



STABLECOIN PAYMENTS ON THE RISE

CAPTURING THE OPPORTUNITIES AHEAD IN ASIA

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QUINLAN
& ASSOCIATES

EXECUTIVE SUMMARY

Stablecoin payments are scaling rapidly. Payment volume across major stablecoin payment providers has nearly quadrupled from USD 29 billion in 2023 to an estimated USD 116 billion in 2025, with B2B payments now the largest category. Even so, payments still account for less than 10% of on-chain stablecoin volume and less than 0.2% of global cross-border payments, suggesting the market remains at an early stage of development.

Institutions are moving from exploration to execution. ~90% of banks and payment service providers are now acting on stablecoins, with cross-border payments leading their priorities. The need is clearest where bank rails fall short. Between Asia and Latin America, for example, trade has multiplied while correspondent banking links have thinned and banking hours do not overlap. In such corridors, stablecoins can close gaps in dollar access, connectivity, liquidity, and transparency and compliance. However, an orchestration layer that coordinates fiat access, compliance, liquidity, settlement, and local-currency payout behind every payment is needed.

The strategic value of this layer is now being recognised. Stripe's acquisition of Bridge and Mastercard's acquisition of BVNK signal that global payment companies regard stablecoin orchestration as core infrastructure worth owning, although both deals are anchored in North America and Europe. Momentum is now building in Asia Pacific, where on-chain stablecoin transactions have grown by ~150% p.a. since 2022, lifting the region's share of global activity from 10% to 25%, and where stablecoin-linked cards issued from hubs such as Hong Kong and Singapore are extending the same infrastructure to the point of sale.

Regulation is catching up with this growth, though unevenly. No market has yet achieved end-to-end maturity. This makes Asian licences increasingly valuable. Many notable non-Asian players still lack an Asian licence (and presence), while Asian players holding both regional and international licences remain scarce, making them strategically attractive partners, investment targets, or acquisition candidates for larger players seeking strategic market entry to Asia.

Winning in Asia requires a market-by-market strategy across four key areas:

1. **Regulatory Readiness:** Determine the licences, permissions, and partnership structures required in each priority market
2. **Corridor Prioritisation:** Prioritise corridors based on transaction potential, customer demand, priority use cases, and competitive intensity
3. **Offering Localisation:** Adapt products, currencies, payment rails, integrations, and commercial models to local customer needs
4. **Distribution Approach:** Define the appropriate mix of direct presence, partnerships, and embedded distribution in each market

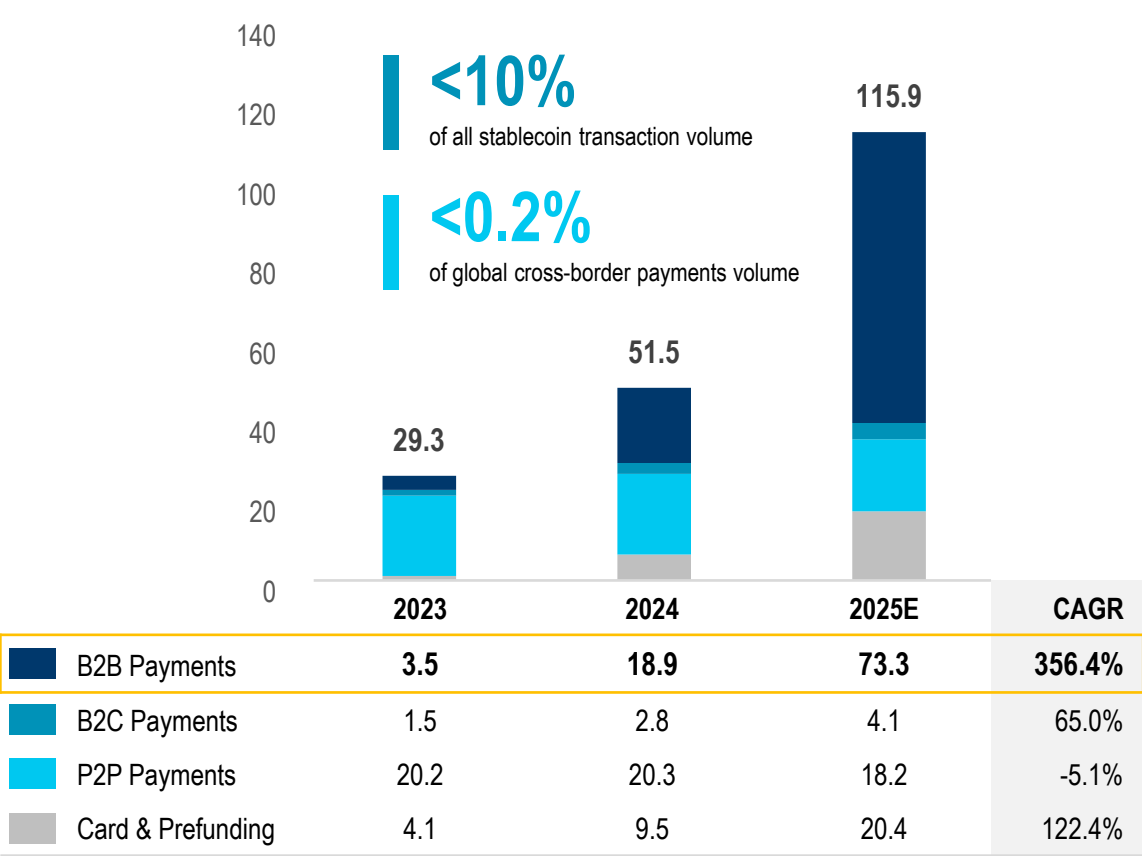
The opportunity will be shaped by regulatory timing as much as by customer demand. Licences and banking partnerships take time to establish, meaning early movers will be better positioned to convert market access into scalable growth as regulatory regimes mature.

