Crypto Assets Monitor

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CRYPTO ASSETS MONITOR HIGHLIGHTS: Q3 2026

Global crypto markets rebounded in Q3 2026, with market capitalization increasing by 36 percent quarter-on-quarter to nearly USD 3 trillion. The recovery coincided with clearer regulatory guidelines in the U.S.[1], strong inflows to crypto ETPs, and renewed interest in crypto assets. Adoption expanded, driven by increased demand for Bitcoin ETPs by investment advisors and growing Bitcoin corporate holdings, which are highly concentrated in U.S. firms.

Stablecoin market capitalization stayed broadly unchanged around USD 308 billion. As a result, stablecoins' share of the total market declined to 11 percent as the broader crypto markets expanded. USD-pegged stablecoins continued to dominate, accounting for 96 percent of market share. Their holdings of U.S. T-bills increased by 75 percent since 2023, but they accounted for a small share (2 percent) of total outstanding T-bills. Meanwhile, stablecoin payment activity continued to grow from a low base, with monthly transaction values increasing by 28 percent in Q3 2026 to USD 70 billion in September 2026, led by business-to-business (B2B) and customer-to-customer (C2C) use cases.

New IMF Department Paper and research shed light on foreign currency stablecoins and stablecoin cross-border flows. Gross stablecoin flows reached an estimated USD 7 trillion in 2025, of which roughly 90 percent were cross-border. Europe and Asia accounted for the largest cross-border stablecoin gross flows. However, relative to GDP, flows were highest in the Americas and the Caribbean. Using cumulative net inflows as a proxy, emerging market and developing economies accounted for three-quarters of estimated stablecoin holdings.

Decentralized Finance (DeFi) activity also strengthened over the last quarter. Total value locked (TVL) increased by 38 percent, likely reflecting rising crypto asset prices, along with renewed DeFi lending and borrowing.

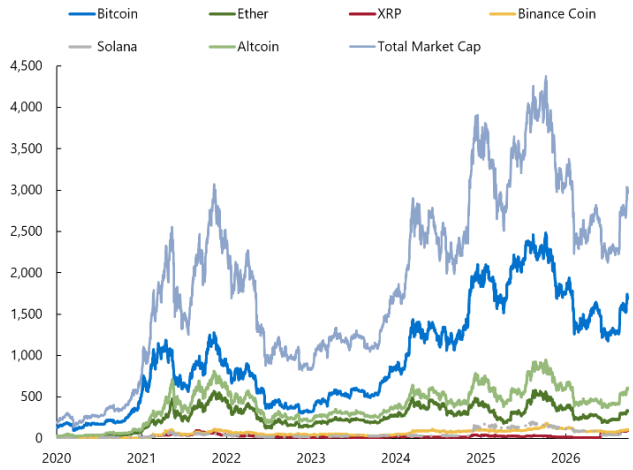
The tokenized assets market more than doubled from last year to reach nearly USD 60 billion by June 2026. Tokenized repo has scaled rapidly, with average daily volumes of around USD 300 – 350 billion. However, tokenized repo activity remained concentrated among affiliated entities and has yet to replicate the broader economic functions of traditional repo markets, according to the October 2026 Global Financial Stability Report Chapter 3 and a new chapter of the IMF Central Bank Digital Currency Handbook.

[1] On September 17, the SEC issued five-year conditional exemptive relief for "Tokenized Securities Venues," while CFTC staff issued a no-action position for providers of passive software with respect to the requirement to register as introducing brokers.

Market Update

Crypto assets recovered from early-Q3 lows amid clearer regulatory guidelines and growing crypto ETP inflows.

