NEW VALUE

Tokenization Trends in Business and Beyond

How global financial institutions and enterprises tokenize value

2025

Companies worldwide are racing to modernize how they store, exchange and move value.

Tokenization—the process of converting physical, digital, financial, and intangible assets into digital tokens represented on a blockchain—is part of the effort, and has already moved from concept to reality among banks and businesses.

Polaris Research expects the tokenization market to reach $10 trillion by 2030. Globally, markets are on track. JPMorgan and Goldman Sachs recently launched tokenized U.S. treasuries; BlackRock launched its historic Bitcoin ETF and tokenized money market fund (BUIDL)—all which add considerable weight to the overall market projection.

Institutions like HSBC have backed the concept, partnering in projects like a $750 million digital green bond and wholesale central bank digital currencies (CBDCs). Broadridge's Distributed Ledger Repo (DLR) platform transacts $1 trillion monthly, combining smart contracts and tokenization to reimagine the global repo market.

These trends evince a promising present and future for digital assets, cryptocurrencies, and other form factors of the Internet of Value—a global, 'always on', programmable, multi-asset financial network where value moves seamlessly onchain. With tokenized US treasuries and green bonds, to carbon credits, stocks, stablecoins, and real-world assets—the tokenization market potential is virtually endless.

We explored tokenization trends in our global 2024 New Value survey, in which over one thousand finance leaders from financial institutions (FIs) and enterprises participated.

Decision makers from North America, Asia, Europe, Latin America, the Middle East and Africa shared perspective on the impact of tokenization—and revealed where, when, and how they are currently or planning to incorporate tokenized assets into their business models.

Financial Institution (FI) survey respondents include senior and executive leaders from:

- retail, commercial, and custodian banks;
- digital banks/fintechs;
- money transmitters and payment providers;
- PSPs;
- and investment banks and brokerages.

On the enterprise side, we heard from finance leaders with roles in:

- Payments
- Treasury
- Cash management
- Trading, settlement, or custody of digital assets.

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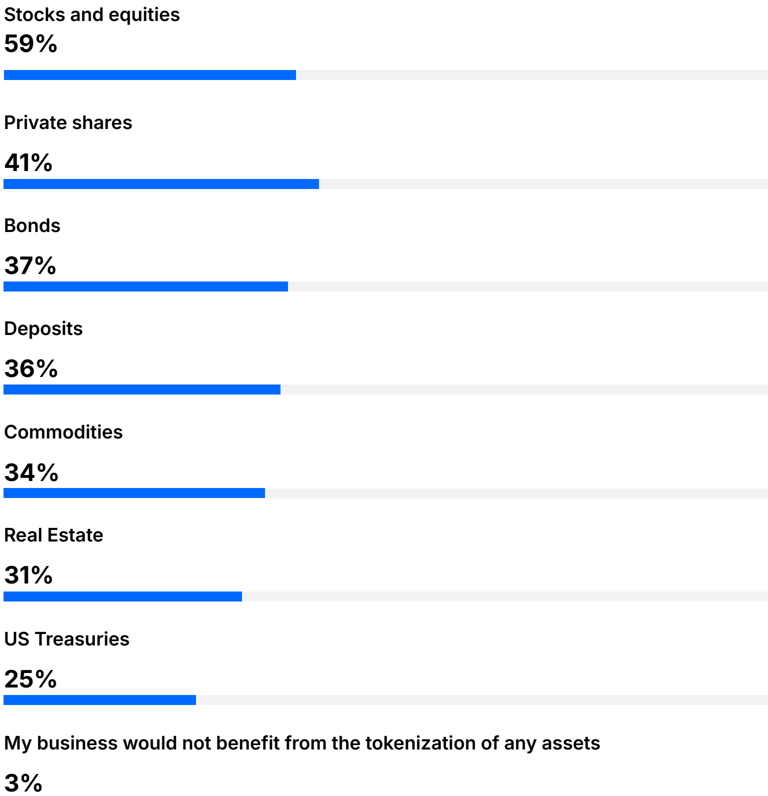
Tokenization benefits all asset classes; the most promising ones vary by region.

