

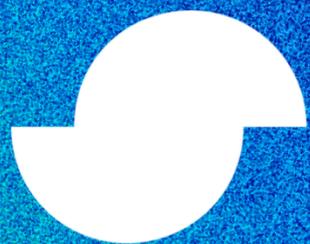
STABLECOIN



Artemis

USA Q1 REPORT | 2026

The State of Stables



STATE OF STABLES

Contents

-
- 3 Introduction
 - 4 Market Landscape
 - 5-10 Stablecoin Data
 - 11-12 Quarterly Zeitgeist
 - 13-15 CEO Profile
 - 16 Policy Corner

STABLECON

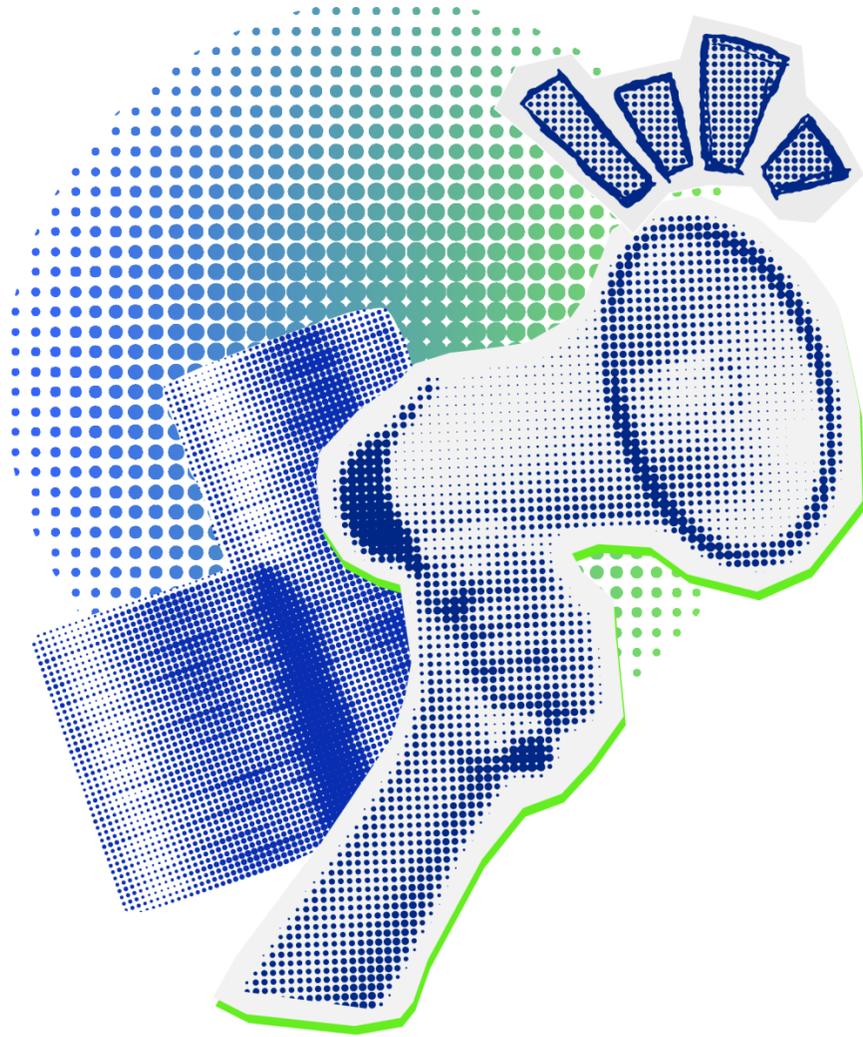
Stablecon is the #1 conference and media platform on stablecoins. Stablecon connects fintech, crypto, and financial services leaders to redefine the global movement of money. We serve as a springboard for the next era of payments and finance, driving the adoption of stablecoin infrastructure to build a more efficient and integrated global economy.



Artemis is building the open data platform for digital finance, providing institutional-grade tools to standardize metrics for blockchains and stablecoins. Artemis empowers leading fintechs, payment processors and investment funds with the data necessary to realize the promise of an open financial system.

STATE OF STABLES

Introduction



In the fast-moving world of payments technology, the term paradigm shift is commonly used and reused for new product primitives. Even so, it's rare to see examples of truly paradigmatic technology.

A true paradigm shift occurs when a new development forces us to fundamentally change our underlying assumptions about what is possible. Stablecoins meet that standard.

Much has already been written about the more prosaic advantages of stablecoins: faster, atomic settlement, cross-border functionality, lower transaction costs, and elimination of counterparty risk and foreign exchange risk. But the most compelling features of stablecoins are those that are still unexplored. Stables collapse the distinction between money as a form of payment, a unit of account, and a store of value. The same token can function as a bond issuance in one wallet and a bill payment in another. They are programmable and machine-readable, so they can be built intelligibly into the workflows of agentic users - which will soon be the dominant internet user type. And they are fungible enough to let users create more fluid digital financial instruments, lowering the barriers to economic participation in ways that we are just beginning to understand.

Stablecoins today are still skeuomorphic. Most developers retrofit them into the financial flows originally designed for analog payment methods.

Electricity was similar: Commercial electricity was broadly available for 30 years before manufacturing transitioned away from steam power, because in order to convert, factories had to be rebuilt from the ground up. It wasn't possible to retrofit electricity into steam engines.

The global payments architecture is due for a redesign.

It's impossible to know today what the legacy of stablecoins will be. Entrepreneurs have barely begun to challenge the dominant paradigms in payments that we've come to accept. We are still scratching the surface. But little by little, visionaries will tear down what we thought was possible and build a better version of the future using stablecoins.

Which brings us to this report.

