BCG

anchorage digital

JUNE 2026 · A JOINT REPORT

Digital Assets

A strategic playbook for banks

Policy clarity, maturing infrastructure, and institutional adoption are converging. This report frames where banks should participate, partner, integrate, or monitor as the digital asset landscape moves from experimentation to scale.

A REPORT BY BCG · ANCHORAGE DIGITAL

Authors

BCG

Christian Schmid
Managing Director & Senior Partner
Zurich · Leads BCG's global Corporate & Investment Banking practice
schmid.christian@bcg.com

Roy Choudhury
Managing Director & Senior Partner
New York · Leads BCG's Capital Markets practice in North America
choudhury.roy@bcg.com

Arjun Nath
Partner & Associate Director
Toronto · Financial Institutions practice
nath.arjun@bcg.com

Kaj Burchardi
Managing Director & Partner, BCG Platinion
Amsterdam · Global Lead, Blockchain & Digital Assets
burchardi.kaj@bcg.com

Bernhard Gehra
Managing Director & Senior Partner
New York · Leads BCG's North America Risk & Compliance practice
gehra.bernhard@bcg.com

ANCHORAGE DIGITAL

Martin Carrica
Head of Stablecoin Issuance
Anchorage Digital
martin.carrica@anchorlabs.com

Joe Medioli
Head of Financial Infrastructure
Anchorage Digital

Sergio Mello
Global Head of Stablecoin Solutions
Anchorage Digital
Sergio.Mello@anchorlabs.com

David Lawant
Head of Research
Anchorage Digital
David.Lawant@anchorlabs.com

Table of Contents

Foreword

A Note from BCG

For financial institutions, the question is no longer whether digital assets merit attention, but which developments are strategically relevant, under what conditions, and at what pace. The answers are not uniform across institutions: they depend on business model, regulatory context, client demand, economics, and risk appetite.

This report is intended as a fact-based contribution to that discussion. Its objective is to help banks and other financial institutions assess the opportunity areas, risks, strategic choices, and capability requirements associated with digital assets, without presuming a single outcome or approach.

We hope this report supports a more informed dialogue among industry participants as institutions determine how, where, and when digital assets may become relevant to their business.

A Note from Anchorage Digital

Across payments, custody, settlement, and investment products, digital assets are becoming part of mainstream strategic discussions in financial services. As institutions evaluate this landscape, many are working through practical questions around use cases, infrastructure, regulation, and operating models.

Anchorage Digital was pleased to contribute perspectives to BCG's exploration of these issues. We believe it is important for the industry to engage with digital assets in a pragmatic and informed way, with careful attention to both the opportunities and the risks.

We hope this report provides a useful contribution to the broader industry dialogue and helps financial institutions consider the trade-offs and choices that may shape their approach in the years ahead.

Executive Summary

Digital assets have reached an inflection point, with significant policy and regulatory developments, maturing infrastructure, and growing institutional adoption

- Stablecoins have reached ~$300B[1] in outstanding value serving as store of value and preferred settlement asset in the DeFi ecosystem. Policy developments such as the GENIUS Act in the U.S. and similar regulations in other jurisdictions are expected to accelerate stablecoin adoption beyond DeFi
- Cryptocurrency assets (e.g., Bitcoin) represent the largest tokenized asset class by market capitalization (close to $2.5T[2]) with growing adoption in the wealth and institutional client segments
- Tokenized real-world assets (RWAs) and funds are still smaller today (<$50B market cap[3]) but represent a fast-growing category with significant opportunity for financial and operational efficiency

Digital asset adoption is accelerating rapidly – supported by a set of tipping points across policy & regulation, technology infrastructure, customer adoption, and interoperability

- Policy and regulation have seen significant developments and greater clarity over the last few years in the U.S. and other jurisdictions
- Technology has matured rapidly, enabling scalable and compliant, bank-grade infrastructure

1 Coingecko stablecoin tracker; $317B as of 4 May 2026

2 Coingecko cryptocurrency tracker; $2.7T as of 4 May 2026, inclusive of stablecoins

3 As per rwa.xyz; accessed April 2026

- We see increasing adoption of digital assets by corporate and institutional customers; and banks increasingly exploring and launching internal and client-facing products and services leveraging distributed ledger technology, with a focus on network effects and interoperability
- Customer adoption remains niche today, but a combination of stronger economics; trusted access through regulated institutions, familiar channels; and stronger value propositions could rapidly unlock greater adoption across retail, wealth, corporate, and institutional clients

Digital Assets and Tokenization have a significant potential for value creation for banks through new revenue pools, efficiency opportunities (operational and financial resources), and defense against competition. Banks should prepare now to develop and execute their digital asset strategies across the following four areas – crypto brokerage and crypto backed lending, tokenized money, tokenized funds, and tokenized real-world assets.

01 Crypto brokerage and crypto-backed lending represent high-value near-term opportunities for banks, particularly for wealth and institutional clients

Crypto spot and derivatives trading activity generate significant revenues today, of the order of ~$30-60B[4]

- Regulations are now amenable to bank-driven activity in the space – e.g., with OCC letters permitting banks to offer crypto custody, stablecoin services, riskless principal crypto-asset transactions;[5] FDIC updates enabling banks to engage in crypto activities under standard risk management practices;[6] and a range of other regulatory and tax clarifications that enable bank participation
- Bank-addressable brokerage could grow to represent material shares of total market cap and trading volumes as investors incorporate meaningful allocation to crypto-assets in their portfolios; however, margins, which are elevated now given limited competition, are expected to compress with increased participation of large-scale financial institutions
- A potential impediment to lending is prudential capital treatment for crypto assets; current Basel standards establish limits and high risk weights for Group 2 crypto assets (e.g., 1250% risk weight and exposure limit of 1% Tier 1 capital[7])—but this risk treatment is being reassessed in different jurisdictions and would need to be considered by banks in their execution approach
- This can represent new revenue pools—but importantly also serve as a defensive strategy to preserve client wallet share, engagement and lifecycle value, and position banks strategically for broader on-chain financing activities with the evolution of the digital asset ecosystem (including tokenized real-world assets and funds)

4 Triangulated from revenues of key players such as Binance, Coinbase, Kraken, and Robinhood; and estimated total transaction volumes

5 https://www.occ.gov/news-issuances/news-releases/2025/nr-occ-2025-42.html; https://www.occ.gov/topics/charters-and-licensing/interpretations-and-decisions/2025/int1188.pdf

6 https://www.fdic.gov/news/financial-institution-letters/2025/fdic-clarifies-process-banks-engage-crypto-related

7 https://www.bis.org/fsi/fsisummaries/crypto_exposures.htm

02 Tokenized money (notably Stablecoins) offers valuable use cases across business segments; banks should rapidly develop an execution strategy

Stablecoins have seen material growth and can potentially become the payment and settlement asset of choice for several key use cases – including for cross-border remittances; as a store of value for customers in select markets that have weaker local currencies or banking systems; B2B cross border payments and treasury activities; and for agentic commerce

- Specifically, stablecoins offer several benefits for these use cases, including global reach, 24/7 availability[8] with low latency, programmability, and access to near-risk free money
- Large transaction or universal banks should explore stablecoin issuance and integration into their client offerings by partnering with other financial institutions and white-labelling institutional grade stablecoin infrastructure, leveraging their breadth to bring significant network benefits for at-scale adoption
- Regional banks should focus on deploying stablecoin use cases for corporate clients and consider joining consortia networks to participate and issue a common stablecoin
- Wealth- and retail-focused banks should look to enable stablecoin access for clients and leverage stablecoin rails for improved services – for example, as a settlement asset in crypto brokerage.
- Agentic AI has the potential to reshape retail and wholesale payments – stablecoins can be the programmable settlement asset for Agentic commerce (e.g., automated liquidity management)

Tokenized deposits also offer significant near-medium term value across several key use cases – including for corporate liquidity management, securities financing and collateral management, domestic B2B payments, and intrabank liquidity management

- Tokenized deposits bring important benefits over traditional deposits for customers: notably, familiarity of underlying instrument for corporate users and automation & programmability (especially useful in payment and treasury workflows), which can offer a stronger value proposition and significant efficiencies to corporate, commercial and institutional clients
- Tokenized deposits will require strong bank-to-bank interoperability, common data, technology and legal standards, and an interbank clearing and settlement layer to scale
- Large universal and transaction banks should consider building tokenized deposit systems and participate in consortia for common standards, interoperability, and inter-bank clearing and settlement
- Regional banks should focus on treasury and payments use cases and explore joining consortia to enable interbank use cases – this would be particularly important to mitigate potential deposit disintermediation to more advanced banks and fintechs
- Custodian banks and banks with large capital markets presence should also explore building tokenized deposit solutions for capital markets use cases (e.g., repo and securities financing settlement) and for collateral optimization workflows

Wholesale (wCBDC) and synthetic CBDCs represent a potentially important efficiency driver for banking systems globally – particularly for enabling efficient securities financing settlement, for interbank settlement, and potentially also for foreign currency settlement across banks

[8] Availability for coin, although redemption may not be available 24/7

- Some central banks are exploring pilots for wCBDC; however, the outlook is not clear across several large markets like the US, where alternate options like synthetic CBDCs are being explored
- Large banks should monitor for developments, participate in CBDC pilots where feasible, and position as nodes in synthetic CBDC settlement networks
- Regional banks should monitor developments and prepare for integrations when options become available for their jurisdiction
- Custodians and securities services providers should build CBDC and synthetic CBDC settlement capabilities as a differentiator for serving institutional clients in tokenized asset markets
- Synthetic CBDC may provide an avenue for a broader range of financial institutions to indirectly hold near-risk free central bank money – this could be a deposit disintermediation risk for banks

03 Tokenized MMFs and crypto ETFs are rapidly scaling; opportunity for asset and wealth managers to pursue distribution (and, for the largest participants, issuance)

Tokenized MMFs have seen significant growth - these combine a familiar regulated fund structure with on-chain utility, and are expected to have strong demand from on-chain treasury users, sophisticated corporates, and institutions

- Tokenized MMFs present a strong case for collateral eligibility and use in financial markets. This could unlock significant financial resources on chain and gain prominence as a cash management tool; and offer significant growth opportunities for issuers and distributors
- Further, tokenized MMFs are low margin high volume products where efficiency gains from tokenization bring meaningful advantages for fund managers; and can have underlying securities on the same chain, bringing lineage and traceability benefits

Crypto ETFs offer investors exposure to crypto-native assets through familiar fund and brokerage channels – traction is strong across wealth and retail channels, where clients value integrated access to crypto exposure; global distribution and broadening of crypto-currencies (i.e., expanding from Bitcoin and Ethereum) are key areas of grow as investors allocate a portion of their assets to cryptocurrencies

With significant growth in these markets, new fund issuance opportunities are likely only relevant for select large asset managers; there are clearer distribution opportunities across the breadth of wealth and asset managers as demand for these products increases

04 Tokenized real-world assets: RWA tokenization is moving from niche use cases toward regulated market-infrastructure pilots, with at-scale adoption likely staged by asset class in the medium- to long-term

Tokenized real-world assets such as tokenized equities, bonds, commodities, and private credit have seen significant growth but are still small as compared to their respective size in traditional markets. However, momentum is accelerating as major U.S. market infrastructure providers move into tokenized securities, and legal / regulatory clarity emerges across major financial markets

- For example, recent NYSE/Securitize[9] and DTCC[10] announcements suggest tokenization is no longer limited to private funds or crypto-native products. NYSE and Securitize are working on digital transfer-agent and broker-dealer infrastructure for issuer-sponsored tokenized securities, while DTCC plans a tokenization service for DTC-custodied assets, with initial limited production activity planned for July 2026 and broader launch targeted for October 2026
- The degree to which and speed at which adoption of tokenization will affect each market will vary by asset class and will be driven by level of inefficiency in the existing market structure (operational and financial resources), concentration of market participants, market liquidity, price transparency, and market access
- We expect significant momentum in adoption in institutional markets in the near-term such as, securities financing and derivatives, where the case for financial resource optimization is compelling and a small number of players can affect change
- These are likely to be important at-scale plays in the medium-long term - banks with significant capital markets business and large asset and wealth managers should start to develop their strategies; smaller banks should monitor for targeted participation opportunities based on their business model

Banks will also need to build an integrated capability stack across business, product, technology, legal, risk and compliance, and operating model to scale digital asset activities safely and competitively

- Digital asset capability build-out should be anchored in **clear business objectives and priority use cases**; early investment should focus on feasible, high-impact opportunities where client demand (or internal value) and regulatory clarity already exist
- Banks will require teams with strong product-management capabilities to translate business strategy and priorities to high-impact client propositions and digital experience with an accelerated and agile development mindset to accelerate speed-to-market
- On **technology**, most banks should consider partnering[11]: building internally where they have clear advantage (e.g., integration with core banking, payments, accounting, client channels, identity and monitoring), while partnering for core digital-asset-native capabilities such as private key custody and security technology, wallet management, smart contracts, and orchestration; and ensuring robust licensing and compliance from partners
- This requires banks to operate as orchestrators of a modular technology stack, recognizing that risk often emerges not only within individual components but also at the intersections between them; as a result, architecture decisions should emphasize security, resilience, interoperability, and vendor extensibility
- **Risk, compliance, and control capabilities** should also be adapted and augmented to address the specific features of blockchain-based systems, spanning core domains such as financial crime, regulatory compliance, cyber risk, operational risk, and third-party risk while adding digital-asset-specific controls such as on-chain auditability and privacy-preserving compliance mechanisms

---

9 https://ir.theice.com/press/news-details/2026/The-New-York-Stock-Exchange-Develops-Tokenized-Securities-Platform/default.aspx; https://ir.theice.com/press/news-details/2026/New-York-Stock-Exchange-and-Securitize-Agree-to-Memorandum-of-Understanding-to-Support-Tokenized-Securities/default.aspx

10 https://www.dtcc.com/news/2026/may/04/dtcc-advances-development-of-new-tokenization-service

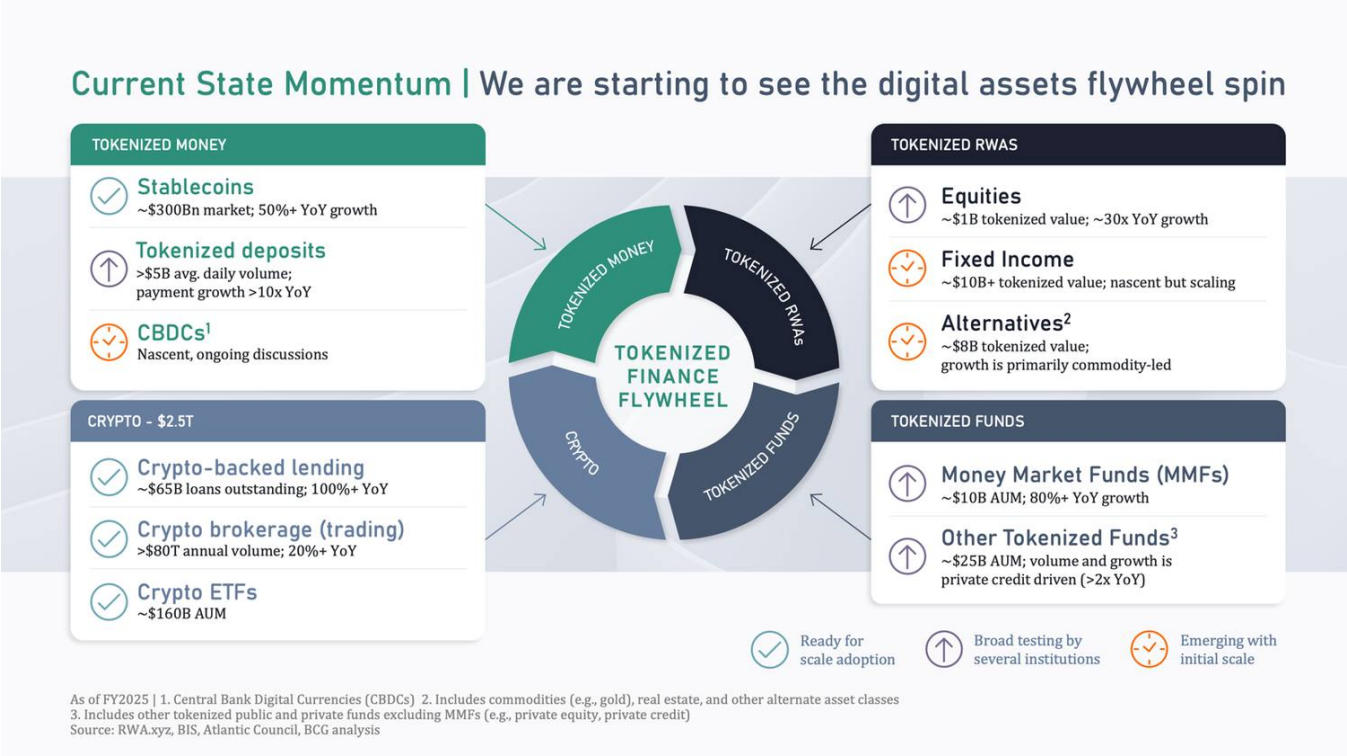
11 Leveraging external providers for technology and/or service delivery, including purchase of licenses, SaaS, outsourced capability, etc.

