

Market Intelligence

Major Trends in Tokenization

January 10, 2026

- **The tokenization of equities gained significant traction in 2025, but most current offerings are derivatives structured for offshore markets, not direct U.S. stock ownership.**
- **The core attraction for buyers is superior capital efficiency and atomic composability, enabling 24/7 access, near-instant settlement, and higher loan-to-value thresholds.**

The tokenization of real-world assets (RWAs) has shifted from a fringe experiment to a structural theme in global markets. Excluding stablecoins, “distributed” RWAs now account for roughly \$18B in value, up about 18x since 2022. Here, “[distributed](#)” refers specifically to tokenized assets that can be withdrawn to self-custodial wallets and transferred freely between wallets on public blockchains. Under this definition, the landscape is dominated by tokenized U.S. Treasuries, with smaller but growing footholds in commodities, alternative investment funds, private credit, and equities.

However, this framing notably excludes large platforms like Figure, which do not always support wallet-level portability. If these were included, private credit would screen as the largest category of RWAs overall. In our view, the onchain RWA footprint remains small relative to the total addressable market (TAM), as there is still substantial room for growth and meaningful upside from new product innovations. Such innovations offer a unique opportunity to serve populations that are currently underserved or entirely unserved by traditional financial institutions.

Regulation has been a key driver for adoption. In the U.S., the enactment of the GENIUS Act in 2025, combined with a more openly constructive SEC under Chair Paul Atkins, has started to define a federal framework for digital asset securities and tokenized financial products. In Europe, MiCA and its distributed ledger technology (DLT) pilot regime give issuers and venues a clear path to operate within existing securities law. Across Asia and the Middle East, initiatives like Singapore’s Project Guardian and the UAE’s VARA regime are establishing multiple regional hubs for tokenization. The result is that tokenization is being absorbed into existing regulatory perimeters, not being left outside them.

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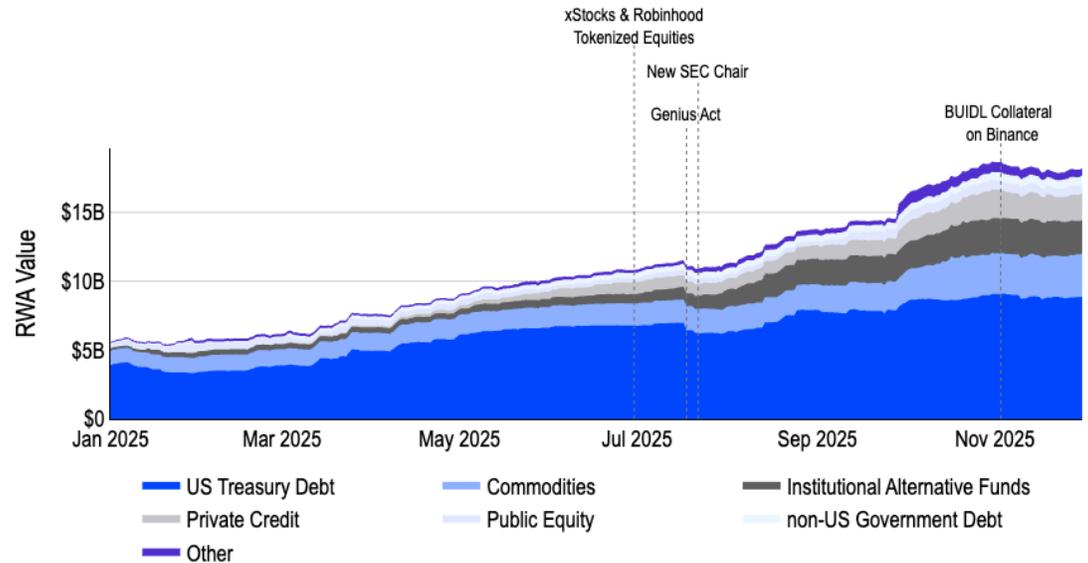
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Institutional adoption is following that legal clarity. BlackRock’s BUIDL tokenized money market fund and Franklin Templeton’s onchain money market products have become core building blocks, with [BUIDL](#) alone exceeding \$2B in total asset value, representing ~25% of all tokenized U.S. Treasuries. Banks and asset managers (from JPMorgan’s Kinexys platform to UBS, Apollo, and others) have already deployed tokenized funds, bonds, deposits, and private credit, with total assets onchain increasing throughout 2025.

