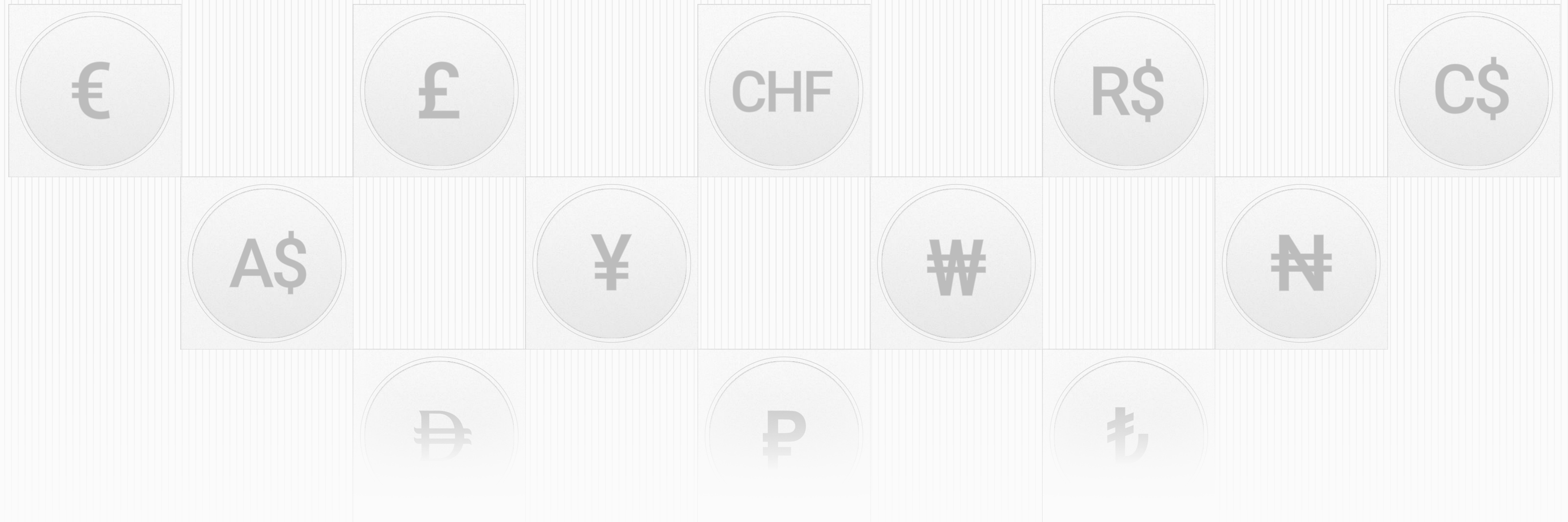




The Case for Non-USD Stablecoins

What it takes to create the next generation of onchain money

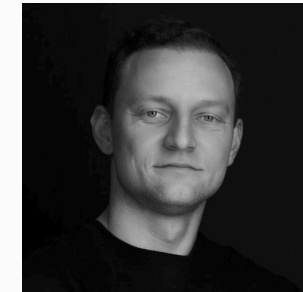
Foreword

For most of stablecoins' short history, the key question was whether on-chain dollars could work at all. That question has been answered, decisively, and at a pace few would have predicted. A different question has taken its place, one that matters for billions of people and businesses around the world and is gaining increasing attention: What does adoption look like for everyone who doesn't transact in dollars?

This report is our attempt to answer that question with a clear-eyed look at non-USD stablecoins: where the market stands today, why local-currency supply is growing more than three times faster than USD supply, and what is actually driving that growth. The thesis is straightforward. Non-USD stablecoins remain a rounding error in market capitalization terms today, but the forces behind their growth, regulatory clarity, monetary sovereignty, and genuine demand for settlement in local currency, are structural rather than cyclical. They are not going away, and the six use cases explored in this report, from crypto trading to domestic payment integration, show that product-market fit is no longer theoretical.

What this report also makes clear is that launching a non-USD stablecoin is a harder problem than launching a dollar one. The peg mechanics are the same; the distribution problem is not. An issuer must fight for chain presence, application integration, and liquidity all at once, often building the market infrastructure itself rather than plugging into one that already exists. This is the problem LayerZero was built to solve, and it is why the leading non-USD stablecoins in market today, across Europe, Latin America, the Middle East, Asia-Pacific and beyond, have chosen to build on our infrastructure.

The next chapter of stablecoins will not be written in dollars alone. It will be written by the issuers, regulators, and builders who recognize that a genuinely global settlement layer has to speak more than one currency, and who move now to build it.



Simon Baksys
Chief Business Officer
LayerZero Labs

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Executive summary

01

Stablecoins have become a foundational settlement layer in digital finance, yet the market remains overwhelmingly dollar-denominated. USD-pegged tokens account for roughly 99.5% of total stablecoin market capitalization, a concentration that far exceeds the dollar's role in traditional finance. This creates a structural mismatch: most people and businesses transact in currencies other than the dollar, and as stablecoins expand into payments, remittances, and institutional settlement, that gap is becoming increasingly difficult to ignore.

