

RWA Tokenization

Real-World Assets On-Chain — The \$32 Billion Infrastructure Shift — Q2 2026

The global stock of real estate, bonds, commodities, and private credit is worth approximately \$450 trillion. As of May 2026, less than \$32 billion of it sits on a blockchain. That gap — spanning six orders of magnitude — represents one of the most consequential infrastructure shifts in the history of modern finance: the tokenization of real-world assets. What began as an experimental concept in blockchain research papers has become a \$32 billion on-chain market growing at over 200% annually, with Nasdaq, the NYSE, and the DTCC all making infrastructure-level commitments to integrate tokenized securities into the existing architecture of regulated capital markets. BlackRock, Franklin Templeton, Ondo Finance, and Circle are competing for dominance in a category that Boston Consulting Group and Ripple project will reach \$18.9 trillion by 2033 and Standard Chartered sees reaching \$30 trillion by 2034. This report maps the current state of RWA tokenization — what is on-chain, who is building it, what the investment opportunities are, and what risks every investor must understand.

01 — THE MARKET: \$32 BILLION AND 200% ANNUAL GROWTH

The tokenized RWA market has reached a scale that demands serious investor attention. According to live data from RWA.xyz, distributed on-chain RWA value excluding stablecoins crossed \$32 billion in May 2026 — representing more than 200% growth over the past year. The CoinGecko RWA Report 2026 places market capitalization at \$19.32 billion by end of Q1 2026, representing 256.7% growth since the start of 2025. The tokenized RWA market grew approximately 30% in Q1 2026 alone — a quarterly growth rate that, if sustained, would produce a market exceeding \$100 billion by end of 2026.

The composition of this \$32 billion market is increasingly institutional in character. Six asset categories have now each surpassed \$1 billion in tokenized value: private credit, commodities, US Treasuries, corporate bonds, non-US government debt, and institutional alternative funds. This diversification beyond the initial Treasury-only focus signals that the tokenization infrastructure has matured sufficiently to handle more complex asset structures and that institutional demand exists across multiple asset classes — not just for the simplest, most liquid instruments.

The most striking data point is the growth in new wallet adoption. Chainalysis tracking of Ethereum wallets that received RWA tokens within the first six months of their creation shows an explosive growth curve sharply accelerating into 2026 — after years of flat activity from 2022 to late 2024. This data reveals a market inversion: RWAs are not just being used by DeFi veterans. They are the primary reason institutional participants are coming on-chain for the first time. RWA tokenization is the on-ramp that traditional finance is using to enter the blockchain ecosystem.

MARKET DATA: On-chain tokenized RWAs crossed \$32 billion in May 2026 — 200%+ annual growth. Six asset classes now each exceed \$1 billion. Conservative estimates project \$100 billion by end-2026. BCG and Ripple project \$18.9 trillion by 2033.

02 — TOKENIZED US TREASURIES: THE DOMINANT CATEGORY

US Treasuries represent approximately 45% of the total on-chain RWA market — the single largest and fastest-growing asset category in tokenized finance. Tokenized Treasury value surpassed \$10 billion in late February 2026 and reached \$13.4 billion by early April, up from \$9.6 billion at the end of 2025. This growth is being driven by five institutional-grade products that have established themselves as the benchmark instruments of the tokenized Treasury market.

BlackRock BUIDL: BlackRock's USD Institutional Digital Liquidity Fund — BUIDL — has grown to approximately \$2.4–\$2.5 billion in assets under management, making it the largest tokenized Treasury product of its kind. BlackRock filed two new tokenized fund structures with the SEC in May 2026, signaling that BUIDL is the foundation of a broader tokenized asset product line rather than a standalone experiment. When the world's largest asset manager treats tokenized funds as a core product category, the institutional legitimacy of the entire RWA tokenization sector is validated at the highest possible level.

