

The Actual Stock Market Just Got Legalized on Crypto Rails

NYSE, Nasdaq, SEC, DTCC — The \$126 Trillion Equity Market Is Moving On-Chain — Q2 2026

The New York Stock Exchange was founded on May 17, 1792 under a buttonwood tree at 68 Wall Street, when 24 brokers signed the Buttonwood Agreement and created the institution that would decide which companies receive capital, who gets to invest, how trades settle, and who gets paid in the middle of every transaction for the next 233 years. That institution runs on multi-day settlement cycles, business hours only, through a clearinghouse called the Depository Trust Company that charges a fee on every single trade in the country. On January 19, 2026, the NYSE announced a blockchain-based platform for 24/7 trading and instant on-chain settlement of tokenized US stocks and ETFs with stablecoin-based funding. On March 18, 2026, the SEC approved Nasdaq's framework to trade tokenized stocks and ETFs on blockchain rails. On March 24, 2026, the NYSE partnered with Securitize — fully on-chain settlement, no DTCC. On May 27, 2026, DTCC partnered with Stellar to bring Russell 1000 stocks, ETFs, and US Treasuries on-chain by H1 2027, with limited live trades beginning July 2026. The \$126 trillion global equity market is moving on-chain. The people who own the rails — Chainlink, Stellar, Solana, Base, USDC — will own the next decade of finance.

01 — THE BUTTONWOOD AGREEMENT AND WHAT IS BEING REPLACED

To understand the magnitude of what is happening in American capital markets in 2026, it is necessary to understand what the current system actually is — because most people who have traded stocks their entire lives have never had to think about the infrastructure running beneath the interface.

When you buy a share of Apple stock through your brokerage app, you click a button, the price updates, and your portfolio balance changes. That seamless experience conceals an infrastructure that takes two business days — T+1 — to actually settle. The trade executes immediately on an exchange. But the legal transfer of ownership, the actual movement of shares from the seller's account to your account, and the movement of cash from your account to the seller's account, happens the next business day through a multi-step process involving the exchange, a clearing broker, the National Securities Clearing Corporation, and the Depository Trust Company. Each of these entities charges fees. Each introduces operational risk. Each requires business hours to function. And the entire chain operates only Monday through Friday during US market hours — leaving international investors locked out of US equity markets for 128 hours out of every 168.

The Buttonwood Agreement that created this system was signed in 1792 because securities trading at the time required physical certificates, human messengers, and multi-day reconciliation processes. The

technology constraints of 1792 are baked into the operating model of a system that processed \$4.7 quadrillion in securities transactions in 2025. The multi-day settlement cycle exists not because it is optimal but because it is what the system was designed around when physical paper certificates took days to transfer between brokers. Blockchain settlement technology eliminates every constraint that made multi-day settlement necessary. A tokenized share of Apple on a public blockchain settles in seconds, at any hour, on any day, for a fraction of a cent in transaction fees.

The question that every major financial institution is now asking is not whether this transition will happen. The NYSE, Nasdaq, DTCC, Securitize, Kraken's xStocks platform, Ondo Finance, and the SEC have all publicly committed to the transition. The question is how fast it happens and which blockchain infrastructure captures the settlement flows of the \$126 trillion global equity market as it moves on-chain.

THE SYSTEM BEING REPLACED: T+1 settlement. Business hours only. DTCC clearinghouse fee on every trade. Physical certificate heritage baked into 21st century infrastructure. Founded on constraints that ceased to exist when blockchain was invented.

02 — NASDAQ: THE FIRST MAJOR EXCHANGE TO GET SEC APPROVAL

On March 18, 2026, the Securities and Exchange Commission officially approved Nasdaq's proposal to launch a tokenized securities platform — making Nasdaq the first major US exchange to move from concept to live pilot with regulatory authorization. The approval was the culmination of a process that began in September 2025 when Nasdaq filed its application with the SEC for permission to support tokenized stocks on blockchain rails alongside traditional shares.

Nasdaq's approach is a hybrid model that keeps tokenized securities within the existing DTC framework — a strategic choice that prioritized regulatory approval speed over blockchain purity. Under the Nasdaq model, dealers choose at the post-trade level whether they want stocks settled in tokenized or conventional form. Both versions represent legal ownership of the same underlying equity with identical shareholder rights — dividends, voting, and other corporate actions apply equally. The SEC's March 2026 ruling confirmed that tokenized equities under this model are treated identically to traditional securities under federal law, resolving the single most important legal question that had blocked institutional participation in tokenized equity markets.

Nasdaq's distribution strategy relies on its partnership with Payward — the parent company of Kraken — announced March 9, 2026. The Nasdaq-Kraken Equities Transformation Gateway allows tokenized equities to move between Nasdaq's regulated environment and Kraken's xStocks platform — the global crypto exchange that has been offering tokenized US stock trading to international investors. Val Gui, general manager at Kraken's xStocks platform, described the SEC approval as a clear signal the \$126 trillion equity market will be shifting onto blockchain rails, pointing to a future where stock ownership becomes 24/7 and global. Ondo Finance's president Ian De Bode called it an encouraging step toward 24/7 markets, noting that the biggest beneficiaries will be global investors who have long lacked seamless, around-the-clock access to US equities.

