

COINMETRICS

STABLECOIN SECTOR ANALYSIS

MAY 2025

By [Tanay Ved](#) and the [Coin Metrics Team](#)



Overview

One particular sector of digital assets has captured growing interest due to their unique properties: *Stablecoins*. In a market prone to extreme volatility, stablecoins are digital assets designed to maintain a stable value relative to a specific asset or basket of assets, most commonly the U.S. dollar. Functionally, they represent collateralized deposits on-chain, with the vast majority backed by fiat currency reserves.

Stablecoins draw parallels to eurodollars, U.S. dollar liabilities held outside the United States, which rose to prominence in the 1950s as a way to safeguard capital from regulatory uncertainty or seizure. But as clearer regulatory frameworks emerge, such as the proposed [GENIUS](#) and [STABLE](#) acts in the U.S., stablecoins are poised to become a foundational pillar of global finance, powering payments, remittances, and on-chain financial infrastructure at scale.

Once primarily used to reduce trading friction on crypto exchanges, stablecoins have matured into a core layer of crypto's monetary system, enabling access to digital dollars globally, particularly in emerging markets. With stablecoin legislation imminent, financial institutions, banks and FinTechs are clamoring for a piece of crypto's largest addressable market. The shift is already underway. Major payments networks, Fintechs and banks are entering the space at multiple levels of the stack, from issuance to payments orchestration. Circle introduced the [Circle Payments Network](#) to streamline cross-border payments, while [Visa](#) and [Mastercard](#) are embedding stablecoin infrastructure into their platforms and merchant networks, making stablecoins accessible for everyday purchases.

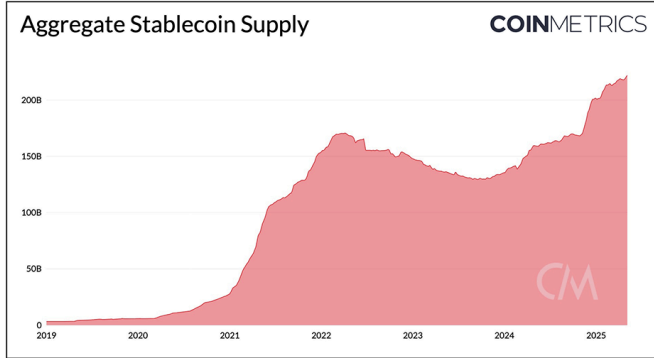
In this report, we examine the ballooning stablecoin sector, now over \$230B+ in total market cap, and break down the wide range of stablecoin types, reserve models, issuing entities, and blockchain networks facilitating their use. We aim to map the evolving stablecoin landscape, identify key use cases, and assess the opportunities and risks that lie ahead.

Stablecoin Metrics At a Glance

Stablecoins are proving to be “crypto's killer app” and achieving product-market fit. These metrics portray the scale of adoption and usage that stablecoins have garnered at an aggregate level, reflecting their importance for both on-chain infrastructure and the global financial system. With over \$230B in supply and more than 1.5M in active addresses, stablecoins now drive 60%+ of all transaction volume across blockchain networks. Their role has expanded beyond just being a medium of exchange, serving as stores of value, payment rails, and a key channel for global dollar access.

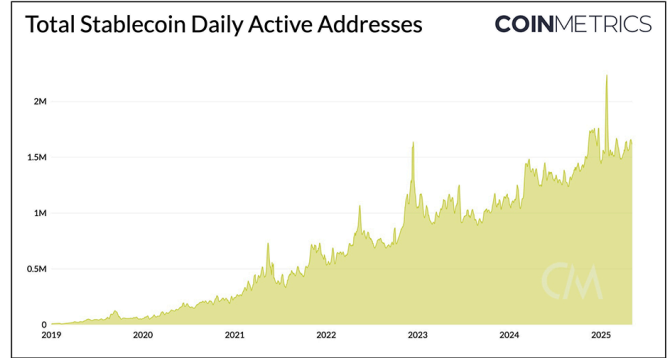
Total Supply

\$230B+ in stablecoins issued across public blockchains



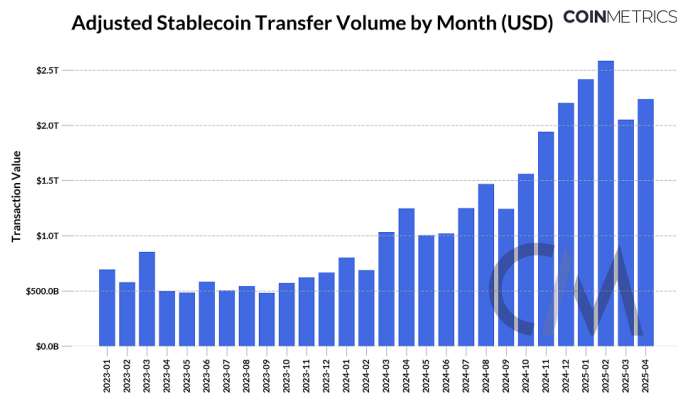
Adresses

1.5M+ active addresses hold or use stablecoins, offering global access to digital dollars



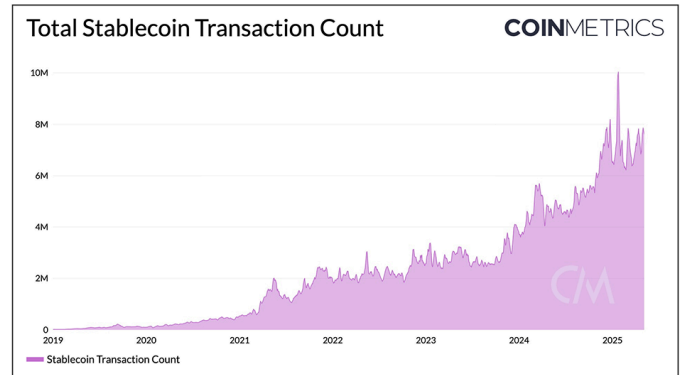
Transfer Volume

Over \$2T per month in on-chain transfer volume



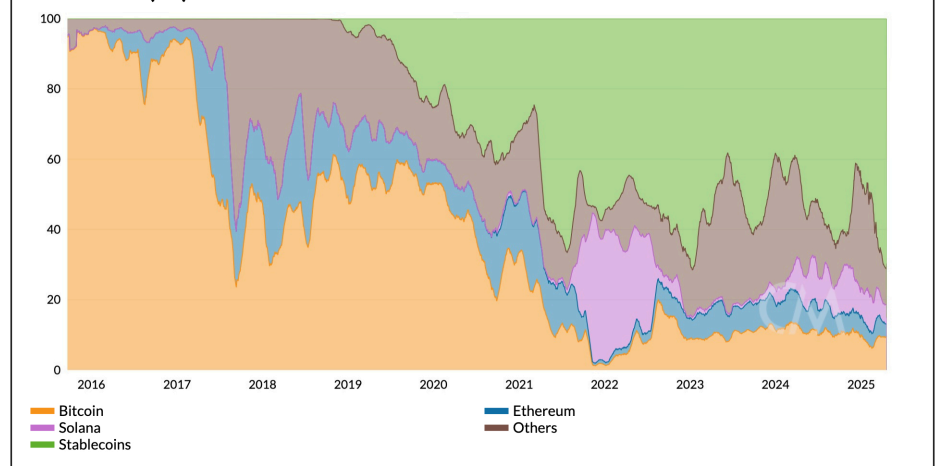
Transactions

\$7.5M+ in total stablecoin transactions



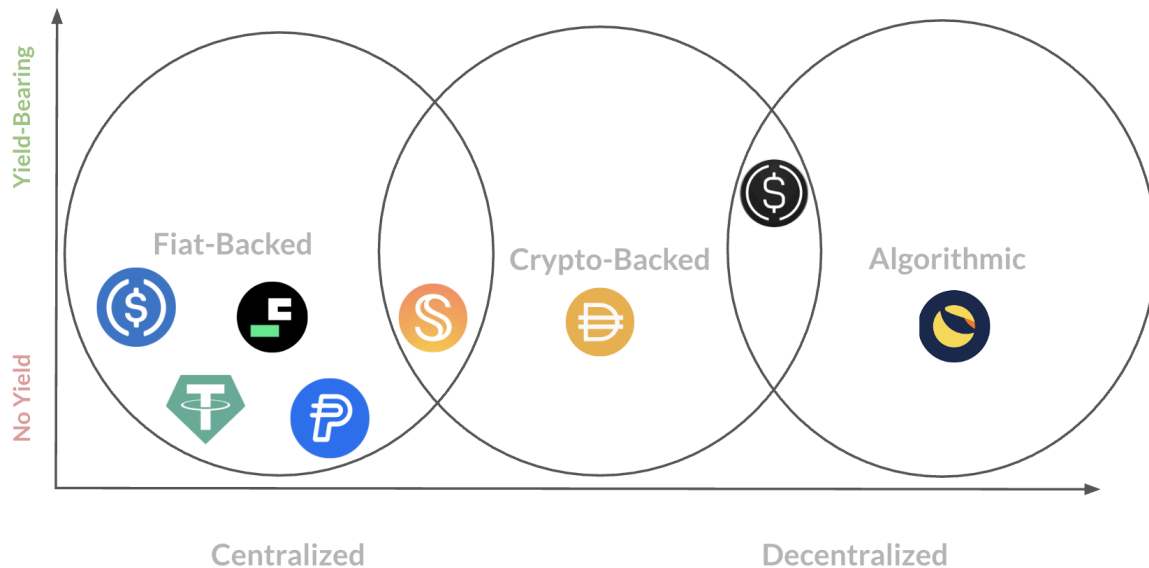
But what exactly is this \$230B market composed of? What are the different types of stablecoins and most prominent issuers in this industry? Which networks are attracting stablecoin issuance and what are they being used for? In the sections ahead, we break down the stablecoin sector by diving into a range of stablecoin types, issuers and blockchains underpinning the stablecoin sector.

