

US Senate advances the CLARITY Act

14 May 2026



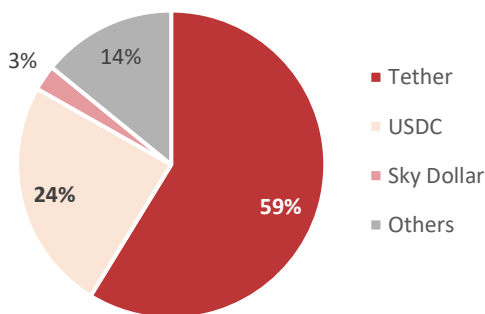
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- Updated CLARITY Act restricts deposit like returns, but opens room for usage-driven incentives
- Crypto prices saw sequential rebounds on strong ETF inflows and corporate treasuries' demand
- DATCOs have sustained their purchases of Bitcoin and Ether

Tether and USDC dominate the stablecoin market with 83% market share



Source: DeFiLlama, DBS

Digital Asset Market Clarity Act (CLARITY Act) has been pushed forward for a markup vote by the Senate Banking Committee. US senators Tillis and Alsobrooks have led changes to the bill's wording to balance between permitting innovation and safeguarding deposits. It marks a constructive compromise for banks and crypto firms, barring deposit interest-like returns for stablecoins but allowing usage-driven incentives. This should alleviate concerns over deposit flight from banks, while allowing crypto firms room to incentivise customer usage of stablecoins for trading, transactions, or staking. Over the longer-term, this should facilitate a transformation of stablecoins into assets with productive use cases, supporting the value proposition of cryptocurrencies. Companies involved in the stablecoin ecosystem—both fintechs and traditional financial institutions alike—could benefit from increased issuance, custody, and transaction needs surrounding stablecoins.

Cryptocurrencies continued to rebound in April and early May, delivering returns comparable to equities. Bitcoin and Ether saw sequential monthly gains of 18% and 8% respectively since end March. Performance was broadly in line with the S&P 500 and Nasdaq, which rose around 10%-15% over the same period. In contrast, gold was largely flat.

Major cryptocurrencies saw strong ETF net inflow and Digital Asset Treasuries' (DATCOs) purchases. Bitcoin benefited from robust demand, with ETF inflows reaching USD2bn alongside USD4bn of purchases by Strategy. Ethereum saw more modest ETF inflows of USD356mn and approximately USD760mn of purchases by Bitmine. However, the combined close to USD1bn in buying represents around 0.4% of Ethereum's end Mar 26 market capitalisation, comparable to the USD6bn of notable purchases for Bitcoin, which also equates to roughly 0.45% of its end Mar 26 market capitalisation.

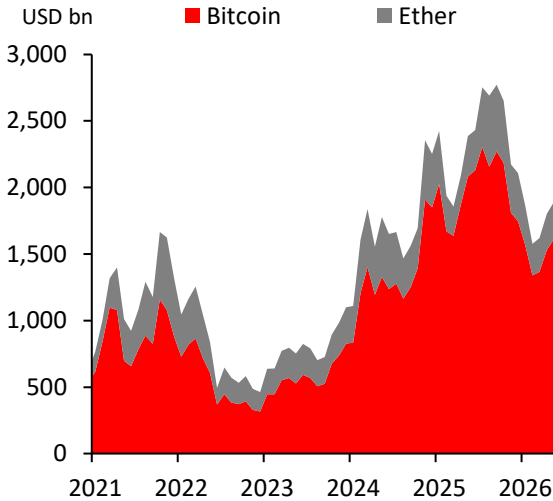
ASSET MARKET RETURNS

Market prices, capitalization, and returns

Market metrics (in USD)	Bitcoin	Ether	S&P500	Gold
Price*	80,526	2,278	7,401	4,715
Market capitalization (trn)	1.6	0.3	66.0	31.7
Monthly return (%)	5.5%	0.9%	2.7%	2.1%
Year-to-date return (%)	-8.0%	-23.3%	8.1%	9.2%
1Y return (%)	-23.1%	-10.1%	25.2%	43.3%
5Y return (%)	115.8%	-15.6%	76.0%	147.3%

