



ANDERSON ONE
— STRATEGIC GROUP —

The Structural Digitization of Capital Markets

Market Structure Transition in the Era of Digital Asset Infrastructure

Matthew Anderson
Anderson One Strategic Group
March 2026

Disclaimer

This publication has been prepared and distributed by **Anderson One Strategic Group, LLC**, a Tennessee limited liability company ("A1 Strategic," "Anderson One Strategic," or the "Firm") for informational and educational purposes only.

Anderson One Strategic is a strategic advisory firm. The Firm is **not registered as an investment adviser with the U.S. Securities and Exchange Commission, with any state securities authority or any other jurisdiction**, and it does not provide investment advisory services. The Firm does not manage client assets, does not provide individualized investment advice, does not act as a broker-dealer, and does not execute securities or digital asset transactions on behalf of clients.

Nothing contained in this publication constitutes, or should be construed as, investment advice, legal advice, tax advice, accounting advice, or a recommendation or solicitation to buy, sell, or hold any security, digital asset, derivative, or other financial instrument. This publication does not constitute an offer to provide advisory services in any jurisdiction where such offer would be unlawful or would require registration.

The analysis presented herein reflects the views of the author as of the date of publication and is subject to change without notice. The information contained in this document has been obtained from sources believed to be reliable; however, Anderson One Strategic makes no representation or warranty, express or implied, as to its accuracy, completeness, or reliability. No liability is accepted for any direct or consequential loss arising from reliance on this publication.

Any forward-looking statements are inherently subject to uncertainty, risk, and change. Market structure developments, regulatory outcomes, institutional adoption patterns, and technological evolution may differ materially from those described herein. References to potential efficiency gains, infrastructure developments, or regulatory convergence are analytical observations and not guarantees of future performance or outcomes.

Digital assets and distributed ledger technologies involve significant risks, including but not limited to price volatility, liquidity constraints, technological vulnerabilities, cybersecurity threats, regulatory uncertainty, legal classification risk, operational failure, and valuation complexity. Readers are solely responsible for conducting their own independent due diligence and for consulting with their own legal, regulatory, tax, accounting, and investment professionals before making any financial or strategic decision.

This publication is intended for institutional, professional, or sophisticated readers capable of evaluating its contents independently. It is not intended for retail investment audiences.

No fiduciary relationship is created by receipt or review of this publication. Any strategic advisory engagement with Anderson One Strategic is governed solely by a written agreement executed between the Firm and its client.

All rights reserved. This publication may not be reproduced, distributed, or transmitted in whole or in part without prior written consent of Anderson One Strategic, except for non-commercial informational use with appropriate attribution.

By accessing or reviewing this publication, the reader acknowledges and agrees to the foregoing limitations.

Executive Summary

Digital assets are often discussed as a volatile asset class. This framing, while understandable, risks overlooking a more structural development underway: the gradual digitization of capital market infrastructure.

This paper argues that digital assets should be analyzed not merely as speculative instruments, but as an early-stage phase in the evolution of financial architecture. Distributed ledger systems, tokenization frameworks, and programmable settlement mechanisms represent experiments in how ownership is recorded, how transactions are synchronized and how compliance logic is embedded within financial claims.

Capital markets have historically evolved through infrastructure transitions. The dematerialization of securities, the migration to electronic trading, and the rise of exchange-traded funds each reshaped operational mechanics without eliminating legacy systems. These shifts unfolded gradually, integrating into existing frameworks over time.

Digital asset infrastructure may represent a comparable development.

Programmable financial primitives introduce the potential for synchronized settlement, dynamic collateral mobility, and embedded compliance execution. If measurable efficiency gains materialize – and if regulatory convergence continues – elements of this infrastructure may become embedded within existing capital markets.

However, integration is not inevitable. The thesis depends on demonstrable improvements in capital efficiency, custody resilience, regulatory clarity, and institutional scalability. Absent those conditions, digital assets may remain peripheral rather than systemic.

For institutions, the central issue is not near-term price volatility. It is infrastructure directionality. Architecture precedes allocation.

Understanding whether capital markets are entering a new phase of structural digitization is therefore a strategic inquiry – not a speculative one.

