

The Institutional Bridge: Digital Assets and Corporations

Stay informed on the progress of institutional adoption with a focus on ETF's,
Treasury Companies and New Trends.



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This report is a product of Teroxx Research, a research team within Teroxx, the leading provider of financial services in the digital assets, cryptocurrency, and blockchain technology sector. Teroxx Research provides top-tier market commentary, thematic views, tactical insights, and deep protocol research.

This report was written in February 2026.



Executive Summary

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This report explores the deepening institutional integration within the digital asset ecosystem, a movement that has shown remarkable resilience despite the market turbulence since late 2025. Following the sharp market correction of last October, the recovery has underscored a newfound maturity: rather than retreating, institutional players have viewed these price adjustments as strategic entry points. This period has been characterized by digital asset treasury companies actively increasing their positions and a steady stream of new ETF filings, signaling that the infrastructure for mainstream adoption is not only holding firm but expanding.

Our analysis will thoroughly examine these developments, providing insights into their influence on market structure and the accelerating trend of Real World Asset (RWA) tokenization, which is bridging the gap between traditional finance and blockchain efficiency. A key focus will be the evolving landscape of institutional involvement, exploring how the strategies of hedge funds and private corporations are being bolstered by significant regulatory advancements mainly in the United States. These legislative strides have been providing the clarity necessary for sovereign entities and major financial firms to view digital assets as a maturing asset class with risk-adjusted return potential. We will highlight how this renewed confidence is transforming crypto into essential components of modern portfolio theory and institutional infrastructure.

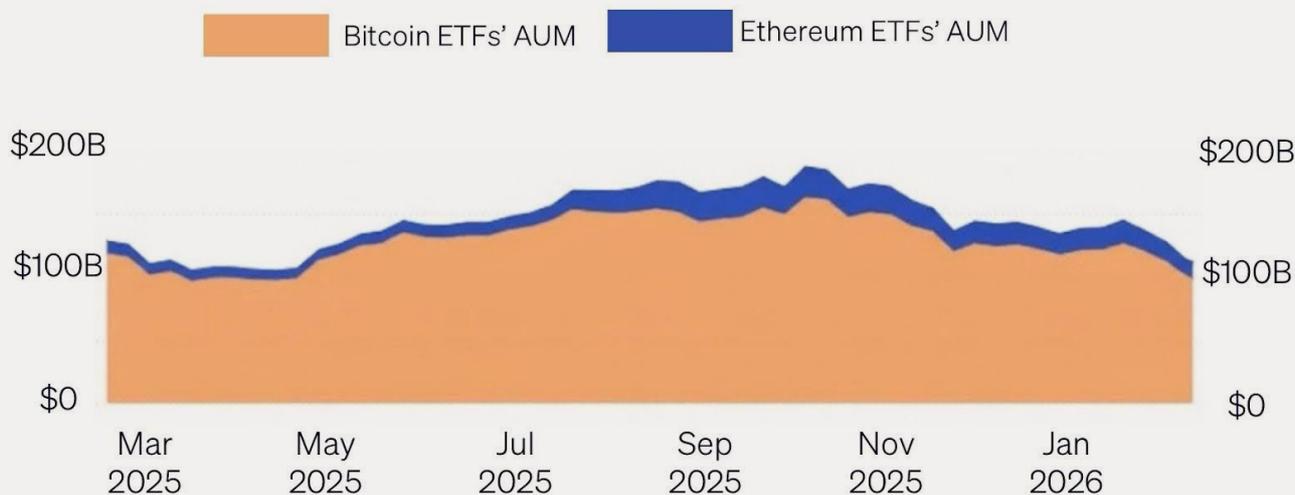
The report also aims to analyze the market's future trajectory, emphasizing how institutional appetite will influence liquidity and drive forthcoming innovations in decentralized finance. This comprehensive overview highlights a foundational shift: the transition from experimental phases to core financial integration. Digital assets are no longer ancillary market interests; they are becoming integral components of the global financial system, backed by the world's most influential sectors and a regulatory framework that is finally catching up to the pace of innovation.

The ETF Revolution: Capital Inflows and Altcoin Expansion

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The integration of digital assets into the global financial system entered a new phase in late 2025, marking a transition from rapid expansion to a phase of institutional stabilization. Following a period of significant growth where Bitcoin ETFs attracted nearly \$60 billion in net inflows since early 2024, pushing prices to a historic peak of over \$126,000 on October 6th of 2025, the market entered a period of sharp market correction. This correction, which saw prices settle around \$68,000 by early 2026, led to a noticeable cooling of institutional momentum as market participants recalibrated their risk exposure.

