APEX | ISOGONAL

Global payments reimagined

An introduction to stablecoins, tokenised deposits, and central bank digital currencies

Contents

Foreword

Digital money is no longer a question of if, but of how many variations will come into use. Stablecoins, tokenised deposits, and central bank digital currencies ("CBDCs") each represent different approaches and meet different use cases in addressing inefficiencies in payments.

For institutional investors, the key insight is this: there will not be a single winner. Multiple rails will coexist, and understanding the trade-offs is more important than betting on one format. Regulation is advancing but uneven. In the EU, Markets in Crypto-Assets ("MiCA") Regulation entered into force in December 2024, with stablecoin provisions applying first in mid-2024 and broader service provider requirements phasing in through 2025–26. In the US, the GENIUS Act was signed into law in July 2025 but is not yet effective; it will apply either 18 months after enactment or 120 days after implementing regulations are issued, whichever comes sooner. A three-year grace period also applies, meaning that digital asset service providers may continue to offer or sell payment stablecoins not issued by a PPSI (Payment Stablecoin Issuer, as defined in the Act) until July 2028. Meanwhile, the CLARITY Act has cleared the House but is still awaiting reconciliation with competing Senate proposals. This mixed picture means prudence remains essential.

Among these innovations, stablecoins have taken the lead in adoption. Their ability to move value frictionlessly across borders 24/7, with programmable logic, is already reshaping how money behaves. They enable always-on liquidity, instant settlement, and smart contract-driven automation. These features are accelerating innovation in trade finance, tokenised securities, and corporate treasury.

Still, stablecoins represent only one part of the digital money landscape. Tokenised deposits offer regulated, bank-based settlement rails, while CBDCs bring sovereign backing and policy integration. Together, their coexistence promises new efficiencies but also introduces complexity. Compliance frameworks and real-time proof of reserves - especially across chains and jurisdictions - will be critical to maintaining trust and scalability.

This paper sets out a framework for navigating this changing terrain. It highlights the distinctions between stablecoins, tokenised deposits, and CBDCs, and explores their implications for capital markets, treasury operations, and global payments. For institutions, the roadmap is clear: engage strategically, remain adaptable, and build insight as regulation crystallises.

The future of finance is being built today. It will be multifaceted, programmable, and always on.

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Executive summary

Stablecoins are scaling fast
As of the date of this paper, more than $275 billion are in circulation, with daily on-chain volumes exceeding $20–30 billion. They are already competing with major payment networks.

Regulation is arriving
The EU's MiCA Regulation is already in force, with stablecoin rules effective from June 2024 and broader requirements phasing in through 2025–26. In the US, the GENIUS Act became law in July 2025 but is not yet effective; it will apply either 18 months after enactment or 120 days after implementing rules are issued, whichever comes sooner, with a grace period until July 2028. The CLARITY Act has passed the House but is not yet law, pending Senate reconciliation.

Not all stablecoins are equal
Only fully reserved and regulated tokens consistently hold their peg under stress. Institutions need transparency, audits, and recourse.

Efficiency gains are real
Firms using stablecoins for cross-border B2B payments report up to 60% cost savings and settlement in minutes.

Programmability is the differentiator
Smart contracts enable escrow, instant insurance payouts, and automated treasury splits.

Deposit tokens and CBDCs will coexist
Banks and central banks are building their own digital money.

Emerging markets are leading adoption
In countries such as Turkey, Argentina, and Nigeria, stablecoins offer both an inflation hedge and financial inclusion.

Capital markets are being reshaped
Repo trades, tokenised bonds, and securities are already settling against stablecoins.

Trust is the foundation
In digital money, knowing your token is backed 1:1 by high-quality reserves is essential.

The future is multi-rail
Stablecoins, tokenised deposits, and CBDCs will all play roles.

Chapter 1: Introduction to digital currency

Stablecoins, tokenised deposits, and central bank digital currencies are three different forms of digital currencies. Each has its own role and applications. Together, they are improving payment systems by making them faster, more cost-effective, and available at all times.

1. Stablecoins are digital currencies pegged to fiat and transacted on blockchain networks
2. Tokenised deposits are banks' own digital liabilities, similar to deposit accounts that live on distributed ledgers
3. CBDCs are digital cash issued by central banks

All three are converging to upgrade payment systems. In this publication, we examine the differences and unique benefits of each and outline the common benefits below.