Stablecoin Share of On-Chain Transfer Volume (%)

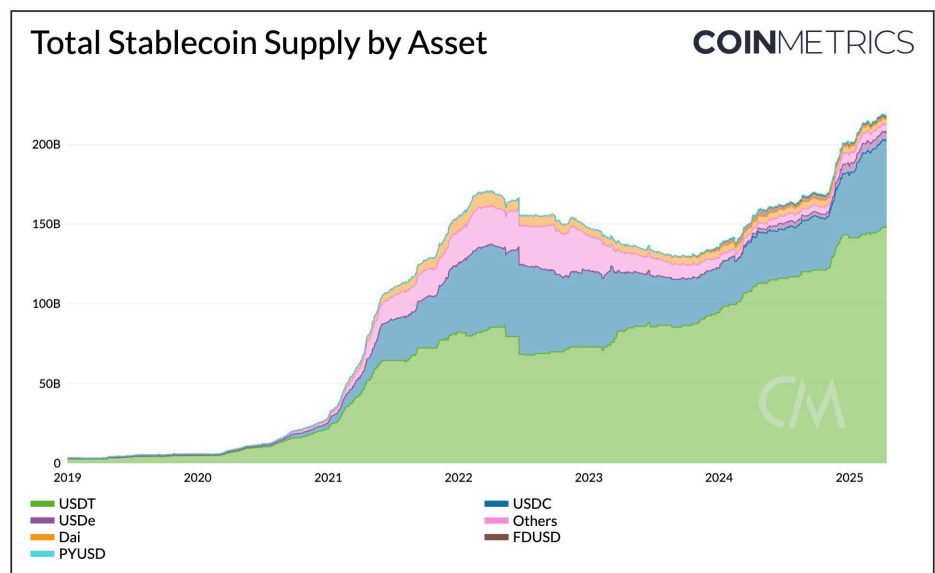


Subsectors: The Different Types of Stablecoins

Stablecoins span across various types of reserve backings from fiat-backed to crypto-collateralized, and lie at different levels of the decentralization spectrum. Some issuers also return yield to holders of their stablecoin via staking or platform deposits.

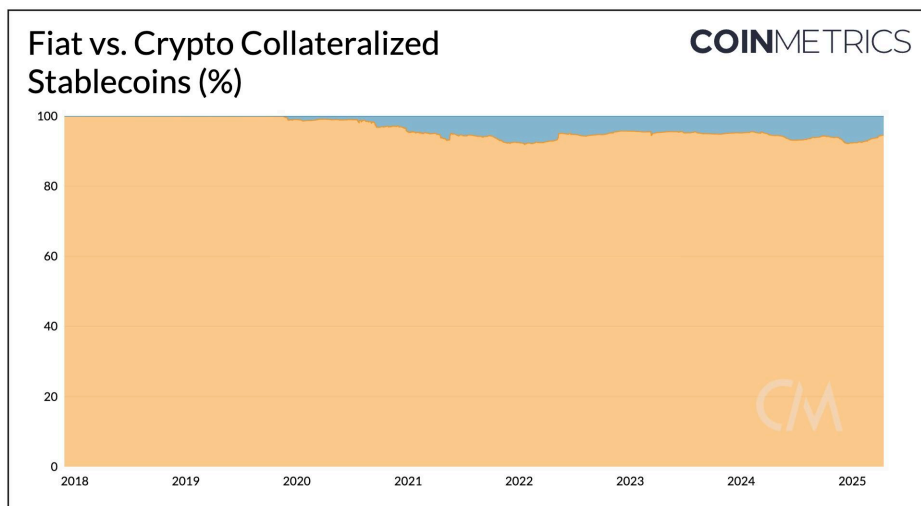


Of the 230B stablecoins in circulation, a lion's share are fiat-backed, with incumbents like Tether's USDT and Circle's USDC dominating the market. A few, like MakerDAO's Dai and USDS are collateralized by a basket of crypto and RWAs, while others like Ethena's USDe generate yield and maintain stability through hedging strategies on exchanges.

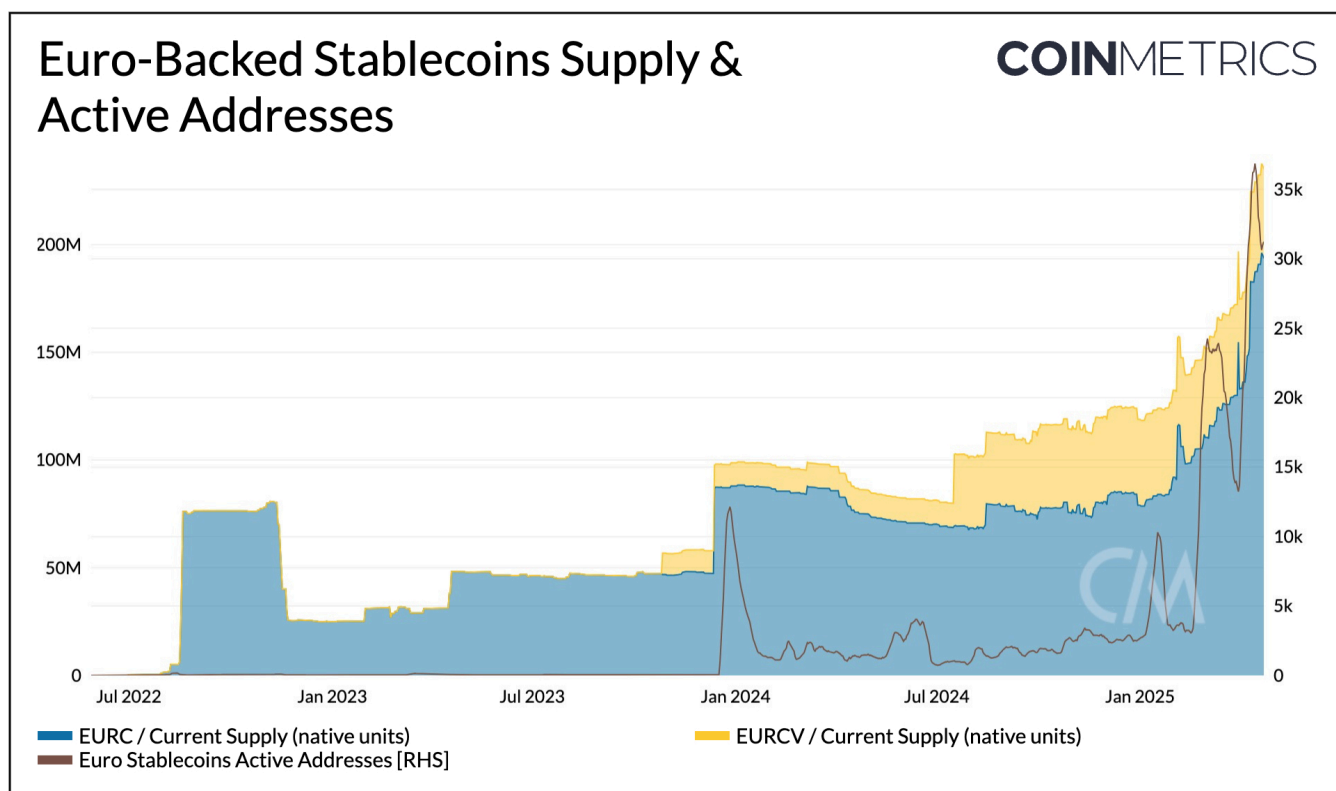


Fiat Backed Stablecoins

Over 90% of stablecoins are backed by fiat currency, with the majority tied to the U.S. Dollar. This dominance is driven by several factors, including deeper liquidity, lower perceived risk, favorable regulatory positioning, and the ability to scale more efficiently without requiring over-collateralization. Reserves in this category typically consist of cash and equivalents, such as short-term U.S. Treasury bills, and are generally backed 1:1 to maintain price stability and enable redemptions.



While euro-backed stablecoins are gaining traction, boosted by regulatory clarity in the EU under MiCA, access to the U.S. dollar remains the primary driver of stablecoin demand.

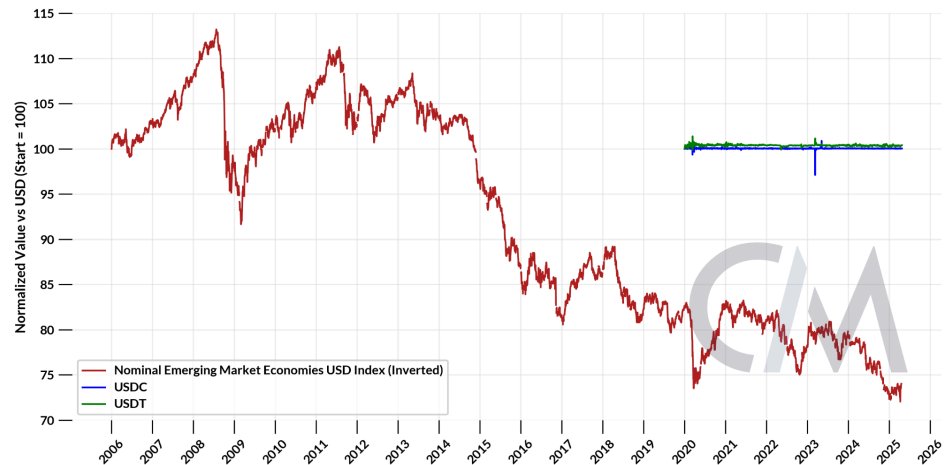


Store of Value in Emerging Economies

This is especially pronounced in emerging economies, where stablecoins offer a refuge from volatile local currencies, protecting users from inflation while also providing access to U.S. dollars and digital financial infrastructure.

Emerging Market Currency Depreciation vs. Stablecoin Stability

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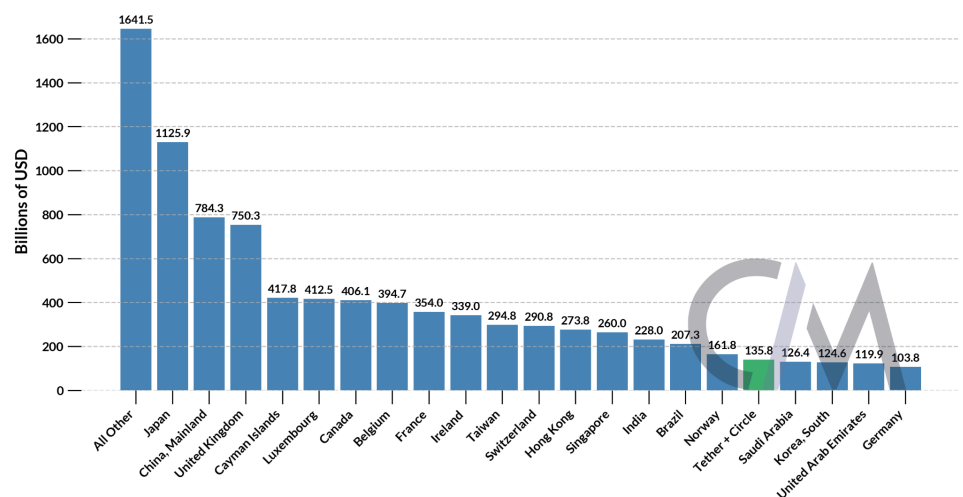


Extending the Dollar's Reach

Despite concerns of a weakening dollar off-chain, stablecoins are extending the dollar's reach on-chain. Issuers like Tether and Circle now hold over \$135B in U.S. treasuries, making them the 17th largest holder among foreign nations. With approximately \$108B in U.S. Treasury exposure, Tether ranked as the seventh-largest buyer globally in 2024. Foreign governments like China reduce their U.S. debt exposure, stablecoins appear well-positioned to offset the gap, proving their relevance on the global macroeconomic stage.