- A critical enabler is the integration of on-chain and off-chain data, allowing banks to combine blockchain activity with KYC, KYT, and behavioral analytics, and to embed automated monitoring and controls directly into transaction flows so that risk management can operate at the speed and scale of digital assets
- Finally, banks need an **operating model** that balances centralized governance and risk oversight with decentralized business execution—clear ownership of strategy, investment, and risk decisions; structured prioritization and performance management; and a talent model that combines specialist hiring, upskilling, and cross-functional experimentation to support disciplined but agile execution. Banks will need to define where the technology stack should be harmonized at an enterprise-level vs. customized for each business line, and where the bank should build the technology stack to deliver a platform strategy

With rapid acceleration in policy, technology maturity, and client adoption, banks need to define their strategic vision and strategy for digital assets, communicate effectively to internal and external stakeholders, and move with urgency to execute on the most compelling near-term opportunities.

Context and Purpose of this Report

The digital assets landscape has reached an inflection point, with significant policy and regulatory developments (e.g., GENIUS Act and OCC rules in the U.S. and similar regulations in other jurisdictions), maturing technology infrastructure, and growing adoption across wealth and institutional client segments. What was previously a space of experimentation and pilots is now starting to translate into real economic value across digital asset classes (e.g., stablecoin-based remittances and payments, tokenized collateral management, crypto-backed lending, emergence of tokenized funds and real-world assets). The next 1-2 years may be a structurally unique window in which incumbent banks can define their position in digital assets value chains.



Digital assets are highly relevant to financial institutions and can create value through:

- **Growth**: new revenue pools associated with digital assets for banks to address and capture
- **Efficiency**: significant efficiency opportunities (cost reduction and balance sheet efficiency)
- **Defense**: potential banking revenue pools at risk and a likely set of digital 'table-stakes' capabilities that are expected by clients in the future

At the same time, there are several strategic questions for financial institutions that are still unresolved. This report aims to highlight a decision-making framework for financial institutions by helping answer the following key questions:

- What are the **key opportunity areas** for financial institutions across different business segments and client archetypes?
- What is the **relative value** of these opportunities for banks? And how should banks **sequence** their actions based on the relative maturity of these opportunities?
- For each opportunity area, what are the **key strategic questions** that banks need to answer? And how should different bank archetypes approach these questions?
- What **capabilities** are needed to capture these opportunities? And how should banks think about acquiring these capabilities (**build, acquire, or partner**)?

The answer is not the same for all financial institutions, and it will be important for each bank to lean into their existing strengths (e.g., as lenders, wealth managers, market makers, etc.) to capitalize on market share, growth, and efficiency opportunities. This Report also provides recommendations for how different bank archetypes (e.g., global universal banks vs. national/regional banks) should consider executing against these different opportunity areas.

Note that while the key opportunity areas covered in this report are described from a global perspective, specific examples for policies, regulations, and market case studies focus on the US market and do not specifically cover other jurisdictions. Also, the set of use cases described in this report are not meant to be exhaustive—rather, they are areas where we expect significant potential value in the near to medium term. Estimates made on the size of opportunity areas are meant to be approximate; public sources are indicated where available, additional estimates are driven by internal BCG analysis.

Current State of Digital Assets

Digital assets can be considered in distinct asset class categories:

Tokenized Money

Digitally native representations of monetary value used for payments, settlement, and liquidity management. Comprises of:

- **Stablecoins:** privately issued digital bearer instruments, typically referencing fiat currencies and designed to maintain stable value; ~$300B[12] in outstanding value, concentrated in US dollar-denominated instruments and primarily used as a store of value or settlement asset in the DeFi ecosystem today.
- **Tokenized deposits (and deposit tokens):** digital representations of commercial bank deposits (or natively issued on-chain deposits) that remain as claims on bank balance sheets and are issued within existing banking framework. This category remains nascent, but many large institutions with significant transaction banking business are investing in this category, and industry consortia are working on interoperability and interbank clearing and settlement.
- **Central Bank Digital Currencies (CBDCs):** digitally represented liabilities of central banks, issued in retail and/or wholesale formats. This category also remains small today reflecting a cautious approach due to implications on monetary policy and implications for banking.
- **Synthetic CBDCs:** private entity issued tokens backed by central bank reserves, acting as a 'synthetic' version of CBDCs that can be used for activities such as interbank settlement. Synthetic CBDCs may be held by non-bank market participants (e.g., asset managers) thereby expanding the scope of institutions that can indirectly hold near-risk free central bank money.

Tokenized Real-World Assets (RWAs)

Tokenized representations (or native issuances) that have legally enforceable claims linking tokens to real-world assets, including:

- **Tokenized funds:** tokenized representations of funds, including money market funds, exchange-traded funds (ETFs), private equity, private credit (larger outstanding of >$20B today), and other fund categories.
- **Tokenized securities:** such as bonds and equities. This is a small but fast-growing space with ~$15B outstanding volume[13].
- **Tokenized alternatives:** including commodities (largely tokenized gold currently; small but fast-growing with ~$6B outstanding volume), real estate, etc.[13]

Crypto

Native digital assets of public blockchains, such as Bitcoin and Ether, where the value is a function of scarcity, protocol utility, network effects, and investor beliefs, rather than cash flows or legal claims.

[12] Coingecko stablecoin tracker; $317B as of 4 May 2026

[13] Volumes from rwa.xyz, representing digital RWA on public chains

- This is the largest category of digital assets today, with ~$2.5T of market capitalization,[14] dominated by Bitcoin and Ether. It is also a highly volatile and cyclical market and has seen several cycles of growth and decline.
- There are several associated opportunity areas and products associated with crypto, including brokerage/trading, crypto-backed lending, incorporation of crypto-assets in funds, and derivatives referencing cryptocurrency (i.e., futures and options).
    - **Crypto trading,** driven primarily by significant spot and derivatives activity, is estimated to generate ~$30–60B of annual revenue.[15]
    - **Crypto-backed lending** is also a meaningful opportunity, with outstanding crypto-collateralized borrows of approx. $65B as of Q3 2025.[16]
    - **Crypto ETFs**—regulated wrappers providing investors exposure to crypto assets through familiar fund and brokerage channels—are a significant market, with ETP AUM exceeding $160B.[17]

We are at an inflection point where development in each asset class is reinforcing acceleration in other asset classes—the digital assets flywheel. The development of tokenized RWAs would require maturity of tokenized money solutions for instantaneous clearing and settlement, enabled by tokenized deposits, stablecoins, or CBDCs.

14 Coingecko cryptocurrency tracker; $2.7T as of 4 May 2026, inclusive of stablecoins

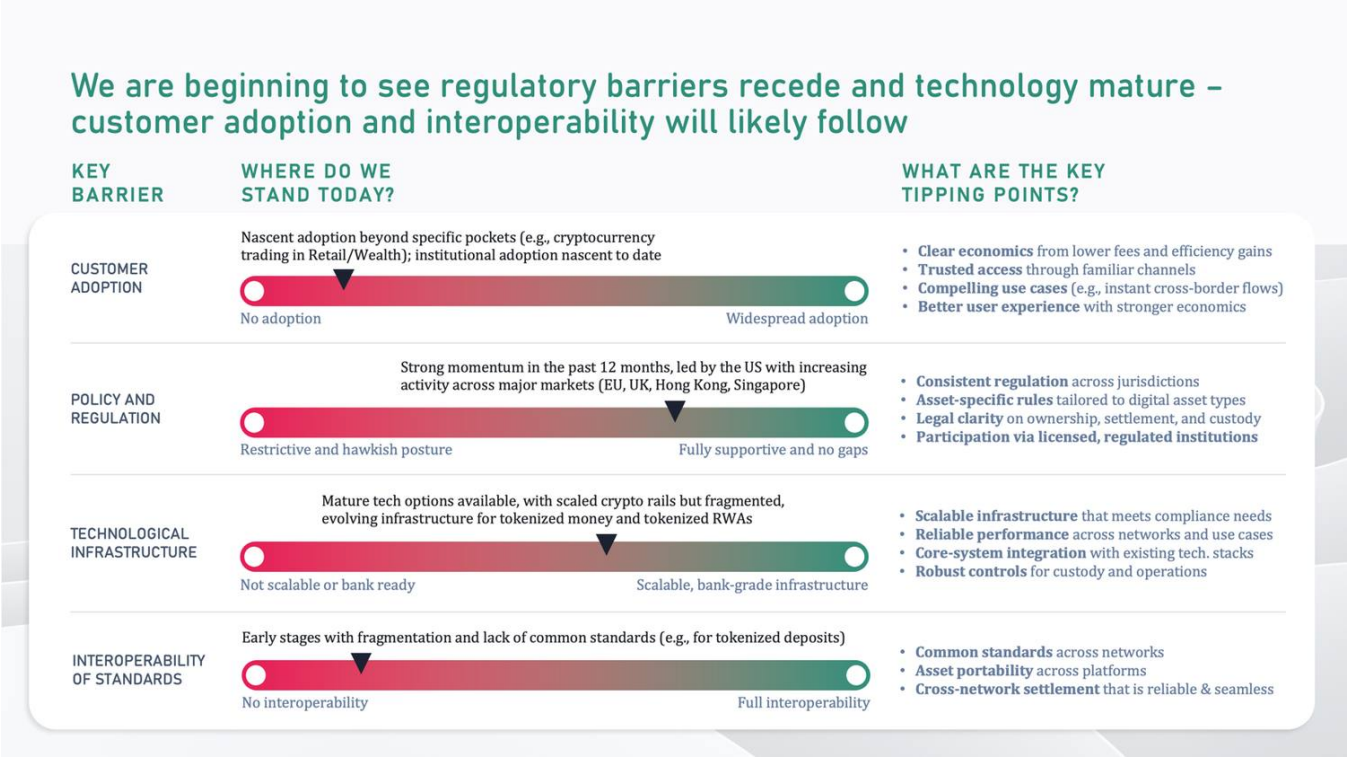
15 Triangulated from revenues of key players such as Binance, Coinbase, Kraken, and Robinhood; and estimated total transaction volumes

16 Galaxy: The State of Crypto Leverage – Q3 2025

17 https://www.bny.com/corporate/global/en/insights/crypto-etps-gaining-ground.html

Tipping Points

The scale and speed of digital asset adoption will depend on a set of key tipping points: customer adoption, policy and regulation, technology infrastructure, and interoperability. The exhibit below explores the current state as well as some of the key "must-believes" for each dimension to enable greater adoption.



We have seen significant policy and regulatory momentum in the last few years, which has provided substantial impetus to the growth of interest in digital assets; and maturing technology infrastructure, paving the way for large-scale institutional participation.

While customer adoption remains niche today, a combination of stronger economics, trusted access through familiar channels, and stronger value propositions could rapidly unlock greater adoption across retail, wealth, corporate, and institutional customers. Adoption by key players in the market, especially large institutions, is likely to be a key tipping point in enabling rapid acceleration of overall scale of the market. This is unlikely to displace traditional markets, and we will likely see co-existence of traditional and digital ecosystems for several decades; but adoption will likely be accelerated in select use cases where there are material economic gains to be realized. In the next section, we explore the different opportunity areas where customer value can drive significant adoption over the near to medium term.

The evolution of the tokenized ecosystem is difficult to predict and can vary significantly based on the speed of evolution of these key drivers and how rapidly the market sees critical tipping points. It is important for banks to act rapidly yet invest flexibly to adapt to changing circumstances.

Key Opportunity Spaces for Financial Institutions

Digital assets can offer several new opportunities for financial institutions. These can:

- Uncover **new potential revenue pools** (for example, new retail and commercial lending opportunities backed by digital native assets like cryptocurrencies);
- Significantly **enhance efficiencies and reduce costs** (e.g., using stablecoins to reduce frictions in cross-border payments and transfers); or
- Create **risks to existing revenue pools**—through disintermediation, margin compression, or loss of customer wallet share.

While several of these areas are nascent today, we expect the following **opportunity spaces to have significant potential in the next 1–5 years**:

NON-EXHAUSTIVE

Key opportunity areas for banks and their relevance across business segments

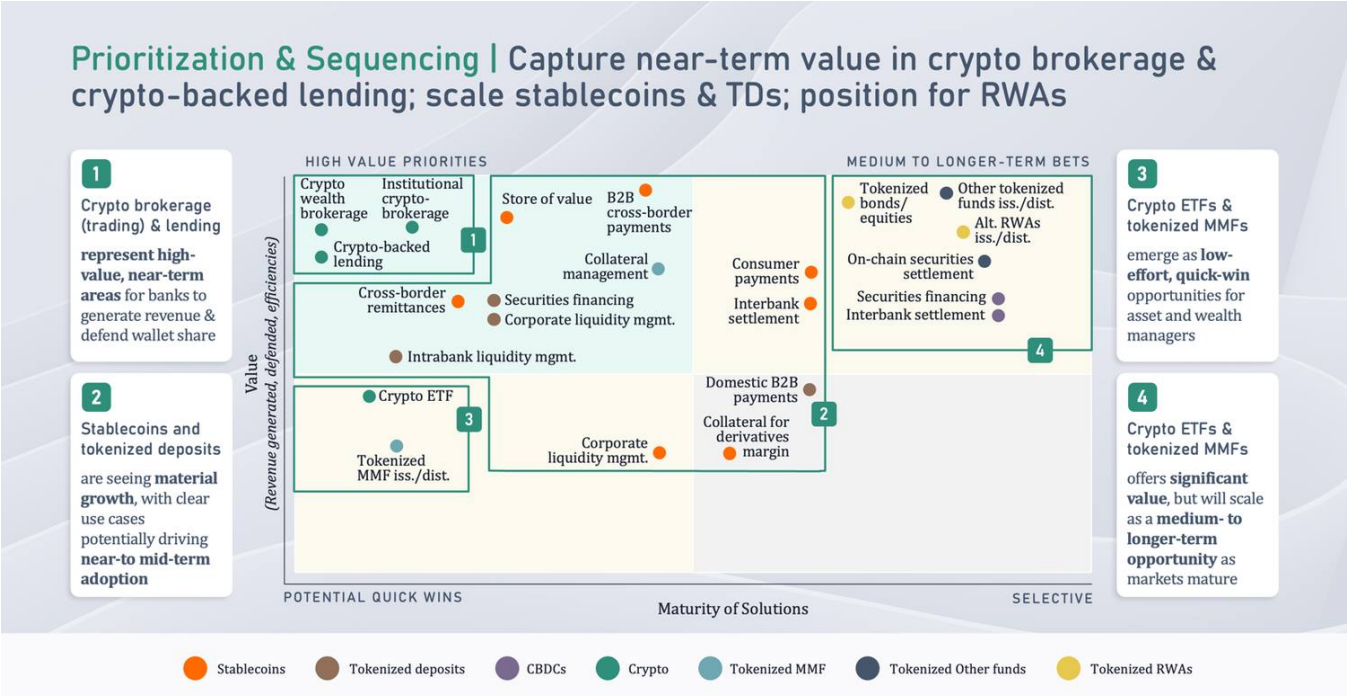
OPPORTUNITY FAMILY	OPPORTUNITY AREA	RETAIL	WEALTH AND ASSET MANAGEMENT	CORPORATE, COMMERCIAL AND INVESTMENT BANKING	GLOBAL MARKETS	BANK INTERNAL USE CASES
TOKENIZED MONEY	Stablecoins	Consumer payments Cross-border remittances Store of value		B2B payments (cross-border) Corporate liquidity management	On-chain settlement (DvP) Collateral for derivatives margin	Interbank settlement
	Tokenized deposits			B2B payments (domestic)	Securities financing (cash leg)	Intrabank liquidity management
	Synthetic CBDC					Interbank settlement
CRYPTO	Cryptocurrencies	Crypto brokerage Crypto-backed lending	Crypto brokerage Crypto-backed lending Crypto ETFs		Institutional crypto brokerage Institutional crypto lending (incl. through VASPs)	
TOKENIZED FUNDS	Tokenized MMFs		Issuance & distribution of tokenized MMFs		Collateral management & mobility	
	Other tokenized funds		Issuance & distribution of other tokenized funds			
TOKENIZED RWAs	Tokenized equity, fixed income, alternatives		Issuance & distribution of tokenized alternatives	Issuance of tokenized bonds & equity		

Banks should start to define and execute digital asset strategies across **four key areas** (as visualized in the exhibit below), given the meaningful value at stake from new revenue pools, operating efficiencies, and defense of existing client relationships.