We showed respondents the following list, and asked *"Which assets would benefit most from tokenization in your business?"*

- Stocks and Equities
- Private shares
- Bonds
- Deposits
- Commodities
- Real estate
- US Treasuries

From this, some institutional and regional preferences appeared. Most respondents (59%) suggested that *stocks and equities* can primarily benefit. Next, finance leaders emphasized *private shares* (41%) and *bonds* (37%).



NA participants highlighted transformation potential for US treasuries (32%) more than others. This underscores a trend of traditional custodians building tokenization infrastructure. For instance, BNY Mellon's T-Zero platform and others are [aggressively tokenizing]

59%

believe stocks and equities would benefit the most from tokenization

short-term treasuries, with $2 billion on public blockchains. Archax and Ondo Finance are deploying XRP Ledger technology to tokenize money market funds and US treasuries, respectively. These low-risk investment vehicles show promise for higher yields than stablecoins, allowing investors to maximize returns while minimizing risk in their portfolios.

Asset managers are also engaging. Franklin Templeton's $400+ million tokenized money market fund now trades on Coinbase's Base, along with six other public blockchains—reinforcing expanding institutional appetite for tokenized assets.

Other unique perspectives turned up regionally. In MEA, 41% of leaders flagged real estate as an asset type that will benefit from forthcoming tokenization. Tokenizing real estate has started to introduce liquidity and greater market participation, allowing properties to be divided into fractional interests.

Dubai's Land Department launched a blockchain-based property tokenization system to democratize real estate investment, allowing investors to purchase fractional shares of real estate with investments as low as AED500. The initiative aims to streamline the complex regulatory processes by integrating Know Your Customer (KYC) and Anti-Money Laundering (AML) protocols in collaboration with the Virtual Assets Regulatory Authority, ultimately reducing costs and administrative burdens for platforms.

In APAC, 36% of institutions highlighted *commodities* tokenization—a response rate beyond the global average and on par with the most bullish FIs. APAC operates at the forefront here, and the region is home to promising examples of asset tokenization. One recent survey of Asia investment managers finds that 86% expect to offer tokenized funds in less than three years, noting that regulatory innovation buoys regional progress.

By converting physical commodities into digital tokens on blockchain platforms, companies are making it easier to buy, sell, and transfer ownership of everything from precious metals to agricultural products, while maintaining a clear record of authenticity and ownership.

Survey Insight

Belief in benefits may not immediately materialize into project progress.

Respondents were then asked to describe the perceived benefits of tokenizing real-world assets. The top four expected benefits across all asset types included:

- Access to 24/7/365 markets
- Greater financial agility and/or flexibility
- Improved efficiency and automation
- Enhanced security and/or privacy

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>
> - access to 24/7/365 markets
> - greater financial agility
> - improved efficiency and automation
> - enhanced security

Survey results did reveal a divergence between participants' belief in the potential of tokenized assets and their expectations for near-term *progress*.

Participants were evenly split when asked, *“Three years from now, where do you think your company will be in their experience or involvement with tokenization as a way of driving innovation?”*

FIs offered a positive take, with 56% suggesting they’d be either in *process implementing a tokenization solution* or would *already have a tokenization solution in production*.

Another 20% said they will likely be *piloting* tokenization projects or *participating in a proof-of-concept*.

Existing digital asset users across all segments have unlocked benefits already: 68% said they anticipate even more project maturity, and expect to *already have a tokenization solution in place* within three years.

Conversely, less than 40% of enterprise decision makers believe their companies would be more mature in their involvement in three years. Roughly the same amount say their companies will instead still be *researching and gathering information about tokenization providers*, or *piloting or participating in proof-of-concepts*.

Among regions, LATAM and MEA anticipate rapid progress. Over 80% percent of LATAM leaders and 76% of MEA leaders said their businesses would be *more mature*, or in a pilot or POC.

Although NA participants weren’t exceptionally optimistic, NA FIs surfaced as an outlier: 64% said their companies would be more mature in their use and just 2% said their companies won’t *seriously consider* tokenization.

