

With Open USD, the Stablecoin Market Enters a New Phase

July 6, 2026

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After a year of rapid growth in 2025, the market is attracting a greater number of issuers, from banks and fintechs, to payment companies and crypto native firms. Yet the sector remains highly concentrated around USDT and USDC, whose dominance is supported by distribution, liquidity, and deep market integration. In this context, the launch of Open USD (OUSD) highlights the next challenge on the horizon for the industry.

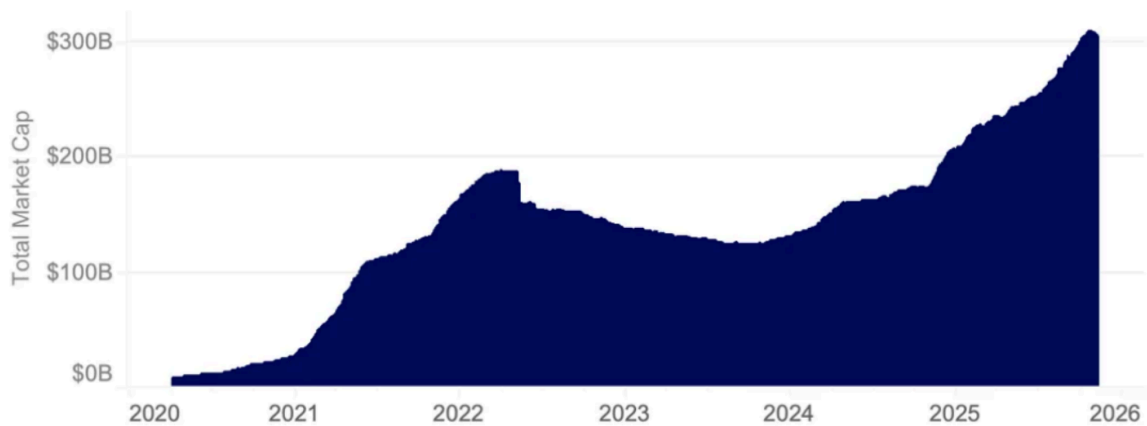
- Stablecoin market capitalization reached \$300B in 2025, more than \$100B higher than in 2024.
- USDT and USDC remain dominant, with market caps of around \$186B and \$70B respectively in June 2026.
- EUR stablecoins are growing but remain marginal, representing only around 0.12% of volumes by mid-2026, compared with 99.88% for USD stablecoins.

The Current State of the Stablecoin Market

Over the past few years, the number of players looking to enter the stablecoin market has increased noticeably with more and more banks, fintechs, payment companies, and crypto-native firms exploring their own stablecoin initiatives. While launching a stablecoin has become more accessible as the ecosystem has matured, turning it into a widely used asset remains much harder.

The stablecoin market experienced phenomenal growth in 2025, with total market capitalization reaching around \$300 billion, more than \$100 billion higher than in 2024. This marked a turning point for the sector. Stablecoins moved further beyond their original role as trading instruments and became a core piece of crypto market infrastructure, increasingly used for payments, settlement, or treasury management.

Stablecoin Market Capitalization



Source: Kaiko Circulating Supply and DefiLlama Data.
Includes: All major stablecoins.



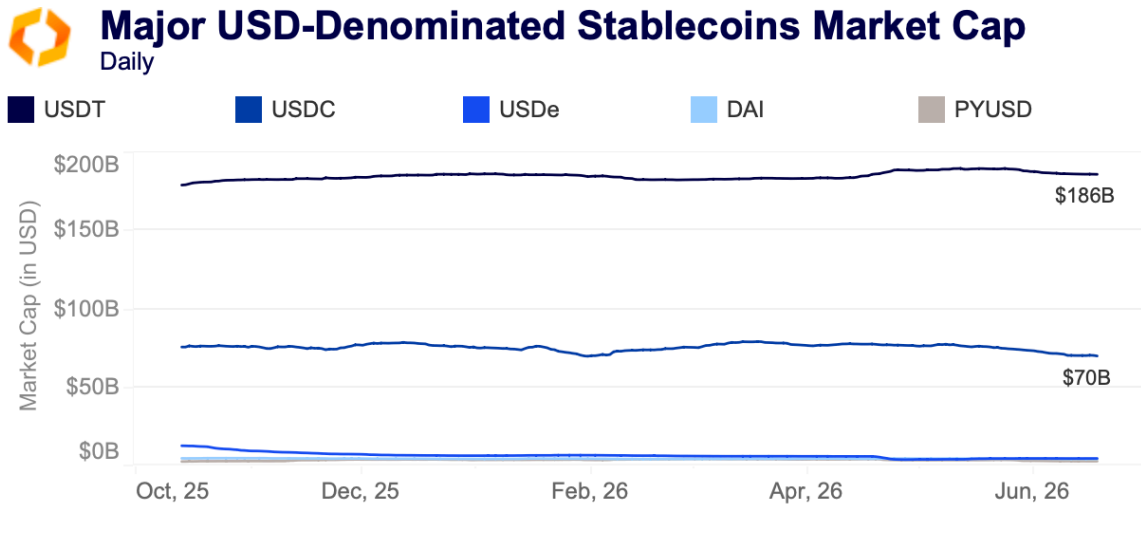
Despite this rapid expansion, the market remains highly concentrated around a few dominant assets, especially dollar-denominated stablecoins. This concentration reflects the depth of the US market, the central role of the dollar in crypto trading, and the growing use of stablecoins as infrastructure for payments, settlement, and access to liquidity. In this environment, USDT and USDC hold a position that is difficult to challenge.

