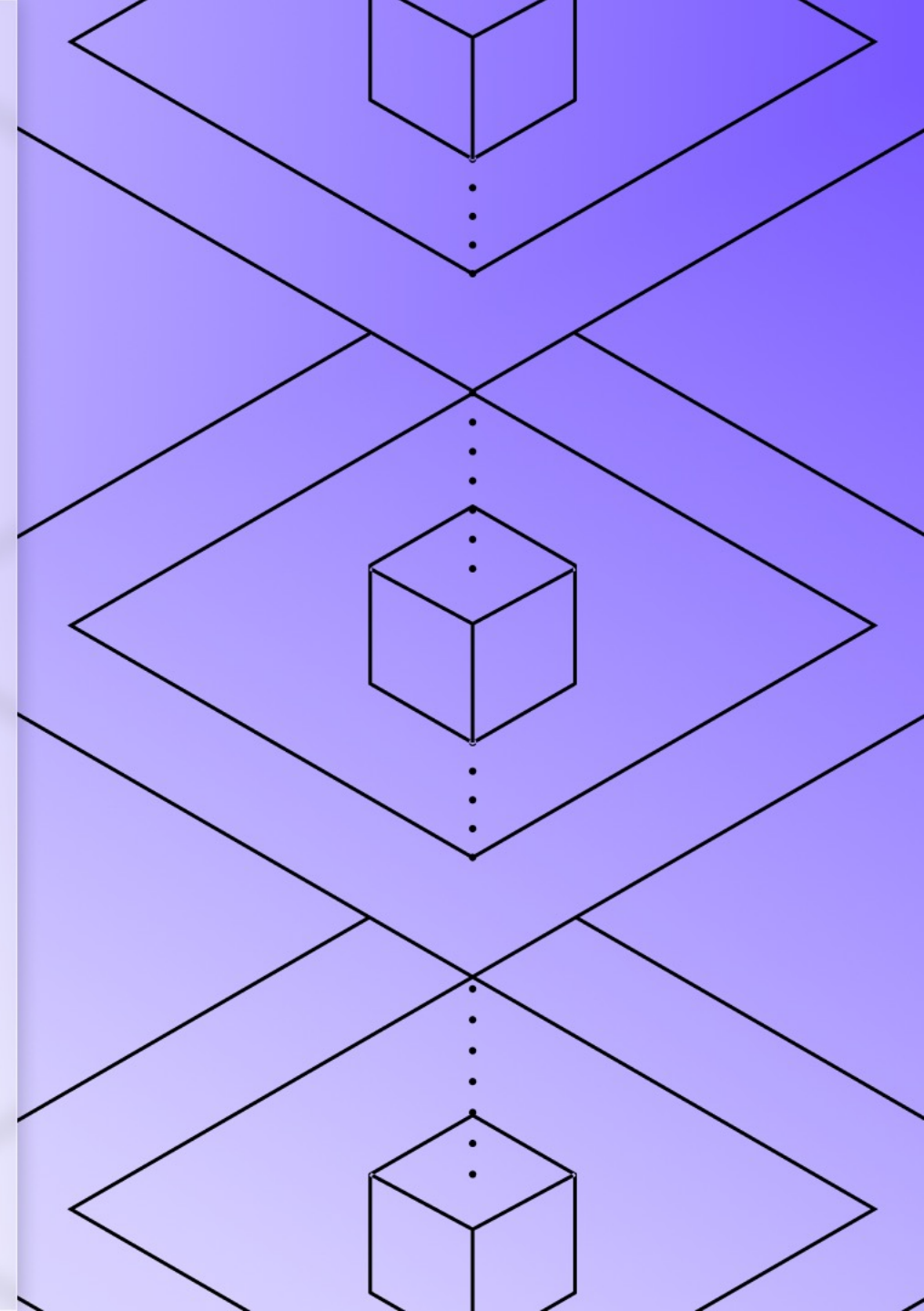




Data as of March 31, 2026

The DeFi Quarterly



Important Information

This material is intended for informational and educational purposes only and does not constitute financial, investment, legal, or tax advice.

Decentralized Finance (DeFi) and stablecoins involve significant and evolving risks. While stablecoins are designed to maintain price stability, they can still lose their peg due to market volatility, liquidity imbalances, or failures in their underlying mechanisms. DeFi platforms and protocols are often experimental, exposing users to the risk of rapid and substantial financial loss due to high market volatility, low liquidity, or flawed economic design.

The technology underlying these systems—particularly smart contracts—can contain bugs, vulnerabilities, or security flaws that may be exploited. Even well-audited protocols can fail due to logic errors, implementation mistakes, or integration issues. Additionally, DeFi protocols are often governed by decentralized communities or token holders, and governance decisions—such as protocol upgrades or changes to collateral standards—can materially affect outcomes, risks, or user expectations.

Finally, the legal and regulatory environment for DeFi and stablecoins is still developing. Changes in rules or restrictions can impact how these systems operate or are accessed. Users may find themselves subject to new obligations or experience disruptions in service, depending on how and where they engage with these technologies. In many cases, there are limited or no consumer protections, meaning users may not have access to insurance, legal recourse, or recovery mechanisms if assets are lost or inaccessible.

Engaging with DeFi or stablecoins involves a high degree of risk. Individuals and institutions should carefully assess these risks, conduct thorough due diligence, and consult with appropriate professionals before making any financial decisions or commitments.

Please note that historical data shown in some of the charts presented herein may differ from prior publications. Such differences arise because certain data providers continuously refine their methodologies to improve the accuracy of on-chain metrics and we use the most current and accurate data available at the time of publication, which may lead to discrepancies between current and previously published figures.



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Risk-Off Sentiment Met Structural Progress

Stablecoins, RWAs, Tokenization

- Stablecoin supply grew 2.3% to ~\$306 billion, decelerating from four consecutive quarters of ~10% growth, while adjusted transaction volume rose ~20% to ~\$4.5 trillion as Coinbase, Circle, and Stripe advanced agentic payment standards like x402.
- USDC velocity surged to an all-time high of ~30x, reinforcing its dominance as the most actively transacted major stablecoin, while tokenized real world assets (RWAs) grew ~29% quarter-over-quarter to ~\$27.6 billion, led by a ~44% expansion in US Treasury debt to ~\$12.8 billion.

Network And Application Economics

- DeFi total value locked (TVL) declined broadly amid falling crypto prices and escalating geopolitical tensions, with Ethereum down ~21% year-to-date to ~\$74.4 billion. Tron was the only major network to post positive TVL growth (+2.5%).
- Total network real economic value (REV) fell ~34% to ~\$307 million (its lowest level since 2022) while application revenue declined a more moderate ~23% to ~\$485 million, pushing the app-to-network revenue ratio to a record ~1.58x.

Decentralized Exchanges & Lending Protocols

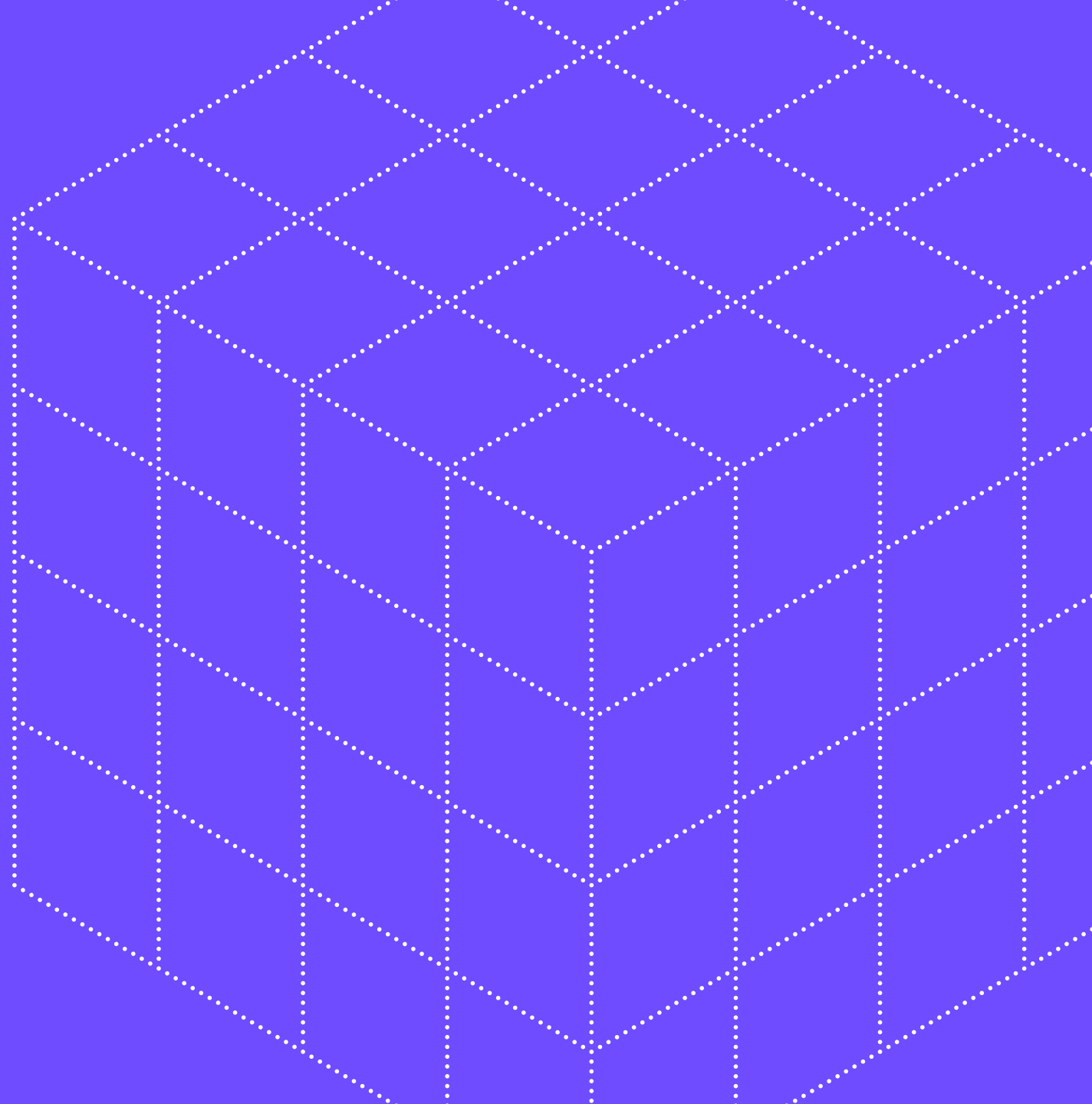
- Decentralized exchange (DEX) spot volume fell ~26% to ~\$832 billion, breaking below \$1 trillion for the first time in five quarters, yet the DEX-to-CEX (centralized exchange) spot volume ratio rose 270 basis points to ~27.4%, signaling continued structural share gains from centralized platforms.
- Total lending deposits fell ~18% to ~\$75 billion as DeFi yields sat below the risk-free rate, though Morpho bucked the trend with ~16% deposit growth and HIP-3 perpetual markets surged from ~\$275 million to ~\$2.0 billion in open interest.

ARK'S KEY TAKEAWAYS

1. Stablecoin growth decelerated to 2.3%, but transaction volume rose ~20% to ~\$4.5 trillion and tokenized RWAs surged ~29% to ~\$27.6 billion, underscoring deepening on-chain utility and broadening institutional adoption.
2. Network revenue fell to its lowest level since 2022, yet the app-to-network revenue ratio reached a record ~1.58, evidence of a structural shift in value capture toward the application layer, even during a broad activity decline.
3. DEX-to-CEX spot volume rose to ~27.4%, despite falling absolute volumes, while lending contracted and HIP-3 markets took off, highlighting DeFi's growing competition with traditional finance (TradFi) and compressed yields relative to on-chain risk.

