Crypto Assets Monitor

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CRYPTO ASSETS MONITOR HIGHLIGHTS: Q2 2026

Crypto markets remained subdued in Q2 2026 amid continued risk aversion and shifting investor preferences. Total crypto market capitalization declined by about 4.2 percent quarter-on-quarter to USD 2.3 trillion by end-June 2026, extending the correction from its October 2025 peak of USD 4.4 trillion. The market capitalization of crypto assets remained at 4 percent and 8 percent of the U.S. equity and debt markets, respectively. Bitcoin and Ether prices fell by roughly 5 percent and 16 percent, respectively during the quarter. The decline in crypto markets may reflect not only weaker investor appetite for unbacked crypto assets, but also a broader structural shift toward other yield-bearing assets. Factors including the Federal Reserve's hawkish policy signals following the June FOMC meeting, heightened geopolitical uncertainty, and capital rotation toward equities—particularly AI-related sectors—have played a significant role in recent market moves.

Despite subdued market conditions, the blockchain ecosystem continued to mature, supported by growing institutional participation and rising demand for utility-based applications, particularly in the tokenization of real-world assets. The market value of tokenized assets more than doubled year over year to nearly USD 60 billion by June 2026, led primarily by growth in tokenized U.S. Treasuries, asset-backed debt, and commodities.

Corporate Bitcoin holdings continued to rise despite broader crypto market weakness in H1 2026. Growth remained highly concentrated in digital asset treasury companies (DATs), which are publicly listed companies that hold digital assets as a core treasury strategy and a major part of their balance sheet. The rebound in net purchases was dominated by Strategy, which accounted for about 95 percent of net Q2 purchases. Yet, Strategy's valuation discount, ongoing funding needs for its preferred-dividend obligations, and its first Bitcoin sale since 2022 have raised questions about the durability of corporate Bitcoin demand going forward.

Stablecoin market growth plateaued in Q2 2026. Total market capitalization remained stable at around USD 311 billion, with USDT and USDC accounting for about 84 percent of the total market capitalization. USD-denominated stablecoins remained dominant, while euro-pegged and commodity-backed stablecoins represented less than 1 percent and 1.6 percent of the market, respectively. Regulatory developments such as the GENIUS Act and MiCA, together with growing participation by firms such as BlackRock, PayPal, Visa, and Japan's megabanks, supported greater institutional use of stablecoins. At the same time, stablecoin yields continued to be offered primarily through centralized and decentralized platforms rather than direct remuneration by issuers.

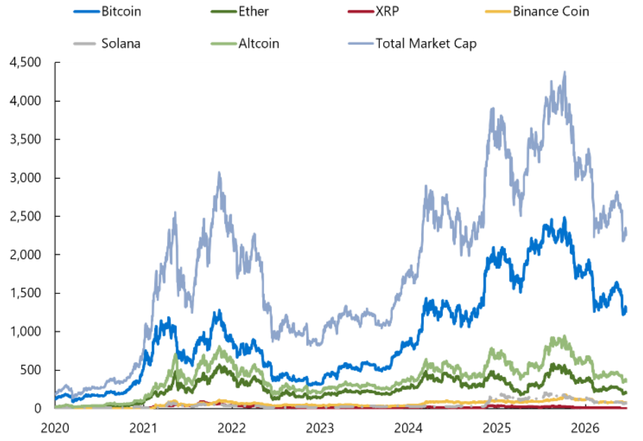
Stablecoin transaction values and use cases have evolved over time. Although starting from a small base, stablecoin payment activities expanded rapidly from 2023 to mid-2026, exceeding USD 50 billion.. Despite this growth, the composition of use cases remained broadly stable. Business-to-business transactions consistently represented the largest share of the total value, followed by customer-to-customer payments, while customer-to-business and business-to-customer activities accounted for smaller but relatively steady shares. By transaction size, USDT was split half and half between retail and large sized transfers, while USDC is more used for larger transfers.

Decentralized Finance (DeFi) activity contracted across the board: DEX spot volume fell by 37 percent in Q1, while outstanding loans and total value locked (TVL) in DeFi declined by about 22 percent in Q2. Stablecoins increasingly dominated the DeFi lending market, accounting for approximately 75–78 percent of all borrowing, as the sector deleveraged through the first half of the year.

Market Update

The total crypto assets market cap slightly declined from the previous quarter to USD 2.3 trillion.

