



The Business Models of Programmable Money

Who is making money in digital finance, how they do it, and where the value concentrates in the decade ahead

April 2026

Part II of the Newrails Future of Finance series

Sources: Tether · Circle · Stripe · Mastercard · a16z · Multicoïn Capital · BCG · Gartner · Company filings





Foreword: the \$13 Billion Signal

In 2024, a company with roughly fifty employees earned thirteen billion dollars in profit. It did not manufacture anything. It did not employ an army of engineers. It did not have a retail customer base. It simply held US Treasury bills — specifically, the Treasury bills backing \$135 billion in digital dollars that the world had chosen to use as a medium of exchange and store of value. Tether's profit per employee that year was approximately \$260 million. It was arguably the most capital-efficient business in financial services history.

That same year, Stripe paid \$1.1 billion for Bridge — a company with \$10–15 million in annual revenue and a stack of financial licences. Mastercard paid \$1.8 billion for BVNK — a company with approximately \$40 million in revenue. Circle went public at \$6.8 billion and traded to \$63 billion. These are not coincidences. They are the capital market's verdict on which commercial positions in the new financial system are most valuable, most defensible, and most worth paying extraordinary premiums to own.

This paper maps the twenty-one business models that have crystallised around stablecoin and programmable money infrastructure. It answers a question that the headline numbers raise but do not resolve: is the \$13 billion profit anomaly or template? Which models are proven at scale and which remain theoretical? Where do the highest acquisition premiums accrue, and why? And as the landscape evolves toward the world described in Part I of this series — stablecoins at \$2–4 trillion, tokenised assets at \$10–16 trillion, AI agents managing 60% of financial operations —

which models will compound and which will be disrupted by the same forces that created them?

The answers are in the data. And the data is more interesting than the headlines.

CHAPTER 1

The Map: Twenty-One Models, Four Maturity Levels

Twenty-one distinct business model archetypes have crystallised around stablecoin and programmable money infrastructure. They range from Tether – earning \$13 billion on reserves with minimal operational infrastructure – to theoretical concepts like machine-to-machine AI agent payments, which have processing protocols and serious institutional partners but trivial revenue. The distance between these poles is not measured in years alone. It is measured in regulatory milestones, distribution scale, and the compounding logic of platform network effects.

The most useful analytical lens is maturity. A business model at scale can be valued, competed with, and invested in based on evidence. A business model that is proven but early-stage is a different kind of bet – the model is de-risked, but execution and scale remain to be demonstrated. A model with real traction but limited revenue is further out. A model that is theoretically compelling but pre-revenue requires a different type of conviction entirely.

Business Model Maturity in the Stablecoin Economy

21 archetypes mapped across four maturity levels · April 2026

PROVEN AT SCALE □ Billions in revenue	PROVEN: EMERGING REVENUE □ Millions in revenue, validated	EMERGING: REAL TRACTION □ Live products, limited revenue	THEORETICAL: INSTITUTIONAL BET □ Concept validated, minimal revenue
Reserve yield issuance Tether 1.3B/profit/Circle 1.7B	Stablecoin payment cards Rain \$1.95B val / Kulipa 120K cards EU	Stablecoin FX OpenFX 11x in 12 months	AI agent payments x402 \$24M vol / x402+MPP protocols
Orchestration & middleware Bridge 1.1B/BVWK 1.8B acq.	Embedded stablecoin finance Stripe 1.5% / SpaceX, Meta H2 2026	Corporate treasury & yield Nilus \$1B+ AI-managed	Full-stack financial OS Stripe \$159B — the north star
Cross-border corridors Bitso 10Bvol/OpenFX 45B ann.	Tokenised bank deposits JPM Kinexys \$1B+/day	Tokenised asset settlement 21X live, DTCC Canton 2026	Programmable payments China e-CNY \$2.4T conditional
	Stablecoin BaaS Zero Hash \$1B / Bastion (a16z)		Creator economy rails \$480B market, 87% late payment
			eIDAS 2.0 identity banking €860M-€1.7B EU savings potential

Source: Company filings, press releases, a16z, Multicoin Capital research, verified April 2026. Archetypes: Newrails Research.

Figure 1 – Business model maturity matrix across twenty-one archetypes. April 2026.

Maturity level also determines the valuation logic. Orchestration platforms – proven at scale with network effects – trade at 45–110 times revenue. Pure issuance platforms without platform diversification trade at 3–5 times revenue. The gap is not irrational. It reflects the compounding durability of each model under different rate, regulatory, and competitive scenarios.

This paper works through the four tiers, starting with the three models already generating billions, moving through the models building demonstrated revenue, and ending with the frontier – where the institutional bets are being placed today on models that will be the \$10 billion+ businesses of 2033.

CHAPTER 2

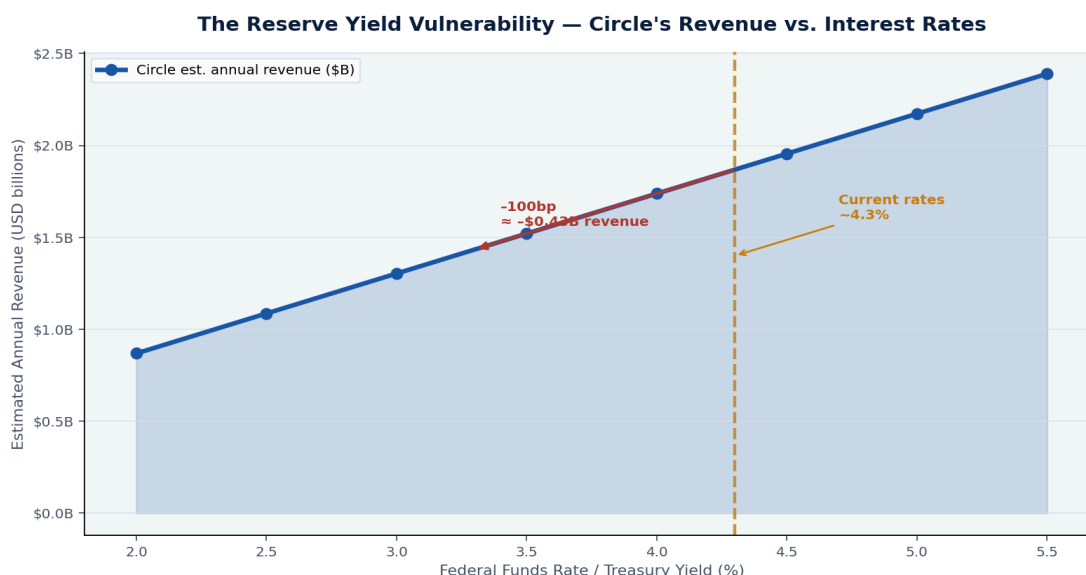
Proven at Scale: The Three Billion-Dollar Models

Three business models in the stablecoin economy generate billions in revenue today. They are not equally positioned for the decade ahead. Understanding the difference between them – their compounding dynamics, their rate sensitivities, their structural defensibility – is the foundation for understanding where value will accrue.