In June 2026, USDT had a market capitalization of around \$186 billion, compared with approximately \$70 billion for USDC. Together, these two stablecoins represent the majority of the market capitalization of major USD-denominated stablecoins, and of the stablecoin market as a whole. Other USD-denominated stablecoins such as USDe, DAI and PYUSD remain far behind, with smaller market capitalizations. This structure shows that the market is not only dominated by USD stablecoins, but more specifically by USDT and USDC.

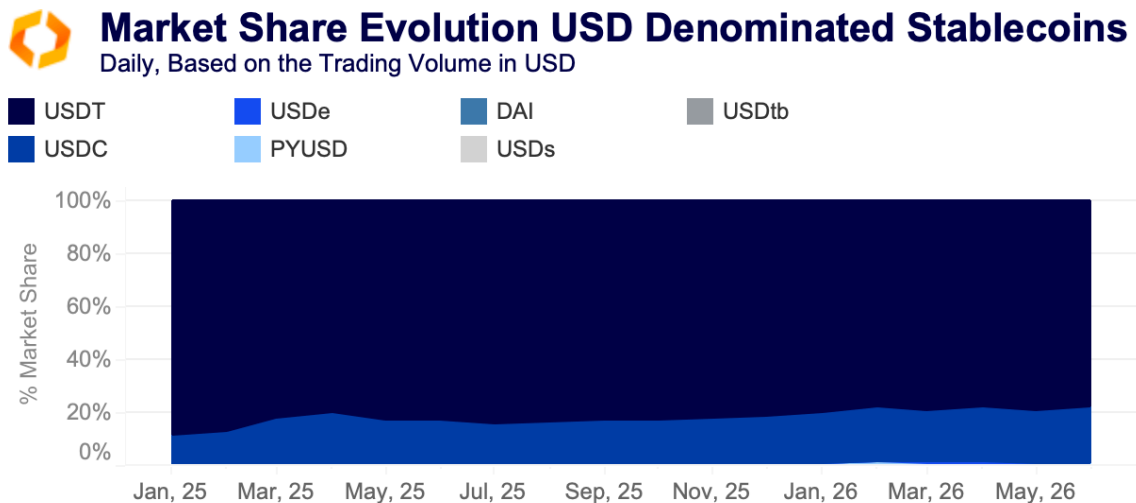
This dominance is partly explained by their different use cases. USDT plays an important role in cross border payments, value transfers, access to dollars in economies where banking rails are less efficient, and emerging markets more broadly. USDC, by contrast, has positioned itself with a focus on regulatory compliance, institutional adoption, regulated platforms, and use cases where transparency and integration with traditional financial institutions are central.

The evolution of market shares among USD stablecoins confirms this concentration trend. USDT remains highly dominant in terms of trading volumes, but USDC has gradually gained ground. At the beginning of 2025, USDC accounted for around 11% of USD

stablecoin volumes. By 2026, its market share had risen to around 21%, while USDT continued to represent the clear majority.