- In the near term, **crypto brokerage and crypto-backed lending** stand out as meaningful commercial opportunities, especially for wealth and institutional segments, with sizeable revenues already generated in spot and derivatives markets. The regulatory environment has become more supportive of bank participation, although capital treatment remains an important constraint that institutions will need to navigate carefully. Beyond direct revenues, participation in these businesses could be

strategically important to defend wallet share and position banks for the broader evolution of on-chain finance, including tokenized funds and real-world assets.

- At the same time, banks should consider differentiated plays in **tokenized money**. Stablecoins and tokenized deposits offer practical, near- to medium-term value across payments, treasury, liquidity, collateral, and securities-financing use cases, with different implications by bank type. For example, large universal banks can lead through issuance and consortium participation, while regional, retail, and wealth-focused banks could emphasize access, integration, and client-service improvements.
- Wholesale and synthetic CBDCs could also become important infrastructure enablers, particularly in settlement and cross-border flows, making early participation important for large banks and custodians.
- On asset management, **tokenized money market funds and crypto ETFs** already show strong momentum and create significant distribution opportunities today (and, more selectively, issuance opportunities for larger players).
- There are significant potential value pools associated with **tokenization of equities, bonds, alternatives, and other real-world assets**. Momentum is accelerating as major U.S. market infrastructure providers move into tokenized securities. These are likely to be important at-scale plays as adoption scales in the medium- to longer-term and hence strategically important for key capital markets players and asset managers.



At the same time, tokenization, on-chain processes, interoperable networks, new virtual asset classes, and smart contracts are reshaping how assets are issued, transferred, settled, and serviced—and in doing so, are creating new risk vectors, which financial institutions should consider as they develop their strategy. These are explored in more depth in the section on Risk & Compliance.

Overall, we expect those institutions that act early, align their digital assets strategy to their business model, and build capabilities ahead of wider market maturation to potentially gain significant advantages and market share as the construct of the financial market evolves to more deeply integrate digital assets and DLT in its core infrastructure.

Crypto

Context and market overview

Crypto is already a large asset class with strong retail awareness and growing institutional adoption. The market remains cyclical and volatile, but access is increasingly being delivered through more regulated wrappers and intermediaries. It is likely that crypto becomes a permanent part of the investable universe for many retail, wealth, and institutional clients.

The key question for banks is not whether to play in this space, but rather how to do so, and how much balance-sheet, custody, and market-structure risk they are willing to absorb. Key opportunity areas and sources of value for banks are across businesses such as brokerage, custody, distribution of ETFs/ETPs, crypto-backed financing, collateral management, and select prime services. Native digital-asset firms are still likely to remain strong competitors, especially where banks move slowly.

Crypto brokerage (trading)

Crypto trading refers to the buying and selling of cryptocurrencies (a ~$2.5T market cap asset class[18]) across spot and derivatives markets through broker, exchange, or institutional trading platforms. This is the largest and most mature digital-asset trading category today, driven primarily by significant spot and derivatives trading activity. Market estimates size spot trading and derivatives revenues at roughly ~$30–60B.[19]

The market is relatively consolidated today, with major centralized exchanges (CEXs) dominating liquidity and execution, making direct head-to-head competition on pure exchange economics challenging for banks. However, this could still be a key opportunity for banks. Banks can offer regulated and integrated access to spot crypto or crypto-linked products via digital channels, where clients are already looking for exposure to the asset class.

For wealth businesses, one of the growth vectors is demand from retail and HNW clients for investment exposure to crypto assets. Retail and HNW users also increasingly prefer integrated platforms rather than separate crypto-native accounts, making this an important value proposition for banks to offer to their clients. To start, crypto assets can be wrapped inside existing advisory, reporting, and portfolio-construction workflows. There are also several areas of potential organic growth—for example by taking advantage of asset volatility to integrate offerings around tax loss harvesting, integrating features around staking and unlocking DeFi yield, integrating into UMA (unified managed account) structures, etc. Institutions should consider evolving their investment policies to tap into this opportunity.

For capital markets business, a key trend to consider is increased institutional participation. Regulatory clarity and infrastructure maturity are key market accelerants leading to growing institutional participation. As access expands and there is greater regulatory clarity on treatment of crypto assets, institutions could increasingly integrate these as a sleeve in their portfolio. They will likely expect a full suite of institution-ready capabilities, including bank-grade execution, custody, financing, reporting, and compliance integration—not just exchange access. In addition, continued expansion of derivatives and structured trading activity could be a major revenue pool. As the market matures and institutions

[18] Coingecko cryptocurrency tracker; $2.7T as of 4 May 2026, inclusive of stablecoins

[19] Triangulated from revenues of key players such as Binance, Coinbase, Kraken, and Robinhood; and estimated total transaction volumes

participate more in this asset class, derivatives growth is also likely to expand (including futures, options, structured products).

Bank addressable crypto brokerage could grow to occupy a significant share of total market cap and trading volumes, serviced through regulated banking and wealth channels. This could not only be a material revenue growth driver but also an important defensive play to enable retention of digitally engaged customers.

- **New revenue pools:** crypto trading could open access to meaningful fee pools across spot and derivatives execution, as well as adjacent economics in custody, wallets, financing, on/off-ramping, structured products, and ETF / wealth distribution.
- **Defensive relevance / wallet-share protection:** even where banks do not seek to become primary trading venues, crypto matters because client demand is already being met by crypto-native platforms. The strategic risk is losing the client interface, wallet share, and downstream financing / advisory relationships as digital-asset activity migrates off-platform.
- **Strategic positioning for broader on-chain finance:** trading is often the front door into the wider digital-asset ecosystem. Participation helps banks stay relevant as financing, custody, collateral, and tokenized asset activity increasingly converge around digital-asset platforms, rather than remaining separate product silos.

Crypto-backed lending

Crypto-backed lending refers to secured lending where borrowers pledge crypto assets as collateral to obtain credit (fiat, stablecoins, or token/asset). This is a large market today, with outstanding crypto-collateralized borrows at approx. $65B as of Q3 2025 (combining DeFi apps with CeFi lending venues).[20] Near-term growth in digital asset backed financing is likely to remain driven by crypto-backed lending against crypto-native collateral. Over time, this opportunity may broaden into a wider financing and collateral-management stack as markets for tokenized real-world assets mature and as institutions seek borrowing, margin, and credit solutions tied to real-world digital-asset holdings.

For individual customers, this opportunity is likely to be larger in scale in private banking and HNW segments than in mass retail, although there is significant activity in crypto-backed lending within retail platforms as well. In addition, this could be a meaningful opportunity for institutional lending as crypto becomes a material share of institutional portfolios. It could also be a partnership opportunity for banks to lend to retail customers through virtual asset service providers (VASPs).

For banks, this could represent a material revenue pool, with an estimated potential market size of ~$150–300B of outstanding loan balances across wealth and institutional channels, and potentially significant APRs. This could also represent a strategic bridge for banks to broader digital-asset finance: crypto-backed lending may become an entry point into the broader financing stack for on-chain markets, including margin, collateral management, tokenized-asset financing, and integrated custody-plus-credit propositions.

Securitizations of crypto-backed credit are beginning to bridge the gap between digital asset lending and traditional fixed-income markets. Recent issuances highlight a shift toward investment-grade structures designed to appeal to institutional capital. For example, in early 2026, Ledn priced a $188M asset-backed security (ABS) collateralized by retail Bitcoin loans, earning a BBB- rating from S&P Global—the first investment-grade rating for a Bitcoin-backed securitization.[21] Similarly, Galaxy launched a tokenized

[20] Galaxy: The State of Crypto Leverage – Q3 2025

[21] https://www.ledn.io/post/ledn-abs

collateralized loan obligation (CLO) on the Avalanche blockchain to scale its lending operations.[22] By translating direct bilateral loans into standard structured vehicles, lenders are creating a pathway for traditional fixed-income investors (such as pension funds, insurance companies, and endowments) to access crypto credit yields through familiar, rated instruments.

At the same time, there are some key open considerations and potential impediments—most notably, prudential capital treatment for crypto assets. Current Basel standards establish limits on bank exposures to Group 2 crypto-assets by which a bank's exposure should not be higher than 1% of Tier 1 capital and must not exceed 2% of Tier 1 capital.[23] Moreover, Group 2 crypto assets are subject to a 1250% risk weight, or effectively a 100% capital charge. Such treatment may render economics for crypto-backed lending challenging for banks and requires banks to carefully consider their execution strategy. The US has moved towards greater permissibility on crypto but hasn't yet established clear capital rules for the asset class.

Crypto-backed lending also introduces risk characteristics that differ from traditional secured lending. Collateral may be highly volatile, subject to 24/7 liquidation dynamics, and dependent on third-party infrastructure such as custody providers, bridges, oracles, and smart contracts. Recent incidents, including the April 2026 exploit involving a LayerZero-powered bridge,[24] illustrate how failures in cross-chain infrastructure or verification design can rapidly translate into stolen collateral, forced market freezes, and contagion across lending venues. These risks reinforce the need for bank-specific risk appetite, collateral eligibility, custody, liquidation, and incident-response frameworks.

In such an environment, banks would need to develop clear bank-specific risk frameworks for crypto assets and collateral. Furthermore, banks must also reconcile their KYC/AML obligations with the nature of crypto activity and ensure appropriate frameworks are established.

Crypto ETFs

Crypto ETFs are a regulated wrapper that gives investors exposure to digital assets through familiar fund and brokerage channels, rather than through direct wallet ownership or exchange accounts. ETFs are one of the clearest ways to broaden crypto access through traditional financial intermediaries and familiar investment products. Crypto ETFs / ETPs are already a mainstream access route for many advisers and institutions; and for many wealth channels, ETFs are likely to remain the preferred wrapper relative to direct token holding.

Current traction appears strongest in retail and wealth / HNW channels, where clients value integrated access to crypto exposure through existing brokerage, advisory, and retirement-account infrastructure rather than crypto-native platforms alone. Crypto ETP AUM already exceeds $160B.[25] Growth is likely to be driven primarily by distribution across platforms, rather than by new crypto ETF product manufacturing. Crypto ETFs appear most relevant where investors want simple, regulated exposure and where banks, brokers, and wealth platforms can embed crypto into familiar channels. This market could grow to be $500B+ over the next few years as more investors seek exposure to crypto assets.

For banks, this could represent material new revenue opportunities through new distribution, advisory, and platform revenue pools. Crypto ETFs create a clear opportunity for wealth and asset managers to participate through distribution, advisory, platform, and in some cases product-issuance fees. This could

22 https://www.theblock.co/post/385754/galaxy-digital-debuts-75-million-usd-clo-on-avalanche

23 https://www.bis.org/fsi/fsisummaries/crypto_exposures.pdf

24 https://www.coindesk.com/tech/2026/04/19/2026-s-biggest-crypto-exploit-kelp-dao-hit-for-usd292-million-with-wrapped-ether-stranded-across-20-chains

25 https://www.bny.com/corporate/global/en/insights/crypto-etps-gaining-ground.html

also be a key defensive play, specifically defending the wealth and brokerage client interface. If banks do not offer familiar crypto-exposure vehicles, clients may increasingly access them through specialist brokers, asset managers, or crypto-native channels, weakening the bank's position in portfolio construction and advice.

Strategically, this can also act as a low-friction entry point for banks into digital assets. Relative to more operationally intensive digital-asset businesses, crypto ETFs can offer banks a simpler and more scalable way to participate in crypto demand through existing wealth and investment infrastructure, while building capabilities and client relationships that may support broader digital-asset offerings over time.

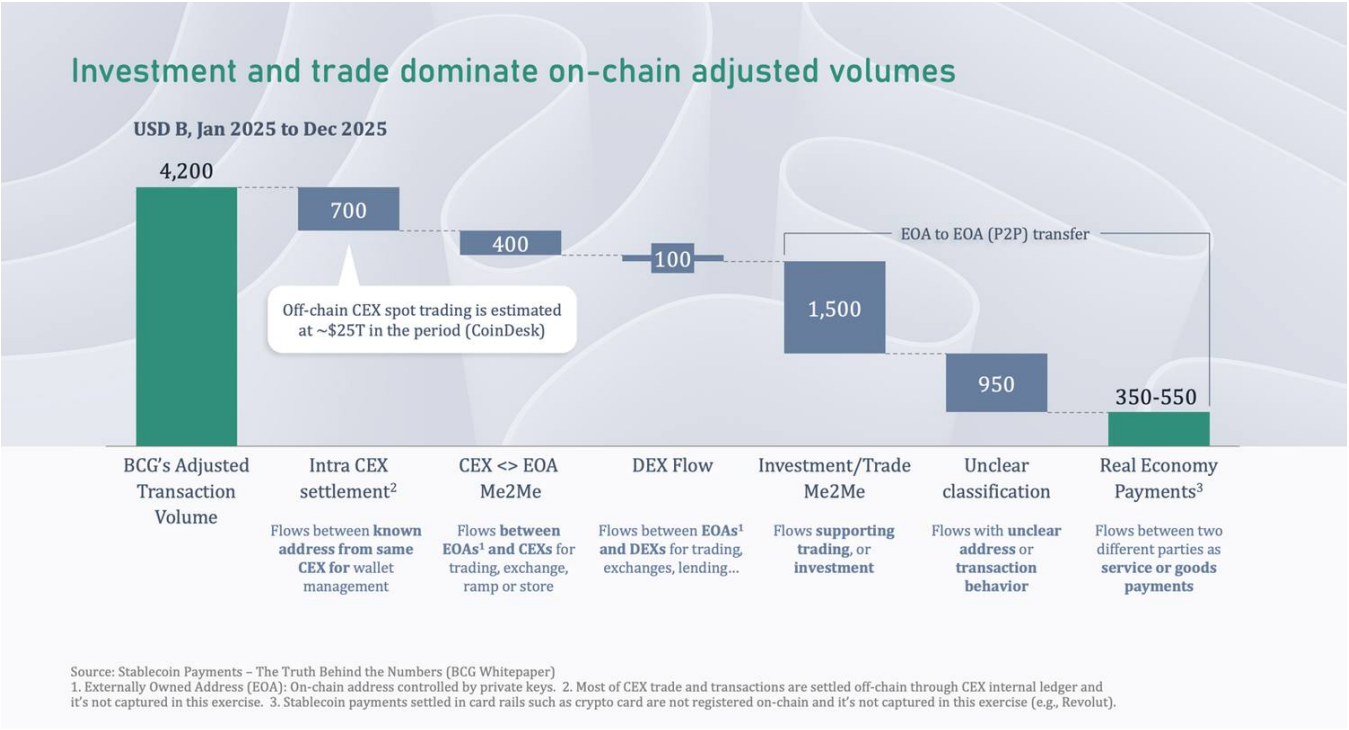
Tokenized Money: Stablecoins, Tokenized Deposits, and CBDCs

When it comes to tokenized money, we expect that all three forms (stablecoins, tokenized deposits, and CBDCs) will coexist over time. However, different forms of tokenized money are expected to become the preferred settlement asset for different use cases. For example,

- Stablecoins offer significant cost and efficiency advantages in high-friction payment corridors such as cross-border payments and transfers.
- Tokenized deposits offer benefits for large transaction banks for internal settlement and wholesale payments where payers and payees are clients of the same bank (or bank consortia).
- CBDCs are emerging slowly across select markets, reflecting regulatory caution. Private sector synthetic CBDC solutions (using private sector accounts at central banks) are emerging and serving a similar central bank-style interbank settlement mechanism.