Introduction: Beyond the Asset Class

Digital assets are frequently described as a volatile asset class defined by speculative cycles and episodic enthusiasm. While that characterization reflects recent market behavior, it obscures a more consequential development unfolding beneath the surface. What is emerging is not merely a new category of tradable instruments, but a gradual reconfiguration of financial infrastructure itself.

Capital markets have historically evolved through architectural transitions rather than abrupt replacement. The dematerialization of securities, the migration from open outcry to electronic trading, and the rise of exchange-traded funds each altered the operational logic of markets without eliminating legacy systems. These transitions did not remove volatility. They reshaped how ownership was recorded, how transactions were executed, and how risk was distributed.¹

Digital assets may represent a comparable phase in the ongoing digitization of market architecture. Distributed ledgers, tokenization frameworks, and programmable settlement mechanisms are not simply vehicles for speculative exposure. They are experiments in redesigning how financial claims are represented, transferred, and governed.²

The thesis advanced here is deliberately measured: digital assets are best understood not as a discreet speculative phenomenon, but as an early-stage phase in the structural digitization of capital markets. The implications are less about price appreciation and more about settlement mechanics, collateral mobility, regulatory formalization, and the programmability of financial claims.

Whether this transition integrates incrementally or remains peripheral will depend on institutional viability. The central question is not whether volatility persists. It is whether the infrastructure underlying capital markets is evolving.

Infrastructure Evolves in Layers

Infrastructure evolves in layers. Financial systems rarely transform through displacement; they evolve through integration.

The dematerialization of securities illustrates this pattern. Physical share certificates once defined ownership transfer. As transaction volumes expanded in the mid-twentieth century, manual reconciliation became operationally unsustainable. The late-1960s paperwork crisis in U.S. equity markets exposed these constraints, prompting the development of centralized clearinghouses and electronic book-entry systems. The assets themselves did not change – the infrastructure governing them did.

A similar evolution occurred with electronic trading. Open outcry floors gave way to digital trading platforms because scale and efficiency demanded architectural change. Consequently, liquidity deepened, geographic barriers narrowed, and execution transparency improved.³ Incumbent institutions adapted rather than disappeared.

Exchange-Traded Funds followed a similar trajectory. ETFs did not create new exposures; they altered distribution and settlement dynamics. Traditional mutual funds persisted, yet the ecosystem expanded to incorporate new operational wrappers.

During each transition, three features were present:

1. Structural inefficiencies created pressure for adaptation.
2. Integration unfolded gradually.
3. Incumbent institutions ultimately incorporated the new architecture.

Digital asset infrastructure should be evaluated within this historical cadence. Distributed ledgers and tokenization frameworks represent alternative coordination mechanisms for ownership and settlement. These frameworks do not inherently mandate disintermediation. Rather, they propose different methods for synchronizing financial claims.

Infrastructure shifts are often visible only in retrospect. Early electronic trading was considered incremental. Dematerialized securities were initially operational solutions. Today, digital asset development may be transitioning through a similar phase—publicly associated with volatility, yet quietly advancing at the infrastructure layer. The relevant inquiry is therefore structural: are the mechanisms governing ownership and transfer entering a new phase of digitization

From Static Assets to Programmable Capital

Traditional financial instruments are static representations of economic claims. Equity conveys ownership; debt encodes repayment obligations; derivatives reflect conditional exposure. While execution infrastructure has modernized, the governing logic of these instruments remains external—enforced through clearinghouses, custodians, and contractual frameworks layered around them.

Globally, derivatives markets involve notional exposures measured in the hundreds of trillions of dollars, supported by extensive collateral frameworks and daily margining processes.⁴ These structures, while effective, introduce capital encumbrance and operational latency. Digital asset infrastructure introduces a different architectural possibility.

Tokenization is often described as the digital representation of an asset on a distributed ledger. The more consequential distinction lies in the programmability of tokenized assets. Tokenized assets can embed settlement conditions, transfer restrictions, compliance parameters, and corporate actions directly into the asset's functional design.

In traditional systems, trade execution and settlement are temporally separated, requiring coordination across brokers, custodians, clearinghouses, and payment systems. Under a programmable model, delivery-versus-payment can occur atomically—asset transfer and payment synchronized within a single conditional event.⁵

Programmability also enables embedded compliance logic. Accreditation criteria, jurisdictional restrictions, and reporting triggers can operate at the asset layer rather than exclusively through post-trade oversight. For institutions managing cross-border flows—where correspondent banking networks may involve multiple intermediaries and multi-day settlement—shared-state synchronization presents an alternative coordination model.