The goal of The State of Stables - brought to you by Stablecon and Artemis - is to track the paradigm shift as it unfolds.

Each quarter, we'll unpack the data and the trends that characterize this fast-moving technology, profiling the entrepreneurs behind the technology, the new product types they bring to life, the way those products change the world around them, and the evolution of regulation, which may sometimes enable and sometimes discourage these new solutions.

What's past is prologue,
Nik Milanović, Stablecon & Anthony Yim, Artemis

MARKET LANDSCAPE

An incomplete map of the crypto card universe

Rain

Baanx

Gnosis Pay

Bridge

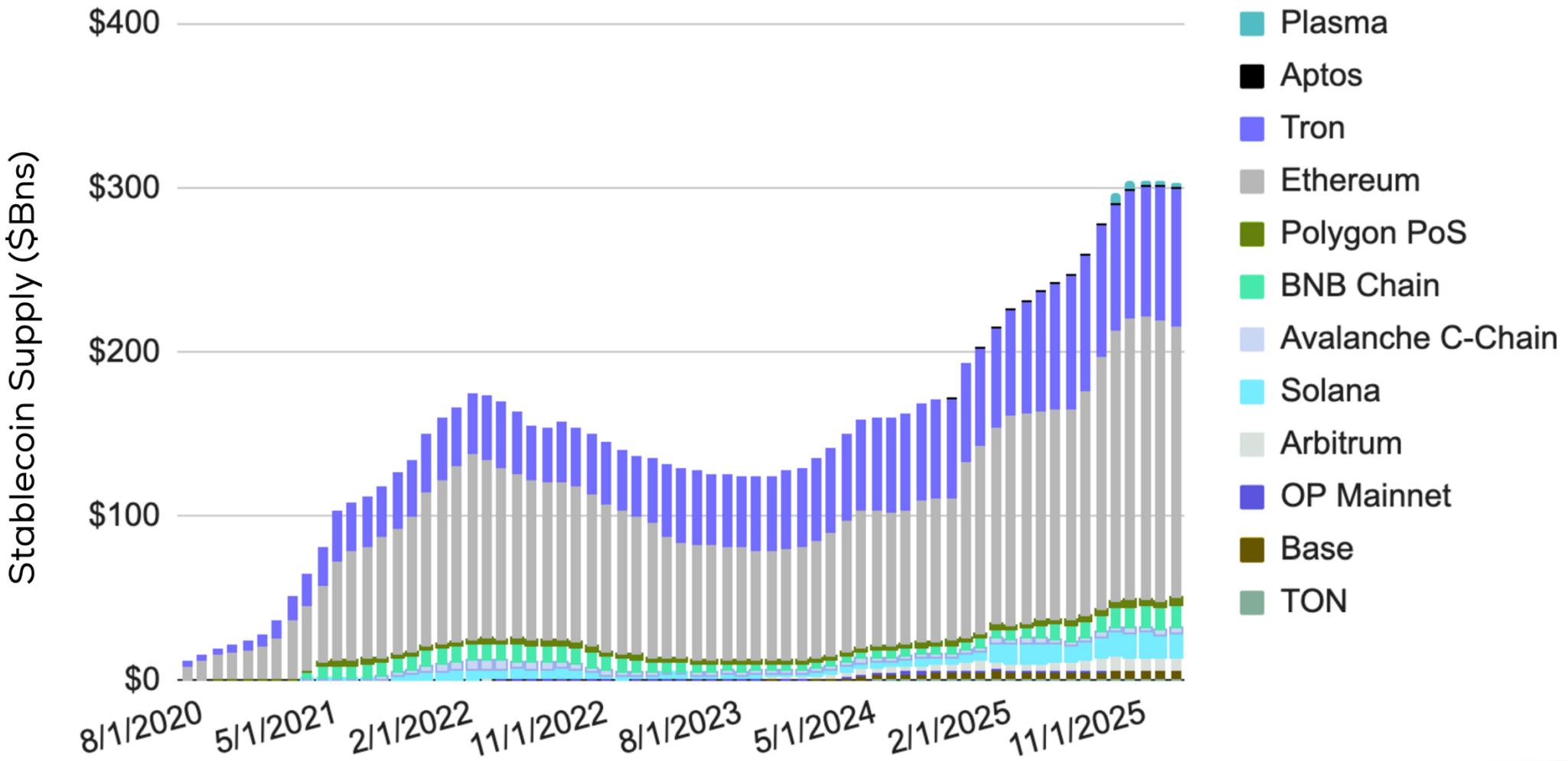
Wirex

Kulipa

STABLECOIN DATA

Circulating Supply by Chain

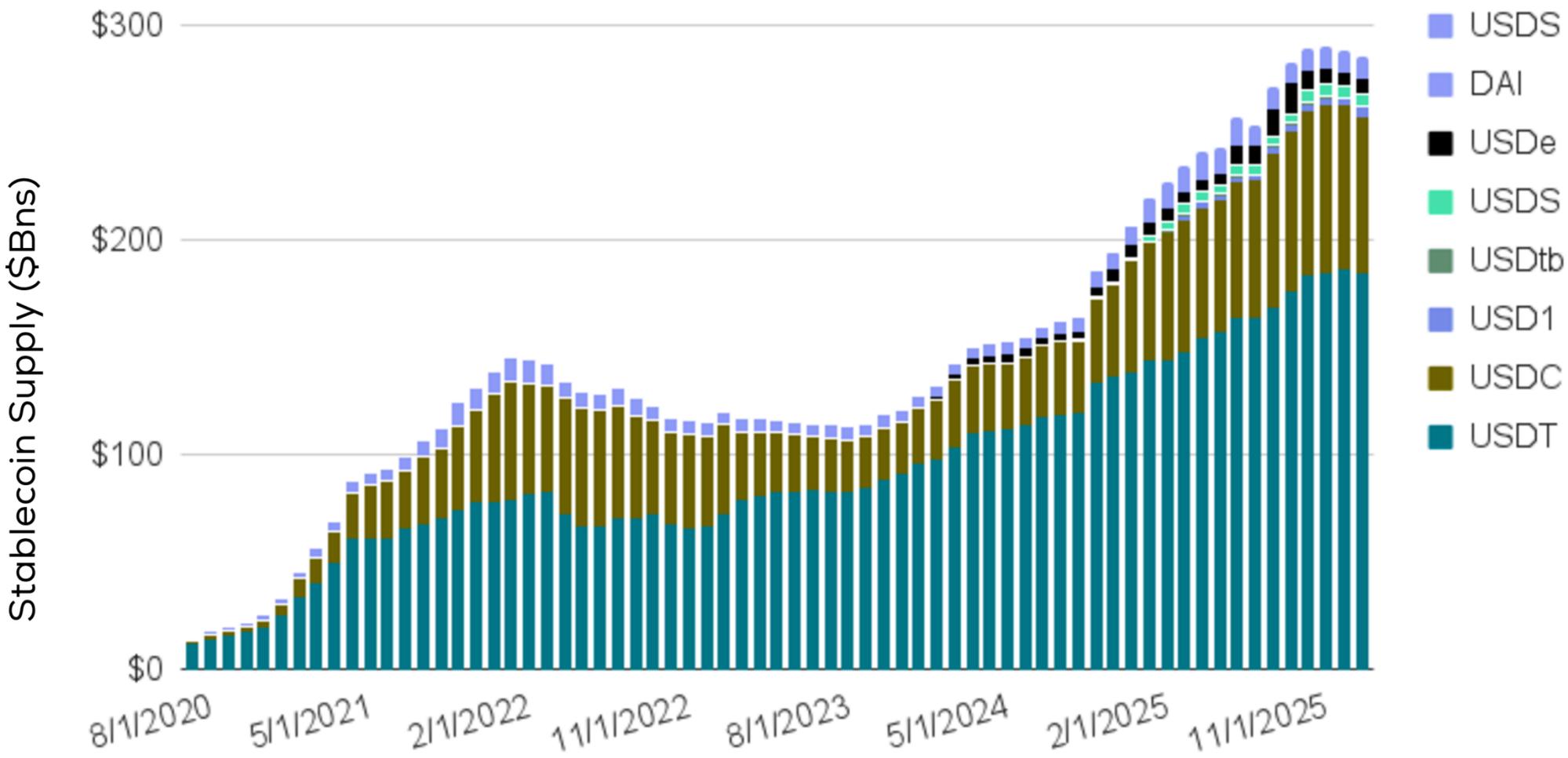
