



BEHIND THE PEG

THE FULL STACK OF STABLECOINS.

STATE OF STABLECOINS

SEPTEMBER 2026

In September 2026 the banking sector moved from discussing stablecoins to signed commitments and live volume. Twenty-one financial institutions agreed to set up a joint dollar stablecoin issuer, SoFi moved its entire card program to settlement in its own token, and tokenized deposits completed their first live transactions in Singapore, the US and the UK. The US legislative track stalled again when the CLARITY Act failed a procedural vote in the Senate, leaving the Federal Reserve and the OCC to keep writing the framework. In Europe the Eurosystem launched central bank money settlement for tokenized assets while calling for a tighter MiCA.

CAP \$305.7B · +0.4% M/M USDT \$183.7B · 60.1% USDC \$74.1B · ARC MAINNET LIVE

CROSS-BORDER \$220.3B · +77.5% Y/Y VISA STABLECOIN SETTLEMENT \$20B+

21 BANKS: JOINT USD ISSUER SOFIUSD: \$25B CARD PROGRAM CLARITY: CLOTURE FAILED 49-50

FED GENIUS NPRM · COMMENTS → NOV 30 OCC: 3 TRUST CHARTERS

PONTES LIVE · 13 PARTICIPANTS MAS CONSULTATION → OCT 16

STABLECOIN MARKET CAP \$305.7B +0.4% from \$304.4B on September 1 (Defillama, October 1)	USDT IN CIRCULATION \$183.7B 60.1% of the market; -\$3B over the half-year (Bloomberg)	USDC IN CIRCULATION \$74.1B +0.3% over the month; Arc mainnet launched September 16
CROSS-BORDER TRANSFERS \$220.3B ▲ +77.5% over the 12 months to June 2026 (Chainalysis)	VISA STABLECOIN SETTLEMENT \$20B+ ▲ annualized; growth of more than 15x (Visa)	BANK REVENUE AT RISK \$230B payments revenue by 2030 (Capgemini, WPR 2027)

Supply figures: Defillama, October 1, 2026; other figures: Chainalysis (September 23), Visa (September 8), Capgemini (September 24). Values vary by source methodology.

02 EXECUTIVE SUMMARY

In September 2026 banks moved from discussing stablecoins to signed commitments and live volume: 21 institutions agreed to establish a joint dollar stablecoin issuer, SoFi moved its entire card program to settlement in its own token, and tokenized deposits completed their first live transactions in three jurisdictions. With the CLARITY Act stalled in the Senate, the Federal Reserve and the OCC are writing the framework; in Europe the Eurosystem launched settlement in central bank money and proposed a tighter MiCA. Ten developments define the month.

- 01 21 institutions, including Bank of America, Citi, Goldman Sachs, UBS, Deutsche Bank and MUFG, are forming a joint issuing company: a dollar stablecoin in the first half of 2027, then the euro.
- 02 The CLARITY Act failed cloture in the Senate (49–50). The stablecoin rewards dispute remains unresolved, and US market regulation shifts to the agencies.
- 03 The Federal Reserve proposed the first GENIUS Act rules for bank-affiliated issuers: 1:1 reserves, redemption within two business days, and a presumption that third-party yield arrangements are prohibited.
- 04 The OCC granted preliminary national trust bank approvals to Bastion, Agora and Catena on one day; Block applied for its own trust bank.
- 05 Bank stablecoins entered production: SoFi settles its entire card program (more than \$25 billion a year) in SoFiUSD on the Mastercard network; U.S. Bank completed a USBDC pilot on Stellar.
- 06 Tokenized deposits completed their first live transactions: DBS and Citi on the Swift ledger, seven UK banks on the GBTD platform; Canada's OSFI treats such deposits as equivalent to conventional ones.
- 07 The Eurosystem launched Pontes, settlement of tokenized assets in central bank money; the ECB began preparing to invest part of its own funds in tokenized securities.
- 08 In its MiCA review response, the ESCB proposed removing the minimum share of reserves held as bank deposits and keeping the ban on holder remuneration.
- 09 Circle launched the Arc mainnet with BlackRock, DTCC, ICE, Visa and Mastercard among its validators and acquired Singapore-based Tazapay for \$400 million in stock.
- 10 Singapore moved the MAS stablecoin regime into legislation: the consultation on Payment Services Act amendments is open until October 16.

