Stablecoin Adoption In Emerging Markets

The Report for Global Business Leaders

Table of contents

Executive Summary

The global financial landscape is rapidly evolving, with digital currencies reshaping economies worldwide. For years, cryptocurrency remained a dominant trend despite volatility. But in 2024, a new force took centre stage - stablecoins.

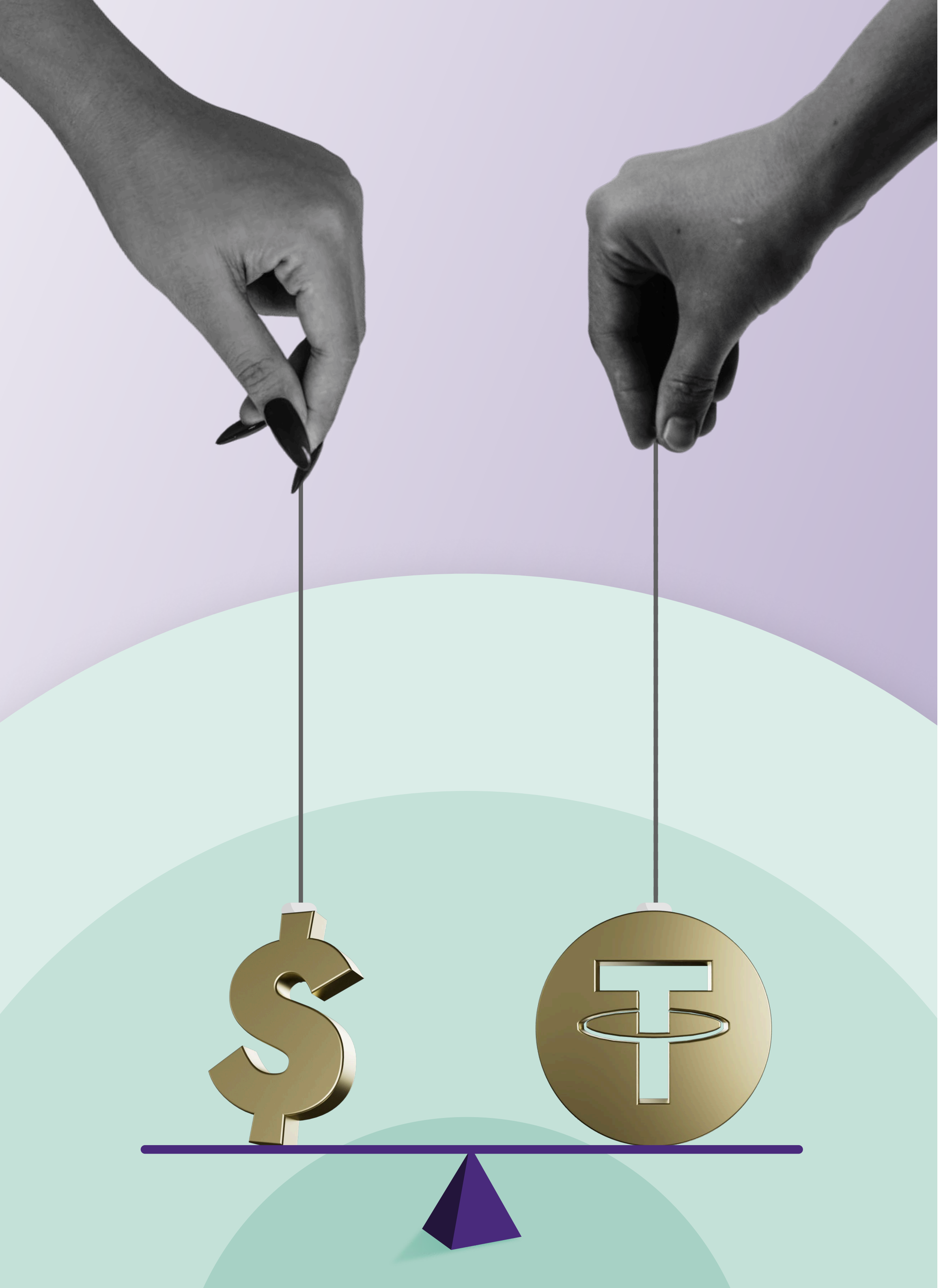
While stablecoins are rapidly gaining traction worldwide, their adoption in emerging markets presents a particularly compelling narrative. Globally, stablecoins are recognised for international payments and settlements, but their utility in emerging markets extends far beyond such transactions.

As a pioneer in the digital finance industry, Yellow Card has emerged as the leading stablecoin payments infrastructure provider for Africa and emerging markets. Our platform enables seamless international payments, treasury management solutions, and reliable access to hard currency liquidity in regions where these services are critically needed.

Through years of on-the-ground experience and successful market penetration, we have gained unparalleled insights into the unique challenges and opportunities within these markets. With our proven track record of innovation and deep understanding of local market dynamics, we are uniquely positioned to share valuable insights that can help shape the future of digital payments and financial inclusion in emerging economies.

This report explores the dynamic role of stablecoins in emerging markets with a focus on: Latin America, Southeast Asia, the Middle East, and Africa - highlighting how these digital assets are reshaping financial practices and unlocking new economic opportunities.

Through data-driven insights, we examine how stablecoins are driving financial inclusion, empowering consumers and businesses alike, and transforming the landscape of global finance.



Introduction to Stablecoins

Definition and types of stablecoins

Ordinarily tied 1:1 to assets like the U.S. dollar or commodities like gold, stablecoins combine the benefits of crypto with the stability of traditional finance.

There are three main types of stablecoins. The most popular are fiat-collateralized, such as USDC and USDT. These are backed 1:1, usually by USD cash reserves and U.S. treasuries, and account for about 91% of stablecoins[1]. Secondly, there are crypto-collateralized stablecoins, such as DAI, which are backed by other cryptocurrencies, and thirdly, algorithmic stablecoins, which use algorithms and market incentives to manage supply and demand without collateral.

