

# Stablecoins Just Passed Visa — The Biggest Financial Power Shift in a Generation

JPMorgan Confirms It. The Bank of England Reversed Course. 37 Banks Built a Euro Version. — Q2 2026

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Stablecoins processed \$46 trillion in on-chain transaction volume in 2025 — surpassing Visa's annual volume by a wide margin. On May 21, 2026, JPMorgan published a research report confirming that stablecoins have become the default cash instrument of the global digital economy: the preferred tool for trading, collateral management, settlement, cross-border payments, and liquidity management across centralized exchanges and DeFi protocols simultaneously. JPMorgan's research team, led by managing director Nikolaos Panigirtzoglou, found that tokenized money market funds — the regulated, yield-bearing competitors that many analysts expected to displace stablecoins — still represent only 5% of the stablecoin universe, and the bank doubts they will exceed 10 to 15% without major regulatory change. The Bank of England's Deputy Governor for Financial Stability publicly admitted in May 2026 that the central bank's own stablecoin proposals had been excessively conservative. Qivalis — a consortium of 37 European banks from 15 countries — is preparing to launch a regulated euro stablecoin in the second half of 2026. Tokenized real-world assets crossed \$65 billion on-chain. The total stablecoin market reached \$319 billion in April 2026, a forty-fold increase since 2020. The dollar is going on-chain whether Washington passes the CLARITY Act or not. This report maps every data point, every institutional signal, and every structural reason why stablecoins are not a crypto trend — they are the architecture of the next generation of global finance.

## 01 — STABLECOINS PASSED VISA: THE TRANSACTION VOLUME MILESTONE

The moment that separates stablecoins from every previous digital payment experiment is the transaction volume milestone. Stablecoins processed \$46 trillion in on-chain transactions in 2025 according to Andreessen Horowitz's annual report — a figure that significantly outpaces Visa's annual transaction volume. Stablecoin transaction volumes surged to nearly \$11 trillion in tracked real-economy payments in 2025, nearing Visa's \$14 trillion annual throughput. The precise comparison depends on methodology — whether all on-chain stablecoin transfers are counted or only those attributable to genuine economic activity — but the order of magnitude is not in dispute. Stablecoins are now processing volumes comparable to or exceeding the world's largest card payment network.

The significance of this milestone is not primarily about bragging rights. It is about proving that a new payment infrastructure works at scale. Visa took 50 years to build its \$14 trillion annual volume. Stablecoins built comparable infrastructure in approximately five years, without issuing a single physical

card, without building a single point-of-sale terminal, and without requiring any merchant to sign a contract. The infrastructure is the internet. The protocol is stablecoin-over-blockchain. And the scale confirms that the model works not just in theory but in the daily practice of trillions of dollars of actual economic activity.

The composition of this volume tells the story that the headline number obscures. Stablecoins now process \$33 to \$46 trillion annually not because of crypto speculation but because of real financial applications: cross-border payroll and remittances where USDT sends money from workers in Asia to families in Africa for cents rather than the 5 to 7% fees charged by legacy wire transfer networks; institutional DeFi where hedge funds, market makers, and asset managers use USDC as collateral in lending protocols that operate 24 hours a day; corporate treasury management where multinationals hold stablecoin balances to move between jurisdictions faster than bank wire processing allows; and settlement where exchanges, payment processors, and fintechs use stablecoins to clear transactions between counterparties in seconds rather than days.

***MILESTONE: Stablecoins processed \$46 trillion in 2025 — surpassing Visa's annual volume. \$319 billion in market cap as of April 2026. A forty-fold increase since 2020. Not driven by speculation. Driven by use cases that legacy payment infrastructure cannot replicate.***

## 02 — THE JPMORGAN REPORT: WHY STABLECOINS WIN DESPITE PAYING ZERO YIELD

The most analytically significant finding in JPMorgan's May 21, 2026 research report — authored by managing director Nikolaos Panigirtzoglou and his team — is not the headline about tokenized money market fund market share. It is the underlying reason why stablecoins dominate despite being structurally inferior on yield.

Tokenized money market funds — products like BlackRock's BUIDL, Franklin Templeton's BENJI, JPMorgan's own JLTXX launched on Ethereum on May 13 with an initial seed of \$100 million, and Ondo's USDY — offer yields in the 4 to 5% annual range backed by US Treasury reserves. A USDC holder earns zero on their balance. A BUIDL holder earns Treasury yield daily. The yield advantage is real, significant, and economically meaningful for any institution holding large stablecoin balances. And yet tokenized money market funds represent only 5% of the stablecoin universe — approximately \$8 billion of assets across the nine largest products combined, against a stablecoin market of \$319 billion.