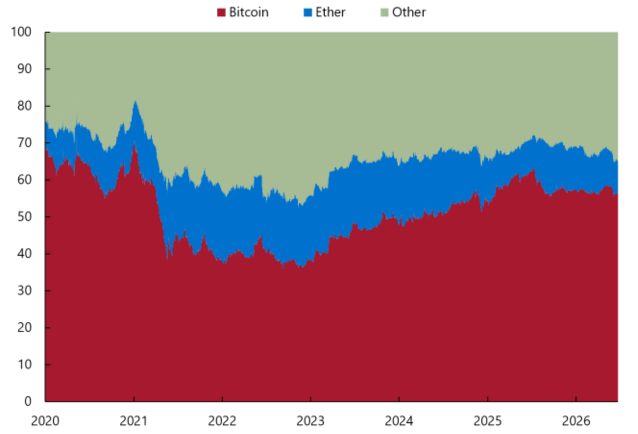
1. Selected Crypto Assets Market Cap (in USD billions)



- Overall, the crypto asset market continued to weaken. The total market capitalization fell by about 5.1 percent QoQ to USD 2.3 trillion as of end-June 2026.
- Bitcoin and Ether prices declined by 5 and 16 percent respectively from last quarter, reflecting persistent risk-off sentiment in crypto markets. As of end-Q2 2026, Bitcoin's market capitalization stands at around USD 1.3 trillion.
- The Fed's hawkish outlook during June's FOMC meeting, geopolitical tensions, and shifting capital toward equities (notably AI-related assets) contributed to outflows from crypto markets.

Bitcoin and Ether's market share remained broadly stable since the beginning of 2026.

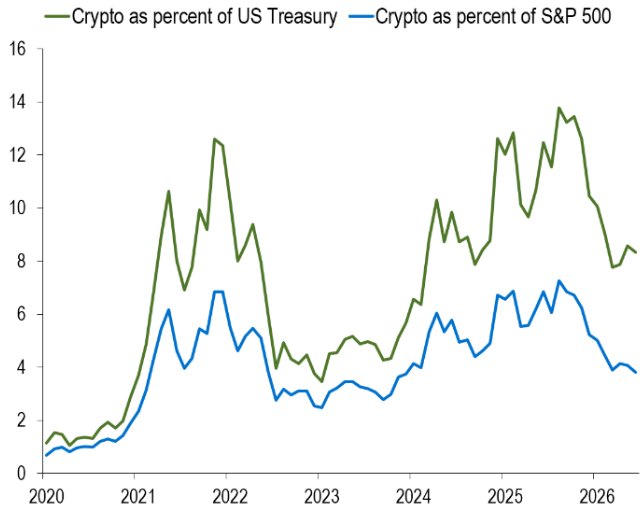
2. Selected Crypto Assets Market Share (in percent)



- While the overall crypto market slightly declined, the shares of both Bitcoin and Ethereum stayed roughly the same since the beginning of 2026 at 56 and 9 percent respectively.

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

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

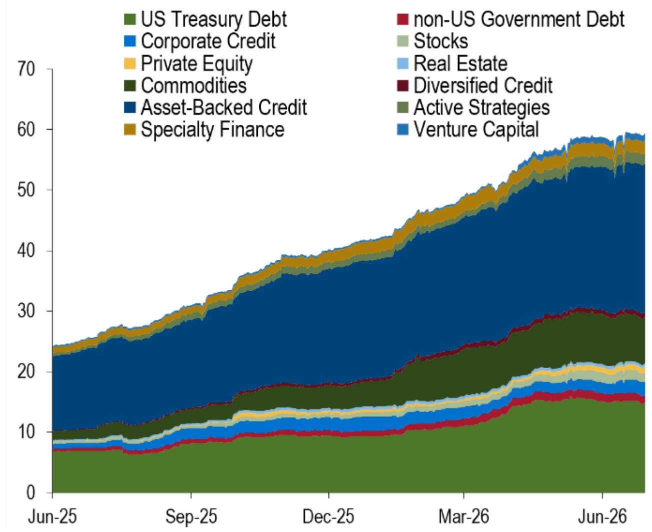


- Despite the decline in crypto asset prices, the sector's aggregate market capitalization remained broadly stable relative to major financial markets. As of June 2026, the crypto asset market capitalization was equivalent to around 4 percent of the S&P 500 market capitalization, unchanged from Q1 2026.

- The crypto asset market capitalization, equivalent to about 8 percent of the U.S. Treasury debt market in June 2026, also remained broadly unchanged from Q1 2026, highlighting that the sector's footprint relative to traditional financial markets remains significant, despite recent price weakness.

The tokenized assets market more than doubled from last year, to reach nearly USD 60 billion by June 2026.

4. Market Cap of Tokenized Asset (in USD Billions)



- Blockchain adoption is beginning to show a trend toward greater institutionalization, deeper liquidity, and a shift toward utility-driven demand, such as tokenization of real-world assets.

- Tokenized assets reached nearly USD 60 billion in market capitalization by June 2026, more than doubling from a year earlier.

- Asset-backed credit—including private credit and on-chain lending ABS—dominated the tokenized market, while tokenized U.S. Treasury debt (tokenized MMFs) recorded the strongest expansion.