> The conversation is no longer about whether digital money will play a role, but how quickly and in what combination.

Key benefits

- **24/7 liquidity**
  Transactions can occur anytime, beyond bank hours, providing continuous 'always-on' access to money.
- **Real-time settlement**
  Payments clear in seconds or minutes, not days, reducing settlement risk, freeing capital, and removing payment uncertainty.
- **Lower costs**
  Network fees on blockchain payments are often cents or less, compared to high fixed wire fees and FX spreads.
- **Transparency**
  Transactions recorded on ledgers create an auditable trail, reducing errors and fraud compared to opaque bank networks.
- **Programmability**
  Smart contracts enable conditional or automated payments (for example, insurance payouts that trigger instantly from data inputs, or revenue-sharing that splits funds on receipt) – features that are not possible with traditional money.
- **Global reach**
  Anyone with an internet connection can potentially access digital money, fostering financial inclusion and smoother cross-border trade.

These advantages are driving a shift in payments. The following sections examine each type of digital money, their use cases, and how they differ.

Different forms

Money is not one-size-fits-all. A retail shopper, a multinational corporation, and a central bank all move money in distinct ways, and therefore multiple digital payment forms have emerged. Each solving different pain points, constituencies, or use cases. Consider the landscape:

- **Public stablecoins** (e.g., USD Coin "USDC", Tether, DAI) are issued by private companies or decentralised protocols on public blockchains, where the tokens represent 1:1 value to a unit of fiat currency. They are available to anyone globally and are suitable for open-access, internet-native value transfer. They are widely used in e-commerce, remittances, and crypto trading, but they come with minimal oversight.
- **Private or permissioned stablecoins** are also pegged 1:1 to fiat but can be held and transferred only by wallet holders who have been approved for the ecosystem. This set of wallets is commonly known as a walled garden. Like PayPal's PYUSD, these tokens are issued by entities with a defined customer base and aim to avoid the costs of card networks and banks. The issuer can control ownership and errors, enabling reversibility if needed for a refund. Because users are permissioned, security layers do not need to be as strict as on a public chain, since hacked tokens can be traced and burned, and new tokens issued to the rightful owner.
- **Tokenised bank deposits** (deposit tokens) are issued by regulated banks and fully backed by money in a bank account. They move on blockchain rails but remain within the banking system. They are also permissioned, offered to the bank's KYC'd clients, enabling instant settlement while maintaining bank oversight.
- **CBDCs** are similar to stablecoins, but they are sovereign digital legal tender issued by central banks. They represent the state's answer to crypto: digital cash that can be used either by all citizens (retail CBDCs) or only between financial institutions (wholesale CBDCs).

Positioning and trade-offs

Each variation comes with trade-offs that make it excel in some scenarios and falter in others.

- **Stablecoins** thrive where speed and global reach are critical. Designed to be permissionless, they are widely used for cross-border payments and crypto markets, bypassing slower banking networks. They operate largely outside regulation, trading oversight for 24/7 access.
- **Deposit tokens** suit entities needing a regulated, AML-compliant structure. They work well in enterprise settings like treasury operations or interbank transfers, where participants are known, errors reversible, and wallet security requirements lighter than for public stablecoins.
- **CBDCs** appeal at the policy level. They safeguard monetary sovereignty and universal access, ensuring national currencies remain the reference point. They also enable new policy tools and support financial inclusion in ways that private coins cannot.

Multiple forms of digital money are emerging, each designed to address specific problems. Just as we have both emails and messaging apps, or both public internet and private intranets, we are likely to see public coins, private tokens, and sovereign digital cash coexisting. The key is understanding what each is best suited for, and the compromises involved in choosing one over another.

Chapter 2: Stablecoins

Born in the crypto world, stablecoins have broken into mainstream finance as "programmable money" that moves anywhere on the internet in minutes. In short, stablecoins make moving money fast, cheap, and borderless – the payment equivalent of email replacing snail mail.

In 2025, there are over $280 billion worth of stablecoins in circulation. The transaction volumes are exceeding those of major credit card companies, with on-chain activity of $20–30 billion per day. Visa and Mastercard are piloting stablecoin settlements; Stripe enables payouts in USDC; and PayPal has launched its own stablecoin, PYUSD.