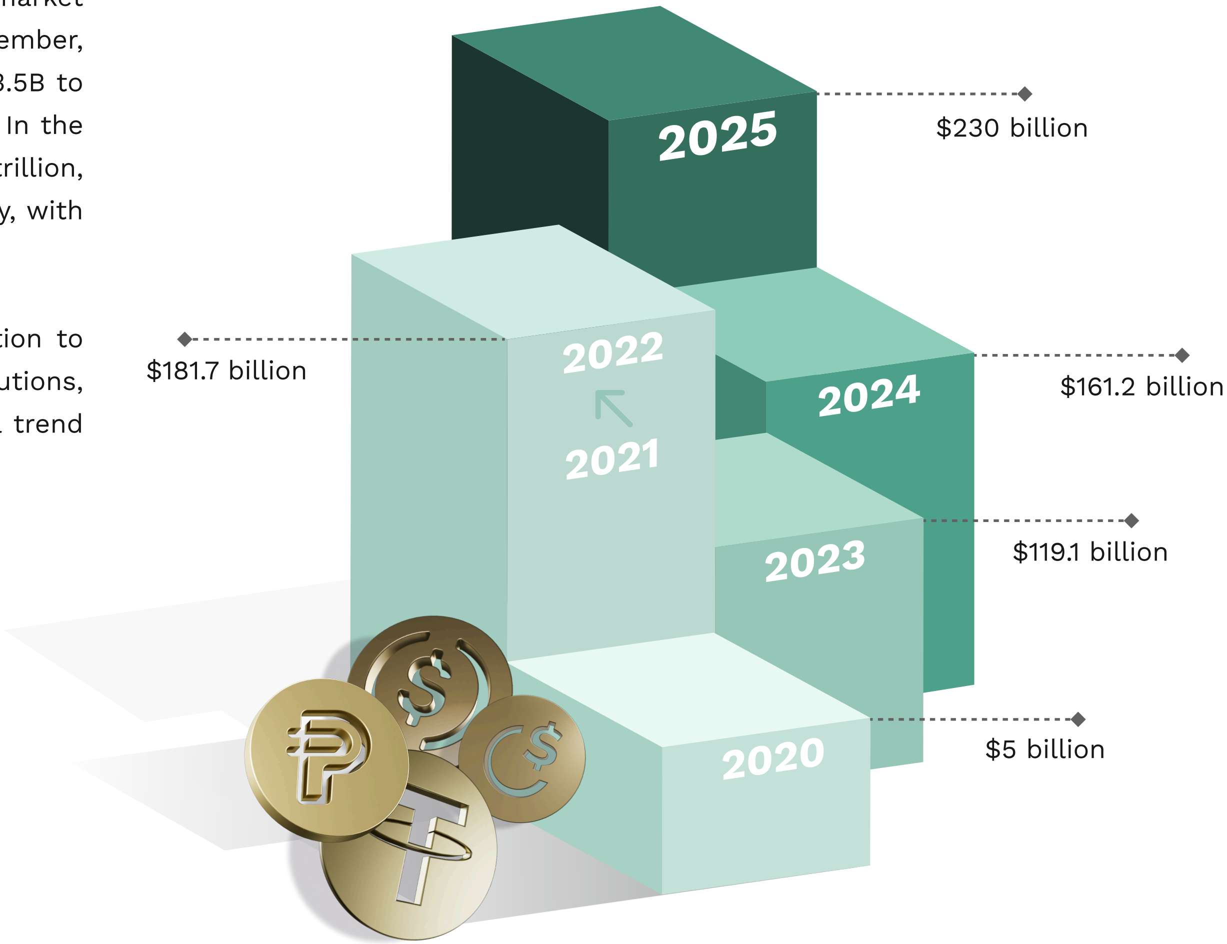
Each type offers different trade-offs in terms of transparency, decentralization, and risk. Fiat-backed coins tend to be more stable and widely used, especially in emerging markets, while crypto-backed and algorithmic models aim for decentralization but can be more volatile.

[1]"The State of Stablecoins 2025", Observers, accessed April 18 2025 https://www.observers.com/the-state-of-stablecoins-2025/

In the last first five years the stablecoin market cap has seen significant increase. In 2020 the total stablecoin market cap was around $5 billion at the start of the year; in 2021 it peaked at $181.7 billion in March 2022, following the surge in demand for digital assets. Then in 2022 after the collapse of Terra's UST stablecoin, the market cap declined significantly. 2023 saw it recovering in November, reaching $119.1 billion and then in 2024 market cap grew by $73.5B to $161.2B.[2] In May 2025, the market cap was around $230 billion. In the same year, the transaction value of stablecoins hit $15.6 trillion, roughly 119% and 200% that of Visa and Mastercard, respectively, with the number of transactions reaching 110 million monthly[3].

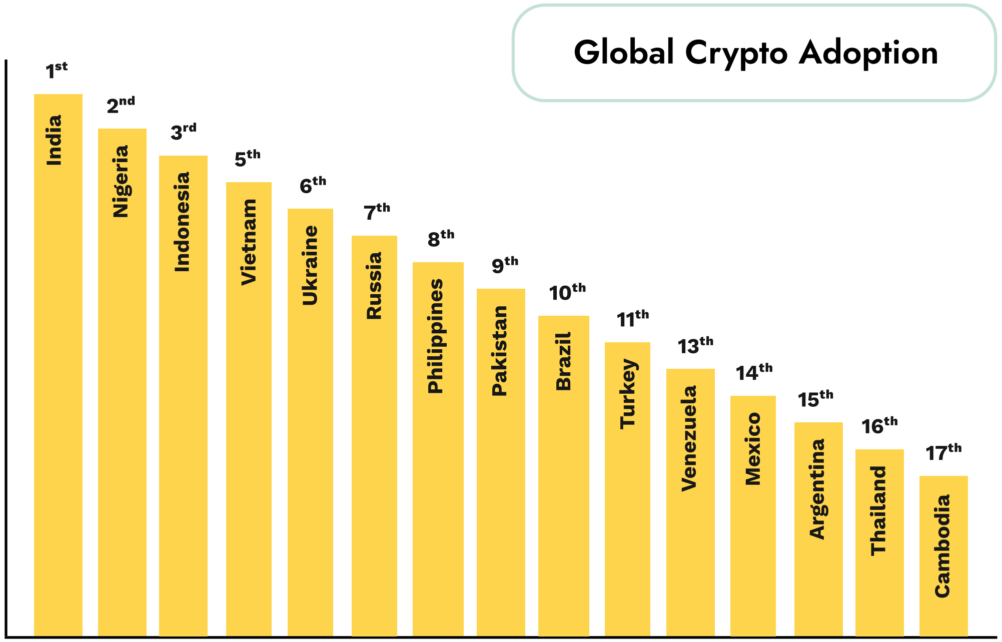
From tech startups safeguarding their capital against devaluation to individuals seeking seamless, innovative payment solutions, stablecoins are empowering people in unprecedented ways – a trend that shows no signs of slowing down in 2025.

Stablecoin Market Cap 2020 - 2025



[2] "2024 Annual Crypto Industry Report", CoinGecko, accessed May 16 2025 https://assets.coingecko.com/reports/2024/CoinGecko-2024-Annual-Crypto-Industry-Report.pdf
[3] "Ark Invest: Stablecoin transaction value reached $15.6T in 2024, beats Mastercard and Visa", Bidget, accessed April 28 2025 https://www.bitget.com/news/detail/12560604554133

Development in emerging markets within the broader global context



Reference:
Chainalysis Global Crypto Adoption Index

According to the 2024 Chainalysis Global Crypto Adoption Index[4], emerging markets dominate the top 20, with India ranked 1st, Nigeria 2nd, Indonesia 3rd, Vietnam 5th, Ukraine 6th, Russia 7th, the Philippines 8th, Pakistan 9th, Brazil 10th, Turkey 11th, Venezuela 13th, Mexico 14th, Argentina 15th, Thailand 16th, and Cambodia 17th. Chainanalysis' Index no doubt highlights the strong grassroots adoption of crypto across regions like Central and Southern Asia, Sub-Saharan Africa, Latin America, and Eastern Europe.