NO. 01

BANKS

SEPTEMBER 1

21 INSTITUTIONS ESTABLISH A JOINT DOLLAR STABLECOIN ISSUING COMPANY

WHAT HAPPENED

On September 1 a group of 21 financial institutions announced its intention to establish, in the second half of 2026, a joint company to issue a stablecoin. The first product is a dollar token with a market launch in the first half of 2027; other G7 currencies are to follow, with the euro named first. The participants are Bank of America, Capital One, Citi, Fidelity Investments, Goldman Sachs, PNC, Scotiabank, TD Bank Group, Wells Fargo and WisdomTree (North America); Santander, BBVA, Commerzbank, Credit Agricole, Deutsche Bank, Lloyds Banking Group, Rabobank and UBS (Europe); and MUFG Bank, Sirius International Holding and Standard Bank. The stated use cases are wholesale, institutional and retail payments, cross-border transfers and digital asset settlement, in compliance with the GENIUS Act and, where applicable, MiCA. BCG and Brunswick Group act as advisers.

WHY IT MATTERS

This moves the banking response to stablecoins from the stage of discussions, reported by the WSJ in August, to a signed commitment with a named membership. The original group of October 2025 counted ten banks; Barclays and BNP Paribas are not on the final list (BNP Paribas participates in the European Qivalis consortium), and JPMorgan is not among the participants. Material parameters have not been disclosed: the name of the company and the token, the blockchains, the custodian and the redemption terms. Formation of the company is subject to the satisfaction of closing conditions.

SOURCES

[PR NEWswire — JOINT STATEMENT](#)
[BLOCKHEAD](#)
[FINTECH FUTURES](#)

NO. 02

REGULATION

SEPTEMBER 14–15

THE CLARITY ACT FAILS A PROCEDURAL VOTE IN THE SENATE; THE YIELD DISPUTE STAYS OPEN

WHAT HAPPENED

On September 15 the Senate failed to invoke cloture on the motion to proceed to the digital asset market structure bill (H.R. 3633): 49 votes in favor, 50 against, with 60 required. Republicans Collins, Hawley and Moran voted against; no Democrat, including the seven who had negotiated the text, supported the bill. Senator Tillis switched his vote to no at the last moment in order to preserve the right to file a motion to reconsider. A day earlier, on September 14, eight banking associations, including the ABA, BPI and ICBA, sent Senate leaders a letter demanding that the loopholes for stablecoin rewards be closed; they described the community bank protection mechanism as ineffective. On the day of the vote the White House Council of Economic Advisers re-released its estimate that a full yield ban would increase bank lending by \$2.1 billion (0.02%) at a net welfare loss of \$800 million.

WHY IT MATTERS

Comprehensive market structure regulation in the US is unlikely to be enacted by the current Congress, although the Tillis motion formally leaves a narrow route back to the bill. The key dispute for banks — rewards paid to stablecoin holders through exchanges and intermediaries — moves into rulemaking by the Federal Reserve, the OCC and the Treasury under the GENIUS Act. The CEA figures match the April version of the report and do not constitute a new estimate.

SOURCES

[COINDESK — VOTE RESULTS](#)
[ABA — ASSOCIATIONS' LETTER](#)
[WHITE HOUSE CEA](#)
[FORBES](#)

THE FEDERAL RESERVE PROPOSES THE FIRST GENIUS ACT RULES FOR BANK STABLECOIN ISSUERS

WHAT HAPPENED

On September 24 the Federal Reserve Board issued for consultation two proposed rules for Fed-supervised issuers – subsidiaries of member banks. The first sets requirements for reserves, capital, risk management, custody and reporting: at least \$1 of eligible reserves for every \$1 issued (cash, balances at the Fed, certain bank deposits, Treasury securities maturing within 93 days, qualifying repo and eligible funds) and redemption within two business days. Certain arrangements involving third parties would be treated as prohibited payment of interest or yield. The second proposal describes the application procedure: 30 days to deem an application complete and 120 days for a decision. The proposals were published in the Federal Register on September 29; comments are due by November 30, 2026.