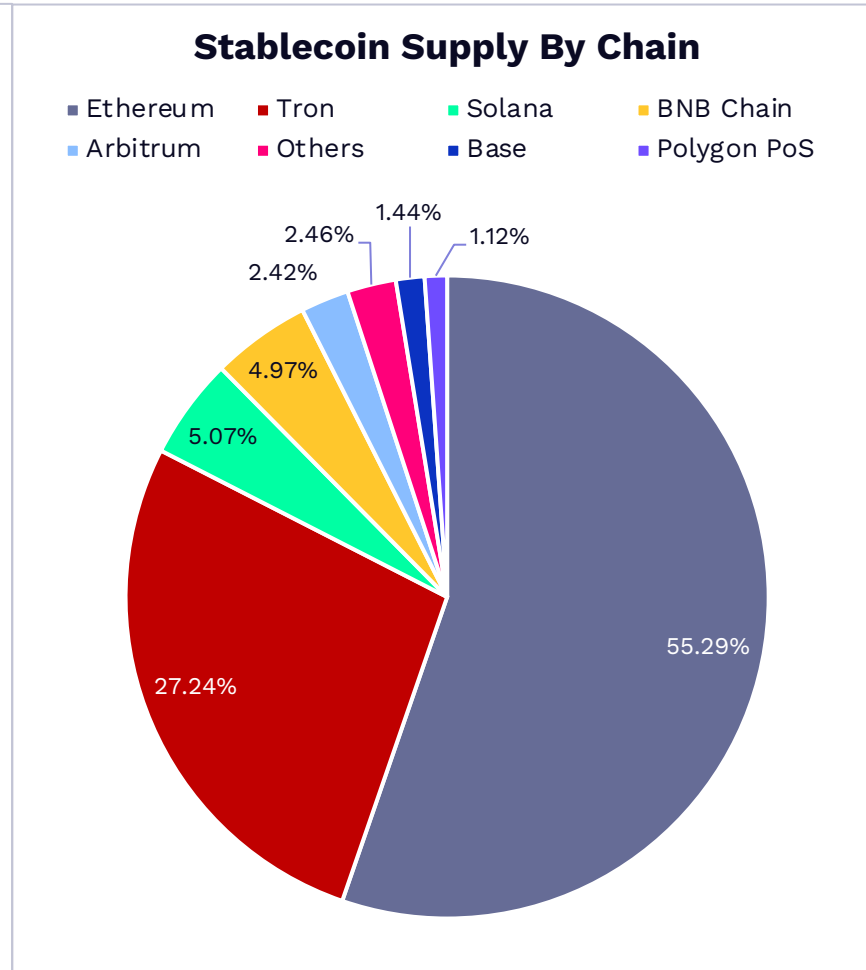
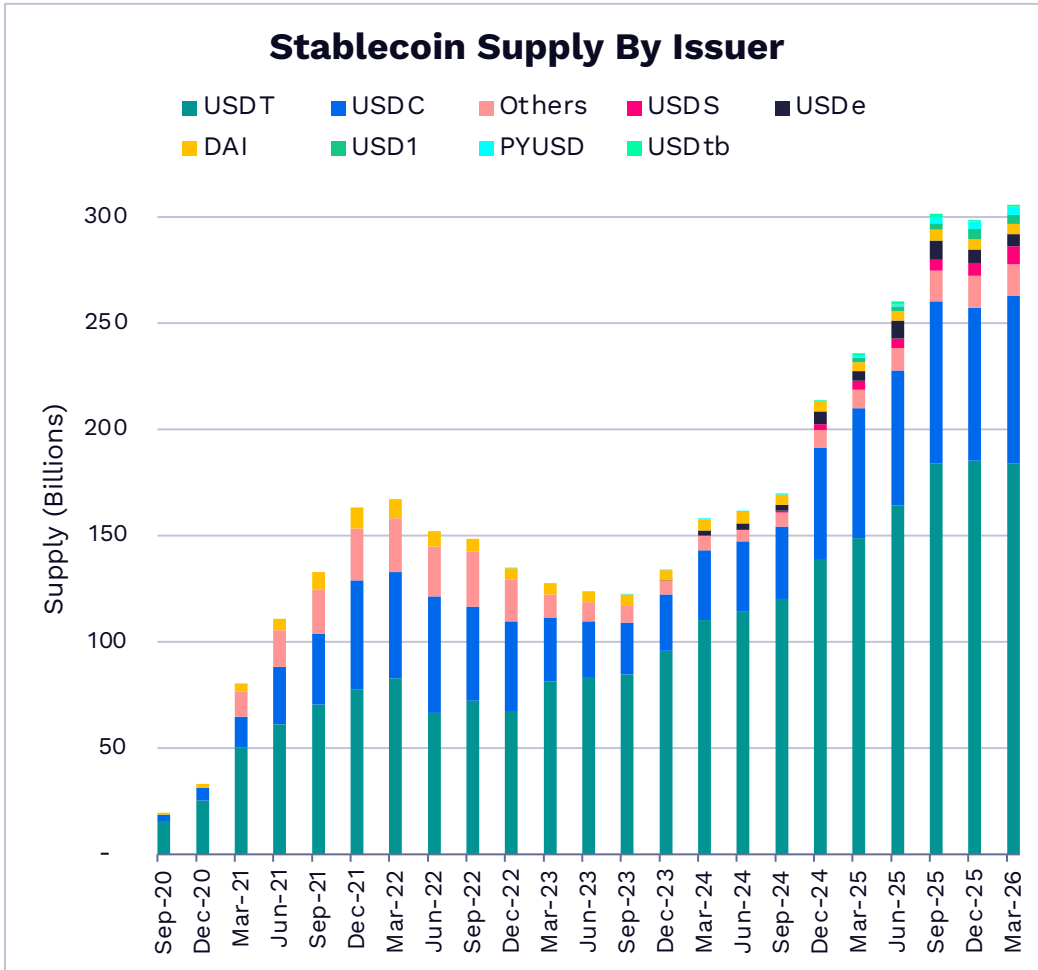
Section 02

Stablecoins, RWAs, And Tokenization





Stablecoin Supply Surpassed \$305 Billion Amid Delays In Advancing The Clarity Act



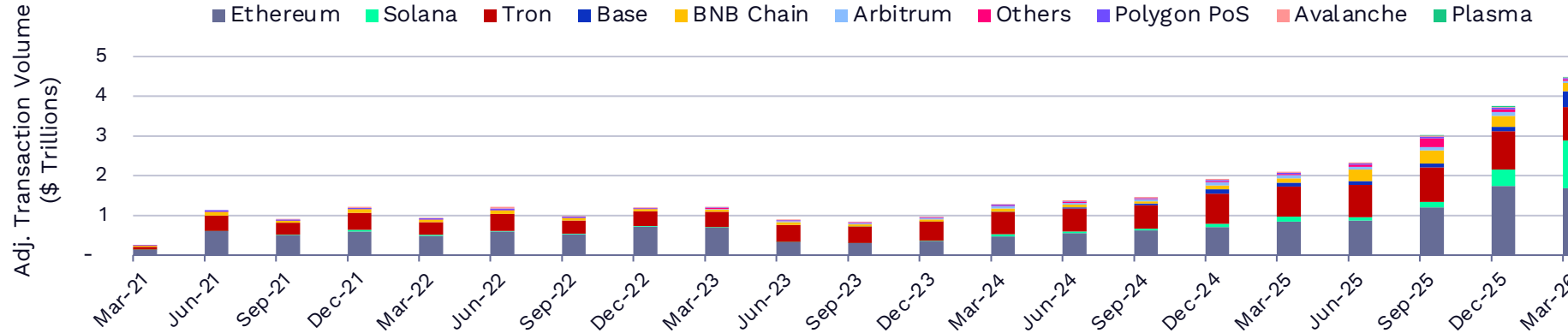
- Overall, stablecoin growth decelerated quarter-over-quarter after four consecutive quarters of ~10% growth. In the first quarter, it increased 2.3% to ~\$306 billion, following a 0.96% decline in the fourth quarter.
- Even amid uncertainty around the Clarity Act, which could end third-party yield sharing and change the incentives for holding USDC, the stablecoin grew ~9.6% quarter-over-quarter.
- USDS (Sky Protocol) surged ~39% to ~\$8.5 billion, making it the fastest-growing major stablecoin during the quarter. USDT edged down marginally (~0.6%) but still accounts for ~60% of total supply. USDe (Ethena) continued to contract, declining ~10% to ~\$5.7 billion.
- Ethereum and Tron maintained their dominance, accounting for ~55% and ~27% of stablecoin supply. BNB Chain and Solana were the third and fourth largest stablecoin chains.

Note: Tokenized Money Market Funds (MMFs) such as Blackrock's BUIDL and Circle's USYC are excluded from the stablecoin supply data used in this publication. Source: ARK Investment Management LLC, 2026. Chart data from Artemis. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.

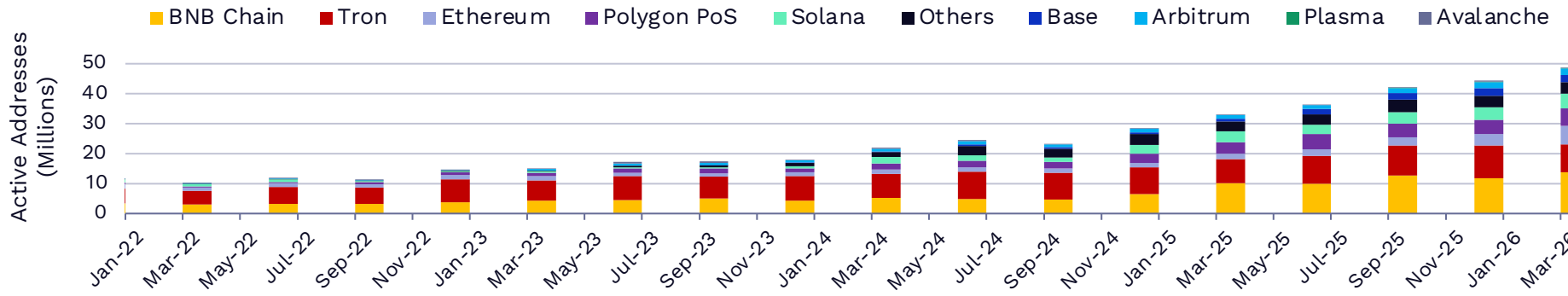


Stablecoin Volume Continued To Rise As Coinbase, Circle, And Stripe Pushed Stablecoins Into Agentic Payments

Adj. Transaction Volume By Chain



Active Addresses By Chain

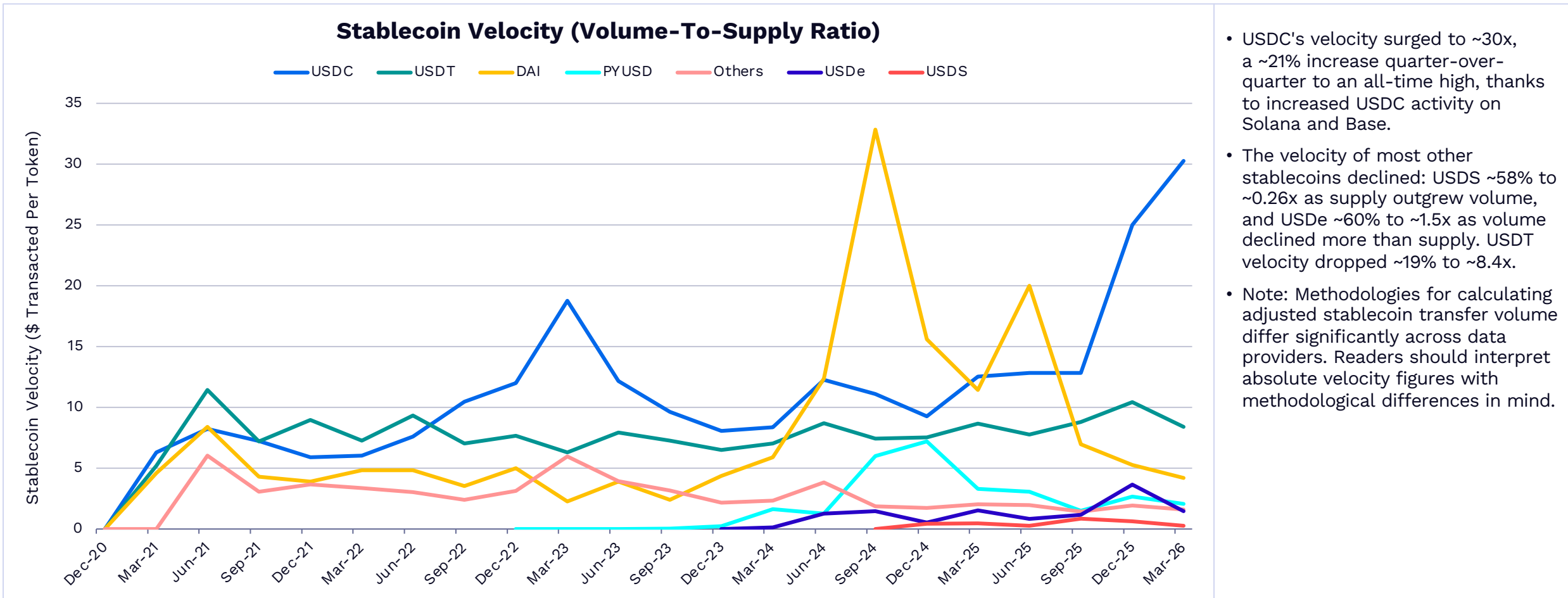


- Total adjusted stablecoin transaction volume grew ~20% quarter-over-quarter to ~\$4.5 trillion, thanks in large part to large entities, like Coinbase, Circle, and Stripe promoting stablecoin-focused agentic payment standards like x402 and MPP.
- Solana transaction volume rebounded strongly, rising ~188% to ~\$1.2 trillion. Ethereum declined ~3% to ~\$1.68 trillion.
- Total active stablecoin addresses rose ~10% to ~48.8 million quarter-over-quarter.
- Ethereum enjoyed the highest address growth, at 58%, among major chains, while BNB Chain was the most active network with ~13.7 million addresses. Tron's active addresses declined ~15%.