Chart 1. Total “distributed” RWA value by asset type



Network-wise, the market has largely coalesced around Ethereum (L1 and L2s) as the primary settlement layer for institutional RWAs. That said, late 2025 marked a clear shift toward a more multi-chain footprint, as capital began to disperse across other ecosystems:

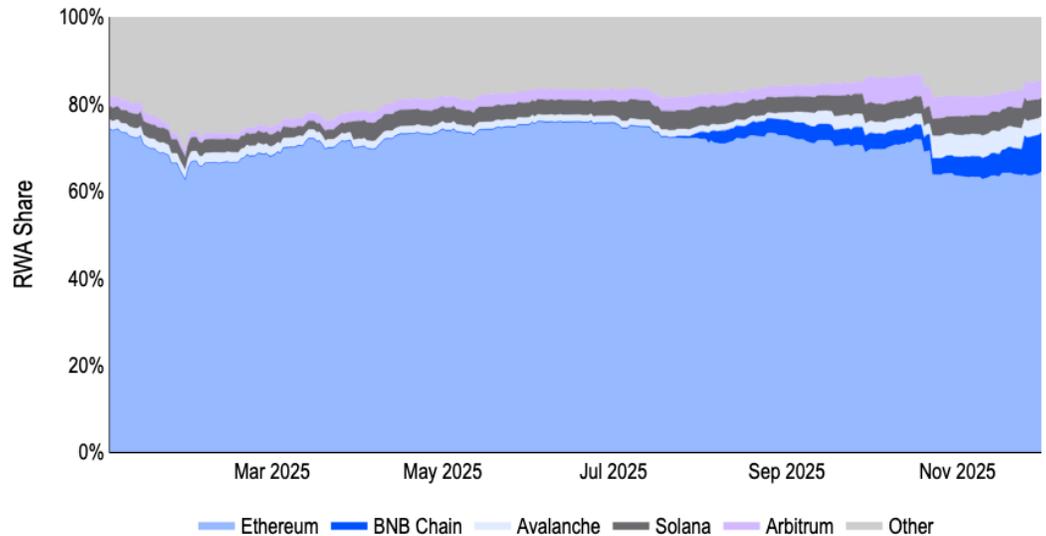
1. Solana gained share on the back of allocations from BUIDL, other institutional funds, and tokenized equity issuers
2. Avalanche attracted flows from BUIDL and the Janus Henderson CLO fund
3. Polygon saw meaningful allocations from BUIDL and JusToken’s commodity products
4. BNB Chain became a key venue for Circle’s USYC money market fund

Looking ahead to 2026, we think it’s clear that RWAs are becoming a third pillar of digital assets, alongside stablecoins and “pure crypto” (BTC, ETH, DeFi, etc.). Importantly, RWA flows have so far been uncorrelated with “pure

crypto" performance.

- For conservative capital, tokenized U.S. Treasuries and money market funds offer transparent yield on safe assets.
- For alternative allocators, tokenized private credit and real estate offer higher yields with programmable covenants.
- For growth-oriented investors, tokenized equities and niche assets provide a bridge from traditional risk assets to DeFi composability.

Chart 2. Distributed" RWA market share by chain



Sources: rwa.xyz and Coinbase

Tokenized Equities

Tokenized equities sit at the intersection of public markets and DeFi, but they remain small in absolute size relative to other RWA categories. Conceptually, tokenized equities are blockchain-based instruments that represent exposure to traditional stocks or stock funds. Structurally, they fall into two broad buckets:

- **Full security tokens**, where the token represents a legal claim on the underlying security held by a regulated custodian, usually within a fund, trust, or special purpose vehicle (SPV) structure. These may carry dividend and voting rights, and they are clearly treated as securities.
- **Synthetic or derivative tokens**, which track the price of a stock or ETF via derivatives but do not confer legal ownership or governance rights.

The current regulatory trend strongly favors true tokenized securities over unregulated synthetics. Under the emerging U.S. and EU frameworks, tokens representing stock exposure are generally expected to be issued 1:1 against underlying assets, with full disclosure and transfer restrictions appropriate for securities. Within those constraints, however, the trading experience in DeFi hinges on design, and 2025 saw two distinct operating models emerge.