JPMorgan's explanation for this paradox is structural and precise. Tokenized money market fund shares are securities. As securities, they are subject to KYC requirements, transfer restrictions, redemption windows, compliance overhead, and regulatory classification that makes them unsuitable for the core use cases where stablecoins dominate. You cannot use a tokenized money market fund share as collateral in a DeFi lending protocol without navigating the securities compliance requirements of both the protocol and the fund. You cannot instantly transfer a tokenized fund share to a counterparty on a different exchange without compliance verification. You cannot use tokenized fund shares to pay for an API call through the x402 protocol at 200 milliseconds. Stablecoins — classified as payment instruments rather than securities under the GENIUS Act framework — can do all of these things. The yield advantage of tokenized funds is real. But the usability advantage of stablecoins is larger.

JPMorgan concluded that it doubts tokenized money market funds would grow beyond 10 to 15% of the stablecoin universe unless there is a regulatory change that reduces the structural disadvantage arising from their classification as securities. The bank described the SEC's streamlined on-chain money market fund issuance process introduced in 2026 as a positive but marginal development — insufficient to overcome the fundamental regulatory barrier. This finding validates the investment case for stablecoin infrastructure over tokenized money market fund infrastructure: the yield-bearing product will grow, but the payment instrument will remain dominant because payment utility cannot be regulated away.

### 03 — THE BANK OF ENGLAND REVERSED COURSE: WHAT IT MEANS

On May 14, 2026, Bank of England Deputy Governor for Financial Stability Sarah Breeden told the Financial Times that the central bank's own stablecoin proposals had been excessively conservative — a remarkable public admission from a major central bank that its previous regulatory approach had been wrong. The admission came after months of pushback from the fintech and crypto industry against two specific proposals: a £20,000 per-person holding cap on each stablecoin, and a requirement to deposit 40% of reserves directly at the central bank with no interest earned.

The context for the Bank of England's reversal makes the admission more significant. GBP-denominated stablecoins currently account for less than 0.5% of a global stablecoin market worth \$315 billion, according to CoinGecko data. Euro stablecoins — themselves marginal against the dollar giants — had already reached \$777 million in monthly volume by March 2026 according to TRM Labs data. Sterling stablecoins are smaller still. The Bank of England recognized that its excessively conservative proposals were not protecting financial stability — they were simply ensuring that the United Kingdom would have no meaningful stake in the stablecoin market while every other major financial system built one.

The Bank of England reversal is part of a broader global regulatory pattern that is accelerating in 2026. The US GENIUS Act established the first federal stablecoin regulatory framework. MiCA in the EU is driving compliance-based stablecoin issuance in Europe. The Bank of England reversing its conservative proposals signals that the UK will move from a regulatory standpoint that would have prevented GBP stablecoin development to one that enables it. Each jurisdiction that moves from restrictive to enabling stablecoin regulation expands the total addressable market for compliant stablecoin infrastructure — benefiting Circle, Tether, and the emerging regional stablecoin issuers that will issue under each jurisdiction's framework.

### 04 — QIVALIS: 37 EUROPEAN BANKS BUILDING THE DOLLAR'S COMPETITOR

The Qivalis consortium represents the most significant institutional response to dollar stablecoin dominance that has yet been assembled. Thirty-seven European banks from 15 countries — including ABN Amro, Intesa Sanpaolo, Rabobank, Nordea, Raiffeisen Bank International, BNP Paribas, BBVA, CaixaBank, ING, and UniCredit — are collaborating to issue a regulated euro stablecoin in the second half of 2026. Qivalis is regulated by the Dutch Central Bank and compliant with the EU's Markets in Crypto-Assets regulation. Fireblocks — which holds CASP authorization under MiCA — is handling the

issuance and distribution infrastructure.

The scale of the Qivalis consortium is without precedent in euro stablecoin history. Previous euro stablecoin attempts have been small, crypto-native products with minimal banking system participation. Qivalis is different: it is a coordinated effort by some of the largest banks in Europe to issue a euro-denominated stablecoin that will operate at institutional scale within the MiCA regulatory framework. The consortium is already in talks with major crypto exchanges to ensure broad availability of the token from launch.

The strategic motivation for the Qivalis consortium is explicit and alarming for European financial sovereignty. Dollar stablecoins account for approximately 98% of the global stablecoin market. Total stablecoin market cap reached \$319 billion in April 2026, meaning approximately \$312 billion represents dollar-denominated instruments — digital dollars circulating globally, in emerging markets, in European corporate treasury accounts, and across DeFi protocols. Every euro-denominated business that holds USDC for treasury management or settles in USDT for cross-border payments is using an instrument that extends dollar monetary reach rather than euro monetary reach. Qivalis is the European banking system's attempt to capture a share of that market before the dollar's on-chain dominance becomes structurally irreversible.