Model 1: Reserve Yield Issuance – The Treasury Bill Business

The mechanics are almost absurdly simple. Issue a dollar-pegged token. Back it with US Treasury bills. Earn the Treasury yield. Retain the interest (stablecoin holders receive no yield under existing frameworks). Repeat at scale. Tether earned \$13 billion in profit in 2024 on a reserve base of approximately \$135 billion, making it the most profitable per-employee business in financial services – perhaps in any industry. Its cost base is under \$100 million. It has reportedly considered a fundraise at a \$500 billion valuation.

Circle's version is more complex. It generated \$1.7 billion in revenue in 2024, but 96% came from reserve interest on \$77 billion in USDC supply. The complication: it pays Coinbase \$908 million annually – 100% of the interest on USDC held on Coinbase's platform, plus 50% on USDC held elsewhere. 'Other revenue' (platform services, APIs, Circle Mint) reached just \$24 million in Q2 2025, though growing 252% year-over-year.



Illustrative estimate based on ~\$79B USDC supply, 96% revenue from reserves, ~55% retained after Coinbase revenue sharing.

Figure 2 — Circle estimated annual revenue vs. interest rates. A 100bp rate decline eliminates approximately \$0.43B in revenue on current supply. The diversification imperative is mathematical.

The vulnerability is equally simple. A 100-basis-point decline in US interest rates would erase approximately \$430–600 million from Circle's annual revenue, depending on assumptions about Coinbase revenue-sharing. This explains why every major issuer — Circle, Tether, Paxos — is aggressively diversifying into platform services. The reserve yield model is the most profitable business in the short run and the most rate-sensitive in the long run. Companies that treat it as a permanent revenue base rather than a launchpad for platform services are building on unstable ground.

Five alternative issuance architectures have emerged to address this vulnerability. StraitsX in Singapore derives the majority of revenue from merchant discount rates and FX conversion spreads rather than reserves — a payment-fee-first model that is structurally rate-insensitive. M0 Foundation has built a universal stablecoin infrastructure layer where applications create branded stablecoins on shared liquidity (779 million minted, \$100 million in venture backing). Stripe's Bridge Open Issuance launched in October 2025 allows any business to create a branded stablecoin with reserves managed by BlackRock, Fidelity, and Superstate — stablecoin-as-a-service at enterprise scale. And Paxos powers partner stablecoins including PayPal's PYUSD through a white-label issuance model.

Tether earned \$13 billion in 2024 on roughly 50 employees. The model is proven. The risk is not competition — it is the Federal Reserve. A 200bp rate cycle wipes out \$1.2 billion in revenue on current supply.

Model 2: Orchestration and Middleware — The Highest Strategic Premium

Orchestration is the most structurally valuable position in the stablecoin stack, and the market has validated this with extraordinary clarity. Bridge earned \$10–15 million in annual revenue when Stripe paid \$1.1 billion for it — a 73–110 times revenue multiple. BVNK earned approximately \$40 million in revenue when Mastercard paid \$1.8 billion — a 45 times multiple. These are not growth-at-any-price bets. They are acquirer pricing for rare, defensible, licensed infrastructure that takes years and significant capital to replicate.

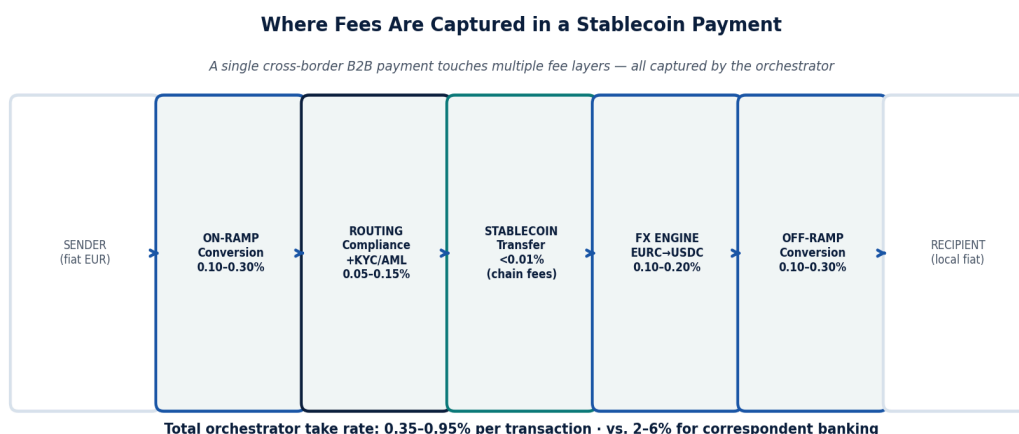


Figure 3 — Fee layers in a stablecoin payment. The orchestrator captures

0.35–0.95% across on-ramp, routing, FX, and off-ramp versus 2–6% for correspondent banking.

The orchestration model works by sitting between parties – sender and recipient, fiat and on-chain, currency A and currency B – and capturing a spread at each conversion point. On a cross-border B2B payment, the orchestrator earns fees on: the fiat-to-stablecoin conversion (10–30 bps); the compliance and routing layer (5–15 bps); the FX engine if cross-currency (10–20 bps); and the stablecoin-to-fiat off-ramp (10–30 bps). The total capture: 35–95 basis points on each transaction. Against correspondent banking's 2–6%, this is 3–10 times cheaper for the client and still highly profitable for the operator.

The strategic defensibility comes from three sources. First, the regulatory stack: an EU EMI licence, CASP authorisation, and multi-jurisdiction coverage takes 18–36 months and €2–5 million to build. Acquirers pay the premium to avoid that build time, not just to acquire the technology. Second, network effects: every client that connects to the orchestration layer increases the platform's value to all other clients, because more corridors, more counterparties, and more liquidity depth are available. Third, compliance infrastructure: AML, KYC, OFAC screening, and Travel Rule compliance at scale is genuinely hard to build; once built, it is a moat.

ORCHESTRATION — THE ACQUISITION EVIDENCE	
Bridge / Stripe acquisition (Feb 2025)	\$1.1B on ~\$12M ARR = 92x revenue
BVNK / Mastercard acquisition (Mar 2026)	\$1.8B on ~\$40M revenue = 45x revenue
Membrane Finance / Paxos acquisition	FIN-FSA EMI + OCC trust + MAS licence stack
Privy / Stripe acquisition	Developer identity infrastructure
Traditional fintech comparator (Adyen)	~8x revenue at comparable scale
Premium vs. traditional fintech	5–12x higher multiple for licensed stack

Model 3: Cross-Border Corridors — The Volume Game

Cross-border payment corridors are the commercial embodiment of the stablecoin value proposition: a fiat-in, stablecoin-transport, fiat-out architecture that delivers settlement in seconds at fees measured in basis points. OpenFX, founded in 2024, reached \$45 billion in annualised payment volume within twelve months – 11 times growth in one year – on \$117 million in total funding, commanding a valuation of approximately \$500 million. Bitso processes \$10 billion in annual volume on the Mexico corridor alone. Félix Pago has processed \$3 billion via WhatsApp-based remittances at \$2.50 flat per transaction, versus \$10 per \$100 through traditional cash agents.

