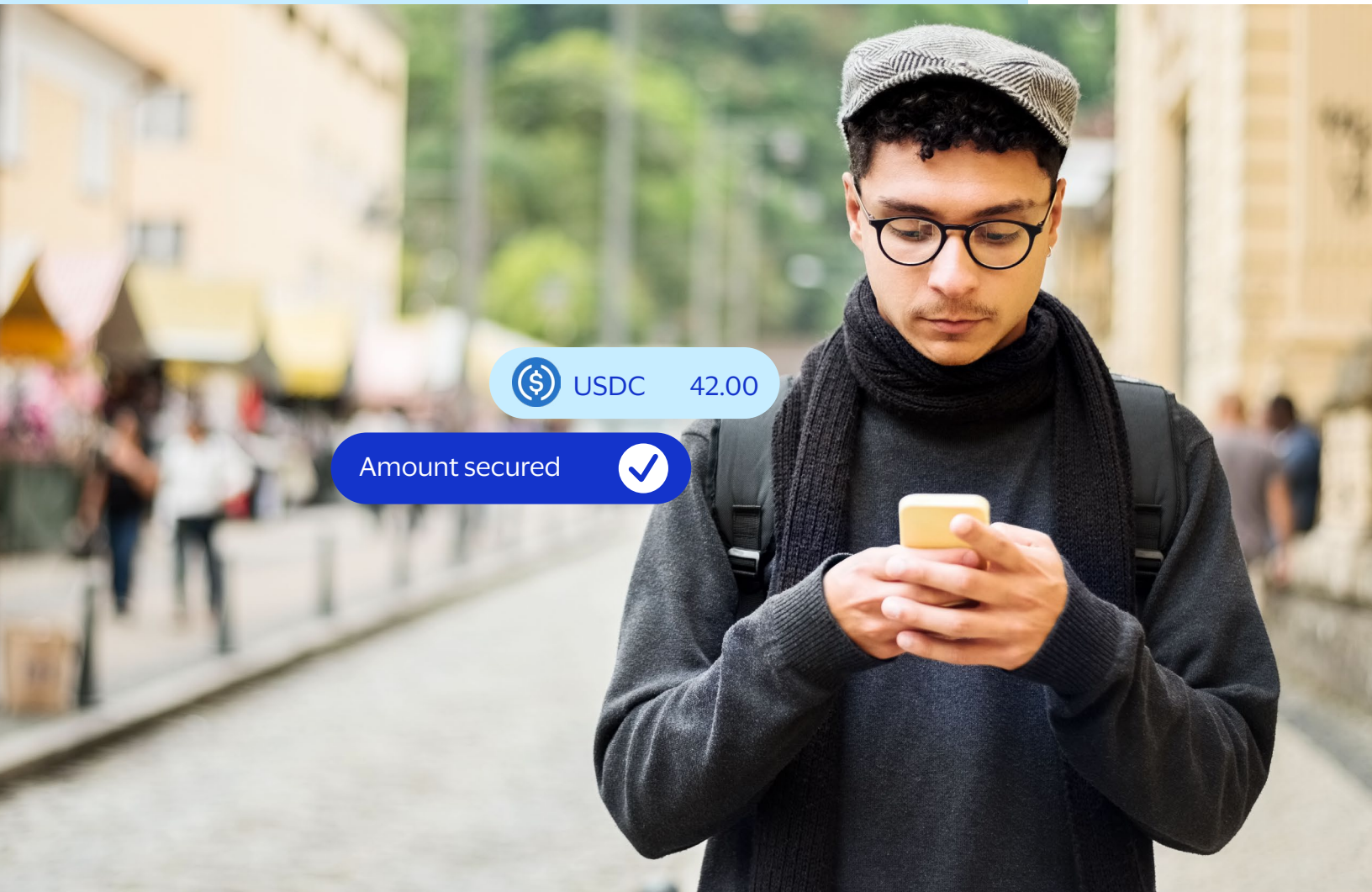
Stablecoins and the future of onchain finance

How banks can accelerate growth and money movement across blockchain networks



Contents

The evolution of digital money

Stablecoins are a relatively new form factor for fiat currencies such as the dollar that can be represented as a token issued and transferred globally, 24/7, over public blockchain networks. Before stablecoins, blockchain networks could only be used to transfer new, volatile crypto assets like Bitcoin, which limited their utility and usage within the payment ecosystem.

Stablecoins enabled on blockchain networks add incremental payment infrastructure that has the potential to modernize and accelerate digital payments in many consumer and commercial use cases. Stablecoins first emerged in crypto capital markets where crypto traders used them to move dollars between exchanges 24/7, replacing wire transfers. In the past few years, we have seen stablecoins evolve and gain traction as a dollar-denominated store of value in emerging markets for consumers and businesses, as well as in cross-border payment use cases like remittances, business-to-consumer (B2C) payouts and B2B (business-to-business) payments.

Stablecoins have started to become integrated into existing fintech wallets and payment service providers (PSPs) across the world. They have also become a global developer platform that fintech entrepreneurs are using to build a new generation of "stablecoin-native" financial products. Stablecoins are architected with smart contracts that enable new forms of programmable payments, can embed business logic and automatically initiate transactions when specified conditions are met, potentially reducing operational inefficiencies and democratizing access to financial products (since they enable real-world asset transactions).

To date, stablecoins have gained adoption primarily through crypto exchanges and non-bank fintechs. However, as regulatory frameworks crystallize, banks are uniquely positioned to harness stablecoins for two strategic advantages: to improve cross-border money movement with greater speed and cost efficiency, and to power innovative onchain financial solutions.