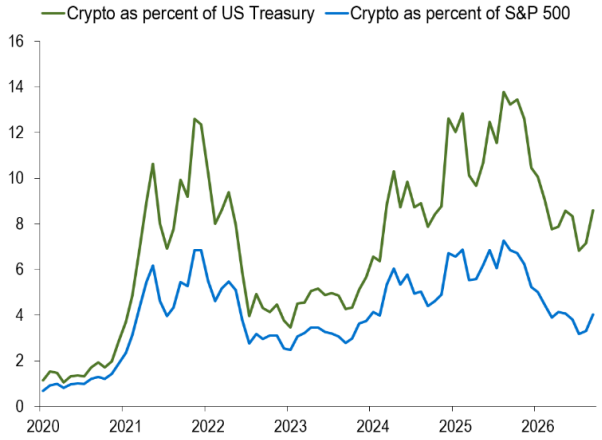
1. Selected Crypto Assets Market Cap (in USD billions)



- Total crypto market capitalization increased by 36.3 percent in Q3, from USD 2.2 trillion at end-June to almost USD 3.0 trillion by end-September.
- Bitcoin's market capitalization rose by 39.1 percent, while Ether and the broader altcoin market increased by 68.9 percent and 56.5 percent, respectively.
- The rally accelerated in August, coinciding with clearer regulatory guidelines and strong inflows into crypto ETPs (Chart 3), which may have supported renewed interest in crypto assets.

The market capitalization of crypto assets amounted to 4 and 8 percent of those of the U.S. equity and debt markets.

2. Market Cap of Crypto Assets Relative to the S&P 500 and U.S. Treasury Debt Markets (in percent)

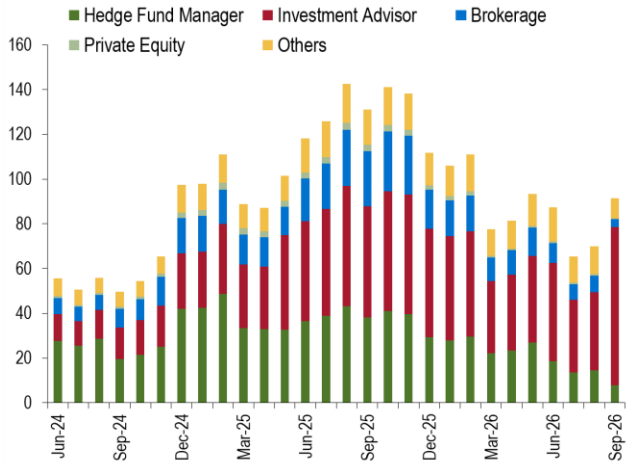


- Crypto market capitalization was equivalent to 4 percent of the S&P 500's market capitalization and 8 percent of the U.S. Treasury debt market, respectively.

Crypto Adoption

Holdings in major Bitcoin ETPs increased in Q3 driven by investment advisor demand

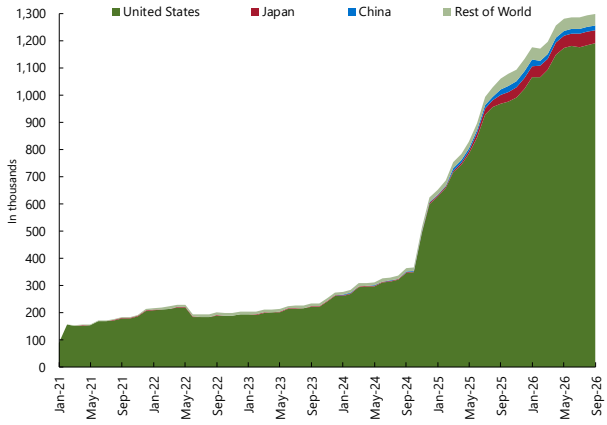
3. Total Assets of Major Bitcoin Exchange-Traded Products (ETPs) by Investor Type
(in USD billions)



- Holdings in the five main Bitcoin ETPs have declined from their mid-2025 peak. However, holdings have increased from July to September on the back of demand from investment advisors.

Corporate Bitcoin holdings gradually increased, with over 90 percent held by U.S. companies.