- Stablecoin supply continues to hover around \$305bn and has been flat since Oct 2025. Ethereum and Tron continue to lead in supply with Tron gaining the most (\$8bn Q/Q, +10%).
- While faster blockchains like BNB, Solana, Plasma, etc had flat supply growth Q/Q, in 2025 these chains added significant growth in 2025. With a series of launches from new chains like Tempo and Robinhood, we expect these blockchains to help drive supply.



STABLECOIN DATA

Circulating Supply by Issuer

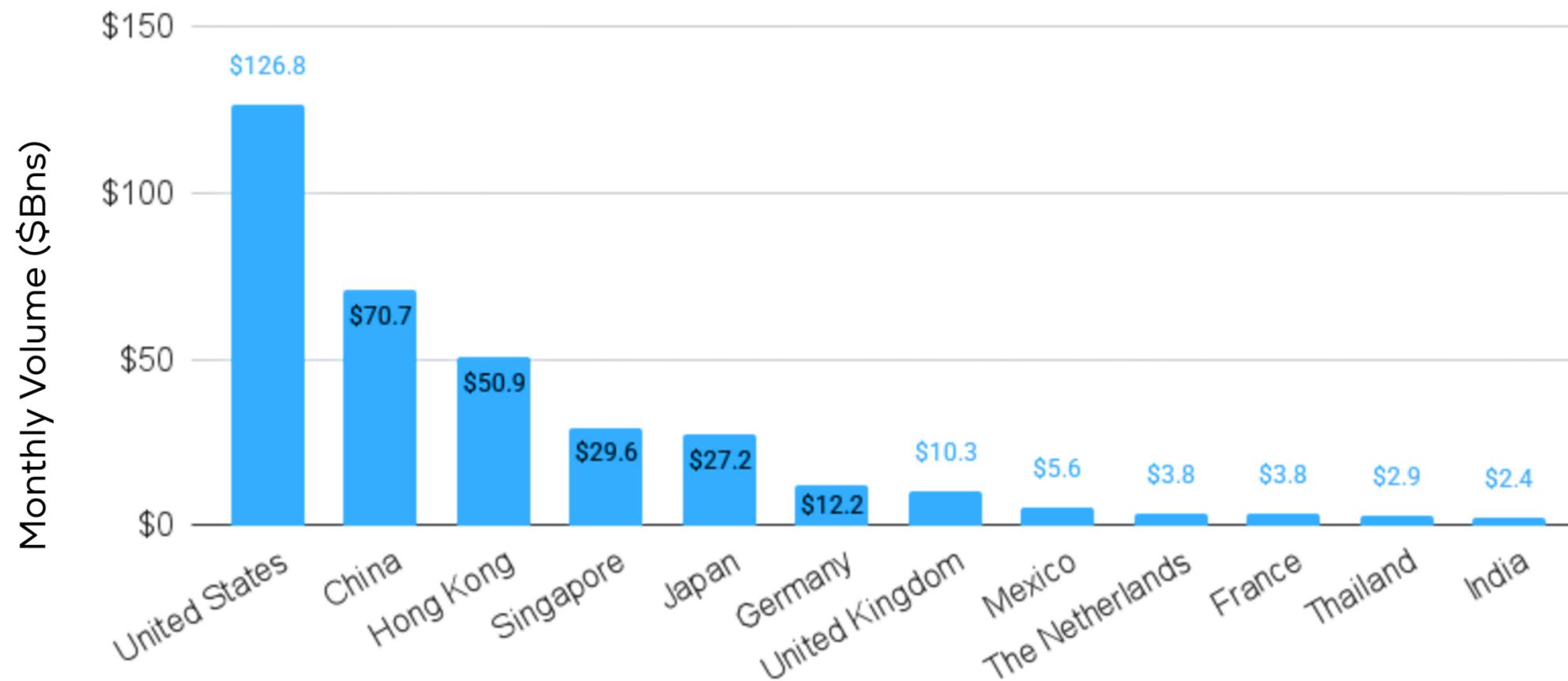
- Top stablecoins were mostly flat to down, with Tether gaining ~\$1bn, while USDC lost \$4bn. Ethena was hit the hardest in Q4 as a series of delveraging across the industry caused supply to sink
- Despite generally flat stablecoin supply, a few emerging stablecoins crossed \$1bn for the first time, including RLUSD, USDG and USYC.