US Treasury Holdings by Country vs Tether & Circle

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The following table summarizes the major fiat-backed stablecoins with additional information around their issuers, backing assets and chains they are primarily issued on:

Stablecoin	Issuer	Market Cap	Reserve Backing	Yield Bearing	Primary Chains
USDT	Tether	\$149B	Cash, T-Bills, Others	NO	Tron, Ethereum
USDC	Circle	\$59B	100% Cash, T-Bills & repurchase agreements	NO*	Ethereum, Solana, Base
FDUSD	First Digital	\$1.4B	Cash, T-Bills & repurchase agreements	NO	Ethereum, BNB Chain
PYUSD	Paxos (PayPal)	\$0.9B	Cash & T-Bills	NO*	Ethereum, Solana

*Table 1: Major Fiat-Backed Stablecoins, (Note: * denotes indirect yield sharing)*

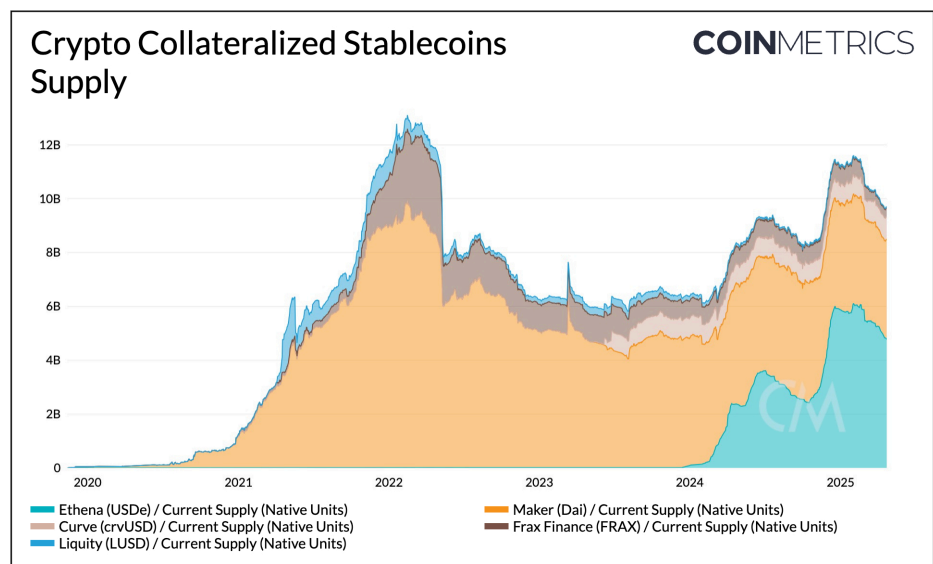
Tether's USDT stands out with the largest market share, driven by its first-mover advantage, offshore regulatory positioning, widespread distribution in emerging markets, and deep liquidity, factors that have created a powerful network effect that has proven difficult to displace. Circle's USDC follows, showing impressive growth after its March 2023 de-pegging, supported by strategic distribution via Coinbase and Binance. Meanwhile, PayPal USD (PYUSD) is still in the early stages of adoption as it works to scale by leveraging its platform.

Crypto-Collateralized Stablecoins

Crypto-collateralized stablecoins provide an alternative to fiat-backed models, leveraging different issuance mechanisms and risk profiles. The subsector represents a smaller but growing segment of the market, accounting for approximately 7% of total stablecoin supply. Unlike fiat-backed assets, these stablecoins are minted and burned via smart contracts, reducing reliance on centralized custodians, but introducing smart contract and governance risk in return.

These stablecoins are typically backed by a basket of crypto assets (such as ETH, Ethereum staking derivatives like stETH, or wrapped BTC), stablecoins, and in some cases, real-world assets (RWAs). Users deposit these assets into smart contracts or vaults as over-collateralized positions to borrow (mint) stablecoins. Over-collateralization is critical for managing price volatility and maintaining peg stability, with protocols enforcing minimum collateral ratios based on the risk profiles of underlying assets.

DeFi protocols are increasingly launching native stablecoins to complement core services such as lending, staking, and yield generation. This vertical integration embeds stablecoins into on-chain applications and offers an additional revenue stream. Prominent stablecoins in this category include MakerDAO's DAI which pioneered the collateralized debt protocol (CDP) model, Sky's USDS, Aave's GHO & Curve's crvUSD.



As a relatively more decentralized alternative built on DeFi infrastructure, crypto-backed stablecoins offer several advantages:

- **Decentralization:** Crypto-backed stablecoins are typically managed by smart contracts on public blockchains, reducing reliance on centralized entities or custodians. This minimizes the need to trust a single issuer.
- **Improved Transparency:** Collateral reserves are held on-chain, enabling real-time verification and providing greater oversight for market participants and regulators.
- **Efficiency & Composability:** DeFi's programmability and modularity enhance capital efficiency and expand the utility of stablecoins across lending, borrowing, savings and yield generation applications.

The following table summarizes the major crypto-backed stablecoins with additional information around their issuers, backing assets and chains they are primarily issued on:

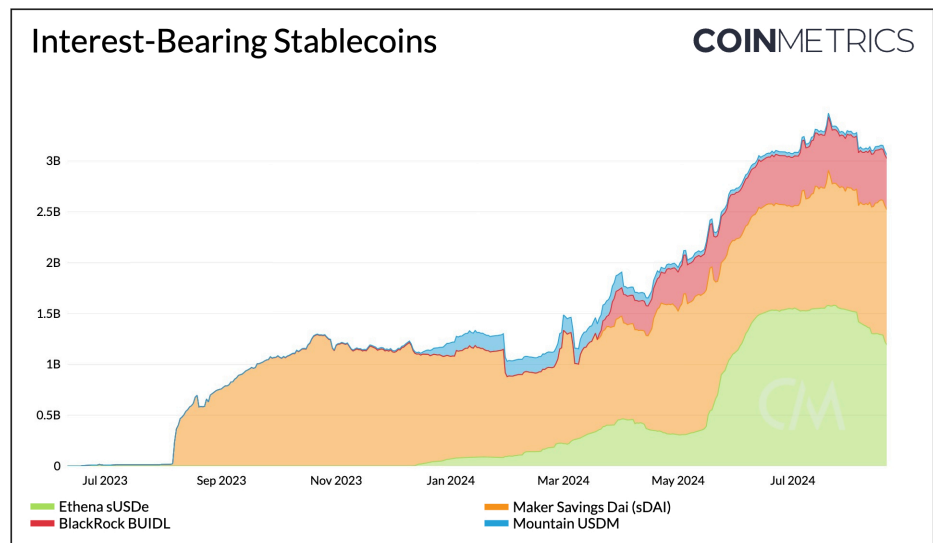
Stablecoin	Issuer	Market Cap	Collateral	Yield Bearing	Primary Chains
USDe	Ethena	\$4.8B	Staked ETH (sETH), ETH, plus delta-neutral derivatives	Yes, via staked USDe (sUSDe)	Ethereum
USDS	Sky	\$3.5B	Stablecoins, ETH, stETH, WBTC, RWAs	Yes, via savings USDS (sUSDS)	Ethereum, Solana
DAI	MakerDAO (Now Sky)	\$3.7B	Stablecoins, ETH, stETH, WBTC, RWAs	Yes, via savings Dai (sDai)	Ethereum
GHO	Aave	\$211M	Broad range of Aave v3 Collateral : (e.g., WETH, WBTC, USDC, DAI, etc.)	Yes, via staked GHO (sGHO)	Ethereum

While relatively nascent, Ethena's USDe holds the largest market share in this category, boosted by attractive yields offered to USDe stakers (sUSDe holders). Elevated funding rates on exchanges during periods of market optimism fueled its initial growth, though momentum has slowed under recent market conditions.

Sky Ecosystem (formerly MakerDAO)'s Dai and newly launched USDS are next to follow, with their tokenized versions (sDAI and sUSDS) growing through the yield accrued via the Sky savings rate. Several other crypto-collateralized stablecoins exist but remain in the early stages of adoption.

Interest-Bearing Stablecoins

The post-2021 rise in federal funds and global interest rates introduced an opportunity cost for pure U.S. dollar exposure. This sparked the emergence of interest-bearing stablecoins and tokenized money market funds (TMMF) collateralized by short-term U.S. treasury bills, money market instruments, and other real-world assets (RWAs). The issuers of these stablecoins, ranging from decentralized to centralized, return a portion of yield generated to holders, keeping the “net-interest margin”.

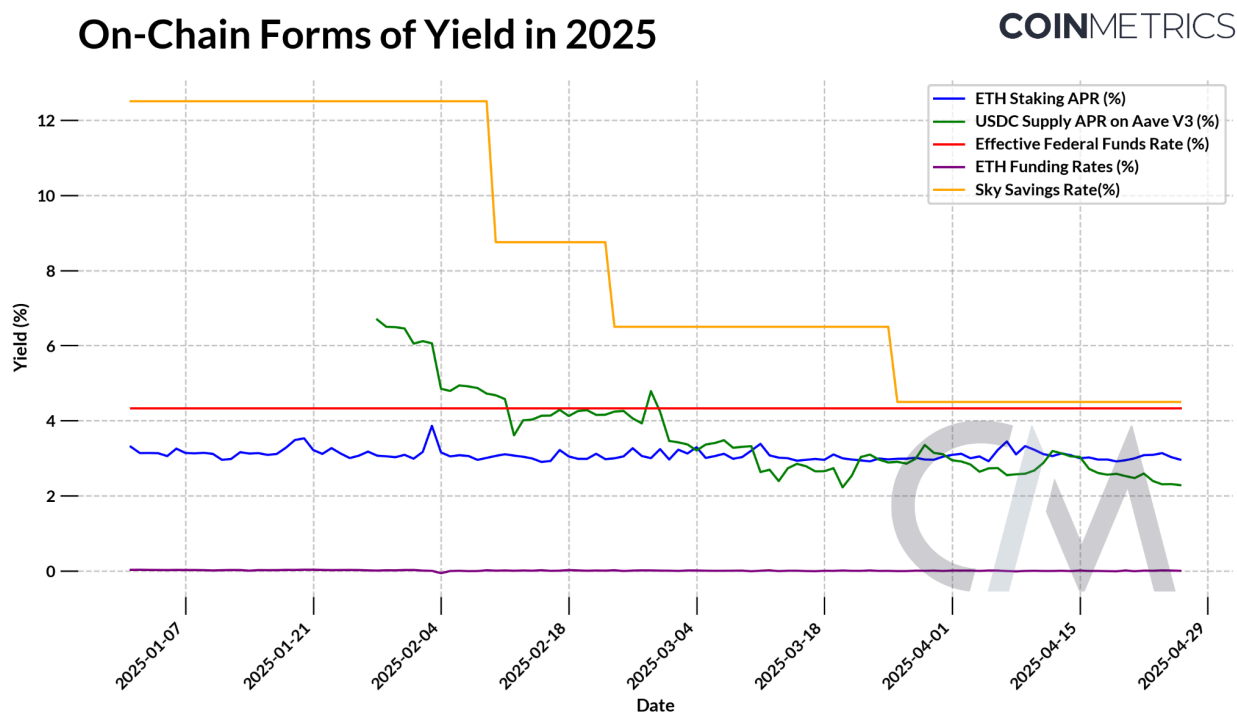


Many crypto-collateralized stablecoins like DAI and USDe are interest-bearing, while others, similar in structure to fiat-backed stablecoins like USDC or PYUSD, return a portion of interest earned on reserves such as U.S. Treasury bills to holders.

