Every idea has its time – Crypto Capital is coming for commodities

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Timing is everything. Being too early is often the same as being wrong. But now, tokenization and crypto-native capital are about to transform commodities – quietly and irreversibly.

Nearly seven years ago, at an idea's dinner in mid-town New York, a group of fund managers, family offices, entrepreneurs, analysts and executives attended dinner. The dinner was held in a banquet room off the main dinning-room of one of the top restaurants in Manhattan – it started early in the evening so the guests would loosen up ahead of the night. Attendees included individuals from some of the biggest buy side names on Wall Street. The only real rule of the dinner was that you had to pitch your best idea to the group.

At the time, the highlight of the dinner was when James, who ran a global macro fund, prophesied the rise of cryptocurrency – and how it was going to change the global financial system. I remember how he wore a necklace to the dinner with a USB on the end of it. After his ten minute captivating speech, he ripped the USB drive off his necklace and slammed it down on the table telling the crowd the drive contained millions of dollars worth of crypto – the group of New York's smartest guys in the room were astonished, amazed, and ultimately laughed at him and his audacity to believe that a rival to the global financial system could ever emerge. Mocking his idea as passing fad that would never catch on, a room with Wall Street's smartest largely failed to foresee the future and missed a move that created hundreds of billions of dollars of wealth for largely Wall

Street outsiders.

A second guest, Brett, at the dinner had a much less dramatic but even more absurd idea. He was going to tokenize gold and make what we would now call a Stablecoin. Both ideas were insightful and innovative.

James went on to make a huge score on his crypto position. But Brett's gold idea is only now coming of age.

Digital assets, cryptocurrency, the blockchain, tokenization and more, are a reality and not a passing fad.

In the same way that a pump-and-dump is not the same as buying Google stock, "cryptocurrency and or the blockchain" is not the same as "meme coins". Of course, there is nuance and degrees – but this insight is important. To write off the entire blockchain because you don't like meme coins is like saying you don't believe in medicine because a mate had an allergic reaction once. It's dumb, and it may (financially) kill you someday.

Digital assets have matured and the pace at which the legacy financial system is being brought "on chain" is staggering. Ideas only whispered five years ago, instant settlement, transparency, 24/7 trading, and so on, are now an increasing reality. In a recent meeting, an advisory firm I was talking with, was working for large name brand institutions in New York and tokenizing alternative assets so that family offices could more easily participate in secondaries. If a family office wanted to participate in the secondary, the firm would help them open a wallet to hold the tokens.

It is true, that custody remains an issue for many funds and family offices, but this is changing at an unfathomable pace as the legacy financial system races to adopt and change in order

to survive. These “crypto immigrants” are now coming in waves.

What about crypto natives?

A generation of wealth has been created in the various pools and pockets of crypto, alas these are **crypto natives**! These individuals, crypto natives, **are not looking to take their wealth“off chain”** and convert their crypto wealth back into USD and then merge it into the legacy financial system. Why is Robinhood looking at tokenizing equities? Real estate? Art? Crypto natives are looking to invest their wealth across a spectrum of assets. These assets include RWAs – real world assets – and wave money is coming for commodities.

Two of the most successful commodity backed crypto projects to date include Tether Gold (XAUT) and Pax Gold (PAXG). Between the two projects, billions of dollars of inflows have come into physical gold. Relative to the global markets, these inflows are meaningless, but they serve as the canary in the coal mine for broader changes underway.

A kiss from the crypto gods – Tether invests in Elemental Altus

In my opinion, one of the most important things to happen in mining finance in a generation happened June 12, 2025 – and you didn’t even hear about it… Tether Investments S.A. de C.V., an affiliate of the Tether Group, announced the acquisition of a substantial stake in Elemental Altus Royalties Corp. (TSXV: ELE | OTCQX: ELEMF) (a publicly listed gold-focused royalty company based in Canada).

To put it differently, for the first time, crypto investors took a large stake in a publicly traded mining company. Between the success of Tether and Pax Gold and now allocation directly into mining equities, we are finally starting to see RWAs receive flows.

What This Means for Commodities

Crypto wealth is no longer abstract. It's allocating into hard assets — starting with gold royalties. As tokenization matures, expect oil, gas, lithium, and more to follow. Projects that speak on-chain may attract capital that traditional roadshows never could.

To understand how to access investment from Tether and similar entities, you have to first understand their perspective.

As noted above crypto natives have amassed huge fortunes. That capital sits in a variety of pools. Decentralized Autonomous Organization, otherwise know as DOAs, in many ways are acting like modern asset allocators. Each with their own set of rules, ideas, and agendas. Think of DOAs like digital hedge funds, governed not by portfolio managers in suits, but by smart contracts and token holders voting on capital deployment.

Take Tether, they appear to make over $1.5 billion in a year from their treasure positions alone. They need to deploy this capital.

Tokenization is a wrapper that gives the underlying RWA (real world asset) the ability to be purchased by the crypto world.

It is easy to get lost in all the different acronyms and jargon. But at its core, as far as I can see, this new digital world is really just re-imagining what already exists and doing it on the blockchain. There is plenty of innovation around settlement, transparency, etc. But if you are new to crypto it is also really easy to understand if you frame it in your mind like the equity markets.

Tokenizing a treasury, an ounce of gold, an insurance policy, is really just putting a crypto wrapper on a real world asset so

that crypto natives can buy it without having to take their assets out of the crypto ecosystem back in to the legacy financial system. Its all pretty simple if you think about it like that. Sure there are a ton of details – but don't over think it.

The big ideas are yet to come

Having spent the last year thinking about the interface between the digital world and commodities, I am convinced that some of the most interesting and innovative times are going to unfold over the next few years as crypto native capital enters the commodities sector in full force.

I for one am already deep into projects to try and ride the wave!

Originally featured on The Oregon Group website, this article can be found here