Stablecoins

Today, the tokenized money ecosystem is largely dominated by stablecoins (~$300B market cap with an estimated ~$62T of stablecoin transactions in 2025).[26] This still represents a small fraction of the global money supply (of the order of ~$140T globally[27] and ~$20T in US[28]), and a large proportion of transaction volumes are still dominated by bots and internal transactions. Adjusted for bot and intermediary activity, the adjusted transaction volume is approx. $4T, of which the majority was for investment and trading purposes and an estimated ~$350–550B was used for real-economy payments.[29]



[26] https://digital-assets.fct.bcg.com/; https://www.bcg.com/assets/2026/white-paper-stablecoin-payments-truth-behind-numbers.pdf

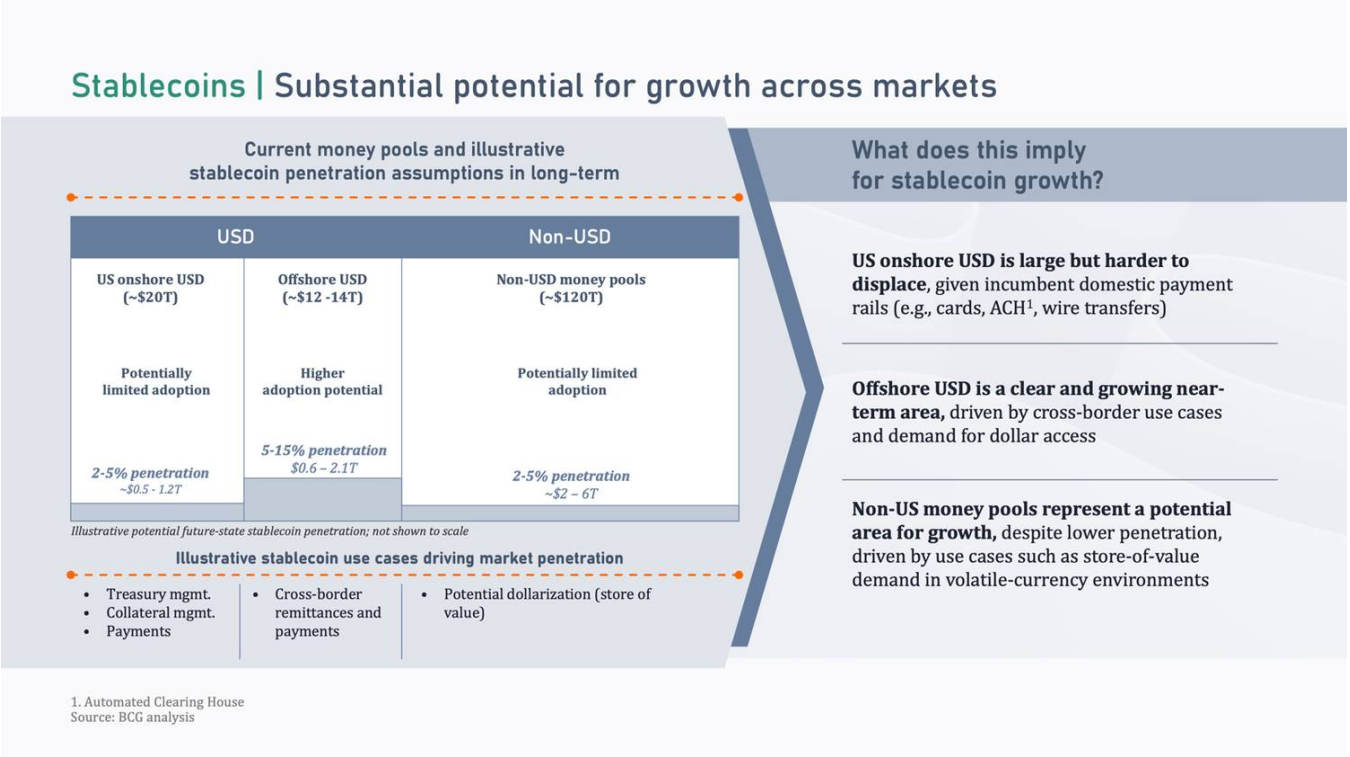
[27] https://data.worldbank.org/indicator/FM.LBL.BMNY.GD.ZS

[28] https://fred.stlouisfed.org/series/M2SL

[29] https://digital-assets.fct.bcg.com/; https://www.bcg.com/assets/2026/white-paper-stablecoin-payments-truth-behind-numbers.pdf

Stablecoins offer several benefits over traditional payment mechanisms, including global reach, ability to integrate into automated transactions, and 24x7 availability. This has led to their significant growth to be the second largest digital asset class (behind crypto-native assets like Bitcoin and Ether). At the same time, frictions associated with stablecoins that may impact growth and adoption include (i) policy-driven yield restrictions which reduce the desirability for domestic users to hold stablecoins beyond liquidity and payment use cases, (ii) the need for upfront funding (as compared to payment alternatives like credit cards that offer credit), and (iii) questions around the singleness of money with multiple tokens representing the same currency.

Providing a key foundation of on-chain liquidity, we expect the stablecoin market capitalization to grow substantially over the next 5–10 years, driven by penetration across multiple use cases that diversify beyond crypto trading. The expected penetration of stablecoins is not the same across categories. For example, in the domestic US market, stablecoins may not fully displace dominant consumer payment categories such as credit cards. However, in certain international markets, stablecoins may enable retail consumers to increasingly adopt stablecoins as a "store of value"—particularly in countries where economic conditions (e.g., inflation, currency volatility) influence retail consumers to switch from local forms of savings. Also, there are several capital markets use cases, such as stablecoins serving as eligible collateral and facilitating 24/7 trading and tokenized capital markets, that can act as key growth vectors.



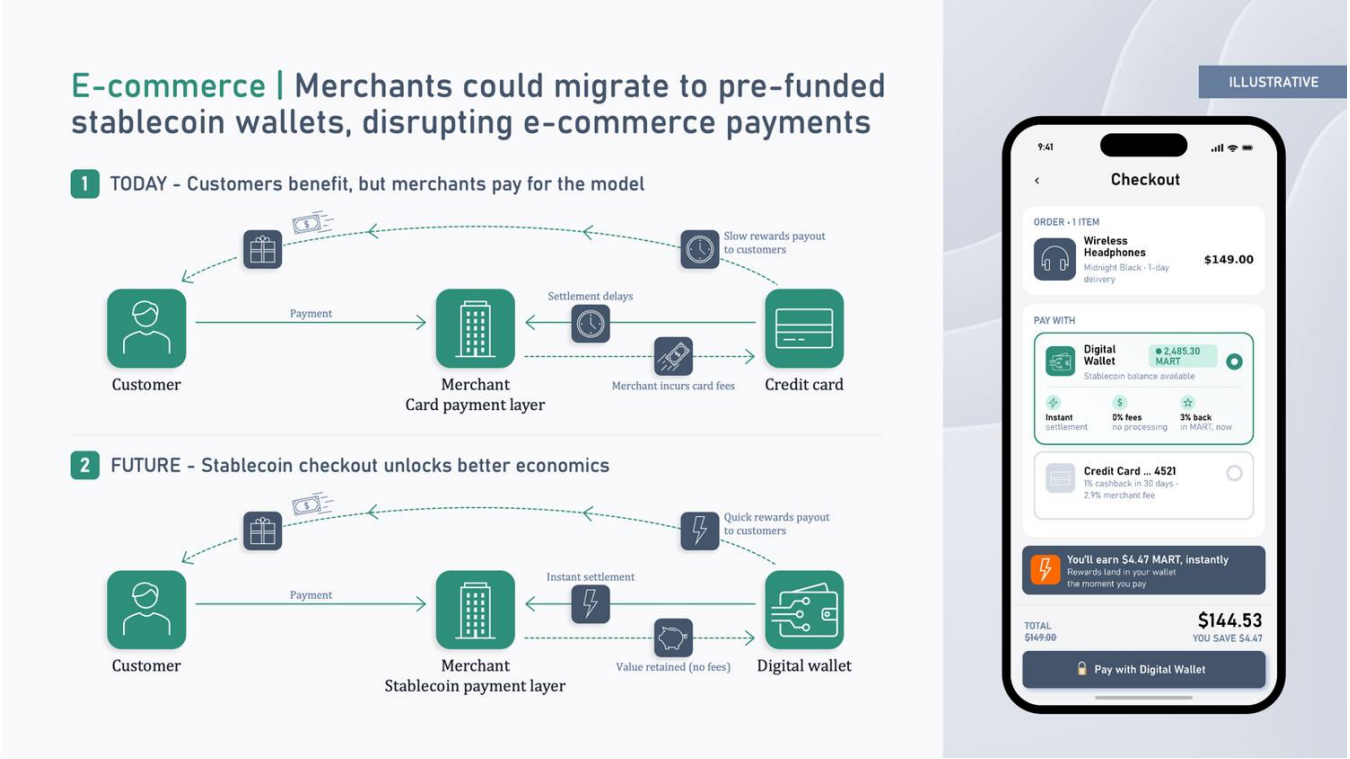
CONSUMER PAYMENTS (DOMESTIC)

The global consumer payments market exceeds an estimated $60T of payment flows annually.[30] For POS payments, incumbent card and account-to-account rails are strong, and there are several consumer benefits to traditional payments mechanisms such as availability of credit through credit cards, consumer incentives (such as rewards), established consumer behaviors, and a relatively seamless "real-time" user experience through existing rails.

30 BCG estimates

Still, payments giants like Visa and Mastercard are moving strategically into stablecoins through partnerships that embed tokenized money into card, treasury, and merchant-settlement flows. Visa has focused on stablecoin-based settlement, while Mastercard has built a broader network spanning wallet enablement, merchant acceptance, and settlement with partners. Stablecoins can make cross-border payments, treasury movement, and merchant settlement faster and more programmable. Therefore, it is in the interest of both networks to remain the trusted distribution, compliance, and acceptance layer if money moves onto blockchain rails.[31]

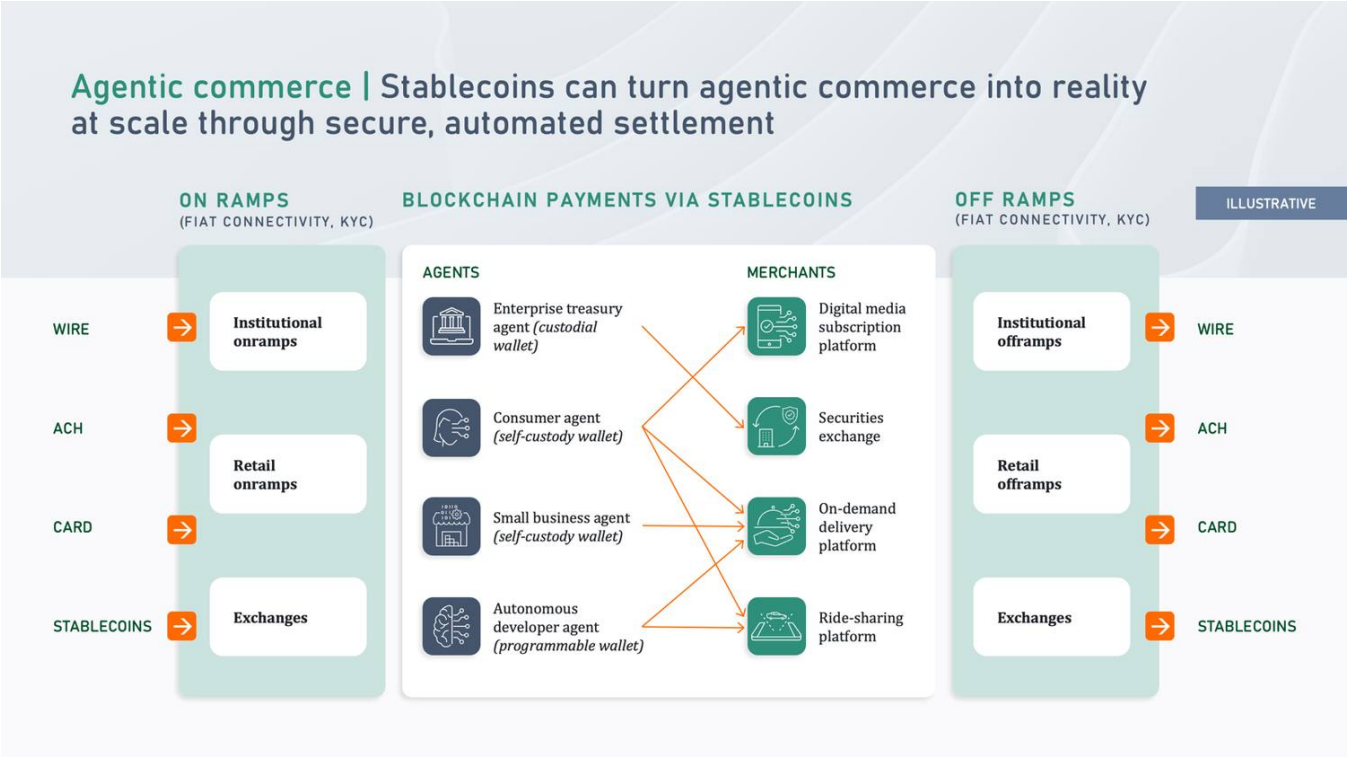
Stablecoin payments may become strategically relevant for use cases such as digital commerce, creator / gig economy payments, micropayments, and programmable online transactions. For example, Amazon and Walmart are exploring stablecoin payment options.[32] Stablecoins could allow merchants to reduce associated transaction fees while also enabling faster settlement. At a large scale, this can mean billions in savings.



Another example where stablecoins could dominate is agentic commerce (i.e., where autonomous AI agents research, compare, and complete transactions on behalf of users). Programmability and integration into agentic workflows could allow stablecoins to become the default in agent-driven commerce. While small today, this could become a meaningful market with transaction volumes of the order of hundreds of billions of dollars with rapid growth in agentic commerce opportunities.

31 https://visa.gcs-web.com/news-releases/news-release-details/visa-expands-stablecoin-settlement-support; https://www.mastercard.com/news/press/2025/april/mastercard-unveils-end-to-end-capabilities-to-power-stablecoin-transactions-from-wallets-to-checkouts/

32 https://www.bloomberg.com/news/articles/2025-06-13/amazon-and-walmart-weigh-issuing-their-own-stablecoins-wsj-says; https://www.wsj.com/finance/banking/walmart-amazon-stablecoin-07de2fdd



Of the consumer payments market, if stablecoins can capture ~1–2%, that could imply ~$500B–1T annual transaction volume. As a reference point, Amazon and Walmart revenues together are approximately ~$1.5T annually. **For retail or community banks, this primarily represents a defensive opportunity** of potentially losing revenues to stablecoin payment providers. It could also represent **incremental revenue opportunities** if they are able to offer associated stablecoin infrastructure (e.g., wallets, on- and off-ramps for payments) and leverage their offerings to gain market share and customer primacy.

CROSS-BORDER TRANSFERS AND REMITTANCES

A key use case for stablecoins given a stronger value proposition over correspondent banking and money transfer operators on speed, cost, operational availability, and last-mile wallet delivery. Traditional remittances can cost up to ~5–7% in fees[33] with multiday settlement windows. Stablecoin-based flows could reduce these costs to a fraction.

Global remittance flows are approximately ~$1T annually and growing.[34] Stablecoins have already started to occupy a material share, with an estimated ~$20B annualized volume.[35] If stablecoins displace ~10–15% of this flow over the next few years, that could imply a potential annual transaction volume of ~$150–200B.

For retail banks, this could represent both a **significant defensive and growth opportunity**. Non-bank fintech operators are already strong in enabling cross-border remittances and are displacing traditional banking channels. Banks can defend against disintermediation and retain customer primacy through stronger transfer and remittance offerings using stablecoins. At the same time, this could also be a potential growth vector for retail bank segments. It would be important for banks to consider key underlying

[33] https://remittanceprices.worldbank.org/

[34] https://www.federalreserve.gov/econres/notes/feds-notes/global-remittances-cycle-20250227.html

[35] https://castleisland.vc/wp-content/uploads/2025/06/artemis-stablecoin-payments-from-the-ground-up-2025.pdf

requirements, such as KYC/AML standards, interoperability across jurisdictions, and local on/off-ramp coverage.

