Trump to Make USA "Crypto Capital of the World"

In a landmark move, President Donald J. Trump has signed an executive order (EO) establishing a pro-crypto framework for the federal government, marking a significant policy shift. The "Strengthening American Leadership in Digital Financial Technology" EO, signed just three days into his term, revokes Biden's prior EO and promotes self-custody, blockchain access, and crypto-friendly regulations while explicitly prohibiting a U.S. central bank digital currency (CBDC).

This executive order is part of a broader wave of positive developments for digital assets under the new administration. With this rapid series of developments, the U.S. crypto landscape is experiencing a major regulatory and policy shift, potentially paving the way for clearer guidelines, greater institutional adoption, and enhanced innovation.

Ethereum Faces Internal Struggles Amid Market Share Decline

Ethereum's community sentiment has declined sharply as ETH underperforms BTC and SOL, while internal divisions within the ecosystem intensify. Key Ethereum advocates have publicly criticized Ethereum's roadmap and leadership, fueling debates over its declining market share and the need for strategic changes. In response, the Ethereum Foundation (EF) has launched an official X account,

announced internal promotions, and unveiled Etherealize, a BD and marketing arm backed by Vitalik Buterin. Despite these efforts, skepticism remains, and questions persist over whether Ethereum can regain momentum.

Trump Family Launches Memecoins on Solana

On January 17, Trump's team launched a new memecoin on Solana, $TRUMP, which quickly gained traction and briefly overtook SHIB to become the #2 most valuable memecoin with a peak market cap of $15 billion (based on circulating supply). Two days after, the token had skyrocketed in value, sitting just behind DOGE. However, later that weekend, Trump's team announced a second memecoin, $MELANIA, triggering a 60% crash in $TRUMP's price within minutes before it slowly began to recover.

The memecoin frenzy significantly boosted Solana's network activity, setting new all-time highs in total network fees, SOL price, and DEX volume, with $35.9 billion in single-day trading—the highest across all blockchains by several multiples. However, the surge in demand also strained Solana's network, leading to increased transaction failure rates (as reported by Phantom) and delayed Coinbase deposits and withdrawals. The root cause was later identified as degradation in Jito's block engine, which forced users onto the default Solana scheduler, partially affecting network performance.

Abstract Launches Consumer-Focused Ethereum L2

Abstract, an Ethereum Layer 2 built for consumer crypto applications, has officially launched on mainnet. Developed by Igloo Inc., the parent company of Pudgy Penguins, Abstract is designed to make Web3 more accessible to mainstream users through abstraction techniques that simplify onboarding. For example, its Abstract Global Wallet allows users to sign up with just an email—no seed phrases required. "For too long, the industry has prioritized technology over user experience, creating barriers to mainstream adoption," said Luca Netz, Abstract Co-Inventor.

With over 100 apps live at launch and 400+ in development, Abstract is already hosting gaming, trading, social, and NFT applications. Users can discover dApps through the Abstract Portal and earn points and badges via the Abstract Incentives program, which rewards participation on Abstract Live, its native streaming platform. Since mainnet launch, streamers on Abstract have already earned $3.5M in tips (per Dune data), signalling strong early traction. Abstract's launch marks a major shift toward a more user-friendly Web3 experience.

Tether to Issue USDT on Bitcoin

Tether, the largest stablecoin with a $140 billion supply, is expanding to Bitcoin via the Taproot Assets Protocol (TAP), developed by Lightning Labs in 2023. TAP enables native asset issuance on Bitcoin using Tapscript, leveraging TAPTweak and Sparse Merkle trees to verifiably attach data to transactions while keeping it off-chain. Tether will issue USDT on Bitcoin by embedding token metadata into the transaction witness field, the same mechanism used by Ordinals. While Bitcoin's base layer only recognizes BTC as a native asset, Taproot Asset clients will track USDT, allowing direct transactions on Bitcoin and transfers to Lightning Network, unlocking USDT-denominated payment channels. This marks Tether's second attempt at Bitcoin integration, following its 2014 issuance on Omni, which was discontinued in August 2023 due to low adoption.
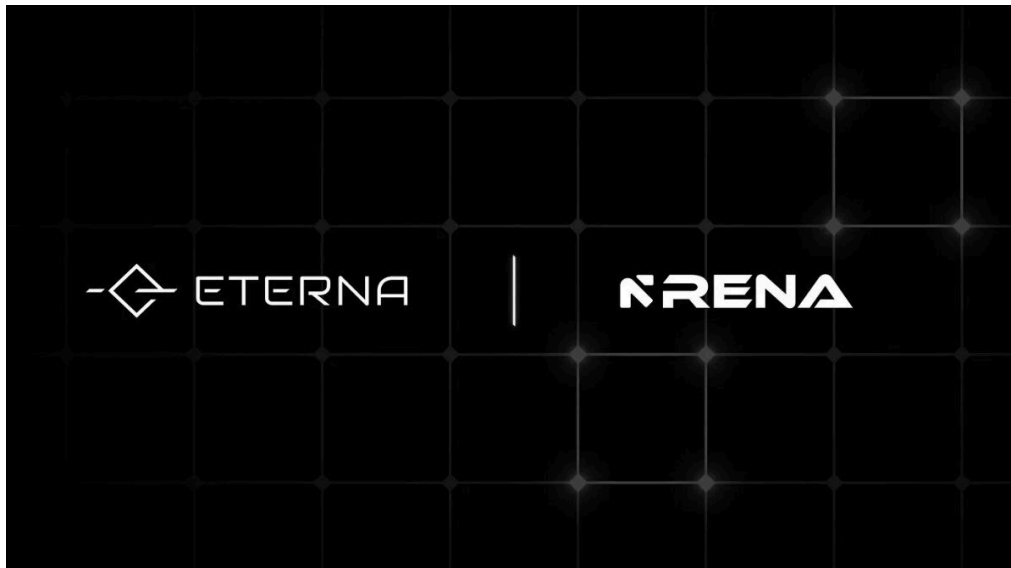
Eterna Portfolio Company Spotlight:
Rena Labs Becomes Part of the Eterna Capital Portfolio

We recently announced our investment in Rena Labs. At Rena Labs, the mission is clear: to create a world where data is protected, algorithms are aligned with users' best interests, and trustless intelligence becomes the foundation of all applications. We're proud to support Rena Labs in this journey as they lead this shift, empowering industries and individuals to harness the full potential of trustless, scalable AI and secure data ecosystems.

Please feel free to contact us if you would like to learn more about what we do.