With this in mind, stablecoins are becoming an indispensable part of finance in emerging markets, driving economic empowerment and fostering greater financial inclusion in the consumer market and in business.

Currently, some of the most popular stablecoins in these regions include:

- Tether (USDT): The most widely used stablecoin in Africa, particularly on the Tron network, facilitating low-cost transactions. Key countries include Nigeria, Argentina, Turkey, and India.
- USD Coin (USDC): Issued by Circle, USDC is widely used in Latin America, parts of Africa (South Africa, Kenya), and Southeast Asia.

[4] "The 2024 Global Adoption Index: Central & Southern Asia and Oceania (CSAO) Region Leads the World in Terms of Global Cryptocurrency Adoption", Chainalysis, accessed April 18 2025 https://www.chainalysis.com/blog/2024-global-crypto-adoption-index/

Let’s take a closer look at the key developments unfolding across Latin America, Southeast Asia, the Middle East, and Africa:

Latin America

In 2023, a surge in inflation drove significant crypto adoption in Argentina, leading to $91 billion being deposited into cryptocurrencies from July 2023 to June 2024.[5] Remarkably, 61.8% of these transactions involved stablecoins, a figure well above the global average of 44.7%, pointing to their growing role in providing economic security. Brazil has also shown a strong inclination towards stablecoins, with 59.8% of its cryptocurrency transactions involving stablecoins.[6] The country’s central bank is currently in the process of piloting its own central bank digital currency (CBDC), the Drex.[7]

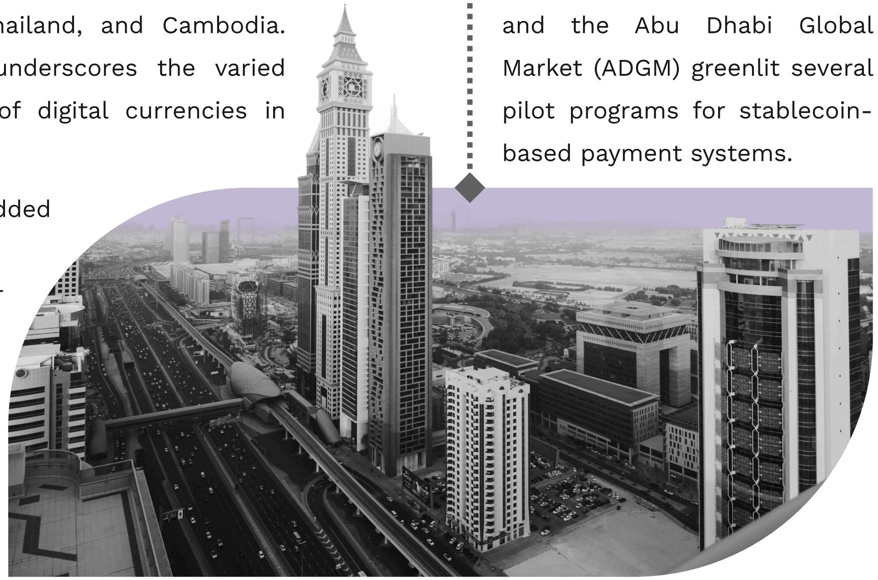
Southeast Asia

As mentioned earlier, according to the 2024 Global Adoption Index of cryptocurrency[8], five of the top 20 countries are from Southeast Asia: Indonesia, Vietnam, the Philippines, Thailand, and Cambodia. This widespread adoption underscores the varied uses and deep integration of digital currencies in these markets.

In March this year, Thailand added USDC and USDT to its list of approved cryptocurrencies for use in the digital asset market[9]. On a broader scale, the Asia-Pacific region accounted for 29% of all global digital currency value received, surpassing both North America (19%) and Western Europe (22%).[10]

The Middle East

In 2019, Bahrain became the first country in the Middle East to issue a regulatory framework for crypto assets. The UAE has since taken the lead, positioning itself as a crypto hub in the global market. In 2024, Circle partnered with UAE-based companies to facilitate cross-border payments using USDC, and the Abu Dhabi Global Market (ADGM) greenlit several pilot programs for stablecoin-based payment systems.