Although non-USD stablecoins represent less than 0.6% of the market today, their supply grew by nearly 300% over the last two years, more than three times faster the growth rate of USD stablecoins. This momentum is being driven by three forces: emerging regulatory frameworks that create legitimate issuance pathways; monetary sovereignty concerns that are pushing local institutions to build domestic alternatives; and rising demand for on-chain settlement in local currencies. Adoption is currently concentrated across six key use cases: crypto trading, cross-border B2B payments, peer-to-peer payments, on-chain FX, domestic payment integration, and DeFi. Across each of these use cases, local-currency stablecoins are already demonstrating clear product-market fit.

Despite this growth, launching and scaling a non-USD stablecoin remains structurally challenging. Issuers must navigate a fragmented blockchain ecosystem, a fragmented application landscape, and fragmented liquidity. LayerZero addresses all three challenges: the OFT standard enables native multi-chain issuance across 165+ blockchains with unified supply; the Value Transfer API reduces application integration to a single API call; and partnerships with on-chain liquidity infrastructure providers that unlock cross-chain liquidity from day one. As a result, many of the leading non-USD stablecoins in the market today have chosen to build on LayerZero infrastructure.

SOURCE: DEFI LAMA

Non-USD stablecoins show early traction towards satisfying a material need

02

Stablecoins have become one of the most important settlement assets in digital finance, but the market is still overwhelmingly a dollar market. Most on-chain trading, liquidity provision, payments activity, and treasury management happens in USD-denominated tokens such as USDT and USDC. That dominance is not surprising as the dollar accounts for roughly 50% of global trade invoicing and international payments, making it the primary currency for global trade, capital markets, and crypto liquidity. But in stablecoins, dollar dominance is of a different order entirely.

USD-pegged tokens represent approximately 99.5% of total stablecoin market cap, a share that far exceeds the dollar's already significant role in traditional finance. This creates a structural gap, as most people and businesses do not earn, save, pay salaries, pay taxes, or settle domestic invoices in dollars. As stablecoins move from crypto-native trading into payments, remittances, institutional settlement, card spending, and local financial infrastructure, the mismatch between on-chain dollar dominance and real-world currency diversity is becoming increasingly difficult to ignore.

Non-USD stablecoins are fiat-referenced digital tokens pegged to currencies other than the U.S. dollar. They include Euro, Brazilian real, Japanese Yen, Hong Kong dollar, UAE dirham, Canadian dollar, and other region-specific stablecoins. In simple terms, they attempt to bring the core stablecoin value proposition such as programmable money, 24/7 settlement, near-instant transfer, and composability with digital finance, into the currencies that people already use in their domestic economies.

By the end of August 2026, the total stablecoin market capitalization stood at approximately USD 305 billion, with non-USD stablecoins accounting for only around USD 1.6 billion, or less than 0.6% of the total market. While the absolute share of non-USD stablecoins remains small, the growth rate tells a different story. Non-USD stablecoins have grown 283% over the last 2 years, significantly outpacing USD-denominated stablecoins, which grew 79% over the same period. These numbers suggest that stablecoins denominated in local currencies are finding genuine product-market fit and gradually claiming their fair share in the global digital assets landscape.

Top 10 Non-USD Cross-Border Payment Corridors / 2024 Figures^[1]

RANK	CORRIDOR	CURRENCY PAIR	EST. ANNUAL VALUE	SOURCE
01	EU ↔ UK	EUR / GBP	~\$1.0–1.1T	HOUSE OF COMMONS LIBRARY / STATISTICS ON UK-EU TRADE
02	EU ↔ Japan	EUR / JPY	~\$205B	COUNCIL OF THE EU / EU-JAPAN TRADE: FACTS AND FIGURES
03	EU ↔ Korea	EUR / KRW	~\$170B	COUNCIL OF THE EU / EU-REPUBLIC OF KOREA TRADE: FACTS AND FIGURES
04	Japan ↔ Australia	JPY / AUD	~\$108B	DFAT / JAPAN COUNTRY BRIEF
05	EU ↔ Australia	EUR / AUD	~\$98B	COUNCIL OF THE EU / EU-AUSTRALIA TRADE: FACTS AND FIGURES
06	EU ↔ Brazil	EUR / BRL	~\$97B	EEAS / THE EUROPEAN UNION AND BRAZIL – TRADE RELATIONS
07	Japan ↔ Korea	JPY/KRW	~\$75B	NIPPON.COM / SOUTH KOREA: JAPAN'S THIRD-LARGEST TRADING PARTNER
08	Canada ↔ Mexico	CAD / MXN	~\$56B	GLOBAL AFFAIRS CANADA / HIGHLIGHTS OF CANADA'S MERCHANDISE TRADE PERFORMANCE – 2024 UPDATE
09	UK ↔ Japan	GBP / JPY	~\$39B	UK DEPT. FOR BUSINESS & TRADE / JAPAN TRADE AND INVESTMENT FACTSHEET
10	Australia ↔ NZ	AUD / NZD	~\$25B	DFAT (VIA ACITI) / NEW ZEALAND COUNTRY PROFILE

[1] BY ANNUAL BILATERAL TRADE VALUE AS TAM PROXY; EXCLUDES REMITTANCES

Non-USD stablecoins are no longer a regional phenomenon. Over the last 12-18 months, we have seen new stablecoin issuers emerging across every continent. Euro stablecoin issuers account for 9 of the top 20 non-USD stablecoins by market cap, resulting in combined outstanding volume of USD c. 776 mn at the end of end of August. In second and third spot are the Russian Rubel (USD c. 456 mn) and Japan Yen (USD c. 142 mn). While early non-USD stablecoin issuers were mostly crypto-native companies, a growing number of traditional financial institutions and neobanks have now entered this space, with the launch of SG Forge's EURCV, Revolut's EURR and BDACS's KRW1 as notable examples.