Total AUM Crypto ETF's



Source: Coinglass, Teroxx Research

Total Assets Under Management (AUM) for Bitcoin ETFs currently stand at approximately \$101 billion, yet recent months have been characterized by a resulting drop in inflows and volume as investors navigate a challenging environment marked by macroeconomic uncertainty and elevated volatility. This cooling effect is further intensified by a shift in traditional finance, where capital has rotated toward risk-off assets such as gold as a hedge against geopolitical instability and inflationary pressures, leading to limited market liquidity and increased selling pressure on digital assets.

Despite these headwinds and the general market retracement, BlackRock's IBIT continues to exert a dominant influence over the sector, maintaining a major preponderance among all Bitcoin ETFs. Even as the broader market faced significant price drops, IBIT has solidified its position as the primary vehicle for institutional access, consistently capturing the share of trading volume and remaining the preferred choice for large-scale allocators. This dominance highlights that ETFs remain the single largest precursor among Bitcoin holdings for institutions, currently accounting for 36.6% of all institutional Bitcoin holdings. This figure serves as the definitive benchmark for "institutional money" within the ecosystem, proving that despite short-term price fluctuations, the ETF structure remains the primary gateway and stabilizer for professional capital entering the space.

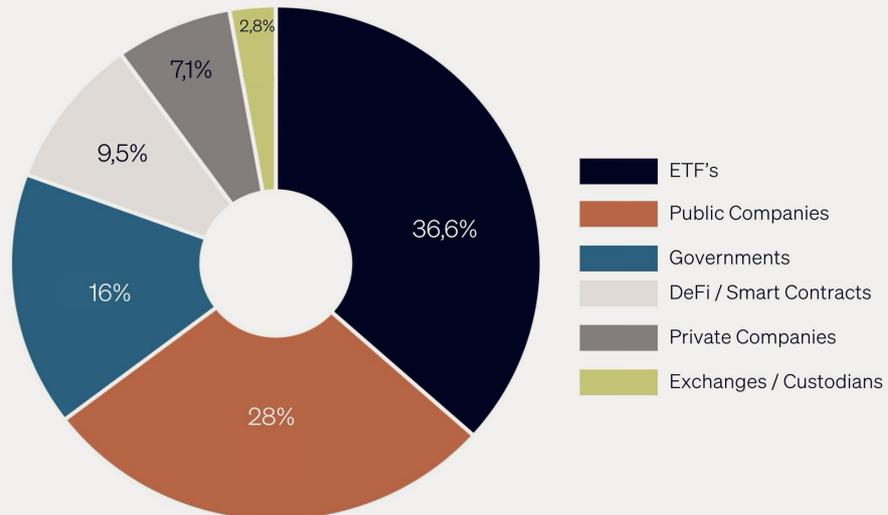
 Spot Bitcoin ETF AUM



Source: The Block, Teroxx Research

Broad-based participation across investor cohorts has yet to fully rematerialize, as demand through US spot Bitcoin ETFs has moderated with many buyers now sitting on paper losses. Data suggests that a significant portion of ETF holders are currently underwater, with an average buy-in price estimated near \$83,000, which has moderated the incentive for aggressive dip-buying and slowed the pace of corporate treasury accumulation as firms prioritize liquidity preservation and react to tightening financing conditions.

