NEWSLETTER

July 2026 Edition

CoinDCX

— India Ka Crypto Coach —

Crypto Currents

Your Monthly Web3 & Crypto Policy Snapshot

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THE HEADLINES THIS MONTH

01

MiCA's transitional period ended on 1 July, forcing unauthorised CASPs to wind down as ESMA's register reached 294 authorised providers. **Binance** suspended services across several EU markets, while **Coinbase** secured a Luxembourg passporting licence covering all 27 member states.

02

The US **CLARITY Act** entered a critical legislative phase, with a 616-page draft released on 22 July covering market structure, consumer protection and ethics restrictions on officials' crypto activities - though disputes over yield and illicit-finance provisions threaten passage before the August deadline.

03

India's **Parliamentary Standing Committee on Finance** recommended a comprehensive regulatory framework for Virtual Digital Assets in its 36th report, proposing a Self-Regulatory Organisation as an interim mechanism under a designated regulator's oversight while full legislation is developed.

04

Japan's Parliament passed legislation reclassifying crypto as financial instruments under the FIEA, introducing insider-trading rules, mandatory issuer disclosure and tougher penalties, while removing a key legal barrier to spot crypto ETFs ahead of the framework taking effect in 2027.

05

JPMorgan, Bank of America, HSBC, Citigroup and **Wells Fargo** unveiled a joint blockchain network for tokenised commercial bank deposits, a direct response to stablecoin transaction volumes that rose 72% last year to roughly $33 trillion.

HERE'S A ROUND-UP OF EVERYTHING
that happened last month

KEY STORY | India's Parliament Standing Committee Calls for a Comprehensive VDA Framework; SRO Proposed as an Interim Step

In July, India's Parliamentary Standing Committee on Finance published its [36th report on the Securities Markets Code, 2025], in which it recommended that a comprehensive regulatory framework be developed for Virtual Digital Assets (VDAs). This marks one of the clearest institutional calls yet for a defined approach to the sector. The Committee also recommended that a Self-Regulatory Organisation (SRO) be instituted, under the oversight of a designated regulator, as an interim mechanism while a comprehensive statutory framework is developed.

From Regulatory Ambiguity to a Defined Framework – The Committee's recommendation of a comprehensive framework signals a growing policy imperative to provide greater clarity around the regulatory perimeter, responsibilities of market participants, and mechanisms for investor protection in the VDA sector. The recommendation is significant, signalling that as India's VDA landscape matures, the absence of a legislative framework could leave investors and consumers exposed to sector-specific risks.

Technology Neutral Definition of Securities Clarified – Report captures a material clarification from the Ministry of Finance: that the Securities Market Code 2025 adopts a technologically neutral definition of securities. VDAs that do not qualify the specific criteria of "securities" will be exempt from the Code's purview, while those that do will remain within it. This confirms that the legal character of an asset will not change based on the technology used to record it.

SRO as an Interim Regulatory Mechanism – The proposed SRO model could provide a structured mechanism for addressing immediate regulatory gaps without waiting for a full statutory framework. Operating under regulatory oversight, an SRO could help establish industry standards, promote compliance and strengthen investor-protection practices while allowing the government to retain ultimate supervisory authority. This approach would also allow regulatory expectations to evolve alongside the market, particularly as new products, business models and risks emerge.

■ **KEY TAKEAWAY**

The Parliamentary Standing Committee's recommendation marks an important shift in India's VDA policy conversation. Rather than leaving the sector between prohibition and limited activity-based regulation, the proposal creates a pathway towards a defined regulatory framework, with an SRO serving as an interim mechanism while legislation is developed. The next step will be determining the scope of regulation, the role of the designated regulator and how an SRO can operate with sufficient oversight and accountability.

Market Pulse

Key technical & financial indicators from this month

Now, before we go deeper into the regulatory updates from across the world, **let's get an update on some key technical & financial indicators from the markets**.

MARKET-WIDE METRICS

Metric	Value	MoM Change
Total Crypto Market Cap	$2.23T	**3.24%**
Total Active Crypto Addresses	345M	**1.47%**
Total Value Locked in DeFi	$73.91B	**5.44%**
DEXs Volume (July)	$168.04B	**-12.31%**
Stablecoin Float (total m-cap)	$296.26B	**-0.25%**
Total Tokenized Market Cap	$6.43B	**-38.24%**

TOP CRYPTO ASSETS

Coins	Price (EoM)	Avg. Price	MoM Jump
BTC	$62,627	$64,200	**1.90%**
ETH	$1,881	$1,870	**10.0%**
XRP	$1.08	$1.10	**- 8.33%**
SOL	$73.60	$76.3	**3.11%**

Market Updates

Major launches, partnerships & institutional milestones

- **DTCC** began limited production trades of tokenised Russell 1000 equities, ETFs and US Treasuries in mid-July, backed by a 50+ firm working group including BlackRock, Goldman Sachs, JPMorgan, Circle and Kraken. The custodian of over $114 trillion in US securities is targeting a full commercial launch in October 2026 under a December 2025 SEC no-action letter.