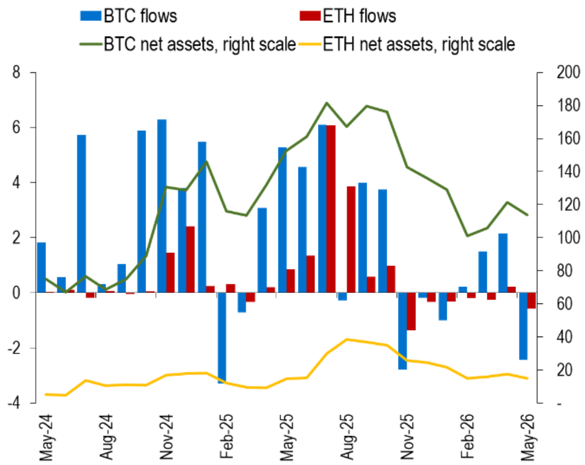
- Other assets also experienced growing issuance, including equities, real estate, commodities, and other alternative assets.

- Note: The data include 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 exclude the use of asset tokens for repurchase agreements (totaling around USD 350 billion).

Crypto Adoption

After strong inflows in mid-2025, Bitcoin and Ether funds have experienced sustained outflows, pushing fund assets below their recent peaks.

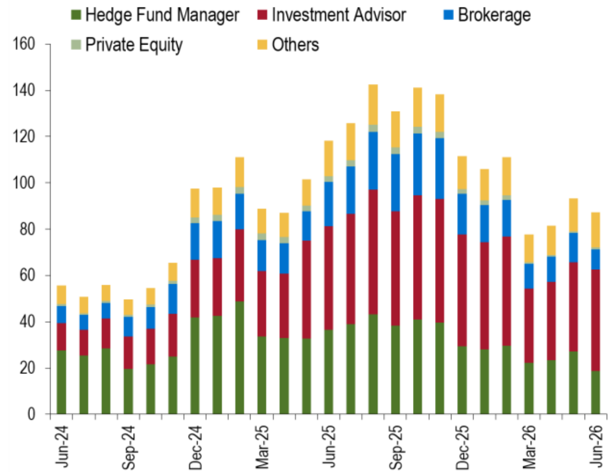
5. Monthly Bitcoin and Ether Fund Flows (in USD billions)



- Flows to crypto-asset-focused funds have turned negative since November, partially offsetting inflows seen earlier.
- The crypto sell-off appeared to be led by institutional investors (see Figure 9).
- These crypto-asset-focused funds directly invest in Bitcoin or Ether, and/or in futures contracts.

Holdings in major Bitcoin ETPs declined from mid-2025 peak as investment advisors and brokerages led the pullback.

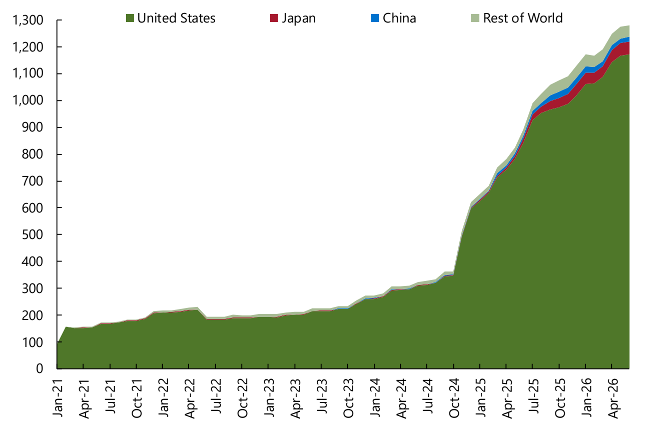
6. Total Assets of Major Bitcoin Exchange-Traded Products (ETP) by Investor Type (in USD billions)



- Holdings in the five main Bitcoin ETPs have decline from their mid-2025 peak, with the pullback concentrated among investment advisors and brokerages, which had previously accounted for mu of the growth.
- As of mid-2026, the investor base remains diversifie but overall positioning has moderated, suggesting some cooling in institutional demand following the earlier surge.

Corporate Bitcoin accumulation continued through the price decline, yet remained narrowly concentrated among US- based digital asset treasury companies (DATs).

7. Corporate Bitcoin Holdings by Country (in thousands BTC)



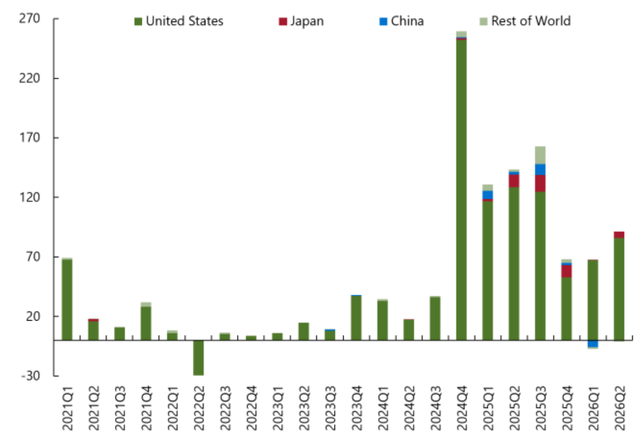
- Despite the broad weakness in crypto markets noted earlier, corporate Bitcoin holdings continued to expand. Aggregate listed-company holdings rose by about 7.6 percent QoQ to roughly 1.28 million BTC (around USD 78 billion) as of end-Q2 2026, equivalent to approximately 6.4 percent of circulating supply.