STABLECOIN PAYMENTS ARE ONLY BEGINNING TO SCALE

Stablecoin payments have nearly quadrupled since 2023 to an estimated USD 116 billion in 2025, yet still account for less than 10% of total on-chain stablecoin volume, suggesting the market remains at an early stage of development

Stablecoin Payment Transaction Volume¹

By Payment Types, 2023-25E, USD billion



Share of Stablecoin Transaction Volume²

Selected Stablecoin Use Cases³, 2026

Types of Use Cases	% Total (2026)
SHORT-TERM ROUTING (MARKET MAKING AND TREASURY) Funds that move out and back, or pass through, in a short window	53.4%
INFRASTRUCTURE Automated infrastructure moving stablecoins between systems	19.7%
INVESTMENT & TRADING Trading and short-term positioning in stablecoins	11.4%
PAYMENTS Businesses and consumers sending stablecoins to pay for various purposes	8.2%
OTHERS Activity that does not match a more specific use case	7.2%

¹33 providers (22 with direct data, 11 estimated) tracked by Artemis from Jan 2023 – Aug 2025 and Sep–Dec 2025 extrapolated by Quinlan & Associates at the trailing monthly growth rate; ²Include 15 stablecoins across 21 blockchains; ³Removed store-of-value and dust cases to maintain relevance

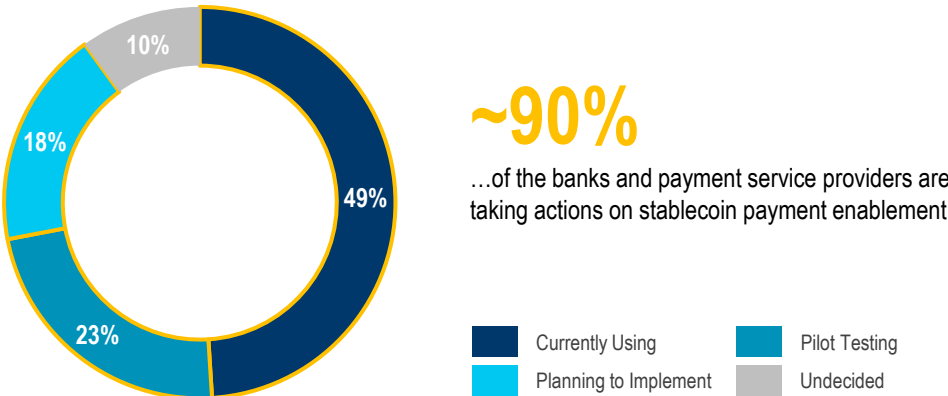
Source: Artemis Analytics (accessed September 2026), Visa Onchain Analytics Dashboard powered by Allium (accessed September 2026), Financial Stability Board, Quinlan & Associates analysis

INSTITUTIONS ARE MOVING FROM EXPLORATION TO EXECUTION

That growth has moved institutions from exploration to execution, with ~90% banks and payment service providers now acting on stablecoins, and cross-border payments leading their adoption priorities

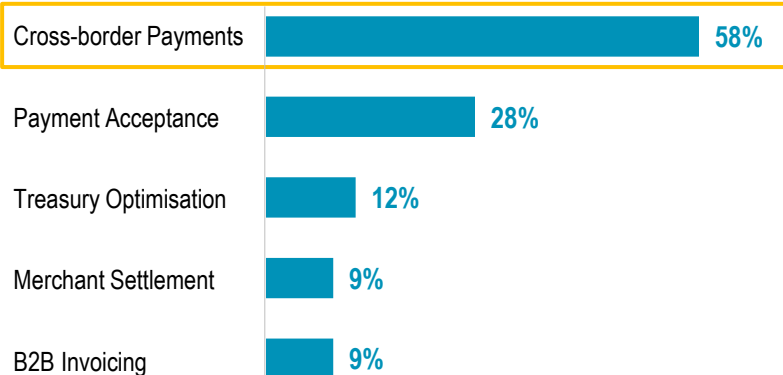
Current Stablecoin Adoption

% of Respondents¹, 2025



Stablecoin Use Cases

For Traditional Banks, 2025



Traditional banks are 2x more likely to prioritise cross-border payments over other stablecoin use cases

Key Market Stakeholders

Using Stablecoin Cross-border Payments

Description	Examples
 Payment Networks Connect stablecoin infrastructure with global payment rails, enabling customers to transfer stablecoins across markets	
 Financial Institutions Use stablecoins (and/or deposit tokens) to optimise cross-border treasury, liquidity management, and institutional fund transfers	
 Global Payroll Platforms Use stablecoins for cross-border salary and contractor payments, enabling faster, lower-cost payouts to global workforces	