Drivers of growth

Regulatory clarity is emerging. The European Union's ("EU") MiCA framework requires issuers to be licensed and fully reserved, creating a safer environment for trust in stablecoins. MiCA entered into force on December 30, 2024, with stablecoin provisions already effective from June 30, 2024, and broader service provider rules phasing in through 2025–26.

In the US, the GENIUS Act was signed into law in July 2025 after clearing both chambers of Congress. It is expected to provide the legal certainty institutions have been waiting for, mandating 1:1 reserve backing, monthly public audits, and clear redemption and bankruptcy priority. However, the Act is not yet in effect: it will apply either 18 months after enactment or 120 days after implementing rules are issued, whichever comes first. A three-year grace period means unlicensed stablecoins may continue until July 2028.

In parallel, the CLARITY Act, which passed the House and sets out clearer jurisdictional boundaries between the SEC and CFTC but still awaits reconciliation with the Senate's competing proposals. Together, these measures point toward a more defined regulatory framework, even if implementation remains staggered.

> In 2025, more than $280 billion in stablecoins are in circulation, with $20 - 30 billion transacted daily on-chain.

What is less well understood is that this new law is not yet effective. It will take effect either 120 days after regulators issue final rules, or on January 18, 2027, whichever comes first. This breathing space lets supervisors craft detailed guardrails, but it also means that current stablecoins can continue with their pre-regulation practices, requiring caution from users. Nevertheless, the market is already treating the new law as an inflection point for mass adoption of fiat-backed stablecoins.

European Union – MiCA

- In force since December 30, 2024, with stablecoin provisions effective from June 30, 2024
- Requires licensed, fully reserved issuers, with broader rules phasing in through 2025–26

United States – GENIUS Act

- Signed into law in July 2025; mandates 1:1 reserves, audits, and redemption rights
- Not yet in effect, includes a three-year grace period until July 2028

United States – CLARITY Act

- Passed the House in July 2025; defines SEC/CFTC jurisdiction
- Still awaiting reconciliation with the Senate

Use cases

Stablecoins are already demonstrating their value in several areas:

- **FX efficiency for companies**
  Stablecoins give multinationals a universal settlement currency. They can hold USD-backed stablecoins as an inflation hedge, for example in Turkey or Argentina, and convert to local currencies only when required. They can also access USD-denominated opportunities in minutes. On-chain swaps beat bank FX waits and spreads. Programmable treasury systems can automatically split inflows into tax, savings, and operating accounts, giving real-time cash control.

- **Escrow and merchant credit (modern Medici)**
  Smart contract escrow revives centuries-old trade finance, with funds locked and released only when conditions are met. What once required entire banking houses can now be executed in code, reducing friction and counterparty doubt.

- **Programmable/conditional payments**
  Stablecoins enable contracts that were previously impossible to automate. Examples include automatic payouts for flight delays without claims processes, disaster relief with spend controls delivered in minutes, trade finance that releases funds on proof-of-delivery via the Internet of Things ("IoT"), and geo-fenced welfare payments. This level of granularity does not exist in legacy payment rails.

- **Capital markets and settlement**
  Tokenised assets can settle delivery versus payment ("DvP") against stablecoins in seconds (T+0), reducing counterparty risk and freeing capital. Siemens' €60 million blockchain bond illustrated the gap: without a same-chain digital euro, the cash leg still took T+2. The lesson is clear – digital cash must live on the same rail as the asset.

- **Credit and loan speed**
  Stablecoins can turn loan approvals into immediate funding. Once credit risk is assessed, funds can stream to a borrower's wallet in minutes rather than days. In trade finance, exporters can unlock working capital as soon as goods ship, while SMEs can access revolving credit globally without waiting on correspondent banks. This collapses the gap between credit decision and cash-in-hand.

- **Cross-border B2B payments**
  A supplier payment from Brazil to Nigeria at 11 p.m. on a Sunday can settle in minutes. There are no correspondent banks, no Monday delays, and no high FX costs. Startups in Lagos or Bangalore gain Fortune 500 speed, and supply chains can move on delivery rather than letters of credit.

- **Emerging markets and remittances**
  Stablecoins turn phones into on-chain 'bank' accounts for the 1.4 billion unbanked. Remittances that once cost 6% and took a week are now near-zero cost and near-instant. In high-inflation economies, USD tokens provide a practical store of value, even if geopolitically sensitive.