STABLECOIN DATA

Geo Trends

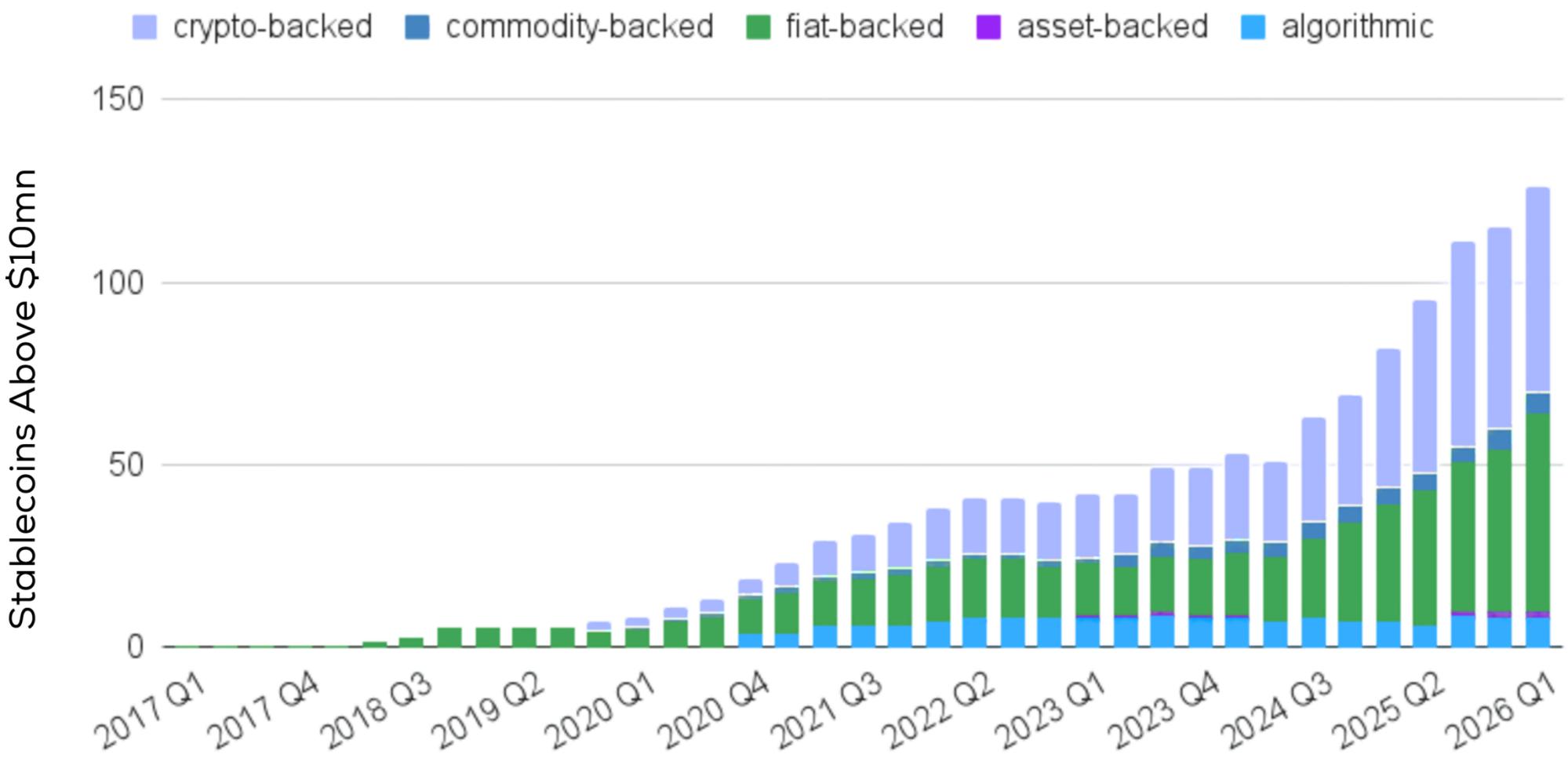
- Cross border payments are prime for stablecoins, given the instant settlement and often only one transaction, compared with multiple in the correspondent banking system.
- The United States ranks as one of the highest receiving countries, followed by multiple Asian based countries.