Over

$217B

in circulating stablecoin supply

Stablecoin's value can be represented as a token issued and transferred globally

24/7

With Stablecoins banks can:

1

Improve cross-border money movement with greater speed and cost efficiency.

2

Power innovative onchain financial solutions.

VISA

Stablecoin data and trends

It is important for banks to ground their understanding of stablecoins and the potential implications in data. For every stablecoin transaction, there is a trail of data that is visible on the public blockchains it was transferred over. A single stablecoin can be issued and transferred over a dozen blockchains. Therefore, insights can be challenging to interpret due to cross-chain differences and noise in the data. This complexity has historically hindered banks and regulators from effectively understanding stablecoin activity.

To address this challenge, Visa partnered with blockchain data provider Allium Labs to create the Visa Onchain Analytics Dashboard — a free, user-friendly tool that provides insights into stablecoin growth and activity.

The Visa Onchain Analytics Dashboard gives anyone interested in fiat-backed stablecoins more insight into the evolving stablecoin landscape. The dashboard tracks stablecoin movements across 10 major blockchains to highlight trends related to supply, transaction volume and address activity. Where Visa banking clients need additional support, Visa Consulting and Analytics also offers to curate the data as a service and produce actionable insights on the latest stablecoin trends.

To date, Stablecoin opportunities continue to expand

Visa Onchain Analytics Dashboards

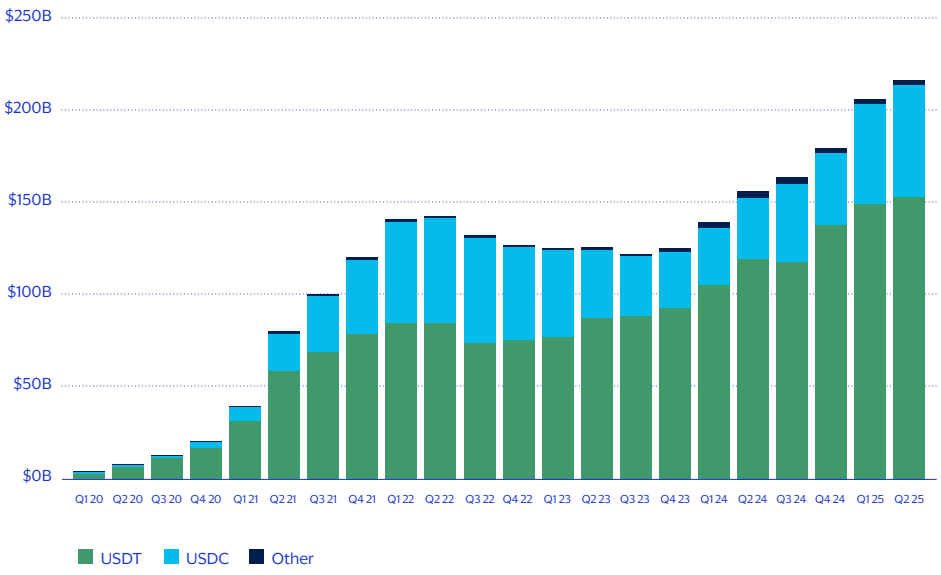
- Supply
- Transaction volume
- Address activity

Stablecoin supply

To date, there is over $217B in circulating stablecoin supply. Of that, more than 99% is U.S. dollar (USD) denominated and 97% is minted by two issuers, with Tether driving 67% and Circle 27%.[1] Based on prevailing interest rates, Visa estimates that in 2024, Circle and Tether collectively made over $7B in interest revenue from their reserves.[2]

Average Stablecoin Supply

The average supply of stablecoins in circulation



Despite Circle's and Tether's dominance of the USD stablecoin market, new stablecoin issuers and models are emerging. One notable example is the partnership between Paxos and PayPal to launch PYUSD, along with Paxos' recently introduced USDG — a stablecoin that shares interest revenue across its Global Dollar Network consortium, which includes companies such as Robinhood, Anchorage, Nuvei and Galaxy. These developments reflect the emergence of financial institutions working to capture their share of the expanding stablecoin market.

More than

99%

of stablecoin supply is U.S. (USD) denominated

Leading issuers earned over

$7B

in interest revenue from their reserves[4]