WHY IT MATTERS

This is the Federal Reserve's first substantive rule under the GENIUS Act and a reference point for banks preparing their own tokens, including the members of the 21-institution consortium. The presumption that third-party yield is prohibited is aligned with the OCC's approach and effectively moves into rulemaking the dispute left unresolved in the Senate. Governor Michael Barr supported the reserve restrictions but objected to a provision limiting supervisory action on AML violations to significant or systemic cases.

SOURCES [FEDERAL RESERVE – PRESS RELEASE](#) [STATEMENT BY GOVERNOR BARR](#) [FEDERAL REGISTER](#) [THE BLOCK](#)

THE OCC GRANTS PRELIMINARY NATIONAL TRUST BANK APPROVALS TO THREE STABLECOIN FIRMS

WHAT HAPPENED

On September 18 the OCC granted preliminary conditional approvals to three companies at once. Bastion, a provider of white-label infrastructure for issuers whose clients include Sony Bank, is converting its New York trust company into a national one: minimum Tier 1 capital of \$6 million, a six-month conversion window and no deposit-taking. Agora, the issuer of AUDS, and Catena, which builds financial infrastructure for payments by AI agents, received approvals to form new trust banks with capital of at least \$10 million each and up to 18 months to open. Agora intends to move AUDS issuance from its Bermuda structure into the national trust bank. Earlier, on September 8, Block disclosed an application filed on September 4 for Builders Bank & Trust, an uninsured trust bank for bitcoin and stablecoin custody with no deposits or lending.

WHY IT MATTERS

The federal trust charter is becoming the standard route for non-bank stablecoin firms ahead of the GENIUS Act taking effect. For banks this means competitors and contractors under direct federal supervision: Bastion shows that the charter goes not only to the issuer but also to the provider of the technology stack behind bank stablecoin programs. The approvals are preliminary and depend on meeting the capital and timing conditions.

SOURCES [OCC – CORPORATE DECISION #1392](#) [AMERICAN BANKER](#) [AGORA](#) [COINTELEGRAPH – BLOCK](#)

BANK STABLECOINS ENTER PRODUCTION: SOFI MOVES ITS CARD PROGRAM TO SOFIUSD, U.S. BANK TESTS USBDC

WHAT HAPPENED

On September 22 SoFi and Mastercard announced that SoFi Bank, N.A. had become the first national bank to go live with stablecoin settlement on the Mastercard network: the bank's entire debit and credit card program, with expected volume of more than \$25 billion on an annualized basis, is moving to settlement in SoFiUSD. Earlier, on September 3, SoFi and Payward (the parent company of Kraken) announced a partnership: Payward connects to the SoFi Exchange Network, a 24/7 settlement network, and SoFiUSD became available for trading on Kraken on September 4. On September 9 U.S. Bank completed a pilot transaction in its own USBDC stablecoin on the public Stellar blockchain between its North American and European units; the pilot tested minting, payment, redemption, freezing and forced return of funds.

WHY IT MATTERS

For the first time a token issued by a federally chartered bank serves full production volume rather than a pilot. The SoFi design shows how a bank uses a stablecoin inside an existing card network: merchants receive funds in their accounts instantly and are not required to hold the token. The U.S. Bank pilot matters as a test of control functions — freezing and return of funds — on a public network. SoFi's \$25 billion is an expected annual figure, not volume already settled; U.S. Bank has not given a commercial launch date.

SOURCES [BUSINESS WIRE — SOFI AND MASTERCARD](#) [NASDAQ — SOFI AND PAYWARD](#) [U.S. BANK — USBDC](#) [PYMNTS](#)

TOKENIZED DEPOSITS COMPLETE THEIR FIRST LIVE TRANSACTIONS IN SINGAPORE, THE US AND THE UK

WHAT HAPPENED

On September 5 DBS and Citi's New York unit used tokenized deposits on the Swift Digital Ledger to complete the first dollar payment between Singapore and the US on a weekend; settlement took minutes instead of up to two business days. On September 24 UK Finance reported the first live customer transactions in tokenized sterling deposits: Barclays, HSBC UK, Lloyds Banking Group, Monzo, Nationwide, NatWest and Santander completed two mortgage refinancing transactions and one marketplace purchase on a platform built by Quant. On September 10 Canada's regulator OSFI stated that tokenized deposits are not legally distinct from traditional ones; the OSFI capital guideline places tokenized traditional assets in Group 1a, with the same treatment as the non-tokenized equivalent.