STORE OF VALUE IN INTERNATIONAL MARKETS

Stablecoins can function as a digital store of value for retail users seeking alternatives to weak local currencies or banking systems, and potentially more broadly for those seeking exposure to strong global currencies such as USD, EUR, SGD, etc. Several markets are already seeing substantial demand, as evidenced by Tether being one of the largest non-sovereign holders of U.S. Treasury bills as of December 2025, with reported holdings of approx. $140B.[36]

Considering USD markets—offshore dollar savings, foreign-held US cash, and foreign-currency deposits used for savings—account for an estimated ~$4–5T of capital.[37] Furthermore, there is an estimated ~$5–10T of global unbanked / underbanked savings demand.[38] Capturing ~5–10% of this potential market could represent ~$500B–1T in stablecoin AUM in the medium-term.

For retail banks that have significant offshore presence, this could represent **potential new revenues from bank-issued stablecoins** (e.g., through reserve economics and service provision) as well as a **defensive move against potential dollar flight** from deposits.

B2B CROSS-BORDER PAYMENTS

Stablecoins can offer efficient, enterprise-grade cross-border payment settlement for corporate treasury and trade workflows: faster working capital cycles, reduced intermediary costs, lower pre-funding requirements and trapped liquidity, and 24/7 treasury movements. At the same time, for this use case to become materially relevant would require high levels of enterprise integration, strong compliance (KYC/AML) tooling, reliable FX conversion, payment instruction standards, resolution of privacy concerns regarding wallets, and integrations with ERP and TMS systems.

Current addressable cross-border flows represent an estimated ~$30T in annual volume, growing at approx. 5% per annum.[39] An estimated ~5–10% penetration, focused on higher-friction payment corridors, could imply approx. ~$2–4T in annual transaction flows using stablecoins. For corporate and commercial banks, this could represent a meaningful **new revenue growth opportunity through stablecoin-based payment products and associated FX services**. For banks with large correspondent banking networks, this is also a **meaningful defensive play**.

CORPORATE LIQUIDITY MANAGEMENT (DOMESTIC AND CROSS-BORDER)

Stablecoins could be used for treasury activities that require real-time visibility, continuous movement of balances, and embedded logic around sweeps, pooling, and internal transfers. This can also be a key use case for tokenized deposits, particularly for multi-national banks that serve corporates in multiple jurisdictions (this is explored more in the section on tokenized deposits). The global treasury and cash management market is estimated at ~$150T, growing to ~$200T by 2030.[40] Even ~1% penetration could imply annual transaction volumes of ~$2–3T.

---

36 https://tether.io/news/usdt-q4-2025-market-report/

37 https://fred.stlouisfed.org/series/ROWDEPA027N

38 Estimated from World Bank Global Findex 2025 report

39 BCG estimate of B2B cross-border payment with FX settlement

40 BCG estimate; triangulated from intra-company transactions globally, including cash pooling and payouts

For corporate and commercial banks, this transaction banking value pool represents a significant defensive **opportunity to retain corporate deposits and relationships** that might otherwise migrate to alternate tokenized instruments or peers offering tokenized services. It can also imply a meaningful **market share capture opportunity** by offering a strong client value proposition, as well as efficiency gains through reduced servicing friction.

ON-CHAIN SETTLEMENT IN FINANCIAL MARKETS (DVP)

Stablecoins can be used as the cash leg for on-chain securities settlement, enabling atomic delivery-versus-payment (DvP) exchange of assets and cash, thus mitigating settlement risk, reducing settlement delays, and facilitating intraday liquidity benefits. This would require stablecoins to be accepted as settlement assets as well as interoperability between chains (to coordinate asset and cash legs of transfers).

Global securities trading volumes are a massive market with hundreds of trillions in annual volume (e.g., equities trading exceeds an estimated $140T[41] of flows annually). Although tokenization of securities is nascent today, recent developments have indicated a movement in this direction. For example, Nasdaq has recently received SEC approval for certain stocks to be traded and settled in tokenized form.[42]

Over the next ~5 years, even a small migration of securities settlement on-chain could imply ~$1–5T of stablecoin-settled securities volume annually. For capital markets businesses, this can represent **significant efficiency and cost reduction** (through reduced post-trade processing, lower settlement risks, etc.) There are also **potential revenue and market share growth opportunities** from providing DvP settlement services.

USE AS COLLATERAL INSTRUMENTS (FOR DERIVATIVES MARGIN)

Stablecoins may also find relevant use as cash-equivalent collateral for derivatives margin and other collateral requirements. They can improve margin mobility, offer 24/7 availability for margin calls, programmability for auto-margining via smart contracts, and reduced frictions in cross-border collateral transfers. This would require acceptance by appropriate parties, including development of eligibility frameworks, haircut policies, comfort with bankruptcy-remoteness, and integration with margining workflows.

The potential addressable market is large, estimated at over ~$10T.[43] If ~1% migrates to stablecoins by 2030, that could represent ~$100B in stablecoin AUM for such use cases. For capital markets businesses, this could enable **material efficiency gains from automated margin management**. There could also be significant **revenue opportunities from providing collateral transformation services**.

INTERBANK SETTLEMENT

Stablecoins can also potentially support interbank settlement between financial institutions, replacing portions of traditional clearing mechanisms. This can reduce cut-off constraints and potentially some pre-funding needs – but requires that participating institutions trust the settlement asset as well as the legal model of settlement. At the same time, this could be a more selective use case by market. Alternatives like traditional interbank rails and synthetic or wholesale CBDCs could familiar, trusted, and low-risk solutions.

Interbank settlement volumes today are estimated at >$10–20T daily.[44] Even a small portion of this market (in jurisdictions where traditional fiat rails are less efficient) could imply several trillions of dollars

---

41 https://www.world-exchanges.org/our-work/wfe-global-equity-and-bond-market-dashboard

4242 https://www.reuters.com/legal/government/nasdaq-receives-sec-nod-trading-tokenized-securities-2026-03-18/

43 BCG estimates based on market triangulation

44 BCG estimates based on market triangulation

equivalent of annual stablecoin transaction volumes. For banks, this is primarily a **cost and efficiency opportunity**, with reduced intraday liquidity costs and lower reconciliation overheads.

STRATEGIC IMPLICATIONS FOR BANKS

A key question is whether banks should look to issue its own stablecoin; partner with other banks (or join consortia) to co-issue or white label stablecoins (i.e., using a provider for issuance); or not issue but effectively be a distributor of third party stablecoins while integrating them in relevant valuable use cases for its businesses. The answer here is unlikely to be common for all banks.

- **Global transaction / universal banks:** white labelling / partnering strategies are likely to be an effective pathway for global transaction / universal banks as they can play offensively across all or multiple use cases and can bring significant distribution networks to bear for large-scale adoption and acceptance. They could also explore issuing their own stablecoin where they have sufficient network scale to drive adoption, in order to effectively capture the most economic value.
- **Regional commercial banks:** focus should likely be on deploying stablecoin use cases for corporate clients (e.g., for treasury management and B2B payments use cases). They should consider joining consortium networks rather than balance-sheet heavy issuance strategies.
- **Wealth-focused banks:** key priority should be to enable stablecoin access for clients and leveraging stablecoins for improved services (e.g., faster and cheaper cross-border transfers).

The exhibit below explores the key strategic questions banks should consider when executing on their stablecoin strategy:

Key components of a Stablecoin strategy for banks

Key questions	Key source of value	Options	Pros	Cons	Likely pathway for banks
Issuance *"Should the bank issue a stablecoin?"*	Return on reserves	Issue own stablecoin	Full control and economics capture	High cost, regulatory burden, and scale required to win	**Large banks** should **issue and/or join consortia** to issue stablecoins **Regional banks** should either **join consortiums** or pursue **infra. integrations** based on specific use case
		Join consortium	Faster, lower-cost entry with shared scale benefits	Reduced control and diluted economics	
		Partner with specific stablecoin	Faster time to market	Limited upside depending on terms & duration of agreement	
		No issuance	Avoids complexity and investment	Missed long-term revenue pools & potential disintermediation risk	
Reserve Management *"Should the bank offer reserve management services to issuers?"*	Fund admin. fees	Offer fiat accounts to stablecoin issuers	Significant potential volume upside with market growth	Concentrated market; low fee	**Margins are compressed**; only viable for **select large transaction / custody / asset management institutions**
		Offer MMF / securities accounts to stablecoin issuers	Likely high volume of potential demand given stablecoin growth	Low margin high volume business – likely viable for select large asset managers	
Infrastructure *"Where should the bank set up stablecoin rails to enable key use cases?"*	Use-case driven revenue *(e.g., FX spreads from cross-border payments, on-ramp)*	*Determine infrastructure decisions based on priority use cases as per business strategy*	Tailored, use-case-driven optimization of value for bank businesses	Missing revenues associated with issuance and reserves	**Partner-led infra build** tailored to **specific use cases**

Tokenized Deposits

Tokenized deposits represent a DLT-based form of commercial-bank money that remains a bank liability, can be interest-bearing, and sits within the existing deposit-regulatory perimeter. Tokenized deposits are still fairly nascent today, with negligible volumes as compared to the total deposit market. However, early traction is visible: 5+ global banks are live or in pilot, and J.P. Morgan is already processing >$5B/day.[45] Per American Banker's 2026 survey,[46] approximately two-thirds of banks are developing or discussing tokenized deposit solutions for corporate clients. Adoption today is concentrated in use cases where parties operate within a single-bank environment or a tightly governed bank network—most notably corporate treasury, selected domestic and cross-border payments, and some collateral and intraday financing workflows.

Tokenized deposits offer some key advantages over stablecoins—notably, interest-bearing deposit form, familiarity for corporate users, and alignment with existing banking and treasury models. However, there are also several limitations—including limited interoperability beyond a single bank or closed network without explicit interoperability and shared standards; dependence on legal clarity of status (as a deposit); and the need for deep integration with treasury, payment, and core-banking infrastructure to unlock significant benefits.

Tokenized deposits are positioned to scale primarily in use cases where bank-perimeter money is advantaged over open-network alternatives—particularly where clients value regulated bank liabilities, interest-bearing balances, operational integration, and programmable settlement over maximum interoperability. The addressable market is large, with over $100T in global customer deposits.[47] However, growth in this market will largely be driven by specific use cases that we explore in the next section.

Key tipping points which can enable rapid adoption of tokenized deposits include:

- Clarity on legal and accounting treatment of tokenized deposit claims as a regular 'deposit' including factors such as applicability of deposit insurance. For example, the FDIC has recently proposed clarifying the treatment of tokenized deposits under existing deposit insurance rules, including how deposit status, ownership records, and pass-through insurance concepts should apply to tokenized arrangements.[48] The GENIUS Act distinguishes payment stablecoins from tokenized deposits, keeping deposits under existing banking regulation.
- Seamless integration of tokenized deposit offerings into core banking, cash management, and treasury systems, and with client ERP platforms. This could enable large-scale corporate and commercial customer adoption of tokenized deposits.
- Degree of interoperability across financial institutions and with tokenized asset venues.

CORPORATE LIQUIDITY MANAGEMENT (DOMESTIC AND CROSS-BORDER)

Tokenized deposits are well suited to treasury activities requiring real-time visibility, continuous movement of balances, and embedded logic around sweeps, pooling, and internal transfers. Key use cases include intra-company and inter-entity flows, real-time pooling, and rule-based treasury automations. Market examples suggest that value creation can be meaningful. For examples, for Siemens (through J.P. Morgan), programmable payments and real-time pooling reduced liquidity requirements by 50%,

45 https://www.jpmorgan.com/kinexys/index; accessed April 2026

46 https://www.americanbanker.com/payments/news/why-banks-like-tokenized-deposits

47 https://tabinsights.com/ab1000/largest-banks-in-the-world

48 https://www.fdic.gov/board/federal-register-notice-genius-act-requirements-and-standards-fdic-supervised-permitted

automated 80% of cash applications, cut treasury effort by 70%, and generated more than $20M in annual savings.[49]

The opportunity extends beyond payment acceleration, particularly in markets where fiat payment rails are already efficient. Tokenized deposits enable liquidity logic to be embedded directly into treasury operations, improving cash visibility, working-capital and balance sheet efficiency, and automated operational control. Digital assets offer clear advantages over traditional mechanisms since they can help eliminate batch processing windows and cut-off times; enable conditional, programmable payments; 24/7 availability; unified real-time treasury visibility; and enable material efficiencies.

Corporate transaction balances are an estimated ~$5–10T globally.[50] Movement of ~5% of this to tokenized deposits would imply an outstanding tokenized deposit balance of ~$250–500B. For corporate and commercial banks, this transaction banking value pool represents a significant **defensive opportunity to retain corporate deposits and relationships** that might otherwise migrate to alternate tokenized instruments or peers offering tokenized services. It can also imply a meaningful **market share capture opportunity** by offering a strong client value proposition, as well as **efficiency gains through reduced servicing friction**.

DOMESTIC B2B PAYMENTS

Tokenized deposits can gain traction in domestic payment flows, especially where there are frictions in payment workflows—for instance around invoice reconciliation, fraud and validation checks, approval bottlenecks, and manual AP / AR processes.

Digital assets can be particularly valuable in higher-value and more complex payment workflows where programmability reduces reconciliation effort, shortens cycle times, and improves liquidity efficiency. In these settings, tokenized deposits enable payment and business logic to be combined—for example through milestone-based release, invoice-linked settlement, approval-based triggers, and conditional execution. Several factors can enable this use case to scale. Specifically, it would require integrations into ERP systems; clear legal certainty on settlement; and network effects through interoperability between banks and multiple banks accepting tokenized deposits.

US domestic B2B payment volumes exceed $35T annually.[51] A global baseline could be estimated at ~$150T+ annual flow in major markets.[52] Assuming ~1–3% penetration would imply ~$1–5T of tokenized payments, which could represent (at ~10bps fees) ~$1-5B in revenue pools in the short-medium term. For transaction banks, this is primarily a **defensive move to protect transaction banking revenues** but can also potentially **deepen client relationships and market share** to generate new revenues. It can also **lead to efficiencies** through reduced reconciliation and exception-handling costs.

SECURITIES FINANCING (CASH LEG FOR REPO SETTLEMENT)

Tokenized deposits are potentially valuable as the cash leg in repo and securities financing, enabling DvP settlement. Their use can reduce settlement friction, enable real-time DvP, reduce counterparty risk, and improve liquidity usage and free trapped collateral. J.P. Morgan's intraday repo solution uses blockchain

---

49 https://www.jpmorgan.com/insights/payments/blockchain-digital-assets/siemens-treasury-transformation

50 BCG estimate triangulated from FRED database (https://fred.stlouisfed.org/series/NCBCDCA) and other sources

51 https://fedpaymentsimprovement.org/news/blog/white-paper-how-instant-payments-can-accelerate-b2b-payments-modernization/

52 BCG estimates

deposit accounts as tokenized cash and processes daily volumes of >$1B.[53] In addition to tokenized deposits, other forms of tokenized money like stablecoins are also being explored for this use case.

The repo and securities financing markets are large—for example, the US repo market is >$12T[54] daily outstanding, and European repo markets are >EUR12T[55] outstanding. A ~5–10% share of tokenized settlement could imply daily volumes in excess of ~$1T of on-chain repo activity. For capital markets businesses, this can represent material **efficiency and capital savings, freed collateral, and lower operational risks**. It can also represent **new revenue opportunities** through stronger market positioning and offerings.

INTRABANK LIQUIDITY MOVEMENT

Tokenized deposits can improve internal treasury movement, branch and entity funding, collateral movement, and intraday liquidity management for banks. Digital assets can drive material benefits through internal liquidity orchestration but requires integration with treasury and risk systems and a 24/7 operating model. This use case is already in use by banks such as JPMorgan.[53]

For banks with material internal transfers, this can generate **substantial efficiency gains**. Large banks can potentially generate efficiency savings of 10-30 bps on trapped intraday liquidity (e.g., through reduced intraday borrowing costs and streamlined operations), that could represent $100-300M of annual savings for every $100B of daily internal fund flows.