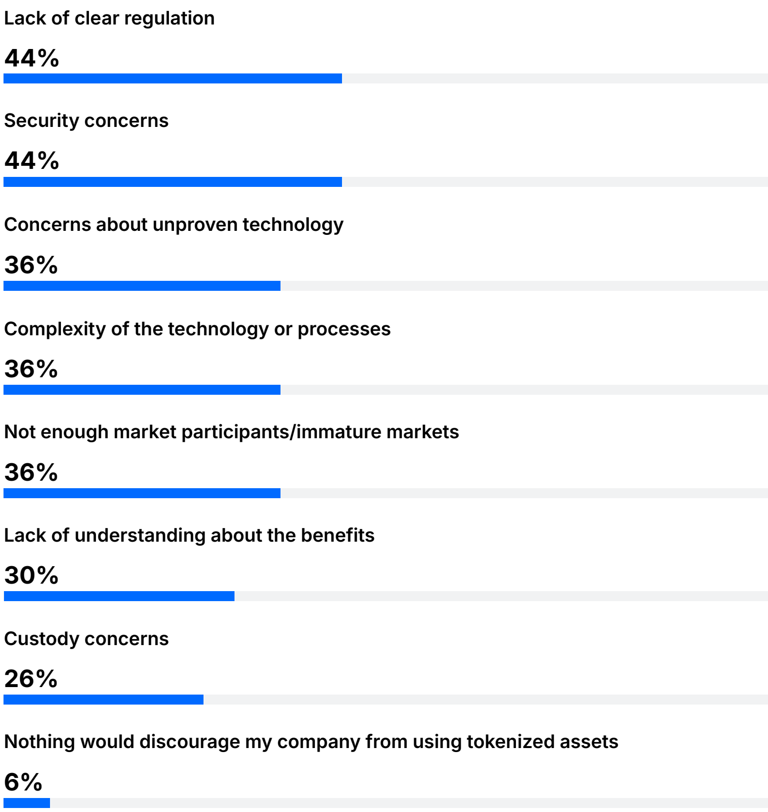
56%

of global financial institutions expect to have a tokenization solution in production or be in the process of implementing one within the next 3 years

Survey Insight

Regulation is the concern that rules them all.

In a follow-on question, finance leaders shared specific issues that could discourage the use of tokenized assets. The top five included lack of clear regulation, security concerns, concerns about unproven technology and complex technology, as well as immature markets.



For participants who selected some factor discouraging use (of note, 6% of survey respondents said nothing would discourage their company from using tokenized assets), nearly every one cited *lack of clear regulation*. In LATAM (55%) and Europe (46%), an above average number of participants stressed this. Global commercial businesses and fintechs also showed concern.

Notably few participants expressed worry about the lack of *understanding about the benefits* or *custody concerns*. This may signal progress around institutional education and growing confidence in infrastructure providers.

Promisingly, regulatory frameworks are maturing and often include guidelines for tokenized securities offerings. For instance, the European Union's Markets in Crypto-Assets (MiCA) regulation developed clear pathways for tokenized asset issuance, and Australia's treasury released a token mapping framework to classify digital assets.

More recently in the US, the Trump White House released an executive order (EO) on crypto policy, stating that it would be administration policy to "promote the development and growth of lawful and legitimate dollar-backed stablecoins." This was quickly followed by the repeal of Staff Accounting Bulletin 121 (SAB 121), making it easier for banks and financial institutions to custody crypto.[1]

In addition, the Office of the Comptroller of the Currency (OCC) reaffirmed that national banks and federal savings associations can engage in cryptocurrency activities—including custody, stablecoin services, and blockchain participation—while removing prior supervisory approval requirements and emphasizing consistent risk management controls.[2]

Our survey results reflect this positive momentum across the region. In NA, nearly 10% of finance leaders had no concerns, indicating that *nothing would discourage my company from using tokenized assets*—a rate that eclipsed APAC, European, and LATAM peers.