Note: Due to abnormal data fluctuations relating to stablecoin volume on Base we have transitioned to Allium data for Adjusted Stablecoin Transaction Volume in this quarter's publication. We express stablecoin trading activity as "volume" on the y-axis in dollar terms. Because stablecoins are pegged 1:1 to the US dollar, trading volume (units exchanged) and trading value (USD equivalent) are identical. As a result, "volume" and "value" are used synonymously throughout the stablecoin section of this report. "Basis Point" is defined as 1/100th of a percentage point or 0.01%. We use basis points here to communicate changes in percentage values. Source: ARK Investment Management LLC, 2026. Chart data from Allium. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



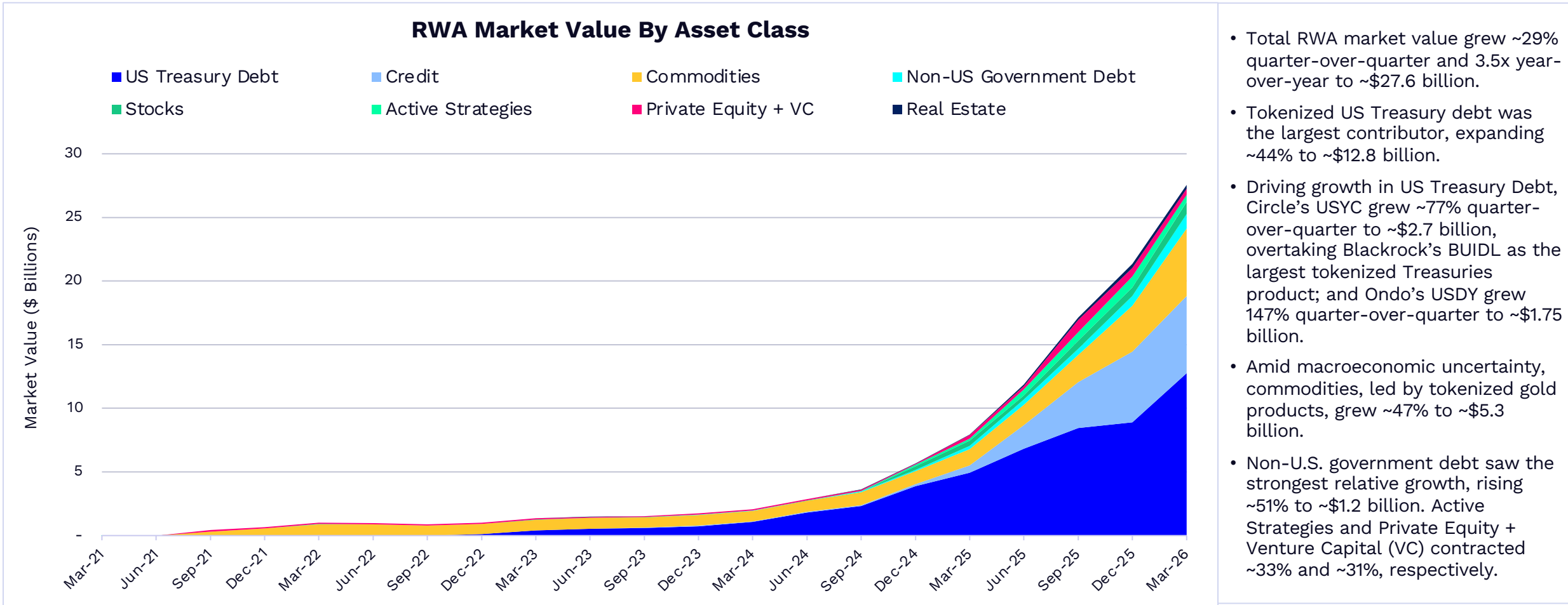
USDC Velocity Continued To Accelerate, Reflecting Its Liquidity And Full Stack Stablecoin Offering



Note: Due to abnormal data fluctuations relating to stablecoin volume on Base we have transitioned to Allium data for Adjusted Stablecoin Transaction Volume in this quarter's publication. Source: ARK Investment Management LLC, 2026. Chart data from Artemis and Allium. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



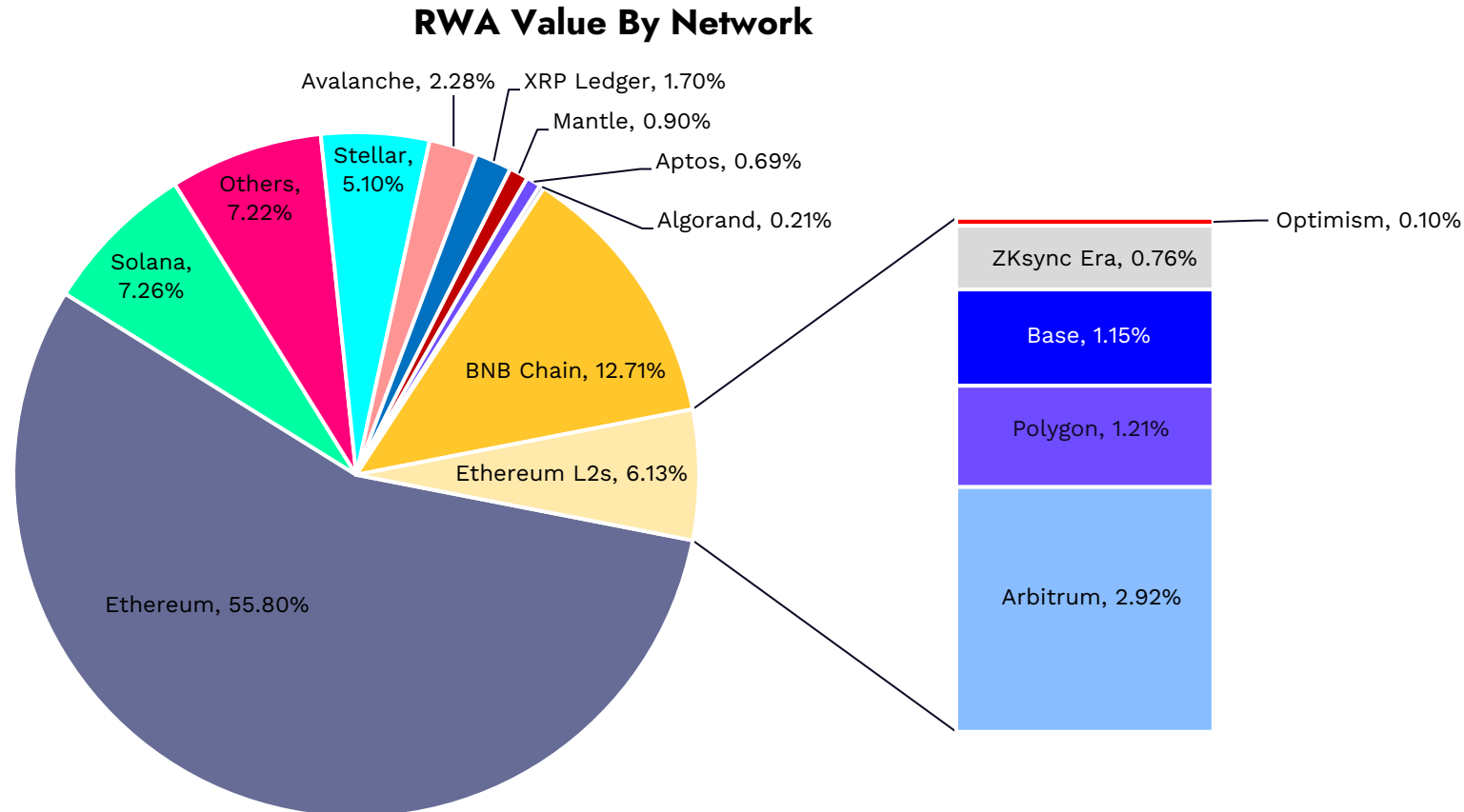
Tokenized RWAs Surged 25% In The First Quarter, Crossing \$27 Billion



Note: The category "RWAs" refers to any assets that natively exist in traditional markets but are brought on-chain into crypto markets through a process known as tokenization. This includes, but is not limited to, all asset classes displayed in the above chart. Of these assets, only those that use the blockchain as a means of distribution are counted, as opposed to those using the blockchain solely as a means of record-keeping or accounting. This chart represents the total RWA value distributed between private & public blockchains globally. Source: ARK Investment Management LLC, 2026. Chart data from rwa.xyz. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



BNB Chain And Solana Gained RWA Market Share At Ethereum's Expense, Reducing Its Dominance To ~56%

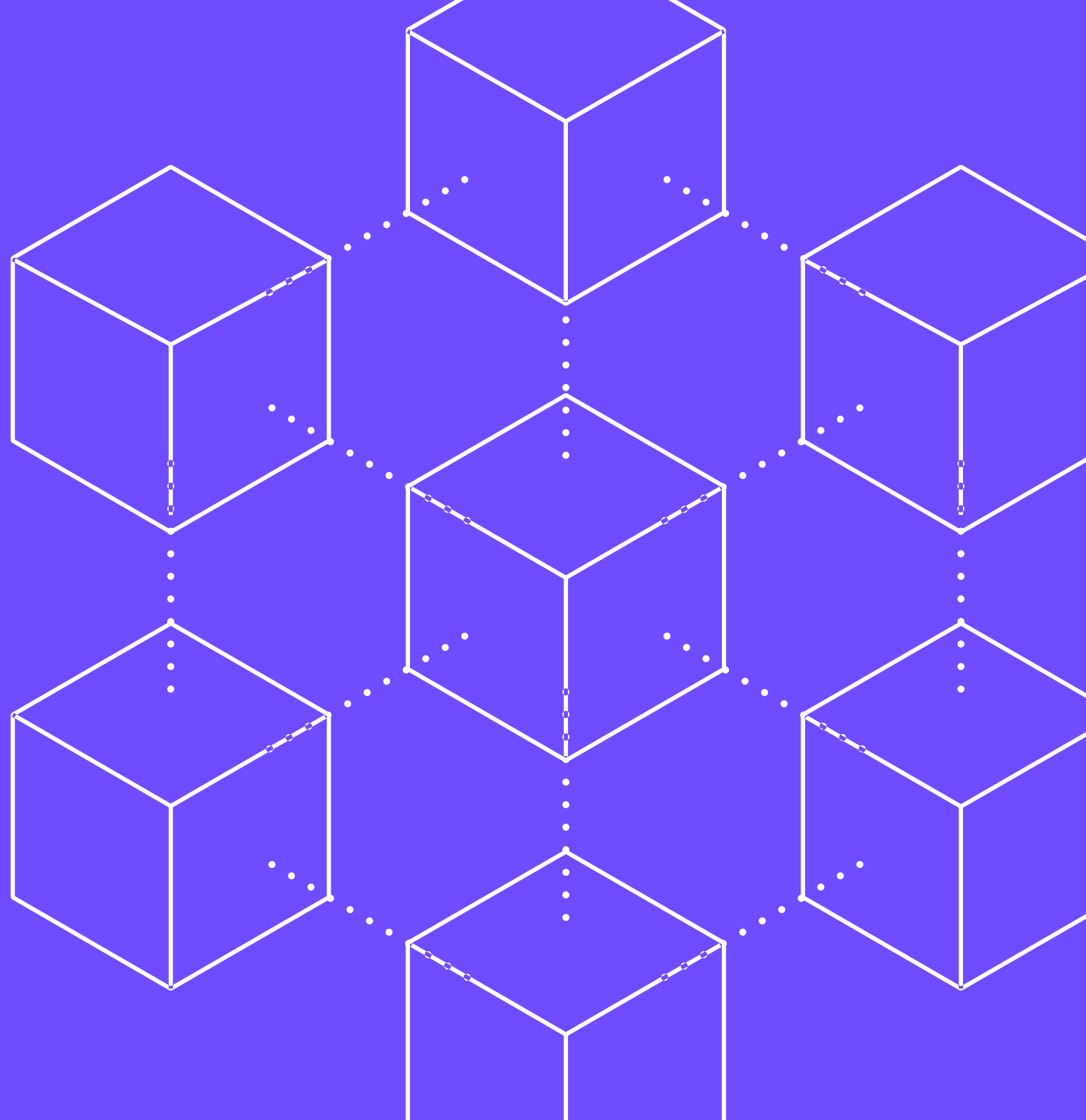


- Ethereum hosted ~\$15.4 billion in RWA value, representing ~56% of the ~\$27.6 billion total on public blockchains, down nearly 800 basis points quarter-over-quarter.
- Combined with its Layer 2s, Ethereum and the EVM ecosystem accounted for ~62% of all tokenized RWA value.
- BNB Chain continued to build on its fourth-quarter momentum, growing to ~\$3.5 billion, up 10.5% last quarter. The growth of Circle's USYC on BNB Chain drove much of the increase.
- Solana rose to ~\$2.0 billion, a ~43% increase quarter-over-quarter.
- Stellar grew ~64% to ~\$1.4 billion, while Arbitrum stabilized at ~\$0.8 billion and XRP Ledger expanded ~39% to ~\$0.5 billion, signaling broadening distribution of institutional tokenized assets across chains.

Note: This chart represents the network distribution of the RWA value on public blockchain networks. Source: ARK Investment Management LLC, 2026. Chart data from rwa.xyz. Information as of March 31, 2026. This chart represents data from public blockchains only. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.