Top 10 Non-USD Stablecoins by Market Cap as of August 31, 2026

	A7A5		\$456.5m
	EURC		\$456m
	EUR CoinVertible		\$178m
	JPYSC		\$125.5m
	Frankencoin		\$43m
	Eurite		\$38.5m
	BRLA Digital		\$34.5m
	Monerium EUR emoney		\$33m
	Tokenised GBP		\$27m
	Schuman EUROP		\$20m

SOURCE : DEFILLAMA

Three structural tailwinds for non-USD stablecoins

03

While the market is still early, the direction is clear: non-USD stablecoins are here to stay and will play an increasingly important role in the digital economy. We see three key drivers that have supported early growth and will remain key for future growth.

Regulatory clarity

For several years, stablecoin issuance existed in a grey zone across most major markets. That made it difficult for banks, fintechs, payment institutions, and regulated digital asset firms to issue local-currency stablecoins at scale. This is now changing. In Europe, MiCA has created a formal framework for asset-referenced tokens and e-money tokens, requiring authorisation for issuers operating in the EU. In Hong Kong, the Stablecoins Ordinance came into effect on August 1, 2025, creating a licensing regime for fiat-referenced stablecoin issuers. In the UAE, the Central Bank's Payment Token Services Regulation has established rules for payment token services, licensing, and issuer obligations. The result is that stablecoin issuance is moving from an offshore, crypto-native activity toward a regulated financial product category.

Monetary policy and sovereignty

If all stablecoin infrastructure is denominated in dollars, then the growth of stablecoins may reinforce dollarisation in markets where consumers and businesses operate in other currencies. This impacts central banks, policymakers, and local financial institutions. The BIS ^[1] has warned that broader use of foreign-currency stablecoins can raise monetary sovereignty concerns and potentially weaken the effectiveness of foreign exchange rules. The IMF ^[2] has similarly noted that stablecoins can create risks around currency substitution and capital flow volatility, especially in countries with weaker monetary institutions or lower confidence in the domestic currency. Local-currency stablecoins are one response to that challenge. They allow domestic units of account to participate in digital settlement networks rather than forcing users into a dollar rail by default.

Demand for settlement in local currency

As stablecoins are increasingly adopted for payments use cases, the demand profile changes. In crypto trading, users may accept USD as the default collateral and quote currency. In remittances, merchant payments, supplier settlement, payroll, card spending, or domestic B2B payments, the economics are different. A Brazilian business paying a Brazilian supplier should not need to convert reals into dollars and back into reals simply because the settlement rail is on-chain. A Mexican freelancer receiving payment from a U.S. platform may want the option to settle into pesos immediately rather than hold dollar exposure. A European institution using stablecoins for collateral or liquidity may want euro-denominated instruments that match its liabilities and reporting currency. Avoiding unnecessary FX conversion reduces cost, basis risk, reconciliation complexity, and operational friction.

[1] BIS PAPERS NO 170: "THE IMPACT OF STABLECOINS ON THE INTERNATIONAL MONETARY AND FINANCIAL SYSTEM", ALDASORO, FROST & ITO, MAY 2026

[2] IMF DEPARTMENTAL PAPER: "UNDERSTANDING STABLECOINS", MONETARY AND CAPITAL MARKETS DEPARTMENT, DECEMBER 2025

Non-USD stablecoins demonstrate product-market fit across six distinct verticals

04

Understanding where non-USD stablecoins are being used in practice is as important as recognizing their drivers of adoption. Adoption is not uniform but concentrated in specific verticals, driven by different actors, and at very different stages of maturity. We have identified six main use cases where non-USD stablecoins are gaining meaningful traction today: crypto trading, cross-border B2B payments, peer-to-peer payments, on-chain FX, domestic payment integration, and DeFi.

Crypto trading

Stablecoins are the dominant settlement asset across centralised exchanges, DeFi, OTC desks, and market-making operations. For non-USD stablecoins, this creates an obvious first wedge: allow investors to trade digital assets while using their local currency, minimizing frictions associated with on and off-boarding into various currencies. A European user can move between euro stablecoins and crypto assets without first entering dollars. A Brazilian or Mexican user can do the same in reais or pesos. For exchanges and brokers, local-currency stablecoins can reduce dependence on banking cut-off times, wire transfers, and fiat payment intermediaries while improving the user experience for domestic customers.

/ USE CASE

FCA-regulated stablecoins meet crypto trading with tGBP. Powered by BCP Technologies



Tokenised GBP (tGBP) is an interesting case study of a non-USD stablecoin catering to regional crypto trading needs. Issued by BCP Technologies an FCA-registered crypto asset firm, tGBP is currently the only GBP-denominated stablecoin backed by a UK issuer. It is listed on major centralised exchanges, including Kraken and Coinbase where users can swap GBP for tGBP at 1:1 parity, it provides an on-chain sterling base currency that eliminates foreign exchange friction and avoids unnecessary conversions into USD.