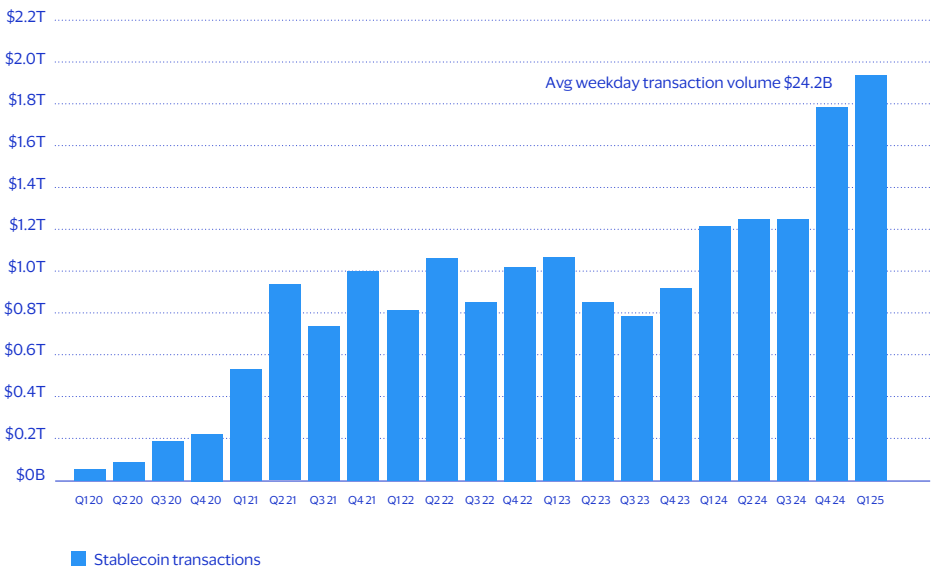
Transaction volume

While there has been $33T in overall stablecoin volume over the last 12 months,[1] a significant amount of this volume does not reflect traditional payments volume. For example, high-frequency trading bots, exchanges rebalancing their internal treasury and repeated transactions due to smart contract operations make up a large percentage of the overall volume. To help address this, Visa collaborated with Artemis, Allium Labs and Castle Island Ventures to develop an adjusted transaction methodology, which filters out these distracting metrics to help better approximate organic stablecoin activity.

Based on this methodology, adjusted transaction volume over the last 12 months is $6.4T, up 63% year-over-year.[1] In 2025, 36% of adjusted transaction volume came from deposits and withdrawals from centralized exchanges,[1] reflecting the growing use case of local exchanges being used to facilitate money movement.

Quarterly Adjusted Transaction Volume

The cumulative adjusted volume of stablecoin transactions



Transaction volume data also helps unveil key trends in stablecoin activity. Over the last six months, the average weekday transaction volume of $24.2B was 1.8 times higher than the average weekend day transaction volume of $13.7B.[1] This higher weekday transaction volume may be a signal of growing activity on the part of institutions that only operate during weekdays. Meanwhile, the significant amount of weekend volume illustrates the potential impact of stablecoins as a 24/7 rail used by consumers and businesses to process transactions on the weekends.

$33T

is the overall stablecoin value over the last 12 months[1]

$6.4T

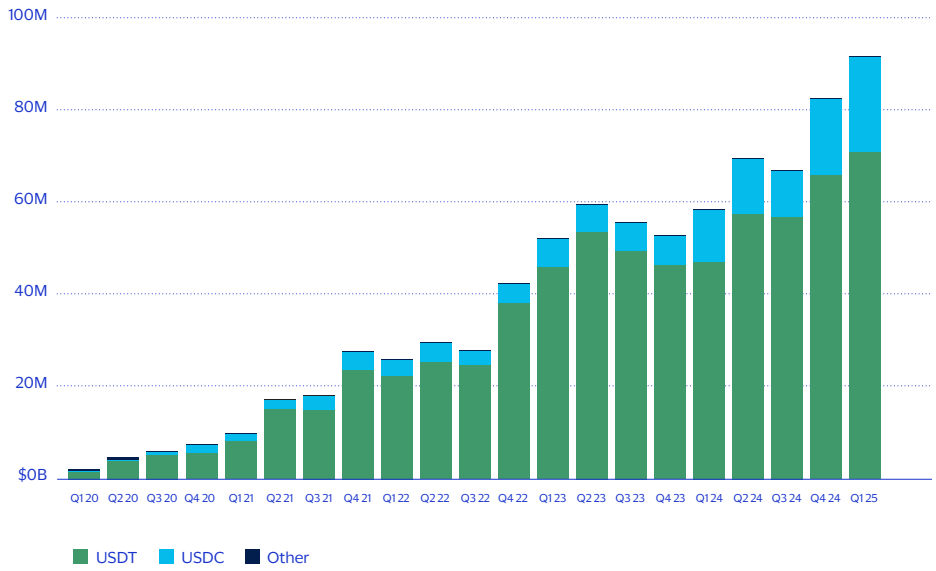
in adjusted transaction volume over the last 12 months

Stablecoin address activity

For every stablecoin transaction, the addresses involved are visible. However, a unique address does not indicate a unique user. For example, an address belonging to a custodial wallet can account for several users. While the number of stablecoin addresses does not directly correlate with the number of stablecoin users, sending and receiving address metrics can provide valuable directional insights into activity growth. For example, March 2025 marked an all-time high, with 40M+ addresses that sent or received a stablecoin. Tether dominated this activity with 32.6M addresses, while USDC accounted for 8.3M.[1] A large part of this growth in stablecoin activity is occurring on faster, more cost-effective blockchain networks. Over the past 24 months, monthly active addresses have surged by 608% on Solana, compared to 89% on Ethereum.[1] This trend suggests that as blockchains become more efficient for stablecoin transfers, their adoption is likely to accelerate. Visa first reported this trend in August 2023 in our thought leadership paper, a deep dive on Solana.

Beyond serving as a low-cost medium of exchange, stablecoins are also increasingly functioning as a reliable dollar store of value. An average of 89M addresses held stablecoins daily across all major blockchains in March of this year. This reflects a rise of 64% from March 2024, and further indicates the function of stablecoins as a dollar store of value.[3]

Quarterly Unique Stablecoin Active Addresses



More than

40M

addresses that sent or received a stablecoin in March 2025

64%

daily rise in stablecoin addresses across all blockchains that held stablecoin value

A new regulatory environment

While stablecoins have been in the public domain for years, one critical reason why banks have found it difficult to participate is a lack of regulatory clarity. This is now changing rapidly in the U.S. and beyond. In recent months, shifts in requirements and clearer guidelines have opened the door for banks and financial institutions to integrate stablecoins into their services and offerings.