The corridor revenue mechanics are straightforward: 30–200 basis points per conversion (higher for consumer remittances, lower for institutional B2B), with the spread captured at conversion points. Mansa Finance reports capital turns 11 times per month versus 1–2 times per year for traditional fintechs – the pre-funding elimination is as important as the fee reduction for operator economics. Levl, a Galaxy Digital spinout with just \$7 million in seed funding, reached \$1 billion in annualised volume within four months by operating Mexico and Philippines corridors through a single API.

The corridor model's relative weakness compared to orchestration is strategic depth. Corridor revenue is transactional and geography-specific – it does not compound into platform network effects the way infrastructure does. An acquirer values a corridor operator at 5–15 times revenue, not 45–110 times. The corridor business is essential infrastructure for the global financial system and will generate substantial revenue. It is not, however, the highest-multiple position in the value chain.

CHAPTER 3

Emerging Revenue: Four Models Building Fast

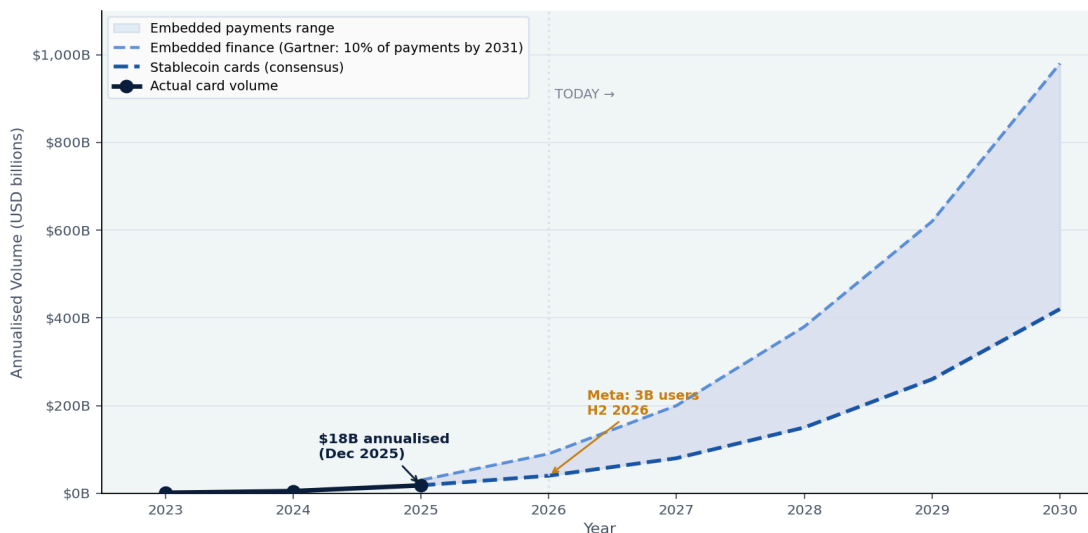
Below the proven giants, four business models have demonstrated genuine commercial traction – real customers, real revenue, real growth – without yet reaching the scale of the orchestration or corridor leaders. These are the models that will define the stablecoin mid-stack in 2028–2030.

Stablecoin Cards: The Consumer Interface

Monthly crypto card spending grew from \$100 million in January 2023 to \$1.5 billion by December 2025 – a 147% compound annual growth rate. The annualised run rate is \$18 billion. Rain, valued at \$1.95 billion, is a Visa Principal Member processing \$3 billion in annualised volume across 200

partners in 150 countries; its active card base grew 30 times and payment volume 38 times in a single year. In Europe, Kulipa – founded in Paris in 2023 – has issued 120,000 cards across 20 enterprise clients, with transaction volume growing 70% month-over-month.

Stablecoin Cards + Embedded Payments – The Growth Trajectory



Card volumes: Visa, Mastercard, Rain data. Projections: Gartner, BCG, Newrails Research. Embedded includes payroll, SaaS billing, marketplace.

Figure 4 – Stablecoin card volume and embedded payments trajectory. Meta’s H2 2026 integration across 3 billion users is the single largest potential distribution event in stablecoin history.

The economic innovation in full-stack card issuance is stack compression. A traditional card programme involves a sponsor bank, a programme manager, a processor, and a network – four parties sharing the interchange margin. A full-stack issuer with its own EMT authorisation and card programme captures the full interchange, eliminating two or three intermediary margin clips. This is why the economics for regulated full-stack issuers are substantially better than for traditional prepaid card operators.

The frontier is Meta. If Meta integrates stablecoin payments across Facebook, Instagram, and WhatsApp in H2 2026 – reaching 3 billion users – it would represent the single largest stablecoin distribution event in history. The infrastructure companies powering that integration (Stripe’s Bridge, Circle’s USDC, and the licensed EMT issuers providing fiat connectivity) become critical infrastructure for a network larger than any payment system has previously achieved at launch.

Rain	\$1.95B valuation · Visa Principal Member · \$3B annualised · 150 countries
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Kulipa (EU)	120,000 cards · 20 enterprise clients · 70% MoM volume growth
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Embedded Stablecoin Finance: The Invisible Payment

Embedded finance is stablecoins following the same trajectory card payments traced forty years ago: they power the back-end while users see familiar interfaces. Stripe now charges 1.5% flat for stablecoin checkout (versus 2.9% plus \$0.30 for cards). International merchants like Shadeform report saving approximately 66% on cross-border payment costs. SpaceX's Starlink subsidiary uses Bridge to collect subscription payments via stablecoins in over 100 countries with limited banking infrastructure. Within one week of launch, Stripe processed stablecoin transactions from 70 countries.

Stablecoin payroll is the fastest-growing embedded use case. Rise has processed over \$1 billion in payroll across 190+ countries, charging \$2.50 per Layer 1 transaction. Deel — which manages \$22 billion in annual payroll — partnered with MoonPay for stablecoin payroll in the UK and EU. Remote offers USDC payouts via Stripe Connect in approximately 70 countries. An estimated 25% of global businesses adopted stablecoin payroll in 2025, up from 15% in 2023.

BCG estimates the embedded finance total addressable market in North America and Europe at approximately \$185 billion. Gartner projects stablecoins will represent 3% of all US dollar payments in 2026, rising to 10% by 2031. At 10% penetration of global payment volume, stablecoin-powered embedded finance represents a market an order of magnitude larger than the current card market.