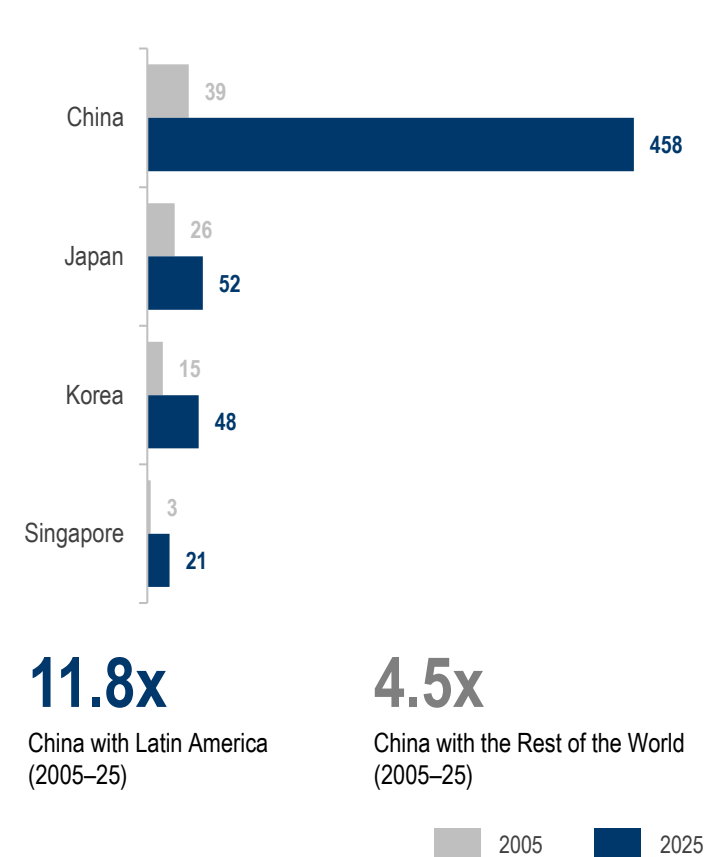
¹Fireblocks survey of 295 executives (61% C-suite; the remainder heads of strategy, innovation or product, or functional specialists) at traditional banks, cryptocurrency service providers, neo / virtual banks, and non-bank payment service providers

WHERE STABLECOINS MAY ADD VALUE

The need is clearest where bank rails fall short, such as between Asia and Latin America, where trade has multiplied while correspondent banking links have thinned (and banking hours do not overlap)