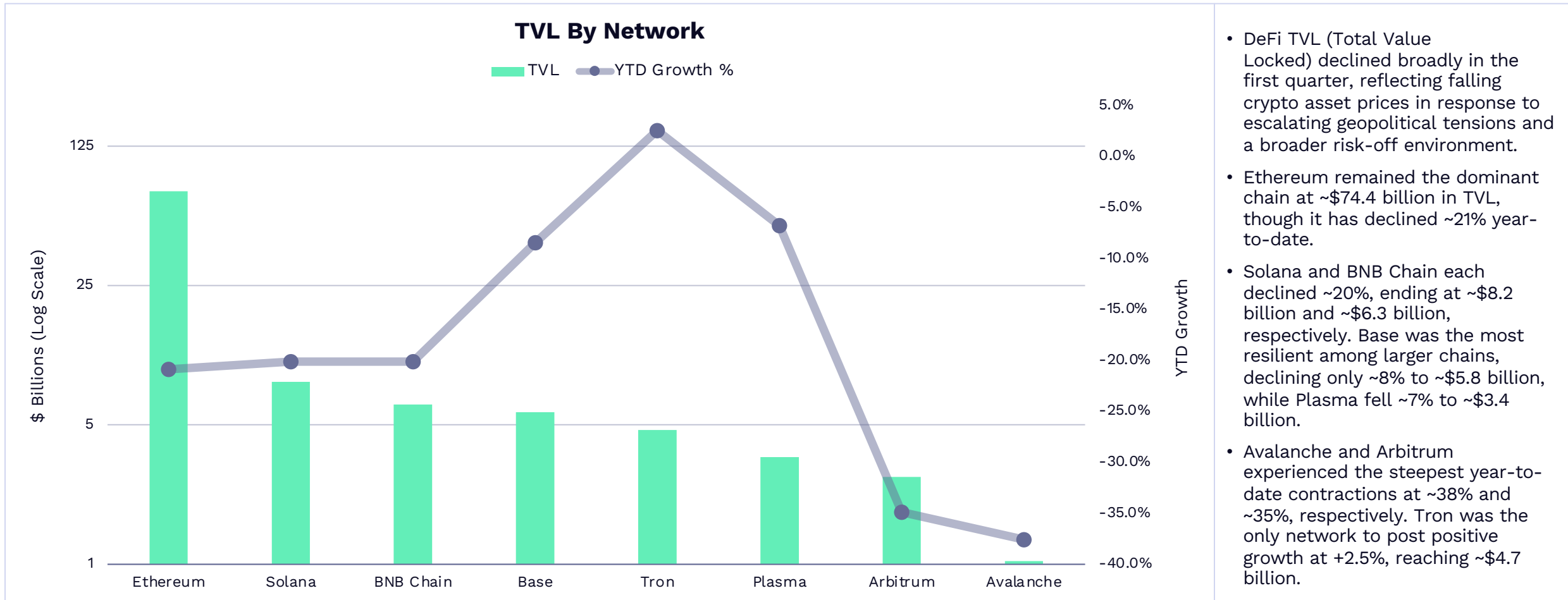
Section 03

Network And Application Economics





Falling Crypto Prices Lowered DeFi TVL Across Major Networks While Ethereum Maintained Its Commanding Lead

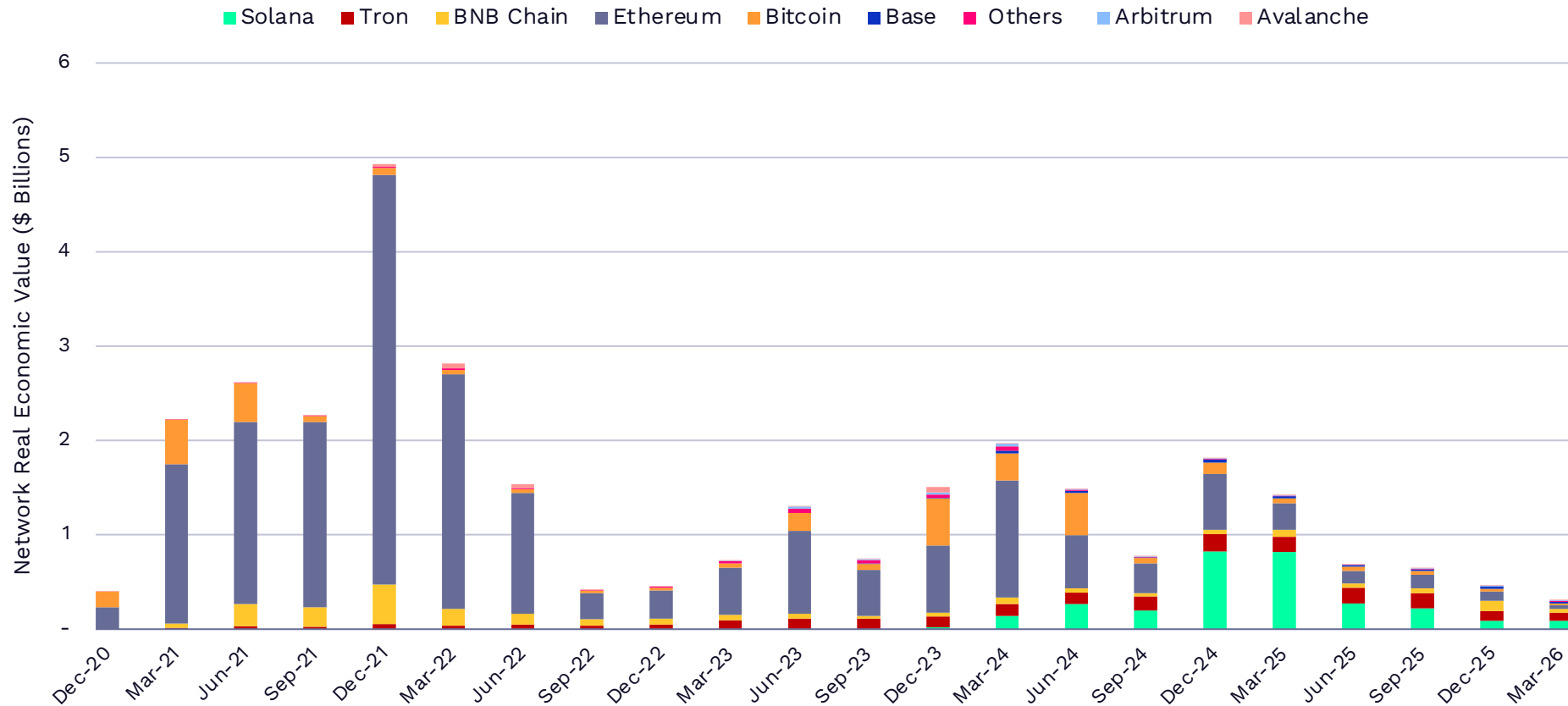


Source: ARK Investment Management LLC, 2026. Chart data from Deffillama. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



Network Revenue Fell To Its Lowest Level Since Early 2020

Network Real Economic Value (REV)

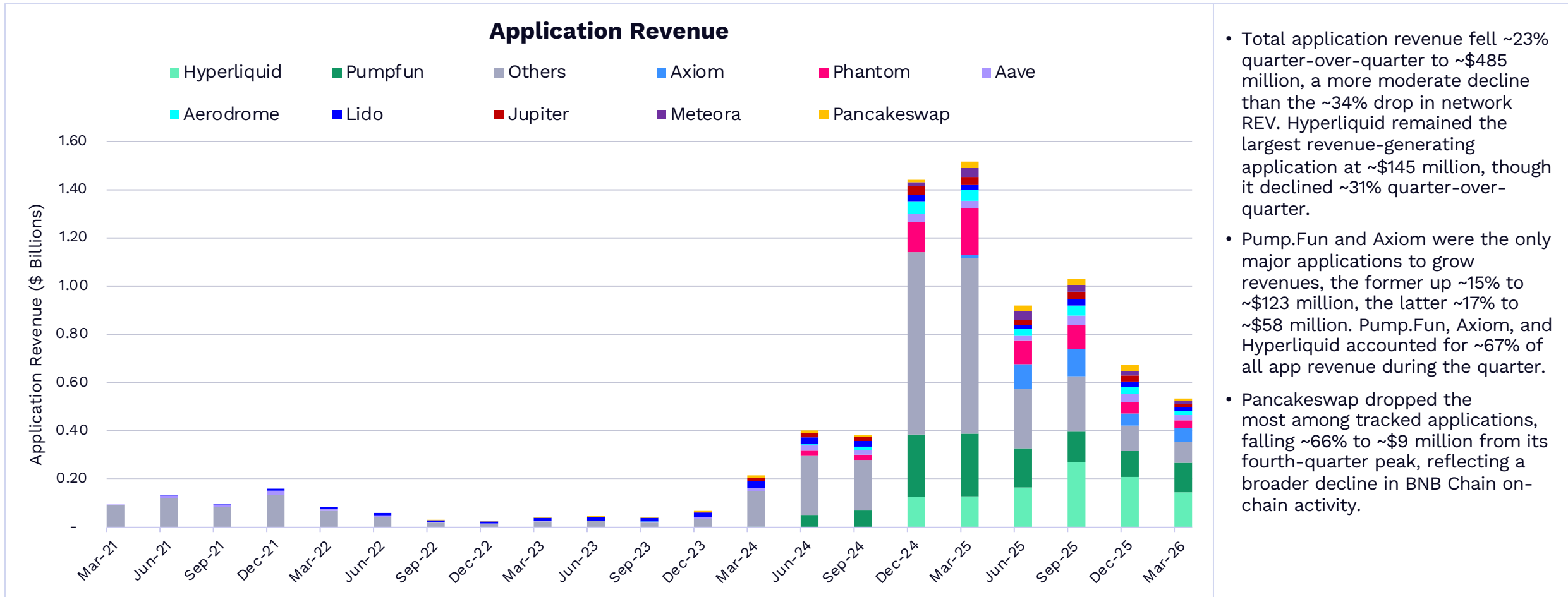


- Total network REV declined ~34% quarter-over-quarter to ~\$307 million, its lowest level since 2022. The decline was broad-based.
- Solana led all networks with ~\$90 million in REV, while Tron generated ~\$83 million—both relatively stable quarter-over-quarter.
- Ethereum's REV dropped ~60% to ~\$40 million, falling below the BNB Chain for the second consecutive quarter.
- BNB Chain declined ~61% from its elevated level of ~\$110 million during the fourth quarter. Base was the most resilient, declining only ~10% to ~\$17.5 million, consistent with its growing stablecoin and DEX activity.

Source: ARK Investment Management LLC, 2026. Chart data from Blockworks Research. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



Application Revenue Declined ~23% Quarter-Over-Quarter, While Hyperliquid And Pump.fun Captured The Lion's Share Of On-Chain Earnings



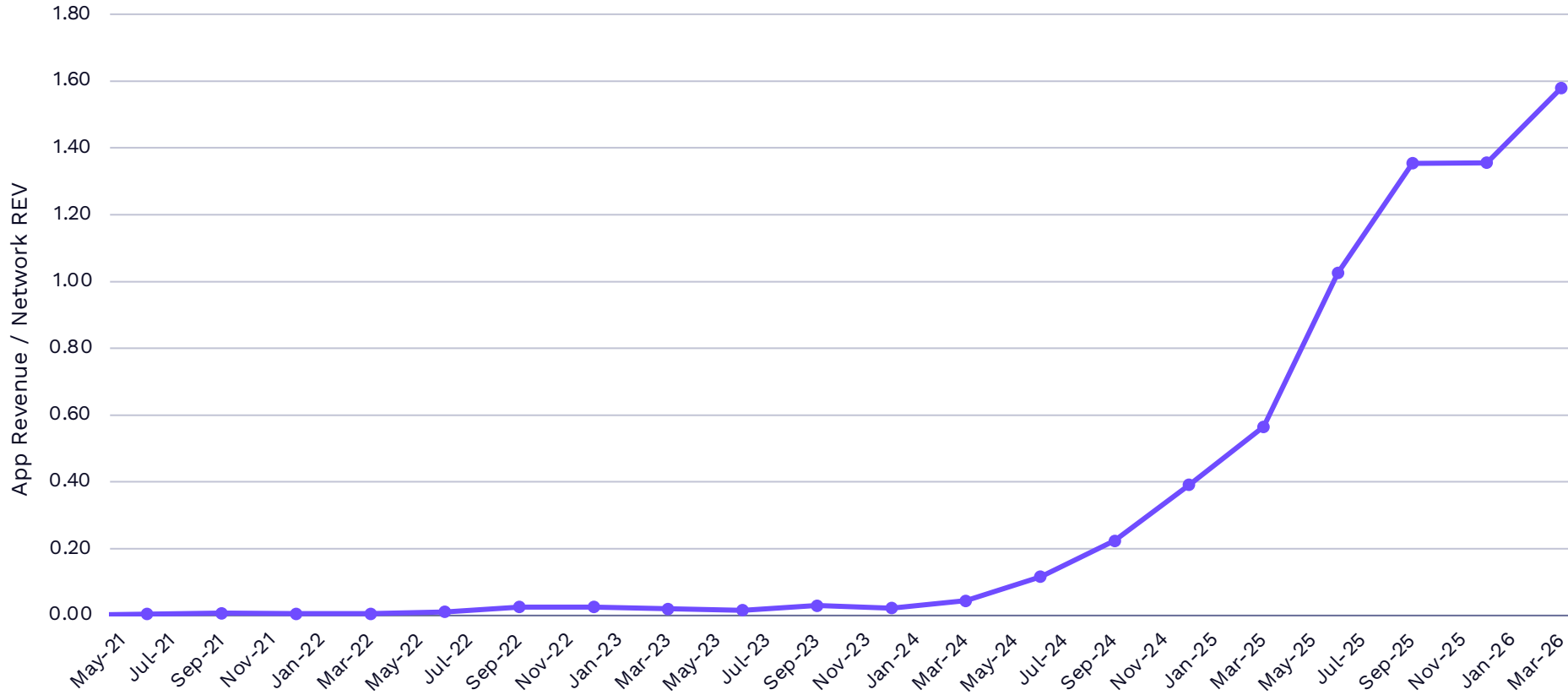
- Total application revenue fell ~23% quarter-over-quarter to ~\$485 million, a more moderate decline than the ~34% drop in network REV. Hyperliquid remained the largest revenue-generating application at ~\$145 million, though it declined ~31% quarter-over-quarter.
- Pump.fun and Axiom were the only major applications to grow revenues, the former up ~15% to ~\$123 million, the latter ~17% to ~\$58 million. Pump.fun, Axiom, and Hyperliquid accounted for ~67% of all app revenue during the quarter.
- Pancakeswap dropped the most among tracked applications, falling ~66% to ~\$9 million from its fourth-quarter peak, reflecting a broader decline in BNB Chain on-chain activity.