Stablecoin BaaS: After Synapse

The Synapse collapse of 2024 was a watershed event for Banking-as-a-Service. Synapse's failure left \$65–95 million in missing customer funds, exposed the structural fragility of middleware providers that synchronise bank core systems with fintech ledgers, and sent regulators to tighten oversight of sponsor bank arrangements. None of the major traditional BaaS providers — Unit, Treasury Prime, Synctera — are profitable. Stablecoins threaten to disintermediate their entire category.

As Multicoins Capital noted in December 2025, stablecoins replace key banking functions directly — collapsing costs from 'millions through banks, to hundreds of thousands via BaaS, to thousands with smart contracts on

permissionless chains.' The implications are structural: instant cross-border settlement, programmable compliance, 24/7 operation, without correspondent banking infrastructure.

Banks are responding by integrating stablecoins into their own BaaS offerings. Cross River Bank launched stablecoin payments integrated with its real-time core in March 2026, supporting network settlement, merchant payouts, and on/off-ramps. ClearBank partnered with Circle for USDC and EURC disbursement across Europe. Lead Bank acquired Loop Crypto to bolt on stablecoin capabilities. BNY Mellon became the first BaaS infrastructure provider for WisdomTree's retail tokenised assets platform. The stablecoin-native BaaS model is displacing – not just augmenting – the traditional middleware layer.

STABLECOIN BAAS — MARKET EVIDENCE	
Zero Hash valuation (Series D)	\$1.0 billion
Bastion (a16z-backed)	~\$40M funding — 'cloud infra for stablecoin issuance'
Sony Bank stablecoin partner	Bastion selected — first major Japanese bank deployment
Cross River Bank launch	Stablecoin payments integrated, March 2026
ClearBank Circle partnership	USDC/EURC disbursement across Europe
Traditional BaaS profitability	Unit, Treasury Prime, Synctera — none profitable

Tokenised Deposits: The Banking System's Response

Tokenised deposits are the banking system's competitive answer to stablecoins – and the two forms of digital money will coexist rather than converge. They serve different markets with fundamentally different regulatory structures. Stablecoins are bearer instruments dominating retail, cross-border, and DeFi applications. Tokenised deposits are account claims on regulated banks, dominating institutional treasury, large-value settlement, and collateral management.

JPMorgan's Kinexys processes over \$1 billion daily in institutional transfers. Standard Chartered operates tokenised deposits alongside a stablecoin joint venture. The US Treasury has estimated that up to \$6.6 trillion in bank deposits could migrate if stablecoin reward mechanisms are permitted –

a structural tension regulators are actively managing. For infrastructure providers, the opportunity is in bridging: building the rails that allow institutions to move seamlessly between tokenised deposit rails for large-value settlement and stablecoin rails for cross-border and DeFi applications.

CHAPTER 4

Real Traction: Three Models at the Inflection Point

Three business models have live products and real traction, but have not yet demonstrated the revenue scale to confirm their valuation thesis. Each is at an inflection point – a specific regulatory, adoption, or distribution milestone will determine whether they graduate to 'proven with revenue' or stall at the traction stage.

Stablecoin FX: The OpenFX Signal

Stablecoin FX is being validated by OpenFX's extraordinary growth. \$45 billion in annualised volume on \$500 million valuation, growing 11 times in twelve months. The model: institutional-grade FX settling on stablecoin rails at a fraction of traditional cost. Traditional FX involves a 1–3% hidden margin in the bid-ask spread, settlement in T+2, and exposure to correspondent bank counterparty risk. Stablecoin FX delivers sub-10 basis point spreads, settlement in seconds, and no counterparty exposure because the transaction is final on-chain.

The EURC/USDC pair is the most traded stablecoin FX pairing in Europe, processing hundreds of millions monthly. The EUR stablecoin gap – 0.3% of supply vs. 22% of global financial activity – means that as EUR stablecoin supply grows from \$872 million toward \$10+ billion over the next five years, the EUR/USD stablecoin FX market grows proportionally. The entity that builds the deepest EUR stablecoin FX infrastructure position today is positioned for a market that grows by definition as MiCA-authorized EUR supply expands.

Corporate Treasury: The On-Chain Yield Opportunity

Corporate treasury management using on-chain yield is moving from institutional experiment to operational practice. Nilus, an AI-powered treasury management platform, already manages over \$1 billion in assets with AI agents. Approximately 25% of global businesses adopted some form of stablecoin payroll in 2025. Tokenised US Treasuries – with \$11 billion

on-chain across 65 products — offer 4–5% yield with blockchain-native transferability and instant liquidity.

The business model is fees on yield-generating treasury management: custody fees (10–25 bps per year), yield management fees (10–30 bps on AUM), and conversion fees on in/out flows. The constraint for European operators: MiCA prohibits EMIs from paying interest on EMTs or lending client funds. The viable path is a hybrid group structure — the EMI provides fiat connectivity and stablecoin issuance, while a separately licenced MiFID entity manages the yield component. This structural requirement creates a natural moat: only operators who have assembled both licence types can offer the integrated product.

Tokenised Asset Settlement: The Cash Leg Problem

Every tokenised asset requires a cash leg. When a tokenised bond settles on DTCC's Canton Network, it needs digital cash — a stablecoin, a tokenised deposit, or a wholesale CBDC. The \$36 billion in tokenised RWAs today becomes \$10–16 trillion by 2030 (BCG, McKinsey), and each dollar of that growth requires a corresponding dollar of compliant digital cash infrastructure. Europe's DLT Pilot Regime, with the ESMA review expected to raise market cap limits from €6–9 billion to €150 billion, is the most immediate commercial market for this model.

21X — Europe's first fully licensed DLT trading and settlement system, launched September 2025 — requires compliant on-chain EUR settlement. NYSE's Digital Trading Platform specifies stablecoin-based funding. BlackRock's BUIDL uses USDC for all subscriptions and redemptions. The pattern is consistent: every tokenised asset platform needs a digital cash counterparty, and that counterparty in European markets must be MiCA-authorized. The revenue model is settlement fees (5–20 bps), custody of digital cash reserves, and integration fees for new venue connections.

Every tokenised asset needs a digital cash leg. As tokenised assets grow from \$36 billion to \$10 trillion, the demand for compliant EUR settlement infrastructure grows in direct proportion. This is infrastructure revenue that is mathematically tied to the growth of the asset market.

CHAPTER 5

The Frontier: Emerging Models

Beyond the twelve core archetypes, the emerging models are being built today on regulatory catalysts, technological shifts, and market failures that existing infrastructure cannot address. These are where the institutional bets of 2026 will become the revenue realities of 2030–2033. Some will generate enormous value. Some will remain theoretical. The honest assessment distinguishes between them.

AI Agent Payments: Protocols Real, Revenue Theoretical

The infrastructure for machine-to-machine payments is real and serious. Coinbase's x402 processed 100 million payments in its first six months — on \$24 million in throughput, which is essentially zero revenue since Coinbase operates free facilitators. The x402 Foundation co-members include Google, Visa, AWS, Circle, and Anthropic. Stripe and Paradigm's Machine Payments Protocol launched in March 2026 with Deutsche Bank, OpenAI, and Anthropic as design partners. Google's AP2 has 60+ partner organisations.

