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BlackRock Says U.S. Law Secures Stablecoins' Global Role

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BlackRock, the world's largest asset manager, has said that stablecoins are now firmly embedded in the global financial system following the passage of new U.S. legislation. In a recent report, the firm pointed to the Genesis Act approved this month as a key regulatory step that cements the future of stablecoins as reliable payment instruments, particularly across international markets.

“New U.S. legislation, notably this month's Genesis Act, is cementing the role of stablecoins as a payment method in the future of finance,” BlackRock said.

Stablecoins, which are digital tokens pegged to fiat currencies and backed by reserve assets, combine the efficiency of cryptocurrencies with the perceived safety of government-backed money. Although they currently account for just 7% of the total crypto market, BlackRock estimates their market capitalization has rapidly expanded to \$250 billion since 2020.

The Genesis Act provides a clearer regulatory framework by categorizing stablecoins as payment instruments rather than speculative investments. Under the new law, only regulated financial institutions will be allowed to issue stablecoins. Furthermore, issuers must back their tokens with approved reserve assets, primarily short-term U.S. Treasuries.

According to BlackRock, this structure may help bolster U.S. dollar dominance by fostering a tokenized dollar-based system for international payments, particularly in emerging economies where financial infrastructure may be less stable.

The firm also noted that increased demand for U.S. Treasury bills, driven by reserve requirements, could slightly influence financial markets. However, it added that any potential impact on yields would likely remain minimal.

On the broader crypto landscape, BlackRock reiterated its positive outlook on bitcoin, stating: “We still see bitcoin as a distinct return driver.” The firm pointed to bitcoin’s 25% year-to-date gains as evidence of its role in diversified portfolios.

While the Genesis Act focuses on stablecoins, the regulatory clarity it introduces could also impact major cryptocurrency exchanges such as Binance and altcoins like XRP. Exchanges operating in or serving U.S. clients may now face stricter compliance obligations around stablecoin listings and transactions. Similarly, payment-focused cryptocurrencies like XRP may need to navigate a landscape increasingly defined by stablecoin regulation and fiat-backed assets.

BlackRock emphasized that these changes represent one of five “mega forces” shaping the future of financial markets and return strategies, signaling the continued institutional embrace of digital assets.