

# ArcStone Alert: Crypto Growth After Trump's 2024 Election Win

written by Michael Astone | November 11, 2024

Bitcoin (BTC-USD) surged past the \$80,000 mark over the past weekend, representing a key “Trump Trade” in the aftermath of the 2024 election. President-elect Donald Trump’s alignment with pro-crypto policies has sparked significant momentum in the digital assets market, positioning Bitcoin as a central beneficiary. This analysis evaluates the implications of a Trump presidency for cryptocurrency, its impact on the regulatory landscape, and the opportunities this creates for both retail and institutional investors.

## The Trump Effect on Cryptocurrency Markets

Donald Trump’s return to the White House brings a stark pivot in U.S. economic policy, particularly for the digital assets space. During his campaign, Trump pledged to build a [Bitcoin Strategic Reserve](#), fight the adoption of Central Bank Digital Currencies (CBDCs), and defend the right to self-custody—moves designed to safeguard the autonomy of crypto users and investors.

The most immediate catalyst for Bitcoin’s surge, however, has been Trump’s commitment to creating a more favorable regulatory environment. His pledge to eliminate “unclear” and “restrictive” laws that have hampered the industry is expected to pave the way for robust market expansion. Plans for appointing a pro-crypto presidential advisory council further signal that Trump’s administration will act as an advocate for the digital currency

sector.

## Legislative and Regulatory Implications

The pro-crypto sentiment extends beyond the President-elect himself. With a Republican majority in Congress—resulting from victories in seven key battleground states—legislation supportive of cryptocurrency is likely to pass with less resistance. This could lead to significant changes in key regulatory roles, potentially displacing current SEC Chairman Gary Gensler and Senate Banking Committee Chair Sherrod Brown, who have been known for their stringent stances on crypto.

Increased legislative backing for crypto will likely provide greater policy certainty, encouraging Tier-1 financial institutions to incorporate digital assets into their service offerings. This development could open doors for institutional investors, who have previously been cautious due to regulatory ambiguity. Expanded acceptance and adoption by major banks would set the stage for greater liquidity, larger market capitalizations, and a surge in direct and ETF-based investments.

## Market Impact and Projections

The positive sentiment surrounding the new administration has propelled not just Bitcoin, but also alternative digital assets like [Cardano](#) (ADA-USD) and [Solana](#) (SOL-USD), as well as meme-based cryptocurrencies such as [Dogecoin](#) (DOGE-USD) and [Shiba Inu](#) (SHIB-USD). These broad-based gains underscore a rising confidence among investors, who see Trump's policies as a tailwind for the entire crypto ecosystem.

The current shift is already evident in the capital markets, where crypto-backed investment vehicles are gaining traction. Projections indicate that with the continued regulatory support, institutional demand will grow exponentially. This is crucial for further legitimizing crypto as a viable asset class and driving inflows into specialized investment funds and publicly traded crypto companies.

**Retail Investors:** Retail participation is expected to rise as crypto exchanges, wallet services, and payment platforms innovate to meet demand. This could see increased retail investor education and greater emphasis on “diamond hands” strategies that emphasize long-term holding over speculative trading.

**Institutional Investors:** The new regulatory framework could encourage pension funds, hedge funds, and private equity to scale up their exposure to digital assets. Institutional-grade custody services and expanded ETF offerings will further facilitate this transition. The recent surge serves as a reminder of crypto’s volatility; however, it also showcases the outsized potential for growth compared to traditional asset classes.

## Comparison with Traditional Safe-Haven Assets

Interestingly, while crypto is on an upswing, gold has not shown similar gains. Despite geopolitical and economic uncertainties, gold prices have been relatively flat. Commerzbank’s research noted that although gold faced a “significant correction,” it is expected to remain supported by general market uncertainty. However, the strength of the U.S. dollar has kept gold from rallying, which contrasts sharply with crypto’s bullish run

driven by policy optimism.

## Conclusion and Outlook

With Trump's presidency poised to reshape the regulatory landscape, the crypto market is primed for accelerated growth. Enhanced regulatory clarity, combined with increasing mainstream and institutional adoption, creates a compelling narrative for investors. While inherent volatility remains a factor, strategic positioning in this space could yield substantial rewards for those prepared to navigate the rapidly evolving landscape.

**Investment Insight:** For both retail and institutional investors, the shift represents an opportunity to diversify portfolios and capitalize on the expanding crypto market. Navigating these shifts with a disciplined strategy, informed by market data and regulatory developments, will be essential for optimizing gains in the months ahead.

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