STRATEGIC IMPLICATIONS: BUILD INDEPENDENTLY VS. JOIN CONSORTIUM

- **Universal / transaction banks** should consider building tokenized deposit systems and participating in consortia for enabling interbank use cases.
- **Regional banks** should focus on treasury and payment use cases and explore joining consortia to enable interbank use cases and interoperability. A stronger value proposition could also enable defensive plays against potential client deposit migration to larger banks and fintechs.
- **Custodian and markets-oriented banks** should explore building tokenized deposit solutions to use as cash leg for repo and securities financing settlement; and for collateral workflows.

STRATEGIC IMPLICATIONS: COEXISTENCE WITH STABLECOINS

- Banks should explore both stablecoins and tokenized deposits, specifically looking at the use cases that are potentially unlocked by each. It is likely for these to serve specific needs given their unique and differentiated characteristics.
- It is also important for banks to consider seamless conversion between stablecoins and tokenized deposits across different use cases.

53 https://www.jpmorgan.com/kinexys/index; accessed April 2026

54 https://www.financialresearch.gov/the-ofr-blog/2025/12/04/sizing-us-repo-market/

55 https://www.icmagroup.org/News/news-in-brief/the-european-repo-market-icma-survey-shows-record-outstanding-value-of-eur-12-4-trillion-at-june-2025/

CBDCs and Synthetic CBDCs

Wholesale CBDCs are still nascent but being explored by several central banks, with Europe moving wholesale CBDCs into market-facing trials and implementation planning; and the US largely in the selective research phase. In markets lacking wholesale CBDCs, "synthetic" CBDCs (sCBDCs) can potentially be effective, offering central bank-like settlement assets through direct backing in central bank accounts.

These solutions could offer significant benefits over traditional / SWIFT infrastructure settlement for interbank settlement, DvP, and repo / securities financing. The key limitation is central bank willingness to provide necessary access and infrastructure.

SECURITIES FINANCING (CASH LEG FOR SETTLEMENT)

Wholesale or synthetic CBDCs are risk-free options for on-chain cash leg for repo and securities financing settlement. Beyond the benefits from tokenization, settlement in central bank money eliminates credit / counterparty risks on the cash leg of settlement. However, a key requirement here is central bank support, market infrastructure integration, and legal certainty; and there has historically been significant caution from central banks globally in exploring CBDCs.

Considering the large repo and securities financing markets (US repo market >$12T[56] daily outstanding; European repo market >EUR12T[57] outstanding), securities financing revenue pools for banks are estimated at ~$15–20B annually. A ~2–3% movement to tokenized settlement could imply daily volumes of ~$400–600B of on-chain repo activity. For capital markets businesses, this can represent **material efficiency and capital savings, freed collateral, and lower operational risks**.

INTERBANK SETTLEMENT

Wholesale central-bank linked tokens can play an instrumental role in interbank settlement, offering 24/7 availability, liquidity transparency, reduction in trapped liquidity, and programmable settlement logic—significant benefits over traditional rails.

Global RTGS volumes exceed $10T daily.[58] Transition to CBDCs could generate **billions in annual efficiency savings** across the banking system through reduced intraday borrowing and freed collateral.

STRATEGIC IMPLICATIONS: WHEN TO CONSIDER CBDC OPTIONS VS. ALTERNATE TOKENIZED INSTRUMENT STRATEGIES

Where central banks are already moving, key global banks with significant interbank activity should actively engage in pilots. However, given slow movement on CBDCs by central banks, they should explore alternate tokenized options for these use cases. Specifically, they should explore availability of synthetic CBDC options and position to be nodes in sCBDC settlement networks. Or in case of lack of central bank support, they should explore alternates like stablecoin-based settlement.

Regional banks should continue monitor developments and prepare for integrations when options become available. Specifically, custodians / securities services should also monitor developments and build CBDC / sCBDC settlement capabilities as a core competitive differentiator for serving institutional clients in tokenized asset markets.

---

56 https://www.financialresearch.gov/the-ofr-blog/2025/12/04/sizing-us-repo-market/

575757 https://www.icmagroup.org/News/news-in-brief/the-european-repo-market-icma-survey-shows-record-outstanding-value-of-eur-12-4-trillion-at-june-2025/

58 BCG estimate based on triangulating across markets

Tokenized Money Market Funds

Tokenized MMFs (TMMFs) are one of the clearest real product-market fits in tokenized finance. They combine a familiar regulated fund structure with on-chain utility. Specifically, TMMFs offer strong value for use as collateral in financial markets. They are also low margin high volume products where efficiency gains from tokenization bring meaningful advantages. Furthermore, they can have the underlying securities on the same chain, bringing clear lineage and traceability benefits for users.

This can enable TMMFs to gain prominence as a cash management tool, and for use in capital markets as a collateral instrument, offering significant growth opportunities for issuers and distributors, and offering significant efficiency benefits for users across the value chain. Furthermore, TMMFs could see significant demand from stablecoin holders that desire to generate yield when these are not being used for payment purposes.

The current market for TMMFs is ~$10B, with significant growth over the last few years.[59] Demand is expected to be strongest from on-chain treasury users, sophisticated corporates, and institutions that want yield-bearing cash equivalents. They are likely to scale faster than many tokenized securities because the product is easy to explain and the economic utility is immediate. The TMMF market could grow to ~$600B–1T+ AUM by 2030,[60] driven by demand across several use cases, including those highlighted below.

COLLATERAL MANAGEMENT

TMMFs can be used as yield-bearing collateral or cash-equivalent inventory in markets and treasury workflows. This is likely to be one of the strongest growth vectors for TMMFs. They can be the next-generation collateral instrument that can be transferred directly, reused more efficiently, and embedded into repo, margin, and intraday liquidity workflows.

TMMFs can also grow as an on-chain treasury and sweep tool for institutional and corporate clients seeking on-chain yield-bearing liquidity instruments. They can improve collateral efficiency by reducing the need to hold non-yielding idle cash, while allowing faster movement across venues.

Global collateral markets are of the order of ~$25T[61,62] in securities lending and repo. A ~1–3% capture of collateral flows could represent ~$150–600B in TMMF collateral. Market estimates suggest ~$100B+[63] in freed capital annually from more efficient collateral management. This could be of significant value for large banks with material **capital efficiency opportunities from optimized collateral allocation**, as well as potential new **revenue opportunities from collateral transformation** and management services.

ISSUANCE AND DISTRIBUTION

Growing demand for TMMFs creates issuance and distribution opportunities for asset managers and banks. While issuance is likely most relevant only for large asset managers that are already active or can compete with low fee high volume offerings, there is a large potential market for distribution across wealth, corporate, and institutional clients. As highlighted above, these instruments can win vs. non-tokenized

59 As per rwa.xyz; accessed April 2026

60 https://static1.squarespace.com/static/6369b6bb7d44861c7883bbf2/t/6994bc0386feda42ef87b9f7/1771355139430/BCG-IBM+Rpt+on+blockchain+1-2026.pdf

61 https://www.financialresearch.gov/the-ofr-blog/2025/12/04/sizing-us-repo-market/

62 https://www.icmagroup.org/News/news-in-brief/the-european-repo-market-icma-survey-shows-record-outstanding-value-of-eur-12-4-trillion-at-june-2025/

63 https://www.gfma.org/wp-content/uploads/2025/08/1.-full-report-impact-of-dlt-in-cap-mkts-final-1.pdf

alternatives because they offer a familiar underlying exposure with better transferability, programmability, and direct usefulness in digital-asset ecosystems.

Global MMF AUM is ~$8T.[64] A ~5–10% migration to tokenization would indicate a market AUM of ~$0.4–0.8T. This represents potential new revenue growth opportunities (through asset management fees, distribution, custody, fund admin, etc.) from new distribution channels and new investor segments (e.g., crypto-native institutional investors).

Other Tokenized Funds

Today, tokenized funds[65] remain a small but growing segment of digital assets. Current AUM represent a negligible share of global fund assets. Issuance activity is concentrated among a limited set of institutional players and comprises products where tokenization addresses clear frictions in distribution, access, or servicing.

Today, these are largely concentrated in specific products, including tokenized ETFs, mutual funds, and a growing set of alternative investment vehicles (including private equity and private credit funds). Adoption is uneven across asset classes and is most advanced where traditional fund structures face structural constraints such as high minimum investment sizes, limited accessibility, or operational complexity (e.g., for private credit funds, which are among the largest in this segment, with representation of >$20B AUM[66]).

ISSUANCE AND DISTRIBUTION OPPORTUNITY FOR BANKS AND ASSET MANAGERS

Tokenized funds are primarily relevant as investment and distribution products, rather than as transactional or settlement instruments. The core opportunity for financial institutions is in the issuance and distribution of investment funds in a more flexible and scalable format.

Tokenization can lower minimum investment thresholds and enable fractional ownership, simplify onboarding, enable more efficient and wider distribution, and more efficient transfer and servicing, making it easier to deliver investment products across wealth and institutional channels. This is particularly relevant in alternative assets, where traditional fund structures are often constrained by high minimums, limited accessibility, and operational complexity.

In addition, tokenization has the potential to reshape distribution economics. By reducing servicing friction and enabling more scalable fund structures, it allows asset managers and distributors to expand access while potentially reducing operational costs. Tokenized funds can also integrate more seamlessly into digital and platform-based investment environments, enabling new forms of client access and product delivery.

At the same time, there are inherent limitations that constrain near-term growth. Tokenization is most impactful where it addresses structural frictions in access or servicing. In segments where distribution and servicing are already efficient—such as large liquid public-market funds—the incremental benefit is limited, and adoption is likely to be slower. Furthermore, tokenized markets haven't yet seen sufficient secondary market liquidity, creating impediments to larger scale adoption for products that benefit from such market activity (e.g., ETFs). Also, even for private funds, which may benefit from the increased access

64 https://www.ici.org/research/stats/mmf; accessed April 2026

65 In this section, tokenized funds exclude MMFs, which have been carved out into a separate section given their prominence in tokenized digital asset markets.

66 As per rwa.xyz; accessed April 2026

and reduced investment tickets, many of these funds are designed to be more illiquid which may reduce the extent of benefits provided by tokenization.

Tokenized funds are expected to grow steadily over the next 5–10 years as institutional adoption expands and distribution models evolve. However, the trajectory of growth will vary by asset class. Alternative investment funds - particularly private credit and other less liquid strategies – could see stronger adoption in the near term, given their structural fit with tokenization (greater access, fractional availability, individual investor demand, etc.). In contrast, public-market fund categories are likely to adopt tokenization more gradually, reflecting the relative efficiency of existing distribution and servicing infrastructure. Over time, as adoption scales across both public and private market fund structures, this could grow to >$1T in tokenized fund AUM and translate into material **revenue pools across issuance, administration, and distribution economics**.

KEY STRATEGIC IMPLICATIONS FOR BANKS

- **Asset managers** should position themselves to capture this growth and efficiency opportunity through manufacturing of a range of tokenized funds. In particular, they should explore private funds where there are strong demand signals from retail and wealth clients, expanding their focus over time based on evolving demand.
- **Wealth businesses and retail banks** should monitor market developments and, over time, integrate tokenized funds as part of their offerings to retail and HNW clients.

Tokenized Real-World Assets

Tokenized real-world assets (RWAs) refer to digitally represented claims on traditional financial and non-financial assets, including directly held equities, fixed income instruments (e.g., bonds, structured products), and alternative assets such as commodities and real estate. This section focuses on tokenized RWAs outside of fund wrappers (i.e., excluding tokenized MMFs and other tokenized funds), which are covered separately in the prior chapter.

Tokenized RWAs could offer several benefits over traditional markets, including faster settlement, reduced reliance on intermediaries, improved transparency, and more efficient and programmable workflows for asset servicing. However, the current tokenized RWA market is niche, with total AUM in the tens of billions of dollars across asset classes[67] (compared to hundreds of trillions in traditional financial markets). Adoption today is most advanced in fixed income instruments, especially tokenized government bonds; with emerging activity in commodities (especially gold), real estate, and other niche alternative assets.

ISSUANCE AND DISTRIBUTION OPPORTUNITY FOR BANKS

Tokenized real-world assets are expected to scale significantly over the next 5–10 years as regulatory clarity improves, infrastructure matures, and institutional participation increases. While the market remains small today, this could over the medium to long-term represent a meaningful share of global investable assets.

Growth is likely to be uneven across asset classes. Fixed income is a strong candidate given standardized structures, high issuance volumes, and manual workflows like distributions and reporting that can benefit from programmability and automation. Tokenization can streamline primary issuance, reduce settlement timelines, and lower operational complexity. Several institutions have already issued tokenized bonds, demonstrating faster settlement and improved transparency compared to traditional processes.

An important recent shift has been in public markets tokenization. NYSE has announced development of a tokenized securities platform intended to support 24/7 trading, fractional share trading, immediate settlement and stablecoin-based funding, subject to regulatory approvals. NYSE also entered into an MOU with Securitize to support digital transfer-agent infrastructure and broker-dealer participation for issuer-sponsored tokenized securities on NYSE's planned Digital Trading Platform.[68] In parallel, DTCC is pursuing a tokenization service for custodied assets, after having received SEC staff no-action relief for a three-year tokenization pilot covering defined liquid assets, including Russell 1000 securities, major-index ETFs and U.S. Treasury bills, notes and bonds. DTCC has since announced plans for initial limited production trades in July 2026 and a broader service launch in October 2026, with more than 50 firms participating in its industry working group.[69]

In addition, crypto-native and fintech platforms are pursuing "wrapped" equity exposure to non-U.S. retail users before U.S. market infrastructure standardized the model. For example, Kraken has launched xStocks with Backed for eligible non-U.S. clients, offering 1:1-backed tokenized U.S. stocks and ETFs that can trade 24/5 and, in some cases, be withdrawn to self-custody wallets and used on-chain; and Robinhood has

[67] As per rwa.xyz; accessed April 2026

[68] https://ir.theice.com/press/news-details/2026/The-New-York-Stock-Exchange-Develops-Tokenized-Securities-Platform/default.aspx; https://ir.theice.com/press/news-details/2026/New-York-Stock-Exchange-and-Securitize-Agree-to-Memorandum-of-Understanding-to-Support-Tokenized-Securities/default.aspx

[69] https://www.dtcc.com/news/2026/may/04/dtcc-advances-development-of-new-tokenization-service

launched stock and ETF tokens for EU customers and announced plans for a dedicated Layer 2 blockchain for tokenized real-world assets.[70]

Furthermore, for equities, tokenization may enable new issuance models over time, including improved access to private and mid-market equity and potential evolution toward extended-hours or continuous trading. However, achieving scale is likely to be a more gradual process, given the complexity of market structure and regulatory requirements.

KEY STRATEGIC IMPLICATIONS FOR BANKS

Capital markets and investment banks should consider pilots in issuance and trading of tokenized fixed income, tokenized securities, and tokenized commodities such as gold. These are likely to see gradual adoption as market infrastructure matures. They could also participate in early pilots for tokenized publicly traded securities (e.g., with recent moves from exchanges such as NASDAQ[71]) and continually monitor the space for new developments that can potentially serve as tipping points for larger scale adoption.