1. In a **Walled Garden Model**, compliance is embedded directly at the token layer. Here, token contracts are “allow-listed” and tied to KYC-verified wallets, or kept non-transferable off-platform, so that non-verified persons (including U.S. persons) are technologically gated from access. Ondo, for example, gates certain RWA tokens via onchain allowlists and KYC-linked wallet eligibility, enforcing transfer restrictions onchain. Dinari similarly requires verified wallets and screens jurisdictions before granting access, and Robinhood EU's tokenized stocks are kept non-transferable to remain within its regulatory perimeter. This approach shows that blockchain rails can enforce the strictest compliance constraints by design through white-listing and having platform-constrained transfer rules.
2. In a **Freely Transferable Model**, the instrument is still issued only to KYC-verified users, but once minted it can move freely onchain and be used as collateral across protocols. Kraken's xStocks, issued by Backed Finance as Solana-native tokens, are withdrawable to self-custody and usable across DeFi while remaining unavailable to U.S. persons at the primary interface. Here, compliance relies more on perimeter controls and secondary-market surveillance than on hard token-level transfer locks.

The contrast between these models highlights foundational industry debates around transferability and access.

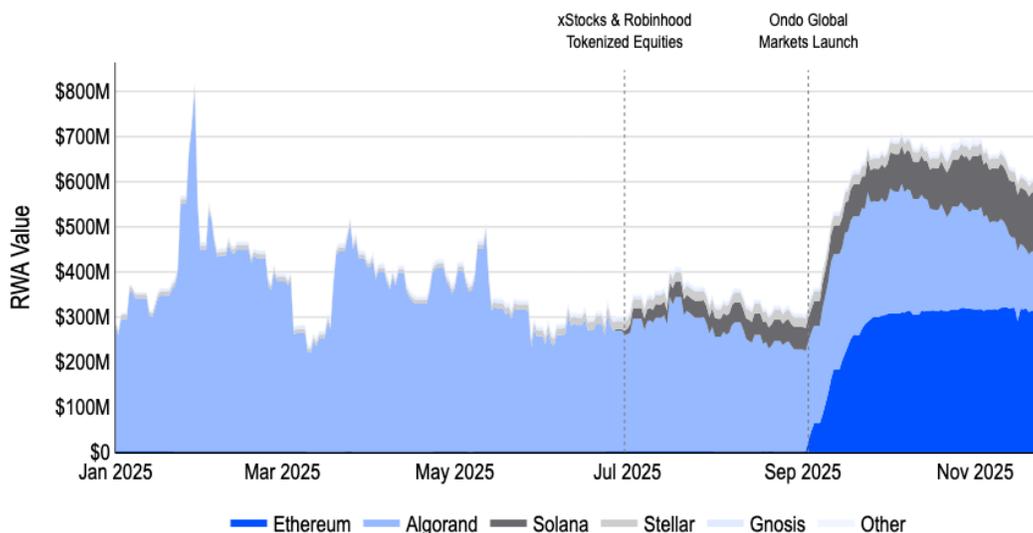
Several 2025 developments set the stage for a more meaningful tokenized equity market in 2026:

- Retail exchanges embraced tokenized stocks. Robinhood launched hundreds of tokenized U.S. stocks and ETFs, settled onchain on Arbitrum, and accessible from familiar brokerage interfaces. This was the first clear example of a mainstream brokerage distributing tokenized equities at scale to non-U.S. retail users.
- Crypto exchanges listed tokenized blue-chips. Exchanges like

Kraken and Bybit have listed tokenized U.S. blue-chip stocks, issued by Backed Finance as Solana-native tokens. This creates a structure where a regulated token issuer, a high-performance L1, and a centralized orderbook interlock to offer stock exposure with DeFi composability underneath, following the Freely Transferable Model.

- Infrastructure institutions piloted tokenized-equity settlement. Nasdaq, DTCC, and large custodians have expanded DLT-based pilots, focusing on faster settlement, collateral mobility, and netting, rather than direct retail trading. The priority is to reduce frictions (e.g., settlement risk, collateral fragmentation) rather than to replace existing equity exchanges.
- Large U.S. players, including Coinbase, have sought explicit SEC pathways. This signals that tokenized equities are a strategic priority and a point of regulatory discussion. The industry-wide and U.S. focused engagement on RWA tokenization reflects strong interest in potentially integrating these offerings, which would further democratize access for a global user base, if approved.

Chart 3. Tokenized equity value by chain



Sources: rwa.xyz and Coinbase.