“We have launched a partnership with Coins.ph where users can swap tGBP for Philippine pesos, eliminating the USD transaction sandwich. We are also growing tGBP lending markets on Morpho, allowing users for the first time to borrow in GBP on-chain against digital assets.”

Benoit Marzouk
Founder and CEO at Tokenised GBP

Cross-border B2B payments

Stablecoins are already being used for B2B settlement, remittances, treasury movement, marketplace payouts, and contractor payments. The challenge is that many of these flows still route through USD stablecoins even when neither the sender nor the receiver wants final exposure to dollars. Non-USD stablecoins can make those payment flows more natural. A sender can pay in one currency, the recipient can receive in another, and the infrastructure can handle routing, FX, and settlement without forcing either side to manually manage a dollar leg. This matters most in corridors where traditional correspondent banking is expensive, slow, or unreliable. It also matters for platforms that serve global users but want to localise the final settlement experience.

/ USE CASE

Tokenizing the world's second-largest remittance corridor. Powered by Bitso



Juno's (a Bitso company) MXNB is one of the most compelling real-world examples of a non-USD stablecoin purpose-built for cross-border payments. It operates on the US-Mexico remittance corridor, the world's second-largest with over USD 61 bn flowing annually. Moreover, it integrates directly with SPEI, Mexico's instant payment network, allowing seamless mint and redemption against any Mexican bank account. The practical use cases are well-established: multinationals paying Mexican suppliers, cross-border payroll, and B2B settlement without FX conversion friction. Stablecoin volumes in Mexico doubled between H2 2024 and H1 2025, reflecting the corridor's genuine demand for a peso-native settlement asset.

"Non-USD stablecoins like MXNB empower global businesses to transact and manage liquidity natively in local currency, connecting seamlessly with instant payment rails like SPEI. This is a crucial step toward a more inclusive financial system, offering a glimpse into the next generation of products for anyone operating, scaling, and spending in pesos."

Ben Reid

Head of Stablecoins at Bitso Business

Peer-to-peer payments

For the majority of the world's population, the dollar is a foreign currency. Yet most peer-to-peer crypto payment flows today route through USD stablecoins by default. This means a Filipino user sending money to a friend, or a Nigerian freelancer receiving payment from a client, incurs unnecessary FX exposure simply because the dominant settlement infrastructure is dollar-denominated. For everyday P2P transfers, that dollar leg adds friction, cost, and currency risk that serves neither party. This is the case for cross-border peer-to-peer payments, but even more so for domestic P2P flows where both parties share a curre

/ USE CASE

Canada's digital dollar meets remittances. Powered by Loon



Loon's CADC is a compelling case study for peer-to-peer payments in a major diaspora market. Fully backed 1:1 by Canadian dollars held at ATB Financial and issued under pre-filed regulatory oversight with the Ontario Securities Commission, CADC is designed for individuals and businesses that need to move CAD without touching traditional banking rails. Paytrie has integrated CADC to power remittance flows from Canada to Mexico and Nigeria, marking the first time a Canadian stablecoin has been deployed for live cross-border P2P transfers. For Canada's large expat communities, it means sending money home in the currency they earn, without a US dollar conversion imposed.

"Fragmented liquidity creates inefficient use of capital and price execution suffers. By bringing cross-chain capabilities to CADC, we aim to provide market-makers the best venues to price CADC markets and for users to always execute with the best price, regardless of which chain they use."

Kevin Zhang
Co-Founder at Loon

On-chain FX

Traditional FX markets can be expensive, opaque, and heavily intermediated, particularly for currency pairs that do not route through major financial centres. On-chain FX offers an alternative: two non-USD stablecoins can be swapped directly on a DEX or through a liquidity pool, without either side needing to pass through a dollar leg or rely on a correspondent bank. For businesses managing multi-currency treasury positions, this means currency exposure can be hedged or converted on-chain, programmatically, at any time. For payment platforms, it means a sender paying in one local currency and a recipient receiving in another can be served without a USD intermediary sitting in the middle.

/ USE CASE

Building foundational on-chain AUD/NZD FX infrastructure. Powered by NewMoney



The Australian and New Zealand dollars anchor a significant regional currency corridor spanning trade, tourism, migration, remittances, investment, and treasury flows across Asia-Pacific. While FX liquidity still centres on USD pairs, local currency stablecoins enable more direct on-chain conversion between regional currencies — starting with AUD/NZD and potentially extending to AUD/JPY and other pairs as liquidity develops. NewMoney's dAUD and dNZD are reserve-backed stablecoins built for this purpose. NewMoney has partnered with Superset, an on-chain FX liquidity infrastructure company built with LayerZero, which prices stablecoin conversions against a global virtual liquidity surface and settles locally — enabling scalable local-currency conversion without routing every transaction through a USD intermediary. For payment platforms, fintechs, and treasury teams across Australasia, dAUD and dNZD offer an early look at genuinely local on-chain FX infrastructure.