Recent regulatory advances for stablecoins

United States

Executive order

In January of 2025, President Trump signed an executive order titled "Strengthening American Leadership in Digital Financial Technology," with the purpose of establishing a regulatory framework for digital assets, including stablecoins, as well as promoting "dollar sovereignty through stablecoins." This executive order established a working group on digital assets markets, chaired by AI and crypto czar David Sacks, that will submit regulatory and legislative proposals within 180 days.

Rescinding of SAB 121

The Security and Exchange Commission (SEC) issued a new staff accounting bulletin that rescinded SAB 121, which treated crypto assets and stablecoins that a bank custodies on behalf of customers as liabilities on the bank's balance sheet, removing what had been a significant barrier to banks' participation in the ecosystem.

Bi-partisan stablecoin bills

Bipartisan bills designed to establish a clear regulatory framework for stablecoin issuance by both banks and non-bank entities have been drafted. Representative Steil's STABLE Act has passed the House Financial Services Committee, and Senator Haggerty's GENIUS Act has passed the Senate Banking Committee, both with bipartisan votes.

New banking regulator guidance

The Office of the Comptroller of the Currency (OCC), Federal Deposit Insurance Corporation (FDIC) and Federal Reserve Board (FED) rescinded guidance requiring their supervised banks to notify their regulator or obtain non-objection prior to engaging in crypto-related activities. They clarified that crypto-related activities are permissible for the banks that they supervise.

Globally

Japan

In 2022, the Japanese parliament passed a bill recognizing stablecoins as a form of digital money that can be issued by licensed banks, trust companies and money transfer agents.

Singapore

In 2023, the Monetary Authority of Singapore (MAS) offered regulatory clarity for banks and non-banks issuing single currency stablecoins pegged to the Singapore Dollar (SGD) — or any of the top ten global currencies — as "digital payments tokens."

Europe

In 2024, Europe became the first major market to establish a comprehensive framework for stablecoins with their Market in Crypto Assets (MiCA) regulation, which classifies stablecoins as "e-money tokens" with rules governing their issuance and consumer protection.

Hong Kong

In December of 2024, the Hong Kong Monetary Authority (HKMA) released a draft of their proposed stablecoin regulatory framework, which enables licensed issuance of Hong Kong Dollar (HKD) and non-HKD fiat backed stablecoins.

As regulatory clarity continues to emerge globally, Visa expects an increase in stablecoin adoption by traditional financial institutions that will open the door for stablecoins to play a more meaningful role in the interconnected global economy.

Stablecoin use cases and opportunities for banks

Stablecoins emerged as a utility for crypto capital markets, where traders used stablecoins to efficiently move value between crypto assets and dollars across global exchanges without the need to on/off-ramp between blockchains and fiat currencies. However, in recent years, stablecoins have increasingly been used by emerging fintechs and PSPs as a stable dollar-denominated store of value, infrastructure for cross-border money movement and a platform for developing programmable financial products through smart contract integration.

While many banks and financial institutions have largely chosen to remain on the sidelines during these developments, emerging financial use cases for stablecoins present significant opportunities for banks and financial institutions to enhance their existing operations and service offerings. This can then help them improve efficiency, reduce costs and develop new offerings for their clients.

Stablecoins have increasingly been used by emerging fintechs and PSPs as a stable dollar-dominated store of value.

Stablecoins present significant opportunities for banks and financial institutions to enhance their existing operations and service offerings.

As stablecoin adoption rises, so do opportunities

1. Dollar store of value
2. Remittances
3. B2C Payouts
4. Corporate treasury and B2B payments
5. Onchain credit facilities
6. Tokenized real-world assets

Dollar store of value

Approximately 1.4B people reside in countries where inflation surpasses 10%,[4] a factor that creates significant economic challenges for their populations. In these regions, demand for USD accounts is strong, but economic instability and trade deficits force banks to prioritize their scarce dollar reserves for critical imports, limiting access for individuals and businesses. Consequently, demand for dollars far exceeds available supply. USD-pegged stablecoins have emerged as a practical alternative in these high-inflation environments.

1.4B

people reside in countries where inflation surpasses 10%[4]

Current traction

In high-inflation, emerging markets where access to dollar-denominated accounts is limited, stablecoin wallets have surged as a reliable substitute. For example, in sub-Saharan Africa, mobile applications like Opera's Mini Pay enable consumers across the region to convert local currency into stablecoins and withdraw to local currency as needed. Similarly, companies like Acctual are providing corporates with access to dollar accounts and the ability to make cross-border invoices and payments.

Although stablecoins have been a useful tool for wealth preservation, their limited acceptance among merchants has limited their practical, day-to-day use. Visa has worked to address this limitation by being a leader in the development of **stablecoin-linked cards**. These cards allow consumers and corporates to link a Visa credential to their digital wallet and spend their stablecoins at any of the 150+ million Visa-accepting merchant locations worldwide.[5] When a Visa credential is attached to a stablecoin-linked Visa card, customers can begin spending stablecoins without needing to off-ramp their stablecoins to local fiat.

To help streamline stablecoin-linked cards for issuers, as part of a stablecoin settlement pilot, Visa facilitates direct settlement from select issuers in stablecoins, offering **7-day-a-week settlement capability**. This approach helps reduce operational friction for issuers.

Opportunity for banks

For banks in emerging markets, stablecoins are an opportunity to give their consumers access to dollar accounts and cards. This allows consumers and businesses to hold dollars digitally as a store of value, without the challenges of maintaining physical dollar reserves. By linking these accounts to Visa credentials, banks can enable customers to convert stablecoin balances into spendable funds at the 150+ million Visa-accepting merchant locations worldwide.