The Nasdaq model's limitation — which critics acknowledge directly — is that it maintains the DTCC framework and its associated intermediary infrastructure rather than building a fully permissionless on-chain settlement system. By keeping settlement within the DTC framework, Nasdaq secured SEC approval more quickly but preserved the centralized clearinghouse model rather than eliminating it. This is Wall Street embracing blockchain on its own terms — capturing the efficiency benefits of on-chain settlement while maintaining the intermediary relationships that generate revenue for existing market participants.

03 — NYSE AND SECURITIZE: THE FULLY ON-CHAIN SETTLEMENT MODEL

Where Nasdaq chose the DTC-compatible hybrid model, the New York Stock Exchange chose a more ambitious path: fully on-chain settlement without the DTC clearinghouse at the center. The NYSE's January 19, 2026 announcement — made through parent company Intercontinental Exchange on the official ICE investor relations website — described a platform that will enable 24/7 trading of US listed equities and ETFs, fractional share trading, immediate settlement via tokenized capital, and stablecoin-based funding.

The NYSE's technical architecture combines its existing Pillar matching engine — the core system that processes trade matching at exchange speed — with blockchain-based post-trade systems that include the capability to support multiple chains for settlement and custody. This multi-chain approach is significant: rather than committing to a single blockchain for all settlement, the NYSE is building infrastructure that can route tokenized equity settlement across whichever blockchain networks offer the best combination of performance, regulatory acceptance, and institutional trust for each specific use case.

On March 24, 2026, the NYSE formalized its partnership with Securitize — the digital asset securities firm that has tokenized assets for BlackRock, Hamilton Lane, KKR, and other major institutional asset managers. The NYSE-Securitize partnership focuses on creating a legal framework for issuing and managing tokenized securities with fully on-chain settlement. The proposed platform enables 24/7 trading with near-instant settlement and supports stablecoin transactions. The choice of fully on-chain settlement — rather than the DTC-compatible hybrid that Nasdaq chose — represents a more aggressive architectural bet that the future of equity settlement is genuinely decentralized rather than blockchain-enhanced but centrally cleared.

ICE simultaneously announced partnerships with BNY Mellon and Citigroup to support tokenized deposits across ICE's clearinghouses — enabling clearing members to transfer and manage money outside of traditional banking hours, meet margin obligations, and accommodate funding requirements across different time zones. The combination of NYSE on-chain equity settlement, tokenized deposits at clearing houses, and stablecoin-based funding creates a complete ecosystem where the full lifecycle of a securities trade — from order placement to settlement to margin management — can operate on blockchain infrastructure 24 hours a day, seven days a week.

NYSE vs NASDAQ MODEL: Nasdaq chose DTC-compatible hybrid settlement — faster regulatory approval, preserved intermediaries. NYSE chose fully on-chain settlement with Securitize — more ambitious architecture, built for the endpoint rather than the transition.

Both are building toward the same destination. The path divergence tells you which institution is optimizing for speed versus which is optimizing for structure.

04 — DTCC, STELLAR, AND CHAINLINK: THE SETTLEMENT INFRASTRUCTURE

Beneath both the NYSE and Nasdaq tokenization initiatives sits the infrastructure layer that will actually process the settlement of tokenized US equities at scale — and in May 2026, DTCC announced the two partnerships that define what that infrastructure will look like.

On May 12, 2026, DTCC announced that its Collateral AppChain — the blockchain-native platform for managing collateral behind every derivatives trade, repo agreement, and securities lending transaction in the US financial system — will be powered by Chainlink's Runtime Environment and data infrastructure, targeting a Q4 2026 production launch. Chainlink provides the data oracle and orchestration layer: automatically synchronizing asset pricing, calculating collateral valuations, and triggering collateral movement instructions in real time. DTCC and Chainlink's earlier Smart NAV pilot — which included JPMorgan, Franklin Templeton, and BNY Mellon — proved that institutions could deliver secure financial data to public blockchains at scale. The Collateral AppChain takes that foundation from data delivery to full collateral lifecycle automation.

On May 27, 2026, DTCC and the Stellar Development Foundation announced that DTC-custodied assets — Russell 1000 stocks, major ETFs, US Treasuries, and corporate bonds — will be tokenized and made available on the Stellar public blockchain in the first half of 2027. Limited live trades begin July 2026. Full service launch October 2026. More than 50 firms including BlackRock, Circle, Anchorage Digital, and Fireblocks have joined the tokenized services working group. Stellar's selection reflects its technical architecture — tokens on Stellar are native base-layer primitives rather than smart contracts, making the tokenized asset's on-chain representation cleaner and more legally tractable for integration with broker-dealer and ATS infrastructure. DTCC retains the authoritative legal golden record of ownership while Stellar hosts a synchronized on-chain representation that inherits all the functionality of traditional custody.