Circle USYC: Circle's yield-generating token backed by short-duration US government securities has reached \$2.7 billion in value — the largest single tokenized Treasury product by AUM. USYC represents Circle's strategic expansion beyond stablecoins into yield-bearing tokenized instruments, creating a product that bridges the gap between traditional money market funds and DeFi-native yield infrastructure.

Ondo Finance: Ondo Finance has driven much of the RWA sector's growth momentum, with its suite of tokenized Treasury and bond products reaching approximately \$2.6 billion in combined value. Ondo's approach of building tokenized versions of institutional-grade fixed-income instruments and making them accessible through DeFi protocols has created a template that multiple competitors are now following. ONDO token has become one of the most-watched investment plays in the RWA infrastructure sector.

Franklin Templeton BENJI and WisdomTree WTGXX: Franklin Templeton's BENJI (\$1.0 billion) and WisdomTree's WTGXX (\$861 million) round out the top five, confirming that traditional asset managers — not just crypto-native firms — are committing significant resources to building tokenized fund products. The presence of Franklin Templeton and WisdomTree in this market signals that RWA tokenization has passed the institutional due diligence threshold required for major asset managers to commit to new product launches.

03 — PRIVATE CREDIT AND REAL ESTATE: THE NEXT WAVE

While US Treasuries dominate current on-chain RWA value, the categories with the greatest long-term growth potential are private credit and real estate — two asset classes that collectively represent tens of trillions of dollars in global investable assets but have historically been inaccessible to all but the largest

institutional investors due to high minimum investments, poor liquidity, and opaque pricing.

Tokenized private credit has emerged as the second-largest RWA category, driven by the structural demand from DeFi protocols seeking real-world yield to offer their users without relying on volatile crypto-native collateral. Protocols like Maple Finance, Centrifuge, and Goldfinch have pioneered on-chain private credit markets — connecting institutional borrowers who need capital with DeFi lenders seeking yield backed by real business cash flows rather than speculative token collateral. The result is a category that simultaneously serves traditional finance borrowers who want faster, more flexible capital access and DeFi participants who want yield tied to real economic activity.

Tokenized real estate is earlier in its development curve but represents perhaps the largest long-term opportunity in the entire RWA sector. Global real estate is valued at approximately \$326 trillion — by far the largest single asset class in the world. Tokenization of real estate addresses its two most fundamental limitations: illiquidity and high minimum investment thresholds. A tokenized real estate product that allows investors to buy fractional ownership in a commercial property for \$100 rather than \$10 million, and to trade that ownership in a liquid secondary market rather than waiting years for a traditional exit, is a product with genuinely mass-market demand. The infrastructure to make this possible at scale is being built now.

Tokenized commodities — particularly gold — have also seen extraordinary growth. Tokenized gold rose 227% during key growth periods in 2025 and early 2026, driven by both safe-haven demand during periods of crypto market volatility and the practical advantages of holding gold-backed tokens rather than physical gold: 24/7 transferability, divisibility to fractional amounts, and use as DeFi collateral without the custody complexity of physical precious metals.

04 — THE INFRASTRUCTURE: NASDAQ, NYSE, DTCC AND ON-CHAIN RAILS

The most significant development in RWA tokenization in Q1 2026 was not the growth in market size — it was the infrastructure-level commitments from the institutions that run global capital markets. Nasdaq, the NYSE, and the DTCC all moved in the same direction: toward integrating tokenized securities into the existing architecture of regulated markets. This transition from experimentation to infrastructure commitment marks the point at which RWA tokenization became irreversible as a direction for global capital markets.

The DTCC — the Depository Trust and Clearing Corporation, which settles the vast majority of US securities transactions — is exploring tokenized settlement infrastructure that would dramatically reduce the current T+1 settlement standard. Atomic settlement on blockchain — where payment and delivery of securities occur simultaneously in a single transaction — could compress settlement to near-instant, with industry analysis showing potential operational cost reductions of up to 30% across the settlement value chain.