Remittances

Global remittances surpass $944B annually, with $685B directed to low-and middle-income countries, often accounting for a significant portion of their gross domestic product (GDP).[7] Yet traditional cross-border remittance methods into emerging markets are often expensive and slow. The World Bank reports an average cost of 6.4% to send $200 driven by multiple intermediaries and elevated foreign exchange (FX) fees in corridors with volatile currencies.[8] Settlement through these legacy channels can also take multiple days.

Because stablecoins run over public blockchains, they benefit from 24/7 near-real time settlement and have transaction fees as low as a cent on certain blockchains. Furthermore, stablecoins are a borderless network that only require a digital wallet, helping to remove geographical barriers and dependence on traditional financial infrastructure for usage.

Surpassing

$944B

annually in global remittances

Current traction

Fintechs are leveraging this infrastructure to build new, front-end remittance solutions on stablecoin rails. For example, Felix Pago facilitates U.S. outbound remittances to Latin American countries via a WhatsApp interface. Users fund transfers with cards, and funds are disbursed to recipients' bank accounts. On the backend, Felix partners with Circle to mint USDC. Then Felix sends the USDC to Bitso, a stablecoin exchange in Latin America, which converts the stablecoins to local fiat and delivers the payment via domestic payment rails.

Self-custodial wallet technology has become a powerful enabler for fintech applications seeking to build borderless payment solutions. Sling Money exemplifies this innovation, providing users with a modern interface for sending remittances to more than 140 countries while leveraging stablecoins as the underlying infrastructure.

By empowering users to control their own cryptographic keys and integrating with locally licensed off-ramps, Sling's architecture is marketed to empower users to control their own cryptographic keys and integrates with locally licensed off-ramps to enable Sling's users to operate in multiple countries. This allows Sling to deliver a global financial product designed to offer consumers fast and cost-effective money movement without the substantial regulatory and operational overhead typically associated with international expansion.

With

$685B

directed to low- and middle-income countries

Opportunity for banks

By adopting stablecoin-powered remittance solutions, banks in emerging and developed markets can offer clients faster, and potentially more cost-effective, cross-border payments. By reducing the need for correspondent banking, stablecoins can enable direct transfers, lowering fees and accelerating settlement times.

B2C Payouts

The World Bank estimates that the number of freelance workers around the world ranges from 150M to 300M, with approximately 40% residing in low-to middle-income countries.[9] Across the globe, workers are turning to digital channels to generate income and unlock economic opportunities. The explosive growth of this creator economy has heightened companies' demand for efficient, scalable payout solutions of all transaction sizes and across multiple currencies worldwide.

This push for global access to work is hindered by the persistent challenges of cross-border payments, which can be slow and expensive due to process inefficiencies and steep FX fees. The need to reach diverse endpoints in various currencies can erode cost-effectiveness and complicate the netting process. While some PSPs aim to address these issues by prefunding bank accounts globally, their reliance on traditional payment infrastructure can limit their effectiveness — particularly in emerging markets, where freelancers are highly concentrated and foreign exchange rates are high.

Stablecoins present an alternative, offering rapid global payouts denominated in dollar value. This enables freelancers to receive payments in a stable, dollar-based asset with near-real time settlement at minimal cost. For those preferring local currency, regional exchanges can provide competitive FX rates with equally rapid conversion.

Current traction

Stablecoins are already being used by global corporates to facilitate cost-effective disbursements into emerging markets. For example, Scale AI makes weekly payouts to thousands of global freelancers performing image training validations by leveraging Bridge's stablecoin orchestration platform. Scale AI transfers fiat in a lump sum to Bridge, which mints the fiat into stablecoins from Circle and disburses the payments directly to contractors into their stablecoin wallets. These contractors then can convert their stablecoins into local currency using an exchange.

Opportunity for banks

As banks increasingly cater to corporates with sophisticated global payout needs, integrating stablecoins as a direct disbursement method offers a substantial value proposition and an edge over some fintech competitors.

40%

of global freelance workers reside in low-to middle-income countries[9]

> "Stablecoins make payments instant, borderless and more accessible by combining the stability of traditional currencies with the speed of blockchain technology. Everyone already knows how to use VISA cards for payments, and now everyone will be able to use stablecoins with just a tap of their card."
>
> Zach Abrams, CEO of Bridge

Corporate treasury and B2B payments

The dollar has established itself as the dominant global trade currency, with the Atlantic Council reporting that 54% of exports are invoiced in dollars and 88% of foreign exchange transactions are dollar-quoted.[10] This dollar-centricity makes access to dollars essential for corporates worldwide to operate effectively. However, in emerging markets, obtaining dollars presents significant challenges. These markets are also typically coupled with restrictive capital controls, making the access for dollars especially challenging.

These challenges are particularly notable in regions like sub-Saharan Africa, where intra-continental payments are costly and time consuming due to poor liquidity between African currencies. Such transactions frequently require routing through U.S. banking intermediaries, adding time to settlement and intermediary fees. Compounding these issues, since 2011, there has been a 40% reduction in active correspondent banking relationships due to escalating compliance burdens associated with cross-border transactions.[9]

Beyond access challenges, businesses in developed markets seeking global expansion face significant repatriation hurdles. Companies operating in emerging markets that collect local currencies face balance sheet exposure to often volatile currencies and must partner with intermediaries who charge substantial fees for local collections. These businesses can experience multi-day delays and high FX costs to repatriate funds. For instance, companies collecting payments from Brazilian consumers must sometimes wait 5-8 days to repatriate funds back to the U.S., creating cash flow inefficiencies and currency exposure risks.