- **Treasury and payments infrastructure**
  Corporates are embedding stablecoins into treasury workflows. Examples include on-chain certificates of deposit piloted with buy-side institutions, and treasury management solution integrations that allow treasurers to push 24/7 cross-border transfers directly from dashboards. The outcome is just-in-time funding and global liquidity that operates continuously.

- **Humanitarian aid**
  UN pilots have delivered USDC directly to refugees' phones. This provides real-time relief, a full audit trail, and lower leakage. NGOs value the transparency and speed, and donors gain assurance that funds arrive intact. No slow bank hops – only immediate local cash-out.

Different types of stablecoins

- **Fiat-backed stablecoins (e.g., USDC, Tether):** Backed 1:1 by cash or government securities. They are simple and generally stable if well regulated, but they rely on the issuer's reserve management.

- **Crypto-backed stablecoins (e.g., DAI, LUSD):** Collateral is locked on-chain, such as in Ethereum. They are more decentralised and resistant to censorship, but they are usually over-collateralised and remain exposed to volatility in crypto markets.

- **Algorithmic or hybrid stablecoins (e.g., TerraUSD):** Pegged by financial engineering rather than hard assets. The collapse of Terra showed how quickly confidence can vanish. These models are now banned under MiCA in the EU and the GENIUS Act in the US.

- **Permissioned stablecoins (also known as tokenised deposits):** Operate in walled gardens, issued by banks or regulated consortia. Only whitelisted users can transact, which allows compliance, reversibility, and freeze or remint powers. This makes them safer for corporates that require error correction and oversight, but they are less open and less interoperable than public tokens. We examine tokenised deposits in the next section as an example.

- **Yield-bearing stablecoins (in practice, tokenised securities):** Automatically pay yield and therefore are not technically stablecoins, as they fall into the category of securities. They resemble savings accounts on-chain, but legally they are investment products, requiring broker-dealer infrastructure and investor protections. Regulators do not permit "money" that accrues interest outside securities law. As a result, they are unlikely to be used for payments. They function instead as investments, competing with money market funds, but without being subject to the same regulatory requirements.

Bottom line

Stablecoins offer a compelling alternative to slow and expensive payment networks. It is no surprise that forward-thinking firms are piloting stablecoins, and those that do not may find themselves at a competitive disadvantage as the cost and speed benefits compound. Still, stablecoins are only one part of the picture. Only fully reserved and regulated stablecoins have consistently held their peg under stress. That is why institutions and regulators are aligning on a standard of 1:1 high-quality reserves, audited, attested, and redeemable. In digital money, trust means knowing that your digital money is a real currency.

Chapter 3: Tokenised deposits

While public stablecoins grab headlines, banks have been developing a parallel innovation: tokenised deposits. Often referred to as "permissioned stablecoins" or "bank coins," they convert a bank deposit into a token on a ledger. If stablecoins such as USDC are digital IOUs issued by fintech companies, a tokenised deposit is a digital IOU issued by a commercial bank, fully backed by funds in an account. Unlike public stablecoins, they run on permissioned networks or private blockchains. Only approved participants, typically KYC-verified clients of the bank or members of a bank consortium, can use the network, and the bank retains the ability to oversee and even reverse transactions if needed.

Notable examples

In Europe, Société Générale's EUR CoinVertible ("EURCV") is a euro-denominated stablecoin issued under France's digital asset framework – effectively a tokenised euro deposit for institutions. These are all fully reserved by actual deposits at the issuing bank, so in concept they are not different from holding money in a bank account, except that the ledger is a blockchain.

JPMorgan's JPM Coin, launched in 2019, lets corporate clients transfer value internally and is redeemable 1:1 for a dollar deposit at JPMorgan. It is used for institutional payments such as moving liquidity between branches or enabling 24/7 cross-border transfers within accounts.

> Tokenised deposits are bank IOUs recorded on blockchain rails, combining digital speed with regulated safety.