- Corporate Bitcoin holdings remain highly concentrated in a handful of dedicated digital asset treasury companies (DATs).

- The U.S. accounts for about 92 percent of the total, and Strategy alone holds roughly two-thirds of all corporate Bitcoin, with the top ten holders making up about 86 percent. Outside the U.S., Japan is the only other material holder, almost entirely via Metaplanet, which follows a similar leveraged-treasury playbook to Strategy's.

Driven by Strategy, corporates' Bitcoin transaction rebounded in Q2, underscoring the narrow and fragile base of corporate BTC demand.

8. Corporate Bitcoin Net Transaction by Country (in thousands BTC)



- Listed companies remained net buyers in Q2 2026, adding roughly 90,000 BTC. Activity was overwhelmingly U.S.-driven and effectively concentrated in a single company: Strategy alone accounted for about 95 percent of net Q2 purchases. Excluding it, the rest of the sector was broadly flat, as continued accumulation by other DATs (e.g., Strive, Metaplanet) was largely offset by net selling from miners.

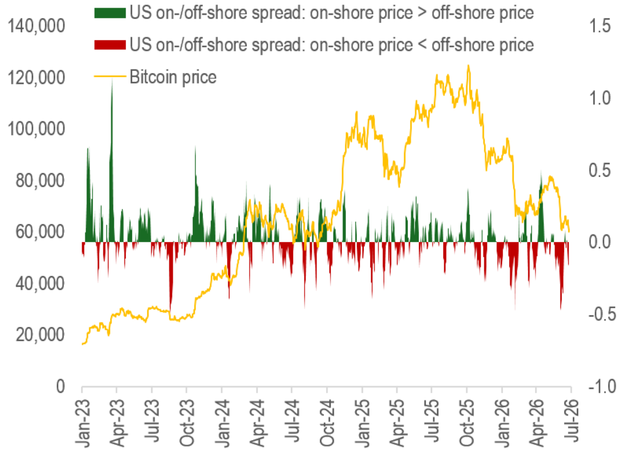
- Despite the fall in Bitcoin's price, corporate net purchases rebounded from the Q4 2025 low of around 68,000 BTC (USD 6.5 billion) to approximately 90,000 BTC (USD 6.6 billion) in Q2 2026.

- This rebound was again largely driven by Strategy, which continued accumulating despite its shares trading at a steep discount to its Bitcoin holding – around 0.6x its market-value holdings, down from a peak of roughly 2.7x in late 2024. In late June the company raised its preferred dividend, announced a Bitcoin "monetization" framework, and disclosed its first Bitcoin sale since 2022 (32 BTC to fund preferred dividends). This step may signal an early strain in the capital-raising model underpinning corporate Bitcoin demand.

Bitcoin on- and off-shore spread suggests US institutional investors likely led the selloff since late last year.

9. Bitcoin Price and US On-/Off-shore Spread

(in US dollars, left scale; percent, log price difference, right scale)



- Because U.S. institutional investors are effectively confined to U.S. onshore or U.S.-regulated trading venues, the price spread between onshore and offshore markets is commonly interpreted as a proxy for U.S. institutional demand.

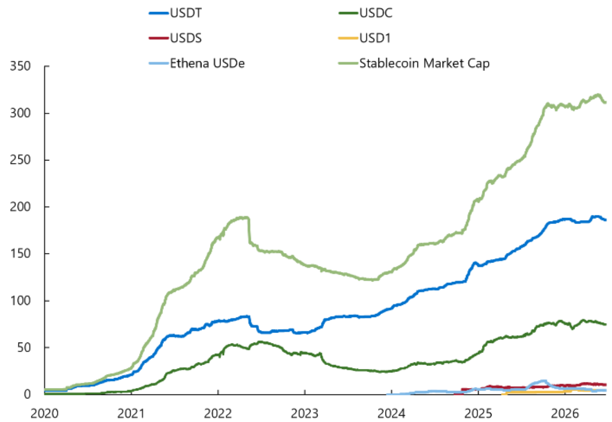
- A persistently negative spread since late last year indicates that U.S. institutional investors likely led the recent sell-offs, unwinding long positions accumulated during the post-2024 U.S. presidential election rally.

- The spread has turned negative again in Q2 2026 after a brief period of positive territory in March, suggesting that U.S. institutional investors remain cautious.

Stablecoins

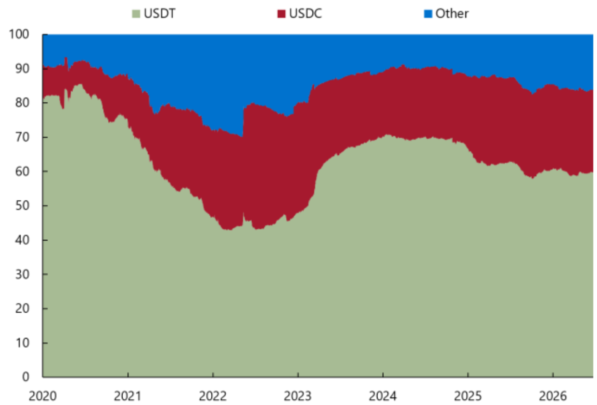
Total stablecoin market cap hovered around USD 310 Billion, marking a stabilization after strong growth.