WHY IT MATTERS

While private issuers increase their share of payments, banks are building an alternative on their own balance sheets: the deposit keeps depositor protection and does not move funds out of the banking system. The OSFI position settles the capital treatment question for Canadian banks: the guideline takes effect on November 1, 2026 for institutions with a fiscal year ending October 31. The limitation is that all three projects operate in closed perimeters, and their interoperability with public stablecoin networks is unresolved.

SOURCES [DBS — PRESS RELEASE](#) [UK FINANCE — PRESS RELEASE](#) [OSFI — STATEMENT](#)

THE EUROSISTEM LAUNCHES PONTES: TOKENIZED ASSET SETTLEMENT IN CENTRAL BANK MONEY

WHAT HAPPENED

On September 21 the Eurosystem launched Pontes, a service for wholesale settlement of tokenized assets in central bank money that links TARGET Services with market DLT platforms. At launch, 13 market participants (including Deutsche Bank, Santander, Societe Generale, DZ Bank, KfW and the EIB) and four DLT operators — Axiology, Cashlink, Clearstream and SWIAT — were connected. Functionality and operating hours will be extended, with full implementation expected by 2028. On the same day the ECB began preparatory work to invest a small portion of its own funds in tokenized securities of euro area governments and supranational issuers, settled through Pontes; the amount and timing were not disclosed. The launch was preceded by a speech by ECB Executive Board member Isabel Schnabel at Jackson Hole on August 28, in which stablecoins were described as a complement to central bank money rather than a replacement for it.

WHY IT MATTERS

The European response to dollar stablecoins is built through central bank infrastructure: tokenized transactions receive a settlement asset free of issuer credit risk. For euro area banks this reduces the need for a private token to settle digital securities. At launch, finality of the cash leg remains in TARGET; migration to a Eurosystem DLT platform is the next stage. The long-term architecture is defined by the Appia project, whose contact group of 61 organizations began work in September.

SOURCES

[ECB — PONTES LAUNCH](#)
[ECB — OWN FUNDS INVESTMENT](#)
[ECB — SPEECH BY ISABEL SCHNABEL](#)

THE ECB AND EU NATIONAL CENTRAL BANKS PROPOSE REVISING THE MiCA RESERVE RULES

WHAT HAPPENED

On September 22 the European System of Central Banks (the ECB and the EU national central banks) published its response to the European Commission's targeted consultation on the MiCA review, which closed on September 30. The ESCB proposes removing the requirement to hold at least 30% of reserves (60% for significant tokens) as bank deposits and replacing it with minimum shares of assets maturing within one and five business days, taking the EBA's draft technical standards as the starting point. The regulator notes that issuer deposits carry a 100% outflow in the LCR calculation. The ESCB also supports keeping the ban on holder remuneration and extending it to lending, staking and loyalty programs, transferring supervision of crypto-asset service providers to ESMA, and clarifying the legal treatment of multi-issuance schemes with third-country issuers.

WHY IT MATTERS

The current MiCA rule makes euro area banks recipients of unstable funding from issuers: in a mass redemption, deposits leave at once. The ESCB proposal reduces this risk for bank balance sheets but also shrinks the deposit base banks have been receiving from issuers. Extending the remuneration ban to exchanges and staking matches the position of the US banking associations. The decision rests with the European Commission; no legislative proposals following the consultation have been published yet. In parallel, the Qivalis consortium of 37 European banks chose public Ethereum for its euro stablecoin; its EMI license is under review at the Dutch central bank.