STABLECOIN DATA

Above \$10mn in Supply

- The number of stablecoins above \$10mn in supply continues to grow, with Q4 2025 having about 125. We expect that number to grow as high profile launches like Klarna, Tempo and Fidelity come to market
- We've observed a shift to fiat backed stablecoins vs crypto backed as companies as recent regulation like GENIUS gives clear guidelines on what types of assets stablecoins need to hold

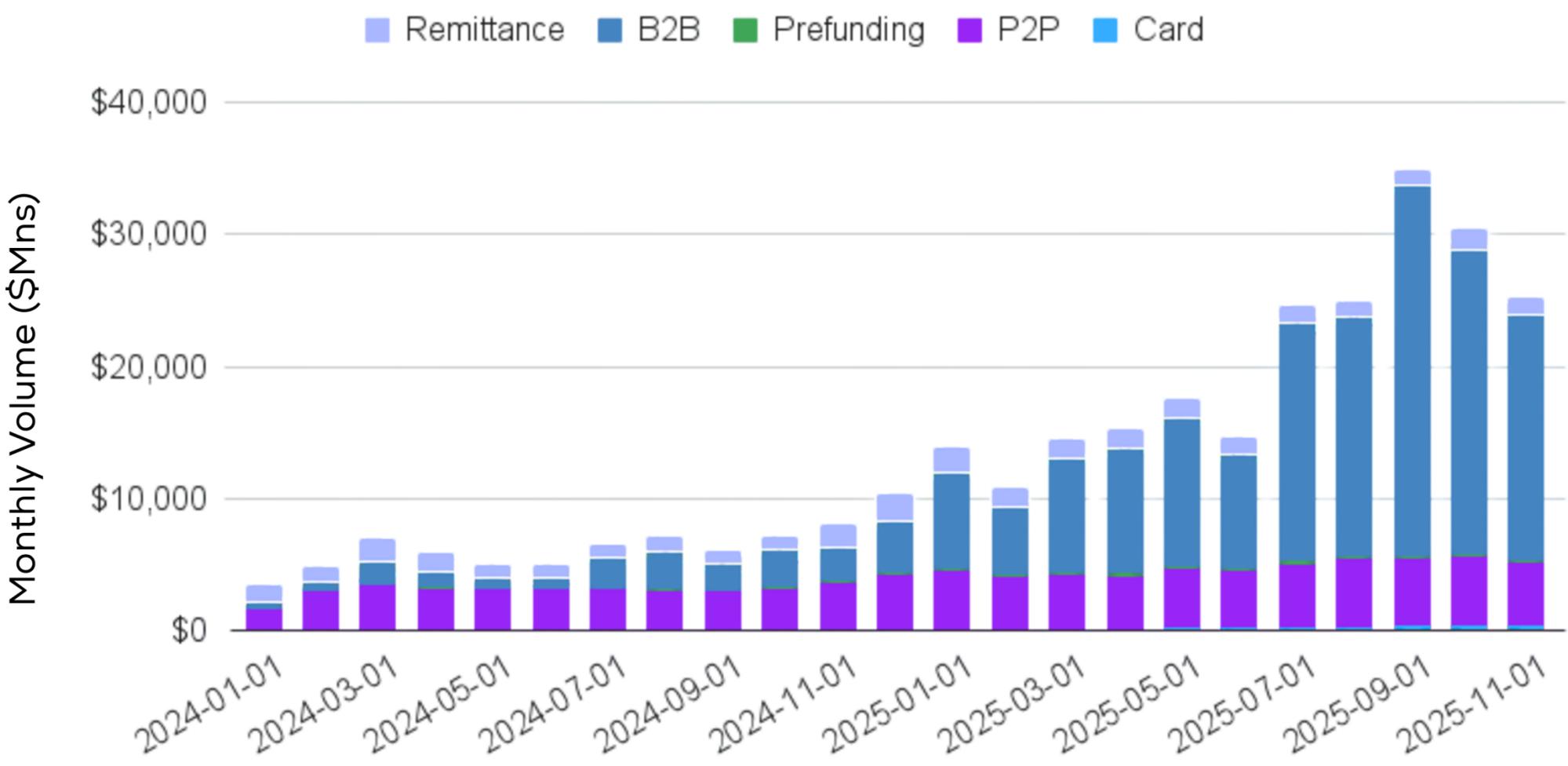


STABLECOIN DATA

Stablecoin Payments Volume

- Together with McKinsey, Artemis introduced a new methodology for calculating Total Annual Payments Volume, estimated at \$390 billion (as of 2025), a figure that has more than doubled from 2024 levels.
- B2B payments lead growth, accounting for approximately \$226 billion (roughly 60% of the total global stablecoin payments volume), with a rapid 733% increase year over year in 2025.