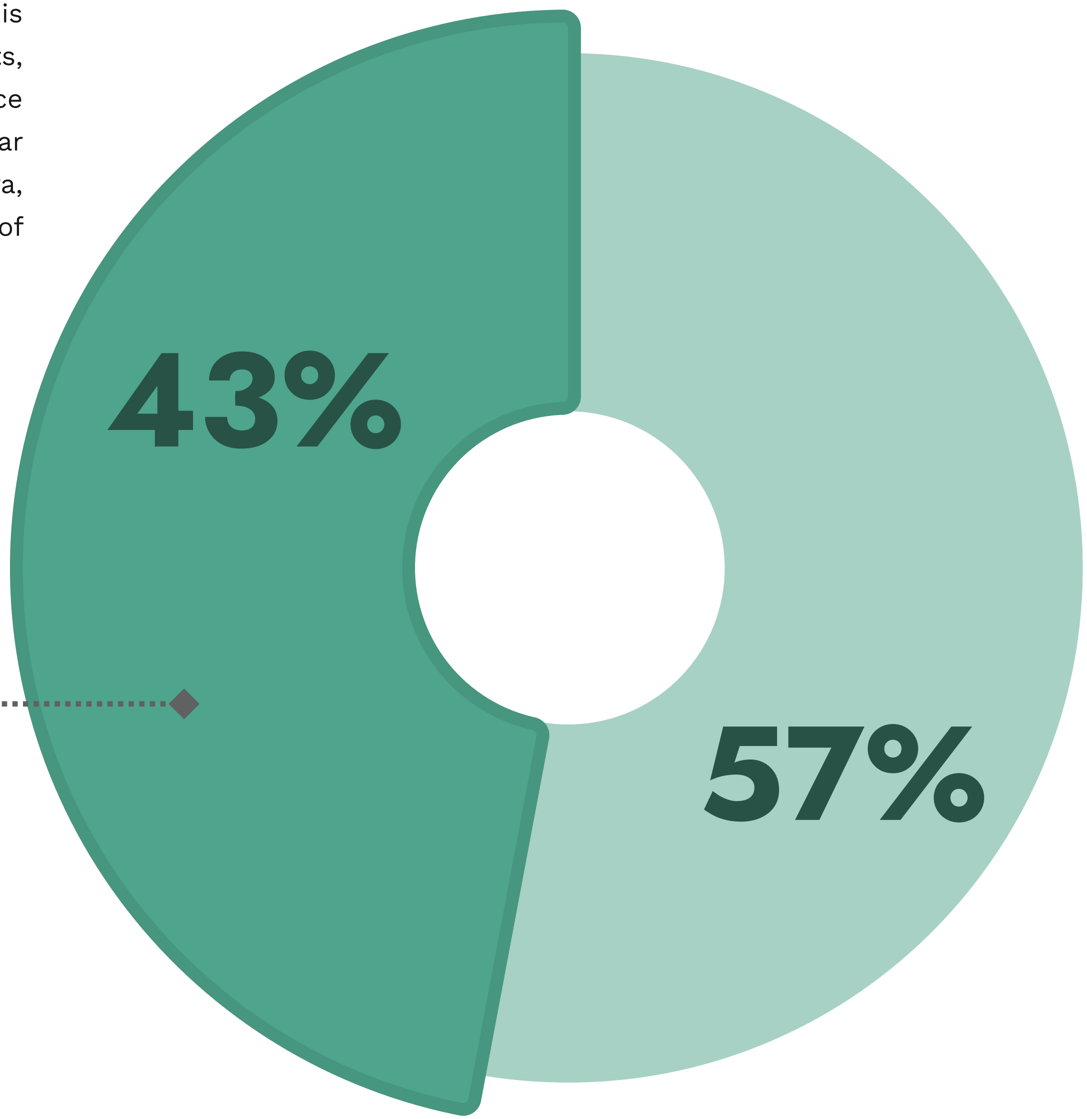


Africa

In Sub-Saharan Africa, it was reported in 2024 that stablecoins accounted for 43% of total crypto transaction volume. Nigeria, Africa's largest stablecoin market, accounted for nearly $22 billion in stablecoin transactions between July 2023 and June 2024. Another key market is South Africa. With a total of 5.8 million people using crypto assets, stablecoins have experienced growth of 50% month over month since October 2023, displacing bitcoin as the country's most popular cryptocurrency. Beyond these two dominant markets, Ghana, Kenya, Zambia, Ethiopia, and Uganda are also experiencing growing adoption of stablecoins.

Stablecoins accounted for 43% of total crypto transaction volume in Sub-Saharan Africa

2024



[5]"Latin America's Search for Economic Stability: The Rise of Stablecoins Amid Volatility", Chainalysis, accessed April 18 2025 https://www.chainalysis.com/blog/2024-latin-america-crypto-adoption/
[6]"Latin America's Search for Economic Stability: The Rise of Stablecoins Amid Volatility", Chainalysis, accessed April 18 2025 https://www.chainalysis.com/blog/2024-latin-america-crypto-adoption/
[7]"Brazil prepares to launch digital currency by early 2025", Economist Intelligence, Accessed May 23 2025 https://www.eiu.com/n/brazil-prepares-to-launch-digital-currency-by-early-2025/
[8]"The 2024 Global Adoption Index: Central & Southern Asia and Oceania (CSAO) Region Leads the World in Terms of Global Cryptocurrency Adoption", Chainalysis, accessed April 18 2025 https://www.chainalysis.com/blog/2024-global-crypto-adoption-index/
[9]"Thailand to Add USDT and USDC to Approved Cryptocurrencies List", Tilleke & Gibbins, accessed April 18, 2025 https://www.tilleke.com/insights/thailand-to-add-usdt-and-usdc-to-approved-cryptocurrencies-list/32/
[10]"Bringing Dollar Digital Currency to Asia's Financial Infrastructure", Circle, accessed April 18 2025 https://www.circle.com/executiveinsights/bringing-dollar-digital-currency-to-asias-financial-infrastructure

Introduction to key players

Several major players in emerging markets are driving the evolution of stablecoins - from a niche cryptocurrency trend to a powerful tool for streamlining financial transactions, enabling cross-border payments, and preserving wealth.

Yellow Card is the leading stablecoin payments infrastructure provider for Africa and the emerging markets, enabling international payments, treasury management, and access to hard currency liquidity. We make it easy for businesses to operate in challenging parts of the emerging world.

Operating in 20 countries across the continent (including Nigeria, South Africa and Kenya) as well as in the emerging markets, the company serves over 30,000 businesses and has facilitated over $6 billion in transactions.

Bitso, Latin America's leading financial services company powered by cryptocurrency, is leading the way in this emerging market with 9 million retail clients[11]. Other prominent players in Latin America include Ripio, which has played a significant role in the adoption of cryptocurrency in the region.

On the B2B side, platforms like Lumx, backed by BTG Pactual, are enabling faster stablecoin-based settlements for banks and fintechs across Latin America. Similarly, Minteo is building stablecoin infrastructure tailored for enterprises and financial institutions across Colombia and Mexico. In Southeast Asia, cryptocurrency exchange Bitkub is reportedly handling over 90% of the market share among regulated platforms in Thailand. Coins.ph in the Philippines and VNDC in Vietnam have also been paving the way for cryptocurrency to grow. On the B2B front, companies like 2C2P and Sunrate are offering enterprise payment solutions that integrate stablecoin settlement rails, helping regional e-commerce platforms and financial institutions manage cross-border payments more efficiently.

Much of the growth in crypto in the Middle East can be found in the UAE. Key players in this space include Bybit and Binance. Increasingly, B2B-focused firms are making an impact, such as Zodia Markets, which provides institutional-grade crypto trading and settlement services, and recently expanded to Abu Dhabi.

[11]"Crypto Landscape in Latin America 2024 Report", Bitso, accessed April 18 2025 https://blog.bitso.com/wp-content/uploads/2025/03/110325_FINAL-FINAL-INFORME_BITSO_ingles.pdf

Use Cases

As the reliance of stablecoins increases, so does the number of use cases, bringing with them a number of lessons for players across the industry to learn from. Here, we share a handful of cases to highlight the possibilities stablecoins offer:

Primary use cases across emerging markets

Stablecoins enabling cross-border trade

Imagine you're a wholesaler who imports essential goods from India, distributing them to local retailers who rely on your timely deliveries. Your entire business reputation hinges on fulfilling orders promptly. You've just secured a critical deal, placing a $100,000 order from your supplier in India. This shipment isn't just any transaction; it's tied directly to a highly competitive bid you recently won, with tight deadlines and penalties if deliveries aren't met.

You confidently approach your local bank, only to receive devastating news: due to chronic foreign exchange shortages, they can provide only half of the required amount immediately. The remaining $50,000 won't be available for at least two weeks. Delaying your supplier in Mumbai is not an option. Your supplier warns clearly that delayed payment means losing priority, facing higher future costs, and risking cancellation of the entire deal.

Missing this shipment would lead to reputational damage, lost contracts, and serious financial losses.

Desperate for a quick, reliable alternative, you turn reluctantly to stablecoins. Within hours, you purchase the required $100,000 worth of stablecoins, instantly transferring the funds to your supplier's agent in India. Your order moves forward without delay, avoiding penalties, higher costs, or lost trust.

You didn't adopt stablecoins out of curiosity or interest in crypto. You adopted them out of sheer necessity, to navigate a financial crisis, protect your business reputation, and ensure operational continuity when traditional banking systems failed.

Stablecoins transforming the insurance industry

Ensuro is a blockchain-based insurance provider that leverages USDC and smart contracts to enhance the accessibility and efficiency of insurance services, particularly for underserved populations in emerging markets[12]. A notable application of Ensuro's technology is in the agricultural sector in Kenya, where the company has partnered with microfinance institutions and weather index providers to offer crop insurance to smallholder farmers. In short, Ensuro utilizes smart contracts to automatically trigger payouts based on weather data, providing timely financial support to farmers facing climate-related risks. This system ensures transparency and traceability, as all transactions are recorded on the blockchain, and policyholders receive payouts within minutes, significantly reducing the waiting time compared to traditional insurance methods. By denominating policies in USDC, Ensuro enables policyholders to receive consistent value, regardless of local currency fluctuations, which is particularly beneficial in emerging markets with volatile currencies.