 % of Bitcoin Treasury Holdings

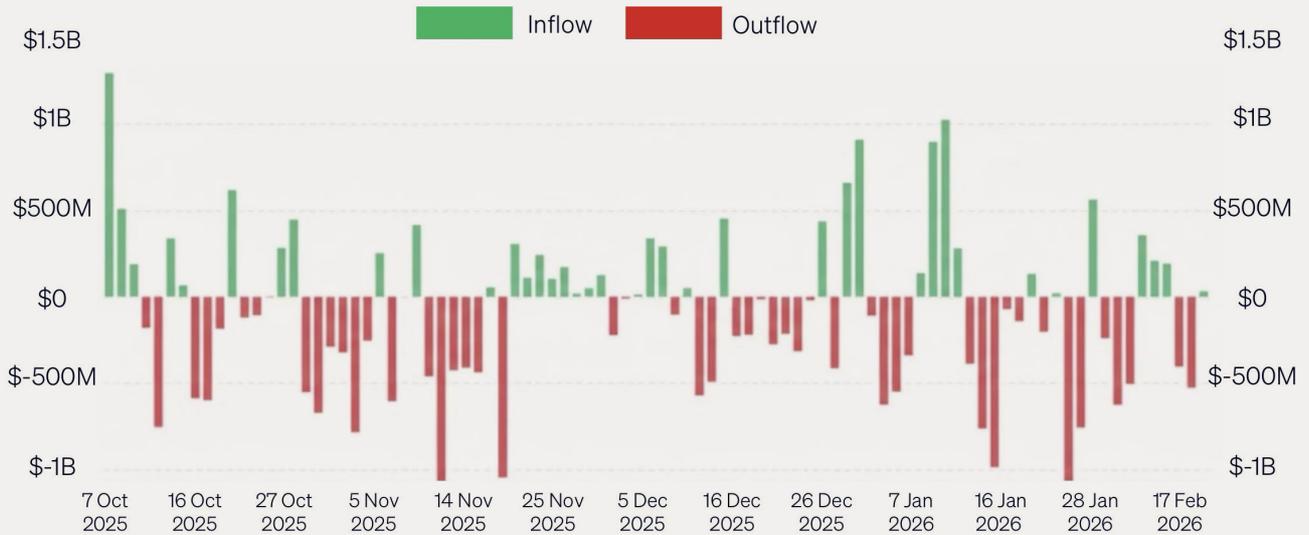


Source: BitcoinTreasuries.net, Teroxx Research

Without a clear new source of capital inflows, recent whale activity risks appearing more like tactical positioning than a structural shift in sentiment. However, the sheer weight of the 36.6% institutional concentration in ETFs suggests a floor of professional commitment that was absent in previous cycles.



Bitcoin ETF Netflows (Oct 2025-Feb 2026)



Source: Coinglass, Teroxx Research

Throughout November 2025 and into early 2026, the underlying structural commitment to the asset class has remained robust. Major financial players such as 21Shares, Franklin Templeton, and Bitwise have advanced new filings for spot ETFs tracking XRP and Dogecoin. These filings indicate a strategic move to diversify the digital asset offerings available to institutional portfolios beyond Bitcoin and Ethereum. This ongoing regulatory activity, even in a subdued price environment, underscores a fundamental shift toward core financial integration. Institutional leaders are increasingly viewing digital assets not as speculative interests, but as a permanent component of financial infrastructure, supported by regulated custodians and standardized pricing mechanisms that foster long-term trust and ensure that the infrastructure led by giants like BlackRock remains the backbone of the digital economy.

Institutional Strategic Positioning: The DAT Perspective

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The transition into Q1 2026 marks a period of sober recalibration for Digital Asset Treasury Companies (DATCOs) as market retracement of late 2025 shifted the landscape from aggressive growth to balance sheet resilience. Strategy Inc. remains the primary benchmark for this institutional endurance, disclosing holdings of 714,644 BTC at an average acquisition price of \$76,052 per bitcoin. The recent price volatility translated directly into public equity markets, where Strategy's stock has declined 67% since the beginning of 2025, triggering substantial mark to market losses across institutional portfolios. These movements resulted in approximately \$17.4 billion in unrealized losses for the company during Q4 2025, a trend mirrored by Ethereum focused entities like Bitmine, which carried roughly \$6.6 billion in unrealized losses.



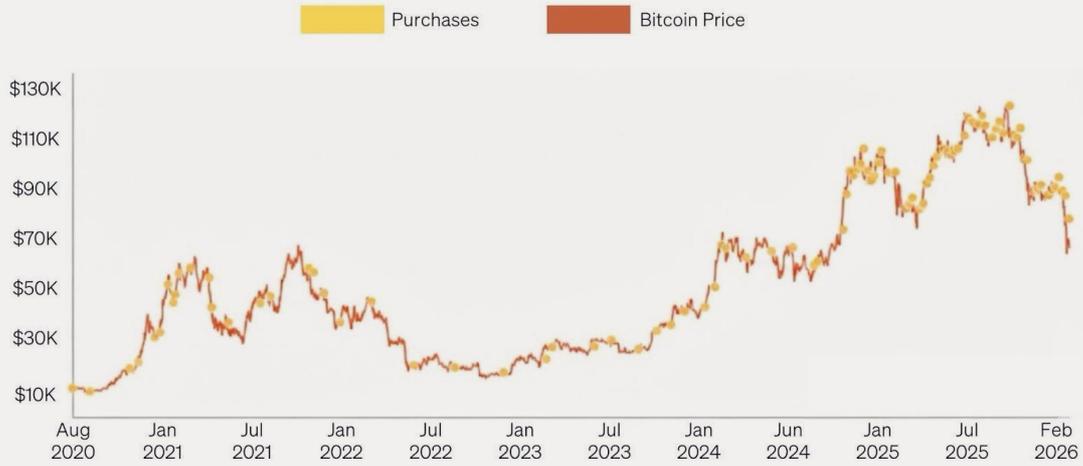
Bitcoin DATs Price Performance (Jan2024-Feb2026)