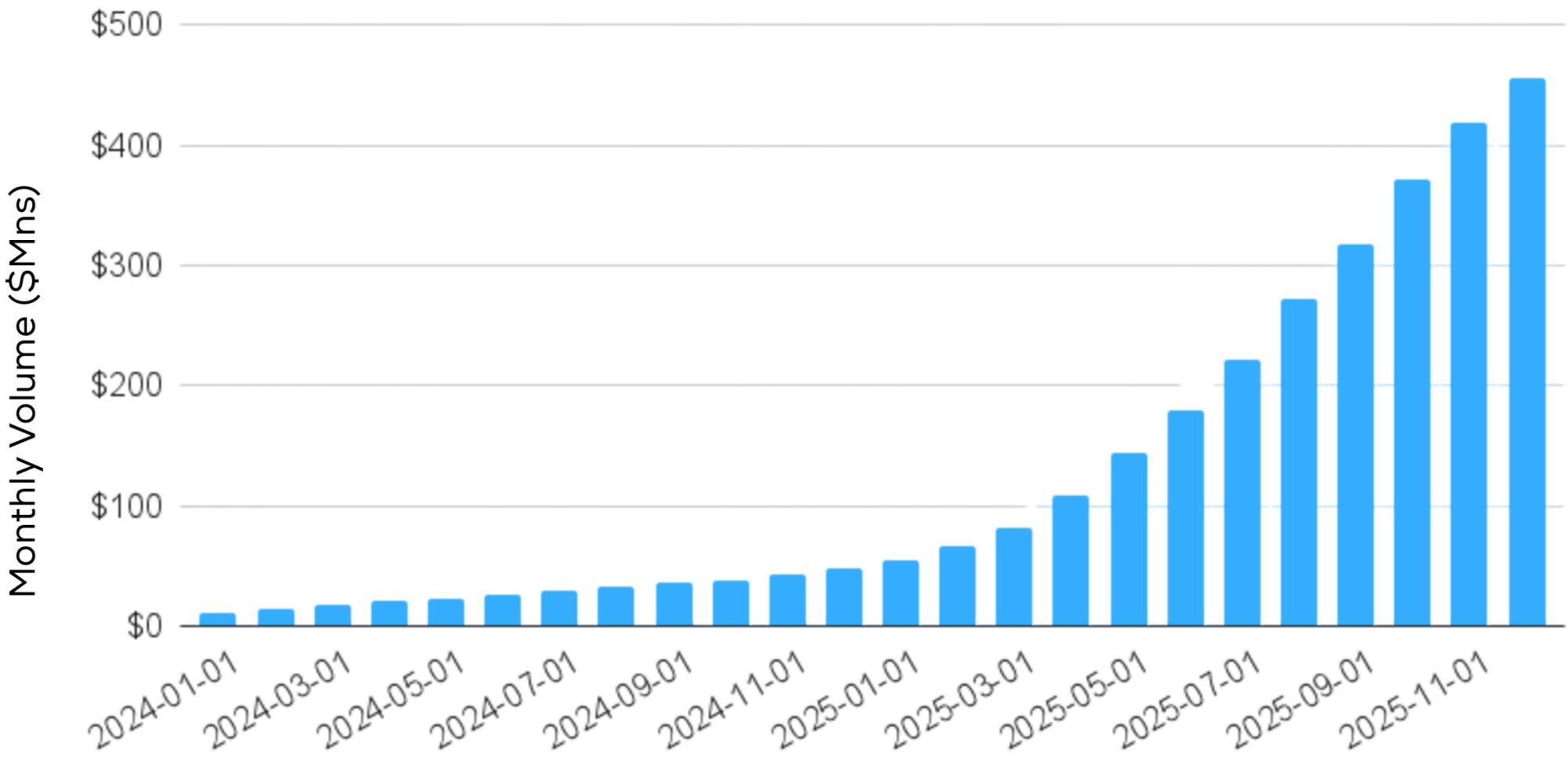
Stablecoin Payments by Type



STABLECOIN DATA

Card Linked Payments

- Card linked stablecoin spend grew an astonishing 840% year/year as we saw significant developments in the card space
- Rain raised a Series C, Baanx was acquired and Visa recently reported \$4bn annualized card spend, up from \$1bn in the beginning of 2025



QUARTERLY ZEITGEIST

Stablecoin-linked cards

by Chuk Okpalugo



Stablecoin linked cards are having a moment

With ~\$18B in annualized run-rate and >100% annual growth since early 2023, stablecoin-linked card spend is this quarter's Zeitgeist. The signal shows up across the stack: a wave of crypto neobanks shipping "spend anywhere" products, Rain's Series C (at a ~\$1.95B valuation), the acquisition of Baanx, and Visa reporting stablecoin-linked card spend at ~\$4B annualized, up from ~\$1B at the start of 2025.

On the **demand side**, cards are the lowest-friction way to turn stablecoin balances into everyday spending, without manual offramping. That makes stablecoins more useful as a store-of-value, especially where access to global cards and dollar accounts is constrained.

On the **supply side**, issuance and program management have been productized. Fintechs can launch credible programs quickly, while networks and issuers are increasingly open to stablecoin-linked funding and settlement pathways.

What's the big unlock?

The key unlock is **acceptance abstraction**: users can hold stablecoins, but merchants still see a normal card payment. That makes stablecoin balances spendable at global scale with no merchant integration and no new checkout behavior.

What changed is the backend. Authorization stays instant, but the **funding and settlement stack** is shifting: stablecoins can sit closer to the balance, conversion can happen later, and some programs are beginning to settle in stablecoins rather than only fiat.

The second-order implications are even more interesting

Crypto neobanks now have a durable revenue engine:

Cards make stablecoin balances usable in everyday commerce, unlocking interchange and related revenues. Unlike revenue from swaps and trading that skew crypto-native and track market activity, card revenue attaches to routine spend and scales more broadly.

This strengthens Visa/Mastercard more than it disrupts them:

Stablecoin-linked cards don't replace the networks. They rely on them for authorization, protections, dispute management, and merchant acceptance, even if stablecoins increasingly show up behind the scenes.

Cards are becoming a default module in the stablecoin stack:

For banking-type products on stablecoins, "spend anywhere" is becoming table stakes. Build it or partner for it, but this capability is a must have for infrastructure platforms.

What about direct stablecoin acceptance?

The long-term vision is stablecoin checkout that settles to merchants directly. The problem is that cards already ship as a bundle: fraud guarantees, disputes/chargebacks, rewards, and potentially credit. When that bundle exists, “pure checkout” needs a very large win to justify switching, and the constraint is **multi-party incentive alignment**:

- **Merchants** might benefit from lower costs and faster working capital, sometimes better acceptance.
- **Acquirers/processors** often see incremental upside at best, and cannibalization risk at worst.
- **Consumers** default to what’s convenient; if they already have cards, new flows need a strictly better UX.

