

HORIZON SCAN

Stablecoins Beyond Crypto

The emergence of programmable financial infrastructure

This Horizon Scan evaluates emerging technologies through evidence review, adoption indicators, stakeholder impacts, risks, scenarios, and leading indicators.

REPORT STRUCTURE

01	Scope and research question
02	Conceptual framework
03	Why now?
04	Market development and adoption signals
05	Emerging use cases
06	Ecosystem and value chain
07	Regulation and risk
08	Scenarios, 2027–2030
09	Thesis evaluation
10	Strategic implications

Executive Summary

Stablecoins are moving from crypto-market liquidity instruments toward a broader role as programmable financial infrastructure. The strongest evidence is not a single market-size forecast, but the convergence of regulation, institutional participation, payment-network deployment, fintech integration, and demand for faster cross-border settlement. Visa has expanded stablecoin settlement support, while Stripe has made stablecoin-powered financial-account capabilities available to businesses in 101 countries.^{[3][4]}

Thesis: stablecoins are likely to become a material programmable-finance layer for cross-border payments, corporate treasury, institutional settlement, tokenized assets, and—eventually—machine-to-machine commerce. Adoption is more likely to be selective than universal, concentrating among regulated issuers and intermediaries that integrate stablecoins with banking, compliance, custody, and payment networks.

The thesis remains contestable. Gross on-chain activity can overstate economic usage, and the BIS argues that stablecoins do not meet all requirements to serve as the foundation of a monetary system.^[1] Regulatory fragmentation, reserve and redemption risk, privacy, sanctions compliance, and interoperability may constrain adoption. The base case is therefore “embedded settlement layer,” not replacement of sovereign money or incumbent payment networks.

1. Scope and Research Question

This scan evaluates fiat-referenced payment stablecoins, primarily dollar-denominated instruments, as infrastructure rather than as investment assets. It distinguishes stablecoin supply, gross transfer volume, adjusted economic volume, enterprise deployment, and settlement volume. The primary question is: are stablecoins transitioning from crypto-native trading instruments into broadly useful, regulated, programmable financial infrastructure?

The report focuses on production use cases, institutional strategy, regulation, technical constraints, and leading indicators through 2027–2030. It is not investment advice, a legal opinion, or a forecast of a single market-capitalization outcome.

2. Conceptual Framework

A stablecoin is a digital asset designed to maintain a relatively stable value against a reference asset, most commonly a national currency. Fiat-reserve-backed models dominate institutional discussion because they provide a comparatively legible redemption proposition, although the issuer, reserve, custody, and banking relationships remain critical dependencies.

Design model	Potential value	Principal vulnerability
Fiat-reserve-backed	Redeemability; familiar unit of account	Reserve, issuer, custody, and banking risk
Crypto-collateralized	On-chain composability	Volatility and liquidation risk
Commodity-backed	Non-fiat exposure	Custody, pricing, and redemption complexity
Algorithmic/unbacked	Capital efficiency in theory	Depegging and reflexivity risk
Bank/institution-issued	Integration with regulated finance	Jurisdictional and access constraints

Table 1. Stablecoin design models, value and principal vulnerability.

The key analytical distinction is between activity and utility. A transfer count or gross volume may include exchange flows, arbitrage, bots, and internal wallet movements. Chainalysis reports that its adjusted-volume methodology attempts to filter such noise and identify payments, remittances, and settlement; the methodology and its estimates should nevertheless be treated as provider-specific.^[10]