The following table summarizes the major interest-bearing stablecoins with additional information around their issuers, backing assets and chains they are primarily issued on:

Stablecoin	Issuer	Market Cap	Collateral	Yield Bearing	Primary Chains
sUSDS	Sky	\$2.65	Stablecoins, ETH, stETH, WBTC and real world assets RWAs.	Yes, yield comes from depositing USDS in the Sky savings rate, which provides yield from protocol revenues and investments in RWAs like tokenized treasuries.	Ethereum, Solana
sUSDe	Ethena	\$1.2B	Staked ETH, ETH	Yes, yield comes from delta-neutral hedging. stETH earns staking rewards, while shorting ETH futures, capturing funding rates.	Ethereum
sDAI	MakerDAO (Now Sky)	\$445M	Stablecoins, ETH, stETH, WBTC and real world assets RWAs.	Yes, yield comes from depositing Dai in the Dai savings rate, which provides yield from protocol revenues and investments in tokenized treasuries.	Ethereum
BUIDL	BlackRock + Securitize	\$403M	Short-term U.S. Treasuries and cash equivalents	Yes, yield comes from BlackRocks tokenized money market fund investing in treasuries & cash equivalents.	Ethereum
USDM	Mountain	\$30M	Short-term U.S. Treasuries and cash equivalents	Yes, yield generated by investing 100% reserves in U.S. Treasuries and shared with non U.S users.	Ethereum

The mechanism through which yield is paid out differs across projects. Mountain Protocol's USDM, for instance, derives its yield from a [reserve composition](#) of treasury bills, accruing interest through a [rebasing mechanism](#). Maker protocol's savings DAI (sDAI), takes another approach, accumulating interest from DAI deposited in the DAI Savings Rate (DSR). This yield originates from a basket of real-world assets (RWAs), crypto-assets, and excess reserves backing DAI, implemented through an [ERC-4626 vault](#) standard. Collectively, these products represent an emerging category of crypto-native *savings instruments*.



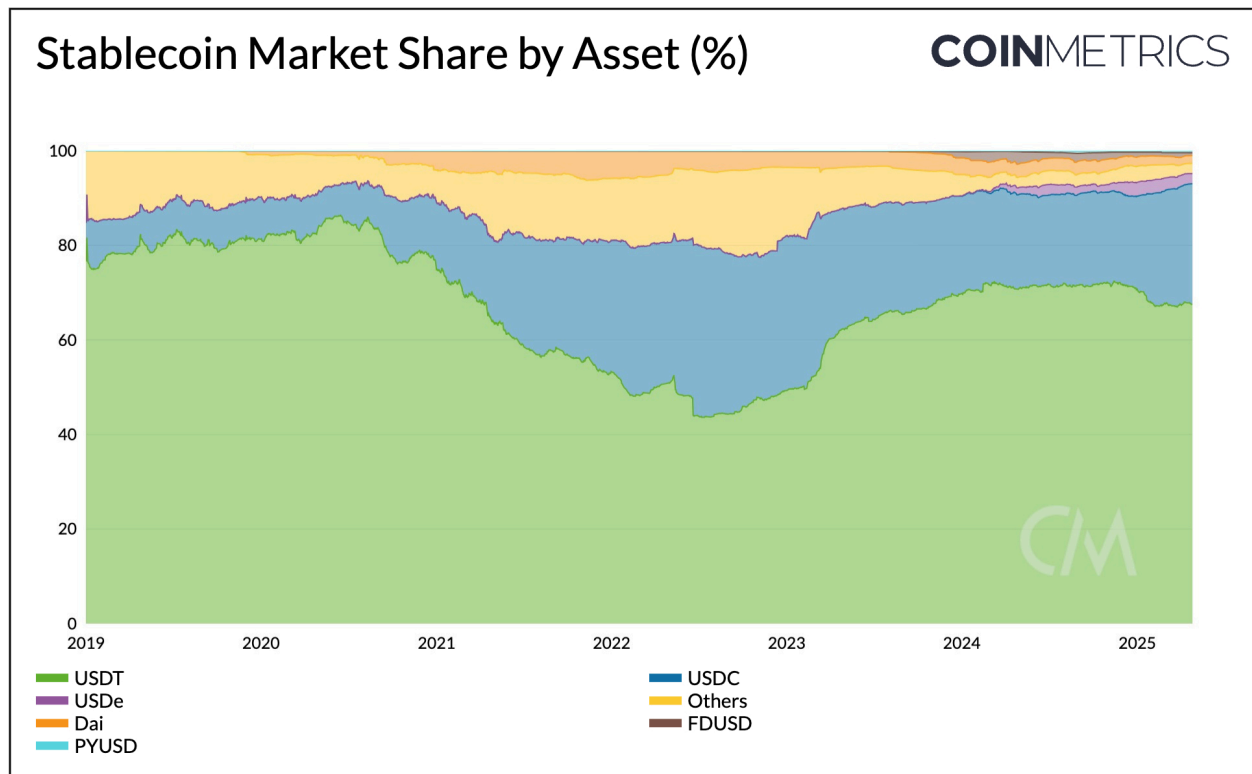
Source: Coin Metrics Network Data Pro, Coin Metrics Market Data Feed, [Federal Reserve Bank of New York](#), [Aavescan.com](#).

As shown below, there's been an emergence of diverse sources of yield on-chain, expanding options for stablecoin holders, including:

- The **Effective Federal Funds Rate** (proxy for yields on treasury-backed stablecoins like USDM and BUIDL).
- **Savings rates** offered by protocols such as Sky (sDAI and sUSDS).
- **DeFi lending supply rates** on stablecoins through platforms like Aave v3.
ETH staking rewards, representing yield generation on staked ETH
- **Funding rates** from perpetual swaps markets, which underpin strategies like Ethena's delta-neutral hedging model for USDe.

This range of yield sources reflects the increasing opportunity cost to stablecoin holders, with different risk/return profiles based on collateral types (fiat, crypto, RWAs) and yield mechanisms (lending, staking, or trading strategies). However, yields across many sources are trending downward and converging in 2025, mirroring broader macro trends. With potential rate cuts ahead, the attractiveness and risk profile of interest-bearing stablecoins could shift. As more real-world assets are tokenized, the breadth of on-chain yield opportunities is likely to expand further.

Stablecoin Issuer Spotlights



Source: Coin Metrics Network Data Pro

After reviewing the broader stablecoin landscape and its subsectors, we now turn to the major issuers shaping the market today. While stablecoins differ widely in collateral models, decentralization levels, and yield mechanisms, market share remains concentrated among a few dominant players.

Tether USDT

Ticker: USDT

Issuer: Tether International S.A. DE C.V.

Total Supply: \$150B

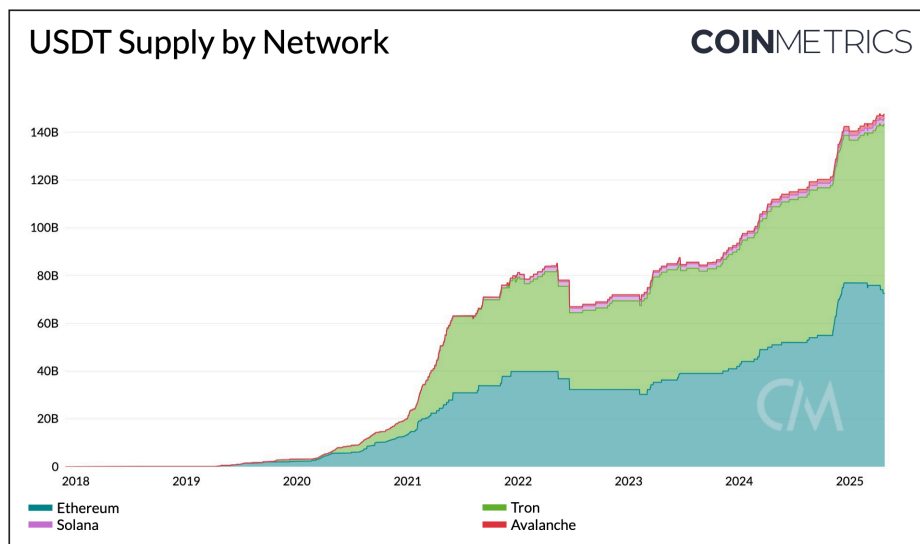
Market Share: 67%

Background & Issuer Overview

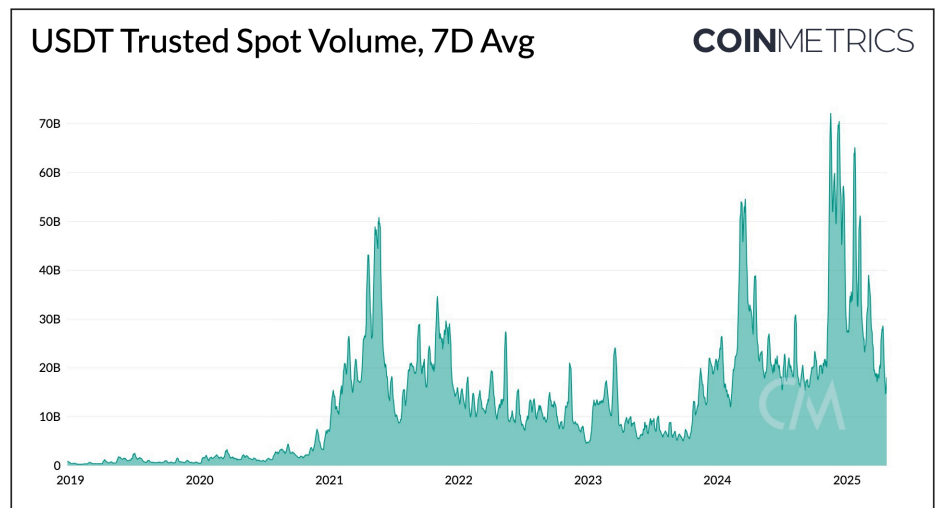
- USDT was originally issued by Tether Limited Inc., incorporated in Hong Kong in 2014 as part of a broader group controlled by iFinex Inc., (which owns the cryptocurrency exchange Bitfinex).
- The parent company, Tether Holdings Limited was registered as an offshore entity in the British Virgin Islands (BVI), which helped its regulatory positioning and ability to serve end-users worldwide.
- As of 2025, Tether's operational base has shifted to El Salvador, where it now operates under regulatory supervision. Tether International S.A. DE C.V is now responsible for issuing USDT.
- Tether's model resembles the eurodollar market, with USDT functioning as a claim on U.S. dollars held outside the U.S. financial system.
- Tether's first-mover advantage, paired with wide distribution through emerging markets and exchange integration has created deep liquidity and strong network effects.