- **JPMorgan, Bank of America, HSBC, Citigroup and Wells Fargo** unveiled a joint blockchain network for tokenised commercial bank deposits, operated by The Clearing House. The move is a direct response to competitive pressure from stablecoins, whose transaction volumes rose 72% last year to roughly $33 trillion.

- **Visa** launched the Visa Stablecoin Platform (VSP), giving banks, fintechs and crypto companies a single Visa-managed environment to mint, burn, hold, transfer and redeem stablecoins. VSP starts with Open USD, the 140-firm consortium stablecoin backed by Visa, Mastercard, Coinbase, Stripe and BlackRock, plugged into Visa's network, risk and fraud systems.

- **Swift** launched its blockchain-based shared ledger for an initial live pilot of cross-border payments using tokenised deposits, involving 17 banks. The ledger lets banks move tokenised deposits 24/7 across their own systems before settling through existing payment infrastructure, preserving current compliance and risk controls.

- **PayPal's PYUSD** stablecoin launched natively on Polygon via Paxos, with no bridging required, built into Polygon's Open Money Stack. Businesses can now accept funds, move PYUSD across borders, and cash out into local currency through a single integration.

- **Ripple** received full MiCA CASP authorisation from Luxembourg's CSSF, clearing it to offer regulated crypto payments, custody and related services across all 30 EEA countries. The licence completes Ripple's MiCA compliance ahead of full EU-wide rollout.

- **Robinhood Chain**, a Layer 2 built on Arbitrum's tech stack, went live on public mainnet with partners including Uniswap active from day one. Eligible users gained access to 24/7 Stock Token trading, alongside a revamped Robinhood Wallet adding perpetual futures via Lighter in select jurisdictions.

- **Coinbase** secured a UK investment services (MiFID) licence from the FCA, its largest UK product expansion since market entry. UK retail users can now trade equities on Coinbase for the first time, while institutional traders gain access to perpetual futures on crypto, equities and commodities.

Key Global Regulatory Moves

Region-by-region round-up

United States

- The CLARITY Act entered a critical legislative phase, with a **616-page draft** released on 22 July containing provisions on market structure, consumer protection and ethics restrictions on senior government officials' crypto activities. However, disagreements over ethics, illicit finance and stablecoin yield provisions continue to threaten its passage before the August deadline.

- The SEC's 2026 regulatory agenda placed **"Regulation Crypto" on the July pipeline**, proposing exemptions and safe harbours for certain crypto activities and signalling forthcoming work on exchange rules, market structure, broker-dealer capital and customer asset protection.

- The four-year federal CBDC ban became law on 10 July, prohibiting the Federal Reserve from issuing or creating a digital dollar until the end of 2030. The ban was included as part of the **21st Century ROAD to Housing Act**, which is aimed at addressing housing affordability, as an additional measure. .

- **OFAC** sanctioned 134 crypto wallet addresses linked to ISIS-Khorasan, including 131 Tron addresses that had received more than $1.4 million since 2023. Tether subsequently froze balances in the affected wallets, reinforcing the role of centralised stablecoin issuers in sanctions enforcement.

Europe & UK

- MiCA's transitional period ended on 1 July, leaving unauthorised CASPs legally required to wind down. **ESMA's** register subsequently reached 294 authorised CASPs, while Binance suspended services across several EU markets amid the compliance burden.

- **ESMA** launched its first Common Supervisory Action under MiCA, targeting crypto custody across member states. The coordinated reviews will examine governance, private-key management, transaction controls, incident response, smart-contract risks and third-party dependencies through 2027.

- The **European Commission** accelerated its MiCA 2.0 review, examining whether tokenised securities and non-EU stablecoin issuers should enter the framework. The review also reflects concerns that MiCA's reserve model may leave euro stablecoins at a competitive disadvantage to models emerging under the US GENIUS Act.

- The **UK** and US agreed a 10-point roadmap for financial-market cooperation, covering tokenised securities, stablecoins and digital assets. The roadmap proposes coordinated work on cross-border tokenisation and examines whether stablecoins or tokenised money-market funds could be used as financial collateral.

- **HMRC** announced a revised tax treatment for certain crypto lending and liquidity-pool transactions, with qualifying disposals from April 2027 treated on a “no gain, no loss” basis until an economic disposal occurs. The change is expected to affect around 700,000 individuals and trustees.

- **Hungary** repealed its crypto validator requirement, following disruption to market activity and firms withdrawing services. The move signals a regulatory recalibration after rules were found to be adversely affecting the domestic market.