“AUD and NZD are deeply connected in the real economy, but the digital asset market has historically routed too much activity through USD rails. With dAUD and dNZD, our goal is to make local currency movement across Australia and New Zealand faster, more transparent, and more programmable, while preserving the familiar currency experience that businesses and users already understand.”

Ryan Johnson-Hunt
CEO at NewMoney

Domestic payment integration

Domestic payment integration is perhaps the most important signal that non-USD stablecoins are becoming more than trading assets. The core proposition is straightforward: a stablecoin denominated in the local currency can slot into existing domestic payment infrastructure more naturally than a USD stablecoin can. Rather than forcing users and businesses to take on dollar exposure as an intermediate step, a local-currency stablecoin can sit alongside, or integrate directly with, the payment rails, banking apps, and settlement systems that people already use. This includes on- and off-ramping. When a user converts local fiat into a stablecoin, or converts stablecoin proceeds back into a bank account, the experience is materially smoother when the stablecoin is denominated in their own currency.

/ USE CASE

A stablecoin wired into a nation's entire payment stack. Powered by Brazil's crypto exchanges



BRL1 stands out as a leading example of a non-USD stablecoin deeply integrated into a country's domestic payment infrastructure. Issued by a consortium of Brazil's largest crypto exchanges, it is designed to integrate with the Central Bank of Brazil's regulatory framework and domestic payment infrastructure, including PIX, the country's instant payment network serving more than 150 million users. Through API-based connectivity, BRL1 becomes part of Brazil's sovereign financial infrastructure, supporting digital BRL accounts, tokenized investments, lending, and digital asset use cases. Native PIX integration allows users to transact in BRL1 through familiar payment experiences without requiring a separate crypto interface.

"BRL1 is built as market infrastructure, not as a product for a single use case. We work to maximize access and liquidity by understanding how customers actually move value. As the BRL1 network continues to grow, partnerships such as LayerZero extend our interoperability, making BRL1 more useful as a liquidity product."

Thomas Texeira
CEO at BRL1

DeFi

Non-USD stablecoins are beginning to appear across the full stack of decentralised finance: lending markets, liquidity pools, vaults, collateral systems, and yield products. Early integrations across leading DeFi protocols have demonstrated that regulated, non-USD stablecoins can support lending, borrowing, spot liquidity, and user-facing treasury workflows at production scale. This signals a new phase for non-USD stablecoin adoption, as DeFi is where on-chain assets become productive. A local-currency stablecoin that sits idle in a wallet has limited utility. One that can be borrowed, lent, swapped, collateralised, and embedded into financial workflows becomes something more: a functional building block of an alternative financial system.

/ USE CASE

Bringing Turkey's carry trade on-chain. Powered by Brix



iTRY, issued by Brix, is a Turkish Lira stablecoin backed by a regulated fund holding short-duration Turkish Lira money market instruments. Users who stake their iTRY receive wiTRY, a yield-bearing wrapper that distributes returns directly on-chain. iTRY launched in April 2026 on MegaETH, with wiTRY available from day one and usable as collateral across DeFi protocols permissionlessly. Since its launch, wiTRY has delivered a +16% USD APY. Combined with the wiTRY/USDm market on Morpho, this rate can reach up to 40% USD APY. For the first time, retail users can leverage carry trades. The result is a non-USD stablecoin that makes a historically inaccessible emerging market yield available to any DeFi user, regardless of geography or banking access.

"There's this assumption that non-USD assets don't work. We want to challenge that with all of our soul and mind; to bring everything people say is hard to access, from Argentinian stocks to the Egyptian pound, on-chain, and show TradFi that DeFi works better."

Alp Ergin
Co-Founder of Brix

Distribution is the hardest problem non-USD stablecoin issuers face

05

Launching a non-USD stablecoin is structurally harder than launching a USD-pegged one. Not because the peg mechanics differ, but because the distribution challenge is an order of magnitude more complex. Three areas of fragmentation define the gauntlet: Chains, Applications, and Liquidity. Each of which must be solved simultaneously rather than sequentially if the issuer wants to build real traction.

Fragmented chain ecosystem

There is no single blockchain that captures the relevant user base, liquidity, and DeFi activity for any given currency corridor. Stablecoin supply now spans more than ten chains with each exceeding USD 1 bn in stablecoin market cap, and the chains where a EUR, SGD, or AED stablecoin needs to be present will vary by corridor and use case. Deploying chain by chain, each with its own issuance contract and liquidity management, quickly becomes operationally untenable, and it fragments the very supply the issuer is trying to scale. But a non-USD stablecoin that only lives on one or two chains is not a global payments instrument; it is a local experiment.

Fragmented application landscape

Multi-chain presence alone is not enough. The application ecosystem is splintered across payments processors, DEXs, lending protocols, and yield platforms that operate largely independently of one another, even on the same chain. A stablecoin that is not embedded in the right applications is effectively inaccessible to end users, and securing those integrations requires significant time and effort. For a non-USD stablecoin, this is compounded by the fact that most major protocols have not pre-built support for non-USD assets: the issuer must actively lobby for new trading pairs, collateral listings, and yield pool configurations that simply do not exist yet.

