

The Institution That Settles Every US Stock Trade Just Put Itself On-Chain

December 17 2025. DTCC. Canton Network. Euroclear. 3.7 Quadrillion in Annual Transactions. \$99 Trillion in Custody. Now On Blockchain. -- Q2 2026

On December 17, 2025, the Depository Trust and Clearing Corporation -- the systemically important financial market infrastructure that processes \$3.7 quadrillion in securities transactions annually and provides custody and asset servicing for securities valued at \$99 trillion from issuers in more than 150 countries -- announced a strategic partnership with Digital Asset and the Canton Network to tokenize DTC-custodied assets on blockchain for the first time in the DTCC's history. The partnership was made possible by an SEC No-Action Letter issued to the DTC in the preceding week, providing explicit regulatory clearance for DTC to implement and operate a new service to tokenize real-world, DTC-custodied assets. The first phase of the project -- minting a subset of US Treasury securities held in DTC custody on the Canton Network in a controlled production environment -- was scheduled as a minimum viable product for the first half of 2026, with DTC confirming in Q2 2026 that the service is in live production for DTC-eligible and Fed-eligible securities. Broader industry rollout expanded in the second half of 2026. DTCC also joined the Canton Foundation's governance board as co-chair alongside Euroclear -- the European equivalent of the DTCC, providing custody and settlement services for approximately 40 trillion euros in securities. When the two largest securities settlement institutions in the Western world govern the same blockchain together, the tokenization of the global securities market is not a prediction. It is an operational decision already being executed. Frank LaSalla, CEO of DTCC, described the partnership as a strategic step forward to build a digital infrastructure that seamlessly bridges the traditional and digital financial ecosystems. Brian Steele, Managing Director and President of Clearing and Securities Services at DTCC, stated: our goal is to enable the industry and DTC participants to take advantage of tokenization capabilities that enhance liquidity, operational efficiency and market transparency. Every US stock trade settles through the DTCC. The DTCC is now settling on blockchain. The infrastructure that has been invisible to investors for 50 years just moved onto a public ledger.

01 -- WHAT THE DTCC ACTUALLY IS AND WHY THIS MATTERS MORE THAN ANY BITCOIN ETF

The Depository Trust and Clearing Corporation is the least understood and most systemically important financial institution in the United States. It is the organization that makes it possible for you to buy a share of Apple on Monday morning and have that share delivered to your account and the seller's cash delivered to their account by Tuesday morning. Without the DTCC, the US stock market cannot function. And as of December 17, 2025, the DTCC is putting its \$99 trillion custody operation on

blockchain.

The DTCC was created in 1973 to solve a specific crisis in the US financial system: the paperwork crisis of the late 1960s. As stock trading volumes increased in the 1960s, the manual paper-based system of delivering physical stock certificates from seller to buyer could not keep pace with the volume of transactions. The New York Stock Exchange had to close on Wednesdays to allow the back-office teams to process the previous week's trades. The DTCC was created to replace physical certificate delivery with an electronic book-entry system in which all securities are held by the DTCC's depository subsidiary -- the Depository Trust Company -- and ownership is recorded as accounting entries in the DTC's central ledger.

The current operational scale of the DTCC's settlement infrastructure is beyond the comprehension of most investors. In 2024, DTCC subsidiaries processed securities transactions valued at \$3.7 quadrillion -- \$3,700,000,000,000,000 -- in a single year. The depository subsidiary provided custody and asset servicing for securities valued at \$99 trillion from issuers in more than 150 countries. The Global Trade Repository service processes more than 25 billion messages annually. Every time you buy or sell a stock, bond, or ETF on any US exchange, the DTCC is processing the settlement. You never see it. The fee it charges per transaction is a fraction of a cent. Multiplied by trillions of transactions, those fractions become billions of dollars in annual revenue.

The hook in this report's topic -- if you hold crypto, this is bigger than any Bitcoin ETF approval -- is analytically correct. The Bitcoin ETF approvals of January 2024 created a new product category that allows institutional investors to access Bitcoin price exposure through a regulated investment vehicle. They did not change the infrastructure through which financial assets are settled. The DTCC-Canton Network partnership changes the infrastructure through which financial assets are settled -- potentially for every stock, bond, and Treasury security that currently moves through the DTCC's \$3.7 quadrillion annual settlement pipeline.