Note: An application is a user-facing product, built on top of a blockchain (Layer 1 or Layer 2), that leverages smart contracts to provide specific financial or social functionality beyond the base ledger. Source: ARK Investment Management LLC, 2026. Chart data from Blockworks Research. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



Amid A Broad Decline In On-Chain Activity, Applications Continued To Capture Revenue, Pushing The App-To-Network Revenue Ratio To Record Levels

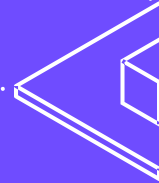
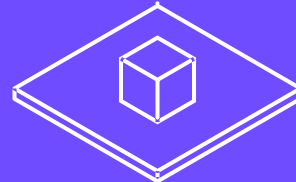
Application to Network Revenue Ratio (Quarterly)



- The application-to-network revenue ratio rose for the sixth consecutive quarter, from 1.36x to ~1.58x, an all-time high.
- The divergence reflects a structural shift in crypto's value capture: applications increasingly capturing revenue closer to the end user, while base-layer fees compress amid scaling solutions and network-level fee reductions.
- The ratio's expansion—during a quarter of declining activity—suggests that network fee compression is outpacing the decline in application revenues, reinforcing the long-term trend toward value accrual at the application-layer.

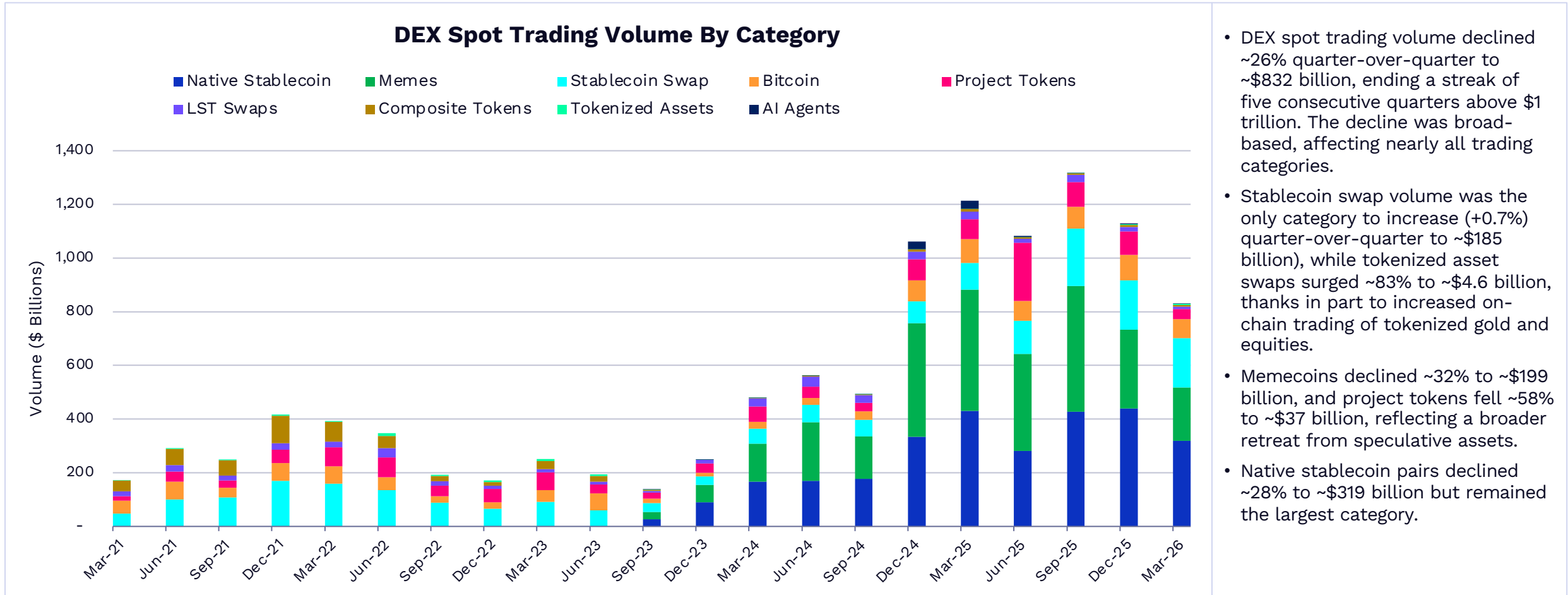
Section 04

Decentralized Exchanges





DEX Spot Volume Fell Below \$1 Trillion For The First Time In Five Quarters

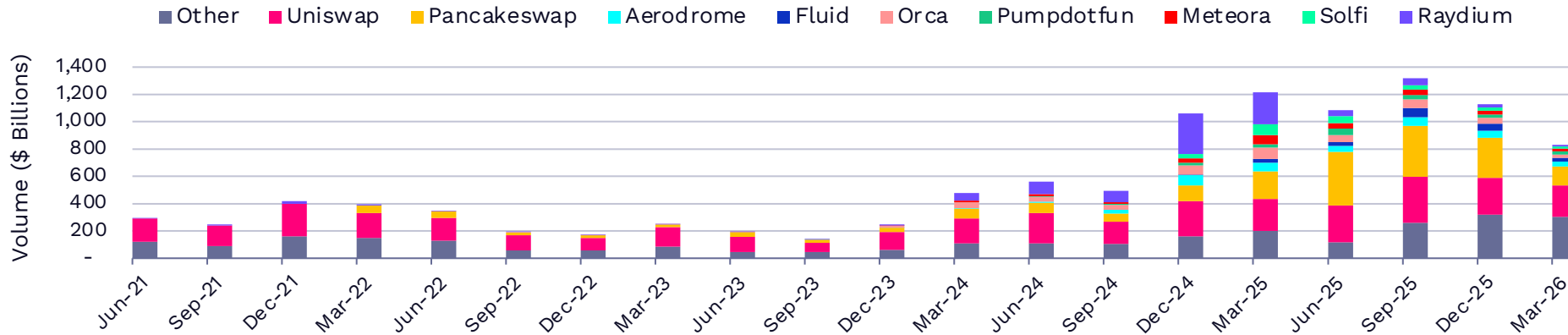


Source: ARK Investment Management LLC, 2026. Chart data from Blockworks Research. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.

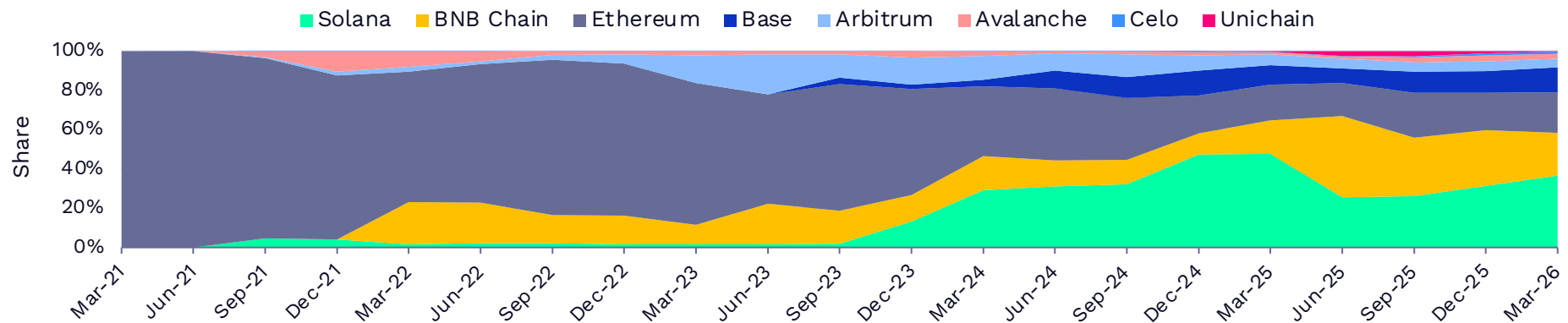


Uniswap Regained The Top Spot In DEX Volume While Solana And Ethereum Gained Relative To The BNB Chain

DEX Spot Trading Volume By App



DEX Spot Trading Volume By Network



- Uniswap overtook PancakeSwap for the first time in several quarters, processing ~\$231 billion versus PancakeSwap's ~\$138 billion. The reversal reflects the decline in BNB Chain activity, in which PancakeSwap is dominant.
- The long tail of DEXs remained significant, with "Other" DEXs collectively processing ~\$303 billion, highlighting the increased fragmentation in a competitive landscape populated by smaller protocols.
- By network, Solana maintained its lead in spot DEX volume with ~37% market share at ~\$304 billion, followed by BNB Chain at ~22%, Ethereum at ~21%, and Base at ~13%.

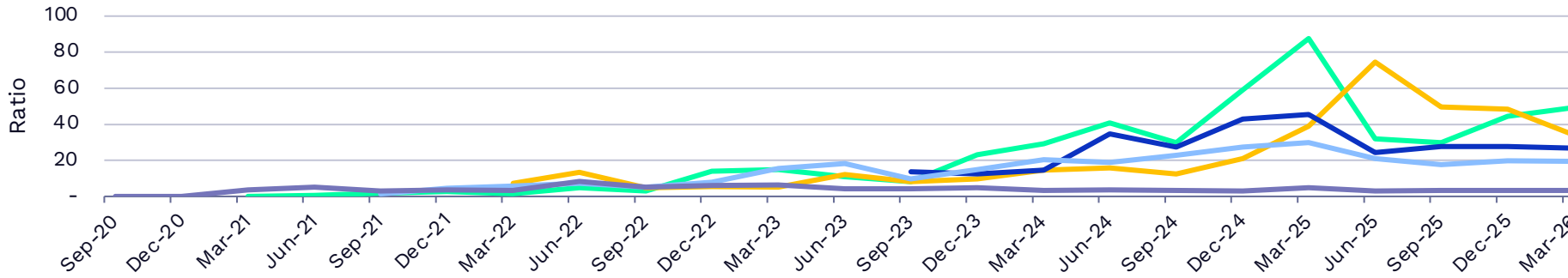
Source: ARK Investment Management LLC, 2026. Chart data from Blockworks Research. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



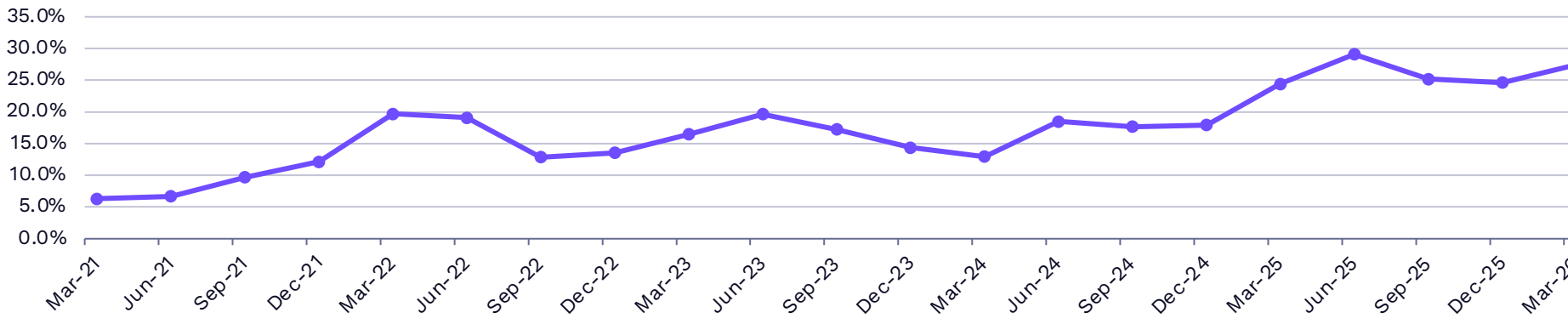
Decentralized Exchanges Chipped Away At CEX Marketshare As Solana Pulled Ahead Of BNB Chain In Capital Efficiency

Spot Volume to TVL Ratio (Quarterly)

Solana BNB Chain Base Arbitrum Ethereum



DEX-to-CEX Spot Volume Percentage (Quarterly)