Source: Trading View, Teroxx Research

Despite the magnitude of these reported figures, the fundamental story is one of long term operational survivability rather than immediate distress. Strategy Inc. significantly extended its capital runway by raising \$25.3 billion in 2025 and currently maintains a \$2.25 billion reserve to cover dividend and interest obligations for over two years. This structural discipline ensures that these companies act as long duration allocators rather than reactive traders, effectively holding more than 5.4% of the total Bitcoin in circulation and reducing market free float over time.

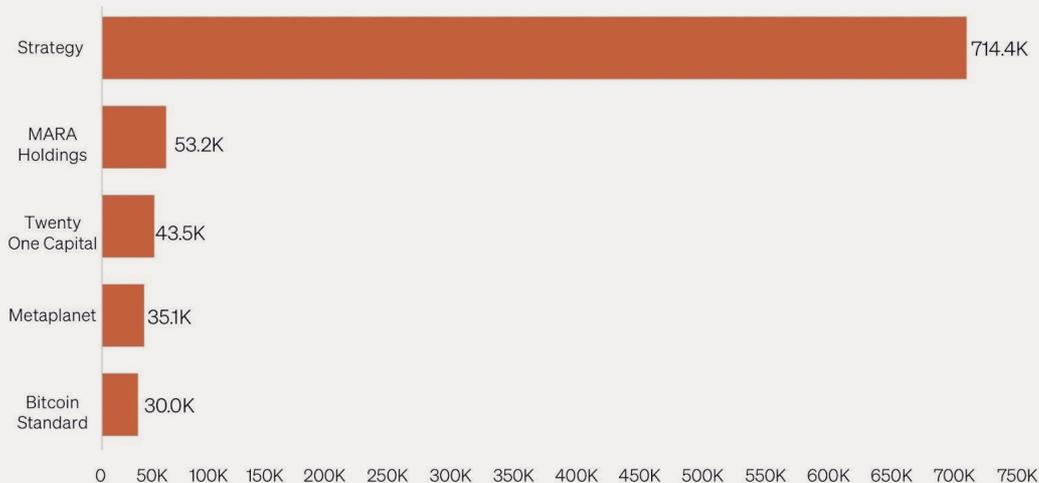
Strategy BTC Purchases



Source: Trading View, Teroux Research

Strategy (MSTR) remains the undisputed leader in this space, while other major entities like MARA Holdings, Twenty One Capital, Metaplanet, and Bitcoin Standard continue to expand their portfolios as part of a structural shift toward long-term balance sheet integration. Simultaneously, Ethereum has emerged as a cornerstone of corporate strategy, with firms such as BitMine, SharpLink, The Ether Machine, Bit Digital, and Coinbase Global steadily increasing their supply control. This ongoing accumulation underscores a transition from tactical trading to a permanent commitment to the digital asset infrastructure throughout 2026.

Bitcoin Treasury Holdings

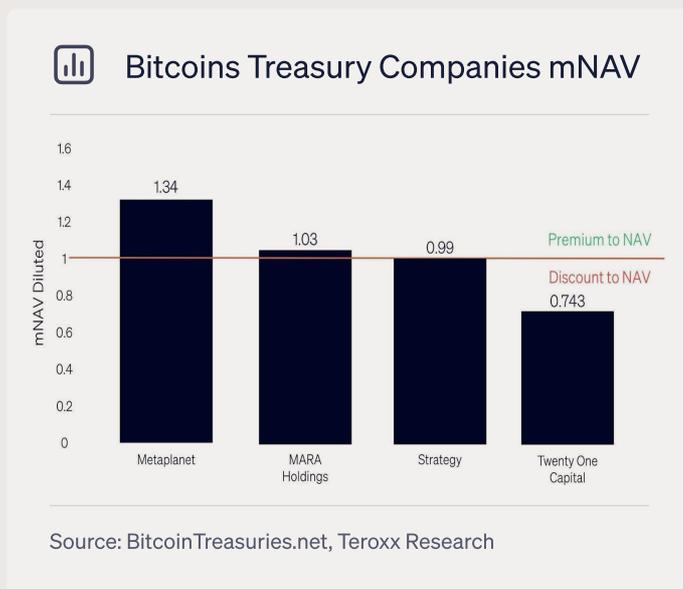


Source: Bitcointreasuries.net, Teroux Research



Market attention is now shifting toward the mechanics of these balance sheets, with a focus on debt duration and liquidity buffers. A critical metric in this environment is mNAV Diluted, which measures the ratio of a company's market value to its net asset value.