[70] https://blog.kraken.com/product/xstocks/tokenized-equities-now-available; https://www.nasdaq.com/press-release/robinhood-launches-stock-tokens-reveals-layer-2-blockchain-and-expands-crypto-suite

[71] https://www.reuters.com/legal/government/nasdaq-receives-sec-nod-trading-tokenized-securities-2026-03-18/

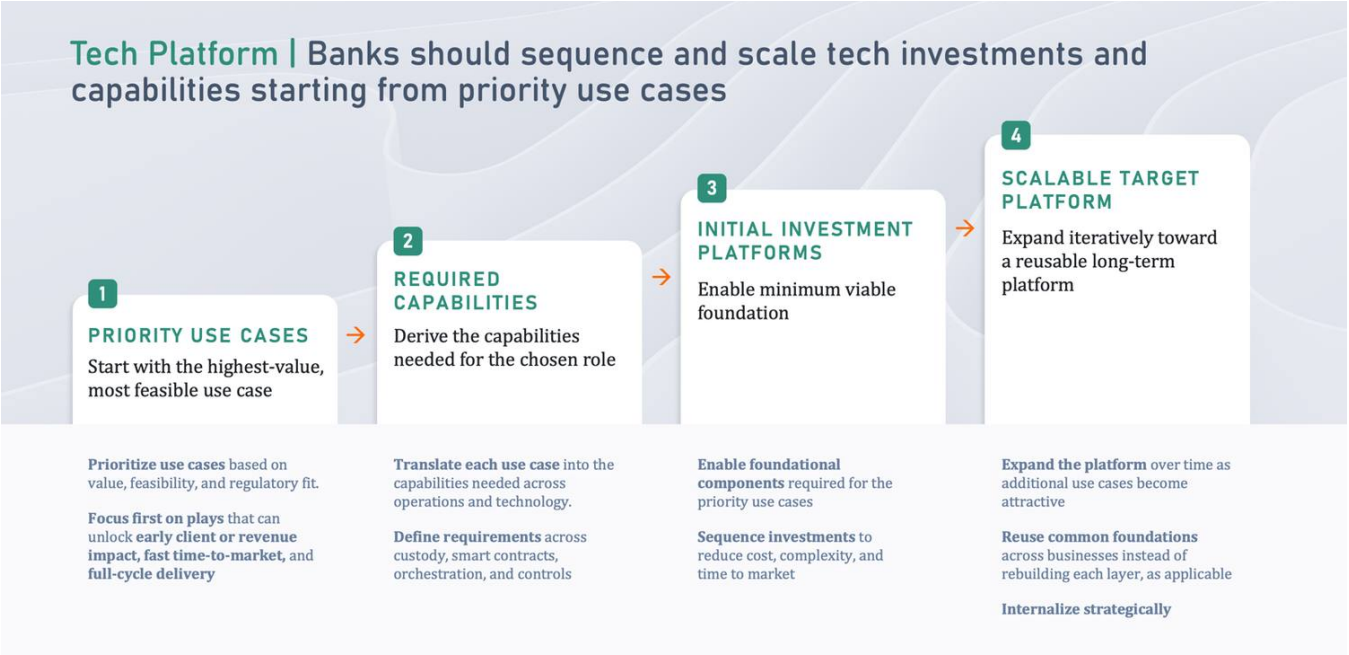
Key Capabilities for Banks to Explore

Delivering digital asset solutions requires an integrated approach across building technology capabilities, enhancing risk and compliance frameworks, and setting up a robust operating model. These three areas shape how institutions enable new products while maintaining control, compliance, and operational scalability.

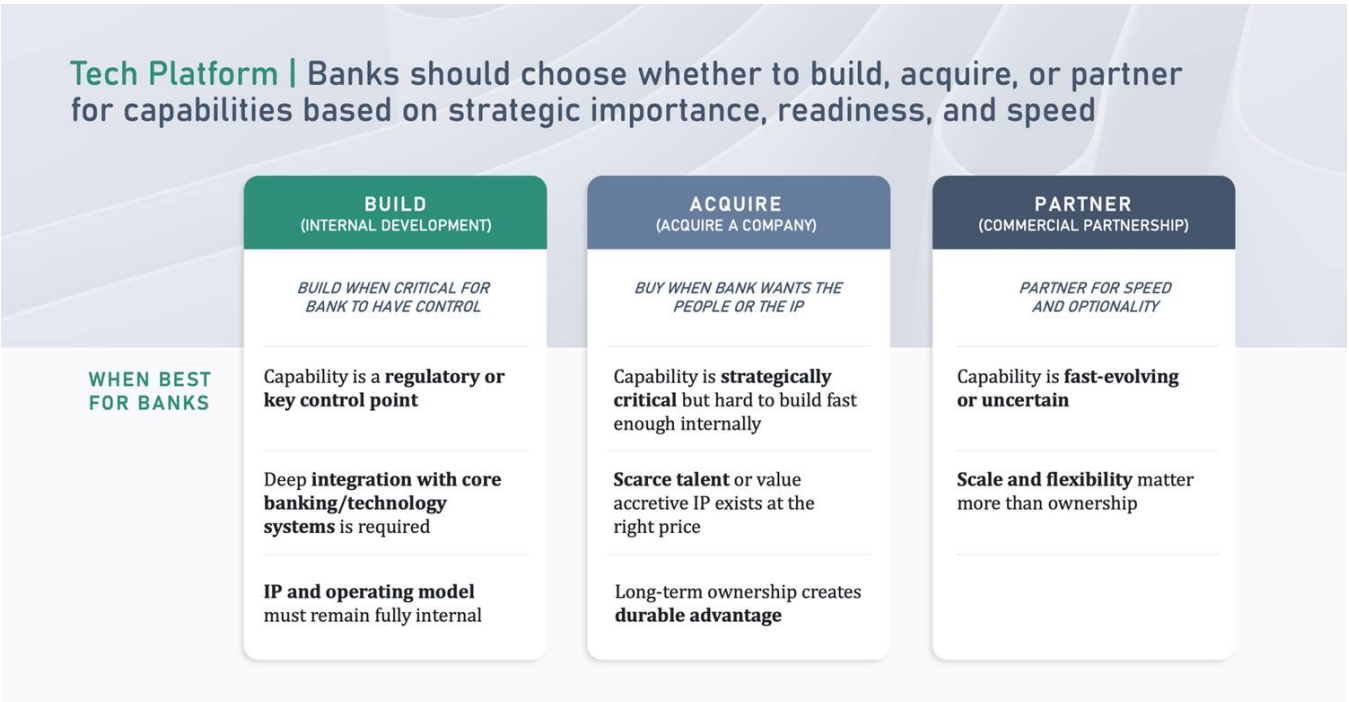
- **Technology platform:** a layered architecture that enables institutions to issue, manage, and interact with tokenized and crypto assets across blockchain networks while integrating seamlessly with existing financial systems.
- **Risk and compliance capabilities:** extending traditional risk and control frameworks into a new operating environment characterized by programmability, real-time settlement, and potentially new risk surfaces.
- **Operating model:** how institutions acquire talent and organize, govern, and scale capabilities across a rapidly evolving and cross-functional domain, requiring coordination across business, technology, risk, legal, and operations.

Technology Platform

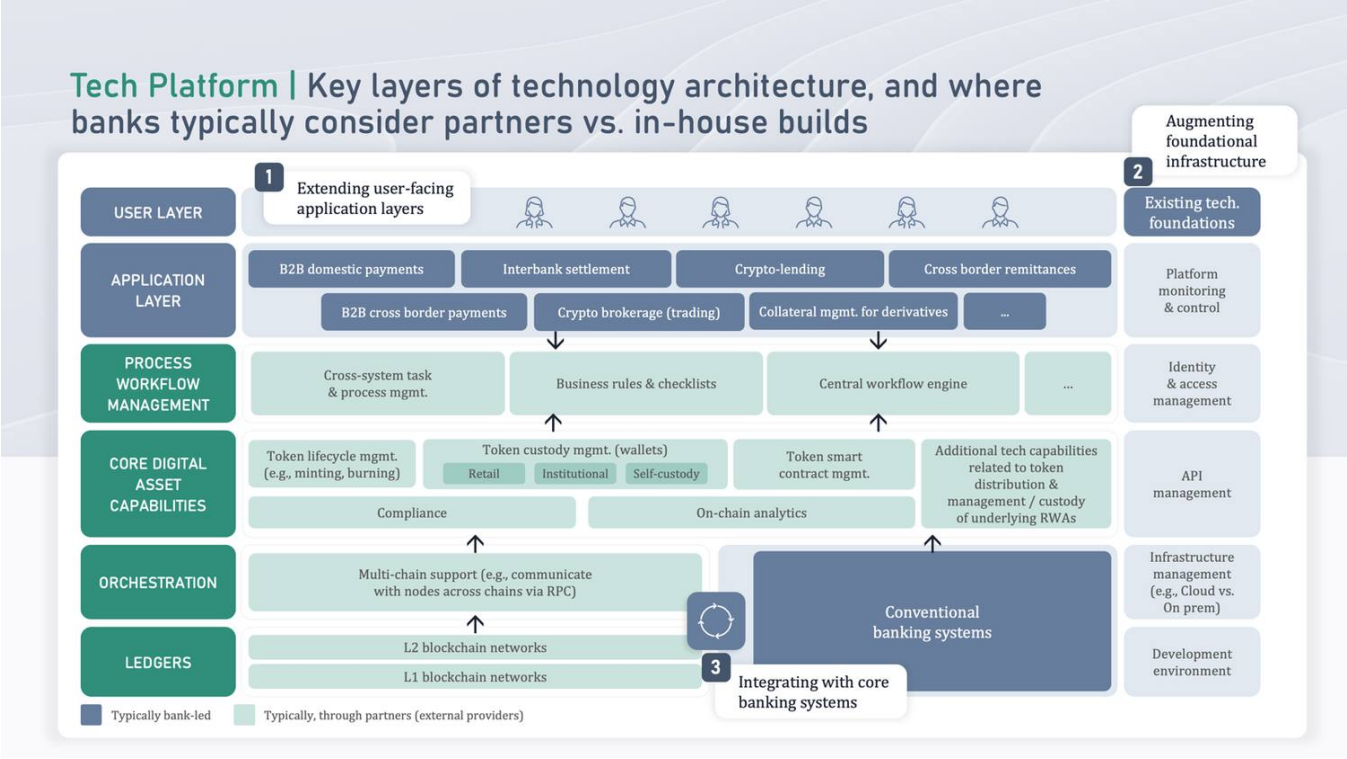
Banks should anchor their technology agenda in clear business objectives and priority use cases. Early focus should be on feasible, high-value use cases aligned with the bank's business model and strategy.



A key decision to make is regarding how to enable these capabilities, i.e., whether to **build** the capability internally, pursue an **acquisition**-based strategy, or to **partner** with external providers for technology or service delivery (which may take various forms such as licensing, SaaS, outsourced capability, etc.). This decision often depends on factors such as speed-to-market, strategic importance of the capability, and organizational readiness. The next section explores typical approaches for different portions of the digital assets technology stack.



Understanding the digital assets technology stack



The digital asset technology stack is multi-layered and modular, typically spanning a series of building blocks:

- **Network layer (L1/L2 blockchains):** the base settlement infrastructure; this layer is largely commoditized and not a source of differentiation for banks.
- **Orchestration layer:** manages interaction with blockchain networks, including
  - transaction construction and submission,
  - Remote Procedure Call (RPC) management and execution, and
  - multi-chain routing and abstraction.
  - This layer is technically complex and highly sensitive from a security standpoint.
- **Core digital asset layer:** including
  - wallets and key management (custody infrastructure),
  - smart contract development, deployment, and administration,
  - token lifecycle management (e.g., minting, burning, transfers), and
  - embedded compliance and analytics tooling (e.g., AML, fraud monitoring).
  - Importantly, risk does not only sit within individual components but often at the intersections between them.
- **Process workflow layer:** defines reusable business processes (e.g., issue stablecoin, transfer assets, manage collateral).
  - These workflows orchestrate underlying tokenization components into repeatable, scalable operations—their implementation may be done in conjunction with banks and tech providers.
- **Application layer:** acts as the interface with clients, internal users, and external systems.

- This is where digital asset functionality is embedded into existing banking channels (e.g., brokerage platforms, payments flows).
- It is the primary driver of client experience and differentiation.

The technology stack also introduces new categories of security considerations across layers, for example, wallet/key security (e.g., MPC,[72] HSM,[73] biometric controls); infrastructure security (e.g., RPC endpoints,[74] node management); and data/oracle integrity (external data inputs into smart contracts). Effective design requires a system-level perspective, where architecture decisions account for interdependencies, failure modes, and attack surfaces across the full stack.

Where to focus internally vs. partner

Banks should typically focus internal integration efforts on three priority areas:

- **Enhancements to application layer and client experience:** embedding digital assets use cases seamlessly into existing channels and products.
- **Augmenting foundational technology capabilities that manage the overall technology stack:** extending systems for identity and access management, infrastructure management (cloud vs. on-prem), system monitoring, etc. to incorporate new digital-asset-specific capabilities.
- **Integration of DLT infrastructure with existing core banking systems:** for example, connecting DLT infrastructure to core banking, payments, and accounting systems; managing fiat on/off ramps and reconciliation—with partner support where needed.

Most banks should consider a partner-based approach for the other layers that are more digital asset native, and hence potentially more complex and high-risk, including for:

- **Core digital asset capabilities** (wallets, custody, smart contracts),
- **Orchestration** and **blockchain** layers, and
- Specialized **security** functions (e.g., key management, transaction validation).

These areas often require expertise that is difficult to build and maintain internally. With constantly evolving risk vectors, it is beneficial to engage partners with strong expertise. The bank's role on this technology stack is often that of an "orchestrator" or "system integrator," acting as the glue between technology providers and its core applications and systems to deliver a seamless experience to its clients.

Furthermore, even when partnering, it is important for banks to consider what type of vendors to engage, depending upon the extent to which they are looking for a simple and quick path to market vs. a desire to strategically become a platform provider that maintains greater ownership over several aspects of the technology stack. For most banks, full-stack providers with strong track records that offer strong compliance and risk tooling, flexible contractual relationships, and a strong value proposition on economics, are likely the fastest path to deploying client-ready solutions.

---

[72] Multi-Party Computation: A cryptographic method where transaction-signing authority is split across multiple parties or devices, so no single party holds the full private key.

[73] Hardware Security Module: a specialized, tamper-resistant hardware device used to generate, store, and use cryptographic keys securely.

[74] Remote Procedure Call endpoint: an interface that applications use to communicate with blockchain nodes, for example to submit transactions or read blockchain data.

For most banks entering digital assets, full-stack providers offer a low-lift and fast path to deploying client-ready solutions, with potential to internalize later

◄ Low effort for bank — High effort for bank ►

	FULL-STACK PROVIDERS	POINT SOLUTIONS	INFRASTRUCTURE PROVIDERS	FULL BUILD / CUSTOM
WHAT IT IS	End-to-end regulated platform	Specialized tools for specific functions (e.g., compliance)	Wallet, key mgmt. & chain connectivity	In-house proprietary platform and IP
BANK ROLE	Owns client relationship; provider runs platform	Integrates vendors; owns workflows, risk, compliance	Builds products; owns operations, risk, compliance	Owns and operates entire technology stack
WHEN TO USE	Fast entry; limited in-house expertise required	Defined use cases needed; Existing in-house expertise and solutions	Significant in-house expertise to orchestrate (partner reliance for infra. layers)	Rare; for platform strategies (e.g., serving other FIs) or strategic control
ECONOMIC TRADEOFFS	High revenue share; fastest to market with lowest risk	Marginally higher revenue share; but added execution risk could erode returns	High revenue potential; but requires significant build and operating cost	Maximum revenue capture; but highest cost, risk, and slowest time to revenue
EXAMPLE PROVIDERS[1]	Anchorage Digital, Coinbase Prime	Circle, Copper, Securitize, Talos	Chainlink, Fireblocks, Taurus, Zero Hash	Goldman DAP, JPMorgan Kinexys

1. Note that some providers may not just sit within one category; e.g., some full-stack providers also provide point solutions
Source: BCG analysis; publicly available company materials

A key principle is that technology decisions should not expand the bank's risk surface beyond what can be managed through internal or partner-enabled controls. Security concerns are a key gating factor: stakeholders are often constrained by uncertainty around technical vulnerabilities and attack vectors, and this is further exacerbated by the fact that banks are typically not native operators or experts in this domain.

As highlighted by recent incidents, vulnerabilities often emerge in low-level infrastructure and integration layers, not just application logic. The technology agenda should therefore prioritize resilience, security-by-design, and reliance on proven architectures. A pragmatic approach is to sequence capability buildout, starting with a minimum viable foundation aligned to initial use cases and expanding over time. Importantly, banks should ensure optionality in architecture and vendor relationships, avoiding lock-in and preserving the ability to evolve toward more in-house capabilities as desired over time.

Risk & Compliance

Digital assets create novel risk vectors for banks

As digital assets move toward institutional adoption, banks are entering a market that differs materially from the one their traditional risk frameworks were designed for. Tokenization, on-chain processes, interoperable networks, new virtual asset classes, and smart contracts are reshaping how assets are issued, transferred, settled, and serviced—and in doing so, are creating new risk vectors.

In traditional markets, protections rely on centralized systems, intermediaries, and established legal frameworks. In DLT environments, these protections may instead be embedded in code, distributed across networks, or executed automatically with limited manual intervention. This shift does not simply change how existing risks appear; it introduces new points of failure, new dependencies, and new forms of interconnected risk. As a result, risks can emerge in places where banks have historically had limited visibility or control, propagate more quickly, and become harder to isolate. It is important for banks to consider new tools and solutions that have emerged in this space to tackle these risk vectors.