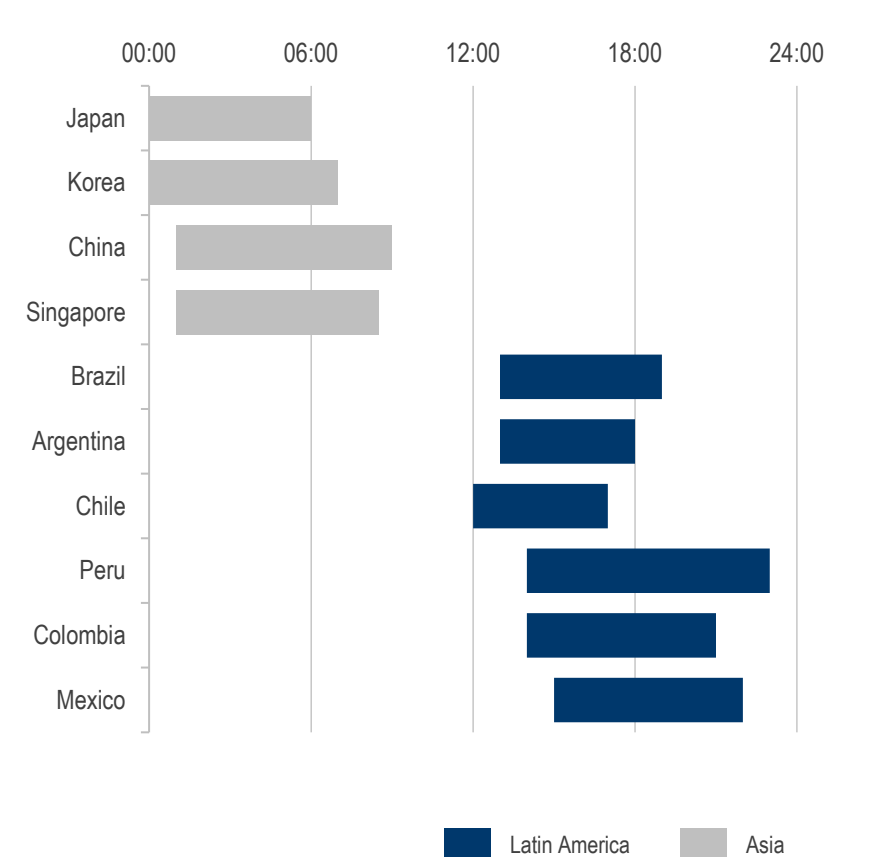
Trade Volume

Selected Latin American economies¹, 2005-25, USD billion



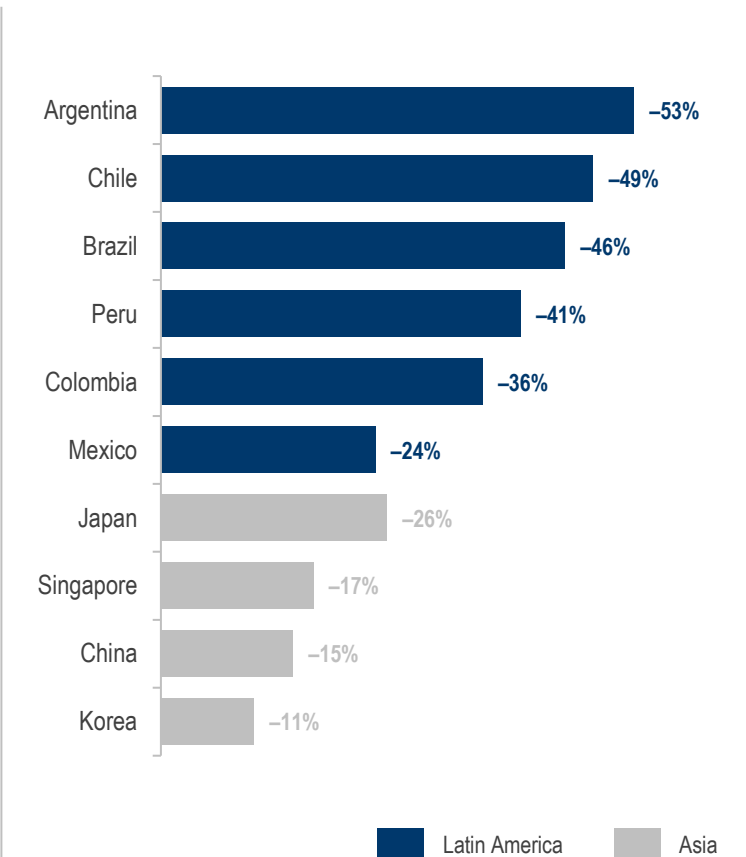
Banking Hours

Weekday bank branch hours² of each market, shown in UTC



Foreign Correspondent Counterparties

% Changes, 2011-22



¹Brazil, Mexico, Chile, Peru, Argentina, and Colombia (reported by each Asian economy). ²Weekday counter hours of a major bank in each market

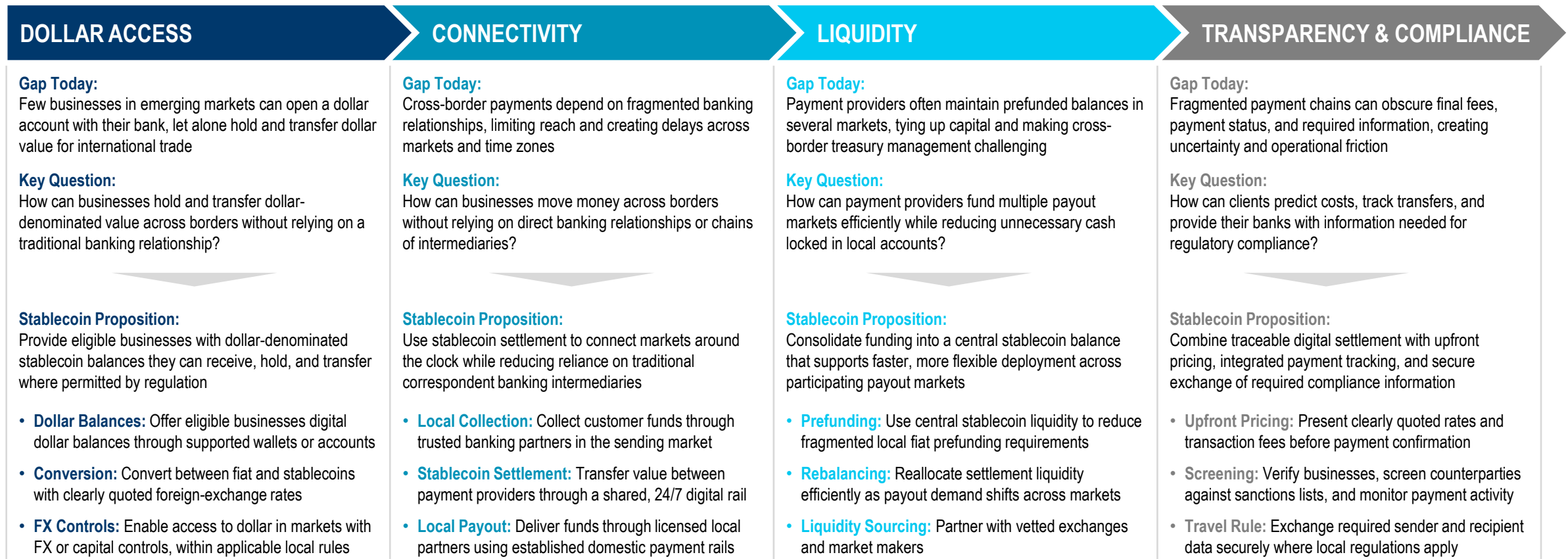
Source: UN Comtrade, bank websites, central bank disclosures, BIS CPMI (Correspondent Banking Data), Quinlan & Associates analysis

BRIDGING DISCONNECTED CORRIDORS

In such corridors, stablecoins can close four gaps that bank rails leave open: (1) dollar access, (2) connectivity, (3) liquidity, and (4) transparency and compliance