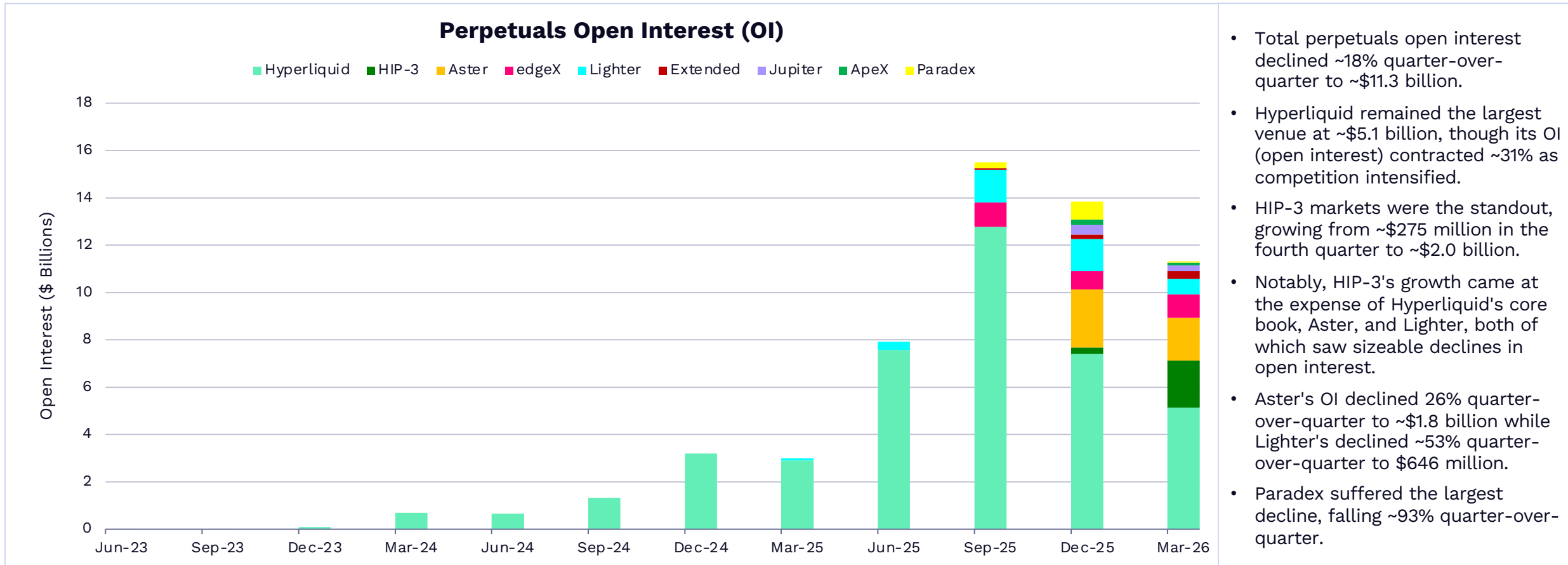


- Solana's spot volume to TVL ratio increased to ~49x, the highest of any major chain and up from ~44x in the fourth quarter. BNB Chain followed at ~34x, while Base maintained ~27x. Ethereum's ratio was the lowest at ~3.3x, reflecting its disproportionately high TVL relative to trading activity.
- The quarterly DEX-to-CEX spot volume percentage rose 270 basis points quarter-over-quarter to ~27.4%. The rebound suggests that decentralized venues are gaining share of spot trading, even as absolute volumes declined.
- The continued increase in DEX-to-CEX share during a risk-off quarter indicates that DeFi's improving user experience and broader asset availability continue to attract share from centralized platforms.

Source: ARK Investment Management LLC, 2026. Chart data from Blockworks Research & Artemis. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



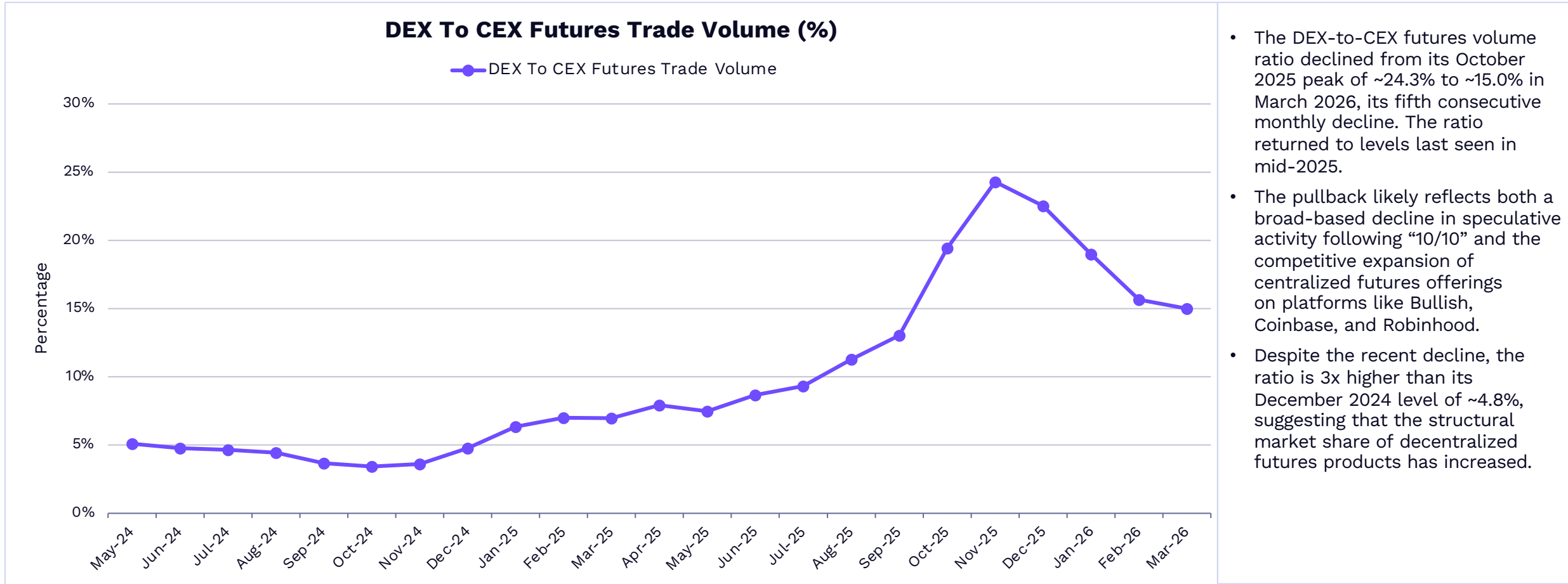
The Iran War Motivated On-Chain Commodity Hedging, HIP-3 Markets Capturing The Lion's Share Via 24/7 Perpetual Futures



Note: "Perpetuals Open Interest" refers to the dollar-denominated value of outstanding perpetual futures contracts that have not been settled and exist on permissionless, blockchain-based exchanges. Note: HIP-3 markets are permissionless, builder-deployed perpetual futures markets on Hyperliquid that let anyone spin up custom perp markets on top of HyperCore's existing order book infrastructure. Source: ARK Investment Management LLC, 2026. Chart data from Artemis. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



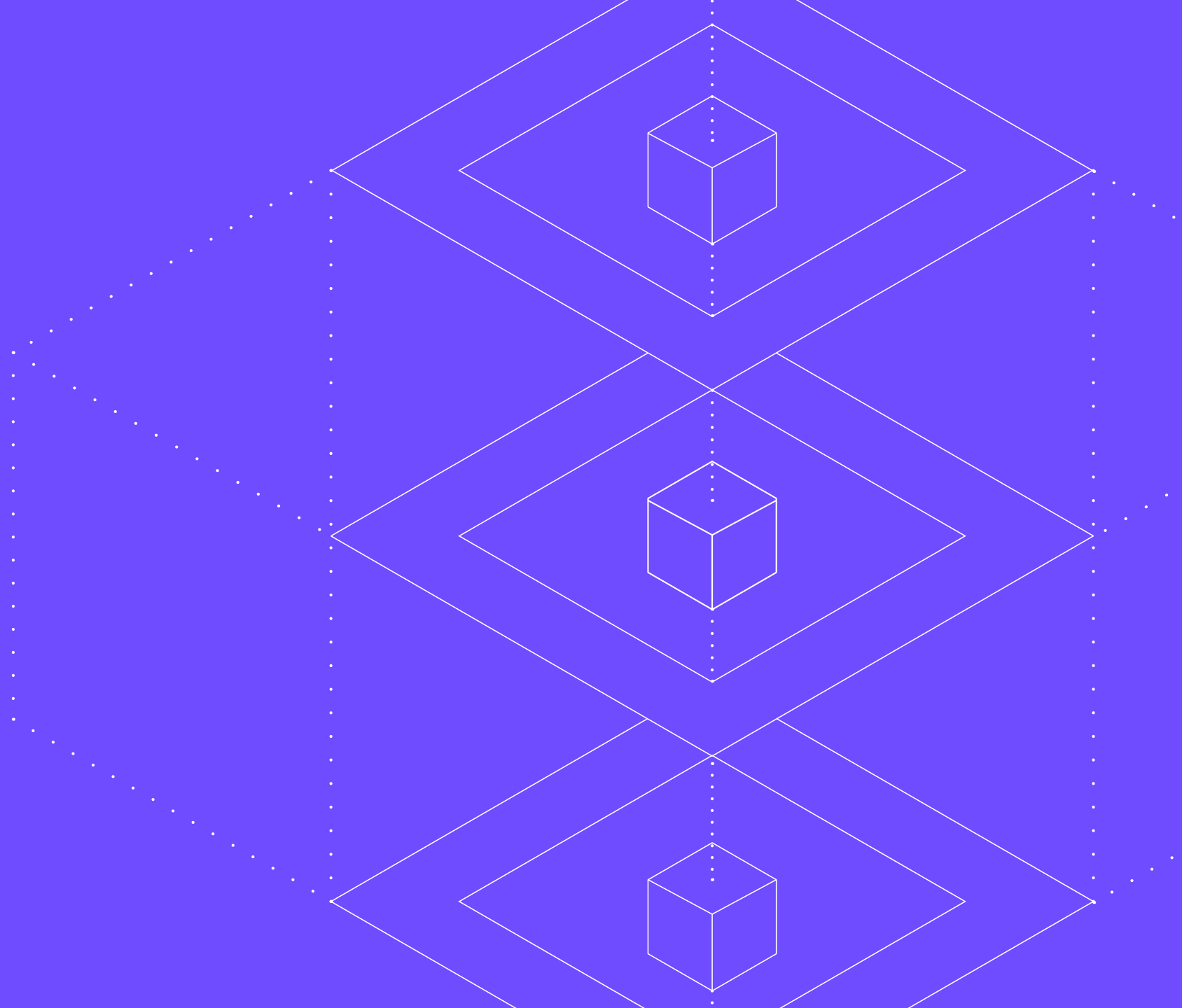
DEX Futures Volume Declined Relative To CEX Futures Volume For The Fifth Consecutive Quarter



Source: ARK Investment Management LLC, 2026. Chart data from The Block. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.

Section 05

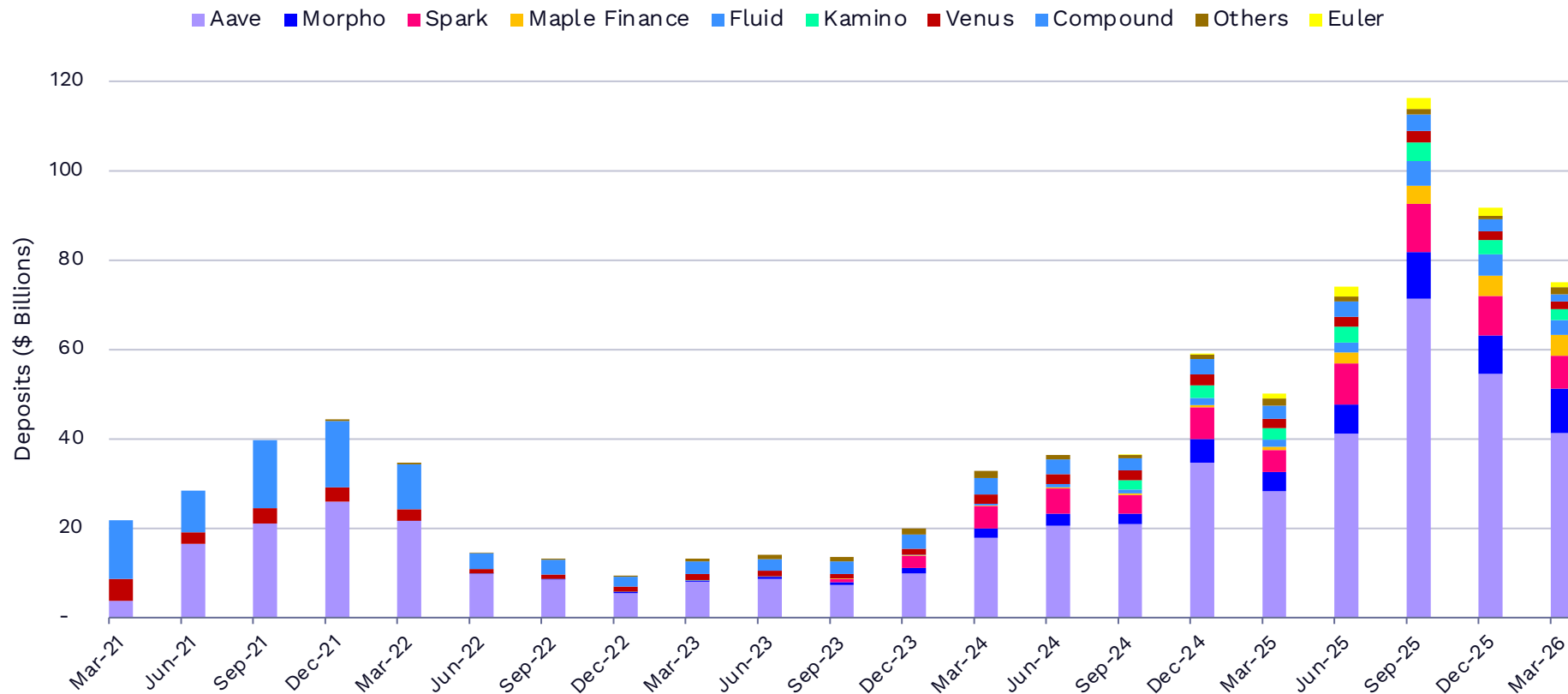
Lending Protocols





Lending Activity Declined As DeFi Yields Fell Below The Risk-Free Rate, Undermining The Risk-Adjusted Appeal Of On-Chain Lending