10. Selected Stablecoin Market Cap (in USD billions)



USDT and USDC continued to dominate, accounting for 84 percent of the total stablecoin market cap.

11. Selected Stablecoin Market Share (in percent)

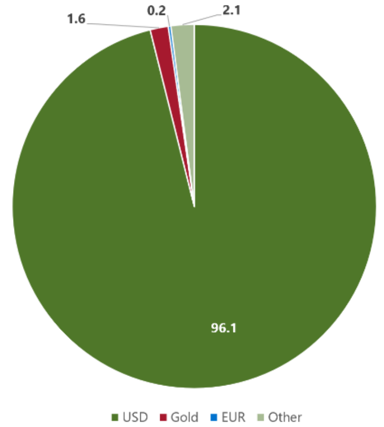


- The total stablecoin market capitalization at the end of Q2 remained largely unchanged from the previous quarter at USD 311 billion.
- Over the same period, the market capitalization for USDT grew by 1.2 percent, while USDC decreased by 3.3 percent.
- Stablecoins continue to serve as a key liquidity parking instrument for crypto trading. At the same time, their role has expanded beyond the DeFi space into payment and settlement infrastructure, supported by growing institutional adoption. This transition has been driven in part by ongoing regulatory developments (e.g., GENIUS Act, MiCA), which have prompted some financial institutions to integrate stablecoins into their operations in a compliant manner.
- Key institutions – including BlackRock, Franklin Templeton, PayPal, Visa, SoFi, and Japan’s megabank consortium – are developing or adopting stablecoins in different service segments, such as payment stablecoins, tokenized Treasury funds, bank-issued “digital dollars,” and yield-bearing on-chain instruments.

- The market remains highly concentrated, with USDT and USDC representing about 84 percent of total stablecoin market capitalization.
- In Q2 2026, USDT continues to dominate globally, with its share broadly unchanged at 60 percent, while USDC remains stable at around 24 percent.
- This largely reflects a bifurcated market between regulated or institution-oriented stablecoins (e.g., USDC and institutional tokens) and offshore or less regulated tokens (e.g., USDT).
- Note: “Others” includes the aggregate share of market capitalization of the stablecoins available in CoinGecko, excluding USDT and USDC.

USD-denominated stablecoins continued to dominate the market, representing 96 percent of market share.

12. Stablecoin Market Capitalization by Pegged Asset (in percent)

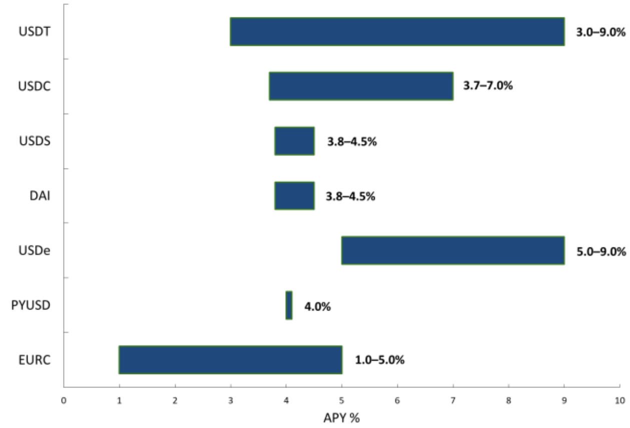


- Stablecoin markets continued to be dominated by USD-pegged stablecoins, while Euro-pegged stablecoins account for less than 1 percent of the market.

- Commodity-backed stablecoins, such as gold-backed ones, represent 1.6 percent of total market size.

While issuers do not remunerate holders on stablecoins, indirect yields are available through third-party centralized or DeFi platforms.

13. Platform-level Yield Ranges across Selected Major Stablecoins (in percent)



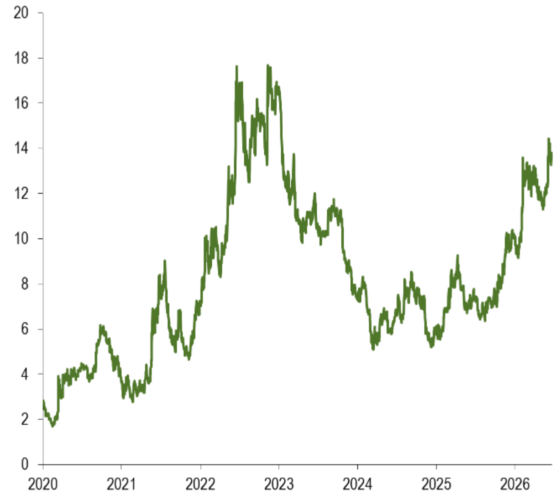
- Stablecoin issuers generally do not remunerate holders directly; observed returns are generated through platform-based activities, including exchange reward programs, DeFi lending, and yield-bearing wrappers.