Ethereum remains the dominant chain for RWA tokenization, hosting over 60% of all tokenized assets by value. Its combination of deep liquidity, established smart contract infrastructure, the largest DeFi ecosystem for tokenized asset composability, and the highest institutional trust level among blockchain networks makes it the default choice for institutional RWA issuers. Solana and BNB Chain are emerging

as secondary RWA rails, particularly for use cases requiring higher transaction throughput and lower fees than Ethereum mainnet.

The Clarity Act — anticipated in 2026 — is expected to remove further regulatory barriers to tokenized securities issuance and trading in the United States. Its passage would create the clearest regulatory pathway yet for institutional issuers to bring tokenized equity, debt, and fund products to market, potentially triggering a wave of new product launches from institutions currently in a regulatory wait-and-see posture.

05 — INVESTMENT OPPORTUNITIES IN THE RWA ECOSYSTEM

The RWA tokenization sector offers multiple distinct investment angles — from direct yield generation through tokenized instruments to equity-like exposure to RWA infrastructure protocols. Understanding the risk and return profile of each angle is essential for constructing a disciplined RWA portfolio.

Direct yield through tokenized Treasuries: Products like BUIDL, USYC, and Ondo's suite offer institutional-grade US Treasury yield in tokenized form — currently in the 4–5% annual range. For crypto investors holding significant stablecoin balances earning zero yield, rotating into tokenized Treasury products is a straightforward yield enhancement with minimal additional risk, assuming the underlying platform and smart contract infrastructure is adequately audited.

RWA infrastructure tokens: ONDO (Ondo Finance), LINK (Chainlink — the oracle infrastructure that connects on-chain RWA tokens to off-chain asset data), and PENDLE (yield tokenization protocol) are the most widely held RWA infrastructure tokens. These tokens offer equity-like exposure to the growth of the RWA sector — capturing value from the expansion of the market rather than just the yield on individual products. KuCoin research identifies ONDO, Chainlink, and Pendle as the core token plays for investors wanting exposure to RWA infrastructure growth.

Tokenized gold as a portfolio hedge: PAXG (Pax Gold) and XAUT (Tether Gold) provide gold exposure in tokenized form — useful as a hedge against both crypto market volatility and traditional currency debasement risk. The 227% growth in tokenized gold during key 2025–2026 periods reflects growing demand for this specific combination of safe-haven exposure and crypto-native liquidity.

06 — CONCLUSION: THE \$450 TRILLION OPPORTUNITY IS JUST BEGINNING

Real-world asset tokenization is not a future trend — it is a present infrastructure shift that is accelerating with every passing quarter. The \$32 billion currently on-chain is less than 0.01% of the \$450 trillion in global real-world assets that could ultimately be tokenized. The infrastructure is being built by the world's largest asset managers, exchanges, and clearinghouses. The regulatory framework is crystallizing through the GENIUS Act, MiCA, and the anticipated Clarity Act. And the demand — from institutional investors seeking yield, from retail investors seeking access to asset classes previously closed to them, and from DeFi protocols seeking real-world collateral — is growing faster than the supply of tokenized products.

For crypto investors, RWA tokenization represents a category that simultaneously offers near-term yield opportunities through tokenized Treasury products, medium-term capital appreciation through RWA infrastructure tokens, and long-term exposure to what may be the most transformative structural shift in the history of global capital markets. The investors who build their understanding of this sector now — before the \$100 billion threshold is crossed later in 2026 and institutional adoption becomes front-page financial news — will have positioned themselves at the earliest stage of a multi-decade infrastructure buildout.

The question for every serious crypto investor is not whether RWA tokenization will reshape global finance. The answer to that question is already clear from the data. The question is how much of the value created in that process will flow through the crypto ecosystem — and whether you are positioned to capture it.

\$32 billion on-chain today. \$18.9 trillion projected by 2033. The infrastructure is being built now. The time to understand it is before the headlines make it obvious.