How Stablecoins Close the Gaps

Cross-border Payments between Asia and Emerging Markets

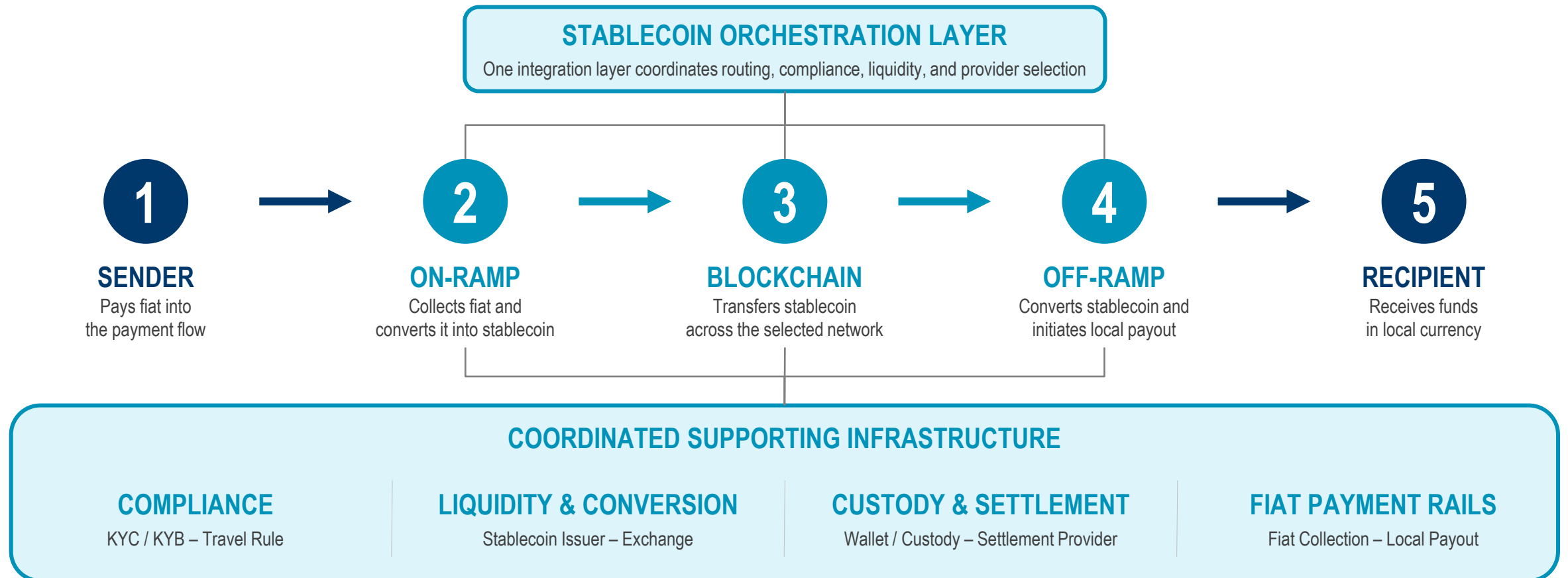


STABLECOIN ORCHESTRATION ENABLES THE PAYMENT JOURNEY

Closing those gaps takes more than the stablecoin itself; an orchestration layer must coordinate fiat access, compliance, liquidity, blockchain settlement, and local-currency payout behind every payment

Process Flow

For Stablecoin Cross-border Payment



PAYMENT GIANTS ENTERING THE MARKET

Global payment companies have judged the stablecoin layer worth owning, with Stripe and Mastercard acquiring Bridge and BVNK respectively, although both deals are anchored in North America and Europe (i.e., outside Asia)

Case Study

United States - Stripe & Bridge



Stripe acquired Bridge for a reported USD 1.1 billion (announced 21 October 2024 and closed 4 February 2025), adding what Stripe calls a “stablecoin orchestration platform”, enabling businesses to move, store, spend, and issue stablecoins

ACQUISITION RATIONALE



Conviction on the Direction of Payments

Stripe attributed the acquisition directly to its judgement that stablecoins represent the next significant innovation in the evolution of money and payments



Stablecoin Infrastructure Ownership

The acquisition was presented as the means to an objective Stripe had already declared for itself - building the world’s best stablecoin infrastructure



Complement to Traditional Rails

Bridge was positioned as accelerating the use of dollar-backed stablecoins alongside Stripe’s existing card and bank rails, not as a replacement for them



Speed to Market

Bridge brought a proven cross-border product and an existing customer base, demonstrating that it is faster to buy than to build

Case Study

United Kingdom - Mastercard & BVNK



Mastercard agreed to acquire BVNK (announced 17 March 2026 and closed 3 August 2026), combining its global network with BVNK’s fiat and on-chain infrastructure to enable interoperable value movement across currencies, rails, and regions

ACQUISITION RATIONALE



On-chain Rails Added to the Network

Mastercard acquired BVNK to add blockchain settlement rails to its existing network, extending speed and programmability across a wider range of transaction types



Chain- and Asset-agnostic Interoperability

Intended to let customers use whichever digital asset or blockchain suits their needs, rather than tying them to a single closed ecosystem



Capability Acquisition

BVNK brings a regulatory perimeter and compliance tooling, alongside technology for stablecoin-related activities and connectivity to the stablecoin ecosystem