4. Corporate Bitcoin Holdings by Country
(Thousands of Bitcoins)

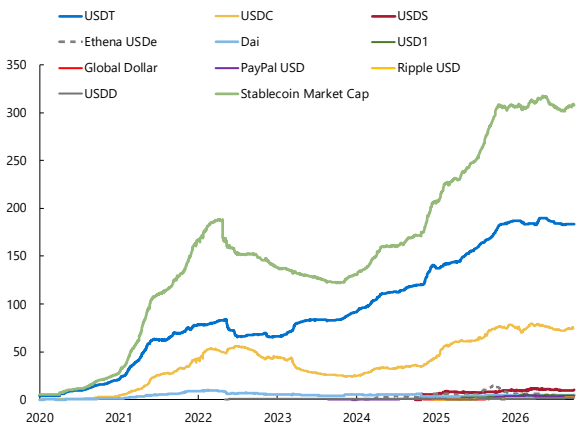


- Corporate Bitcoins holdings remained highly concentrated, with firms such as Strategy representing a substantial share of corporate Bitcoin treasuries. Despite some sales during the summer, Strategy's net Bitcoin holdings increased over the quarter. Outside the U.S., Japan also maintained a notable corporate Bitcoin presence.

Stablecoins

Stablecoin market capitalization remains broadly stable.

5. Selected Stablecoin Market Cap
(in USD billions)

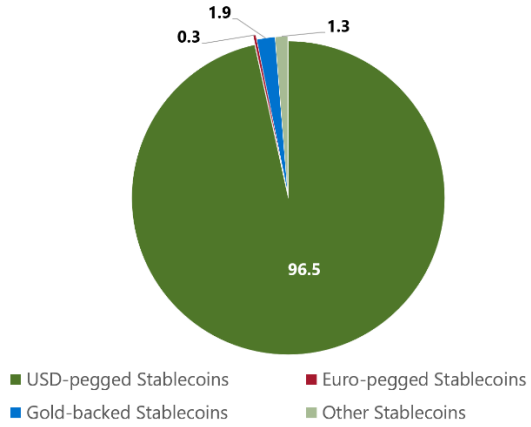


- The stablecoin market contracted through July and into mid-August before recovering over the remainder of Q3. Aggregate market capitalization ended the quarter at about USD 308 billion, virtually unchanged from end-June.

- The total circulation of USDT declined by 1.2 percent to USD 183.8 billion, while that of USDC increased by 1.0 percent to USD 74.4 billion, leaving their respective market shares broadly stable at around 60 percent and 24 percent.

USD-pegged stablecoins remained dominant.

6. Stablecoin Market Capitalization by Reference Asset
(in percent)

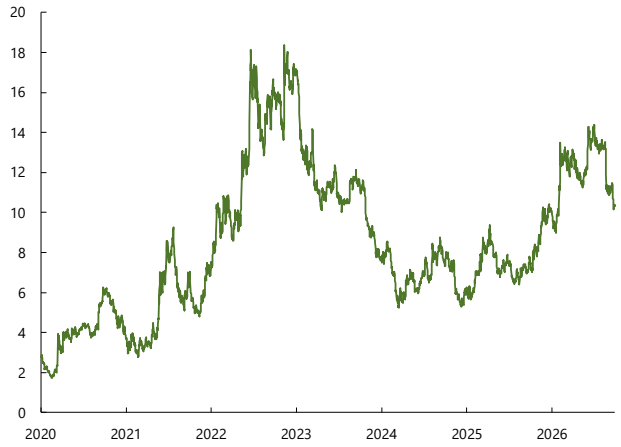


- Stablecoin markets continued to be dominated by USD-pegged stablecoins, accounting for over 95 percent of market share. Commodity-backed stablecoins, such as gold-backed ones, accounted for 2 percent of the market while euro-pegged stablecoins represented less than one percent.

Stablecoins declined to 11 percent of total crypto market cap in Q3 2026.