Asia & Australia

- **India**'s Parliamentary Standing Committee on Finance recommended a comprehensive regulatory framework for Virtual Digital Assets, calling for a thorough examination of the sector and appropriate legislation. Pending such a framework, it recommended an interim mechanism through recognised SROs operating under the oversight of a designated regulator, with investor protection as a core objective.

- **Japan's** Parliament passed legislation reclassifying crypto as financial instruments under the FIEA, introducing insider-trading rules, mandatory issuer disclosures and significantly tougher penalties. The reform also removes a key legal barrier to spot crypto ETFs, with the new framework taking effect in 2027.

- **Australia**'s crypto Travel Rule came into force on 1 July, requiring exchanges to collect sender and recipient information on all crypto transfers regardless of transaction size. ASIC simultaneously extended its no-action period for digital-asset businesses seeking Australian financial-services licences to 30 September.

- **Russia** passed comprehensive cryptocurrency legislation, creating a licensing regime for exchanges and custodians while allowing digital currencies to be used for cross-border B2B settlements. Retail investors will face annual purchase limits and mandatory risk testing, while domestic crypto payments remain prohibited.

- **Vietnam** introduced penalties for trading through unlicensed crypto platforms, with fines reaching approximately $1,900 for retail investors and $7,700 for unauthorised operators or serious AML violations. The rules take effect on 1 September alongside the expected launch of the country's first regulated crypto exchanges.

Middle East & Africa

- Dubai's VARA issued its **50th VASP licence**, as European services providers increasingly reassessed Dubai as a more favourable base following MiCA's implementation. The milestone reinforces the UAE's position as a multi-regulator jurisdiction offering dedicated regulatory pathways for digital-asset businesses.

- **Nigeria** established a Virtual Asset Council through executive order, bringing financial regulators together to harmonize virtual assets regulation across relevant agencies and eliminate overlapping oversight.

- **Zimbabwe's Securities and Exchange Commission** admitted seven fintech projects into its regulatory sandbox, with four focused directly on tokenisation, including blockchain-based capital raising and securities tokenisation. The move provides a controlled pathway for testing digital-asset applications before full registration.

Latin America

- **Banco Central do Brasil** issued Resolution No. 580, formally classifying VASPs as Type 3 institutions and placing them in the same regulatory category as securities brokerages and foreign-exchange firms. From January 2027, VASPs will face prudential, capital, risk-management and disclosure requirements under the "same activity, same risk, same regulation" approach.

- **Brazil**'s CVM established a working group to develop an experimental framework for tokenised securities, covering ownership records, private-key custody, transaction reversibility and liability allocation. The group must send its first proposal to the CVM's board within 60 days of being formally installed, while a broader review will run for 120 days, with a possible 30-day extension.

- **Argentina** introduced a proposed capital-markets modernisation framework that would allow investment funds to invest in digital assets, enable tokenised issuance and trading of securities, recognise smart contracts and permit digital assets to serve as loan collateral. The proposal has not yet been formally presented to Congress.

KEY UPCOMING EVENTS & DATES — [August 2026]

Date	Event / Release	Why it matters
17th - 20th August	[Crypto 2026 (IACR), Santa Barbara, California]()	The IACR's flagship annual cryptology conference, with affiliated workshops on 15–16 August. Sets the research agenda for cryptographic primitives underpinning blockchain security, zero-knowledge proofs and post-quantum readiness - increasingly relevant as institutions like BitGo roll out quantum-protection tooling for custody..
27th – 28th August	[Bitcoin Asia 2026, Hong Kong]()	Asia's largest Bitcoin-focused gathering (15,000+ attendees), held as Hong Kong pushes ahead with spot ETFs, stablecoin licensing and institutional adoption. A key barometer for how Asian regulatory momentum (alongside Japan's FIEA reform) is shaping regional Bitcoin infrastructure.
29th August	[Solana Summer House, Los Angeles]()	A flagship Solana ecosystem event returning to Downtown LA, reflecting continued builder and consumer-app momentum on Solana as traditional payments players (MoneyGram, Visa) deepen the validator and settlement infrastructure on the chain.

Annexure - Key Terminologies

Travel Rule – The AML requirement obliging exchanges to collect and transmit sender and recipient information on crypto transfers, regardless of transaction size; came into force in Australia on 1 July 2026.

Common Supervisory Action (CSA) – A coordinated, EU-wide supervisory exercise led by ESMA, where national regulators jointly examine a specific risk area (custody, in July's case) across CASPs to harmonise enforcement standards.

Tokenised deposits – Blockchain-based digital representations of commercial bank deposits, movable 24/7 across bank systems before settling through existing payment rails, as piloted by Swift and five major US banks in July.

CRYPTO ASSETS	QTRLY TRADING VOL.	REGISTERED USERS	F.I.U.	ISO/IEC
500+	₹2.44L Cr+	2 Cr+	REGISTERED	27001:2022