Despite these developments, the scale is still modest. Tokenized public equities (stocks and equity funds) are still under \$1B, versus ~\$28B for tokenized Treasuries and private credit. But we think the strategic importance is high. Moves by traditional players like Nasdaq into DLT-based equity settlement, combined with keen interest from crypto-native firms like Coinbase, underscore a clear trajectory: tokenized RWAs, particularly

equities, are on a path to widespread adoption. This convergence of traditional finance and decentralized technology holds the potential to reshape investment strategies, enable fractional ownership in blue-chip names, enhance liquidity for cross-border investors, and unlock new avenues for capital formation.

From a utility perspective, tokenized equities offer three core advantages:

1. **Settlement delays:** moving from T+1 to near-instant atomic delivery-vs-payment on a shared ledger can reduce counterparty risk, margin requirements, and settlement failures.
2. **Intermediation costs:** in private and cross-border equity markets, where multiple intermediaries add cost and complexity, tokenization compresses parts of the stack.
3. **Pre-IPO access:** by tokenizing exposure to late-stage private companies (such as OpenAI and SpaceX), platforms like Robinhood and Republic are offering retail users pre-IPO exposure to a private market that used to be exclusively limited to accredited investors and institutions.

At the same time, new risks appear:

- **Market depth risk:** Orderbooks for tokenized stocks remain thin. Slippage and volatility can be significantly higher than in the underlying equity markets, especially during post-market hours or under stressed market conditions.
- **Oracle risk:** Off-chain prices (e.g., AAPL on NASDAQ) must be brought onchain via oracles. Errors, lags, or manipulations can break the economic equivalence between token and underlying collateral.
- **Regulatory fragmentation:** Different jurisdictions impose different rules on who can own what and how secondary transfers work. Even with the new regulatory clarity, cross-border distribution remains complex, and the choice between Walled Garden and Freely Transferable token designs adds another dimension to that fragmentation.

Looking into 2026, we think a reasonable base case is that tokenized equities remain a small but rapidly expanding slice of the RWA landscape. The pace of that growth will likely hinge on (1) whether U.S. regulators approve tokenized equity listings for U.S. investors and (2) which design model they adopt. If a Freely Transferable model is permitted, tokenized stocks could circulate across DeFi, serving as collateral in lending markets,

underlying assets in structured notes, and core components of onchain portfolio construction, rather than just a new trading venue for the same exposure. Otherwise, with today's relatively thin tokenized-equity order books, the benefits of extended trading hours do not yet offset the negatives of lower depth and higher friction.

Dominant Asset Types for Tokenization

While tokenized equities received disproportionate attention in 2025, the bulk of tokenized value resides in other asset classes.

U.S. Treasuries

Tokenized U.S. Treasuries more than doubled its total asset value in 2025. This growth was driven primarily by a handful of institutional-grade issuers and wrappers that packaged short-duration sovereign exposure into tokens with daily yield accrual.

BlackRock's BUIDL fund, issued via Securitize, is now one of the largest individual RWA protocols, with several billion dollars tokenized and distributed across a few chains. Additionally, Ondo Finance's products (such as OUSG and related wrappers) give investors tokenized access to short-term Treasury exposure and are increasingly integrated into both DeFi protocols and institutional platforms. Collectively, these products have turned tokenized Treasuries into a core building block for institutional onchain strategies.

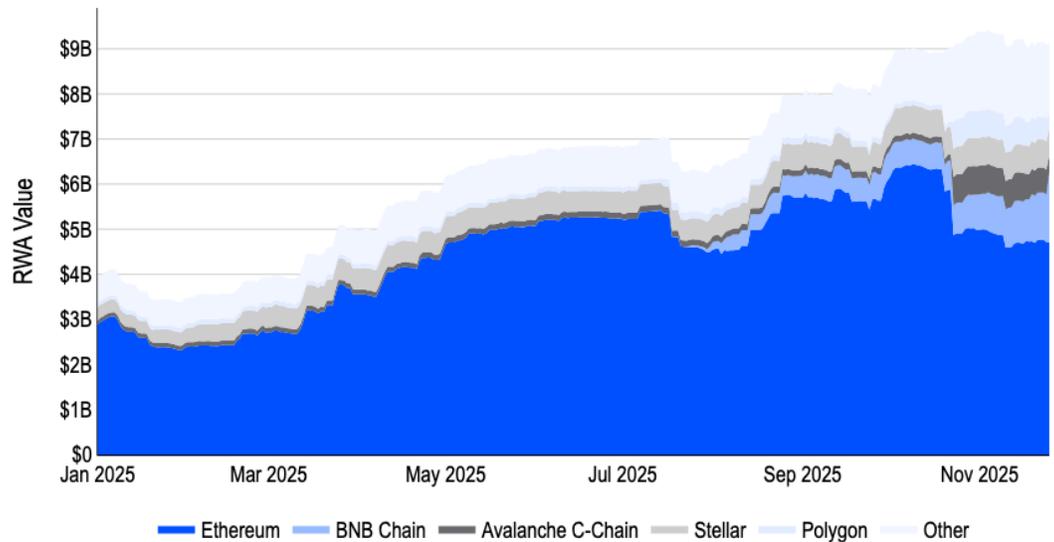
We think tokenized U.S. Treasuries matter for two primary reasons:

1. **They are becoming base collateral for the onchain system.** As more lending protocols, derivatives venues, and institutional platforms accept tokenized Treasuries as collateral, these tokens begin to function more like foundational collateral, similar to how T-bills underpin traditional money markets. Increasingly, a token like BUIDL or OUSG can sit at the core of a strategy: posted as margin, rehypothecated in structured products, or used as a reserve asset in stablecoin or credit protocols.
2. **Liquidity and access are structurally better than traditional wrappers.** Tokenized T-bill and money-market products trade 24/7, settle near-instantaneously onchain, and can be moved between

venues with a simple onchain transfer instead of wires, cut-off times, or T+1 fund settlement. That makes it much easier for investors to rebalance or rotate between strategies without parking cash in non-yielding stablecoins.

For 2026, we think that tokenized Treasuries are likely to remain the core entry point for traditional money moving onchain. They offer a relatively low-volatility, high-clarity instrument that offers diversified returns from BTC, ETH, or SOL, yet can sit alongside those assets in onchain wallets and DeFi protocols.

Chart 4. Tokenized Treasuries total asset value by chain



Sources: rwa.xyz and Coinbase.

Commodities

Tokenized commodities tripled in total asset value in 2025, bringing traditional real assets like gold, silver, base metals, and agricultural products onto blockchain rails. Structures range from fully backed, redeemable 1:1 tokens (where each token corresponds to a specific bar or inventory unit in a regulated vault) to fund- or ETF-style wrappers that track spot or futures prices without conveying direct title to the underlying.

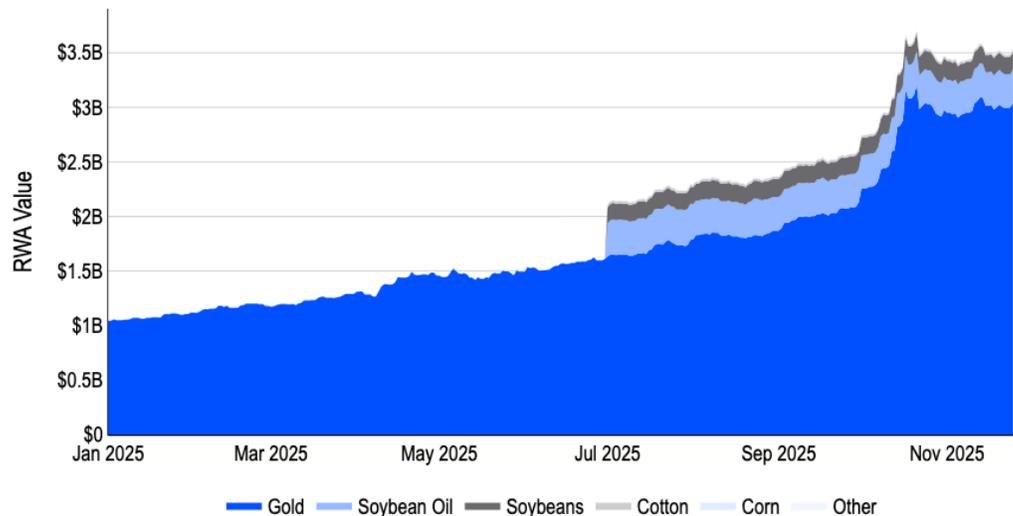
Gold was the clear leader in 2025, driven by its parabolic price action. Tokens such as PAX Gold and Tether Gold now account for the bulk of tokenized commodities by value, with a combined market cap of ~\$3B. Each token typically represents one troy ounce of Good Delivery gold stored at institutional vaults, with onchain ownership and redemption

options above a minimum size. These instruments have generally tracked spot gold closely, occasionally trading at modest premiums or discounts that reflect mint/redeem fees and crypto liquidity conditions, rather than persistent mispricing. Several European banks and asset managers have also piloted tokenized gold notes and structured products, extending gold tokens into regulated fixed-income wrappers.