- Indicative yield ranges vary across stablecoins and reflect differences in usage, liquidity, and integration across platforms, rather than intrinsic characteristics of the underlying tokens.

- Note: Ranges are constructed from selected, publicly observable offers across major platforms as of June 2026 and do not represent market-wide averages or directly comparable returns across products. Several of these rates move with short-term interest rates, funding markets, or platform promotions and can shift materially within weeks.

Stablecoins reached 14 percent of total crypto market cap in Q2 2026.

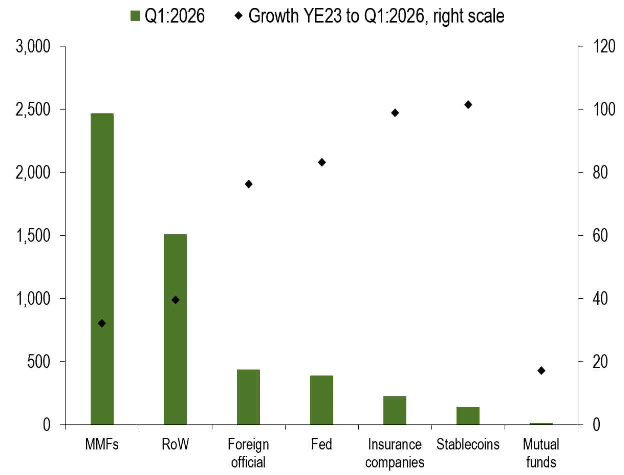
14. Stablecoin Share in Total Crypto Market Cap
(in percent)



- After rising sharply from around 4 percent of the total crypto market in 2020 to a peak near 18 percent in 2022, the share of stablecoins declined through 2023 and 2024 to roughly 7 percent, before rebounding steadily during 2025 and reaching about 14 percent by mid-2026.
- While the stablecoin market capitalization itself has remained relatively stable, much of the fluctuation in this ratio appears to be driven by changes in the overall crypto market capitalization.

Stablecoins' holding represented only 2 percent of the outstanding U.S. treasury bills, despite strong.

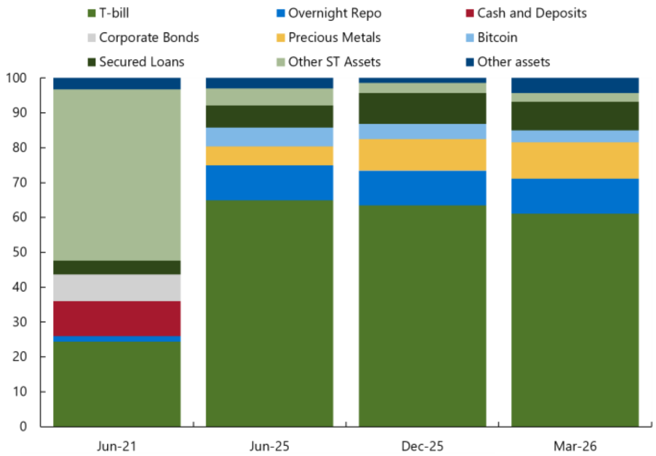
15. Ownership of U.S Treasury Bills (T-bills)
(in USD billions and percent)



- Holdings of T-bills by the largest T-bills holding stablecoins (USDT, USDC, RLUSD, USDG and PYUSD) have grown by almost 100 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. Meanwhile, MMFs tower over other holders (41 percent).

USDT's backing remained concentrated in U.S. Treasuries and repos, while exposure to precious metals and other assets grew slightly.

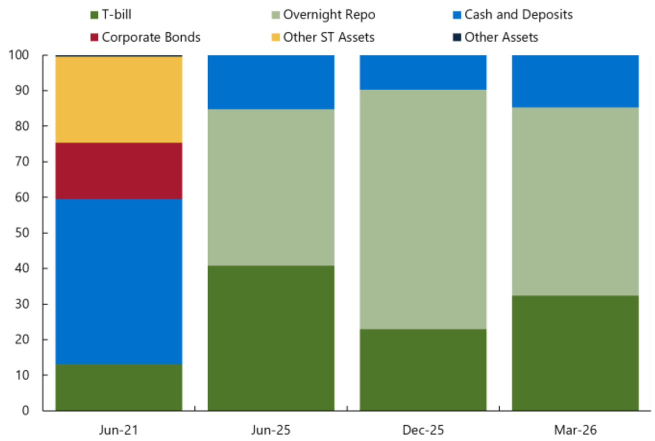
16. USDT Asset Backing (in percent)



- As of March 2026, U.S. Treasury bills remained the largest component of USDT's reserve assets, accounting for around 61 percent, a slight decline from 63 percent at end-2025.
- Other key components included overnight reverse repos and precious metals, each comprising about 10 percent of reserves, while Bitcoin accounted for approximately 3 percent.

USDC's backing continued to be dominated by overnight repos but declined from the end of 2025, replaced by increasing porting of T-bills and cash and deposits.