Usage & Adoption

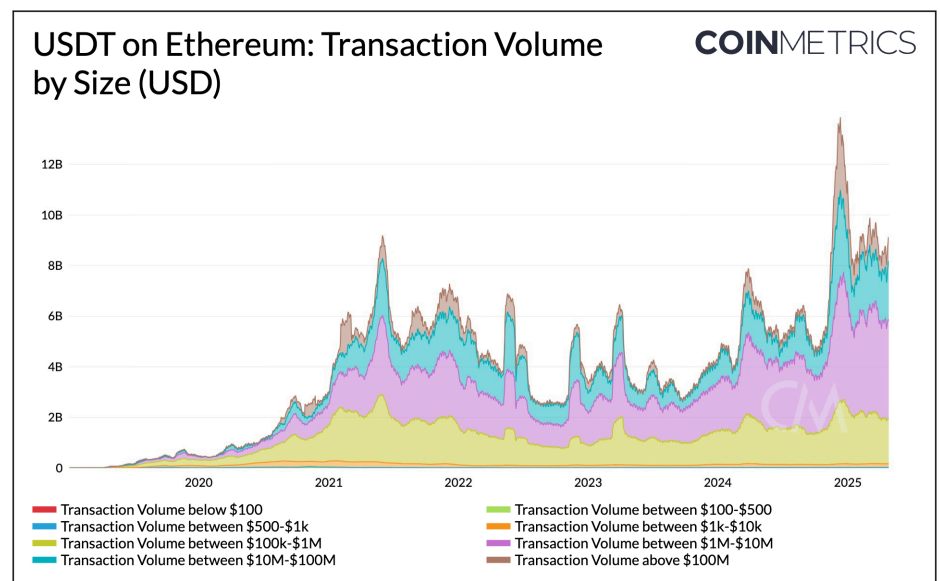
USDT has a total supply of \$146B, and has more than doubled in circulation on the back of USDC's de-pegging in March 2023. Currently, \$72.5B (49%) of USDT's supply is on Ethereum, \$70.7B (48%) on Tron, \$2.4B on Solana and the remaining across other networks including Avalanche, Ton and Aptos.



Due to its widespread distribution, USDT offers deep liquidity across secondary markets, making it the preferred medium of exchange across centralized & decentralized exchanges (DEXs). Spot volumes denominated in USDT firmly exceed other major stablecoins like USDC and PYUSD, commanding 70–80% of market share.



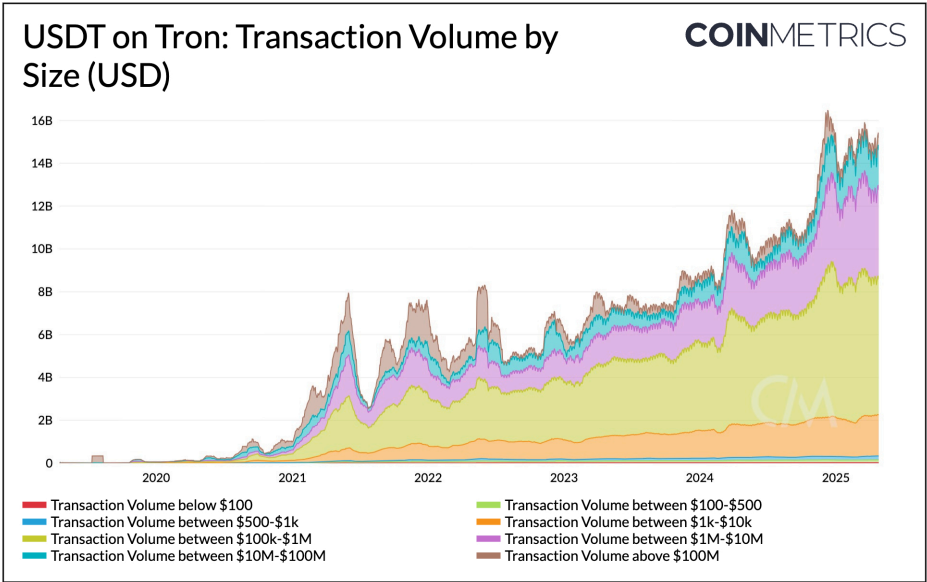
Beyond exchange usage, USDT has facilitated over \$22T in transfer volume on Ethereum and Tron, with the chains averaging \$9B and \$18B in 7-day transfer volume, respectively. On Ethereum, relatively large transfers (between \$1M–\$10M) dominate, capturing 44% of all transaction volume. Transaction volume between \$100k–\$100M collectively represents 88% of all activity.



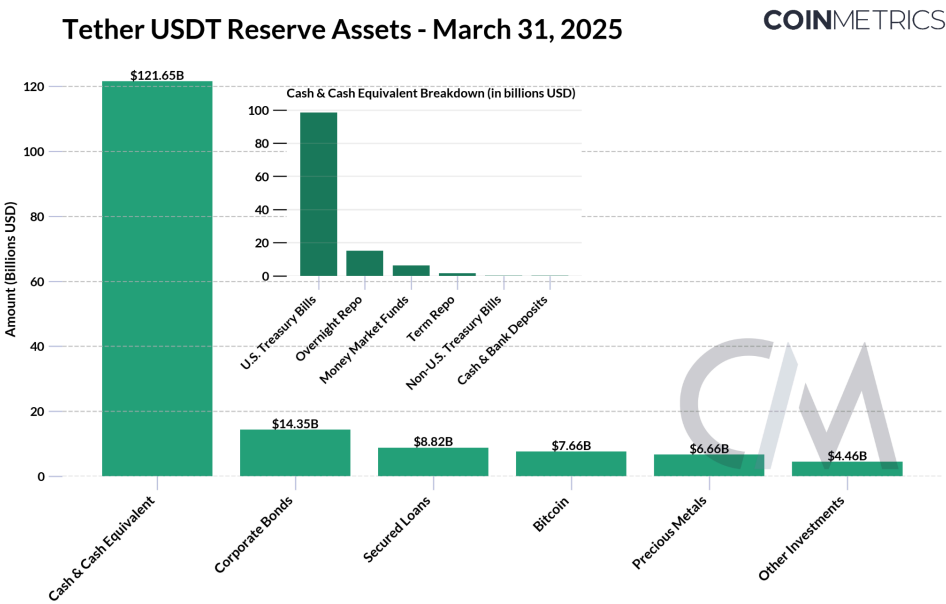
On Tron, 41% of transfer volume falls in the \$100k–\$1M category, followed by \$1M–\$10M and relatively small transfers of \$1k–\$10k, enabled by Tron’s lower transaction fees.

Reserves & Transparency

Tether’s reserves are designed to fully back every USDT in circulation. While primarily fiat-backed, Tether’s reserves also include non-fiat assets such as commodities and other investments. Based on the latest March 2025 attestation, \$121B of reserves are in cash & cash equivalents with a majority being U.S. Treasury bills. The remaining reserves include corporate bonds, secured loans, precious metals, other investments and \$7.6B in Bitcoin. While commodity reserves provide diversification, they can pose potential risks to overcollateralization in downtrends.



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Circle USDC

Ticker: USDC

Issuer: Circle

Total Supply: \$60B

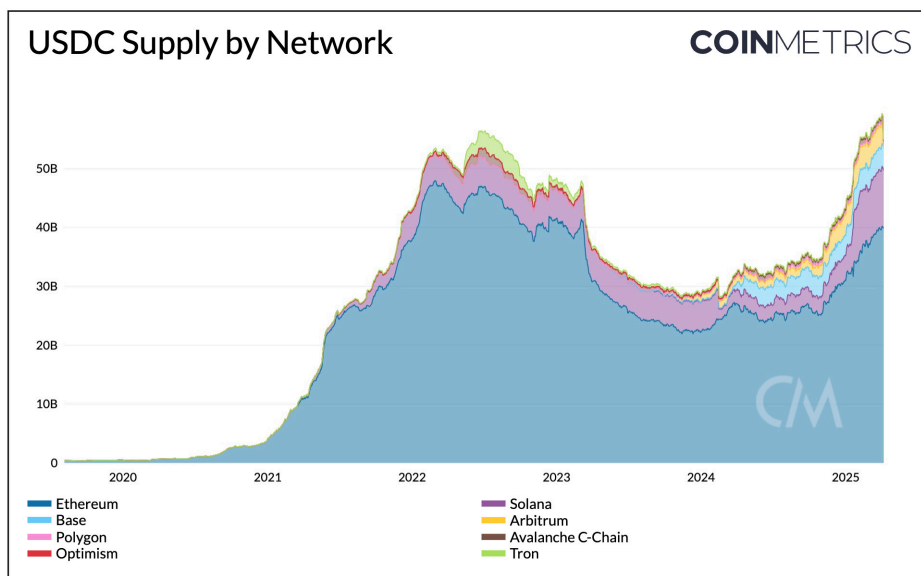
Market Share: 26%

Background & Issuer Overview

- USDC is issued by Circle Internet Financial LLC., a private fintech company now headquartered in New York City.
- USDC was originally governed through the Centre Consortium, a joint venture between Circle and Coinbase established in 2018. In August 2023, the Centre Consortium was dissolved. Circle acquired Coinbase's remaining 50% equity interest in Centre for ~\$210 million in stock, making Circle the sole issuer of USDC.
- Coinbase remains deeply involved with USDC, with Coinbase taking an equity stake in Circle. Coinbase and Circle now equally share in the interest income generated from USDC reserves, with revenue distribution based on the amount of USDC held on each platform, making them strategically aligned towards USDCs growth.