Since its inception, Ensuro has underwritten over 170,000 policies across seven programs, covering risks such as travel, weather, cyber, and cargo. The company's innovative use of stablecoins has positioned it as a leader in transforming the insurance landscape, offering scalable and inclusive solutions that cater to the needs of underserved communities in emerging markets.

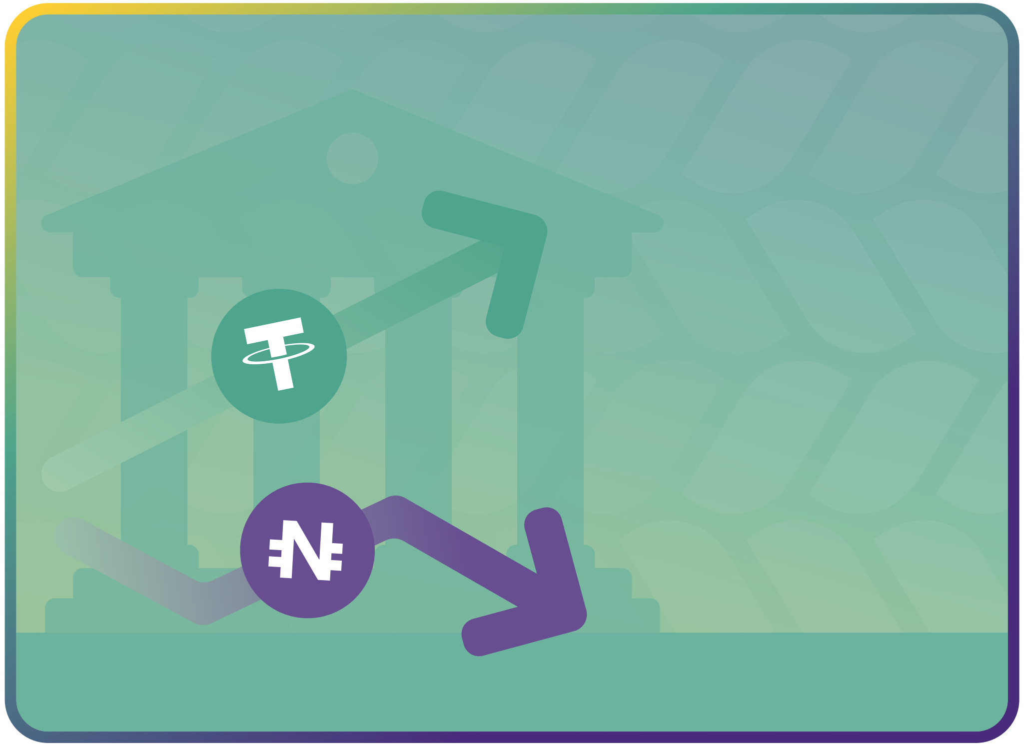
Adoption trends among businesses: top 3 business use cases

Imagine you are a tech startup in Nigeria. You raise a seed round in 2020 and deposit the Naira you raise into a Nigerian bank. Most of your expenses, AWS, Google, Slack, Figma, and Cloudflare, are priced in dollars.

In just four years, the Naira depreciated from ₦350 per dollar to ₦1,500 per dollar. That's a 75% loss in value, meaning the funds you once secured for operations are now worth a fraction of what they were. Each month, your company has to convert significantly more Naira to cover the same expenses, putting strain on cash flow and financial planning.

At the same time, the cost of running the business locally has surged. Rent, internet, power, and employee salaries have all increased, stretching operational budgets even further. Yet, raising the prices of your product or service to offset these costs is not a simple solution. With the currency devaluation impacting disposable income, your customers' purchasing power has also declined. Increasing prices too aggressively could result in fewer sales, making growth and sustainability even more challenging.

Your business also needs to manage payments to suppliers scattered across the continent. This introduces complex issues of currency conversion and liquidity management. Each transaction requires navigating fluctuating exchange rates and dealing with multiple banking systems, which often delay payments and incur high transaction fees.



This is not just a scenario, it is the financial reality for many businesses operating in economies with volatile currencies. Stablecoins have become a critical tool for treasury management, supplier payments, multi-currency management and cross-border transactions. Businesses are not adopting stablecoins because of a passion for blockchain but because of the business's prerogative to survive in an unpredictable economic environment.

01

Trading remains the most dominant business use case for stablecoins, offering liquidity, treasury management, and efficient transaction settlement for businesses both within and outside Africa. Many businesses use stablecoins as a reliable medium for managing liquidity, ensuring they can quickly convert funds between currencies without exposure to extreme fluctuations.

For companies engaged in cross-border trade, stablecoins provide an alternative to traditional forex markets, reducing the risks and inefficiencies of multiple currency conversions. Businesses operating in high-inflation environments also use stablecoins for treasury management, preserving the value of their capital reserves while maintaining the flexibility to deploy funds for imports, payroll, or investment opportunities. Stablecoins also play a key role in arbitrage trading, where companies take advantage of price differences across markets to optimize revenue.

02

Purchasing goods and making business payments is another major reason businesses turn to stablecoins. Many companies use them to procure inventory, raw materials, and supplies, particularly when dealing with international suppliers who may not accept local currencies.

Additionally, companies with remote teams or international contractors often use stablecoins to settle payments, ensuring that employees and service providers in regions with limited banking access can receive funds quickly and efficiently.

03

Streamlining payroll and mass payouts across Africa is a key function for businesses using stablecoins.

Companies with employees, freelancers, or beneficiaries across multiple African countries face significant challenges with traditional banking, including high fees, slow settlement times, and currency conversion complexities. Yellow Card for Business provides a centralized solution to this problem.