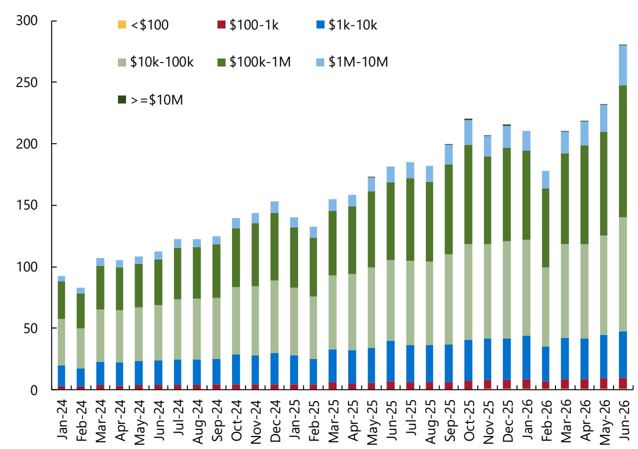
17. USDC Asset Backing (in percent)



- As of March 2026, overnight U.S. Treasury repos remained the largest component of USDC's reserve assets, accounting for around 53 percent, down from 67 percent at end-2025, reflecting a rebalancing toward other short-term, highly liquid assets including T-bills, cash and deposits.
- Around 80 percent of reserve assets mature within one to seven days, supporting liquidity for redemptions and alignment with regulatory expectations.

USDT's transfer value has expanded steadily, with the retail-sized transactions accounting for around half of total transfer value.

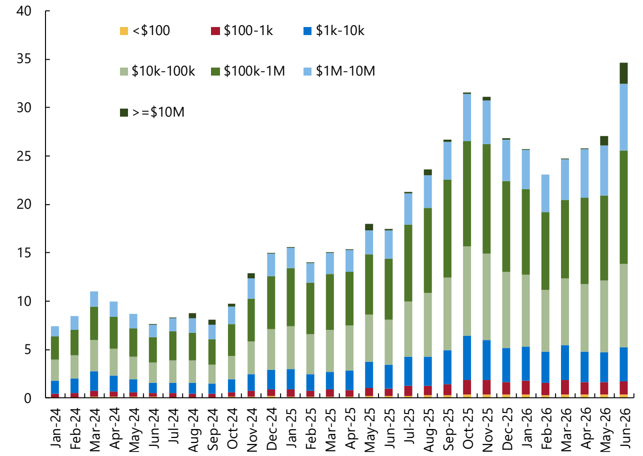
18. USDT Transfer Value by Sizes (in USD billions)



- USDT's organic transfer value nearly tripled from early-2024 along a smooth, low-volatility uptrend. Retail-sized transfers (less than USD 100k) account for half of the total value, while the under-1M baskets dominate USDT at nearly 90% of total value.
- USDT's total transfer value remains roughly an order of magnitude larger than USDC's, indicating a substantially larger overall transaction footprint. Its transfer value is spread across a broader range of transaction sizes, whereas USDC's transfer mix is increasingly tilted toward large-value transactions.
- Separately, Tether's exploration of a Georgian lari-pegged stablecoin points to its growing interest in emerging-market use cases.
- Note: The USD 100k cutoff is used by the FSB to distinguish retail from wholesale payments for the purpose of monitoring progress under the G20 cross-border payments roadmap.

USDC's transfer value grew fast but volatile, with the large-sized transfer outpacing all others.

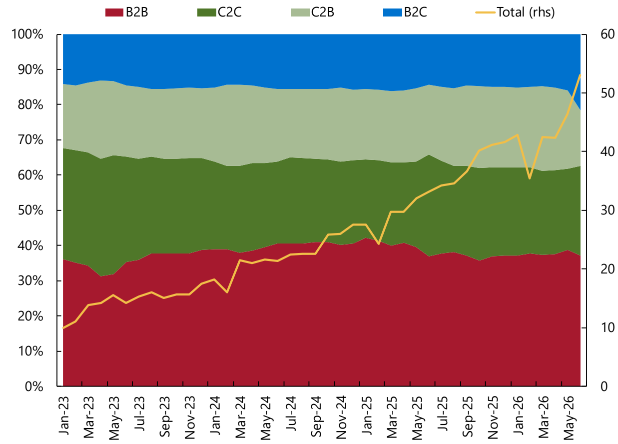
19. USDC Transfer Value by Sizes (in USD billions)



- USDC is the smaller, faster-moving, yet more volatile rail. Its transfer value grew ~4.7x, from ~7 Billion in early-2024 to roughly 35 Billion in mid-2026.
- Growth was led by the large end – the larger the basket, the faster it grew: $1M-$10M band rising ~6x. USDC has also developed a new above-$10M tier that USDT effectively lacks.
- The backbone remained mid-to-large settlement, ($10k-$1M, ~60% of value), and unlike USDT's even split, USDC's value skewed towards $100k (60%), reflecting a more institutional, large-transfer profile.
- Note: The figure reflects the organic flow only. For USDC, Solana is additionally excluded, as Solana USDC shows a programmatic pattern (single-used wallets making one-time large transfers).