Looking forward, stablecoin checkout can win in niches, but there’s no obvious broad path to displace cards where they’re already the default habit. The growth story stays in card-linked spend.



Chuk is the co-host of the Money Code podcast and editor of This Week in Fintech’s stablecoin newsletter. He runs Stablecoin Blueprint, an independent research and education initiative, advises fintechs on stablecoin product strategy, and is a 2026 Global Blockchain Business Council (GBBC) Ambassador representing Digital Payments and Financial Infrastructure. Previously, he was a product lead at Paxos, working on stablecoin, payments, and capital markets initiatives.

CEO PROFILE

The Infrastructure Builder:

How Farooq Malik Turned Wall Street's Darkest Hour Into Rain's \$1.95 Billion Vision

Interviewed by Dennis Owusu-Sem



Learning from the Fall

The call came on a Monday morning in September 2008. Farooq Malik, a young associate at Lehman Brothers, watched as 158 years of financial history evaporated in a single weekend. Within hours, what had been Wall Street's fourth-largest investment bank became the largest bankruptcy in American history. The offices cleared. The screens went dark. And for Malik, a fundamental question crystallized: if money itself could freeze overnight, what should a truly resilient payments system actually look like? Seventeen years later, that question has become Rain, a \$1.95 billion stablecoin infrastructure company that just raised \$250 million in its third funding round in less than a year. The platform now processes over \$3 billion in annualized transactions across 150+ countries, enabling enterprises from Western Union to Nuvei to offer stablecoin-powered cards that work anywhere Visa is accepted. Active card usage has grown 30-fold in the past year alone, while payment volume has surged 38 times.

The Long Road Through Development Finance

After Lehman's implosion, Malik could have followed his peers to Goldman or Morgan Stanley. Instead, he spent nearly a decade in a different kind of finance, development banking. First at Booz Allen Hamilton, then at the North American Development Bank, and finally as an ODF Fellow at the German Marshall Fund, Malik immersed himself in cross-border infrastructure projects across emerging markets.

It was unglamorous work such as structuring loans for water systems in Mexico, financing transportation corridors across the Americas, but it revealed something crucial about how money moves, or more accurately, how it doesn't. Traditional payment rails, Malik observed, were fundamentally broken for the people who needed them most. Remittances ate up 6-7% in fees. Cross-border B2B payments took days to settle. Small businesses in developing economies had no access to the financial infrastructure that their counterparts in New York or London took for granted. The insight that would eventually birth Rain came from studying both the successes and failures of international money movement.

The Pivot Decision

In 2021, Malik co-founded Rain with Charles Yoo. Their initial thesis was straightforward but audacious: stablecoins are the foundation for the next generation of global payment infrastructure.

But Rain didn't start by chasing consumers. The company bet on infrastructure, the unsexy plumbing that makes digital money actually usable in the real world. While competitors focused on wallets and trading, Rain built the backend: regulatory compliance frameworks, card issuing infrastructure, multi-chain settlement capabilities, fiat on- and off-ramps.

The strategy was capital-intensive and required deep integration with legacy financial systems. Rain became a Visa Principal Member, securing licenses across multiple jurisdictions and building partnerships with banks and payment processors. The goal, as Malik articulated it, was to make onchain "feel like nothing at all."

The \$1.95 Billion Validation

When ICONIQ led Rain's \$250 million Series C round in January 2026, just four months after a \$58 million Series B and ten months after a \$24.5 million Series A, the message from institutional investors was unmistakable: stablecoin infrastructure will be essential financial plumbing.

The 17-fold valuation increase since March 2025 reflects a broader market realization. As regulatory frameworks like the U.S. GENIUS Act and Europe's MiCA have created clarity around stablecoin operations, enterprise appetite has accelerated dramatically.

Programs built on Rain's platform can now reach over 2.5 billion people, powering everything from everyday consumer purchases to critical business expenses like cloud services and digital advertising.

"We believe we're witnessing a shift from legacy payment networks to programmable digital-asset infrastructure, and there is a brief window to help define the default platform enterprises will rely on," said Kamran Zaki, Partner at ICONIQ. "Rain has a rare combination of full-stack technology, regulatory readiness, and real-world scale."

The competitive landscape underscores the stakes. Stripe acquired Bridge for \$1.1 billion. Coinbase and Mastercard held advanced talks to acquire BVNK for up to \$2.5 billion before negotiations fell apart. Traditional banks, from JPMorgan to Wells Fargo, are launching their own tokenized deposit initiatives. The race to own the transaction layer beneath digital money is intensifying, with billions in capital chasing market position.

Rain's moat lies in what Malik calls "vertical integration at scale." Where competitors might offer pieces of the stack i.e. wallets, cards, or settlement Rain provides the full lifecycle: deposits, storage, spending, and withdrawals through a single API.

The Uptop Acquisition: Closing the Loop

In November 2025, Rain acquired Uptop, an onchain rewards platform that had powered loyalty programs for the Cleveland Cavaliers, Detroit Pistons, and the Empire State Building. The strategic logic was surgical: rewards aren't just a nice-to-have feature, they're table stakes for any payment program competing with traditional credit cards.

The acquisition data tells the story. In the Cavaliers program, sponsors saw a 21% lift in spend from enrolled members and a 51% boost in Team Shop sales. By bringing rewards in-house, Rain unlocked a core cardholder expectation while maintaining the invisible, onchain infrastructure that powers it all.