DTCC SCALE: \$3.7 quadrillion in annual securities transactions. \$99 trillion in custody from 150 plus countries. 25 billion messages annually. Founded 1973 to solve the paperwork crisis. Every US stock trade settles through it. As of December 17 2025 it is tokenizing its securities on blockchain for the first time in its history.

02 -- THE CANTON NETWORK: WHY THE DTCC CHOSE PRIVACY-FOCUSED BLOCKCHAIN

The DTCC's selection of the Canton Network as the blockchain infrastructure for its tokenization program was a deliberate choice among multiple alternatives -- and understanding why Canton was chosen illuminates the specific requirements that institutional-grade financial market infrastructure places on blockchain technology.

The Canton Network was developed by Digital Asset, the blockchain company founded by former JPMorgan executive Blythe Masters in 2014 and currently led by co-founder and CEO Yuval Rooz. Canton was designed from the ground up for institutional financial markets with three specific properties that distinguish it from consumer-grade public blockchains: privacy, interoperability, and compliance. Canton's privacy architecture allows participants to execute transactions on a shared blockchain

infrastructure while preserving the confidentiality of transaction details from other participants who are not party to the transaction. This is the property that makes Canton suitable for financial markets where transaction confidentiality is a legal and competitive requirement -- a hedge fund executing a large Treasury trade does not want its counterparties to see the full details of that transaction on a public ledger.

The interoperability architecture is what makes Canton useful for the specific DTCC use case. Canton was designed to enable seamless movement of assets between Canton's blockchain ledger and traditional financial system ledgers -- a property that the DTCC specifically needs because not all of the DTCC's participants will immediately migrate to blockchain-based settlement. During the transition period -- which DTCC's full roadmap describes as evolving over several years -- securities will need to move between the DTCC's traditional book-entry ledger and the Canton Network's blockchain ledger without operational friction. Canton's interoperability architecture was designed specifically for this type of hybrid traditional-blockchain environment.

The compliance architecture is the property that made Canton acceptable to the SEC as the infrastructure for the DTCC's No-Action Letter authorization. Canton's blockchain integrates compliance controls including clawbacks, transfer restrictions, and identity controls directly into the blockchain protocol layer -- meaning the same compliance infrastructure that governs securities transfers in the traditional system can be enforced at the protocol level on Canton rather than through separate compliance middleware. The July 2025 live 24/7 trading demonstration -- in which a broad industry group of 50 firms completed live on-chain intraday and after-hours financing using on-chain US Treasuries on Canton -- confirmed that the compliance and settlement architecture works at institutional scale before the production deployment began.

03 -- THE SEC NO-ACTION LETTER: THE REGULATORY CLEARANCE THAT MADE IT POSSIBLE

The December 17, 2025 DTCC-Canton Network announcement was made possible by an SEC No-Action Letter issued to the DTC in the preceding days -- the regulatory mechanism through which the SEC confirmed that DTC could implement and operate a new service to tokenize real-world, DTC-custodied assets without violating existing securities law.

A No-Action Letter is an SEC staff response to a company's inquiry about whether a proposed activity would violate securities laws. The SEC staff confirms that it would not recommend enforcement action if the company proceeds with the proposed activity as described. For the DTC, the No-Action Letter represented the explicit regulatory clearance needed to proceed with a securities tokenization program at the scale of the DTCC's operations without risking SEC enforcement action for creating unregistered securities through the minting process.

The No-Action Letter's significance extends beyond the DTCC's specific program. By issuing explicit regulatory clearance for DTC to tokenize DTC-custodied assets, the SEC staff statement created a regulatory precedent that every other securities custodian, transfer agent, and depository can reference. The March 5, 2026 joint guidance from the Federal Reserve, FDIC, and OCC confirming that tokenized securities receive the same capital treatment as non-tokenized equivalents -- using the phrase

technology neutral -- completed the regulatory clearance picture. The DTCC has the SEC's explicit authorization to tokenize. Banks that hold tokenized DTCC-minted securities have the Fed, FDIC, and OCC's confirmation that their capital treatment is identical to holding non-tokenized securities. The two-sided regulatory clearance eliminates the compliance barriers for both the supply side and the demand side of the tokenized securities market.