Use cases

- **Treasury management**
  Corporates can program multiple features such as sweeping funds from subsidiaries worldwide in seconds instead of waiting for wire cut-offs.
- **Cross-bank settlement**
  Citi, through its Regulated Liability Network pilots, is exploring how multiple banks' tokenised deposits could interoperate, enabling instant settlement of cross-bank payments and securities trades across jurisdictions.
- **Capital markets**
  JPMorgan already uses JPM Coin to settle repo trades in minutes, swapping tokenised treasuries against JPM Coins for near-instant DvP. What once took overnight now clears immediately, freeing liquidity.
- **Corporate treasury systems**
  Platforms integrate with deposit tokens so corporates can execute 24/7 cross-currency and intra-day transfers directly from their dashboards.

Advantages

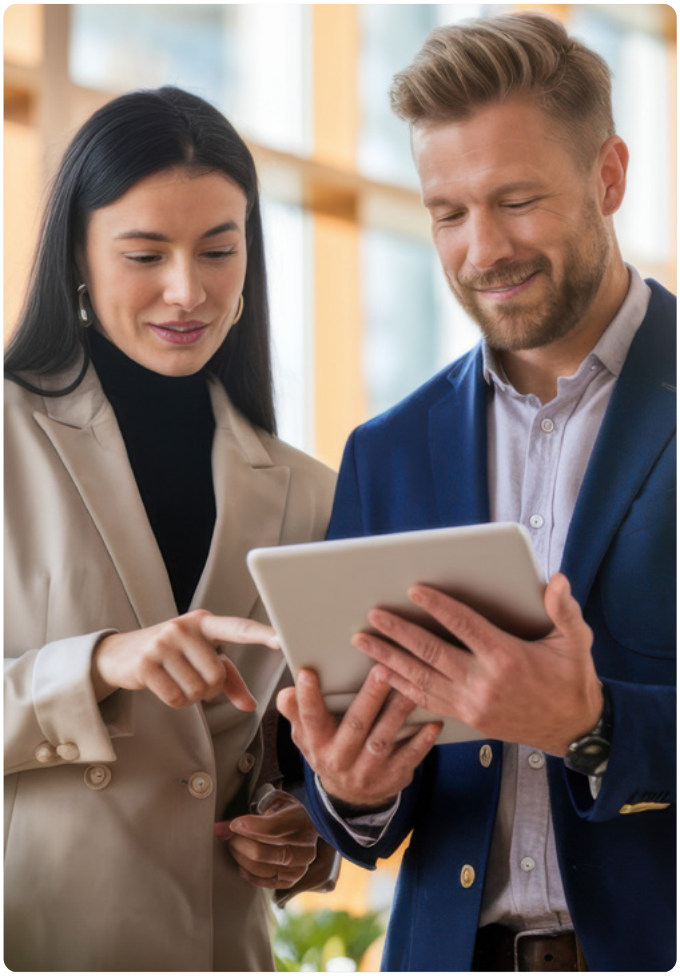
Tokenised deposits combine crypto's speed with the safety of banking. Because users are known, banks can embed reversibility (correcting fat-finger transfers or hacks) and compliance monitoring. Unlike public stablecoins, losing a key is not fatal since banks can restore access, much like resetting a password.

Funds also stay within the regulated perimeter, making a deposit token essentially a traditional bank liability recorded on new rails. This is familiar to regulators and eligible for deposit insurance. For institutions, counterparty risk is clearer. The claim is directly on a well-capitalised bank, not on a fintech's reserve pool. In short, deposit tokens are bank money upgraded for the digital age.

Limitations

Deposit tokens are closed ecosystems. A JPM Coin works only within JPMorgan's network, not with Citi clients or DeFi. Each bank's token depends on its own network effect, typically smaller than that of public stablecoins. Initiatives like the USDF Consortium aim for cross-bank interoperability but still operate only among members. Users must also trust the bank's ledger and oversight. For many, that control is a feature, but it limits openness and censorship resistance compared to tokens like USDC.

Tokenised deposits give banks a way to remain relevant, offering digital efficiency without contravening regulation. More banks will likely launch their own coins or consortia as laws evolve. For financial professionals, these developments matter: Future international payments may occur via interconnected bank tokens rather than open stablecoin networks. Each model has distinct pros and cons.



Chapter 4: Central bank digital currencies

The third piece of the puzzle is CBDCs. These are similar to stablecoins in that they are another form of digital cash, except that they are issued directly by central banks.

If stablecoins are private "digital cash" and tokenised deposits are bank "digital cash," a CBDC is the official digital cash (such as dollar, euro, yuan, and so on) backed by the full faith and credit of a nation's central bank. It represents the most direct form of sovereign currency, but in electronic form.