3. Why Now?

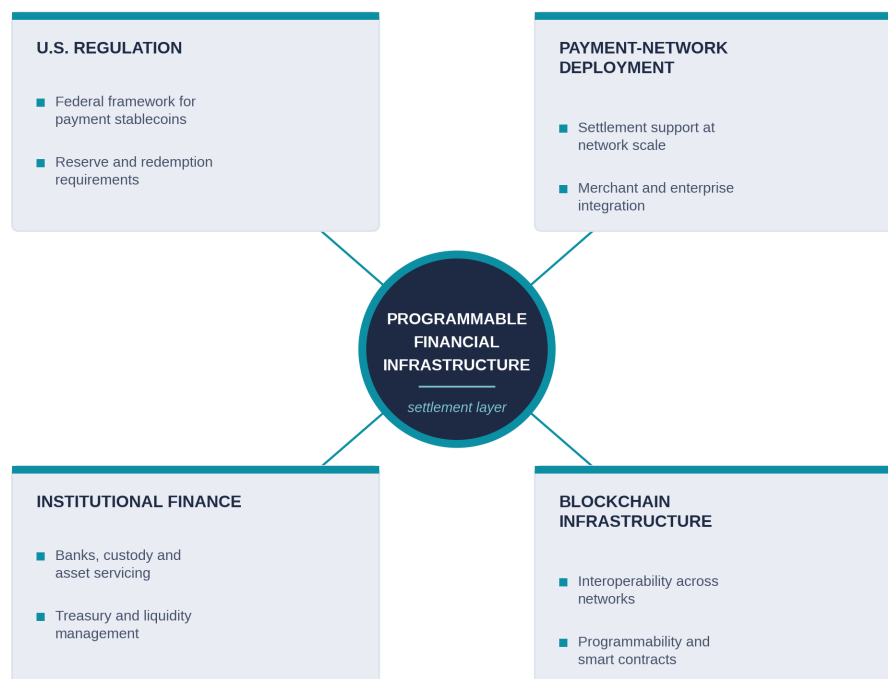


Figure 1. Four Forces Converging to Create a Programmable Financial Infrastructure Layer

The U.S. GENIUS Act was signed into law on 18 July 2025 and established a federal framework for payment stablecoins, including requirements concerning permitted issuers and reserve-backed redemption.^{[5][6]} This is a major change from an environment dominated by regulatory uncertainty. Europe's MiCA regime and

related EBA technical standards provide a separate compliance architecture, while the FSB continues to identify uneven implementation and opportunities for regulatory arbitrage.^{[8][9]}

Commercial infrastructure is also moving from announcement to integration. Visa describes stablecoin settlement as an expanding platform capability, and Stripe documents stablecoin financial accounts, including the ability to receive, hold, convert, and send supported assets.^{[3][4]} These developments suggest that stablecoins may reach users through familiar interfaces rather than through self-custody alone.

Demand drivers include cross-border business payments, global contractor and payroll flows, remittances, digital-dollar access, and tokenized-asset settlement. AI-agent commerce is a high-upside but lower-evidence adjacent theme: programmable wallets could allow software to pay for APIs, compute, data, and other digital services, but material production volume has not yet been established.

4. Market Development and Adoption Signals

Current signals are directionally strong but uneven in evidentiary quality. Visa reports more than 40 million addresses sending or receiving stablecoins in July 2025, while Circle reported \$73.7 billion of USDC in circulation and \$74.0 billion of reserves on 27 August 2026.^{[2][3]} Address counts do not equal people, and issuer-reported reserve data describes backing rather than economic payment adoption.

Indicator	What it can demonstrate	Interpretive caution
Supply	Capital committed to stablecoin ecosystem	Does not prove payment use
Gross transfer volume	Network activity	May include non-economic transfers
Adjusted/economic volume	Cleaner activity estimate	Methodologies differ
Active addresses	Breadth of wallet activity	One user may control many wallets
Enterprise launches	Commercial intent and integration	Announcements may precede scale
Settlement volume	Production institutional use	Often company-reported

Table 2. Adoption indicators and their interpretive limits.

The most decision-useful metrics are likely to be recurring enterprise payment volume, cross-border payout volume, settlement volume reported by regulated intermediaries, retention of business users, and the share of activity that remains after excluding exchange and internal transfers. This is the evidence base required to distinguish infrastructure adoption from another speculative cycle.