Stablecoin payment's value increased significantly over time with B2B being a dominating use case.

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



- While remaining a relatively small market segment, stablecoin payment values rose steadily from 2023 to mid-2026, exceeding USD 50 billion despite periods of short-term volatility.

- Business-to-business (B2B) transactions have consistently been the largest payment use case, accounting for roughly 35–40 percent of total value throughout the period. Customer-to-customer (C2C) flows (e.g., remittances) remained the second-largest category, generally representing around one-quarter of total value.

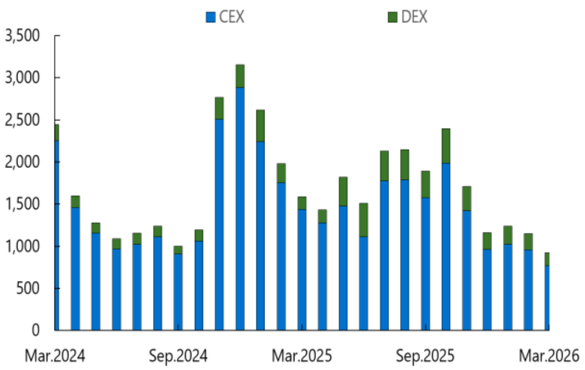
- Other use cases have remained comparatively stable: Customer-to-business (C2B) payments accounted for around 20–25 percent of total value, while business-to-customer (B2C) payments remained broadly flat at about 15 percent throughout the sample.

- Note: The data reflects estimates of stablecoin payment flows using behavioral pattern analysis, entity labels, cross-referencing against external data sources, and validation through discussions with industry participants.

Decentralized Finance (DeFi)

Spot trading volumes of centralized and decentralized exchanges experienced sharp declines in Q1 2026, with little changes to the market composition.

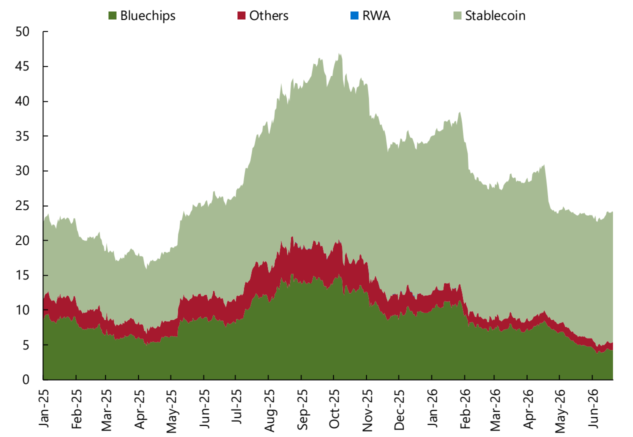
21. Spot Trading Volume of Centralized Exchanges (CEXs) vs Decentralized Exchanges (DEXs) (in USD billions)



- The average monthly spot trading volume of the top 10 CEXs and DEXs reached USD 1.1 trillion in Q1 2026, declining sharply by 37 percent from Q4 2025.
- Amid declining trading volumes, the market share of CEXs stabilized around 83 percent while that of DEXs slightly declined to below 17 percent.

DeFi borrowing and lending both declined, with activity becoming increasingly concentrated in stablecoin.

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



- DeFi borrowing outstanding fell sharply in mid-April 2026, declining from around USD 30 billion to USD 24 billion (down 20 percent) within a week, driven primarily by stablecoin deleveraging. Loans then stabilized around USD 23 billion through May and June, remaining about 25 percent below the early-April level.
- Stablecoins remained by far the largest category of assets borrowed, with their share rising to roughly 75–78 percent by mid-2026, while borrowing of bluechip crypto assets (WETH, wstETH, and WBTC) kept shrinking. This is consistent with on-chain lending becoming an increasingly stablecoin-denominated credit market.
- Note: “Bluechips” is the narrow BTC/ETH basket, consisting of WETH, wstETH, and WBTC. Other liquid-staked or wrapped variants such as cbETH, rRTH, and tBTC are not included and are classified under “Others”.

DeFi total value locked (TVL) declined through H1 2026, roughly halving from its September 2025 peak.

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

- DeFi TVL continued to decline through Q2 2026, falling by about 22 percent from roughly USD 92 billion at end-March to about USD 72 billion in June, extending the slide from the September 2025 cycle peak of about USD 156 billion, and leaving TVL at roughly half that peak.

- The contraction broadly mirrors the fall in outstanding DeFi loans (Figure 22): both peaked around September 2025 and have roughly halved since, consistent with lower crypto-asset valuations and continued deleveraging across the sector in the first half of 2026.

Sources: Allium, Binance Global, Bloomberg L.P., Coinbase + Glassnode: Charting Crypto Q2 2026, CoinGecko, Coinbase, DefiLlama, EPFR, Federal Reserve Bank of Dallas, Crane Data, BDO Independent Auditors' Report on the Financials, Figures, and Reserves Report (Tether), and RWA.XYZ.