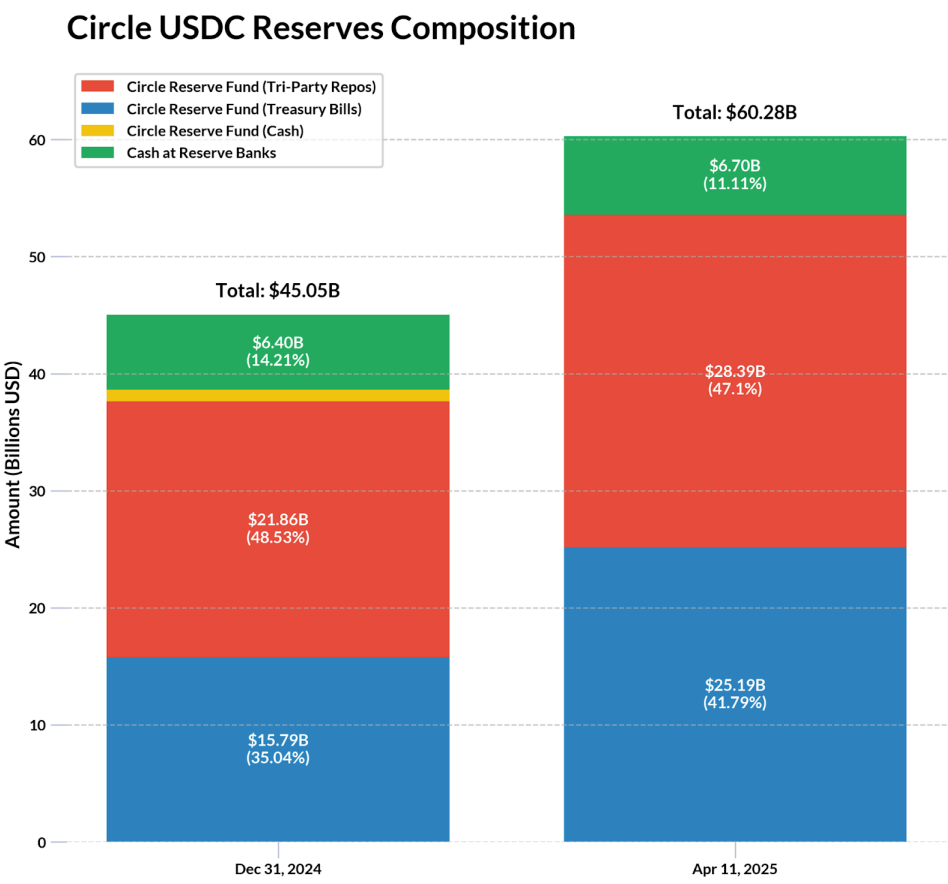
Usage & Adoption

The total supply of USDC has grown to ~60B, firmly placing it as the second largest stablecoin in existence behind Tether's USDT. While its market share came under pressure in 2023, it has since rebounded to 26%, reflecting renewed market confidence. Of this, ~\$40B (65%) is issued on Ethereum, ~\$9.5B on Solana (15%), ~\$3.75B on the Base Layer-2 (6%), with the remaining issued across Arbitrum, Optimism, Polygon, Avalanche and others.



Reserves & Transparency

For every dollar of USDC issued, Circle invests the backing reserves in a portfolio of highly liquid, low-risk assets such as short-dated U.S. Treasuries and cash deposits. This allows Circle to generate yield on reserves while ensuring liquidity and redemption stability for USDC holders. In its recent IPO filing, Circle revealed that it earned a reserve income of \$1.6B in 2024. This represents 99% of its total revenues, suggesting a highly concentrated revenue mix tied to interest-rates.



The majority of USDC reserves are held in the [Circle Reserve Fund](#), an SEC registered government money market fund managed by BlackRock. Using Circle’s [monthly attestations](#), financial statements and the aforementioned BlackRock Circle Reserve Fund, we find that as of April 11th, \$53.5B (~88%) of USDC reserves are composed of US Treasuries and overnight repurchase agreements with a variety of financial institutions, all with a maturity of less than 2-months. Additionally, 11% of its reserves include cash deposited at regulated banks.

Ethena (USDe & sUSDe)

Ticker: USDe

Issuer: Ethena Labs

Total Supply: \$4.7B

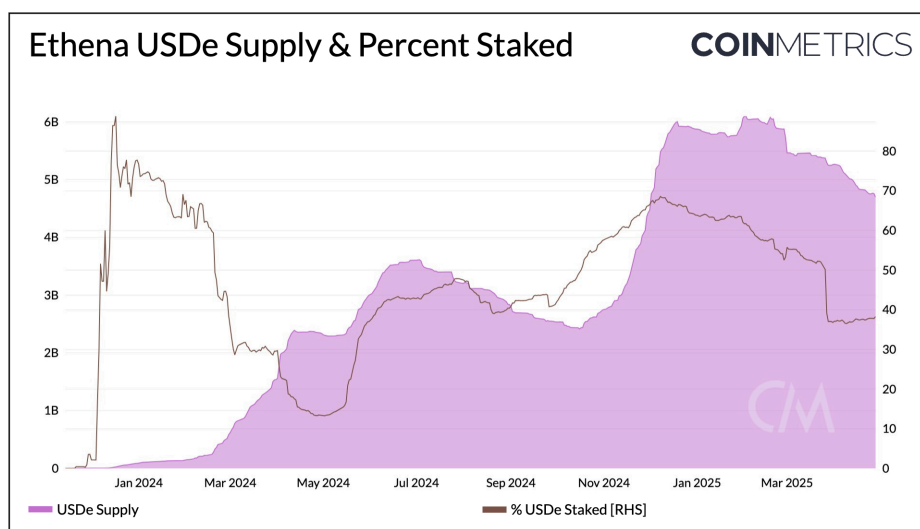
Market Share: 2.1%

Background & Issuer Overview

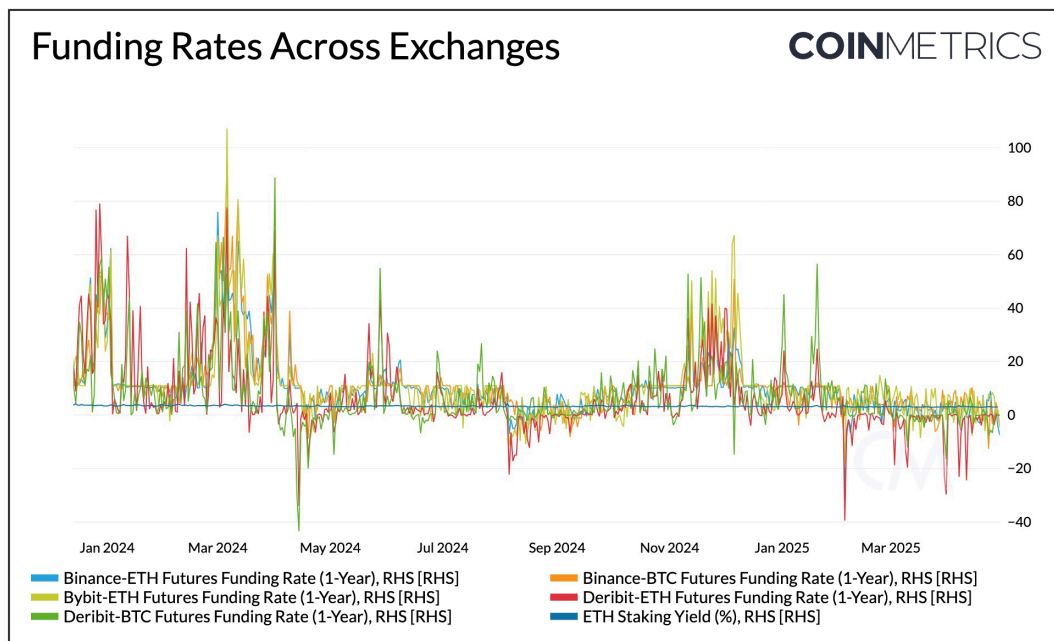
- USDe and staked USDe (sUSDe) are issued by Ethena Labs, a protocol launched in early 2024, focused on building a synthetic, yield-bearing stablecoin.
- Unlike traditional fiat-backed stablecoins, USDe is not backed by U.S. dollars or cash equivalents, but instead maintains its peg through delta-neutral hedging strategies on derivatives markets across exchanges.
- In practice, the protocol uses collateral such as BTC, ETH and staked ETH (long), paired with short perpetual futures positions to generate yield through funding rates and synthetically replicate dollar exposure.
- Staked USDe (sUSDe) is a yield-bearing version of USDe that distributes returns from staking rewards and funding rates. Together, Ethena's synthetic dollar provides a differentiated risk and return profile for users seeking higher yielding alternatives.

Usage & Adoption

USDe was one of the fastest growing stablecoins in 2024. Its supply rose to a total of 3.6B within 6-months of launch, and reached a record-high of 6B in February 2025. This growth was primarily driven by elevated funding rates in the start of 2024, and between November-December against a backdrop of bullish market sentiment.

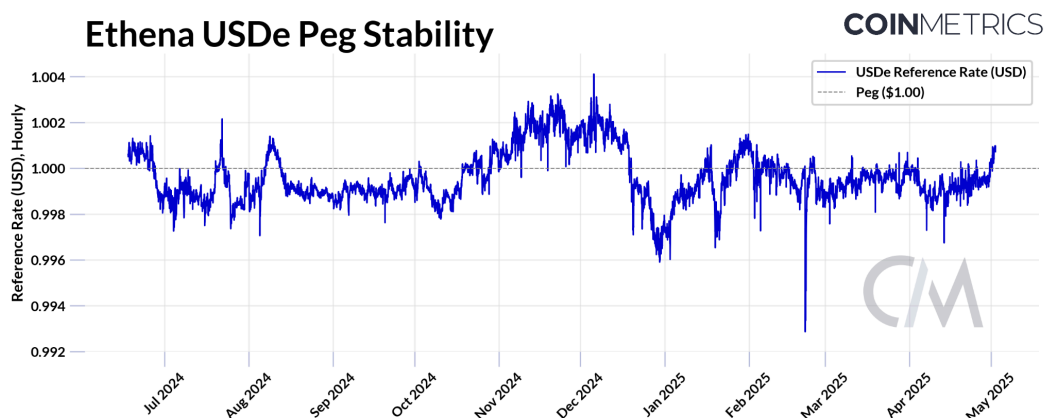


During these periods, yields offered on sUSDe were substantially higher than the benchmark “risk-free rate”, driving further demand. However, as conditions have reversed, lower and often negative funding rates have stalled USDe growth. As of today, there is 4.67B USDe in circulation, with 39% of it being staked (sUSDe).



Reserves & Transparency

The reserves backing USDe are dynamically managed based on prevailing market conditions. During extended periods of negative funding rates, Ethena reduces exposure to funding rates by shifting USDe’s backing into liquid stablecoins like USDC or



yield-bearing assets like tokenized money market funds. This includes projects like BlackRock’s BUIDL, Sky’s savings USDS (sUSDS) or their own stablecoin - USDtb, which is currently backed by 1.3B of BUIDL. These stablecoins and yield-bearing assets represent a majority of USDe’s current reserves, providing a cushion against volatile market conditions, albeit with lower than benchmark yields.