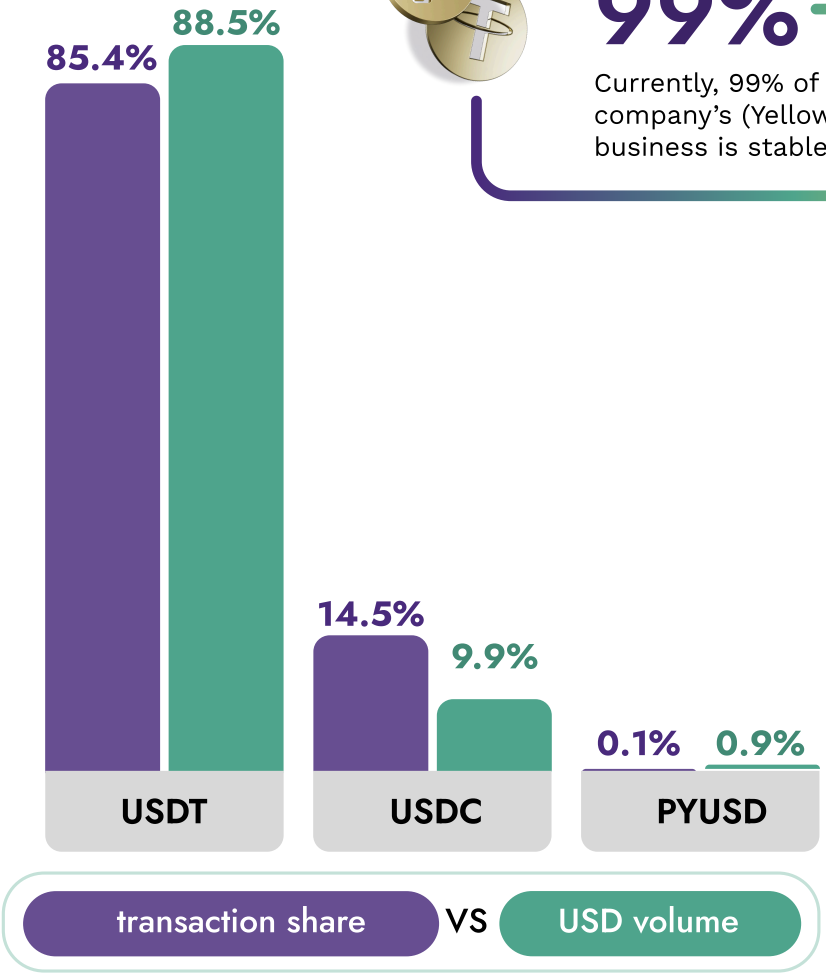
Using a stablecoin-funded treasury, businesses can execute simultaneous payments to numerous recipients across the continent. This simplifies cross-border payroll, reduces administrative overhead, and ensures team members and partners receive their full payment quickly and predictably, directly into their local bank account or mobile money wallet.

Across Yellow Card, stablecoins account for over 90% of total transaction volume in 2022 and 2023, while non-stablecoin digital asset transactions have steadily declined since 2020. Currently, 99% of the company's business is stablecoins. According to our data, USDT is the dominant stablecoin among our customers. It comprised 88.5% of transaction share and 85.4% of the total USD volume. USDC followed, with 9.9% of transaction share and 14.5% of USD volume. PYUSD usage was significantly lower, at 0.9% of transaction share and 0.1% of USD volume.[13]

Yellow Card's analysis on stablecoin adoption reveals that while 70 percent of stablecoin customers are focused on personal needs such as remittances and savings, a growing 30 percent use stablecoins specifically for business operations. These range from paying remote contractors to managing supplier invoices and treasury operations. In many cases, stablecoins are not being adopted out of enthusiasm for blockchain, but out of necessity. Currency instability, fragmented banking infrastructure, and multi-country operations make traditional systems unreliable. For businesses navigating multi-currency environments across Africa, stablecoins are increasingly becoming a default layer for ensuring liquidity, predictability, and speed.

99%

Currently, 99% of the company's (Yellow Card's) business is stablecoins



[13] YC Internal Data.

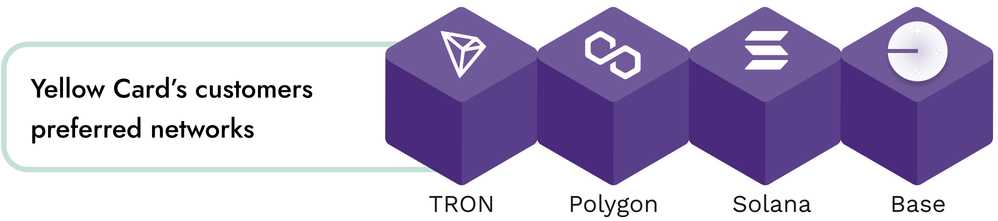
Infrastructure & Technology

The rapid adoption of stablecoins in emerging markets is underpinned by advancements in infrastructure and technology. This section explores the technological infrastructure supporting stablecoin ecosystems in emerging markets, highlighting the challenges and innovations shaping their growth.

Blockchain networks powering stablecoins

Stablecoins rely on robust blockchain networks to ensure secure, transparent, and efficient transactions.

In 2024, Yellow Card found that the networks its customers primarily used were TRON and Polygon.[14] Solana and Base have also emerged as popular platforms due to their high throughput and low transaction costs, facilitating near-instant, low-cost transactions for customers in regions with limited access to traditional banking systems.[15] The average transaction fee on the Polygon PoS chain was $0.007 per transaction as of October 2024, and the highest average transaction fee was $0.23 in January 2022. Meanwhile, the average transaction fee on TRON has risen from approximately $0.20 to $1.00 over the past two years.



While Ethereum has historically been a dominant platform for stablecoin issuance, its high transaction fees and scalability challenges have led customers to explore more efficient alternatives.
TRON has emerged as a leading platform for stablecoin transactions, particularly in regions like Sub-Saharan Africa and Latin America. In 2024, TRON accounted for approximately 64% of all USDT transfers, a significant increase from 57% earlier in the year. Solana has also gained traction due to its high throughput and low transaction costs. In 2024, Solana recorded $10.5 trillion in stablecoin transfers, leading the blockchain space in this metric.

Polygon has also seen increased adoption due to its scalability and low transaction fees. In 2024, Polygon recorded $255 billion in stablecoin transfers, highlighting its growing role in facilitating efficient stablecoin transactions. Its compatibility with Ethereum's ecosystem allows customers to leverage the benefits of both networks. Base has also emerged as a competitive alternative. In 2024, Base achieved $2.3 trillion in stablecoin transfers. Its focus on security and scalability positions it as a promising option for customers seeking efficient and secure stablecoin transactions.

These platforms offer distinct advantages that cater to the specific needs of customers in emerging markets, such as low transaction costs, high throughput, and compatibility with existing financial systems. As adoption continues to grow, these blockchain networks are playing a pivotal role in enhancing financial inclusion and providing accessible financial services to underserved populations.

[14] YC Internal Data.
[15] "AI and stablecoins: a pairing for a more intelligent era of online business", World Economic Forum, accessed April 19 2025 https://www.weforum.org/stories/2025/01/stablecoin-ai-business/?utm_source=chatgpt.com

Scalability and interoperability challenges

As stablecoin adoption grows, scalability and interoperability have become critical challenges. Blockchain networks must handle increasing transaction volumes without compromising performance. AI solutions are being leveraged to enhance scalability, enabling platforms to process higher transaction volumes efficiently.[16]

Interoperability between different blockchain networks is essential for seamless cross-border transactions, and efforts are underway to develop standards that ensure compatibility across various platforms. For example, the G20 has recognized the importance of developing interoperability standards for digital currencies to enhance cross-border payment systems and ensure value alignment among member economies.[17]

In addition to these efforts, some companies are building blockchain infrastructure specifically designed for stablecoin use cases. Codex, for example, is developing a purpose-built blockchain that aims to optimize stablecoin transactions, focusing on high throughput, low latency, and reduced costs. These specialized chains represent a growing trend toward infrastructure tailored to the unique demands of digital currencies.