Currently, the market presents a polarized landscape among Bitcoin DATs. While Metaplanet and MARA Holdings trade at a premium with ratios of 1.34 and 1.03 respectively, others face a different reality. Strategy is trading nearly at par at 0.99, while Twenty One Capital sits at a significant discount of 0.743.



When this figure falls below 1, the equity market is pricing the company at a discount to the actual digital assets held on its balance sheet. This gap reflects investor concerns regarding potential equity dilution, liquidity mismatches, or debt servicing costs in volatile periods. However, for patient allocators, these levels introduce strategic flexibility, as companies can leverage their vast holdings for future financial engineering or protocol-native monetization. This evolution suggests that digital assets are becoming a core component of traditional systems, absorbing crypto price swings through active corporate balance-sheet management.

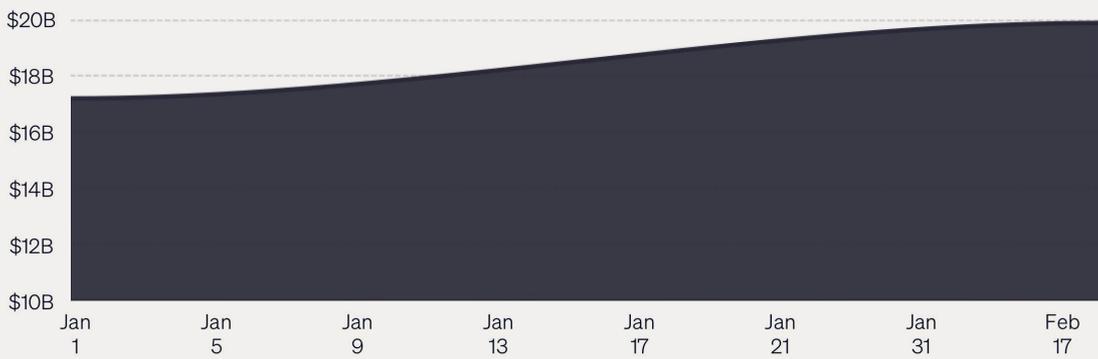
Real-World Asset (RWA) Tokenization

The Emerging Trend

Real-World Asset (RWA) Tokenization - The Emerging Trend

The institutional landscape is witnessing a fundamental shift as tokenization evolves from a theoretical concept into a core pillar of global finance. Current data reveals that the total value locked in Real World Asset (RWA) protocols has reached 19.7 billion USD, a 14.5% increase only Year-To-Date, signaling a significant commitment from major financial players to integrate blockchain technology into their settlement workflows.

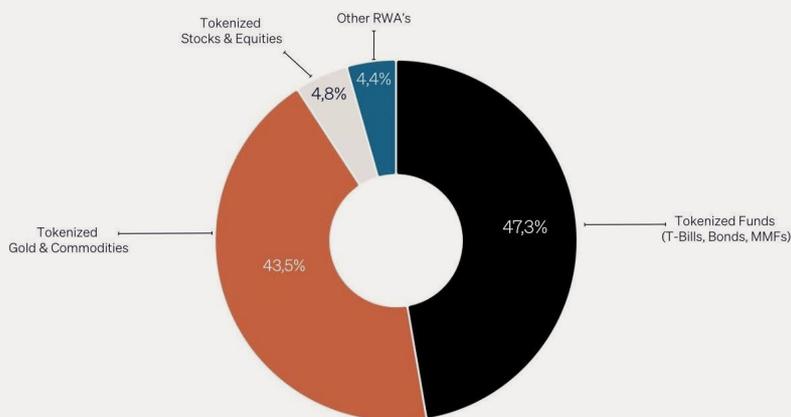
 Real Word Asset (RWA) Protocols Total Value Locked