Source: Kaiko Market Explorer

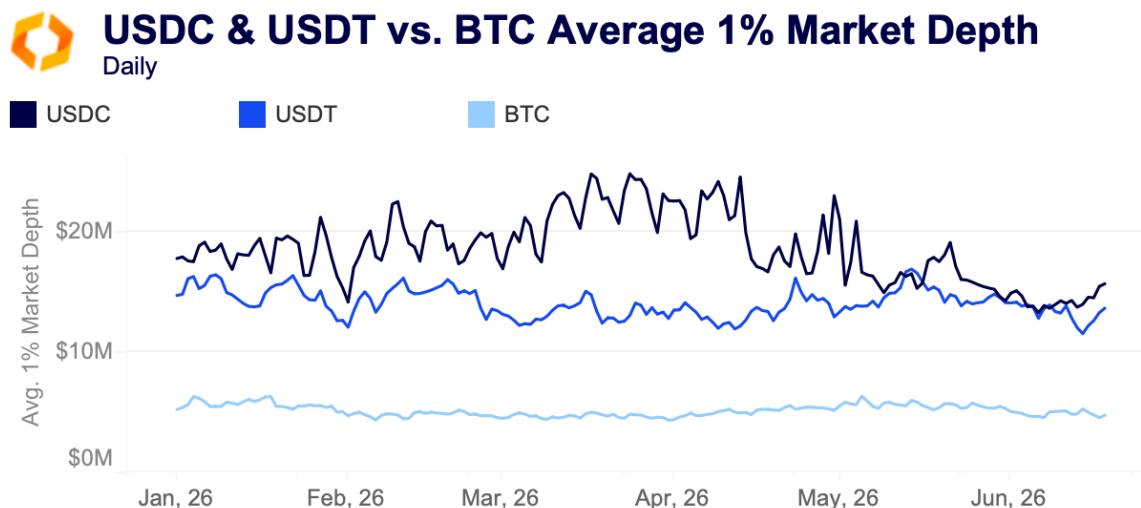


Source: Kaiko Market Explorer



This dynamic highlights the importance of network effects. The more liquid a stablecoin is, the more likely it is to be listed, used by market makers, and integrated into exchanges, wallets, and payment infrastructures. This presence then reinforces its utility, attracts new users, and further increases its liquidity. It is a virtuous circle that is extremely difficult for new entrants to break. The advantage of USDT and USDC is therefore not only technological. Above all, it rests on distribution.

A comparison of the average 1% market depth of USDC and USDT with that of BTC shows that the two leading stablecoins have notable depth. In June 2026, USDC's average 1% market depth stood at around \$16 million, compared with around \$14 million for USDT, while BTC was closer to \$5 million.



Source: Kaiko Market Explorer



Alongside this highly developed USD market, the euro-denominated stablecoin segment is growing, but remains far from reaching a comparable scale. Interest in EUR stablecoins has increased, supported by a more structured European regulatory environment following the implementation of MiCA, which has provided greater clarity for issuers. However, their usage remains limited compared with USD stablecoins. The dollar is still the dominant currency in crypto trading, and euro stablecoins have yet to build the same level of liquidity and market adoption.

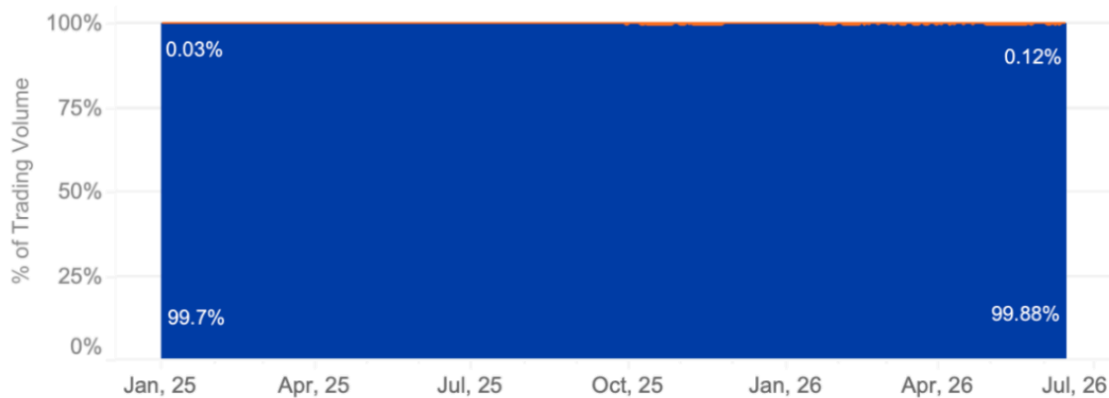
This gap between the two markets is particularly visible in trading volumes. EUR stablecoins represent only a tiny fraction of total volume compared with USD stablecoins. At the beginning of 2025, their share stood at around 0.03%, versus 99.7% for USD stablecoins. By mid-2026, their share had increased slightly, but remained around 0.12%, while USD stablecoins still accounted for approximately 99.88% of volumes. While the progress is genuine, it is still far too limited to describe the EUR stablecoin market as comparable to the US market.