7. Stablecoin Share in Total Crypto Market Cap

(in percent)

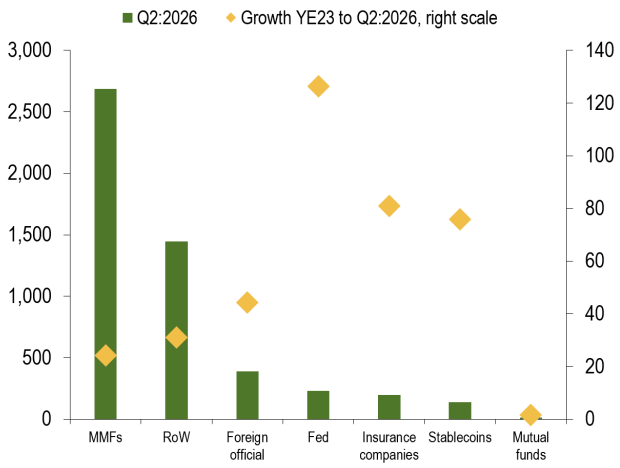


- Although stablecoin market capitalization remained broadly stable, the share of stablecoins in total crypto markets declined from 14 percent in Q2 to 11 percent in Q3, as the broader crypto market expanded.

Stablecoin holdings still represent a small share of the outstanding U.S. treasury bills.

8. Ownership of U.S. Treasury Bills (T-bills)

(in USD billions, lhs; percent, rhs)

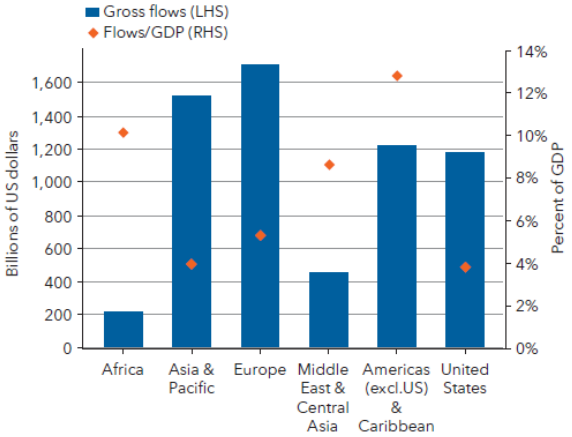


- Holdings of T-bills by the two largest stablecoins (USDT and USDC) have grown by over 75 percent since year-end 2023, while other major holders have recorded more modest growth. The growth was primarily driven by increased issuance of USD-pegged stablecoins.

- Nevertheless, those stablecoin issuers account for a small share (2 percent) of total outstanding T-bills, compared with 41 percent held by Money Market Funds.

Although Europe and Asia account for the largest cross-border gross flows, flows relative to GDP are highest in the Americas and the Caribbean.

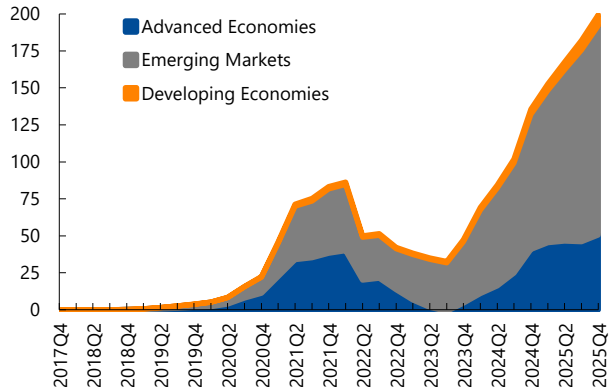
9. Regional Gross Cross-Border Stablecoin Flows (2025) (in USD billions, lhs; in percent of GDP, rhs)



- Gross stablecoin flows reached an estimated USD 7 trillion in 2025, of which roughly 90 percent were cross-border. Gross cross-border flows are highest in Europe, Asia and the Pacific, and the Americas and the Caribbean, and lowest in the Middle East and Central Asia and Africa in 2025.[2]
- Relative to GDP, the Americas and the Caribbean record the highest flows, followed by Africa and the Middle East and Central Asia.
- Further findings, analysis, and policy considerations are available in the newly released Departmental Paper on Foreign Currency Stablecoins and Working Paper on international stablecoin flows, capital controls, and currency crises (Reuter, 2026).