Source: DeFi Llama, Teroux Research

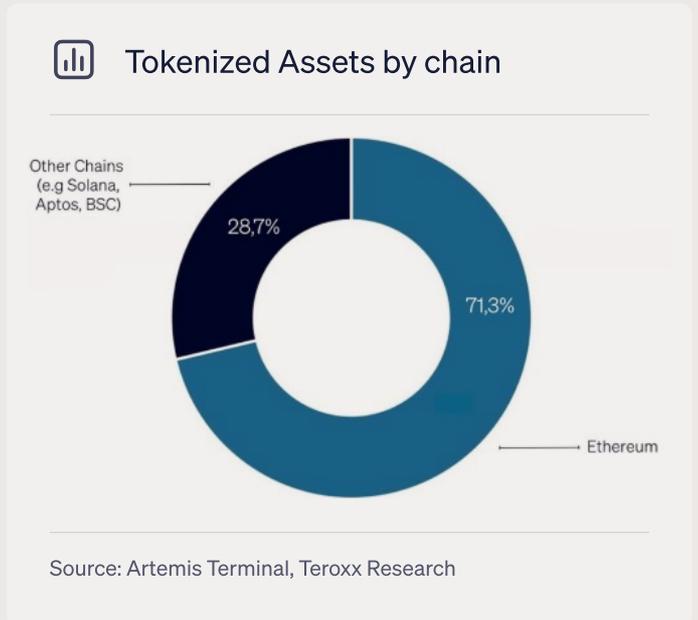
The market today is largely defined by high quality liquid assets where tokenized funds, including T Bills and money market funds, represent 47.3% of the sector, followed by tokenized gold and commodities at 43.5%. This preponderance of U.S. securities reflects an institutional preference for efficiency and collateral optimization, as seen in protocols like Ondo and BlackRock’s BUIDL which allow for institutional grade on chain liquidity.

 Tokenized Asset by Categories



Source: Artemis Terminal, Teroux Research

When examining where this value is being settled, Ethereum remains the undisputed leader by accounting for 71.9% of tokenized asset value. Its established security and developer ecosystem make it the primary choice for native security issuance and programmatic compliance, while other networks like BNB Chain and Aptos are carving out smaller niches. While the current numbers are impressive, tokenized assets currently represent a mere 0.01% of global equity and bond market capitalization, suggesting that the growth potential remains immense. Firms such as BlackRock anticipate that as regulatory clarity improves, tokenized assets could see a massive growth by 2030, eventually reaching into the trillions.



The underlying potential of this technology points toward a 225 trillion USD market waiting to be migrated on chain, considering total global asset markets. By transitioning the largest liquid assets, including equities, bonds, private markets, real estate, and decentralized finance, blockchain technology effectively removes traditional barriers such as geographic limitations, legacy system inefficiencies, and restricted trading hours. This evolution represents the arrival of some participants who have described this as Wall Street 2.0 on decentralized rails, where the integration of global capital markets occurs within a seamless and transparent digital framework.

The transition from isolated compliance islands to a unified 24/7 global market is well underway. While demand today is centered on money market funds and stablecoin integrations, the horizon for RWAs is spanning multiple asset classes, such as private credit, real estate, and art. As institutions move beyond the hype and toward real world utility, tokenization is poised to unlock liquidity in previously inaccessible markets.

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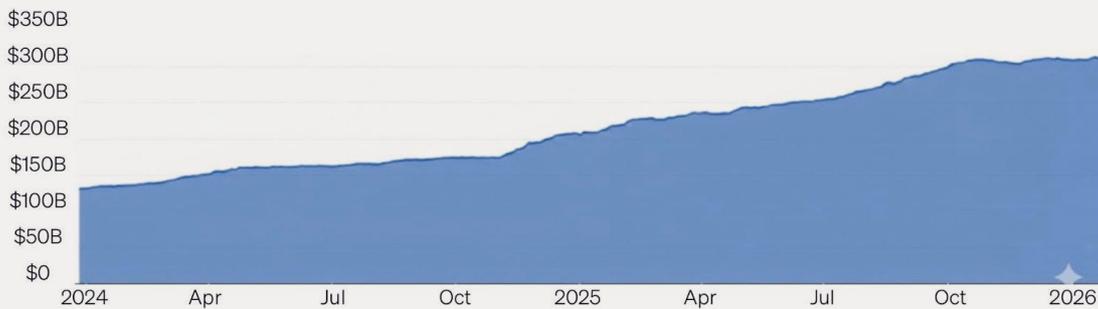
Teroxx will soon release an in depth report covering the latest developments and strategic shifts within the tokenization trend and the broader digital asset ecosystem.