EUR vs. USD Stablecoins Trading Volume

Across All Exchanges

EUR Stablecoins USD Stablecoins



Source: Kaiko Market Explorer
EUR Stablecoins: EURC, EURCV, EURS, EURI, EURE
USD Stablecoins: USDC, USDT, USDE, PYUSD, DAI, USDS, USDTB
Note: The chart does not take into account orderbooks grouped between stablecoins and fiat



Market depth further highlights the maturity gap between the two markets. For the main USD stablecoins, liquidity is measured in millions of dollars. USDC regularly shows average 1% market depth often above \$10 million on both the ask and bid sides, while USDT also trades at high levels, with depth of roughly \$5 million to \$10 million on each side of the order book.

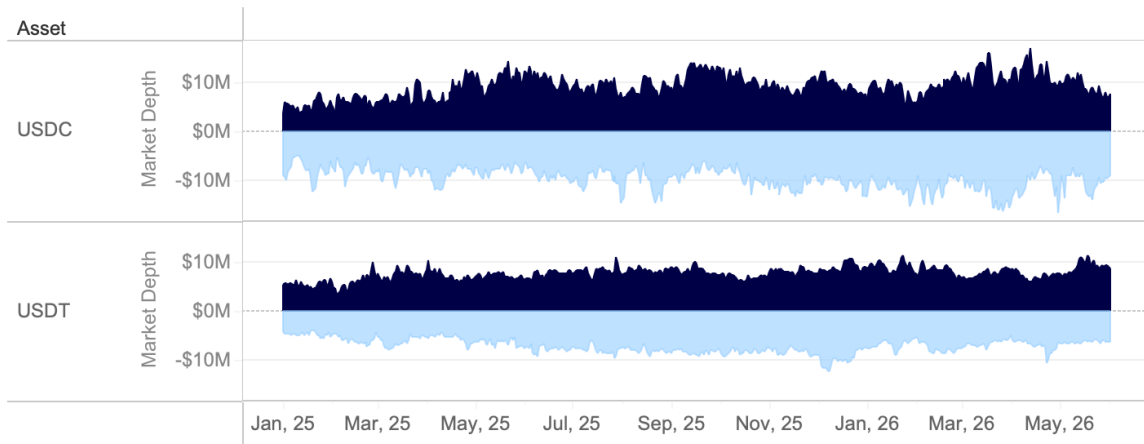
By contrast, the main EUR stablecoins operate on a completely different scale. For EURC and EURCV, average 1% market depth most often ranges between \$200,000 and \$500,000. Even the most liquid EUR stablecoins remain far below the levels observed for USDT and USDC.