10%

of finance leaders in North America cited zero concerns with using tokenized assets in their business

[1] U.S. Securities and Exchange Commission - January 23, 2025 - Staff Accounting Bulletin No. 122
[2] Office of the Comptroller of the Currency - March 7, 2025 - OCC Clarifies Bank Authority to Engage in Certain Cryptocurrency Activities

Survey Insight

No one-size-fits-all currency exists. Different types offer different benefits.

Decisions makers shared specifics on how they see various digital currencies and crypto technologies adding value to their businesses. The table below highlights the most frequently selected responses for each currency type:

For each *Value Add* criteria, we highlighted respondents' top blockchain-based currency.

'Value Add' Feature	CBDCs	Stablecoins	Traditional Money	Crypto-currencies
Transacting in crypto-native digital assets	38%	38%	29%	44%
Offering a simplified currency exchange from one country's currency to another country	37%	38%	34%	37%
Transacting in tokenized real-world assets (RWAs)	36%	36%	30%	36%
Improving traceability of cross-border payments	34%	32%	28%	33%
Accelerating the speed of cross-border payments settlement	34%	39%	26%	35%
Reducing the cost of cross-border payments	31%	34%	23%	32%
Providing access to always-on markets	31%	32%	27%	33%
Providing programmable finance via smart contracts	31%	28%	27%	30%
Increasing liquidity	26%	27%	28%	27%
None of these	2%	1%	7%	1%

From this table, some noteworthy observations form. Most remarkable, leaders see potential for *all* major blockchain-based, digital currencies to help them transact in tokenized real-world assets (RWAs).

This broad confidence in RWA tokenization is translating into concrete activity. KKR's tokenization of its $4B Health Care Strategic Growth Fund on the Avalanche blockchain marked a watershed moment for private market assets, and in the precious metals market, HSBC became the first global bank to offer tokenized physical gold to institutional investors.

Other traditionally illiquid assets are finding new markets. Among the splashiest platforms is Artex Stock Exchange out of Liechtenstein, enabling fractional ownership of blue-chip artworks. Infrastructure assets are transforming too, with the European Digital Asset Exchange noting how municipalities increasingly explore tokenization around road, power plant, and renewable energy projects.

For the value-add feature of *accelerating cross-border payment speed*, respondents liked stablecoins in particular, emphasizing this benefit 50% higher than with traditional money. Participants also expect stablecoins to deliver the most benefit with respect to *offering a simplified currency exchange from one country's currency to another country*.

Close

Our survey shows how institutions have progressed from theoretical discussions to practical implementation, with over 80% of FIs and enterprises executing or planning tokenization projects.

Today, regional and organizational differences shape unique adoption paths. MEA and LATAM markets embrace rapid adoption to solve payment needs, while others eye improved liquidity with treasury and security tokenization. These regional variations reflect how both markets and users embrace tokenization to serve distinct demands.

Financial markets have reached an inflection point as organizations now focus on navigating regulation, strengthening security, and structuring issuance, rather than debating technology merits. This pragmatic shift, paired with successful real-world deployments, signals that tokenization isn't tomorrow—it's today.

As projects progress, simplified cross-border payments, asset fractionalization, and 24/7 market access will move from innovative exceptions into table stakes benefits over the next three years. And as regulatory frameworks crystallize and infrastructure advances, institutions will distinguish themselves not by whether they adopt tokenization, but by how aggressively (and effectively) they do.

About Ripple
Ripple is the leading provider of digital asset infrastructure for financial institutions—delivering simple, compliant, reliable software that unlocks efficiencies, reduces friction, and enhances innovation in global finance. Ripple's solutions leverage the XRP Ledger and its native digital asset, XRP, which was purpose-built to enable fast, low-cost, highly scalable transactions across developer and financial use cases. With a proven track record working with regulators and policymakers around the world, Ripple's payments, custody and stablecoin solutions are pioneering the digital asset economy—building credibility and trust in enterprise blockchain. Together with customers, partners and the developer community, we are transforming the way the world tokenizes, stores, exchanges, and moves value.

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