The honest assessment: protocols are real, partnerships are serious, volumes are tiny. The entire space is positioning for a world where AI agents routinely make autonomous financial decisions — and that world is arriving, as described in Part I of this series. McKinsey projects agentic commerce at \$3–5 trillion by 2030. The business model that makes money in that world is not the protocol itself (protocols tend toward commoditisation), but the compliant identity and settlement layer that makes autonomous transactions legally valid.

Programmable Payments: China's \$2.4 Trillion Proof

China's Digital RMB 2.0 has processed \$2.38 trillion in transactions through programmable channels — agricultural subsidies coded for approved purchases, construction wages with automatic compliance verification, conditional payments releasing on contract fulfillment. Singapore's Purpose Bound Money has disbursed over S\$22 million in construction projects. ERC-4337 account abstraction has deployed 40 million smart accounts with 100 million user operations processed.

The commercial model for Western markets lags the technical reality, primarily because programmable money requires both the technical infrastructure and the regulatory clarity to make conditionally released payments legally enforceable. GENIUS Act implementing regulations, due in 2026, will determine the US framework. MiCA does not currently address

programmable EMTs specifically. The companies building programmable payment infrastructure today are taking a regulatory position bet — that clarity arrives in 2026–2027 and that first-mover infrastructure advantages translate into durable market positions.

eIDAS 2.0: The KYC Revolution

eIDAS 2.0 is the most underappreciated commercial catalyst in European finance. By November 2027, all regulated financial service providers in the EU must accept EUDI digital identity wallets. The EU targets 80% adoption by 2030, covering 360 million European citizens. The estimated savings: €860 million to €1.7 billion annually in financial services onboarding costs alone, plus €1.1 billion to €4.3 billion in fraud reduction.

The business model opportunity: identity verification services, portable credit scoring on verifiable credentials, selective disclosure infrastructure (proving income range without exact salary, proving age without birthdate), and compliance-as-a-service for financial institutions that must accept eIDAS credentials but lack the technical infrastructure to process them. Companies like Gataca and Authologic are building this infrastructure today. The constraint is adoption timing — until the EUDI Wallet has material uptake, the infrastructure opportunity remains theoretical. The July 2026 deadline for member state wallet availability starts the clock.

Creator Economy Finance: The \$480 Billion Gap

The creator economy is a \$480 billion market in which 52% of creators regularly receive cross-border payments and 87% report experiencing late payment. Traditional payment infrastructure — wire transfers, PayPal, Stripe — is expensive (3–5% fees), slow (2–5 days), and frequently unavailable in the jurisdictions where creators are based. Stablecoins offer instant, sub-1% settlement to any wallet address globally.

Meta's planned stablecoin integration across Facebook, Instagram, and WhatsApp for H2 2026 is the most important near-term catalyst for this model. If Meta routes creator payouts through stablecoin rails — even just for the 30% of creators in countries where traditional payment infrastructure is poor — the single-event volume would dwarf the entire current stablecoin card market. The infrastructure companies positioned as Meta's compliant EUR and USD stablecoin settlement partners would capture the most strategically valuable distribution agreement in digital finance.

On-Chain Lending: DeFi's Institutional Graduation

Aave holds \$25.4 billion in total value locked and surpassed \$1 trillion in cumulative loan originations. Maple Finance scaled from \$516 million to \$4.59 billion in AUM through institutional credit markets. The model is programmable fixed-income: borrow rates set algorithmically by supply and demand, lender yields paid in real-time, liquidations automated. The revenue mechanics include the protocol reserve factor (10–20% of borrow interest), flash loan fees (0.09%), and liquidation bonuses (5–10%).

The MiCA constraint is critical for European operators: EMIs cannot lend client funds or use them for investment. The hybrid group model — EMI for fiat connectivity and stablecoin issuance, MiFID entity for yield products — is the only compliant path. Operators that build this hybrid structure in 2026 are positioning for a DeFi lending market that will significantly exceed its current size as institutional capital continues to enter.

Central Bank Infrastructure: The B2G Settlement Opportunity

Every major central bank project relies on private-sector technology partners, creating a substantial but concentrated business model. The BIS's Project Agorá — involving seven central banks including the Fed, ECB, Bank of England, SNB, and Bank of Japan, plus 41+ private institutions — entered its testing phase in early 2026. It explores a unified ledger where tokenised central bank money, commercial bank deposits, and programmable smart contracts enable atomic settlement of cross-border payments. The ECB's digital euro programme alone carries an estimated build cost of €1.3 billion, the majority of which flows to regulated private-sector infrastructure partners.

Fnality represents the most advanced private-sector wholesale settlement infrastructure in this model. Its Sterling Fnality Payment System received settlement finality designation in December 2024 — making it a systemically important payment system — and raised \$136 million in a September 2025 Series C led by WisdomTree, Bank of America, Citi, and Temasek, bringing total shareholders to 23 global institutions. Revenue mechanics: technology licensing fees to central bank programmes, settlement infrastructure fees, and node licensing on central bank-compatible networks. The opportunity is concentrated — few operators can credibly serve central banks — but extraordinarily durable once established.

The AI Financial Super-Aggregator

The EU's Financial Data Access (FiDA) Regulation, due for full implementation in 2027, mandates that financial institutions share customer data with authorised third parties on customer consent — extending open banking from payments to the entire financial product universe: mortgages, investments, insurance, pensions. Combined with DeFi aggregation infrastructure and AI-driven personalisation, this creates the conditions for a new category: an AI-powered financial super-aggregator that presents every financial product — bank account, DeFi yield, insurance, credit — through a single interface, optimised in real time.

The estimated annual economic benefit of FiDA data-sharing in EU financial services alone is €4.6–12.4 billion. The business model: referral fees on product placement (as traditional comparison sites earn), AI-as-a-service subscription fees for financial institutions, and data analytics licensing. The constraint is timing — FiDA implementation and AI agent maturity must converge, placing this model's commercial viability in the 2028–2030 window rather than today. Companies like Finary and Copilot Money are early proxies; none yet operates at the scale FiDA will make possible.

Carbon Credit Tokenisation

The voluntary carbon market is structurally broken: opaque pricing, inconsistent standards, double-counting risk, and settlement infrastructure that is entirely manual. The ICVCM (Integrity Council for the Voluntary Carbon Market) has approved methodologies covering 51 million+ credits, but the market lacks the liquidity and transparency infrastructure that would allow institutional capital to enter at scale. Tokenisation addresses every one of these failures.