For banks, the challenge goes beyond evaluating opportunities; it requires understanding how market structure is evolving, where entirely new risk vectors are being created, and how risk ownership, controls, and governance must adapt.[75] Six key risk vectors stand out:

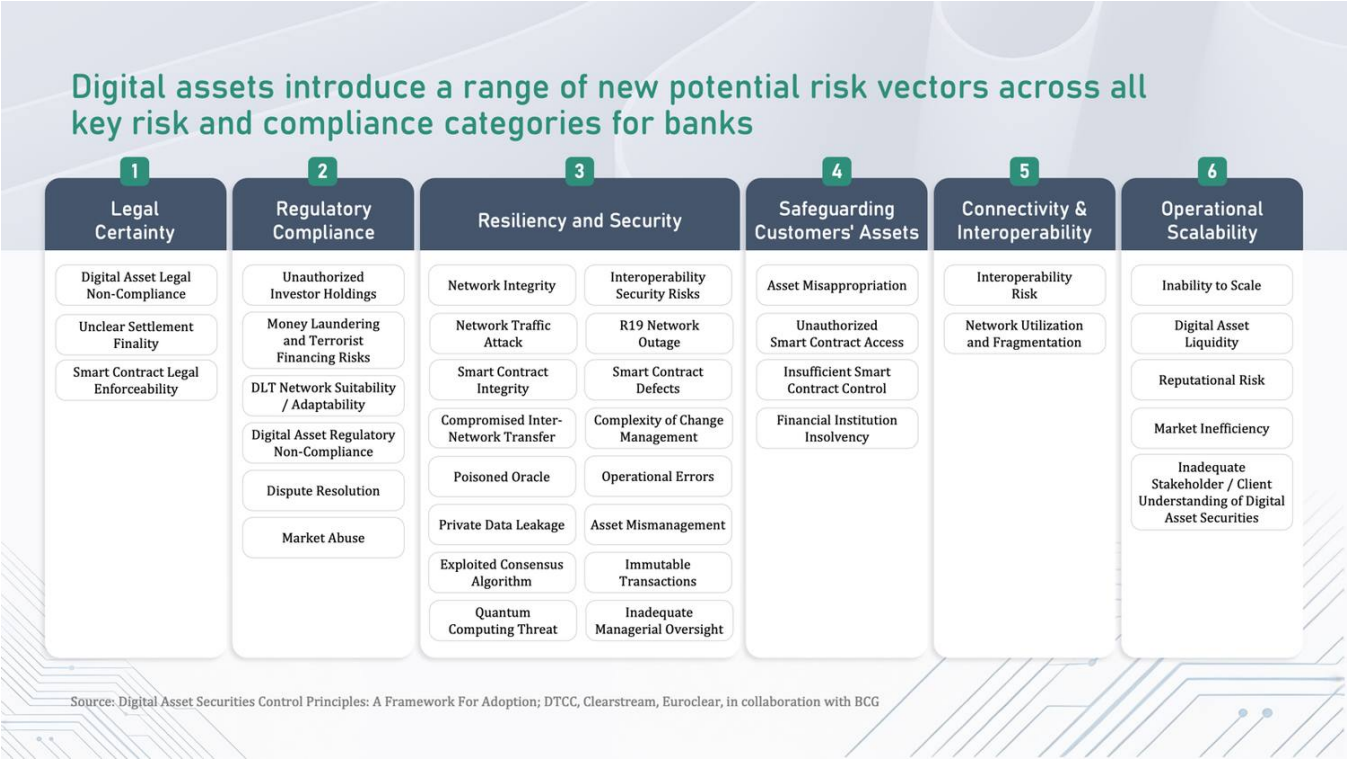
- **Legal certainty:** digital assets place pressure on legal concepts that banks have long relied upon, including ownership, settlement finality, enforceability, and responsibility across jurisdictions. A transaction may be technically completed on a ledger while the legal status of that transfer remains uncertain under existing securities, insolvency, or contract law. That tension becomes especially important when rights and obligations are increasingly tied to smart contracts and distributed records rather than to conventional documentation and centralized books and records.
- **Regulatory compliance:** compliance is no longer confined to policies, approvals, and post-transaction review; it increasingly needs to be reflected in the design of the asset, the logic of the transaction, and the permissions attached to wallets, participants, and transfers. Investor eligibility, KYC, sanctions, transfer restrictions, and jurisdictional requirements may all need to be operationalized within a new technology-based infrastructure. The same challenge extends to AML/CTF and market conduct, where pseudonymous wallets, fragmented transaction flows, and uneven market infrastructure can make screening, tracing, and surveillance harder to operationalize consistently.
- **Resilience and security:** digital asset infrastructures expand the resilience perimeter. Risk no longer sits only in enterprise systems and internal applications, but also in smart contracts, nodes, consensus mechanisms, inter-network connections, oracles, and other external dependencies. A coding flaw, network outage, compromised data source, or failed upgrade can have immediate consequences for issuance, transfer, settlement, or servicing. Because core functions may rely on external wallet providers, tokenization platforms, data feeds, and shared infrastructure, incidents outside the bank can still create fraud, outage, or continuity risks for the bank.
- **Safeguarding customer assets:** the move to tokenized assets creates new questions around control, segregation, permissions, key management, and recovery. Client protection is no longer only about legal segregation and custody arrangements; it also depends on who can access smart-contract

[75] Section adapted from https://web-assets.bcg.com/8f/e0/0364f7cb482381051547be407437/dtcc-digital-assets-dascp-whitepaper-design-final.pdf

functions, who controls the credentials that move assets, and what rights exist to pause, reverse, or contain activity when something goes wrong. Where these mechanisms are weak or poorly designed, the consequences can extend quickly from operational failure to loss of trust.

- **Connectivity and interoperability:** much of the promise of digital assets rests on the ability to connect assets, cash, data, and workflows across platforms, institutions, and legacy infrastructure. Yet the more markets rely on interoperability, the more vulnerable they become to fragmentation, reconciliation breaks, inconsistent standards, and failures at the boundaries between systems. A transaction that works within one ledger may still fail when it touches another network, an off-chain process, or a traditional post-trade environment. As banks scale their participation, these seams in the ecosystem can become as important as the infrastructure itself.
- **Operational scalability:** a digital asset model can function effectively in a contained pilot and still prove difficult to scale in a live institutional setting. Volume, liquidity management, client servicing, exception handling, governance, and reporting all become more demanding as activity increases. Processes that appear efficient in a controlled environment can quickly become fragile when they depend on manual workarounds, immature standards, or stakeholders who do not yet have a common understanding of how the model should operate. Scale also depends on viable economics, reliable liquidity, and sufficient client and regulatory trust; without those, operational friction can quickly become a strategic or reputational constraint.

Together, these risk vectors highlight that digital assets represent a structural shift in how and where risk is created, requiring banks to rethink and extend their approach to risk identification and control.



Banks should enhance their risk and compliance frameworks to address novel risk vectors

These new risk vectors do not require banks to build a separate risk management architecture from the ground up. Rather, they require banks to use their existing legal, compliance, operational, cyber, and third-

party risk frameworks as the starting point, and then determine where those frameworks need to be enhanced to address these novel risks introduced by digital assets. As digital asset activity scales, the challenge becomes less about creating a narrow layer of specialist oversight and more about adapting current frameworks, so they remain fit for purpose as assets, workflows, and decision logic move into more distributed and programmable environments.

In practice, banks need to do two things:

- **Enhance risk and compliance frameworks to reflect specific digital asset use cases they intend to support:** This starts with identifying how risk changes across the end-to-end lifecycle (e.g., not only across issuance, custody, settlement, and servicing, but also across smart contract design, network dependencies, interoperability layers, governance arrangements, and external data/infrastructure providers). From there, banks should refresh their risk taxonomies and inventories so they capture new risk vectors more explicitly, clarify where risks intersect, and distinguish between what can be managed through existing controls and what requires new capabilities and treatment. The goal is to ensure the framework is calibrated to the operating model in scope, rather than relying on legacy taxonomies that may not fully capture how digital asset risks manifest in practice.
- **Translate priority risks into appropriate controls:** Once the risk inventory is clear, institutions can begin aligning controls to the use case, market structure, and degree of dependence on external platforms or shared infrastructure. Organizing controls into four domains—Legal, Smart Contract Governance, Resilience and Data Protection, and Network Settlement, as described in the exhibit below and as detailed in the paper *"Digital Asset Securities Control Principles: A Framework For Adoption"* (DTCC, Clearstream, Euroclear, in collaboration with BCG)—can help create clarity and accountability across the risk organization.

Strategically, institutions must balance internal control ownership with external expertise. While accountability for risk decisions remains in-house, many control functions—particularly those requiring

deep technical specialization—are delivered through partners. This necessitates a modular, interoperable architecture that allows institutions to plug in third-party solutions while maintaining centralized oversight, governance, and decision-making authority.

Ultimately, the objective is not simply to add safeguards around a new product set, but to ensure that banks can participate in digital asset markets without weakening standards of safety, governance, or client protection. For banks, successful digital asset strategies will depend on a clear view of the new risks emerging across the value chain, a risk and compliance framework that is tailored to required use cases, and a control architecture that is structured, adaptable, and proportionate to the bank operating model.

Operating Model

At the core of a robust operating model is a governance framework that establishes clear ownership of digital asset strategy, investment decisions, and risk accountability, supported by structured decision-making processes and prioritization mechanisms. Effective coordination models define how a central digital assets function engages with lines of business, enabling consistency while allowing for use-case-specific innovation.

Execution is driven by performance management disciplines that track delivery, resource utilization, and innovation outcomes, ensuring that digital asset initiatives are measured with the same rigor as core business activities. Talent strategy is a critical enabler, combining targeted hiring of specialized expertise with upskilling of existing teams to bridge knowledge gaps. Equally important is fostering a culture that supports experimentation, iterative development, and cross-functional collaboration, often through sandbox environments and innovation programs.

Overall, the operating model must strike a balance between control and agility—centralizing key capabilities such as governance and risk oversight, while enabling decentralized execution and innovation across the organization.

Call to Action: How Banks Should Prepare

The right call to action is not for every bank to do everything in digital assets. Rather, it is to make a small (but significant) set of enterprise decisions now, in a sequence that is commercially grounded and operationally credible. Specifically, banks should consider:

01 Set an explicit posture for each major digital-asset opportunity

- Each business line should consider where the bank will lead, partner, distribute, or monitor across the main opportunity areas: stablecoins, tokenized deposits, CBDCs / sCBDCs, crypto, tokenized MMFs and funds, and tokenized real-world assets.
- The right posture on digital assets depends on the bank's franchise. A global transaction bank may derive value through issuing or co-issuing stablecoins and building tokenized deposit capabilities. A regional bank may win through integration of digital asset capabilities, treasury use cases, and consortium participation. A wealth-led bank may create more value through access and distribution than through infrastructure ownership. Making these choices explicitly prevents scattered pilots and misallocated investment.

02 Decide who will own the bank's role in digital money and settlement

- Banks should consider treating stablecoins, tokenized deposits, and CBDC / sCBDC readiness as one strategic money-and-settlement agenda, not as separate topics. It is important to decide where the bank will issue, where it will partner, where it will simply enable access, and how clients will move seamlessly between different forms of digital money.
- The money layer is a strategic control point. It determines to what extent the bank participates in digital-asset activity or owns the client relationship around balances, payments, settlement, treasury flows, and the cash leg of tokenized markets. Banks should consider defining their role here while considering the magnitude of potential risks such as disintermediation in payments, cash management, and collateral workflows.

03 Focus initially on near-term use cases with clear client demand and economics

- Prioritize two or three commercial plays with identified business owners, product management, funding, delivery milestones, and revenue or client-adoption targets.
- While digital assets have moved beyond pilots, the near-term opportunity is still dependent on both the evolving market landscape and the bank's core strengths and right to win. Identifying priorities

involves understanding where demand, economics, and regulatory feasibility already exist, rather than spreading effort across too many themes.

04 Build the bank's technology platform as an orchestrator, not as a blockchain company

- Most banks should consider a partner-based approach, while building internally where the bank has a durable advantage: integration to core banking, payments, accounting, reconciliation, client channels, identity and access, monitoring, and enterprise data; or where banks are considering a strategic platform play. Partnerships can be key for specialized digital-asset-native technology layers such as wallets, custody technology, smart-contract tooling, blockchain orchestration, and key-management capabilities where external providers have more mature expertise and can offer stronger security, risk management, and compliance tooling.
- Most banks are not likely to win by recreating the digital-asset stack in-house, but rather by integrating the right external capabilities into their existing platforms, products, and control environment, while preserving flexibility and avoiding lock-in. The bank's real advantage is trust, distribution, balance sheet, and integration into existing client workflows. Overbuilding the native stack could potentially increase risk, slow execution, and create unnecessary vendor and security complexity.

05 Upgrade the risk and compliance framework before scaling volumes

- Banks should extend existing risk and compliance frameworks so they can operate effectively in a blockchain-based environment. This includes integrating on-chain and off-chain data for AML, sanctions, transaction monitoring, market-conduct surveillance, custody and control governance, third-party risk, cyber resilience, and incident response. Where relevant, banks should consider adding digital-asset-specific controls such as reserve verification, asset lineage, and blockchain analytics, and leveraging risk and compliance tooling and expertise of partners to enhance internal frameworks.
- A key consideration for banks is whether and how current frameworks have been adapted to the different operating characteristics of digital assets. That is where credibility will be tested by boards, regulators, auditors, and institutional clients. Banks can outsource tooling, but not accountability; control ownership should remain inside the institution even when specialist providers are part of the operating model.

06 Establish an operating model that delivers robust governance, ownership, and talent strategy

- A formal enterprise operating model for digital assets with clear governance and decision rights, funding mechanisms, prioritization forums, regulatory engagement, talent strategy (supported where helpful by external resources), shared capabilities, risk oversight, and product execution.
- Digital assets cut across business lines and functions, including payments, custody, wealth, capital markets, treasury, technology, and risk. Without a clear operating model, banks risk fragmented pilots, duplicated spend, inefficient execution, and inconsistent control standards.

In summary, banks should not consider their digital assets strategy as if this were one decision. Rather, it's a set of choices spanning the following questions: **Where will we compete? Where should we play a platform role and convene other market participants? Who will own the money layer? Which use cases will we scale first? What will we build versus partner for? How will we manage risk and compliance and build appropriate controls? And who is accountable for execution?** These practical decisions can enable banks to develop a robust, scalable, yet flexible digital assets commercialization strategy.

About BCG and Anchorage Digital

About Boston Consulting Group

Boston Consulting Group partners with leaders in business and society to tackle their most important challenges and capture their greatest opportunities. BCG was the pioneer in business strategy when it was founded in 1963. Today, we work closely with clients to embrace a transformational approach aimed at benefiting all stakeholders—empowering organizations to grow, build sustainable competitive advantage, and drive positive societal impact.

Our diverse, global teams bring deep industry and functional expertise and a range of perspectives that question the status quo and spark change. BCG delivers solutions through leading-edge management consulting, technology and design, and corporate and digital ventures. We work in a uniquely collaborative model across the firm and throughout all levels of the client organization, fueled by the goal of helping our clients thrive and enabling them to make the world a better place.

About Anchorage Digital

Anchorage Digital is a global crypto platform that enables institutions to participate in digital assets through trading, staking, custody, governance, settlement, stablecoin issuance, and the industry's leading security infrastructure. Home to Anchorage Digital Bank N.A., the first federally chartered crypto bank in the U.S., Anchorage Digital also serves institutions through Anchorage Digital Singapore, which is licensed by the Monetary Authority of Singapore; Anchorage Digital NY, which holds a BitLicense from the New York Department of Financial Services; and self-custody wallet Porto by Anchorage Digital. Anchorage Digital Bank also offers fiat custody services through the use of an FDIC-insured, licensed sub-custodian. Anchorage Digital is funded by leading institutions including Andreessen Horowitz, GIC, Goldman Sachs, KKR, and Visa, with a valuation of $4.2 billion. Founded in 2017 in San Francisco, California, Anchorage Digital has offices in New York, New York; Porto, Portugal; Singapore; and Sioux Falls, South Dakota. Learn more at anchorage.com, on X @Anchorage, and on LinkedIn.

Press Contact: press@anchorage.com