Emerging markets and developing economies together account for the largest share of estimated stablecoin holdings, using cumulative net inflows as a proxy.

10. Stablecoin Holdings by Country Income Group (in USD billions)



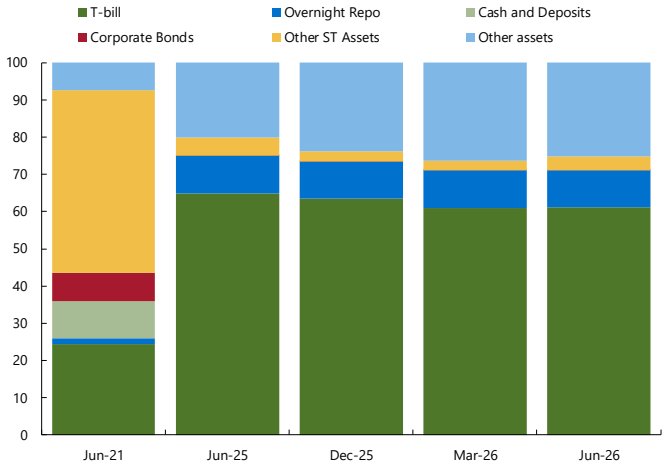
- While gross flows split roughly 56/44 between advanced and emerging economies, cumulative net inflows since December 2017 suggest that stablecoin holdings have accumulated more strongly in emerging markets and developing economies (EMDEs), which are estimated to hold three quarters of stablecoins.[3]
- This pattern is consistent with stablecoins serving as a store of value in EMDEs (Adrian et al., 2025).

[2] Gross stablecoin flows refer to on-chain transfers of stablecoins involving centralized exchanges and active self-custodial wallets. They exclude decentralized finance (DeFi) activity, automated trading, and operational transfers within exchanges. Cross-border stablecoin flows are transfers between wallets estimated to be located in different countries. See Reuter (2026) for methodological details.

[3] The dataset estimates total holdings of roughly USD 200 billion at end-2025, representing 78 percent of USDT and USDC outstanding at that time. The estimates do not capture other stablecoins or activity on certain blockchains or through entities such as OTC desks.

USDT's backing remained concentrated in U.S. Treasuries and repos, while precious metals and other assets accounted for around 30 percent of total reserves.

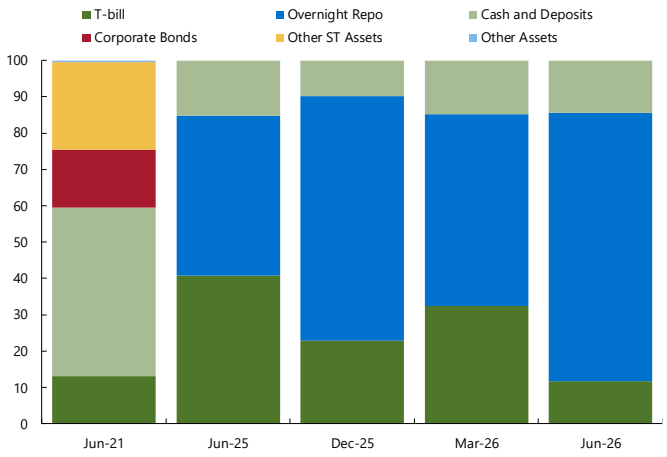
11. USDT Asset Backing (in percent)



- U.S. Treasury bills and overnight reverse repos remained the largest component of USDT's reserve assets, accounting for around 70 percent of total reserves. The remaining 30 percent includes precious metals (10 percent), secured loans (7 percent), Bitcoin (3 percent) and other risky assets.

USDC's reserves became increasingly concentrated in U.S. overnight reverse repos, while the share of U.S. Treasury bills declined.