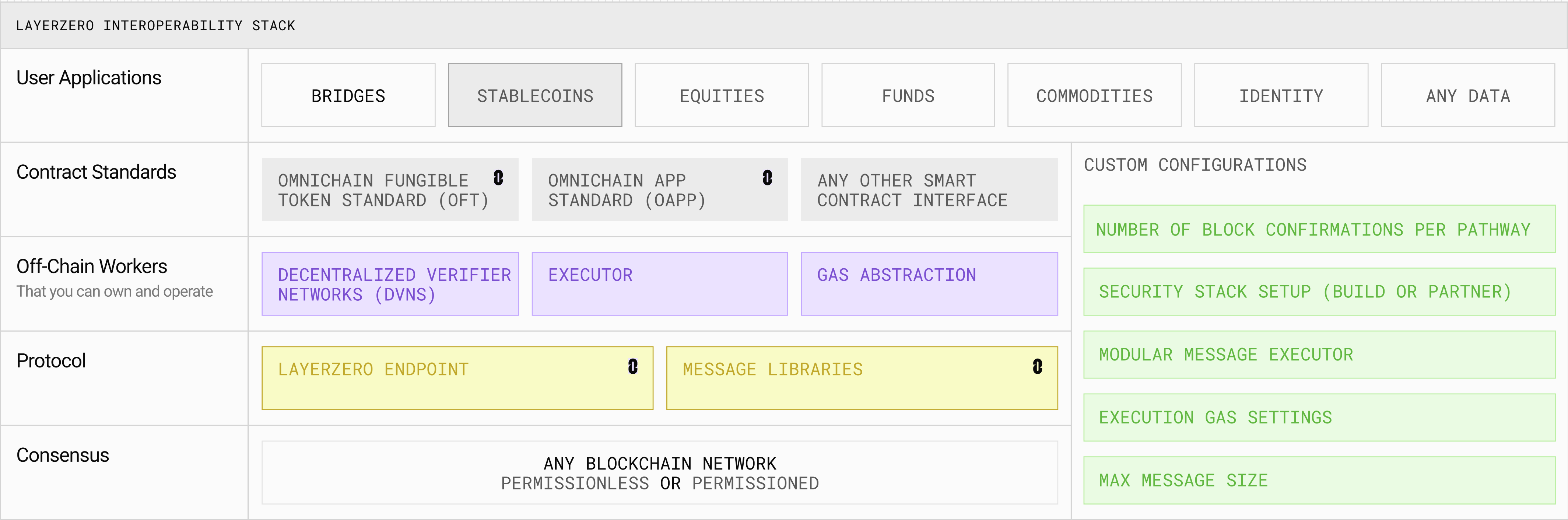
Fragmented liquidity

Perhaps the most underappreciated challenge is that the DeFi ecosystem is structurally USD-centric. This goes beyond competition for liquidity. Price feeds, swap routes, collateral frameworks in lending protocols, and yield strategies are all built around USD as the base currency. A new USD stablecoin can plug into existing infrastructure as it competes for market share within a pre-built system. A non-USD stablecoin has to create new market infrastructure from scratch: convincing oracle providers to add price feeds, persuading lending protocols to accept non-USD collateral, and building swap routes that currently do not exist. The USD stablecoin fights for share; the non-USD stablecoin fights for the existence of the market itself. Overlaying all of this is regulatory complexity. A token issued under MiCA or MAS frameworks must ensure its compliance posture travels with every transfer, regardless of which chain or jurisdiction it flows into, adding yet another dimension to an already demanding launch requirement.

LayerZero is the infrastructure layer that solves this distribution challenge

06

LayerZero provides the infrastructure layer that lets a non-USD stablecoin issuer address all three of the above challenges without building individual, bespoke solutions for each. Its product stack and partnerships map directly onto the chain, application, and liquidity problems that make non-USD issuance structurally hard.