Industrial and agricultural commodities are at an earlier stage, but their growth in 2025 illustrates the structural potential. Growth in this segment was driven by JusToken (formerly Agrotoken), which has emerged as the top agricultural-commodity tokenization platform globally by market cap. Initially built around Latin American agriculture, JusToken issues tokens such as JSOY_OIL (soybean oil), JSOY (soybeans), JCOT (cotton), and JCORN (corn), that represent claims on specific physical commodities held and monitored within its network. Together, these funds account for ~\$500M in onchain value and represent a significant share of the tokenized activity on Polygon.

Economically, JusToken shows how tokenization can turn silo receipts and export flows into programmable collateral: farmers and agribusinesses can convert production into onchain assets, use them to secure short-term financing, or tap new investor bases that previously had no practical way to take granular exposure to agricultural commodities.

Chart 5. Commodities total asset value



Sources: rwa.xyz and Coinbase.

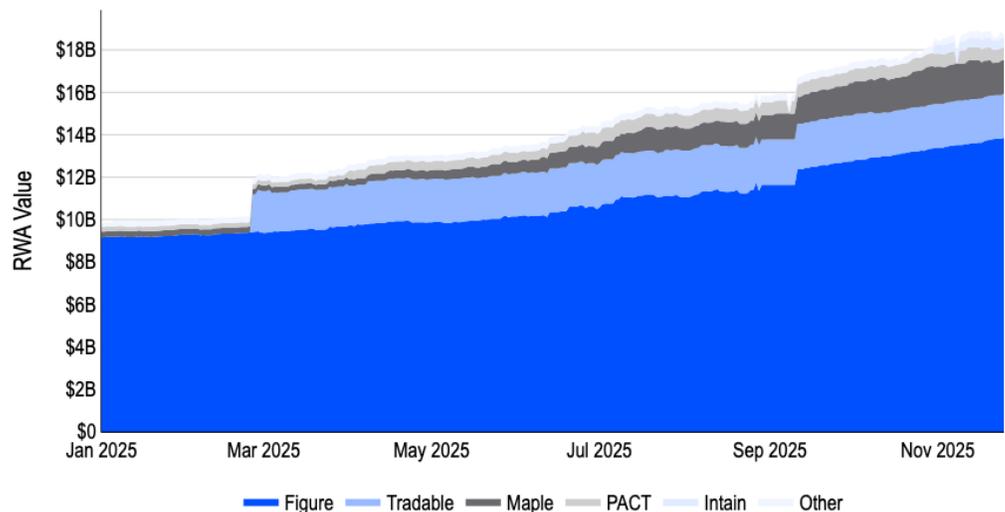
We expect commodity tokenization to increase in 2026 due to a few structural advantages:

1. Tokenization centralizes storage, insurance, and verification with professional custodians, while placing proofs and audits onchain – lowering the effective transaction costs for end-investors.
2. Spot-backed tokens remove the need to roll futures and help avoid basis risk for long-horizon holders.
3. Programmable DvP reduces settlement and counterparty risk in markets that still rely heavily on bespoke OTC arrangements.
4. Tokenized commodities provide a way to hold real-asset exposure and inflation hedges while also offering collateral use across a broader range of onchain strategies.

Private Credit

Private credit RWAs constitute ~\$19B of active loans. Platforms like Figure (with ~\$14B of active loans on the Provenance blockchain), have demonstrated that onchain loan registers and securitizations can meaningfully reduce costs and settlement times.

Chart 6. Private credit active loans value



Sources: rwa.xyz and Coinbase.

Tokenization addresses several pain points in credit markets:

- **Information asymmetry:** onchain loan details, real-time performance metrics, and standardized covenants make it easier for investors to assess loan pools.
- **Adverse selection:** better borrower data and automated covenant enforcement can, in theory, support more efficient risk-based pricing.
- **Settlement friction:** onchain representation of loan interests allows faster securitization, repo, and collateral re-use.

In 2026, we think tokenized private credit will likely remain a primary driver of RWA growth. Institutional allocators seeking incremental yield over Treasuries, but wary of DeFi-native leverage loops after October 10's liquidation event, may increasingly use tokenized credit to access diversified, collateralized loan exposure with transparent onchain reporting.

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