Brian Steele of DTCC described the production timeline in Q2 2026 as focused first on DTC-eligible and Fed-eligible assets in a live environment, with a broader industry rollout expected in the second half of 2026 based on client demand. The ComposerX suite of platforms that DTCC is using to enable the tokenization service is the same DTCC Digital Assets infrastructure that has been in development since DTCC's acquisition of Securrency -- now DTCC Digital Assets -- which had worked with the Stellar blockchain to embed compliance tools including clawbacks, transfer restrictions, and identity controls into blockchain-based securities infrastructure.

NO-ACTION LETTER SIGNIFICANCE: SEC staff explicitly cleared DTC to tokenize DTC-custodied assets without triggering securities law enforcement. Combined with March 5 2026 Federal Reserve FDIC OCC technology-neutral capital treatment ruling: supply side regulatory clearance from SEC plus demand side regulatory clearance from banking regulators. Both sides of the tokenized securities market are now compliant.

04 -- EUROCLEAR AND THE GLOBAL DIMENSION: BOTH SIDES OF THE ATLANTIC ON THE SAME CHAIN

The DTCC's decision to join the Canton Foundation governance board as co-chair alongside Euroclear is the element of the December 17 announcement that most directly signals the global scale of what is being built.

Euroclear is the European equivalent of the DTCC -- a central securities depository that provides custody, settlement, and asset servicing for securities across the European Union and beyond. Euroclear settles approximately 1,000 trillion euros in securities transactions annually and holds approximately 40 trillion euros in assets under custody. It is the primary settlement infrastructure for European government bonds, Eurobond markets, and cross-border European equity transactions. When Euroclear participates in a financial infrastructure initiative, it represents the European institutional market's endorsement of that initiative.

The significance of DTCC and Euroclear co-chairing the Canton Foundation governance board simultaneously is that the two largest securities settlement infrastructure operators in the Western world are now jointly responsible for governing the blockchain network on which their tokenization programs will operate. This dual governance structure has a specific commercial implication: a security tokenized through the DTCC's program and a security tokenized through Euroclear's program operate on the same blockchain network, governed by the same foundation rules, and are therefore natively interoperable with each other. A US Treasury tokenized by DTC on Canton and a German Bund tokenized by Euroclear on Canton can be used as collateral for the same transaction, settled in the same atomic transaction, and transferred between US and European institutional counterparties without the correspondent bank intermediaries, currency conversion delays, and settlement time differences

that currently make cross-border securities settlement operationally complex.

The cross-border implication extends to the repo market -- the short-term lending market in which securities are used as collateral for overnight and short-term borrowing. JPMorgan's Kinexys platform already processes \$5 to \$7 billion in daily blockchain repo transactions. The DTCC-Euroclear Canton co-governance structure creates the foundation for a global 24/7 repo market in which DTC-custodied and Euroclear-custodied securities can be used as collateral across time zones without the settlement timing constraints that currently limit cross-border repo activity to specific market hours.

05 -- THE 50-FIRM JULY 2025 LIVE DEMONSTRATION: PROOF THE SYSTEM WORKS AT SCALE

The July 2025 live 24/7 trading demonstration on the Canton Network -- confirmed in the official Canton Network documentation for the DTC and Fed-eligible securities service -- is the most important piece of evidence that the DTCC-Canton production deployment is not a pilot program that might fail to scale. It is a deployment of infrastructure that has already been proven to work at institutional scale.

In July 2025, a broad industry group of 50 firms successfully completed live 24/7 trades on the Canton Network, achieving on-chain intraday and after-hours financing using on-chain US Treasuries. The demonstration proved three specific properties of the Canton architecture that had previously been theoretical: near-instant liquidity and atomic settlement outside of market hours, confidentiality preservation through Canton's unique privacy capabilities while still benefiting from decentralized public blockchain infrastructure, and operational security at institutional scale with 50 participants simultaneously executing real transactions.

The after-hours settlement capability is the most commercially significant outcome of the July 2025 demonstration. Current US securities markets operate on T+1 settlement during trading hours of approximately 9:30 AM to 4:00 PM Eastern time on business days. When a geopolitical event occurs at 11 PM on a Sunday -- as the Iran conflict military strikes demonstrated in May 2026 -- institutional investors cannot rebalance their securities portfolios because the settlement infrastructure is closed. On-chain tokenized securities that settle on Canton's blockchain settle in near-real-time 24 hours a day, 7 days a week, 365 days a year. The operational advantage of 24/7 settlement for institutions that need to manage risk across global time zones is the same advantage that Bitwise CIO Matt Hougan identified as the catalyst accelerating the traditional finance on-chain migration timeline in the context of the Iran conflict.