On-chain carbon credits enable real-time price discovery, immutable retirement records that eliminate double-counting, programmable issuance tied to verified monitoring data (digital MRV systems are closing the satellite-to-blockchain gap), and fractional ownership that allows smaller buyers to access the market. The business model: tokenisation fees (1–3% on issuance), trading fees on secondary markets, MRV data infrastructure licensing, and custody fees on tokenised credit portfolios. The voluntary carbon market is projected to reach \$50 billion by 2030 (BloombergNEF). The infrastructure gap between that projection and current market functioning is the commercial opportunity. The binding constraint remains double-counting prevention across on-chain and off-chain registries — a technical problem being solved, not an insurmountable one.

Self-Sovereign Financial Infrastructure

The fully user-owned financial stack – where no intermediary holds assets on behalf of the user, and the user controls all services through a portable digital identity – remains the most aspirational category in this framework. But it is maturing faster than expected. DeFi Technologies (Nasdaq: DEFT) has partnered with SovFi to create a full-stack sovereign finance framework targeting the \$100T+ sovereign debt market, integrating tokenisation, post-quantum settlement, and DeFi infrastructure. Aave alone holds \$25.4 billion in TVL as a non-custodial lending protocol.

The missing piece has historically been regulated compliance-native infrastructure. Emerging regulated DeFi stacks – Manta Pacific (using zk-proofs for privacy-preserving compliance), Prometheus (SEC-registered broker-dealer operating on-chain), and tZERO (ATS for digital securities) – are building compliance directly into the protocol layer. The convergence of self-sovereign identity (eIDAS 2.0 EUDI Wallets, operational December 2026), DeFi protocols with institutional-grade security, and on-chain compliance infrastructure points toward a 2030–2035 reality where users hold a portable financial identity, interact with regulated protocols directly, and maintain full custody throughout. The business model is not custody fees (there is no custodian) but protocol fees, identity verification services, and infrastructure licensing to the protocols that serve self-sovereign users.

CHAPTER 6

What the Valuations Are Actually Telling Us

The valuation data from the acquisitions and IPOs of 2025–2026 is the most important strategic signal in digital finance. It tells us, with market precision, which positions command the highest premiums and why. Reading it correctly requires distinguishing between the revenue multiple and the

underlying thesis.

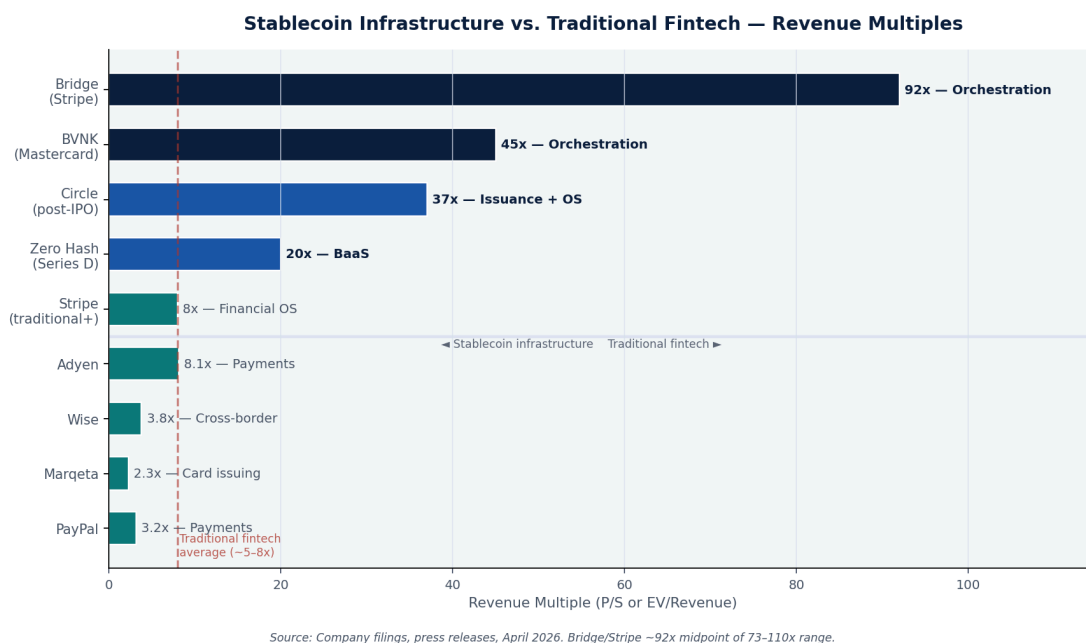


Figure 5 — Revenue multiples: stablecoin infrastructure vs. traditional fintech, April 2026. Sources: Company filings, press releases.

The 45–110 times revenue multiples paid for Bridge and BVNK are not growth multiples. Neither company had the revenue trajectory that would justify them on a discounted cash flow basis. They are moat multiples. Stripe and Mastercard were not buying revenue. They were buying: a licensed regulatory stack that takes years to replicate; a developer infrastructure layer with embedded network effects; and multi-jurisdiction reach that eliminates years of compliance build time for a company with global distribution ambitions.

Circle's trajectory tells a different story. At IPO pricing it commanded \$6.8 billion — approximately 3–4 times its LTM revenue — a pure-issuance multiple consistent with a regulated financial institution. Post-IPO it traded to \$63 billion — 37 times revenue — reflecting the market's conviction that Circle's Circle Payments Network (CPN), StableFX, Arc, and USYC represent a credible platform diversification story. The market was not paying for what Circle is. It was paying for what Circle is becoming.

The comparison to traditional fintech is striking and important. Adyen trades at 8.1 times revenue. Wise at 3.8 times. Marqeta at 2.3 times. PayPal at 3.2 times. These are businesses with billions in established revenue, global reach, and proven unit economics. Stablecoin orchestration infrastructure with a fraction of their revenue commands multiples 5–30 times higher. The premium is not irrationality. It is a market verdict that the

regulatory stack for programmable money infrastructure is the scarcest, most valuable, and hardest-to-replicate asset in financial services today.

The acquisition premium for stablecoin infrastructure is not a growth bet. It is a moat bet. Stripe and Mastercard were buying years of compliance build time — 3–5 years of regulatory work that cannot be accelerated regardless of capital deployed.

CHAPTER 7

The Rate Sensitivity Problem

The single most important risk in the stablecoin economy is hiding in plain sight in Circle's S-1. Ninety-six percent of revenue from reserve interest. \$600 million exposed to a 100-basis-point rate decline. An entire industry's largest revenue model structurally correlated with monetary policy decisions made by the Federal Reserve and the European Central Bank.

This is not a theoretical risk. The 2022–2024 rate cycle moved the federal funds rate from near zero to 5.25–5.5%. If that cycle reverses — and rate cycles always reverse — the reserve yield model compresses dramatically. Tether's \$13 billion profit at 5% becomes approximately \$5 billion at 2%. Circle's \$1.7 billion revenue becomes approximately \$700 million. The businesses that have not diversified their revenue base by the time rates normalise will face a structural revenue crisis simultaneously with increased competition from new entrants who entered during the high-rate environment.