Collateral management further illustrates the distinction. Contemporary derivatives markets require extensive collateral posting and substitution through centralized systems. Programmable infrastructure introduces the potential for dynamic substitution and automated margin logic, subject to regulatory validation. Even incremental improvements in collateral mobility, when applied across markets measured in trillions of dollars, can influence liquidity efficiency.

These developments do not eliminate intermediaries. Clearinghouses, custodians, and broker-dealers remain essential risk managers. The structural inquiry is narrower: whether embedding elements of execution and compliance logic at the asset layer can reduce coordination overhead without introducing systemic fragility.

Volatility in token prices does not invalidate this architectural inquiry. Price behavior reflects liquidity cycles. Infrastructure evolution operates on longer horizons.

The question is not whether finance becomes digital—it already is. The question is whether financial claims become programmable.

Market Structure Implications

If programmable financial primitives represent a meaningful development, their significance lies in market structure rather than asset expansion.

Capital markets process trillions of dollars in daily activity through coordinated frameworks of settlement protocols, capital requirements, custodial safeguards, and regulatory oversight. Infrastructure innovation must integrate within these established systems to achieve durability.

Settlement compression represents the most immediate implication of distributed ledger-based settlement models. In traditional markets, the separation between execution and settlement creates counterparty exposure mitigated by margin and capital buffers.⁶ Despite the shift from T+2 to T+1 settlement, risk exposure windows persist. Experiments conducted by central banks and financial institutions have demonstrated the feasibility of synchronized settlement systems operating on programmable infrastructure.⁷

Collateral velocity presents a second dimension. Modern markets are deeply collateralized ecosystems. When collateral is encumbered due to settlement timing, redeployment efficiency declines. Marginal gains in collateral mobility can have systemic liquidity implications across large-scale markets.

Cross-border capital formation may also evolve. Correspondent banking networks rely on layered messaging systems and liquidity pre-funding across time zones. A harmonized shared-state architecture reduces reconciliation complexity. However, scalability depends on regulatory convergence; absent legal harmonization, infrastructure synchronization remains constrained.

Custody architecture and accounting treatment serve as gating mechanisms. Institutional participation requires resilient custody frameworks, auditability, and stable capital treatment. Infrastructure cannot scale in the absence of regulatory clarity.

Historical precedent suggests integration rather than displacement. Exchanges, clearinghouses, and custodians are more likely to incorporate programmable elements into existing systems than to be replaced outright.

The structural question is therefore measured: will elements of programmable infrastructure become embedded within capital markets where efficiency gains justify adoption? If settlement compression, collateral mobility, and regulatory formalization converge, programmable assets may incrementally influence capital allocation mechanics. If they fail to deliver measurable improvements within institutional constraints, integration will stall.

Regulatory Convergence and Institutional Formalization

Infrastructure maturity depends on legal recognition.

Digital asset markets are navigating the transition from experimentation to formalization. Early innovation often outpaces statutory clarity. Durable integration, however, requires alignment across securities law, banking regulation, accounting standards, tax treatment, and prudential capital frameworks.

Across major jurisdictions, policy dialogue has shifted from existential questions to supervisory design. Frameworks such as the European Union's Markets in Crypto-Assets (MiCA) regulation establish comprehensive standards for custody, disclosure, and market integrity.⁸ In parallel, prudential regulators have introduced capital treatment guidelines for digital asset exposures, reflecting increasing supervisory engagement.⁹

In the United States, regulatory treatment of digital assets continues to evolve, particularly in the areas of custody, accounting, and market classification.¹⁰

For institutions, regulatory clarity is decisive. Pension funds, insurers, banks, and asset managers operate under fiduciary mandates and prudential constraints. Without defined custody standards and capital treatment, integration risk outweighs innovation incentives.

Regulatory convergence does not guarantee acceleration. It may constrain speculative excess while legitimizing infrastructure aligned with supervisory expectations. Historically, infrastructure evolution has proceeded through similar recalibration phases.