88%

of foreign exchange transactions are dollar-quoted[10]

Current traction

Stablecoins are helping corporates around the globe solve these problems by providing a mechanism to swiftly convert devaluing local currencies into a stable dollar-denominated store of value that can be repatriated quickly.

Starlink exemplifies this approach, collecting payments in Nigerian Naira, then working with partners to convert funds into dollars and repatriate them to the U.S. on an hourly basis. This approach can minimize exposure to devaluing currencies and accelerate repatriation, significantly enhancing corporate efficiency. Similarly, Yellow Card collaborates with large corporations like Nigeria's largest food producer to facilitate supplier payouts invoiced in dollars. Though the company faces dollar-sourcing challenges due to capital controls, Yellow Card enables efficient, dollar-based transactions with lower costs and faster settlement times.

Similarly, companies like BVNK and Conduit are enabling corporates in developed and emerging markets to make global payouts using stablecoins as the middle layer and utilizing their exchange and bank integrations to convert to local currencies and make last-mile payouts. By leveraging stablecoins, they are able to power near real-time settlements at competitive prices.

Opportunity for banks

As banks strive to better serve their corporate clients, stablecoins represent a strategic opportunity to enable more efficient cross-border money movement and optimize corporate treasury operations. For example, banks in developed markets can help their corporates power faster repatriation out of emerging markets and facilitate more efficient money movement into emerging markets, which have presented challenges due to correspondent bank delays and fees. Banks in emerging markets can utilize stablecoins to access dollars more effectively and power supplier payments for their corporate customers.

Onchain credit facilities

Traditional credit facilities face significant operational challenges that can limit their efficiency and accessibility. Manual underwriting processes, complex legal documentation and unstructured data management may require large internal teams and third-party intermediaries, along with substantial administrative overhead. These inefficiencies can translate directly to business impact: Borrowers might experience delayed capital access and inflexible terms that constrain growth, while lenders may incur high operational costs that reduce profitability. In emerging markets, these obstacles can be compounded by capital constraints and liquidity shortages.

Current traction

Visa is starting to see emerging onchain credit innovations that enhance credit card programs worldwide. Rain, a stablecoin-linked card issuer based in Puerto Rico, leverages blockchain-enabled lending platforms like Credit Coop and Huma Finance to support the financing of their credit programs. Through Credit Coop, Rain borrows USDC secured by its card receivables, enabling just-in-time funding without the high legal costs associated with traditional warehousing facilities. This approach allows Rain to pay interest only on the borrowed amount, minimizing costs and avoiding excess borrowing for settlement needs. As a stablecoin settlement pilot partner, Rain can borrow daily in stablecoins and settle directly with Visa, streamlining their process.

Protocols like Credit Coop also hold significant potential for scaling credit in emerging markets, where demand often outstrips supply. By boosting operational efficiency and tapping capital from beyond an issuer's home country, these solutions can expand global credit access substantially. Moreover, direct settlement with Visa via onchain protocols helps address inefficiencies in emerging markets, where issuers may face multi-day delays in cross-border settlements. This capability enables issuers in emerging markets to scale their credit programs.

Opportunity for banks

Banks can improve their lending operations by leveraging smart contracts and stablecoins to build onchain lending protocols. This has the potential to significantly lower operational costs and improve access to credit globally.

Tokenized real-world assets

The tokenization of real-world assets (RWAs) represents a convergence of traditional finance and blockchain technology that is rapidly gaining traction among leading financial institutions. This process converts physical or traditional financial assets into digital tokens on blockchain networks, maintaining their economic properties while adding programmability and fractional ownership capabilities. Stablecoins play a crucial role in this ecosystem for settlement purposes — enabling efficient trading, lending and yield generation for these tokenized assets.

To date there is over

$19.7B

of tokenized RWAs onchain

Current traction

Major financial institutions have moved beyond exploration to actual implementation of tokenized RWAs. For example, asset manager BlackRock launched a tokenized fund called BUIDL that is linked to U.S. Treasury bills and uses USDC for settlement, highlighting stablecoins' essential role in creating efficient on and off ramps between traditional and tokenized assets. Meanwhile, Franklin Templeton has tokenized several money market funds across many blockchains, enabling near-instantaneous settlement and 24/7 liquidity — capabilities that depend on stablecoin integration. Innovative solutions for tokenizing private credit funds are also emerging, as well as some early examples of tokenized commodities and public equities.

To date, there is over $19.7B of tokenized RWAs onchain, held by over 93K holders globally among 180 asset issuers. Of this, $5B is from tokenized treasuries and $12.43B is from tokenized private credit. A McKinsey market report estimates that the base case for the total market size for tokenized assets in 2030 is $2T, with the tokenization of mutual funds and ETFs likely to drive the largest percentage of this growth.[12]

The connection between stablecoins and tokenized RWAs is fundamental, as stablecoins facilitate the settlement of tokenized asset transactions, enabling fast, programmable transfers of value while reducing delays. Additionally, smart contracts that govern tokenized assets often incorporate stablecoins for automated dividend distributions, interest payments and collateralization functions.

Opportunity for banks

By offering customers access to tokenized assets, banks can find improvements in their operational capabilities and client offerings. Specifically, tokenized RWAs can reduce settlement times, lower transaction costs and extended transfer availability beyond traditional banking hours.

Barriers to mainstream stablecoin adoption

While there are significant use cases and opportunities for banks to integrate stablecoins into their operations and core services, there remain barriers to mainstream adoption:

1
Lack of regulatory clarity

Banks may decide not to participate as regulatory clarity is either non-existent or yet to be fully implemented.