Major USD Stablecoins Liquidity

Across All Exchanges

■ Avg. 1% Ask Volume ■ Avg. 1% Bid Volume



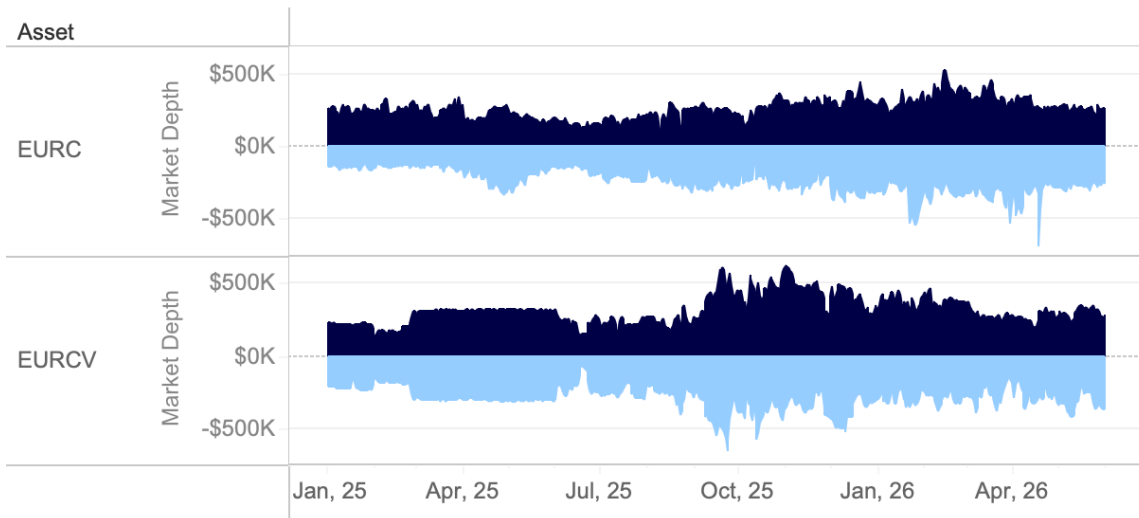
Source: Kaiko Market Explorer



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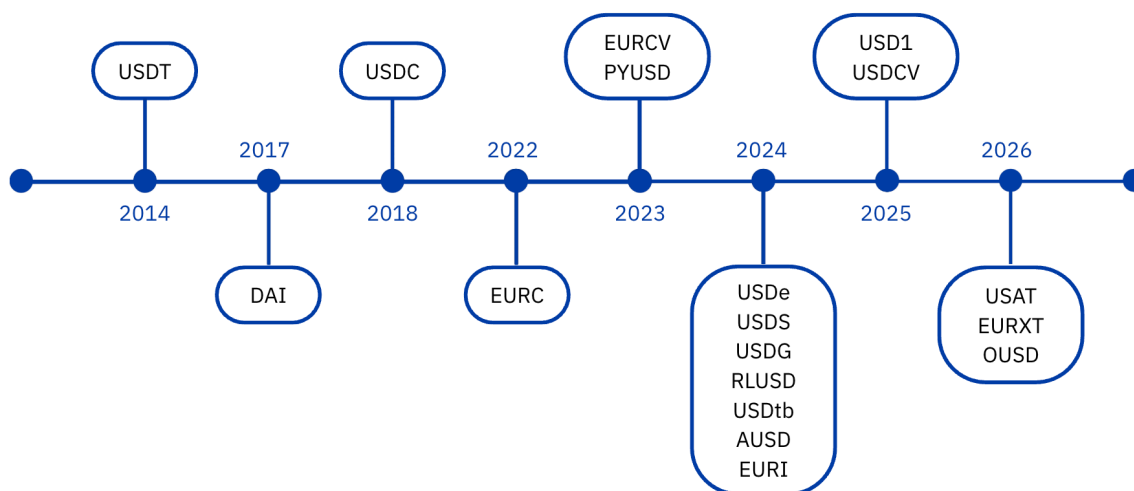
The Rise of New Stablecoin Issuers

A growing number of banks, financial institutions, and fintechs are now turning their attention to stablecoins. A few years ago, stablecoins were mainly seen as instruments native to the crypto ecosystem. Today, they are increasingly viewed as payment and settlement infrastructure with the potential to modernize parts of traditional financial

services. Their ability to transfer value almost instantly, 24/7, at lower cost and across borders makes them particularly attractive for cross-border payments or treasury management.



Timeline of Major Stablecoin Launches



Banks' interest in stablecoins is partly driven by a clearer regulatory framework. In Europe, MiCA has given traditional players greater visibility by setting more precise rules for the issuance and supervision of stablecoins. The launch of EURXT by CACEIS fits into this trend and shows that banks now want to position themselves on the new rails for payments and settlement.

Nevertheless, the arrival of new issuers does not mean the market will be easy to capture. The real challenge is no longer just issuance, but adoption. Launching a stablecoin has become easier, as the technical building blocks, infrastructure providers, and market standards are already in place. Creating a stablecoin that is actually used is much harder. It needs to be listed on major platforms, integrated into payment applications, supported by market makers, and available in wallets.

It is in this context that the launch of Open USD should be analyzed. OUSD is a dollar-backed stablecoin designed as a collective initiative, supported by several players across payments, crypto, and financial services. Open USD aims to position itself as a core transactional asset for financial institutions, payment providers, fintechs, or exchanges.

Competition with Circle is therefore likely to be particularly important. Open USD could become one of the few new stablecoins with the potential to reshape the market. Its model could challenge the current structure of the USD stablecoin market, where USDC

has become the main regulated alternative to USDT. However, to put things into perspective, USDC already benefits from strong brand recognition, a market capitalization of around \$70 billion in June 2026, and significant liquidity. To compete, Open USD will need to prove that it can quickly build sufficient market depth.

Liquidity remains the main barrier to entry and cannot be decreed. It is built over time through integrations, market makers, volumes, and user trust. A stablecoin can be technically strong and well supported, but if its order books remain shallow, adoption will remain limited.

Conclusion

The stablecoin market is expanding rapidly, but its structure remains highly unequal. USDT and USDC continue to dominate because they combine scale, liquidity, distribution and trust, creating network effects that are difficult for new entrants to break. However, this dominance should not be seen as unassailable. As stablecoins become more central to payments and financial infrastructure, credible new entrants backed by banks, fintechs or broad industry partnerships could put pressure on established players, including USDC. The key challenge will be turning issuance into real adoption through deep liquidity, broad integrations and sustained usage. If new projects such as Open USD succeed in doing so, they could potentially reshape the entire competitive landscape of the stablecoin market.