fintech firms, banks, and payment giants—can embed dollars into on-chain ecosystems, boosting circulation efficiency and programmability across digital asset trading, cross-border payments, and smart contracts.

This evolution is an extension of the dollar, not a usurpation.

3. Bitcoin Surges Past \$120K—But This Isn't Retail FOMO

BTCC data shows Bitcoin hit an intraday high of **\$122,600** on July 14. Unlike previous bull runs, this rally has been strikingly calm. Google Trends data indicate that searches for “Bitcoin” remain far below the frenzy levels seen in 2021 or 2017.



Why? Institutional capital is behind this move—ETF inflows, rising stablecoin circulation, and increased on-chain activity are signaling structural asset allocation, not emotional exuberance.

With stablecoin regularization underway, institutions can legally engage in on-chain dollar issuance and deploy funds more flexibly. Bitcoin, as a hedge against dollar liquidity and crypto-decentralization trends, becomes a natural value anchor.

Thus, crossing \$120K isn't the finish line—it marks the activation of a deeper shift.

4. Asset Allocation Recommendations: Anchor to Trends, Not Prices

In the midst of this evolving financial ecosystem, investors should recalibrate their portfolios:

- **Inflation-resistant assets remain central**

With Fed rate-cut expectations and a more market-driven dollar (via stablecoins), inflation control by the Fed may weaken—supporting gold and Bitcoin as scarce stores of value.

- **Equities poised to benefit from recovery expectations**

Coordinated easing in the U.S. and Europe, plus an improving global PMI, favor tech and emerging-market equities—though caution is warranted on policy-driven corrections.

- **Distinguish “credit” vs. “liquidity” in USD assets**

While USD liquidity improves, long-term credit risk may escalate. Investors should reduce long-duration USD debt exposure and manage FX positions.

- **Prioritize on-chain compliant crypto projects**

Ethereum, regulated stablecoin platforms, and RWA-related tokens are set to benefit most as stablecoin regulation advances.

5. This Is More Than a Bitcoin Bull Market—it's a Financial Restructuring

Today's historic Bitcoin price, stablecoin legislation, and the muted impact of Trump all reflect the same global trend: the acceleration of financial decentralization. The dollar is finding a new home in the on-chain world, and Bitcoin is emerging as its structural anchor.

Bitcoin's climb to \$120K isn't a high point—it's a starting point.

The next phase will hinge not just on price, but on who comprehends this new capital flow paradigm—and adapts accordingly.

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