2
New infrastructure requirements

Banks may be resistant to build or integrate the necessary infrastructure to hold, send or orchestrate stablecoins.

3
Liquidity and fiat on/off-ramps

Banks may face challenges finding sufficient liquidity between stablecoins and fiat currencies. Furthermore, adding regional on/off-ramp providers requires trust and vetting.

4
Compliance

Banks may not feel comfortable with stablecoin compliance requirements, such as Know Your Customer (KYC), anti-money laundering (AML) and onchain Office of Foreign Assets Control (OFAC) screening through third parties.

5
Privacy

Banks may feel uncomfortable engaging in stablecoin activities without options for private transactions or ledgers.

Understanding that these barriers exist and, in many cases, having worked with banks to solve them, Visa has launched stablecoin initiatives with the goal of helping to address these main challenges surrounding stablecoins.

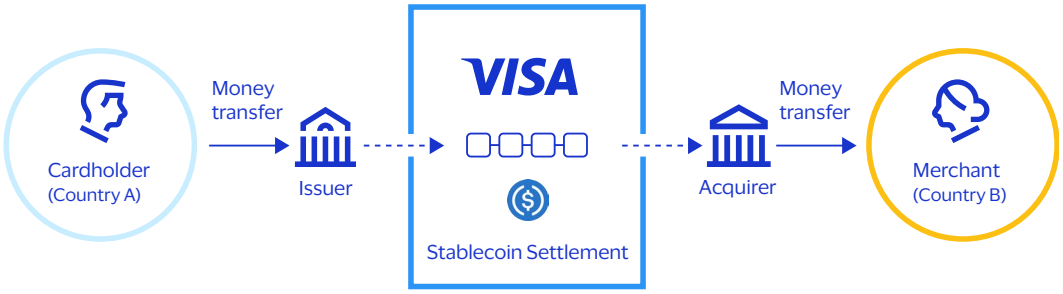
Visa stablecoin initiatives

Stablecoin-linked cards

Visa has been a leader in the development of stablecoin-linked cards, enabling consumers and corporates with stablecoin wallets to spend their stablecoins at the 150+ million merchant locations that accept Visa globally.[5] As banks in emerging markets integrate stablecoins as dollar-denominated accounts, stablecoin-linked cards help add significant utility to their offerings.

Visa has expanded the flexibility for issuers offering stablecoin-linked card programs by enabling select issuers to settle directly with Visa using stablecoins seven days a week in a pilot program. For issuers, enabling direct settlement in stablecoins can help reduce friction and create operational efficiencies.

Stablecoin-based settlement flows (pilot)



Stablecoin infrastructure

Visa recognizes that one of the largest barriers for banks to participate in stablecoin activities is access to critical infrastructure, such as stable coin custody and issuance. With respect to issuance, in October of 2024, Visa released the Visa Tokenized Asset Platform (VTAP), available to limited clients in sandbox through the Visa Developer Platform, and providing the capability for banks to mint, burn and manage bank-issued stablecoins. The platform enables financial institutions to utilize blockchain technology to power new payment solutions. VTAP partner BBVA was the first to announce the launch of BBVA-issued stablecoin, with an expected production pilot launching in 2025.

Money movement

Visa is exploring two opportunities in stablecoin-powered money movement: powering payouts to stablecoin wallets as new endpoints and using stablecoins to facilitate faster account-to-account (A2A) payments into emerging markets. Currently, banks face hurdles to participate in these flows, requiring either ground-up infrastructure development or integration with new third-party platforms. Recognizing stablecoins as one component within a broader payment ecosystem, Visa believes it is important for stablecoins to be integrated into existing fiat money movement platforms.

> “We are proud to continue spearheading the exploration of tokenized solutions with Visa through its VTAP platform. Visa has been an ideal technology partner to help accelerate our strategy to issue a BBVA Euro Coin that can enable new onchain financial products for our customers.”
>
> Francisco Maroto
> Head of Blockchain and Digital Assets, BBVA

How Visa can help banks

Work with Visa Consulting and Analytics

Visa recommends that in 2025, every bank should have a stablecoin strategy. With our deep expertise in stablecoins, we are working with banks to help provide education into how stablecoins can enhance their business. Our practice area dedicated to stablecoins offers services in two main areas.

Data and analytics

Before building a stablecoin strategy, it is imperative to start by looking at the data and identifying where stablecoins are gaining traction today. Visa has been at the forefront of onchain data with the 2024 launch of the Visa Onchain Analytics Dashboard, which provides users with insights on the latest emerging stablecoin trends. Visa provides the dashboard as a public and free tool and offers services to help address banks' more sophisticated needs. Visa's experts can help you unpack this analysis aligned with your strategic priorities to provide you with insights to help inform strategic decisions.

Strategy and consulting

Visa in-house experts and Visa Consulting and Analytics (VCA) bring expertise and will help banks navigate the stablecoin landscape with strategic guidance across the entire lifecycle from education, strategy to implementation:

Market analysis: Supply insights on market trends including use cases, adoption, total addressable market, regulatory landscape evolution and competing solutions.

Stablecoins Bootcamp: Resources and workshops to help you understand the stablecoin landscape, use cases and evolving regulatory environment.

Custody strategy: Assess and build a custody strategy that aligns well with the banks and its clients.

Ideation and workshopping: Facilitate brainstorming sessions to help refine your stablecoin plans.

Go-to-market planning and strategy: Develop a go-to-market strategy to effectively reach your target audience.