New Use Cases for Customers

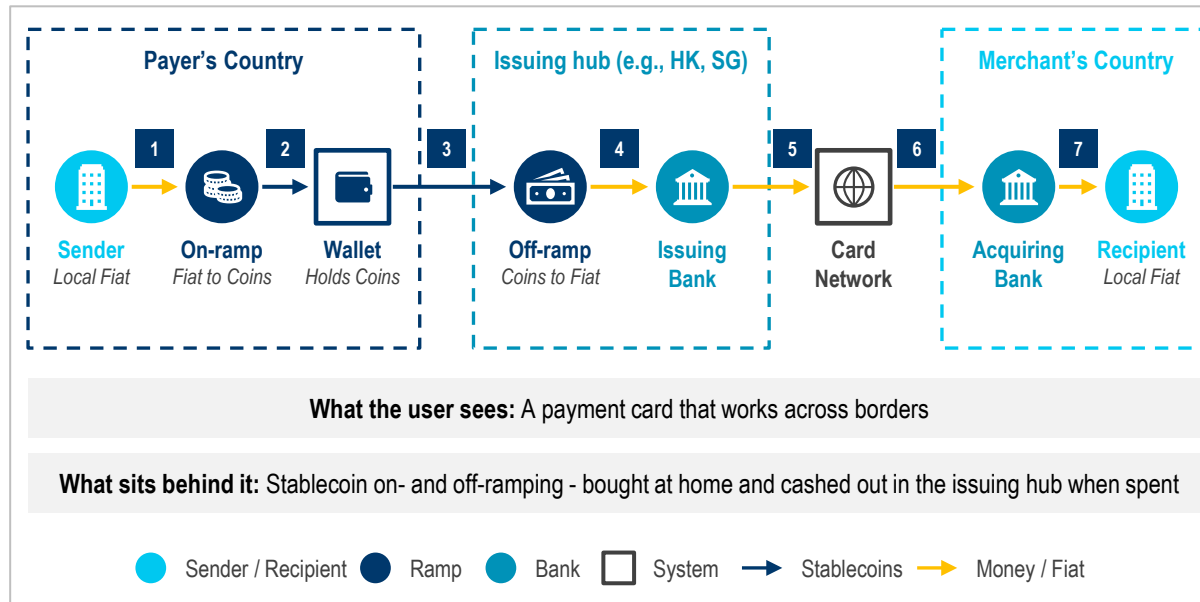
The acquisition opens an addressable market in which Mastercard has limited presence – monetising payment volume itself rather than existing card economics

STABLECOIN-LINKED CARDS IN FOCUS

Stablecoin-linked cards are emerging as a prominent use case, extending the same layer to the point-of-sale and enabling users in dollar-constrained markets to pay overseas merchants through issuers based in hubs such as Hong Kong or Singapore

Mechanics

From User to Merchant



- 1 PAY IN LOCAL CURRENCY**
The sender hands fiat to a local exchange or on-ramp provider in the payer's country
- 2 RECEIVE STABLECOINS**
The on-ramp provider sends stablecoins to the user's wallet, which is linked to the card
- 3 AUTHORISE AND DEDUCT**
At checkout, the issuer authorises the payment and the stablecoin amount moves to the off-ramp
- 4 CONVERT TO FIAT**
The off-ramp provider liquidates the stablecoin for fiat (often in batches) and funds the issuer
- 5 ISSUER SETTLES**
The issuer, licensed in a hub (e.g., Hong Kong or Singapore) pays the card network
- 6 NETWORK PAYS ACQUIRER**
The card network converts to the merchant's currency and pays the acquirer
- 7 ACQUIRER PAYS RECIPIENT**
The acquirer pays the recipient in local currency, as for any card payment

Adoption Drivers

Emerging Markets

DOLLAR DEMAND DRIVES ADOPTION

In markets facing currency depreciation or constrained dollar access, individuals and businesses increasingly rely on dollars to preserve purchasing power

STABLECOIN USE IS ALREADY HIGH

Stablecoins make up over half of exchange crypto purchases in Argentina, Brazil and Colombia, with substantial activity across emerging markets

PAYING ABROAD IS HARD

International payments can involve high fees, FX friction and restricted dollar access – complicating routine overseas spending for businesses

BREADTH IS THE PROOF OF UTILITY

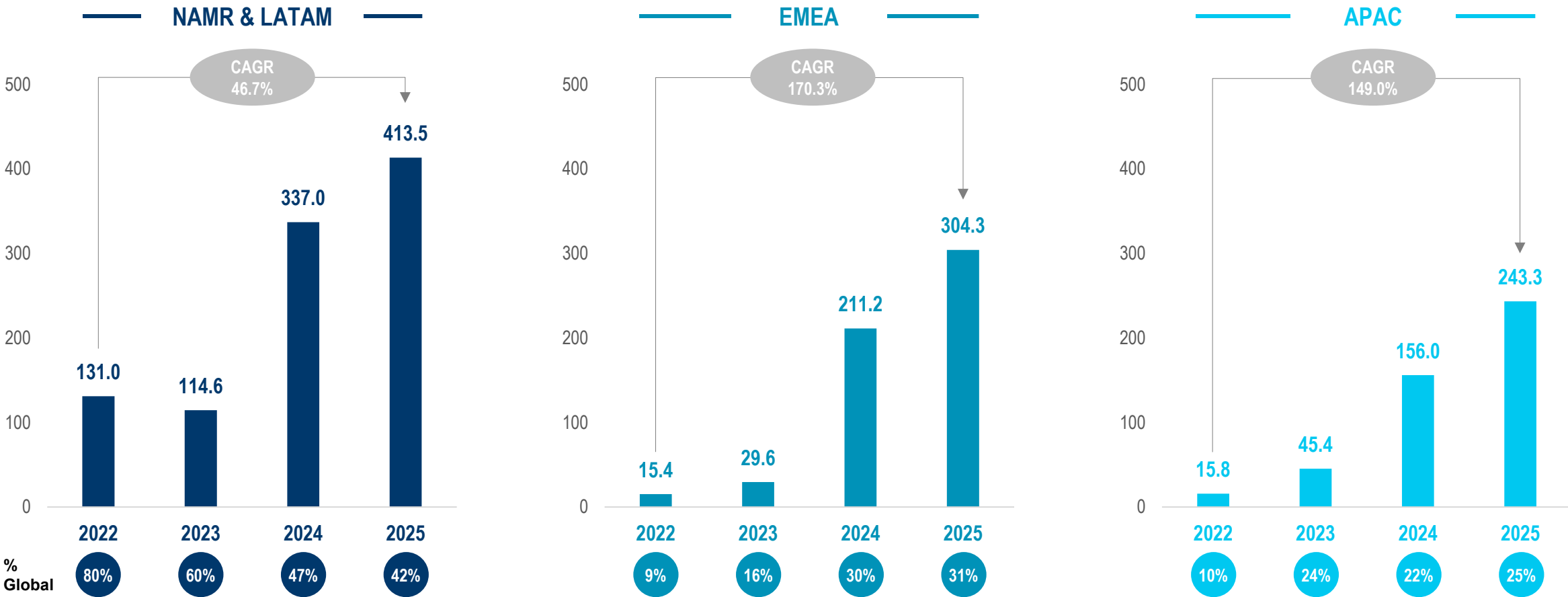
Cards put stablecoins in everyday hands: many users each spending at ordinary merchants is stronger proof of utility than a few heavy users