MakerDAO and Sky (DAI & USDS)

Ticker: Dai & USDS

Issuer: Sky (formerly MakerDAO)

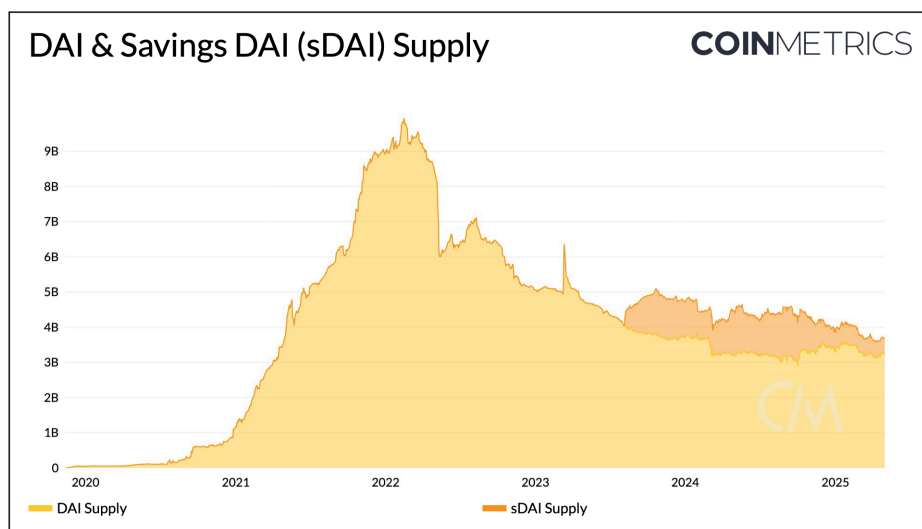
Total Supply: \$3.8B & \$3.9B

Background & Issuer Overview

- MakerDAO launched in 2017 as one of the first decentralized autonomous organizations (DAOs), introducing the DAI stablecoin and pioneering the collateralized debt position (CDP) model.
- MakerDAO enabled users to mint DAI by locking up ETH and other crypto collateral in smart contracts in an overcollateralized manner.
- Over time, Maker increasingly incorporated real-world assets like U.S. Treasuries and other off-chain yield-generating instruments into DAI's collateral base to boost capital efficiency and protocol revenues.
- In 2023, MakerDAO began a multi-phase upgrade initiative known as Endgame, resulting in the rebranding of the protocol to "Sky" in 2024. This formalized the separation of operational entities and governance scope while preserving Maker's core protocol and stablecoin under the new Sky umbrella.
- As of 2025, Sky oversees the issuance of DAI, the newer stablecoin USDS and their yield-bearing counterparts, sDAI and sUSDS. The latter shares yield to holders through the Sky Savings Rate (SSR).
- Sky stablecoins (DAI, USDS) are deeply embedded in DeFi, used across lending, liquidity provision, and yield strategies, and are now backed by a diverse mix of crypto assets, stablecoins, and tokenized RWAs.

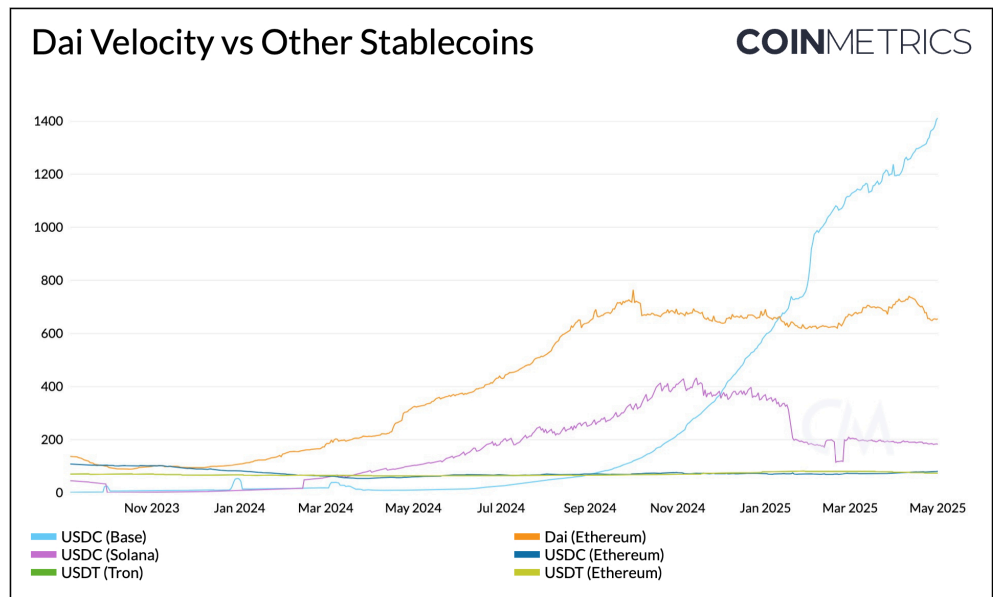
Usage & Adoption

Dai experienced tremendous growth in the 2021 bull-market, growing to a total supply of \$9B. Since the summer of 2022, its growth was hampered by events like Terra LUNA's collapse and USDC's de-pegging during the Silicon Valley Banking crisis, which also led to a [de-pegging of DAI](#) due to its USDC backing (in its Peg Stability Module).



The introduction of savings DAI in August 2023, a tokenized representation of Dai deposited in the savings rate module, has helped boost demand, expanded DeFi integrations and has significantly increased Dai's velocity. Dai only ranks second to USDC on Base in terms of adjusted velocity and has a higher turnover rate than USDT on Tron, USDC on Ethereum and Solana.

With the growth of USDS now prioritized, the Sky Ecosystem's growth is tied to the success of both its stablecoins, with both offering unique properties and trade-offs in decentralization.



Reserves & Transparency

Collateral

Total Debt

 7,989,692,887.93 ↓5.41M

Total Collateral

\$10,834,340,443.35 ↑10.51M

Source: info.sky.money

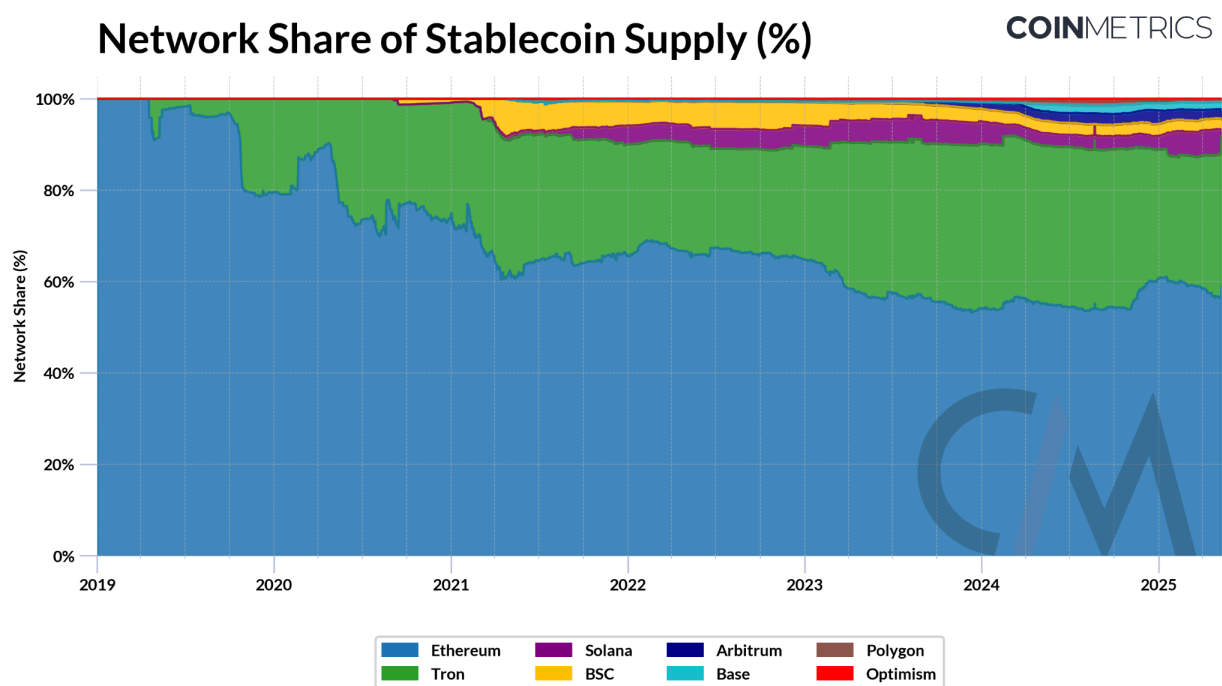
As of April 2025, Sky manages over \$10.8B in collateral assets and has \$7.9B in outstanding stablecoin across Dai and USDS. The reserve composition is diversified across stablecoins, on-chain collateral, protocol lending markets, and real-world assets (RWAs):

- **Stablecoins:** Primarily composed of \$3.5B in USDC held via the Peg Stability Module (PSM), which enables 1:1 swaps with USDC to maintain Dai and USDS price stability around the \$1 peg.
- **Collateral from Spark Lending:** Sky deploys a portion of its stablecoin reserves and [tokenized RWAs](#) into Spark Protocol, a lending platform under its ecosystem which makes up \$4.8B in reserves.
- **Collateral from MakerDAO Vaults:** \$1.9B in crypto assets like ETH, stETH, WBTC, and other tokenized assets, deposited into Maker's overcollateralized vaults.

Stablecoins Turf Wars: Stablecoins Across Blockchains

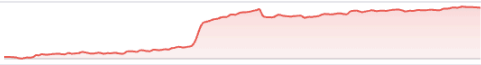
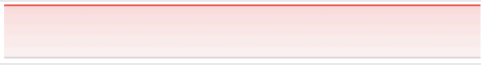
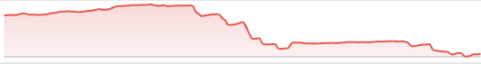
As stablecoins increasingly dominate on-chain activity, the biggest beneficiaries of this growth are the blockchains they're issued and transacted on. A larger share of stablecoin supply and activity can boost a chain's relevance, drive user retention, and deepen ecosystem liquidity and value capture. This has made stablecoins a strategic battleground for Layer-1s and Layer-2s alike.