Deposits By Lending Protocols

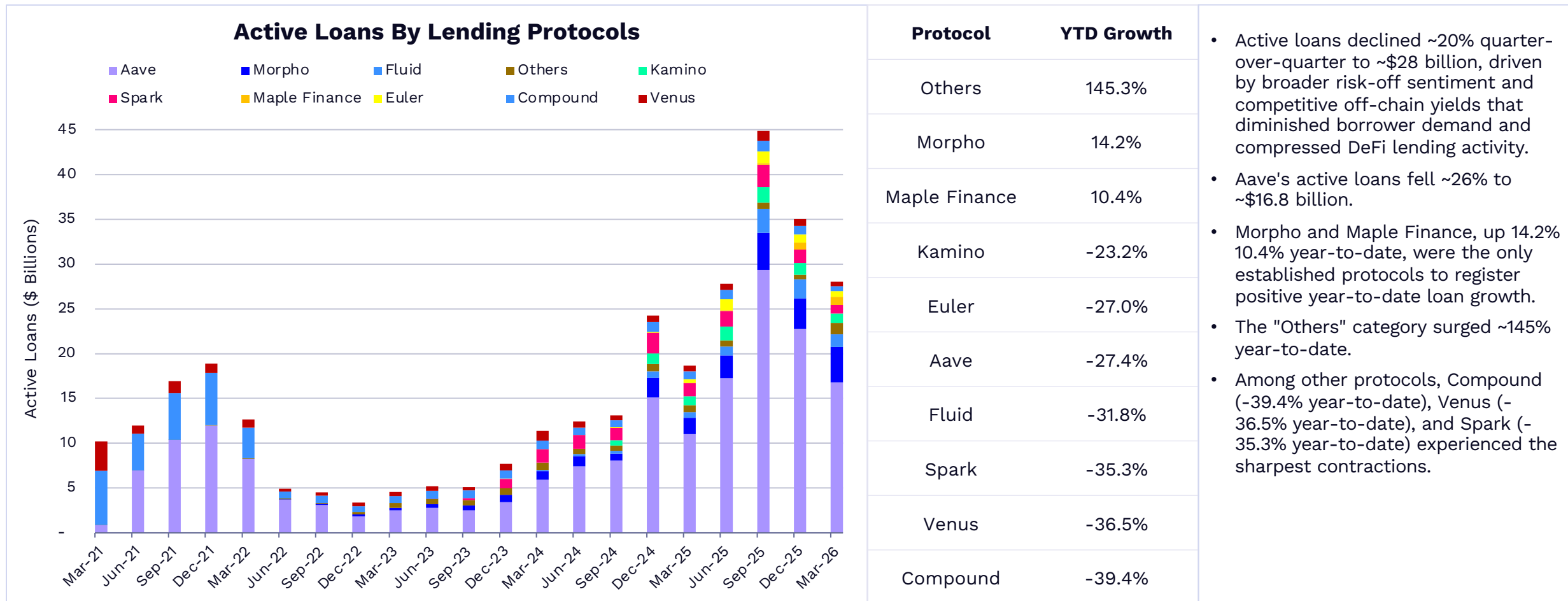


- Total deposits across lending protocols fell ~18% quarter-over-quarter to ~\$75 billion as on-chain rates continued to sit below the risk-free-rate.
- Aave remained dominant at ~\$41 billion, though its deposits declined ~24%.
- Morpho was the notable outperformer, growing deposits ~16% quarter-over-quarter to ~\$9.9 billion.
- Maple Finance remained flat at ~\$4.6 billion.
- Compound and Euler suffered the steepest quarter-over-quarter declines at ~40% and ~39%, respectively.
- The "Others" category surged ~134% to ~\$1.6 billion, indicating that emerging lending protocols continued to attract deposits amid the broader market contraction.

Note: "Lending Protocols" are Smart contract applications on blockchains (Layer 1 & Layer 2) that enable users to lend and borrow assets without intermediaries. Source: ARK Investment Management LLC, 2026. Chart data from Token Terminal. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



Active Loans Contracted With Deposits As Risk-Off Sentiment Weighed On Demand For Leverage

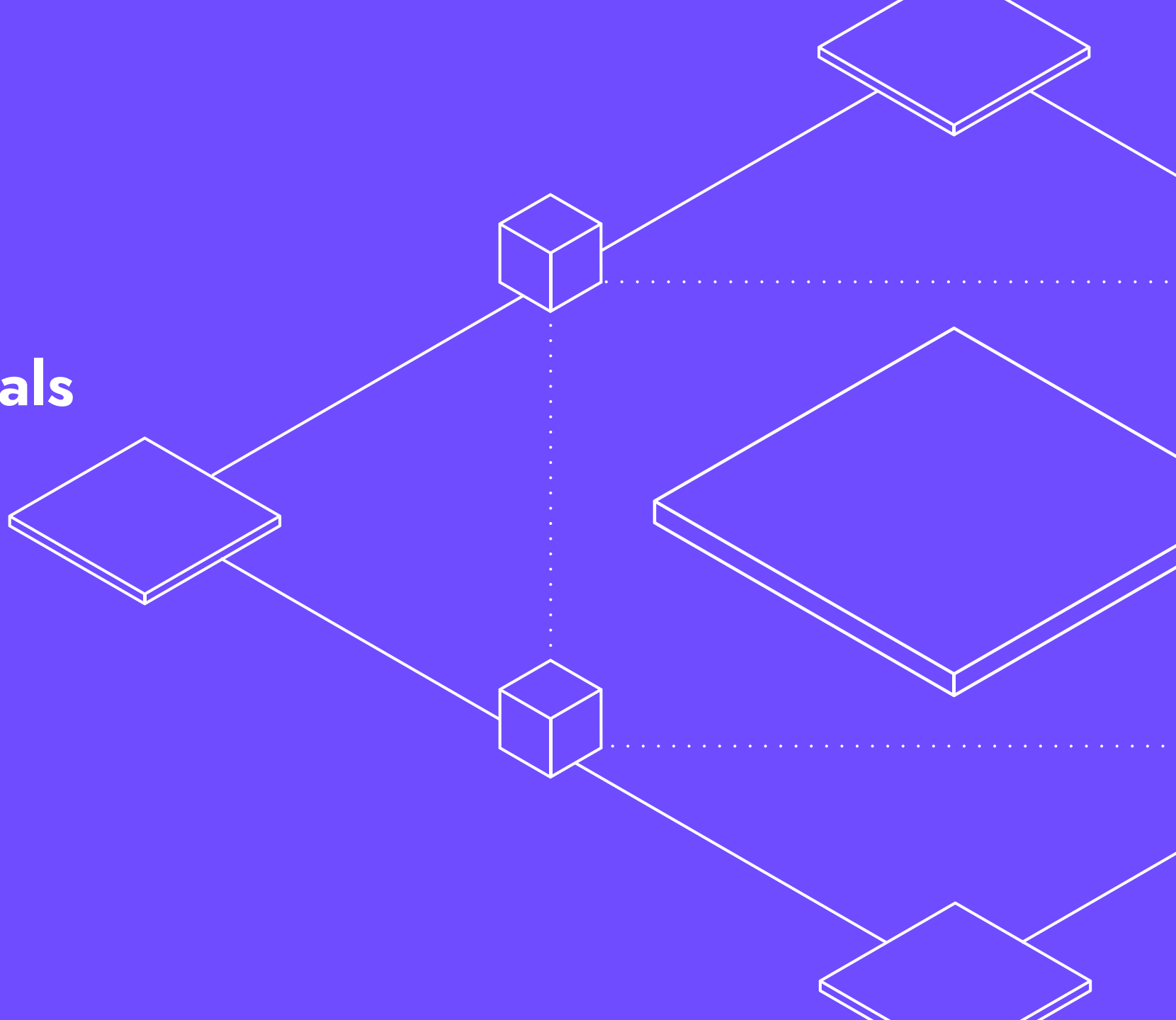


- Active loans declined ~20% quarter-over-quarter to ~\$28 billion, driven by broader risk-off sentiment and competitive off-chain yields that diminished borrower demand and compressed DeFi lending activity.
- Aave's active loans fell ~26% to ~\$16.8 billion.
- Morpho and Maple Finance, up 14.2% 10.4% year-to-date, were the only established protocols to register positive year-to-date loan growth.
- The "Others" category surged ~145% year-to-date.
- Among other protocols, Compound (-39.4% year-to-date), Venus (-36.5% year-to-date), and Spark (-35.3% year-to-date) experienced the sharpest contractions.

Note: To calculate the year-to-date growth rate for active loans, we use the active loan values of the protocol on January 1 (the beginning of the first quarter) and March 31 (the end of the first quarter). Source: ARK Investment Management LLC, 2026. Chart data from Token Terminal. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.

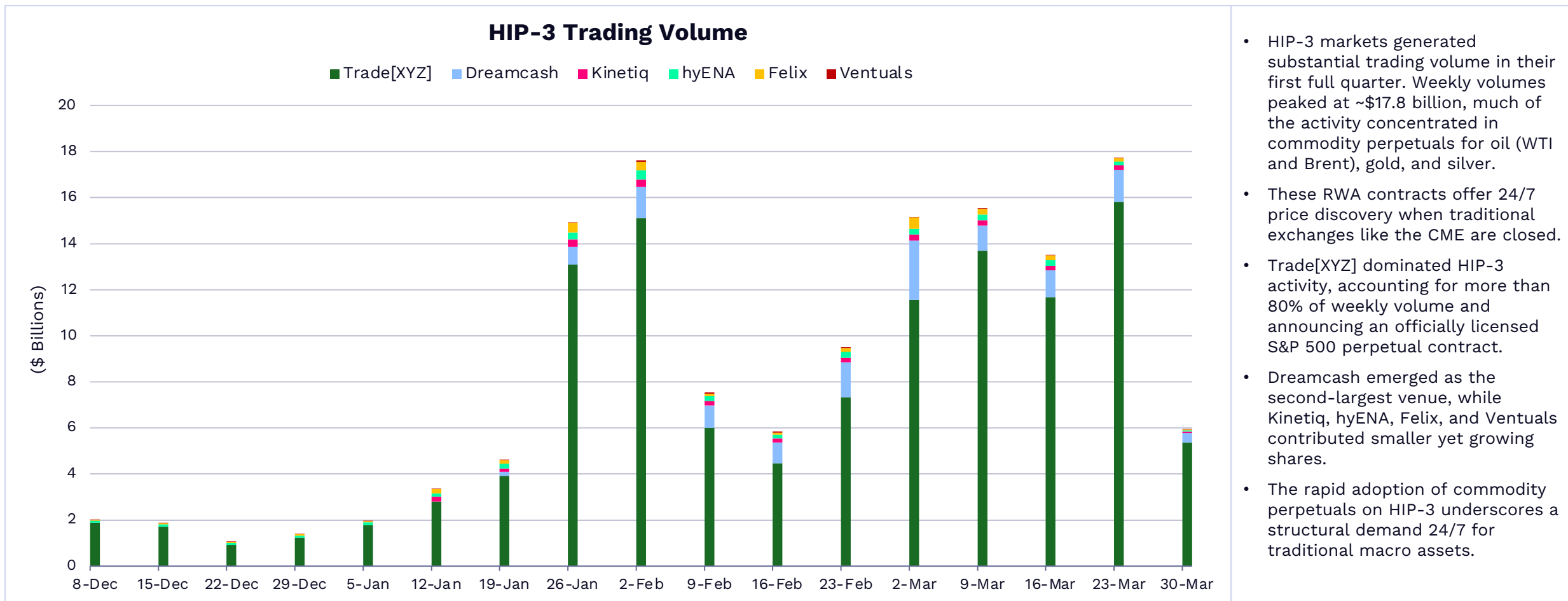
Section 06

Market Spotlight: HIP-3 RWA Perpetuals





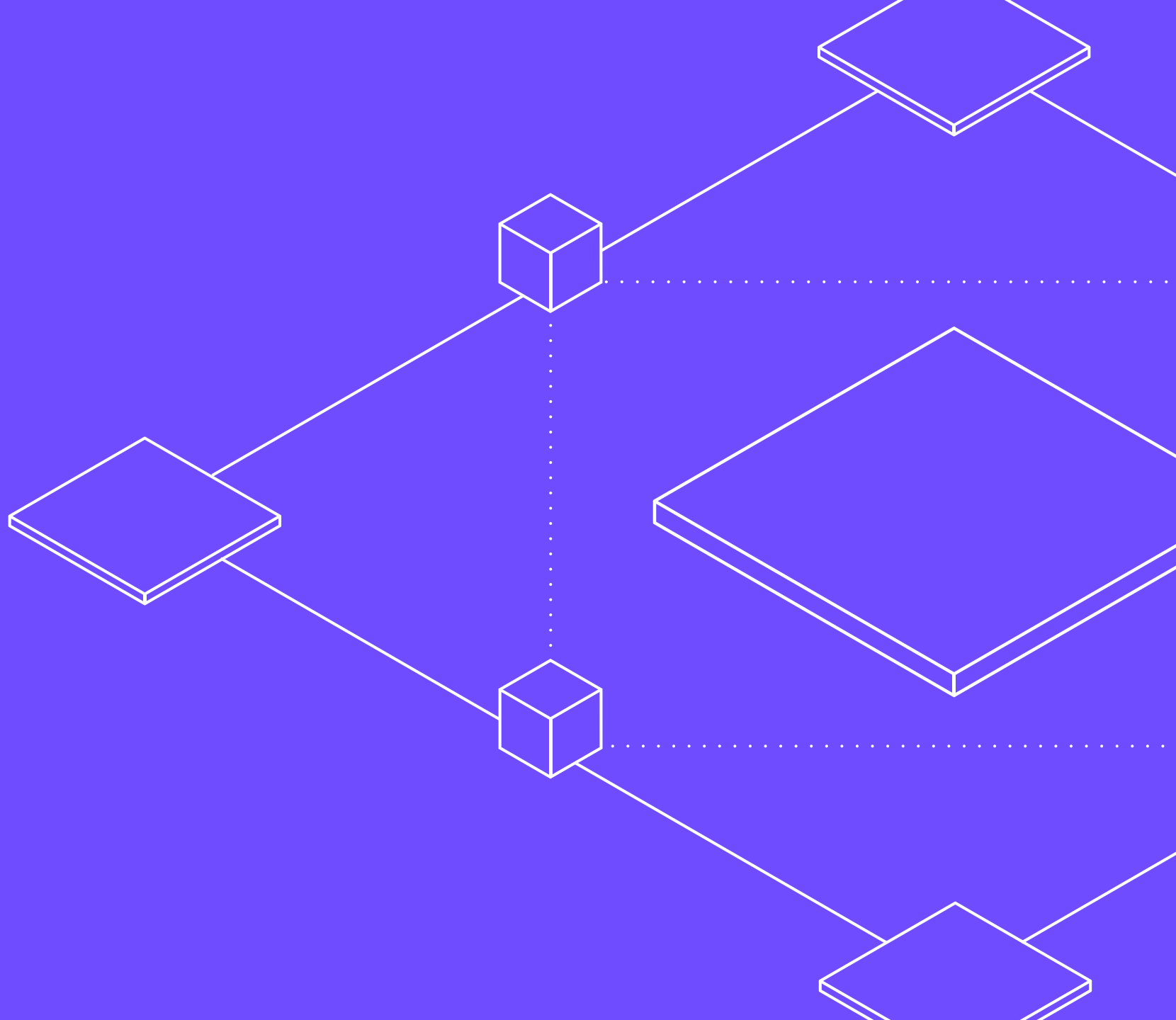
HIP-3 Market Volumes, A Fraction Of CME Futures Volumes, Are Benefiting From On-Chain Weekend Price Discovery In Commodity Perpetuals