CBDCs come in two forms:

- **Retail CBDCs**
  Designed for the general public to use like cash.
- **Wholesale CBDCs**
  Intended only for banks and financial institutions, for purposes such as interbank transfers or securities settlement.

Here we focus on retail CBDCs, since these most directly compete with or complement the other forms we have discussed.

Design of a retail CBDC

A retail CBDC would allow anyone, particularly citizens and businesses, to hold an account or wallet, or at a minimum, a token that is a direct claim on the central bank. In practice, most designs involve a partnership model (e.g., with commercial banks or payment providers distributing the CBDC to end-users, so the central bank is not managing millions of consumer accounts). From the user's perspective, they have digital cash that is as good as paper cash. A £10 CBDC is guaranteed by the Bank of England just like a £10 note.

This removes the question of trust in moving from fiat to digital money, since the two are equivalent. Transactions with CBDCs could be processed on a variety of infrastructures. Some countries experiment with blockchain or distributed ledger technology, while others use more traditional centralised databases. The defining feature is not the technology but the issuer and the legal status: 'It is legal tender from the central bank.'

Reasons for issuing a CBDC

Central banks have several motivations:

- **Updating payments**
  Many countries see a CBDC as a government-led innovation to provide ultra-efficient domestic payment rails, available to all and not reliant on private banks, thereby building trust.
- **Financial inclusion**
  In countries where many citizens are unbanked, a CBDC wallet could give people access to digital payments without a bank account. It functions like cash in an app and helps include more people in the financial system. It also allows local companies to compete on a global scale.
- **Sovereignty**
  As private stablecoins grow, central banks worry about losing control of monetary policy or payments. Facebook's 2019 Libra proposal, a global stablecoin, was a wake-up call. It spurred dozens of central banks to seriously explore CBDCs as a state-backed alternative to private digital money. A CBDC ensures that the official currency is not displaced by corporate-issued money, preserving monetary sovereignty.
- **Stability**
  CBDCs can make monetary transactions more transparent to the central bank, which may help combat crime or manage the economy. However, this transparency also raises privacy concerns. It also allows central banks to manage capital movements of significant size in a controlled way.
- **Cross-border settlements**
  Multiple CBDCs could interconnect to streamline cross-currency payments. Projects such as m-CBDC Bridge in Asia or experiments by the Bank for International Settlements show that two countries' CBDCs can be exchanged atomically, meaning the swap of currency A for currency B happens simultaneously and irrevocably. This cuts out correspondent banks and FX settlement delays.

Status and examples

As of 2025, eleven countries have launched CBDCs, mostly smaller economies such as the Bahamas with its "Sand Dollar," Nigeria with eNaira, and various Eastern Caribbean islands. Over 100 others are researching or piloting.

China's digital yuan (e-CNY) is the most advanced large-scale pilot. More than 260 million Chinese citizens have downloaded wallets, and over $14 billion equivalent has been transacted in pilot cities. The European Central Bank ("ECB") is actively developing a digital euro, with design decisions and pilot programmes ongoing. The ECB has signalled a desire to offer a digital euro for public use, potentially later this decade. Some observers speculate that once a digital euro is launched, private euro stablecoins might face stricter limits or competition. However, much like cash and deposits coexist today, it is likely that a digital euro and euro stablecoins will also coexist, each serving different use cases.

> As of 2025, 11 countries have launched CBDCs, and over 100 are exploring pilots.

Benefits and challenges

A CBDC could make domestic payments extremely efficient and inexpensive. Imagine being able to pay anyone in your country instantly via a central bank-provided app, with no intermediary fees. A CBDC is also the safest form of money, with no risk of bank failure or issuer default.

If countries connect CBDC systems, cross-border payments could improve dramatically, eliminating reliance on correspondent banks.

At the same time, CBDCs raise important challenges:

- **Privacy**
  Citizens may be concerned that governments could see all transactions if systems are not designed carefully.
- **Conditionality**
  Populations may need assurance that spending is not restricted based on purchase type, although some conditionality could be beneficial for welfare or healthcare payments.
- **Bank stability**
  If citizens can hold money directly at the central bank, there is a risk of mass withdrawals from commercial banks, undermining financial stability.
- **Implementation risk**
  Running a CBDC at national scale without glitches or security failures is a significant technical challenge.