ASIA IS EMERGING AS THE NEXT GROWTH FRONTIER

Asia is where momentum is now building, with Asia Pacific's on-chain stablecoin transactions growing at a CAGR of 149% since 2022 and its share of global activity rising from 10% to 25%

Stablecoin-related Transactions by Region

Ethereum & Solana Blockchain only, 2022-25, million transactions



REGULATORY DEVELOPMENT – ASIA’S OPPORTUNITY WILL GROW

Regulation is catching up with that growth, though unevenly, as jurisdictions in Asia (e.g., Hong Kong, Japan, Singapore, and South Korea) each draw different licensing perimeters and none is yet mature end-to-end

Stablecoin Regulatory Milestones

Selected Asian markets (as of September 2026)

Activity	What “Mature” Looks Like	 Hong Kong	 Japan	 Singapore	 South Korea
ISSUANCE Issuing and redeeming stablecoin in circulation	<i>Stablecoin-specific issuer licensing in force (e.g., reserves, redemption, disclosure), with licensed local-currency coins in issue</i>	 MATURE Ordinance in force Aug 2025; two issuer licences (Apr 2026); both licensed HKD stablecoins are live	 MATURE Regime in force since Jun 2023; yen stablecoins in issue (JPYC, Oct 2025 and trust-bank JPYSC)	 DEVELOPING Framework finalised Aug 2023 as policy, not law; draft legislation under consultation to 16 Oct 2026	 NASCENT No issuer regime; lawmaker bills pending since 2025, government bill not yet submitted
INTERMEDIATION Exchanging, transferring and safekeeping stablecoins	<i>Exchange, transfer, and custody of stablecoins licensed under a regime in force, with stablecoin-specific conduct rules and firms operating at scale</i>	 ESTABLISHED 13 SFC-licensed VATPs; stablecoin is not yet fully open to retail (May 2026); OTC dealing and custody regimes not yet law	 ESTABLISHED Dedicated stablecoin exchange licence, but only two registered; intermediary business category has been added	 ESTABLISHED DPT licensing in force since 2020, with 30+ licensees; stablecoin-specific conduct rules still under consultation	 DEVELOPING 28 VASPs registered under an AML-based regime; user-protection law since Jul 2024; no stablecoin-specific rules
ON- AND OFF-RAMP Converting local currency to and from stablecoins	<i>Licensed routes to convert local currency to and from stablecoins for retail and corporate users, without transaction caps or single-bank dependency</i>	 ESTABLISHED Via licensed platforms and banks (bank distribution permitted May 2026); OTC fiat–crypto conversion not yet licensed	 ESTABLISHED Yen–stablecoin conversion at registered providers; JPY 1 million per-transfer cap on foreign stablecoins	 MATURE One MPI licence can combine DPT services with cross-border transfer and account issuance; retail funding safeguards apply	 DEVELOPING Only via five exchanges, each tied to a single bank’s real-name accounts; listed-company access still pending
DIRECTION OF TRAVEL Snapshot of each market’s most recent regulatory step		Retail and bank distribution of regulated stablecoin may be permitted (May 2026); dealing and custody bill targeted for Q4 2026	Payment Services Act amendments in force (Jun 2026); second stablecoin exchange provider registered (Aug 2026)	Draft legislation published (Sep 2026), creating a standalone stablecoin issuance licence under MAS-SCS framework	FX Act amended (Jun 2026, effective Dec 2026) to register cross-border virtual-asset transfer businesses

Note: Quinlan & Associates’ assessment against the benchmark shown; strategic orientation, not legal advice

Source: HKMA (Stablecoins Ordinance, Cap. 656), SFC (VATP register, circular 26EC26), FSTB, Japan FSA, MAS, Korea FSC / KoFIU, Quinlan & Associates analysis

THE VALUE IS IN THE LICENCE

That makes licence(s) even more valuable: many notable non-Asian players still lack an Asian licence, while Asian players holding relevant licences are increasingly attracting strategic interest across partnerships, investments, and potential acquisitions

Independent Stablecoin Payment Players

Top - Outside Asia / Bottom - Asia (As of October 2026)

Company	HQ	Proposition	Latest round	Non-Asian Licence	Asian Licence
Zerohash	US	Stablecoin Infrastructure	Series D: USD 104 million (2025)	✓	✓
Mesh	US	Stablecoin Payments Network	Series C: USD 75 million (2026)	✓	✖
Latitude	US	Stablecoin Payouts	Series A: USD 35 million (2026)	✓	✖
Conduit	US	B2B Cross-border Payments	Series A: USD 36 million (2025)	✓	✖
Rain	US	Stablecoin Card	Series C: USD 250 million (2026)	✓	✖
Yellow Card	US	Stablecoin Ramp / Payouts	Strategic: USD 40 million (2026)	✓	✖
HIFI	US	Bank-stablecoin Ramp API	Series A: USD 37 million (2026)	✖	✖
Velocity	UK	Stablecoin Treasury for CFOs	Series A: USD 48 million (2026)	✖	✖