Prototyping and design: Create prototypes and user-centric design solutions.

Cross-border money movement corridor analysis: Identify priority corridors for money movement, quantify cost-saving opportunities and develop implementation approaches for cross-border money movement initiatives.

Onchain finance: Assess opportunities for banks to develop and implement solutions for tokenized assets, smart contract-enabled lending and programmable treasury operations.

Implementation and support: VCA provides end-to-end product and solution consulting, system implementation and technology delivery, and program management and governance support within the client environment.

In conclusion

Below are the main insights, implications and action items for banks to begin working with stablecoins to help get on a faster path to success.

Key takeaways

1
Regulatory clarity is emerging as a catalyst for stablecoin adoption

2
Stablecoins are transitioning from crypto-specific to traditional payment solutions.

3
Stablecoins can help improve cross-border money movement and dollar access outside the U.S.

4
Every bank needs a stablecoin strategy to be positioned for the growing adoption of stablecoins.

5
Visa can help recommend — and implement — strategies designed to overcome the most persistent barriers to stablecoin implementation.

Next steps

To request a personalized consultation on the topics above, contact us at https://globalclient.visa.com/contact-sales

Sources

1. Visa Onchain Analytics Dashboard. April 17, 2025. Data provided by Allium Labs.
2. Visa Onchain Analytics Dashboard. DATE Interest revenue estimation based on current rates, stablecoin supply and monthly attestation reserve data for issuers.
3. Artemis Analytics Data. April 17, 2025.
4. World Bank Group. 2025. Inflation rate average consumer prices annual percentage change map. Retrieved from https://data.worldbank.org/indicator/FP.CPI.TOTL.ZG
5. Visa Fact Sheet. September 30, 2024. Retrieved from https://corporate.visa.com/content/dam/VCOM/corporate/documents/about-visa-factsheet.pdf
6. World Bank. Remittance volume based on 2024 TAM estimate from Visa CMS internal data. Blog post. Retrieved from https://blogs.worldbank.org/en/peoplemove/in-2024--remittance-flows-to-low--and-middle-income-countries-ar
7. Migration Data Portal. Remittances. 2023. Retrieved from https://www.migrationdataportal.org/dist_2024_12_17_0/dist/index.html
8. Zerohash. Félix Modernizes Remittances for 60 million Latinos in the US in partnership with Zero Hash. Case Study. Retrieved from https://zerohash.com/wp-content/uploads/2025/02/ZH284-Felix-Case-Study-AW-1.pdf?ref=thisweekinfintech.com
9. Atlantic Council. Dollar Dominance Monitor. Retrieved from https://www.atlanticcouncil.org/programs/geoeconomics-center/dollar-dominance-monitor/
10. Bridge, a Stripe company.
11. SSRN. Onchain foreign exchange and cross-border payments, Jan. 2023. Retrieved from https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4328948
12. Allum Labs Data. Sourced April 1, 2025.
13. RWA.XYZ Data. Sourced April 1, 2025.
12. McKinsey. From ripples to waves. Article. Retrieved from https://www.mckinsey.com/industries/financial-services/our-insights/from-ripples-to-waves-the-transformational-power-of-tokenizing-assets

Disclaimers

All brand names, logos and/or trademarks are the property of their respective owners, are used for identification purposes only, and do not necessarily imply product endorsement or affiliation with Visa.

Product/Ideas in Development

This document is intended for illustrative purposes only. It contains depictions of a product currently in the process of deployment, and should be understood as a representation of the potential features of the fully-deployed product. The final version of this product may not contain all of the features described in this document.

This presentation is furnished to you solely in your capacity as a client of Visa and/or a participant in the Visa payments system. By accepting this presentation, you acknowledge that the information, materials and any recommendations contained herein (collectively, the "Information") is confidential and subject to the confidentiality restrictions contained in the Visa Core Rules and Product and Service Rules or other confidentiality agreements, which limit your use of the Information. You agree to keep the Information confidential and not to use the Information for any purpose other than in your capacity as a customer of Visa or as a participant in the Visa payments system. The Information may only be disseminated within your organization on a need-to-know basis to enable your participation in the Visa payments system. Please be advised that the Information may constitute material non-public information under U.S. federal securities laws and that purchasing or selling securities of Visa Inc. while being aware of material non-public information would constitute a violation of applicable U.S. federal securities laws.

These materials and best practice recommendations are provided for informational purposes only and should not be relied upon for operational, marketing, legal, regulatory, technical, tax, financial or other advice. Recommended marketing materials should be independently evaluated in light of your specific business needs and any applicable laws and regulations. Visa is not responsible for your use of the marketing materials, best practice recommendations, or other information, including errors of any kind, contained in this document.

The Information are provided "AS-IS" and intended for informational purposes only and should not be relied upon for operational, marketing, legal, regulatory, technical, tax, financial or other advice. Visa Inc. neither makes any warranty or representation as to the completeness or accuracy of the information within this document or the materials referenced herein, nor assumes any liability or responsibility that may result from reliance on such information. The Information is not intended as investment or legal advice, and readers are encouraged to seek the advice of a competent professional where such advice is required.

The information provided herein is for informational purposes only and should not be construed as financial, legal, or regulatory advice. While stablecoins represent a promising innovation in digital currency, users should be aware that their stability, instantaneity, and cross-border transfer capabilities may vary, and they are subject to regulatory restrictions that differ by jurisdiction. Visa does not guarantee universal acceptance or regulatory compliance of stablecoin transactions, and users should consult with their own advisors to understand the risks and implications before engaging in stablecoin activities.