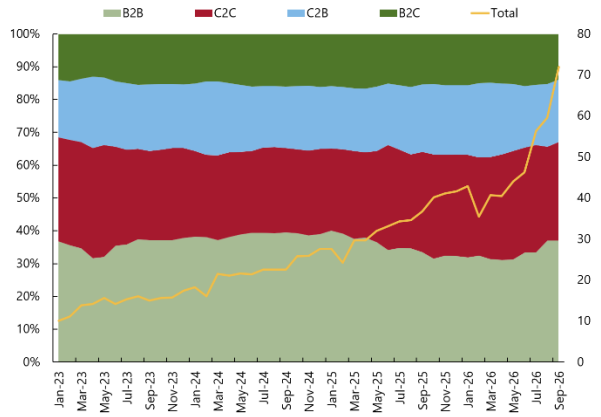
12. USDC Asset Backing (in percent)



- Overnight U.S. Treasury reverse repos remained the largest component of USDC's reserve assets, accounting for around 74 percent, an increase from 52 percent in March 2026. Over the same period, the share of U.S. Treasury bills declined from 32 percent to 11 percent.
- Cash and deposits remained at 14 percent of total assets.

Stablecoin payment value increased in Q3, led by B2B and C2C use cases.

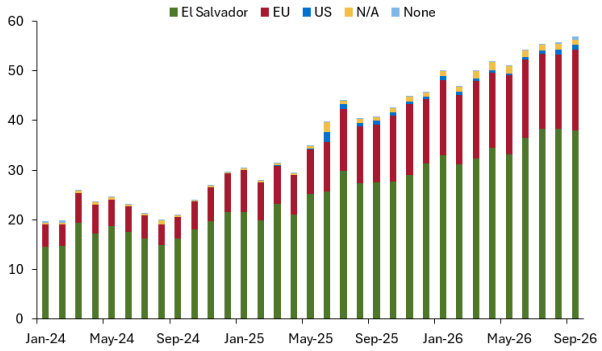
13. Stablecoin Payment Value and Use Case Composition (in percent, lhs; in USD billions, rhs)



- Stablecoin payment values rose by 28 percent in Q3 2026 to exceed USD 70 billion in September 2026, albeit from a low base. Business-to-business (B2B) transactions accounted for the largest market share (37 percent).
- Customer-to-customer (C2C) flows, including remittances, remained the second-largest use case (30 percent of total value), followed by customer-to-business (C2B) (19 percent), and business-to-customer (B2C) (14 percent) use cases.
- Note: The estimates of stablecoin payment flows use behavioral pattern analysis, entity labels and cross-referencing against external data sources.

The number of active stablecoin addresses has steadily increased.

14. Number of Active On-chain Addresses by Jurisdiction That Have Transferred or Tracked Stablecoins (in millions)

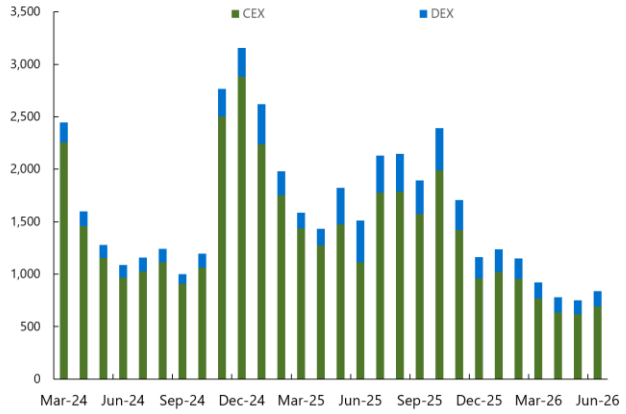


- The estimated number of active stablecoin addresses has increased steadily over time, reaching nearly 60 million globally.
- Although El Salvador and the EU account for the largest shares of active stablecoin addresses, this does not necessarily reflect the geographic distribution of stablecoin holdings or usage. Active addresses can reflect cloud servers, VPNs, exchange infrastructure and custodial wallet providers rather than the location of beneficial owners.

Decentralized Finance (DeFi)

Declines in spot trading volumes of centralized and decentralized exchanges continued in Q2 2026, with centralized exchanges remaining dominant.