The Settlement Layer of the Future: The Maturation of Stablecoins

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The institutional landscape for digital assets reached a definitive turning point as stablecoins transitioned from niche crypto-native utilities to the backbone of global financial settlement. This evolution is underpinned by a surge in market capitalization, which has officially crossed the 307 billion dollar milestone as of early 2026. This growth was significantly accelerated by the landmark GENIUS Act of 2025, providing the first comprehensive regulatory framework in the United States and giving global institutions the legal certainty required to integrate these assets into core treasury and payment operations.

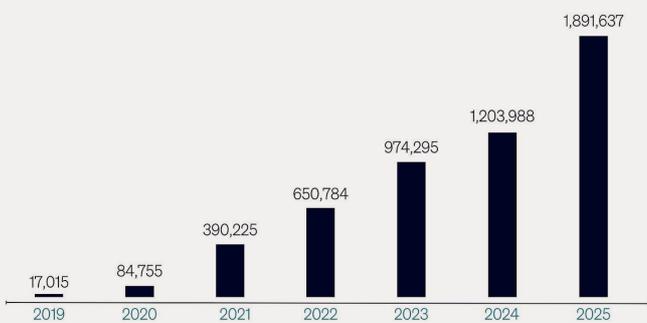
Stablecoin Market Capitalization



Source: DeFi Llama, Teroxx Research

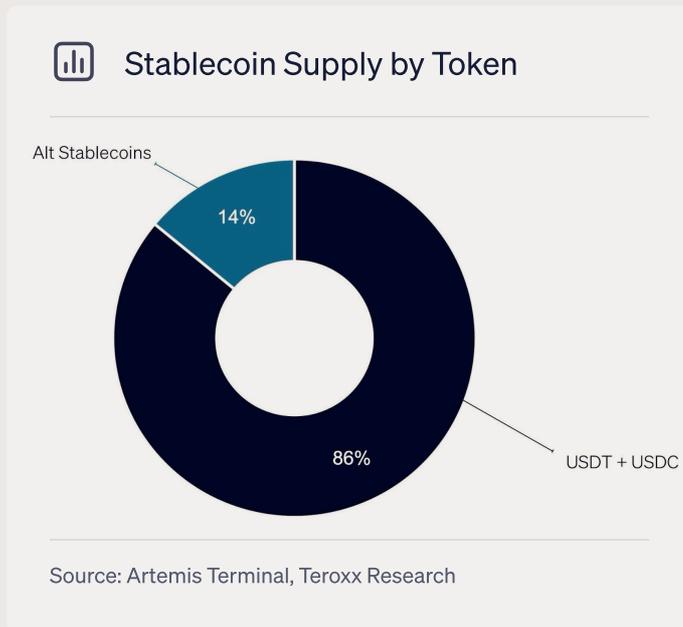
Institutions are increasingly adopting stablecoins because they solve specific operational problems that legacy banking rails have failed to address. Primarily, these assets offer a massive reduction in settlement costs; while traditional credit card interchange fees range between 1% and 3% plus fixed transaction fees, stablecoin settlement reduces these costs to mere cents when transactions remain on chain. For large platforms moving trillions in annual volume, even a small reduction in basis points translates into hundreds of millions of dollars in direct economic savings.

Total Stablecoins Daily Active Users



Source: Artemis Terminal, Teroxx Research

Beyond cost, the 24/7 nature of blockchain technology provides institutions with near instant global reach and faster access to funds. Stablecoins bypass the friction of traditional banking relationships, bank holidays, and restrictive cutoff times, which greatly reduces operational friction for companies managing tight working capital cycles or high frequency payouts. This is reflected in the exponential rise of engagement, with daily active users climbing from just 17,000 in 2019 to nearly 1.9 million daily active addresses by the end of 2025.



Current market dynamics show a highly concentrated landscape where stability and liquidity are paramount for corporate adoption. Tether (USDT) and Circle (USDC) dominate the sector with a combined supply representing approximately 86% of the total market. This concentration highlights an institutional preference for deep liquidity and broad acceptance over a fragmented ecosystem. As Bloomberg Intelligence analysis predicts that total stablecoin payment flows could reach 56 trillion dollars by 2030, the shift from defensive adoption to offensive integration by banking and tech giants marks the beginning of a new era in global finance.

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Regulatory Frontiers: Global Compliance and Market Maturity

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The digital asset landscape in 2026 is navigating a shift from enforcement-led oversight toward a more defined regulatory framework. A central pillar of this evolution is the implementation of the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act), which recently established the first federal guidelines for stablecoins. While the act provides a legal foundation, the industry is now awaiting critical technical regulations from the Office of the Comptroller of the Currency (OCC), the primary regulator for national banks, and the National Credit Union Administration (NCUA), which oversees credit unions. These rules are expected to provide the necessary clarity for traditional financial institutions to issue and manage their own stablecoins.

