

THE STABLECOIN BUSINESS

NOVEMBER 2025

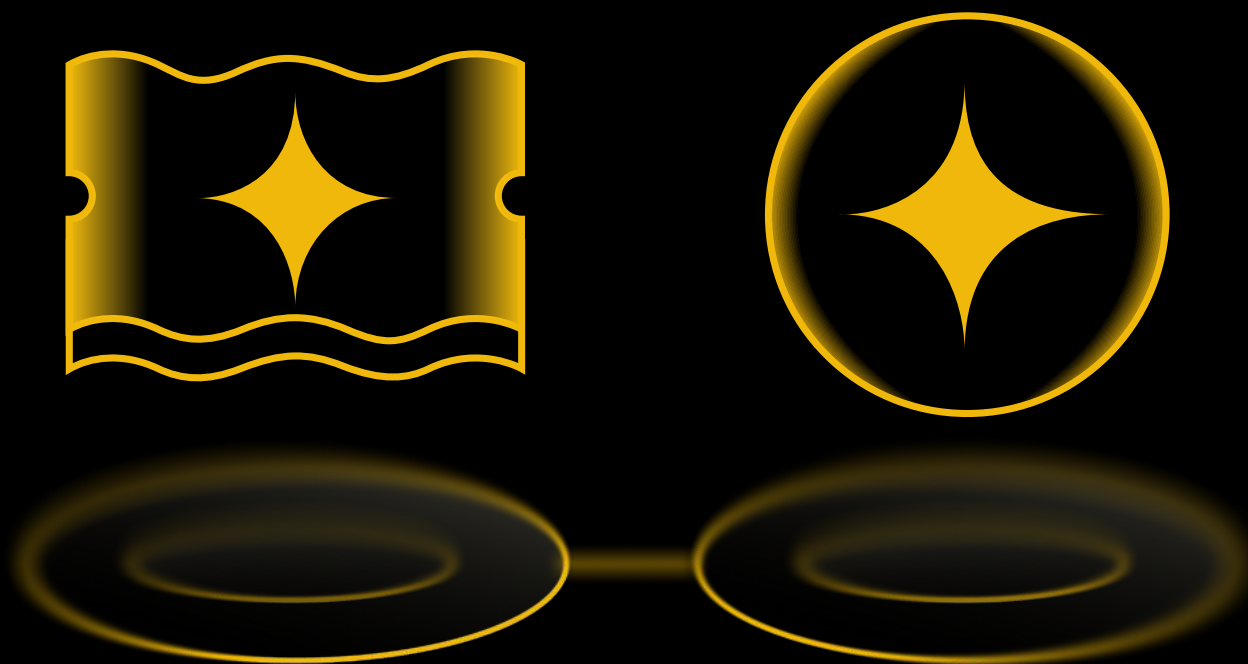


Table of Contents

Key Takeaways	2
1/ Introduction	3
1.1 Stablecoin Usecases	6
1.1.1 Beyond Trading	6
1.1.2 For Businesses	7
1.1.3 For Consumers	9
2/ The Stablecoin Types	12
2.1 Centralized Fiat-Backed	12
2.1.1 The Tether-Circle Duopoly	12
2.1.2 Competition From Large Brands	17
2.2 Crypto-Backed and Yield Bearing	18
2.2.1 Ethena USDe	20
3/ Four Layers of the Stablecoin Stack	21
3.1 Stablecoin Issuers	23
3.2 Open-Loop Networks	23
3.3 Infrastructure Providers	25
3.4 Consumer Applications	27
4/ Three Major Themes For the Near Future	29
4.1 Inter-Stablecoin Liquidity	29
4.2 Politics & Privacy	31
4.3 Agentic Commerce and Microtransactions	32
5/ Ending Thoughts	33
6 / References	34
7 / New Binance Research Reports	35
About Binance Research	36
Resources	37

Key Takeaways

- **Rapid Growth:** The stablecoin market has rapidly surpassed US\$300 billion in total market capitalization, and is beginning to expand from a tool for crypto trading to a global medium for digital savings and payments for businesses and individuals alike.
- **Two Core Categories:** Stablecoins are primarily categorized into Centralized Fiat-backed (e.g., USDT, USDC, PYUSD), the dominant type backed by U.S. Treasury bills and Decentralized Yield-Bearing Asset-backed (e.g., USDe, USDS), backed primarily by digital assets or other yield bearing assets.
- **Battle for the Stablecoin Stack:** Leading market players are engaged in a race to own more layers of the stablecoin stack, expanding beyond their core roles to own multiple layers of the stablecoin value chain (Issuance, Networks, Infrastructure Providers, and Consumer Applications).
 - a. **High Profitability of Issuers:** Stablecoin Issuers, such as Tether, have proven highly profitable by earning significant, low-risk interest income from their large U.S. Treasury reserve holdings. This has attracted numerous major brands from both Web3 as well as Web2 to the issuance business.
 - b. **Flattening the Stack:** Traditional payment service providers like Stripe and Paypal have aggressively moved into the stablecoin payments space, seeing the potential to reduce reliance on incumbent payment middlemen like card networks and issuing banks.
- **Three Key Themes for the Future:**
 - a. **Liquidity:** The development of multi-stablecoin liquidity solutions and the rise of Open Issuance platforms to enable broad white-label stablecoin creation.
 - b. **Politics & Privacy:** Central Bank Digital Currencies (CBDCs), and the emergence of privacy-focused stablecoin solutions aimed at institutional use.
 - c. **AI Integration and Microtransactions:** The impact of stablecoins as an Internet-embedded payment method, as the Internet itself evolves into an AI-populated “agentic web”.