5. Emerging Use Cases

Cross-border payments

Stablecoins may reduce settlement time, intermediary count, and operating-hour constraints. The benefit is strongest where correspondent banking is slow or expensive, but conversion, local licensing, FX liquidity, sanctions screening, and cash-out remain decisive constraints.

Corporate treasury

Potential applications include vendor payments, global payroll, intercompany transfers, liquidity movement, and collateral. The relevant test is total-cost reduction after custody, compliance, reconciliation, conversion, and governance costs—not blockchain fees alone.

Merchant payments and payouts

Stablecoins may be used behind conventional checkout, card, marketplace, creator, and gig-economy interfaces. This “invisible rail” model is more plausible near term than mass consumer self-custody.

Remittances and digital dollars

Stablecoins can provide faster transfers and dollar-denominated savings in some markets, but smartphone access, fraud, wallet recovery, local regulation, and cash-out networks determine real accessibility.

Tokenized-asset settlement

Stablecoins can function as settlement assets for tokenized Treasuries, funds, private credit, commodities, and securities. Growth in tokenized assets and stablecoins is mutually reinforcing: assets need settlement liquidity, and stablecoins gain utility from regulated instruments.

AI-agent commerce

Agent wallets, spending limits, escrow, and conditional payments could support machine-to-machine transactions. This remains a watch item rather than a proven adoption pillar.

6. Ecosystem and Value Chain

The likely value chain includes issuers, blockchain networks, wallets, custodians, compliance providers, payment networks, banks, fintechs, exchanges, and tokenized-asset platforms. Issuers may earn reserve income; intermediaries may capture conversion spreads, custody, compliance, and distribution revenue; networks may capture transaction fees and strategic control of settlement.

The central competitive question is disintermediation versus integration. A disintermediation scenario would reduce the role of banks, correspondents, and processors. An integration scenario would place stablecoins

behind existing interfaces, allowing banks, card networks, fintechs, and technology platforms to retain customer relationships. Current evidence favors integration as the near-term base case.^{[3][4]}

7. Regulation and Risk

The regulatory trajectory is simultaneously legitimizing and constraining. The FSB recommends comprehensive oversight, cross-border cooperation, governance, risk management, data access, recovery and resolution, disclosure, and robust redemption rights for global stablecoin arrangements.^[8] Yet its peer review found significant gaps and inconsistencies in implementation.^[9]

The ECB highlights risks including monetary sovereignty, capital flight, reserve and redemption vulnerabilities, and contagion through links with traditional finance.^[7] The BIS similarly recognizes tokenization's potential while questioning stablecoins' suitability as the core monetary foundation.^[1] These critiques do not eliminate the payment-infrastructure thesis; they imply that growth will favor highly regulated designs and tightly governed distribution channels.

8. Scenarios, 2027–2030

Scenario	Description	Leading indicators
Embedded settlement layer	Stablecoins operate behind bank, card, fintech, and enterprise interfaces.	Recurring settlement volume; regulated issuers; institutional custody
Fragmented regional rails	Growth continues, but licensing and currency rules create separate ecosystems.	Regional issuers; limited fungibility; local intermediaries
Crypto-native persistence	Stablecoins remain concentrated in exchanges, DeFi, and collateral.	Real-world volume stays small; enterprise pilots do not scale
Programmable-commerce breakthrough	Agent wallets and automated digital payments become material.	Production agent payments; mature identity and authorization standards
Regulatory retrenchment	Depegging, illicit-finance, or stability events slow adoption.	Issuer failure; banking withdrawals; restrictive rules

Table 3. Scenarios to 2030, with the indicators that would distinguish them.

The base case is embedded settlement, with fragmented regional rails as a meaningful variant. Programmable commerce is a high-upside option, while retrenchment remains a low-probability/high-impact risk.