/ LEGEND

INFRASTRUCTURE THAT CAN BE OWNED & OPERATED

LAYERZERO-DEPLOYED INFRASTRUCTURE

ENTIRELY CONFIGURABLE BY THE ASSET ISSUER

Multi-chain interoperability

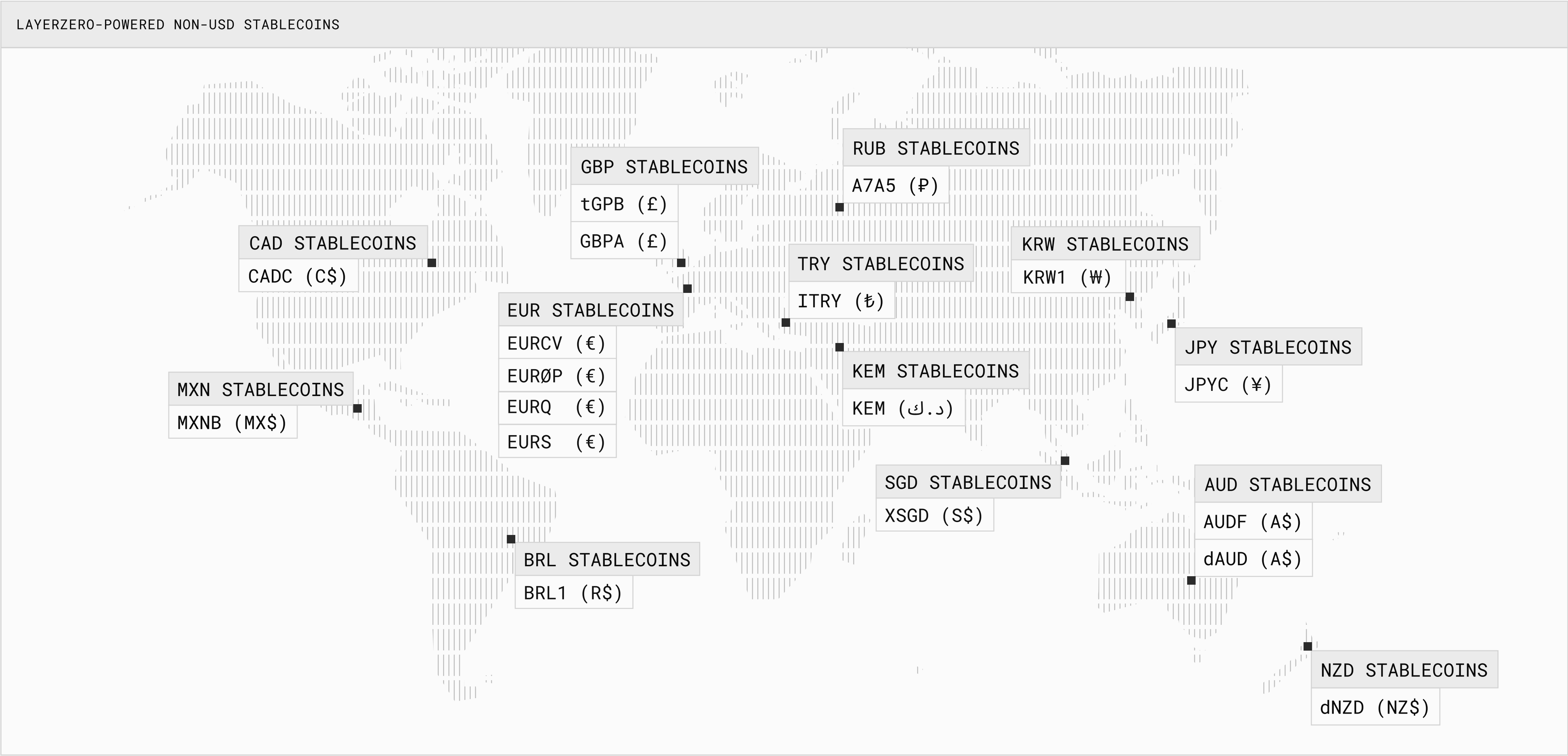
LayerZero solves for the fragmented chain ecosystem through the Omnichain Fungible Token (OFT) standard, which enables a stablecoin issuer to deploy a single canonical asset across blockchains using a burn-and-mint mechanism that preserves one unified global supply. Rather than issuing separately on each chain, with its own contracts, treasury management, and reconciliation overhead, the issuer maintains a single source of truth that is accurate cross-chain at all times. Crucially, the issuer retains full mint and compliance control on every chain from day one, which is essential for any regulated non-USD tokens operating under frameworks like MiCA in Europe, MAS' Stablecoin Regulatory Framework in Singapore or CBUAE's Payment Token Services Regulation in the UAE. The practical result is that a stablecoin can achieve multi-chain presence in a fraction of the time that a sequential, per-chain deployment strategy would require, collapsing what would otherwise be an 18-month roll-out into a single coordinated launch.

Built-in distribution

To solve for the fragmented application landscape, LayerZero has developed a Value Transfer API (VTA). Even with broad chain coverage, a non-USD stablecoin still needs to be accessible inside the wallets, payment apps, lending protocols, and DeFi platforms where its target users actually operate. Each of those integrations has historically required custom engineering work by the counterpart. VTA abstracts away the entire complexity of cross-chain execution: gas management, routing, and chain-specific error handling are all handled under a single API call, allowing any partner to integrate cross-chain support in days rather than months all through a web2-like interface. Instead of negotiating and resourcing bespoke integrations one by one, the issuer can scale distribution across chains and the application ecosystems sitting on top of them through a single distribution layer.

Unified liquidity

LayerZero is also addressing the liquidity gap for non-USD stablecoins, by working with partners that tackle the problem from different angles. One such example is Superset, a liquidity infrastructure protocol purpose-built for cross-chain stablecoin markets. Rather than routing trades against isolated per-chain pools, it aggregates LP capital globally so that every chain prices against the full cross-chain depth simultaneously. This cuts LP incentive spending by an estimated 60–70% and gives issuers day-one liquidity depth on any new chain they enter, without requiring LPs to fragment or redeploy capital. Superset is not alone in this effort, other protocols such as Arrakis and Lava.xyz have built infrastructure that help issuers further unify liquidity and integrate seamlessly with the LayerZero product stack.



The non-USD stablecoin market is still early, and the infrastructure to support it at scale is still being built. LayerZero is uniquely positioned at the center of that buildout, and it is no coincidence that the leading non-USD stablecoins live today, from EURCV and TGBP to EUROP, MXNB, and iTRY, have chosen LayerZero as the backbone of their distribution strategy. This stack is not limited to conventional stablecoins and can be used for other asset classes.