The durability of digital asset integration therefore depends on the interaction between technical capability and regulatory alignment. Infrastructure innovation without legal enforceability remains peripheral. Legal recognition without operational viability remains theoretical.

Institutional integration will expand first at the infrastructure level—custody, accounting, and market structure—before it expands at the portfolio allocation level.

Tokenization and the Expansion of Financial Infrastructure

Tokenization extends the structural thesis beyond native digital assets to traditional financial instruments.

The representation of real-world assets—including bonds, real estate, and private market exposures—on programmable infrastructure introduces the potential for:

- Fractional ownership structures
- Enhanced liquidity access
- Automated compliance frameworks

Global institutions have begun to explore tokenization as a mechanism for improving capital market efficiency and expanding access to traditionally illiquid assets.¹¹

However, tokenization alone does not guarantee liquidity transformation. Its effectiveness depends on legal enforceability, market depth, and integration with existing financial systems.

Institutional Implication and Strategic Posturing

For institutions, the primary issue is not immediate allocation. It is preparedness.

Surveys of institutional investors indicate growing interest in digital assets as an emerging component of financial markets, though adoption remains measured and conditional.¹² This pattern is consistent with prior infrastructure transitions. Institutions observe, test, and evaluate before integrating new systems into portfolio construction.

Infrastructure transitions often reshape competitive positioning before reshaping portfolios. Institutions must determine whether to maintain informed optionality—evaluating custody partnerships, participating in pilot frameworks, modeling liquidity impacts, and monitoring regulatory directionality.

Understanding infrastructure evolution does not require speculative exposure. It requires governance attention. Institutions that mistake architectural shifts for cyclical enthusiasm risk strategic inertia. Institutions that evaluate infrastructure deliberately preserve flexibility.

Conclusion: Architecture Precedes Adoption

Capital markets evolve through infrastructure before allocation. Dematerialization preceded electronic trading. Electronic trading preceded algorithmic execution. Exchange-traded products preceded passive dominance.

Digital assets may represent a similar sequence. Viewed narrowly as speculative instruments, they appear episodic. Viewed structurally, they represent experiments in programmable ownership, synchronized settlement, and embedded compliance logic.

The durability of this transition will depend on measurable outcomes: capital efficiency gains, custody resilience, regulatory convergence, and operational scalability. If those conditions materialize, digital assets may ultimately be remembered less as a speculative episode and more as an early phase in the structural digitization of capital markets.

The structural digitization of capital markets, if it occurs, will unfold gradually—not as disruption, but as integration. Architecture precedes adoption. Infrastructure precedes allocation.

References

1. Bank for International Settlements, *"Annual Economic Report,"* 2023.
2. International Monetary Fund, *"Global Financial Stability Report,"* 2023.
3. Bank for International Settlements, *"Annual Economic Report,"* 2023.
4. Bank for International Settlements, *"OTC Derivatives Statistics,"* 2023.
5. Bank for International Settlements Innovation Hub, *"Project Mariana / Project Helvetia Reports,"* 2023.
6. Securities and Exchange Commission, *"Shortening the Securities Transaction Settlement Cycle (T+1),"* 2023.
7. Depository Trust & Clearing Corporation, *"Advancing Settlement Optimization,"* 2023.
8. European Union, *Regulation (EU) 2023/1114 (MiCA).*
9. Basel Committee on Banking Supervision, *"Prudential Treatment of Cryptoasset Exposures,"* 2022.
10. Securities and Exchange Commission, *"Staff Accounting Bulletin No. 121,"* 2022.
11. World Economic Forum, *"The Tokenization of Assets,"* 2023.
12. Fidelity Digital Assets, *"Institutional Investor Digital Assets Study,"* 2023.

Strategic Clarity Precedes Allocation.

Anderson One Strategic Group advises institutions navigating the structural transition toward digitally native financial infrastructure.

Our work focuses on market structure evolution, regulatory positioning, and the integration of digital asset infrastructure into institutional portfolios and operating models.

Engagements are selective and initiated through direct inquiry.

Anderson One Strategic Group

Strategic Advisory

Tennessee, United States

Institutional inquiries may be submitted via:

Matthew@AndersonOneStrategic.com

www.AndersonOneStrategic.com