A major point of discussion in the finalization of these rules involves the treatment of stablecoin yields. Traditional financial institutions and digital asset platforms are currently engaged in a complex dialogue regarding the prohibition of interest-bearing features. Banking groups have expressed concerns that high-yield stablecoin products could result in a shift of deposits away from traditional savings accounts, potentially impacting the stability of the legacy banking system. This debate has recently led to significant friction between the White House and major industry players like Coinbase. While the administration seeks a bipartisan consensus that balances innovation with financial stability, industry leaders have voiced opposition to provisions that might restrict activity-based rewards or create what they perceive as regulatory capture by traditional banks.

These disagreements have directly impacted the timeline for the Digital Asset Market Clarity Act (CLARITY Act), the most anticipated piece of legislation in the sector. The bill is designed to resolve jurisdictional overlaps between the Securities and Exchange Commission (SEC), which protects investors in the securities markets, and the Commodity Futures Trading Commission (CFTC), which oversees derivatives and commodities. Although the bill was nearing a critical Senate Banking Committee markup, the recent withdrawal of support by key industry stakeholders over concerns regarding DeFi restrictions and tokenized equity bans has placed its immediate future in uncertainty. Current projections suggest that if a compromise on stablecoin yields and market structure can be reached, a final push for approval could occur in late 2026, though lawmakers are racing against the legislative calendar before the midterm elections.

In the interim, the Project Crypto initiative serves as the primary administrative bridge. As highlighted by SEC Chairman Paul Atkins in his November 2025 remarks, this commission-wide effort aims to promote blockchain innovation through a formal token taxonomy and a refined application of the Howey investment-contract framework. A core component of this phase is the forthcoming Regulation Crypto proposal, which seeks to establish tailored disclosures, specific exemptions, and safe harbors for digital asset distributions. By providing these "rules of the road," Project Crypto allows firms to develop tokenized real world assets under a more flexible compliance structure while the broader legislative debate is resolved. Until the CLARITY Act is fully enacted, the industry will continue to rely on these SEC guidelines and the outcomes of ongoing private litigation to navigate the evolving market.

Conclusion

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The transition into the first months of 2026 represents a period of measured adjustment for the digital asset ecosystem, as the sharp market correction and restricted liquidity observed since late 2025 shifted the landscape from aggressive growth toward balance sheet resilience and institutional stabilization. While capital has temporarily rotated toward risk off assets like gold as a hedge against macroeconomic uncertainty and geopolitical instability, major financial players have not retreated from the asset class. Instead, they are shifting their focus toward structural integration and long term utility, viewing digital assets not as speculative interests but as permanent components of global financial infrastructure. Institutional commitment is evident as firms continue to use ETF tools for diversified exposure and disciplined holdings. These digital asset treasury strategies allow companies to absorb price swings through active corporate balance-sheet management. By doing so, they maintain a long-duration allocation profile rather than acting as reactive traders

Even in a challenging price environment where many holders sit on paper losses, institutions are actively positioning themselves to capitalize on the operational advantages of on-chain solutions to unlock meaningful economics and cheaper settlement costs. By leveraging the 24/7 efficiency of stablecoin settlement layers to bypass legacy banking friction and participating in the expanding Real World Asset tokenization ecosystem for collateral optimization, firms are moving toward a unified global market that operates without the constraints of traditional banking hours. This strategic persistence is further reinforced by the implementation of regulatory frameworks, which will provide the legal certainty required for large scale integration into core treasury and payment operations. Ultimately, this period of pullback underscores that global institutions are utilizing current market conditions and regulatory milestones to build a more resilient, transparent, and efficient financial future on chain, prioritizing long term value over short term market fluctuations.

Beyond the immediate market dynamics, this maturation is creating a foundation for the next wave of financial innovation where programmable assets and automated compliance become the standard. The move toward tokenized treasury bills and money market funds suggests that the infrastructure being built today will serve as the liquidity engine for the next decade, bridging the gap between traditional capital markets and decentralized protocols. As regulatory clarity continues to emerge through initiatives like Clarity Act, the focus is shifting from simple price action to the fundamental re-engineering of how value is moved and stored globally. This evolution ensures that the digital asset class is no longer an isolated experiment but a deeply embedded layer of the modern financial system, capable of providing stability and efficiency even during periods of broader economic uncertainty.

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