Image courtesy of RAIN

One Year Forward: The Convergence Question

As stablecoins mature into mainstream financial infrastructure, the critical question facing the industry isn't whether digital dollars will scale—it's which form will dominate. Will it be "open" stablecoins issued by fintechs like Circle and Tether? Or tokenized deposits controlled by banks like JPMorgan's JPMD? Or will these systems converge into a hybrid model?

The regulatory landscape supports this dual-track evolution. The GENIUS Act established clear frameworks for payment stablecoins, mandating full reserve backing and monthly audits. MiCA in Europe did the same. Both frameworks legitimize stablecoins as infrastructure rather than speculative assets. Meanwhile, major banks are exploring tokenized deposits precisely because they align with fractional reserve lending models and existing regulatory relationships.

Rain is positioning to operate across both worlds. The company is developing integrations for U.S. ACH and European SEPA networks through partner banks, while maintaining its blockchain-native settlement capabilities across Base, Polygon, Optimism, Avalanche, Arbitrum, ZKsync, and Solana.

The Infrastructure Invisibility Paradox

Perhaps Malik's most counterintuitive insight is about what success actually looks like. In a world where most founders want their innovations front and center, Rain's north star is invisibility.

"The goal is for users to never think about the rails," Malik says. "When you buy coffee with a Rain-powered card, you shouldn't know you're using stablecoins. When a business pays international suppliers, they shouldn't care which blockchain the settlement happens on. The innovation should disappear into the user experience."

From Lehman's bankruptcy to building the 24/7 settlement rails that could prevent the next financial seizure, Malik's journey embodies a particular kind of founder story: the one where a market failure doesn't inspire cynicism, but a decades-long commitment to building something more resilient.

Rain's \$250 million Series C was led by ICONIQ, with participation from Sapphire Ventures, Dragonfly, Bessemer Venture Partners, Galaxy Ventures, FirstMark, Lightspeed, Norwest, and Endeavor Catalyst. The company has raised over \$338 million in total funding.



Dennis Owusu-Sem is Chief Operating Officer of Stablecon, where he leads global operations and strategic execution for the leading conference focused on stablecoins and digital dollar infrastructure. He oversees partnerships and institutional engagement across the fintech, payments, and digital asset ecosystem. Dennis previously worked at Goldman Sachs, BMO Global Asset Management and served on NatWest's Advisory Council.

POLICY CORNER

In the Balance: Stablecoin Yield

by Justin Friedman



Less than a year after the U.S. Congress enacted the GENIUS Act, Washington has spent the winter of 2026 revisiting a signature issue that stablecoin builders hoped was settled: the right to pay interest or rewards on stablecoin balances. A plain reading of the GENIUS Act outlaws interest or yield paid by stablecoin issuers to holders. However, the banking lobby calls this a loophole and warns that it does not apply to affiliates or exchanges – thereby permitting rewards to be earned indirectly. A pitched battle has erupted between banks, crypto exchanges, and stablecoin issuers.

In January, a legislative draft on “crypto market structure” stalled in the Senate over this debate. Lawmakers attempted to thread the needle on an issue that has bedeviled industry stakeholders since last summer: distinguishing between prohibited **interest or yield** and a permissible **activity-based reward or incentive**.

The proposed legislation would bar wallets, exchanges, and other digital asset service providers from paying yield simply for holding stablecoin balances, while allowing rewards tied to user activity – a compromise that satisfies neither the banking industry’s demand for an absolute ban, nor the crypto-native worldview that yield is a competitive necessity.

A core value proposition of the stablecoin is at stake. If money-at-rest cannot earn a reasonable return, then essential use cases, such as stablecoin-backed savings and credit, may never be realized. Without the promise of a reward, why would users put their stablecoins at risk?

Policymakers are attempting to balance the crypto industry’s argument that activity-based rewards represent healthy competition against the incumbent banking sector’s desire to defend the deposit franchise and its traditional role in the creation of credit. The concerns of banks are existential, because stablecoins offering a return would directly compete with deposit accounts – which could accelerate the disintermediation of a banking system that some regulators have tried to contain since the emergence of crypto and decentralized finance.

The bipartisan coalition that voted the GENIUS Act into law in 2025 is straining under these pressures. With control of Congress up for grabs in the November 2026 midterm elections, the window may be closing to pass a market structure bill. Without a deal on a revised framework for stablecoins, regulators and the marketplace will be left to interpret the GENIUS Act as is. Some stakeholders won’t mind the status quo a bit.



Justin Friedman is Head of Policy at Stablecon, where he tracks public policy and regulatory developments impacting stablecoins, payments, and fintech. He is a former congressional aide, lobbyist, and regulator. He also advises and invests in early-stage companies building the next generation of financial infrastructure.

MAY 19th to 20th

STABLE

CON '26

EMEA

AMSTERDAM



SEP 9th to 11th

STABLE

CON '26

WASHINGTON DC



Join the **Largest** Global Stablecoin Community

Why attend?

The premier conference and networking event focused on the global stablecoin ecosystem

- ✓ **Connect with the decision-makers shaping digital money.**
With 50% C-suite and founder attendance, you'll engage directly with the leaders shaping global fintech, policy, and infrastructure.
- ✓ **Gain actionable insight from 100+ expert speakers across 45+ sessions.**
Learn directly from leaders building stablecoin infrastructure and navigating global regulatory frameworks.
- ✓ **Forge partnerships that accelerate your initiatives.**
Connect with top-tier partners and peers to accelerate your strategic growth.



Congratulations on an exceptional event! Outstanding execution bringing everything together. This is exactly what the industry needed...

Nick Chicago | Co-Founder & CEO | **CFX Labs**

Scan to get your ticket today and **save \$200/€200**, use code **STBART200**



EMEA



USA

WWW.STABLECON.COM