15. Spot Trading Volume of Centralized Exchanges (CEXs) vs Decentralized Exchanges (DEXs)
(in USD billions)



- The quarterly average spot trading volume of the top 10 CEXs and DEXs has declined by almost 30 percent since Q1 2026. Centralized exchanges' trading volume has declined faster than that of decentralized exchanges.
- The market share of CEXs remained around 83 percent while DEXs accounted for 17 percent of the market share.

DeFi total value locked (TVL) reversed the declines, increasing by 38 percent in Q3 2026.

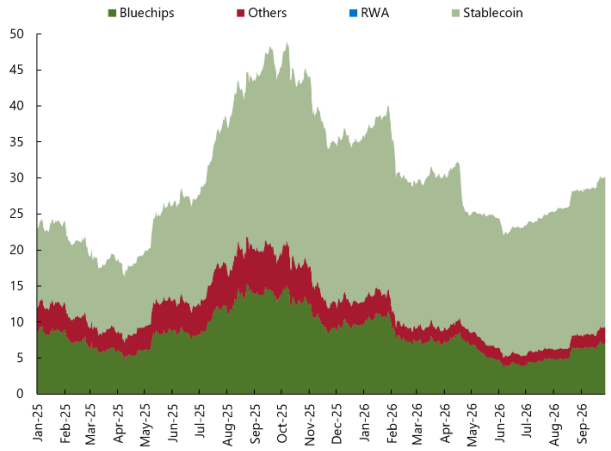
16. Total Value Locked in DeFi
(in USD billions)



- The increase in DeFi total value locked in Q3 2026 may reflect a combination of rising crypto asset prices and renewed activity in lending, borrowing, and staking protocols.

DeFi borrowing activity recovered in Q3 2026, with stablecoins dominating outstanding loans.

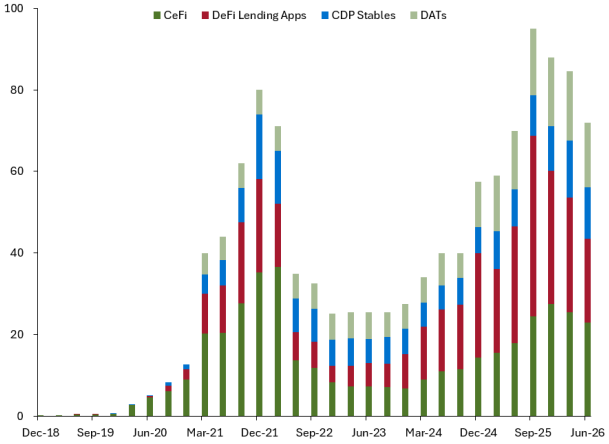
17. DeFi Outstanding Loans by Asset Type
(in USD billions)



- Outstanding DeFi borrowing grew from around USD 23 billion to USD 30 billion in Q3 2026, an increase of 29 percent, likely driven by higher crypto asset prices, which boosted collateral values and borrowing capacity across lending protocols.
- Stablecoins remained by far the largest category of assets borrowed.
- Note: “Bluechips” refers to the common versions of Bitcoin and Ether in DeFi lending.

Leverage in the crypto ecosystem has fallen for three consecutive quarters.

18. Outstanding Crypto-Related Debt by Source
(in USD billions)

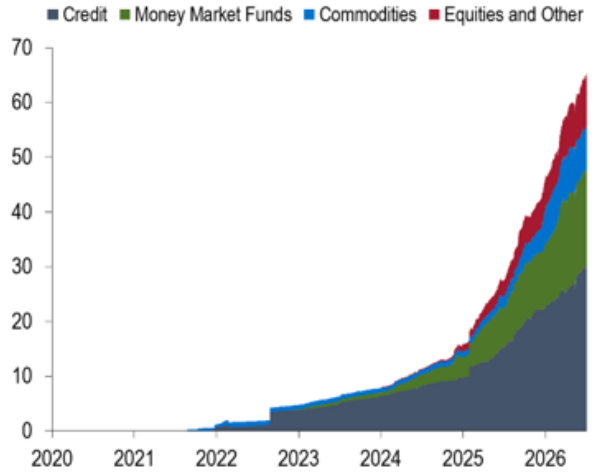


- Since peaking in the third quarter of 2025, leverage has fallen significantly, mostly because of a reduction in credit extended through DeFi lending applications.