For example, LayerZero announced its partnership with the Keeta Network to tokenize eight non-USD stablecoins that are backed by commercial bank money. Any asset type that benefits from broad distribution, unified supply, and deep cross-chain liquidity can be built on the same rails. For an issuer looking to bring a real-world asset on-chain and reach its full addressable market, LayerZero is where that journey starts.

Getting Started with LayerZero

07

LayerZero's Omnichain Fungible Token (OFT) standard gives stablecoin issuers a proven path to native multi-chain issuance, without sacrificing control or creating dependency on any single infrastructure provider. Issuers are in full control of which chains to deploy on, which security providers to trust, and how the asset moves. The architecture is modular by design and follows three steps.

Step 1: Adopt the OFT standard

Issue a stablecoin using the OFT standard, or use an OFT adapter if there is already an existing token without the need for modifying the underlying contract. Either path gives issuers a unified, canonical token supply across every chain it touches with no wrapped derivatives.

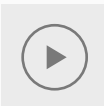
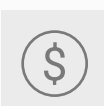
Step 2: Deploy and expand across chains

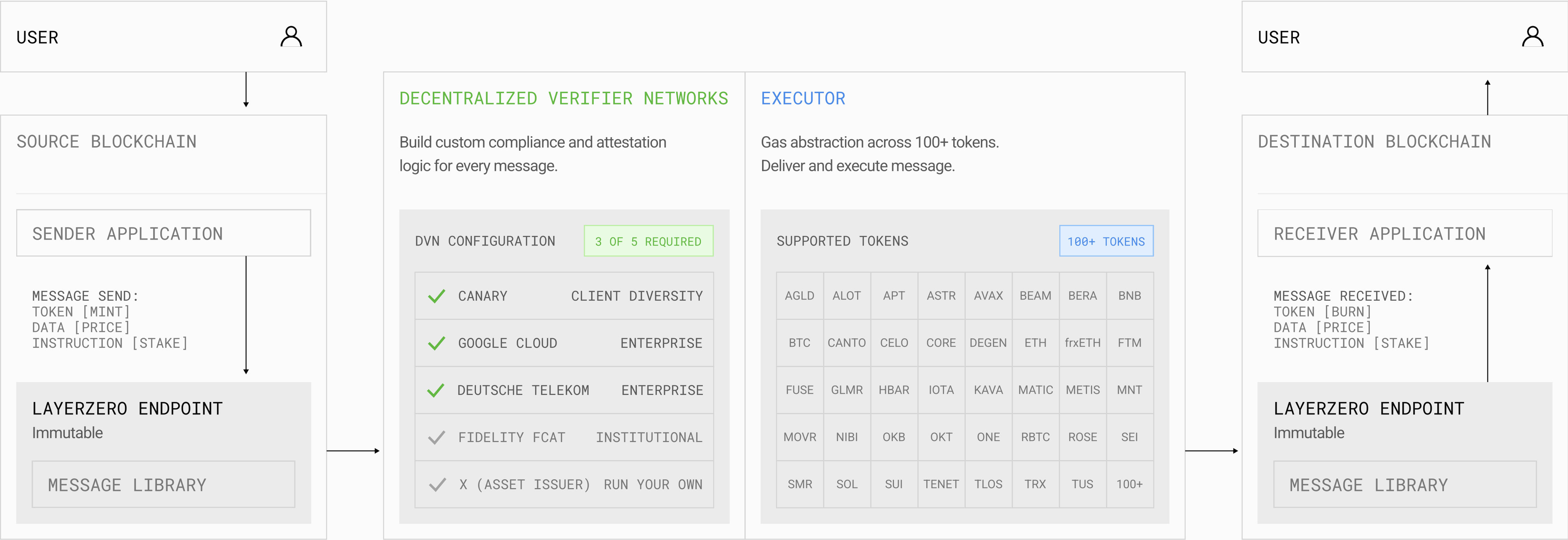
Deploy an OFT contract on each chain your stablecoin needs to be present, EVM and non-EVM, and configure the messaging channels between them. Deployment is additive meaning issuers can start with one or two chains and expand as ecosystem integrations and user demand grow, without redeploying or migrating core contracts.

Step 3: Configure security stack

Choose and configure the security stack consisting of Decentralized Verifier Networks (DVNs), the independent entities that verify cross-chain message integrity. LayerZero's modular security model means issuers define the trust assumptions that match their regulatory and risk requirements. Moreover, issuers can choose to operate their own DVN, fully embedding themselves and taking control of the security stack.

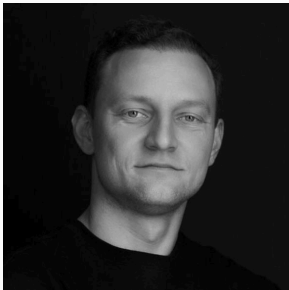
LayerZero Interoperability Protocol

-  User Initiates transaction.
-  Pays entire cross-chain message fee in source gas.



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This report is the result of collaboration across the business development, product, engineering, research, and editorial team at LayerZero.



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Have further questions?
Reach out.

This report is only a starting point.

If you are a financial institution,
fintech, corporate, or government
exploring non-USD stablecoins,
we're keen to talk.

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