Market Views: How could US crypto regulations impact APAC investment strategies?

Heather Ng
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A trio of landmark US digital asset bills and a push to let pensions invest in alternatives signal mainstream acceptance of cryptocurrencies, with significant implications for both governance and future portfolio construction.

With the end of 'crypto week' in the US, three landmark digital asset bills—the CLARITY Act, the GENIUS Act and the Anti-CBDC Surveillance State Act have advanced to their final or next stage.

While the House failed to pass a procedural rule on the first attempt, eventually the CLARITY Act and the Anti-CBDC Act moved on to the Senate, while the GENIUS Act was signed by President Donald Trump on July 18.

With two bills advancing and one being signed into law, effective January 18, 2027, the industry is moving closer to the regulatory clarity that institutional investors have been waiting for.

US House July 14-18 crypto legislation progress

Legislation	Description	Progress	Implications	Introduced	Pro — Against
GENIUS Act	Requires 1:1 reserve backing in cash or US Treasuries, issuer licensing, and strict audit standards (monthly public disclosures). Bans algorithmic and interest-bearing stablecoins.	Became a law	Aims to enhance consumer protection and stability in the digital asset market.	Senator Bill Hagerty	308
CLARITY Act	Clarifies digital assets as either securities or commodities, designating oversight to the SEC or CFTC.	The Senate	Provides regulatory clarity, potentially easing compliance for digital asset firms.	Representative French Hill	294
Anti-CBDC Surveillance State Act	Aims to block the Federal Reserve from issuing a retail central bank digital currency.	The Senate	Addresses concerns over privacy and government surveillance related to digital currency use.	Representative Tom Emmer	219

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In parallel, President Trump is set to approve an executive order allowing US pension funds to invest in cryptocurrencies, gold and private equity, opening up 401k plans to instruments beyond stocks and bonds.

AsianInvestor asked regional experts how Washington's renewed push for digital asset regulation and institutional access could reshape investment strategies across Asia Pacific.

Christopher Jensen, director of digital asset research Franklin Templeton

For investors in APAC, US regulatory momentum reduces perceived risk and may accelerate the inclusion of digital assets in long-term strategies. Regulated stablecoins, now recognised as programmable dollars, could transform cross-border payments and digital commerce infrastructure in the region.

Christopher Jensen

To be sure, jurisdictions like Singapore and Hong Kong have made important strides in developing forward-thinking crypto frameworks. But as the US reasserts leadership, the global centre of gravity may begin to shift. The signal from Washington is growing stronger—and it will likely influence how allocators across APAC evaluate the future of this emerging asset class.

Steve Alain Lawrence, CIO
Balfour Capital Group


Steve Alain Lawrence

The US regulatory shift around digital assets—framed by the GENIUS and CLARITY Acts, and further accelerated by Trump's expected executive order allowing pensions to allocate into crypto—marks a turning point. For institutional allocators in APAC, this is no longer a theoretical trend but a real-time change to the investment landscape.

The implications go beyond compliance. This is a structural repricing of the digital asset class. US pension flows are often a leading indicator of mainstream acceptance, and their entry reshapes global portfolio construction. For allocators in Singapore, Korea, Japan, and Australia, the message is clear: this is no longer an 'alternative' or fringe exposure. It's a live allocation question with competitive consequences.

Institutional portfolios are now segmenting digital assets more distinctly. Bitcoin is increasingly treated as macro infrastructure—a hedge against monetary debasement and systemic leverage. ETF and futures flows reflect that shift. Ethereum is taking on characteristics of a high-growth tech platform, with staking yields, EVM applications [decentralised computation engine that executes smart contracts on the Ethereum network], and on-chain financial primitives creating parallels with early cloud infrastructure. Tokenised real-world assets (RWAs) are already being modelled as yield-bearing instruments: US Treasuries, investment-grade credit, and real estate, now in programmable form, offer portfolio compatibility without conceptual leap.

Across APAC, we're already seeing allocators reposition. Project Guardian in Singapore is broadening scope. Korea's financial regulators are fast-tracking digital ETF frameworks. In Japan, large institutions are working with local exchanges and custodians to launch compliant crypto products. Australia's superannuation funds are quietly evaluating tokenised infrastructure exposure, while in Hong Kong, regulators are refining the framework for tokenised funds and STOs (security token offerings).

This is not just about digital assets—it's about institutional alignment with where capital is flowing next. When US pensions move, APAC funds must take notice. Ignoring that shift creates a competitive lag. For CIOs and heads of strategy, this is now a question of fiduciary calibration, not early adoption.

Digital assets have crossed a threshold. They are entering the core of institutional portfolios—not by hype, but by structural demand. The only question now is how quickly APAC allocators respond.

David Chen, chief investment officer of asset management
Tiger Brokers Hong Kong

Washington's push for digital asset regulation is significantly reshaping APAC investment strategies by providing new tools for diversification and fostering regulatory convergence. The US GENIUS Act and Hong Kong's licensing regime for stablecoin issuers [comes into effect on August 1] create a compliant bridge between traditional finance and the digital asset ecosystem.

David Chen

The prospect of US pension funds entering the market, combined with clearer rules from Washington, derisks the asset class for traditionally cautious APAC institutions. This offers them a compliant pathway to diversify portfolios beyond equities and bonds, tapping into a new source of high potential growth. Crucially, this US momentum is also expected to catalyse a more harmonised approach to crypto governance across Asia Pacific.

Leading digital asset hubs like Singapore and Hong Kong, which are already advancing their comprehensive regulatory frameworks, are likely to align key standards with those emerging from the US. This convergence aims to facilitate smoother cross-border capital flows and attract global institutional investment. The result is a shift in APAC strategies towards more mature, globally-integrated digital asset allocations, built on a foundation of increasing regulatory clarity and institutional participation.

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