[16] "AI and stablecoins in the new world of digital banking", Absa, accessed April 19 2025 https://cib.absa.africa/home/insights-and-events/ai-and-stablecoins-in-the-new-world-of-digital-banking/?utm_source=chatgpt.com]
[17] "G20 Roadmap for Enhancing Cross-border Payments", Financial Stability Board, accessed April 21 2025 https://www.fsb.org/uploads/P091023-2.pdf

Institutional & Corporate Adoption

Stablecoins have grown, not only in terms of their adoption by individuals, but also organizations, fast becoming integral components of institutional and corporate strategies. Their adoption in these spaces is reshaping cross-border payments, treasury management, and trade finance, offering enhanced efficiency, cost-effectiveness, and financial inclusion.

In 2024, corporate transactions using stablecoins increased by 25%, particularly in cross-border payments and supply chain settlements.[18]
Here are some recent examples of how stablecoins are being leveraged in institutional and corporate spaces, particularly in the context of emerging markets:

Businesses integrating stablecoins for payments and treasury

A number of businesses are increasingly integrating stablecoins for payments and treasury. One prime example is SpaceX's partnership with stablecoin payments platform Bridge, which Yellow Card facilitated. In 2023, faced with the challenge of unreliable banking infrastructure in emerging markets, the partnership enabled SpaceX to accept funds in varied currencies and then immediately convert them into stablecoins for its international treasury.[19]

Last year, in Latin America, Mercado Libre, a leading eCommerce platform, launched its own stablecoin – the Meli Dollar, enabling customers to make transactions without incurring fees, and providing a stable alternative to the Brazilian Real. The stablecoin aims to mitigate the impact of the Brazilian Real's currency fluctuations and enhance the scalability of digital payments. The Meli Dollar can be purchased and sold through the Mercado Pago app without incurring transaction fees during the initial phase. This initiative is part of Mercado Libre's broader strategy to integrate cryptocurrency solutions into its ecosystem, including previous introductions of the Mercado Coin and integrations with Bitcoin, Ether, and Pax Dollar for payments.

Beyond payments, payroll has been another area in which businesses have been able to capitalise on the benefits stablecoins have to offer. One such example is the company Rise. Launched in 2022, Rise offers stablecoin-powered payroll solutions, enabling companies to pay remote employees and freelancers in over 190 countries, offering fiat and crypto payroll capabilities to accommodate different payment preferences. Employers can fund payroll in U.S. dollars or stablecoins, while employees can withdraw earnings in their chosen currency.[20] Rise, and other similar platforms, means businesses can use stablecoins to streamline invoice settlements, allowing them to pay for services, logistics, and operational expenses without the delays or high transaction fees associated with traditional banking systems.

[18] "Stablecoin Statistics 2025: Growth, Adoption, and Regulation," CoinLaw, accessed April 20 2025 https://coinlaw.io/stablecoin-statistics/
[19] "Stablecoins are finding product-market fit in emerging markets", Ztoog, accessed April 20 2025, https://ztoog.com/stablecoins-are-finding-product-market-fit-in-emerging-markets/?utm_source=chatgpt.com

Partnerships between FinTechs, banks, and governments

Collaborations between fintech companies, traditional banks, and governments are also accelerating the adoption of stablecoins in emerging markets.

In the Middle East, the UAE's proactive stance in developing blockchain infrastructure has attracted significant investments. Abu Dhabi's MGX, backed by Mubadala, invested $2 billion in Binance, signaling confidence in the region's digital finance growth.

The Bank of Ghana has been working on developing the eCedi, a central bank digital currency to digitize the national currency. In 2023, they hosted a hackathon in collaboration with fintech EMTECH, as well as a number of developers, banks and fintechs. The event was a big success, and served as a testament to the power of collaboration in order to pave the way for a more inclusive financial future.[21]

Similarly, last year the Bank of East Asia collaborated with Hong Kong-based fintech IDA to explore the possibility of a stablecoin pegged to the Hong Kong dollar.[22]

Institutional use cases in trade and commerce

The institutional adoption of stablecoins is transforming trade and commerce in emerging markets. The Canton Network, launched in 2023 by a consortium including Goldman Sachs, Microsoft, and Paxos, aims to modernize post-trade processes by connecting disparate financial systems while meeting regulatory and privacy requirements.

Another example is Conduit, a fintech platform that facilitates stablecoin payments for import-export businesses operating between Africa and Latin America. By enabling direct and efficient transactions, Conduit helps businesses avoid the high costs and delays associated with traditional banking systems. In 2024, Conduit reported an annualized transaction volume of $10 billion, highlighting the growing adoption of stablecoins in cross-border trade.

[21] "The eCedi Hackathon Case Study", Emtech, accessed April 20 2025 https://emtech.com/pdf/eCedi%20case%20study%20(e-book).pdf
[22] "Bank of East Asia Partners with Fintec Firm for Stablecoin Initiative", Binance, accessed April 20 2025 https://www.binance.com/en/square/post/12-12-2024-bank-of-east-asia-partners-with-fintech-firm-for-stablecoin-initiative-17465385219082?utm_source=chatgpt.com