Note: HIP-3 markets are permissionless, builder-deployed perpetual futures markets on Hyperliquid that let anyone spin up custom perp markets on top of HyperCore's existing order book infrastructure. Source: ARK Investment Management LLC, 2026. Chart data from Blockworks Research. Information as of March 31, 2026. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.

Section 07

Market Pulse



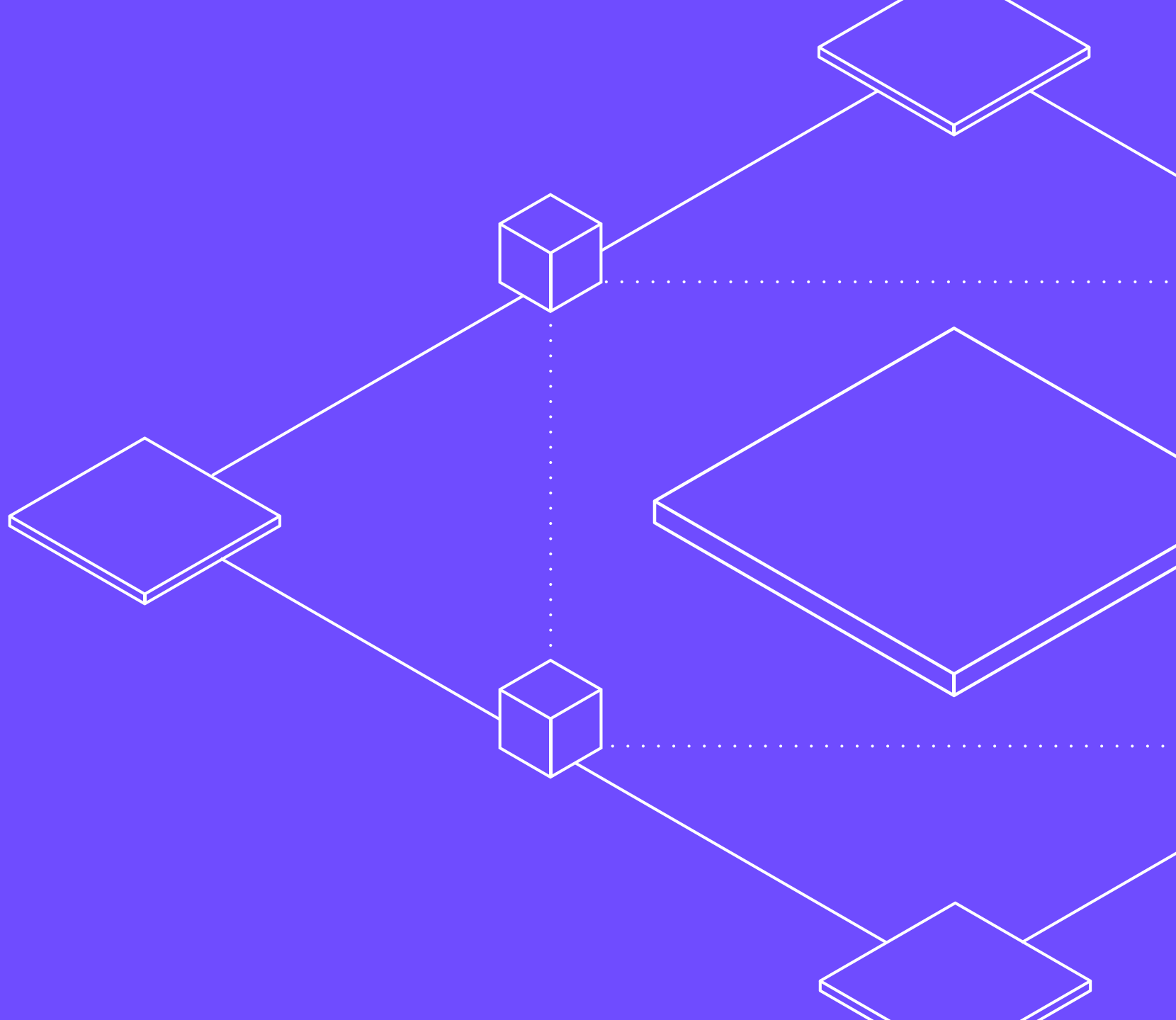


Notable News

Aave V4 Goes Live On Ethereum	Coinbase's Base Network Announces Departure From Optimism's OP Stack
Lido DAO Proposes One-Time \$20m Buyback	Co-Executive Director Of Ethereum Foundation, Tomasz Stanczak, Steps Down
Canton And LayerZero Announce Partnership	Morpho Association Announces Cooperation Agreement With Apollo
Ethereum Releases Post Quantum Roadmap	Uniswap Labs And Securitize Partner To Unlock DeFi Liquidity For BlackRock's BUIDL
NYSE Partners With Securitize To Build Tokenized Securities	Robinhood Announces L2 Testnet And Initial Block Explorer
Tether Announces First Full Audit With Big 4 Firm	LayerZero Announces Plans For New Layer 1 Blockchain, 'Zero'
Tempo Mainnet Goes Live	Coinbase Prediction Markets Go Live In All 50 States Through Kalshi
Hyperliquid Draws Attention As Open Interest Rises Driven By Oil And Commodities	Tether Launches US-Focused Stablecoin, USAT
S&P Licenses First Official S&P 500 Perpetual Contract To Trade On Hyperliquid	Citrea, A Bitcoin Zk-Rollup, Goes Live On Mainnet
Ethereum Releases Mandate Outlining The Protocol's Core Values	BitGo Completes Initial Public Offering (IPO)
Optimism Labs Cuts 20% Of Staff	Pendle Launches New Liquid Staking Token, sPendle
Across Protocol Explores Shift From Tokens To Equity	Polygon Pivots Roadmap To Go 'All-In' On Payments
Kraken Earns Approval For FED Master Account	ZkSync Releases Enterprise Focused Roadmap
Leading Aave Governance Delegate, Aave Chan Initiative (ACI), Departs	Ethena Partners With Kraken For Custody
PayPal Rolls Out PYUSDx Via MoonPay and M0	Jupiter Rolls Out jupUSD Backed By Ethena's USDtb

Section 08

Appendix: Glossary Of Terms





Glossary Of Terms

Adjusted Stablecoin Transaction Volume: Stablecoin transaction volume less MEV and intra-exchange stablecoin volumes.

Centralized Exchange (CEX): Traditional orderbook exchange existing a regulated entity as a public or private company providing the liquidity and infrastructure for users to trade crypto native assets.

Crypto Credit Cards: Cards that enable users to spend stablecoin and cryptocurrency balances at traditional merchants, typically relying on traditional payment network infrastructure.

Decentralized Exchange (DEX): A smart contract-based application natively deployed to blockchain networks that provides the liquidity and UX to allow crypto native assets to be exchanged.

Decentralized Finance (DeFi): A permissionless financial ecosystem powered by smart contracts on public blockchains.

Digital Asset Treasury Company (DAT): Public company that has taken up the mandate to buy and accumulate a specific cryptocurrency to their treasury.

Genius Act: Enacted July 18, 2025, the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act), is a US federal law that aims to create a comprehensive regulatory framework for stablecoins.

HIP-3 Markets: HIP-3 (Builder-Deployed Perpetuals) is a permissionless feature on Hyperliquid that allows anyone who meets the staking requirements to deploy custom perpetual futures markets directly on HyperCore, inheriting the platform's high-performance order books and margining infrastructure.

Home Equity Line of Credit (HELOC): A revolving line of credit secured by the equity in your home, allowing you to borrow funds as needed up to a predetermined credit line.

Layer 1s: Layer 1 blockchain, or L1, refers to the base protocol of a blockchain network, responsible for essential functions like transaction processing, consensus mechanisms, and data storage on their own chains.

Layer 2s: Scaling solutions, such as Ethereum, built on top of a main blockchain network (Layer 1) to increase transaction speed, lower costs, and improve overall scalability.

Lending Protocols: Smart contract applications on blockchains (Layer 1 & Layer 2) that enable users to lend and borrow assets without intermediaries.

Liquid Staking Token: A freely transferable liquid token that represents a user's staked position in a crypto network while receiving the accrued rewards in the crypto-native asset of the network.

Maximum Extractable Value (MEV): Defined as the maximum value miners or network validators can extract by rearranging and reordering transactions waiting to be added to the blockchain.

Memecoin: A speculative crypto token driven by memes or cultural trends, usually without inherent utility.

Perpetual futures: Derivatives contracts without an expiration date that allow traders to speculate on the underlying asset prices indefinitely.

Perpetuals Open Interest: Refers to the dollar-denominated value of outstanding perpetual futures contracts that have not been settled and exist on permissionless, blockchain-based exchanges.

Perpetuals Volume: The dollar-denominated trading volume of perpetual futures contracts on permissionless, blockchain-based exchanges.

Real Economic Value (REV): Defined as the total value a network generates consisting of both in-protocol transaction fees and out-of-protocol tips.

Real World Assets (RWAs): Assets not natively issued on blockchain networks. RWAs include assets native to traditional markets, including, but not limited to, stocks, private credit, money market funds, commodities, sovereign & non-sovereign debt, private debt, and private institutional funds.

Stablecoin: A tokenized asset that maintains parity with some pegged asset (typically the US dollar), stabilized through arbitrage mechanisms and backed by collateral reserves, which may be managed through traditional custodians, automated on-chain mechanisms, or a combination of both.

Stablecoin Velocity: Defined as the total adjusted transaction volume per week divided by the total stablecoin supply that week. This metric is aggregated across all networks and stablecoins.

Stablecoin Transaction Volume (expressed in \$): For stablecoins, the terms "volume" and "value" can be used interchangeably when referring to trading activity. Unlike assets such as BTC or ETH—where trading volume represents the number of units exchanged and trading value represents the dollar equivalent—stablecoins are designed to be pegged 1:1 to the US dollar (or another fiat currency). As a result, one traded unit of USDC, USDT, or DAI (etc.) is effectively equal to one US dollar in value. Therefore, when we measure trading "volume" for stablecoins, we express it directly in US dollar terms. For example, \$10 billion in USDC traded corresponds both to the volume (10 billion USDC units) and to the value (\$10 billion USD). In other words, "volume" and "value" are synonymous terms in the context of stablecoins.

Total Value Locked (TVL): The sum of the value of crypto assets that have been deposited by users to a protocol for the purpose of earning rewards or interest. ARK includes borrows in this calculation.



Stablecoins And Their Issuers

USDT Issuer: Tether

USDC Issuer: Circle Internet Group

USDe Issuer: Ethena Labs

DAI Issuer: Sky Protocol

USDS Issuer: Sky Protocol

USDtb Issuer: Ethena Labs

PYUSD Issuer: Paxos

DEX Spot Volume Pair Categories

AI Agents: Trades that involve and AI agent token.

Bitcoin: Trades that involve Bitcoin-pegged assets. Some notable trading pairs are: BTC-ETH, BTC-USD, and BTC-BTC (ex. cbBTC-WBTC).

Composite Tokens: Trades that involve a composite asset. Examples include leveraged crypto tokens, portfolio of crypto tokens, and LP tokens.

LST Swaps: Trades that involve a liquid staking token (LST).

Memes: Trades that make up the remaining volume from known memecoins as well as unclassified tokens.

Native Stablecoin: Trades that involve only the native gas token on the blockchain and a stablecoin.

Project Tokens: Trades that involve tokens that are issued by projects. An example would be governance tokens and L1 tokens (excluding Bitcoin).

Stablecoin Swap: Trades where both the bought token and sold token are stablecoins.

Tokenized Assets: Trades that involve on-chain RWAs. Examples include Gold, Equities, and Treasuries.



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