Source: Bloomberg, Coinmetrics, DBS *As of 12 May 26

Cryptocurrencies Market Capitalization



Source: Coinmetrics, DBS

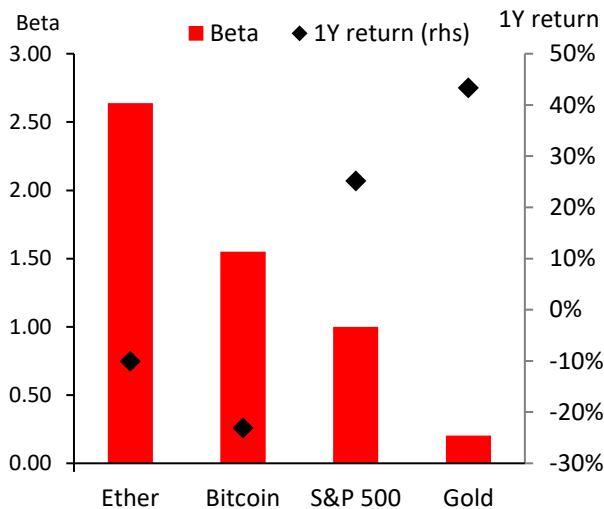
Crypto 5Y return correlations

	Bitcoin	Ether	S&P500	Gold
Bitcoin		0.83	0.51	0.09
Ethereum	0.83		0.59	-0.07
S&P500	0.51	0.59		0.21
Gold	0.09	-0.07	0.21	

Source: Bloomberg, DBS

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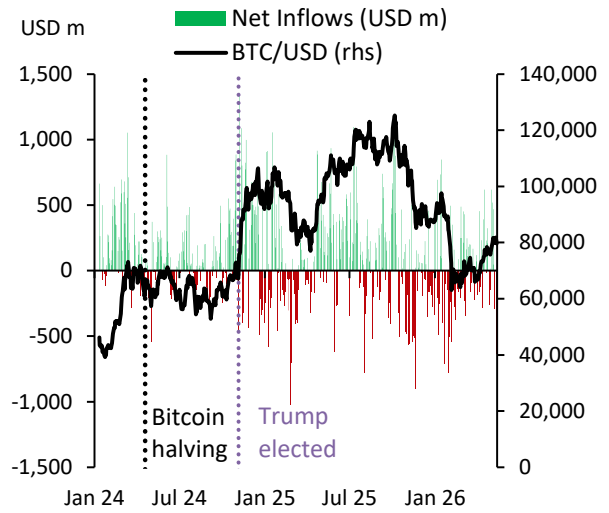
5Y CAPM betas vs 1Y spot return (%)



Source: Coinmetrics, Bloomberg, DBS

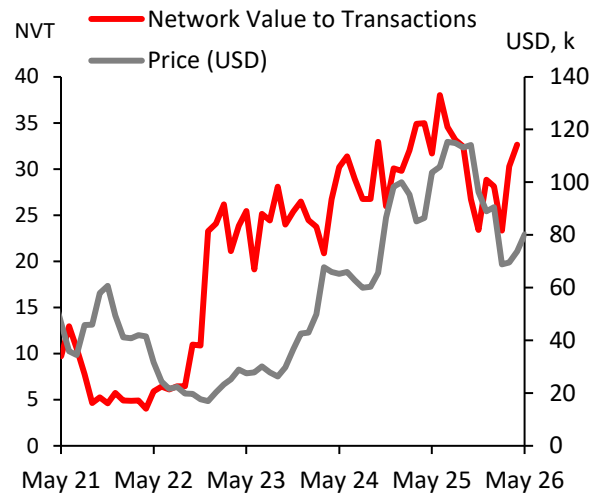
FLOWS & NETWORK METRICS

BTC: US ETF daily net inflows and price



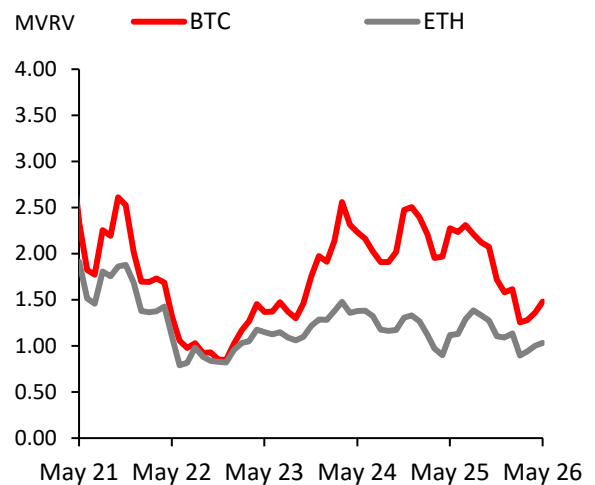
Source: Bloomberg, DBS

BTC: Network value to transaction volumes



Source: Coinmetrics, DBS

Market value to Realized value ratio



Source: Coinmetrics, Blockchain.com, DBS

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