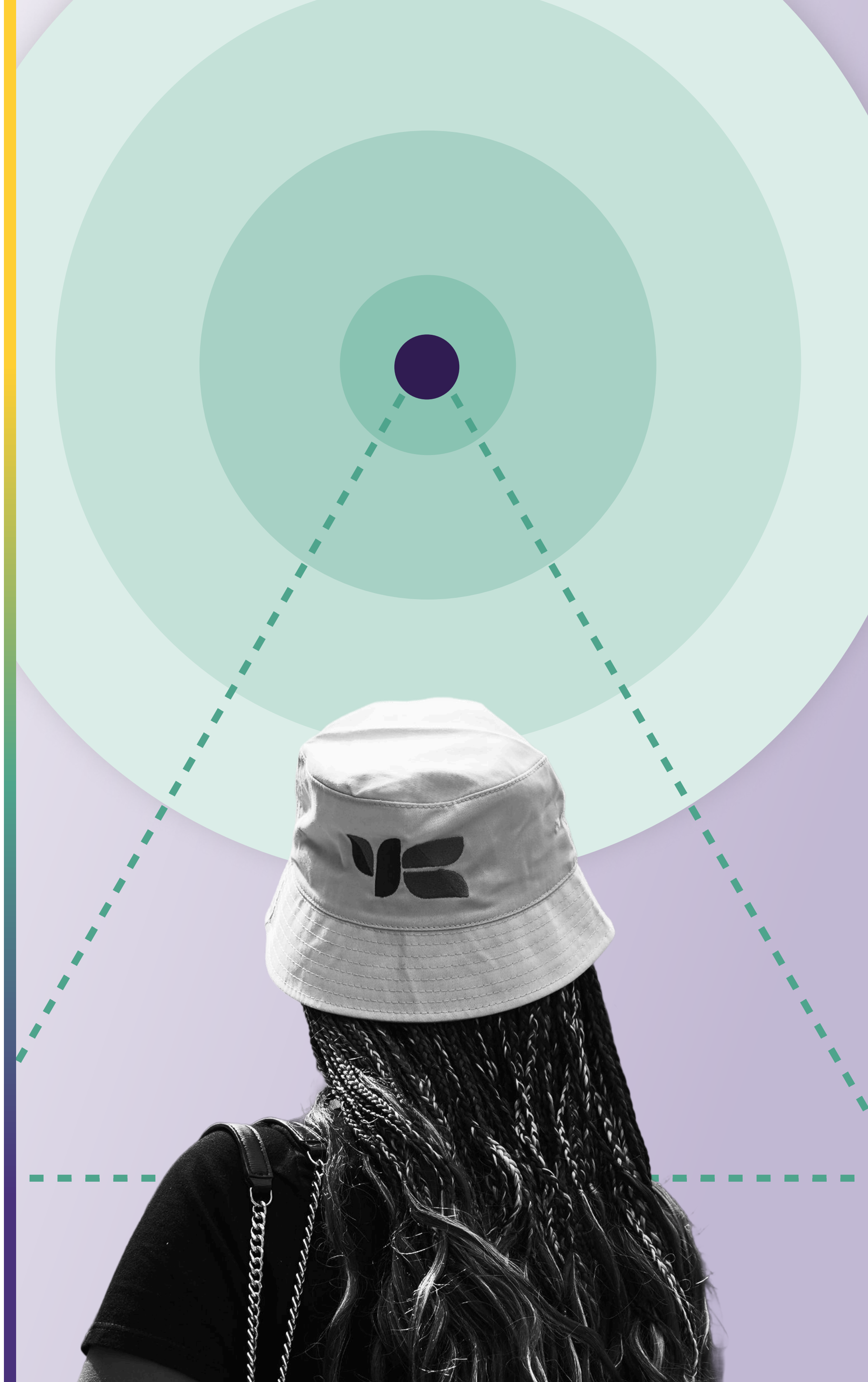
Yellow Card's Strategic Vision

As stablecoin adoption continues to accelerate across emerging markets, Yellow Card will continue to position itself to lead the digital finance revolution across Africa and emerging markets.

Market Projections

The global stablecoin market is experiencing exponential growth, with projections indicating a significant increase in market capitalization and transaction volumes in the coming years. In Africa, stablecoins have emerged as a preferred choice for cross-border transactions, remittances, and treasury management, driven by factors such as currency volatility, limited access to traditional banking, and the need for cost-effective financial solutions.

Yellow Card's strategic vision aligns with these market trends, focusing on enhancing its infrastructure, expanding its product offerings, and forging strategic partnerships to meet the evolving needs of its customers. By leveraging its deep understanding of the African market and its commitment to financial inclusion, Yellow Card aims to become the leading platform for stablecoin transactions in the region and beyond.



Expansion Plans

Leveraging its established success across 20 African countries, Yellow Card continues to expand across Africa and emerging markets. With over $6 billion in transactions facilitated in recent years, Yellow Card is well-positioned to scale its operations across the continent, as well as other emerging markets across the globe.

Partnership Strategy

Recognizing the importance of collaboration in driving adoption, Yellow Card has established strategic partnerships with key stakeholders in the fintech ecosystem. Notably, we are collaborating with Xoom, a PayPal service, to improve international money movement using PayPal USD (PYUSD), and with Coinbase to deepen our engagement with the digital asset space.

Looking ahead, we plan to forge additional partnerships with banks, fintech companies, and government entities to expand our reach and enhance our service offerings. By aligning with organizations that share our commitment to financial inclusion, Yellow Card aims to create a robust ecosystem that supports the widespread adoption of stablecoins.

Mobile money has evolved from a tool for financial inclusion to a thriving industry, boasting over two billion registered accounts and more than half a billion monthly active accounts in 2024.[23] The potential for stablecoins to be integrated into mobile money systems are vast, and this is evident in that over 75% of our customers access the app through mobile device, pointing to the potential for collaborations with mobile money systems in the future.

[23] "The State of the Industry Report on Mobile Money 2025", GSMA, accessed April 20 2025 https://www.gsma.com/sotir/

Additional Considerations

Industry Trends

The stablecoin industry is witnessing several key trends that are shaping its future. These range from regulatory clarity, whereby governments worldwide are developing frameworks to regulate stablecoins, providing greater certainty for businesses and customers, to a growing focus on security and compliance to protect customers and maintain trust. As previously mentioned, financial institutions are increasingly integrating stablecoins into their operations, recognizing their potential to streamline processes and reduce costs. At the same time, there is an increase in traditional financial systems integrating stablecoins, with the aim of facilitating seamless transactions between digital and fiat currencies.

Technological Developments

Alongside these trends, advancements in technology are continually driving innovation in the stablecoin space. Improvements in blockchain technology are enhancing the scalability of stablecoin platforms, enabling them to handle higher transaction volumes efficiently. The integration of AI and machine learning is enabling platforms to offer personalized services, detect fraudulent activities, and optimize operations. Similarly, developments in interoperability are facilitating seamless transactions across different blockchain networks, broadening the utility of stablecoins.

Innovation Opportunities

Together, these evolving trends and technological developments present several opportunities for innovation. These include:

- Decentralized Finance (DeFi) Integration: Integrating stablecoins into DeFi platforms can provide customers with access to a range of financial services, including lending, borrowing, and yield farming.
- Financial Education Initiatives: Launching educational programs to raise awareness about stablecoins can drive adoption and empower customers to make informed financial decisions.

By capitalizing on these opportunities, Yellow Card aims to drive innovation and continue contributing to the development of a more inclusive and efficient financial ecosystem.

Next Steps

This report has sought to provide an overview of the fast-evolving stablecoin landscape, with a particular focus on their growing significance in emerging markets. From macroeconomic impacts and real-world use cases to institutional adoption, we've sought to offer a timely snapshot of stablecoins' expanding impact across emerging markets.

As adoption accelerates, stablecoins are poised to play an increasingly critical role in both local and global financial systems. Their long-term sustainability, however, hinges on several factors: robust and context-specific regulatory frameworks, widespread business adoption, and improved financial literacy. For businesses, financial institutions, and policymakers, a deep understanding of these trends is essential to shaping inclusive and resilient financial infrastructure. In regions like Africa, stablecoins already show promise as tools for fostering financial stability and building trust in digital assets.[24]

To ensure this momentum continues, policymakers should act swiftly to design tailored regulatory frameworks in collaboration with governments, businesses, and fintechs.[25] Future regulation should balance innovation with safeguards - promoting financial system stability, inclusion, safety, and environmental sustainability - while minimizing economic risks associated with these digital assets.[26]

As the stablecoin landscape continues to evolve, emerging markets stand at the forefront of this transformation. With the right policies and partnerships in place, stablecoins have the potential not just to complement traditional finance, but to reshape it for a more inclusive and resilient global economy - and we at Yellow Card are excited to be a part of that.

[24] "The Role of Stablecoins in Africa's Near-Term Economic Boom (Part-1)", Coinmarket Cap, accessed April 20 2025 https://coinmarketcap.com/academy/article/the-role-of-stablecoins-in-africa
[25] "The Macroeconomic Impact of Cryptocurrency and Stablecoins", World Economic Forum, accessed April 20 2025 https://www.weforum.org/publications/the-macroeconomic-impact-of-cryptocurrency-and-stablecoins/
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