Many central banks are therefore proceeding cautiously, running experiments to balance these factors.

The bigger picture

CBDCs represent the public sector's foray into digital currency, and they could directly compete with or complement stablecoins and deposit tokens. In a future scenario, you might have a digital wallet holding multiple forms: A USDC stablecoin, a bank deposit token from HSBC, and a digital euro from the ECB. Ideally, the user would not need to think about which form is being used, since these could interoperate in the background and automatically select the most efficient option.

Table 1: Stablecoins vs. tokenised deposits vs. CBDCs

Aspect	Stablecoins	Tokenised deposits	CBDCs
Issuer	Private companies (e.g. Circle, Tether, Paxos)	Commercial banks (e.g. JPM Coin, USDF)	Central banks (e.g. e-CNY, DCash)
Legal claim	Claim on issuer's reserves or the issuer's balance sheet; not government insured	Claim on a bank deposit; usually covered by deposit insurance	Direct claim on the central bank; safest form of money
Settlement rail	Public blockchains (Ethereum, Tron, Solana)	Permissioned bank networks or consortia	Central bank infrastructure, blockchain or centralised
Recourse and security	Dependent on issuer reserves; on-chain transactions generally final	Bank can restore access or reverse errors; low technical risk	Zero credit risk; design choices may allow reversibility
Redemption	1:1 redeemable via issuer or exchanges	1:1 redeemable into a traditional bank account or cash	Redeemable into cash or bank account balance
Typical use cases	Payments, remittances, DeFi, e-commerce, savings in high-inflation economies	Institutional transfers, treasury, interbank settlement, large B2B payments	Retail payments, inclusion, cross-border transfers, government disbursements; wholesale CBDCs for interbank settlement
Decentralisation	Medium: open networks, but governance by issuer	Low: private, permissioned ledgers	None: centralised by the central bank
Regulation	Evolving: moving from grey area to formal rules (e.g. MiCA, US laws)	High: treated as traditional bank liabilities under banking law	Highest: issued and regulated directly by central banks

Table 2: Strengths and limitations across digital money types

Category	Stablecoins	Tokenised deposits	CBDCs
Trust and backing	Backed by private reserves, but quality and audits vary	Direct claim on a regulated bank deposit, usually with insurance	Direct claim on the central bank, highest level of safety
Efficiency	24/7 settlement, global reach, low-cost transfers	Instant settlement within bank networks, strong for treasury use	Potentially efficient, but many pilots still in testing phase
Regulation	Rules emerging (MiCA, US Acts), still uneven globally	Covered under existing banking regulations and supervision	Fully state-regulated and issued
Openness	Permissionless, wide access for users worldwide	Closed ecosystems, limited to bank clients or consortia	Controlled access, no openness beyond state design

- Strong/positive: Well-established advantages, clear benefits, or high levels of safety/access
- Moderate/developing: Mixed benefits and limitations, or emerging frameworks still in development
- Limited/restricted: Significant constraints, limited access, or controlled by gatekeepers

Chapter 5: Coexistence of digital currencies

Money is not one-size-fits-all. The rise of digital currencies reflects diverse needs across transactions and stakeholders.

We will see hundreds of stablecoin variants, on different chains, multiple tokenised deposits for each bank or consortium of banks, and CBDCs. Each new issue shows payments being reimagined from many angles. Rather than one single winner, a multi-coin ecosystem will emerge that brings its own comparison, liquidity, and clearing challenges; each solvable in ways that we will present in future papers. Governments will introduce CBDCs, banks will offer tokenised deposit coins, and private technology firms will continue to innovate with stablecoins and programmable money services.

These forms will coexist, making interoperability and interchangeability central to a stronger digital money network. End-users may not even notice, much like the back end upgrades in sending emails: The money simply moves instantly and at low cost.

> There will not be one winner. Stablecoins, tokenised deposits, and CBDCs will coexist, each serving different needs.

For financial professionals, including investors, treasurers, and strategists, the key takeaway is opportunity. Money is becoming faster, smarter, and more inclusive. Adopting stablecoins or deposit tokens can future-proof operations with 24/7 liquidity and real-time settlement, soon to be standard. Early adopters already report gains: Firms using stablecoins for international payments cut costs by over 60% and reduce transaction times, boosting speed and customer satisfaction. Investors see stablecoins opening up more globally connected markets. Funds can raise money or deploy capital on short notice across borders, which can make the difference in capturing a time-sensitive deal.