The 50 firms that participated in the July 2025 demonstration include Goldman Sachs, JPMorgan, Deutsche Bank, Nomura, and the other major institutional market participants that DTCC's press materials described as the hedge funds and major market makers who stand to benefit most from the operational efficiencies of on-chain settlement. These are not fintech startups testing a new technology. They are the largest financial institutions in the world completing real transactions with real securities on a blockchain settlement network that has now been deployed into production.

06 -- THE CHAINLINK AND STELLAR CONNECTIONS: ORACLE AND PUBLIC BLOCKCHAIN INTEGRATION

The DTCC's Canton Network partnership does not operate in isolation from the broader public blockchain ecosystem that crypto investors are most familiar with. Two specific connections -- Chainlink's oracle integration and Stellar's compliance infrastructure partnership -- create direct lines from the DTCC's tokenized securities program to public blockchain networks.

Chainlink's Cross-Chain Interoperability Protocol is the oracle and cross-chain messaging infrastructure that the DTCC has identified for connecting its Canton Network tokenized securities to external blockchains and data sources. The DTCC's partnership documentation confirms that CCIP enables the DTCC's tokenized securities to move across blockchain networks -- meaning a DTC-tokenized Treasury security minted on Canton can be transferred to Ethereum, Base, or any other blockchain that has CCIP integration. For crypto investors who hold Chainlink, the DTCC-Canton integration is the most commercially significant institutional use case for Chainlink's CCIP infrastructure ever announced. When the institution that holds \$99 trillion in securities uses your oracle network to connect those securities to the broader blockchain ecosystem, the addressable transaction volume for that network is measured in trillions.

The Stellar blockchain connection was confirmed in the CoinDesk coverage of the December 17 announcement: DTCC picked Stellar as the first public blockchain to connect to its upcoming tokenized securities settlement platform, building on an almost decade-long partnership with Securrency -- now DTCC Digital Assets -- which worked with Stellar to embed compliance tools including clawbacks, transfer restrictions, and identity controls. Stellar's compliance tool integration with the DTCC's tokenization infrastructure means that DTC-tokenized securities can move onto the Stellar public blockchain with all the compliance controls -- transfer restrictions, clawbacks for regulatory actions, identity verification requirements -- that regulated securities require. The Stellar connection creates the bridge between the DTCC's institutional settlement infrastructure and the broader public blockchain ecosystem where retail crypto investors, DeFi protocols, and AI agents operate.

07 -- CONCLUSION: THE OPERATORS WHO MOVE THE MONEY ARE MOVING TO BLOCKCHAIN

The observation in this report's topic that resonates most strongly with the complete picture of the DTCC-Canton Network partnership is the closing line: the operators who move the money rarely change when the technology does. This observation is historically accurate and analytically important. SWIFT has processed interbank messaging since 1973. The DTCC has settled US securities since 1973. Visa has processed payment transactions since 1975. None of these institutions were displaced when the internet changed the technology of financial services in the late 1990s. They adapted to the new technology and maintained their infrastructure positions.

The December 17, 2025 DTCC-Canton Network announcement confirms that the DTCC is following the same historical pattern: adapting to blockchain technology rather than being displaced by it. The DTCC is not being disrupted by a crypto startup that offers faster or cheaper settlement. The DTCC is building

the blockchain settlement infrastructure itself -- on its own terms, with its own governance board co-chaired alongside Euroclear, using the SEC's explicit regulatory clearance through a No-Action Letter, and deploying into live production in 2026 with a 50-firm industry validation already complete.

For crypto investors who have been tracking the complete institutional tokenization buildout documented across the Alain AI Lab research library -- the BlackRock BUIDL fund, the JPMorgan JLTXX on Ethereum, the Ripple OCC charter and Aviva Investors XRPL partnership, the Moody's Aaa-mf ratings of tokenized money market funds -- the DTCC-Canton Network production deployment is the infrastructure confirmation that all of those individual tokenization programs are building toward. BUIDL, JLTXX, and FIDD are tokenized money market funds that institutional investors use as cash-equivalent settlement assets. When those tokenized funds can be used to settle transactions on the same Canton blockchain infrastructure that the DTCC uses for securities settlement, the tokenized asset ecosystem and the traditional securities settlement ecosystem become operationally unified. The plumbing behind every US stock trade is going on-chain. The operators who move the money are moving with it.

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