Reap	HK	Stablecoin cards	Series A: USD 40 million (2022)	✓	✓
Tazapay	SG	B2B payments, ramp	Series B: USD 36 million (2026)	✓	✓
dtcpay	SG	Merchant payments	Series A: USD 25 million (2026)	✓	✓
Triple-A	SG	Merchant payments	Series A: USD 10 million (2023)	✓	✓
Interlace	SG	Stablecoin card issuing	Series B1: USD 10 million (2024)	✓	✓
StraitsX	SG	SGD and USD coins	Strategic: USD 10 million (2025)	✖	✓
XREX	TW	B2B stablecoin payments	Strategic: USD 18.8 million (2024)	✓	✓

Notable Transactions in Asia ✓ Held ✖ Not Held



Licences	Asia Pacific: Hong Kong MSO; Singapore MPI (Oct 2025) Outside Asia: Mexico Money Transmitter (Mar 2026)
Funding	Seed Rounds: USD 5 million (2019-20) Series A: USD 40 million Series A (2022)
Deal	Payward / Kraken (2026): Acquired 100% for up to USD 600 million in equity and debt
Rationale	Market Expansion: Reap's licences speed its expansion across APAC and America, while Payward's EU / US licences open corridors for Reap



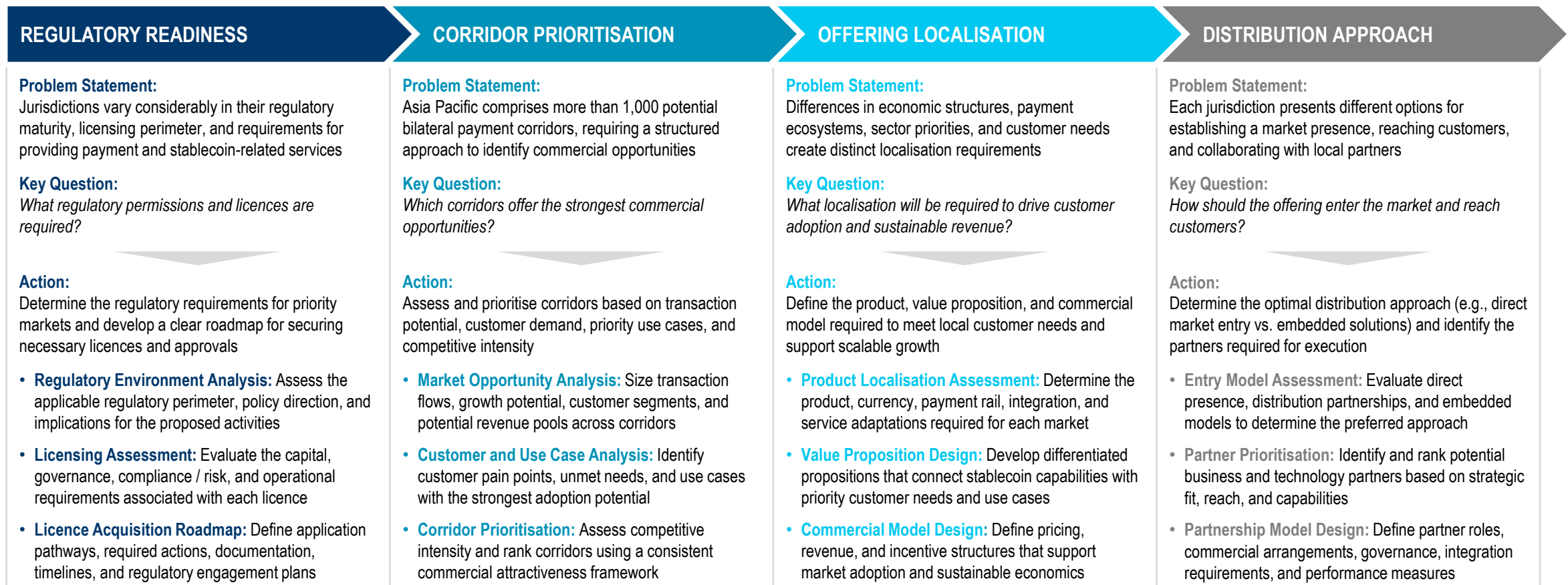
Licences	Asia Pacific: Hong Kong MSO; Singapore MPI (Aug 2023); Australia Outside Asia: US (10 states); Canada (FINTRAC, RPAA)
Funding	Series A: USD 17 million (2023) Series B: USD 36 million (2025-26)
Deal	Circle (Expected 2027): Circle agreed to buy the shares it does not already own for USD 400 million in stock - <i>subject to MAS approval</i>
Rationale	Market Expansion: Tazapay brings payment infrastructure across APAC and emerging markets with ~60% of volume involving stablecoins

WINNING IN ASIA REQUIRES A MARKET-BY-MARKET STRATEGY

Capturing the commercial value unlocked by Asia's regulatory development requires a targeted market-by-market strategy, prioritising the right corridors, localising the offering, and building the right distribution model to convert market access into scalable growth

Key Considerations

Asia Go-to-market Strategy for Stablecoin Payment Providers / Orchestrators





STRATEGY WITH A DIFFERENCE

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