Key points

The speed and programmability of digital money enable innovations that were once impossible. New models include content platforms with micro-payments, real-time revenue sharing via smart contracts, and supply chain finance with milestone-based automatic payments. Even more lies ahead. Sending money as easily as information will cut hurdles, shrink economic gaps, and open new opportunities in trade and services.

Challenges remain. Managing private keys and blockchain operations is complex. Firms need custody solutions and training, since mistaken transfers may be irreversible. Regulatory uncertainty, though improving, persists in some regions. Compliance with evolving KYT and KYC/AML rules is essential, and proof of reserves must be visible 24/7 to sustain trust. Still, momentum is clear: The question is not if digital money will matter, but how fast and in what forms.

For finance professionals, now is the time to prepare. Success will come to those building flexible infrastructure to meet diverse needs. Institutions that experiment today will shape emerging opportunities and set tomorrow's standards and best practices.

Digital currency by the numbers

$260bn+
Stablecoins in circulation in 2025, with $20–30bn traded daily

60%
Cost savings reported by firms using stablecoins for international payments

24/7
Liquidity and settlement available through stablecoins and tokenised deposits

How can we help?

Scaling tokenisation requires more than technology. It calls for trusted digital payments, infrastructure, regulatory clarity, and the right partners. This publication is co-presented by Apex Group and Isogonal. This work reflects a shared commitment to giving institutions the scale, security, and innovation required to embrace tokenisation with confidence.

Apex Group

Apex Digital 3.0 empowers the financial ecosystem with institutional-grade digital infrastructure for the current and future generations of digital fund lifecycle management. Built on trust, powered by AI, and designed for scale, it enables our clients to transition into digital fund representation and decentralised finance with confidence- bringing mobility, accessibility, democratisation, and transparency at a time when investor expectations focus on asset diversification, composability, and 24/7 trading.

We provide a broad range of institutional-grade service offerings to wealth and asset managers, including full digital fund lifecycle management, digital treasury services, digital wealth distribution solutions, liquidity-as-a-service, and more. These capabilities enable end-to-end support for fund tokenisation, stablecoins, and digital liquidity distribution.

In this publication, we spotlight our Stablecoins-as-a-Service offering - a modular product approach designed to support stablecoin promoters across the full lifecycle:

- **Licensing and regulatory advisory**
  Licensing support, business plan development, and compliance alignment
- **Corporate services**
  Local Incorporation, company secretarial, directorship
- **Middle office and reserve management**
  Trade lifecycle management, NAV reconciliation, and risk reporting from reserve assets
- **Proof of Reserve and transparency**
  Chainlink-integrated reporting for real-time, immutable reserve verification
- **Tokenisation and secure minting**
  ERC-20 or ERC-3643 minting / burning, identity-linked issuance, and 24/7 operational support
- **Custody and asset segregation**
  Support bankruptcy-remote structures and provide regulated custody via EDB / Citi or selected partners

Apex Digital 3.0 is the bridge between traditional finance and next-generation programmable money rails. We provide the compliance and trust layer that enables this trillion-dollar market to scale securely and sustainably.

Contact us to start your stablecoin journey

Isogonal

Isogonal is a CIMA-registered investment manager with a mission to equip private banks and institutional allocators with the tools they need to transition confidently into digital investing.

Isogonal offers a single application programming interface ("API") connection, allowing investors or private banks to access compliant, user-friendly, and secure, white-labelled infrastructure for Digital SMAs with built in features to curate their own tokenised investments, expanding access to investments ordinarily out of reach. The platform incorporates advanced borrow/lend features against digital assets, allowing loans on liquid, illiquid or portfolios, set auto-liquidate hedge or loan-liquidate features into the system. The platform is built with a compliance-first infrastructure, using permissioned tokens and rigorous KYC so that only whitelisted, verified investors can transact.

Isogonal's services have assisted corporates and stablecoin issuers with their own branded tokenised money market funds, offered "as-a-service". This is one of several mechanisms Isogonal is supporting to mitigate 'runs' on stablecoin reserves, inside and outside of banking hours.

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