SOURCES

[ECB — ESCB RESPONSE \(PDF\)](#)
[EURONEWS](#)
[QIVALIS](#)

CIRCLE LAUNCHES THE ARC MAINNET WITH MAJOR FINANCIAL INSTITUTIONS AS VALIDATORS AND ACQUIRES TAZAPAY

WHAT HAPPENED

On September 16 Circle launched the public mainnet of Arc, its own EVM-compatible layer-1 blockchain in which fees are paid in USDC. The founding set of 11 validators comprises BlackRock, DTCC, Galaxy, ICE, Mastercard, MoneyGram, SBI Group, Standard Chartered, Sumitomo Corporation, Visa and Worldpay; BNY, BTG Pactual, HSBC, Lead Bank, Societe Generale, Standard Chartered and State Street have access to the network. Circle minted 10 billion ARC tokens at genesis, stating that this is not a commitment to a public launch of the token. On September 8 Circle disclosed an agreement to acquire the Singapore-based payments company Tazapay for \$400 million in Class A stock: Tazapay has more than \$25 billion in annual payment volume, about 60% of it linked to stablecoins, and payout infrastructure in more than 100 markets. Closing is expected in 2027 and requires approvals, including from MAS.

WHY IT MATTERS

The largest institutions in traditional finance are operating, not testing, the public blockchain network of a stablecoin issuer. For Circle this is vertical integration: its own settlement layer and, through Tazapay, the banking relationships and local payouts that cannot be issued on a blockchain. For banks, Arc is one more infrastructure competing with their own tokenized deposit networks. At launch the network runs with a limited set of validators; Circle is considering a possible transition to proof of stake for 2027.

SOURCES [BUSINESS WIRE — CIRCLE ARC](#) [CIRCLE 8-K \(STOCKTITAN\)](#) [BANKING DIVE — TAZAPAY](#)

SINGAPORE MOVES THE MAS STABLECOIN REGIME INTO LAW

WHAT HAPPENED

On September 1 MAS published a consultation on amendments to the Payment Services Act 2019 that give legal force to the single-currency stablecoin regime finalized in 2023. The regime covers stablecoins issued in Singapore and pegged to the Singapore dollar or a G10 currency. The requirements: reserves of at least 100% at all times with daily revaluation, custody in segregated trust accounts at licensed custodians, redemption at par within five business days, a ban on paying interest or benefits based on the amount held, stress testing and recovery plans. Three categories are introduced: MAS-regulated stablecoins, systemically important stablecoins and MAS-recognized foreign stablecoins. The consultation is open until October 16, 2026.

WHY IT MATTERS

Singapore is building the most detailed regime in Asia, compatible on its key parameters — full reserves and a yield ban — with the GENIUS Act. A separate procedure is set out for stablecoin issuance by banks. The recognition mechanism for foreign tokens will determine the terms of access for US dollar stablecoins to the Singapore market. MAS states separately that regulated stablecoin status does not imply an MAS guarantee and does not replace deposit insurance.

SOURCES [MAS — CONSULTATION PAPER \(PDF\)](#) [BAKER MCKENZIE](#) [BLOCKHEAD](#)

Items to monitor in October and beyond.

- ✚ Brazil's Central Bank Resolution 561 takes effect on October 1, prohibiting the use of stablecoins and other virtual assets for settlement in eFX services.
- ✚ The MAS consultation on amendments to the Payment Services Act closes on October 16; comments on the Federal Reserve's GENIUS Act proposals are due by November 30.
- ✚ The OCC has previously targeted November for its final GENIUS Act rule. The Act takes effect on January 18, 2027, or 120 days after final rules, whichever comes first.
- ✚ The fate of the CLARITY Act depends on the motion to reconsider filed by Senator Tillis; the calendar of the current Congress leaves little time for it.
- ✚ The 21-institution consortium is due to establish its issuing company by the end of 2026 and to disclose the name, blockchains, custodian and redemption terms.
- ✚ On September 30 Visa, Mastercard, Stripe and Coinbase launched the OUSD dollar stablecoin through the Open Standard consortium; its development will be covered in the October issue.
- ✚ The European Commission is processing responses to the MiCA review consultation; Qivalis awaits its EMI license from the Dutch central bank to launch a euro stablecoin in the second half of the year.

ABOUT THIS DIGEST

State of Stablecoins is the monthly digest of Behind the Peg — the full stack of stablecoins. It is prepared for professionals in traditional and digital finance and for businesses in the real economy that follow the integration of stablecoins into mainstream finance. The digest covers September 1–30, 2026. Facts and figures are drawn from primary sources — bank, issuer and payment-network press releases, regulator and central bank publications, research materials and industry press; sources are linked for each item. This material is provided for informational purposes only and does not constitute investment, legal or tax advice.

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