France's Finance Minister Roland Lescure has called for more euro-denominated stablecoins and urged EU banks to explore tokenized deposits — citing exactly this geopolitical concern. Banca d'Italia's Chiara Scotti urged the EU to tokenize SEPA on May 4, citing €116 trillion in non-cash payments and stablecoin market pressure above \$322 billion. The convergence of regulatory urgency, institutional coordination through Qivalis, and political pressure from multiple EU governments creates the conditions for euro stablecoin market share to grow significantly from its current marginal level through 2026 and 2027.

***QIVALIS SIGNIFICANCE: 37 banks, 15 countries, H2 2026 launch, MiCA compliant, Dutch Central Bank regulated. Dollar stablecoins are 98% of the market. Qivalis is Europe's coordinated attempt to prevent that becoming permanent.***

## 05 — TOKENIZED REAL-WORLD ASSETS: \$65 BILLION AND ACCELERATING

Tokenized real-world assets crossed \$65 billion in on-chain value in Q2 2026 — continuing the explosive growth trajectory that saw the category expand from \$4.12 billion to \$12.18 billion in the preceding 12 months before accelerating further. The intersection of stablecoin infrastructure and RWA tokenization is the most consequential structural development in the entire digital asset ecosystem because it connects the two use cases that traditional finance most needs: dollar-denominated payment rails and blockchain-native financial instruments.

The most practically significant RWA-stablecoin intersection is in institutional collateral management. JPMorgan launched its JLTXX tokenized government money market fund on Ethereum in May 2026 specifically to serve as reserve collateral for stablecoin issuers under the GENIUS Act framework — not as a consumer product but as institutional infrastructure. The fund is designed to provide compliant, yield-bearing reserve assets that stablecoin issuers can hold to satisfy the GENIUS Act's 1:1 backing

requirements while simultaneously earning Treasury yield on those reserves. This is the institutional architecture that makes GENIUS Act-compliant stablecoin issuance economically viable for banks and fintech companies at scale.

The combination of stablecoin payment rails and tokenized RWA collateral creates a financial infrastructure loop that is more efficient than any component in isolation. A stablecoin issuer that holds tokenized US Treasuries as reserves earns yield on its reserve pool while maintaining instant liquidity for redemptions. A DeFi protocol that accepts tokenized money market fund shares as collateral alongside stablecoins can offer yield to its users while maintaining the payment utility that stablecoin collateral provides. A corporate treasury that holds both stablecoins for operational payments and tokenized Treasuries for yield captures the best of both instruments. The infrastructure that enables this combination — Circle's USYC, BlackRock's BUIDL, Ondo Finance's suite, and JPMorgan's JLTXX — is the institutional plumbing of the on-chain financial system.

## 06 — A GENERATIONAL WEALTH TRANSFER — AND A CALL TO ACTION

Proverbs 13:22 says a good man leaves an inheritance to his children's children. The assets and knowledge you position with today determine what your children inherit — and what their children inherit after them. Every generational wealth transfer in history has been driven by someone recognizing a structural shift in how value moves and positioning early enough to capture the compounding advantage of being first.

The stablecoin infrastructure shift is not a cryptocurrency pump. It is a fundamental restructuring of how money moves globally — from a system built on business hours, multi-day settlement, and correspondent banking fees to a system built on 24/7 operation, instant settlement, and sub-cent transaction costs. The JPMorgan research confirming stablecoin dominance, the Bank of England reversing its restrictive proposals, 37 European banks building a euro stablecoin, and tokenized real-world assets crossing \$65 billion are not separate events. They are the institutional acknowledgment that the new system works and that every major financial actor in the world is building on top of it.

The dollar is going on-chain whether Washington passes the CLARITY Act or not. Stablecoins processed \$46 trillion last year without legislative permission. They will process more this year. The GENIUS Act, the CLARITY Act, the Bank of England's regulatory reversal, and MiCA's enforcement are not creating the stablecoin economy — they are acknowledging it and building legal frameworks around it because it already exists at a scale too large to ignore.

The people who move first on the asset class rolling out in front of them change what money means for their family. The stablecoin infrastructure — USDC, USDT, the networks that settle them, the protocols that use them, and the companies building on top of them — is the payment infrastructure of the next generation of global finance. Position before the generational transfer is priced into consensus. God gave you the knowledge. It is time to take action.

***Stablecoins passed Visa. JPMorgan confirmed it. The Bank of England reversed course. 37 banks built a euro version. The dollar is already on-chain. Proverbs 13:22 — position before the transfer is priced. The knowledge has been given. Act on it.***

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