The diversification imperative is therefore not optional — it is the survival strategy for issuance-heavy business models. Circle understood this, launching the Circle Payments Network, StableFX, Arc (institutional yield), and USYC in 2025–2026. Tether's reported \$500 billion fundraise valuation implies the market expects diversification into infrastructure. Paxos has licensed its platform to multiple partners. The pure issuance play without platform diversification has a fixed expiry date: the next rate cycle.

RATE SENSITIVITY ACROSS MAJOR ISSUERS	
Tether profit at 5% rates (2024 actual)	\$13.0 billion
Tether profit at 3% rates (estimated)	~\$7.8 billion

RATE SENSITIVITY ACROSS MAJOR ISSUERS	
Tether profit at 2% rates (estimated)	~\$5.2 billion
Circle revenue at 5% rates (~2024)	~\$1.7 billion
Circle revenue at 3% rates (estimated)	~\$1.0 billion
Circle 'other revenue' (Q2 2025 run rate)	\$96M/year – growing 252% YoY
Rate-insensitive revenue for diversified operators	FX, corridors, cards, platform fees

CHAPTER 8

Revenue Stacking: The Compounding Logic

The most durable business models in the stablecoin economy are those that touch multiple fee layers on each transaction. This is not a theoretical construct – it is the direct explanation for why full-stack platforms command dramatically higher valuations than point solutions, and why the acquisition wave has targeted precisely the operators with the most layers.

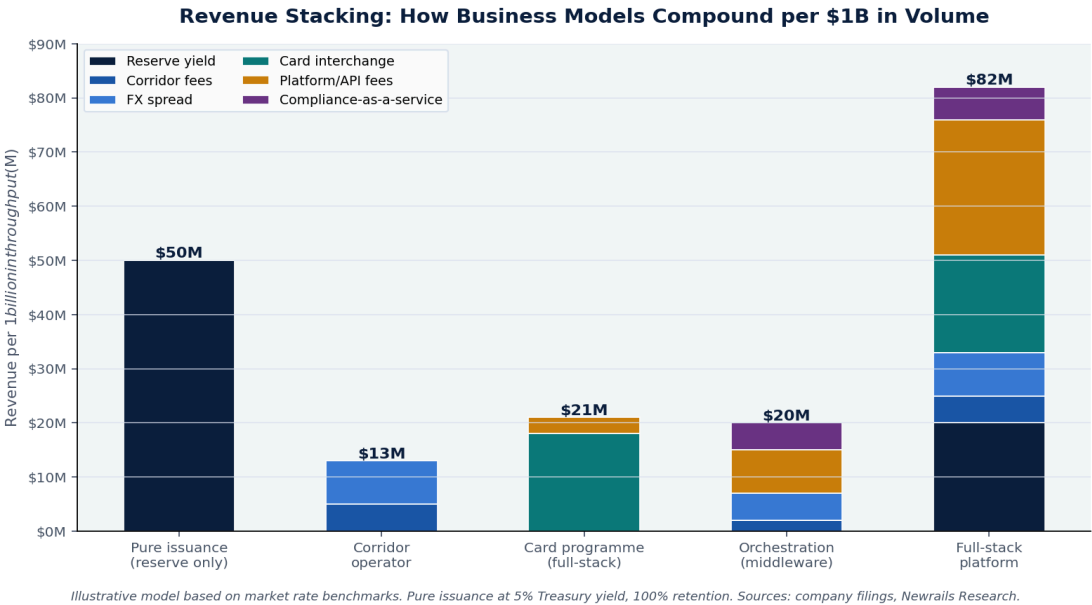


Figure 6 – Revenue per \$1 billion in throughput by business model, illustrative. A full-stack platform capturing reserve yield, corridor fees, FX spread, card interchange, and platform fees earns 4–5× the revenue per dollar of volume versus a pure-issuance operator.

The pure issuance operator earns approximately \$50 million per \$1 billion in stablecoin supply at 5% Treasury yields. The full-stack platform –

combining issuance yield, corridor fees, FX spread, card interchange, and platform/API fees — earns approximately \$77 million per \$1 billion in throughput, on a base that compounds: each new corridor adds corridor fees, each new card partner adds interchange, each new API client adds platform revenue. The underlying \$1 billion in throughput generates structurally more revenue over time, not less.

This compounding logic explains the Stripe trajectory. Stripe was a payment processor at \$8 billion valuation in 2018 — a high multiple for its revenue. It is a financial operating system at a \$159 billion valuation in 2026. The same dollar of payment volume that generated processing revenue in 2018 now also generates lending revenue (Stripe Capital), revenue for platform partners via financial accounts, card issuance revenue via Stripe Issuing, and stablecoin settlement revenue via Bridge. The revenue stack per dollar of GMV has roughly tripled without proportional increases in marginal cost.

The implication for operators building stablecoin infrastructure today: the point solution is the wrong strategic end state. An API that routes stablecoin transfers is a technology commodity. An API that routes stablecoin transfers, issues the stablecoin, handles FX conversion, provides card settlement, and generates yield on reserves is a platform. The difference in valuation is not incremental — it is the difference between the Wise multiple and the Bridge multiple.

CHAPTER 9

The EUR Opportunity Across Business Models

Part I of this series established the EUR stablecoin gap: 0.3% of global stablecoin supply representing a currency accounting for 20–25% of global financial activity. This section asks the specific question: which business models most directly benefit from EUR stablecoin growth, and in what order do the opportunities materialise?

The Sequencing Logic

The EUR stablecoin market does not grow uniformly across all business models simultaneously. It grows according to the sequence in which the supply and demand infrastructure is built. The current constraint is not demand for EUR stablecoins — institutional demand for compliant EUR-denominated settlement is substantial and growing. The constraint is supply-side infrastructure: compliant issuers, deep liquidity, exchange

listings, and fiat on/off-ramps that make EUR stablecoins operationally accessible at scale.

The sequencing: first, issuance infrastructure and exchange listings create the supply. Second, DeFi integration and institutional settlement demand create the utility. Third, corridor operators build the off-ramp infrastructure for cross-border flows. Fourth, embedded finance and card programmes create the consumer-facing interface. Fifth, AI agent payments and programmable money build on the established infrastructure layer.

The MiCA Advantage Window

The EU regulatory framework is the most comprehensive stablecoin framework globally – but it is also the framework with the steepest authorisation requirements. MiCA authorisation for a new CASP applicant takes 12–24 months from submission. An EMI authorisation takes 18–36 months. An entity that holds an EMI licence and is pursuing CASP authorisation today has a 12–18 month structural lead over any new entrant attempting to build the same combination from scratch.

This lead translates directly into EUR stablecoin market position: EUR stablecoin supply is growing at 100%+ year-over-year, and the operators with the infrastructure to issue, distribute, and settle EUR stablecoins at the beginning of the growth curve will have established market positions – client relationships, corridor partnerships, exchange listings, DeFi integrations – before the market becomes competitive. The EBA No Action Letter issued in March 2026 formalised this window.