Network Share:



The table below summarizes the share of stablecoin market cap across various blockchains as of May 2025:

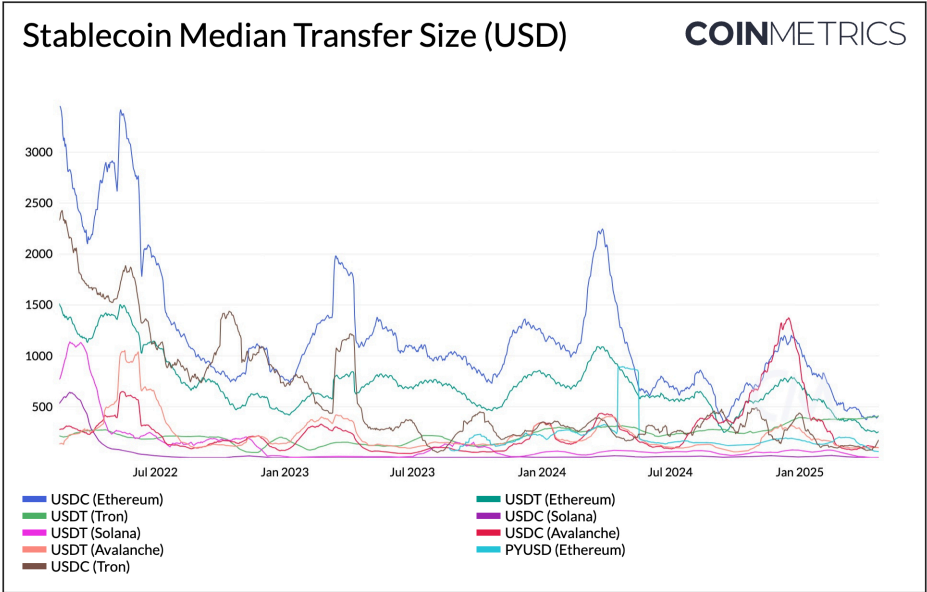
Market Cap Trends by Network

Network	Market Cap	1D Change	Supply last 6 months
Ethereum	\$ 127.81 B	\$ 191.40 M	
Tron	\$ 72.93 B	\$ 998.61 M	
Solana	\$ 12.93 B	\$ -38.57 M	
BSC	\$ 5.58 B	\$ 0.00 M	
Arbitrum	\$ 4.59 B	\$ -29.50 M	
Base	\$ 3.75 B	\$ 24.34 M	
Avalanche	\$ 2.62 B	\$ 31.79 M	
Polygon	\$ 1.48 B	\$ 6.57 M	
Omni	\$ 0.89 B	\$ 0.00 M	
Optimism	\$ 0.43 B	\$ 8.90 M	

Source: [Coin Metrics Stablecoin Dashboard](#)

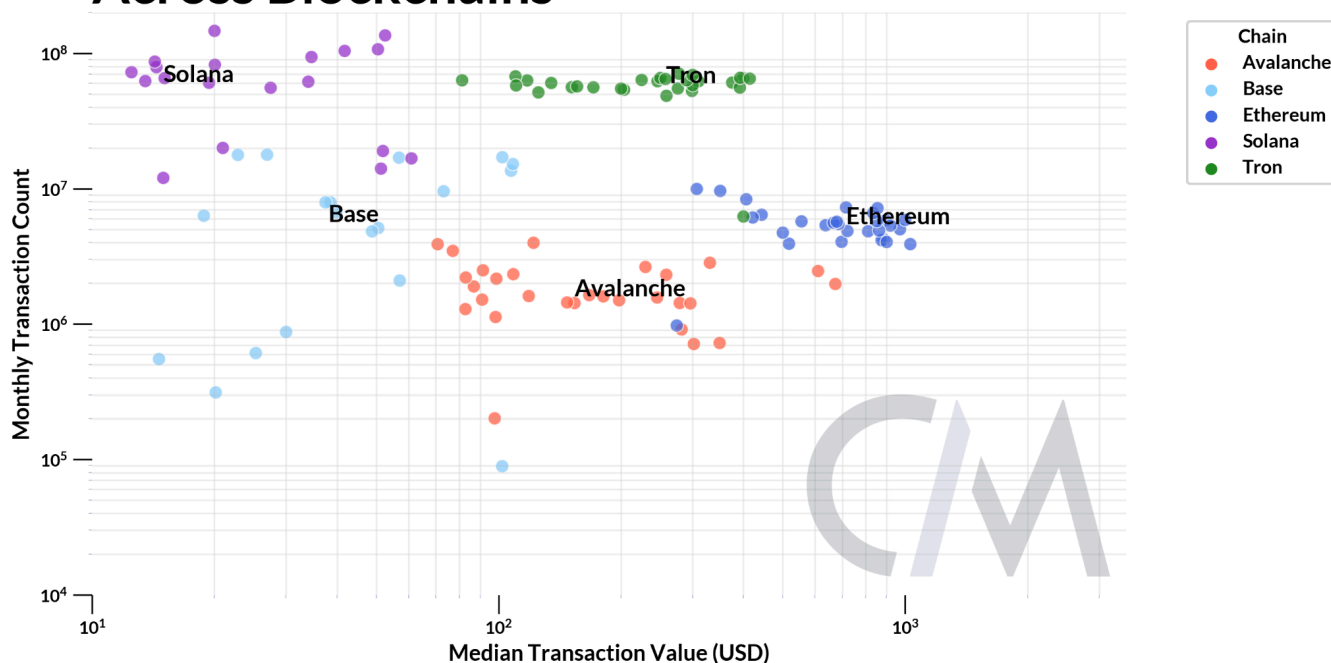
Lower Transaction Costs:

Advancements in blockchain scalability and maturity of on-chain infrastructure has led to significant reductions in transaction costs. Median transfer sizes of various stablecoins across blockchains have decreased by ~10x, with some networks like Solana and Base featuring median costs below a fraction of a cent. This keeps costs for a typical user very low, unlocking use cases like payments, micro-transactions and merchant settlement.



Stablecoin Usage Patterns Across Blockchains

COINMETRICS

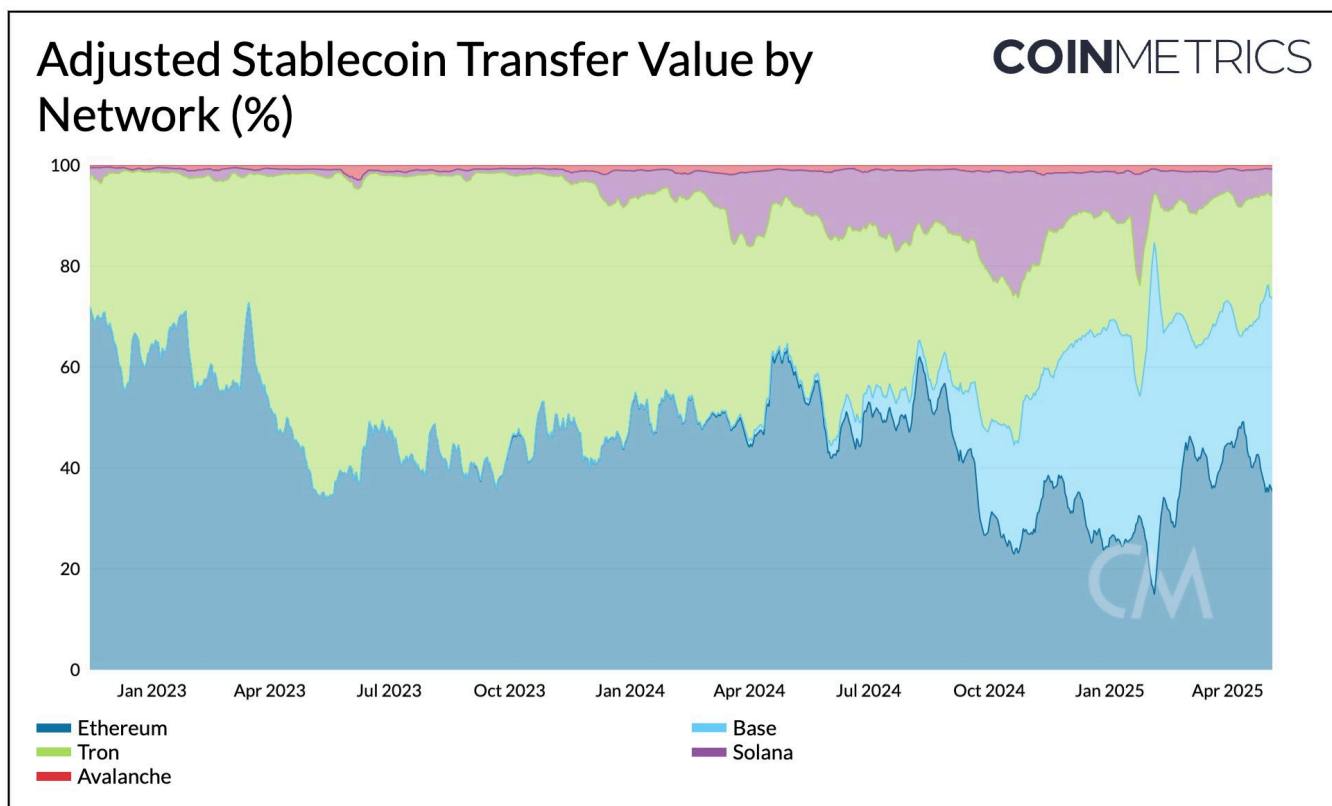


How are Stablecoins Being Used Across Networks?

By comparing transaction count and median transfer size across chains, distinct usage patterns emerge:

- **Solana** exhibits high frequency, low value stablecoin transactions, enabled by its low transaction fees and high throughput architecture.
- **Ethereum** displays lower frequency, but higher value transactions, reflecting its dominance in DeFi and real world asset (RWA) activity.
- **Base** lies in between, with greater variability in transaction frequency and transfer value, showing traction in both retail and DeFi segments.
- **Tron** features a higher volume and median transfer value than Base, driven by USDT's widespread adoption and network effects.

The network share of stablecoin transfer volume was previously dominated by Tron and Ethereum. However, going into 2024, Solana and Base have captured a growing share of activity as stablecoins proliferate in their ecosystems. As of April 2025, 37% of adjusted transfer volume takes place on Ethereum, 35% on Base, followed by 20% on Tron and 5% on Solana.



Conclusion

Stablecoins are evolving from merely trading tools into a foundational component of finance. With over \$230B in circulating supply, they now serve as mediums of exchange, savings instruments, and key channels for global dollar access across both centralized and decentralized ecosystems.

As regulation begins to take shape and new entrants diversify the market, stablecoins are increasingly serving as the connective layer between crypto-native infrastructure and real-world financial applications. While fiat-backed stablecoins dominate, the growth of interest-bearing, crypto-collateralized, and tokenized money market models is expanding user choice, each with trade-offs around risk, transparency, and decentralization.

At the same time, blockchains are competing for stablecoin volume by offering lower fees, and optimized infrastructure. This is driving stablecoin adoption on-chain adoption and enabling use cases like payments, remittances, and micro-transactions at scale.

STABLECOIN SECTOR ANALYSIS

MAY 2025

By [Tanay Ved](#) and the [Coin Metrics Team](#)



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