Tokenization

The tokenized asset market more than doubled from a year earlier, reaching nearly USD 60 billion by June 2026.

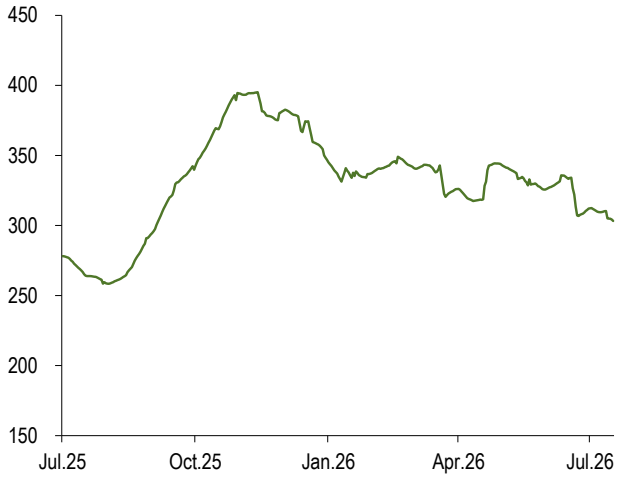
19. Market Capitalization of Tokenized Assets (in USD billions)



- See Global Financial Stability Report October 2026: Scaling Tokenization: New Efficiencies, New Vulnerabilities.
- Note: The data includes 1) asset tokens using public blockchains as a distribution layer, enabling on-chain investors to subscribe and trade the tokens directly via wallets or custodians, and 2) asset tokens using public blockchains as a recordkeeping layer for data transparency and operational efficiency without enabling on-chain transferability or distribution to investors. The data excludes the use of asset tokens for repurchase agreements (totaling around USD 350 billion).

Tokenized repo has scaled rapidly, but renewed growth will depend on broader market adoption.

20. Tokenized Repurchase Agreement Transaction Volumes (in USD billions)



- Tokenized repos now span USD 300-350 billion in 30-day average daily volume and are predominantly used by institutional investors. By digitizing and automating collateral-related workflows, tokenized repo platforms can reduce operational frictions and improve the movement and deployment of collateral across transactions.
- Current tokenized repo networks remain largely concentrated among affiliated entities, and therefore do not yet perform the broader economic functions of traditional repo markets, including providing deep liquidity, facilitating intermediation, and enabling netting across a broad set of counterparties. (see Duffie 2026; Patel and others, 2026; GFSR Ch.3 Box 3.2 for further discussion)
- Embedding tokenization in existing market infrastructure while preserving the liquidity, netting, and broad participation benefits could be an important qualifier for broader participation. Against this backdrop, the efforts by Depository Trust & Clearing Corporation (DTCC) and BNY in the U.S. to integrate existing custody assets with triparty repo infrastructure could serve as a catalyst.

Data sources: Allium; Binance Global; Bloomberg L.P.; CoinGecko; Coinbase; DeFiLlama; EPFR; Federal Reserve Bank of Dallas; Crane Data; and RWA.XYZ.
Additional references: Coinbase and Glassnode, *Charting Crypto Q2 2026*; BDO, *Independent Auditors' Report and Reserves Report (Tether)*; Galaxy Digital, *The State of Crypto Leverage Q2 2026: An Orderly, Measured Decline*; Reuter, *International Stablecoin Flows, Capital Controls and Currency Crises*; IMF, *Foreign Currency Stablecoins: Initial Considerations on Policies to Manage and Enhance Macro-Financial Stability*; IMF, *Global Financial Stability Report, October 2026*, Chapter 3, "Scaling Tokenization: New Efficiencies, New Vulnerabilities"; Patel and others, *Tokenized Reserves and Next-Generation Capital Markets*; and Duffie (2026).