Together, Chainlink and Stellar are providing the two layers of infrastructure that on-chain equity markets require: Chainlink provides the data layer — the reliable, tamper-resistant pricing and valuation data that every smart contract and every settlement instruction requires. Stellar provides the settlement layer — the on-chain token representation of the actual equity that can be transferred, traded, and settled in seconds on a public blockchain. Neither layer alone is sufficient. Together, they are the settlement infrastructure for the on-chain equity market.

05 — WHO OWNS THE RAILS OWNS THE NEXT DECADE OF FINANCE

The framing that matters for crypto investors evaluating the tokenized equity transition is not which stocks will be tokenized first or which exchange launches first. It is which blockchain infrastructure captures the settlement flows of a \$126 trillion global equity market as it moves on-chain — because the entities that own that infrastructure will earn a fee on every equity trade in the world.

Chainlink is the oracle and data infrastructure layer for the tokenized equity ecosystem. Every tokenized stock needs real-time pricing. Every collateral management system needs authoritative valuation data. Every margin call needs instantaneous, manipulation-resistant price feeds. Chainlink's Runtime Environment integration with DTCC's Collateral AppChain confirms its position as the data infrastructure layer for the on-chain equity market — the equivalent of Bloomberg Terminal data feeds for the blockchain era. DTCC processes \$4.7 quadrillion annually. The fraction of that flowing through Chainlink's data infrastructure represents an enormous fee capture opportunity for the network and its validators.

Stellar and XLM are the on-chain settlement layer for DTC-custodied tokenized equities. Every tokenized Apple share, every tokenized S&P 500 ETF, and every tokenized Treasury that settles on the DTCC-Stellar platform requires XLM for transaction fees. The XLM token's role as Stellar's native fee mechanism means that settlement volume directly translates into XLM demand. DTCC's July 2026 limited live trades and October 2026 full launch represent the first real-world settlement volume flowing through Stellar from the US equity market.

Solana is the high-speed settlement layer for the consumer-facing tokenized equity platforms — xStocks through Kraken, Ondo Finance's Global Markets, and the hundreds of DeFi applications that will be built on top of publicly available tokenized equity tokens. Solana's 400-millisecond slot time and sub-cent transaction costs make it the performance-optimal chain for retail-accessible tokenized equity trading. Base — Coinbase's Layer 2 — serves the consumer onboarding layer through Coinbase's direct relationship with the Nasdaq ecosystem and its role in the AgentCore Payments infrastructure that will automate AI agent equity transactions.

USDC is the settlement currency connecting the fiat equity market to the blockchain equity market. Every purchase of a tokenized stock using stablecoins, every margin call settled in digital dollars, and every dividend paid in programmable money flows through USDC. Circle's \$2.7 billion USYC tokenized Treasury product is already the largest single tokenized Treasury product by AUM — positioning Circle and USDC at the intersection of the tokenized bond market and the tokenized equity market simultaneously.

06 — CONCLUSION: THIS IS BIGGER THAN BITCOIN

Bitcoin was the first demonstration that decentralized, censorship-resistant value transfer was possible without government intermediation. Ethereum was the first demonstration that programmable money — smart contracts that execute automatically based on conditions — was possible at global scale. Solana was the first demonstration that blockchain infrastructure could process transaction volumes competitive with traditional payment networks. Each of these was a breakthrough that created enormous wealth for the investors who recognized its significance early.

The tokenization of the actual stock market is categorically different from all of these — not because it is more technically sophisticated, but because it is not creating a new asset class. It is moving an existing asset class — the \$126 trillion global equity market — from legacy infrastructure onto blockchain rails. The demand for that infrastructure does not need to be created from scratch through speculative adoption cycles. It already exists. \$126 trillion in equity assets trade on systems whose participants

have explicitly committed to migrating to on-chain settlement. The transition is not a question of if. The NYSE, Nasdaq, DTCC, SEC, and BlackRock have all said it is happening. The question is which rails carry the settlement flows as they migrate.

The New York Stock Exchange was founded under a buttonwood tree in 1792 because the technology constraints of that era required it. The blockchain eliminates every one of those constraints. A stock that settles in seconds, trades 24 hours a day seven days a week, with no broker, no clearinghouse, on a public blockchain, backed one-to-one by the underlying equity, costing pennies to move — that is not an upgrade to the 1792 system. It is a complete replacement. The 233-year-old monopoly is ending in real time. The people who understand which infrastructure captures the settlement flows of this transition will own the most significant wealth creation opportunity in the history of financial technology.

The NYSE announced. Nasdaq got approval. DTCC picked Stellar and Chainlink. The SEC chairman legalized it. The \$126 trillion equity market is going on-chain. The people who own the rails own the next decade of finance.

intelligencecrypto.org | Alain AI Lab | Institutional Research | May 2026

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