9. Thesis Evaluation

The thesis is supported if non-crypto payment and settlement activity grows, regulated issuers gain share, enterprise deployments become recurring, and users achieve measurable speed, cost, liquidity, or access benefits. It is weakened if activity remains primarily trading and DeFi, conventional payment systems retain nearly all merchant and business use, or compliance and conversion costs erase the advantage.

Priority monitoring indicators are: adjusted economic payment volume; enterprise settlement and payout volume; regulated issuer market share; stablecoin share of tokenized-asset settlement; business-account retention; transaction cost and finality; depeg and freeze events; licensing developments; and evidence of production AI-agent payments.

10. Strategic Implications

- Banks should evaluate issuance, custody, tokenized deposits, settlement accounts, and the effect on deposit and payment relationships.
- Payment networks should compete on distribution, settlement, compliance, and user experience rather than assume the blockchain layer itself is the primary source of value.
- Fintechs should test global accounts, treasury, supplier payments, and payout products with wallet abstraction and strong controls.
- Corporate treasury teams should model complete corridor economics, including FX, custody, compliance, reconciliation, accounting, and liquidity.
- Technology firms should monitor programmable payments and agent commerce, but avoid treating demonstrations as evidence of scalable demand.
- Regulators should pursue consistent reserve, redemption, disclosure, consumer-protection, and cross-border supervisory standards.

Conclusion

Stablecoins are becoming credible candidates for a new programmable settlement layer, particularly in cross-border business payments, treasury, remittances, institutional settlement, and tokenized assets. The evidence is stronger for institutional integration than for wholesale replacement of banks, cards, or sovereign money. The strategic opportunity is therefore real but conditional: adoption will depend on trusted reserves, compliant distribution, interoperability, reliable redemption, and proof of recurring economic utility.

RESEARCH NOTE

Public stablecoin metrics are not fully standardized. Future versions should reconcile issuer, network, analytics-provider, and regulatory data; classify deployments as announced, piloted, or production; and report adjusted economic volume separately from gross on-chain volume.

References

- [1] Bank for International Settlements. “The next-generation monetary and financial system.” Annual Economic Report 2025, 28 June 2025. <https://www.bis.org/publ/arpdf/ar2025e3.htm>
- [2] Circle. “Transparency & Stability.” Data accessed 27 August 2026. <https://www.circle.com/transparency>
- [3] Visa. “Visa Expands Stablecoin Settlement Support.” 31 July 2025. <https://investor.visa.com/news/news-details/2025/Visa-Expands-Stablecoin-Settlement-Support/default.aspx>
- [4] Stripe. “Use stablecoins in your financial account.” Documentation, accessed 31 August 2026. <https://docs.stripe.com/treasury/stablecoins>
- [5] U.S. Congress. “GENIUS Act,” S.1582, 119th Congress. <https://www.congress.gov/bill/119th-congress/senate-bill/1582/text>
- [6] Congressional Research Service. “Stablecoin Legislation: An Overview of the GENIUS Act.” 19 August 2026. <https://www.congress.gov/crs-product/IN12553>
- [7] European Central Bank. “From hype to hazard: what stablecoins mean for Europe.” 28 July 2025. <https://www.ecb.europa.eu/press/blog/date/2025/html/ecb.blog20250728~e6cb3cf8b5.en.html>
- [8] Financial Stability Board. “High-level Recommendations for the Regulation, Supervision and Oversight of Global Stablecoin Arrangements.” 17 July 2023. <https://www.fsb.org/2023/07/high-level-recommendations-for-the-regulation-supervision-and-oversight-of-global-stablecoin-arrange/>
- [9] Financial Stability Board. “Thematic Review on FSB Global Regulatory Framework for Crypto-asset Activities.” 16 October 2025. <https://www.fsb.org/2025/10/thematic-review-on-fsb-global-regulatory-framework-for-crypto-asset-activities/>
- [10] Chainalysis. “Stablecoin Utility and the Future of Payments.” 7 April 2026. <https://www.chainalysis.com/blog/stablecoin-utility-future-of-payments/>