Monerium, the most advanced independent European player, processes €6 billion+ in 2025 with SEPA/IBAN integration across 27 EU states. But it lacks cards, lending infrastructure, and multi-currency FX. Banking Circle's EURI has grown to \$150–170 million in supply but serves primarily institutional settlement. No single European operator has yet assembled the full stack: EMT authorisation, CASP, card programme, developer API, multi-corridor coverage, and DeFi integration. That combination is the most structurally differentiated position in European digital finance – and it does not yet exist.

EUR STABLECOIN – MARKET POSITION BY OPERATOR

Circle EURC (US company, MiCA-authorized)	\$450–460M · 102% growth since MiCA
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EUR STABLECOIN — MARKET POSITION BY OPERATOR

Banking Circle EURI	\$150–170M · primarily institutional
Monerium EURE (Iceland)	\$55–80M · €6B+ processed · 27 EU states
Societe Generale EURCV	\$10–20M · institutional only
Qivalis (12-bank consortium)	Target H2 2026 · global leadership ambition
EUR share of global stablecoin supply	<0.30% · vs. 20–25% of global finance

CHAPTER 10

Nine Predictions for 2036

As in Part I, these are evidence-based assessments of where the structural forces described in this paper converge. They are specific to business model evolution and deliberately challenge consensus views where the evidence supports doing so.

01

2028–2030

Pure reserve yield issuance will not survive as a standalone model

By 2030, interest rates will have completed at least one significant cycle. Operators that have not built platform revenue — FX, corridors, cards, APIs — by then will face a structural revenue crisis. Tether diversifies (it must); Circle's CPN, StableFX and Arc are the blueprint. The issuer without a platform by 2028 is the fintech equivalent of a company with a single product and no moat.

02

2027–2030

Orchestration commands \$5B+ acquisition prices for the best EU-licenced stack

The Bridge/BVNK transactions defined the template at \$1–2B. As stablecoin volumes scale to \$1–3T in global throughput, the infrastructure that routes that flow becomes proportionally more valuable. An EU-licensed orchestration platform with EMT + CASP + SEPA + multi-corridor + developer API in 2028 will be worth more than Bridge in 2025 — simply because the underlying market is 5–10× larger.

03

2028–2031

Stablecoin card spending exceeds \$250 billion annually

From \$18B annualised at the end of 2025, the 147% CAGR continues into Meta's H2 2026 distribution event. Even at a drastically reduced growth rate post-Meta (30–40% CAGR), the market exceeds \$250B by 2030. Stablecoin cards become the dominant card product for cross-border commerce, remittances, and digital asset payouts globally.

04

2028–2029

At least one MiCA-authorized EUR stablecoin exceeds \$5 billion in supply

EURC is at \$460M, growing at 100%+ YoY. Even at 60% annual growth — significantly below current rate — it reaches \$5B by 2029. Qivalis institutional distribution accelerates this. The 78× EUR supply/demand mismatch closes materially. The EUR becomes the second largest stablecoin currency by market cap.

05

2029–2031

DeFi TVL exceeds \$400 billion with stablecoins as the dominant collateral class

At \$94B today, DeFi TVL grows as institutional capital continues to enter. By 2030, permissioned pools, verifiable credentials, and mandatory circuit breakers have been standardised. Aave, Maple, and their successors run portfolios equivalent to mid-sized European banks. EUR-denominated stablecoins represent 15–20% of collateral in EU-regulated DeFi pools.

06

2029–2031

Embedded finance captures 10% of global payment volume

Gartner's 10% by 2031 projection reflects Stripe's 1.5% stablecoin checkout, Meta's creator payout integration, and the continuing expansion of stablecoin payroll. At 10% penetration of ~\$150T in global non-cash payment volume, embedded stablecoin finance represents a \$15T annual throughput market — generating \$15–75B in fee revenue depending on take rates.

07

2027–2030

Revenue stacking becomes the primary valuation criterion — point solutions are acquired or marginalised

Every standalone corridor operator, standalone card issuance platform, and standalone BaaS provider that has not built into a full-stack platform faces acquisition or margin compression by 2030. The acquirers: Stripe, Mastercard, Visa, PayPal, and the largest EU banks. Standalone operators that reach sufficient scale to remain independent will be the rare exceptions.

08

2028–2030

eIDAS 2.0 wallet adoption collapses EU financial services onboarding costs by 60–70%

At 80% EU adoption by 2030, selective disclosure credentials replace most paper-based and legacy digital KYC. Onboarding time for a business financial account falls from days to minutes. The winners: operators whose platforms natively accept EUDI credentials and use them to automate AML/KYC continuously, not just at onboarding. The losers: operators with compliance teams sized for manual verification.

09

2028–2030

The first native AI-agent financial institution is licensed and operational in the EU

Not an AI-assisted bank. A financial institution where the primary customers are AI agents – autonomous systems that hold accounts, receive and make payments, manage treasury, and draw on credit facilities without human authorisation on individual transactions. The GENIUS Act's framework for programmable stablecoins is the regulatory foundation. MiCA's EMT framework provides the European path. First licensed entity: 2028–2030.

Where the Money Will Concentrate

The twenty-one business models described in this paper are not equally valuable. The market has been telling us this with remarkable clarity through the acquisitions and valuations of 2025–2026, and the pattern is legible: orchestration commands the highest strategic premiums because it combines regulatory scarcity, network effects, and multi-layer revenue capture that compounds over time. Pure issuance is the largest absolute revenue pool today – and the most structurally fragile, because it is entirely dependent on interest rates that will change.

The evolution of these models over the next decade follows a logic that is visible in hindsight in every infrastructure transition in financial services history. In the 1990s, payment processors started as point solutions and consolidated into platforms (Visa, Mastercard, Stripe). In the 2000s, BaaS started as a compliance workaround and consolidated into infrastructure (Cross River, Column, ClearBank). In each case, the point solutions that did not compound into platforms were acquired or marginalised. The ones that added layers – more products, more corridors, more integrations – became the infrastructure that everything else ran on.

The stablecoin economy is at the beginning of this consolidation. The window in which independent operators can establish multi-layer positions – before the Stripes and Mastercards of the world acquire or replicate them – is measurable in months. The operators building today are not building for 2026. They are building the infrastructure that will route global programmable money in 2030 and beyond.

The \$13 billion Tether earned in 2024 is not an anomaly. It is the opening act of a market that will be orders of magnitude larger by the end of the decade – and far more structurally complex, competitive, and rewarding for the operators that built the right foundations at the right moment.

About Newrails

Newrails, UAB is a European electronic money institution (EMI licence No. 69, Bank of Lithuania) and MiCA-authorized issuer of EURW – a EURO-denominated e-money token. We are building regulated payment infrastructure for the on-chain economy: EUR payment accounts with IBAN and SEPA connectivity, programmable stablecoin rails, and developer APIs connecting traditional finance to the digital asset ecosystem. We are building for the world described in this report.

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