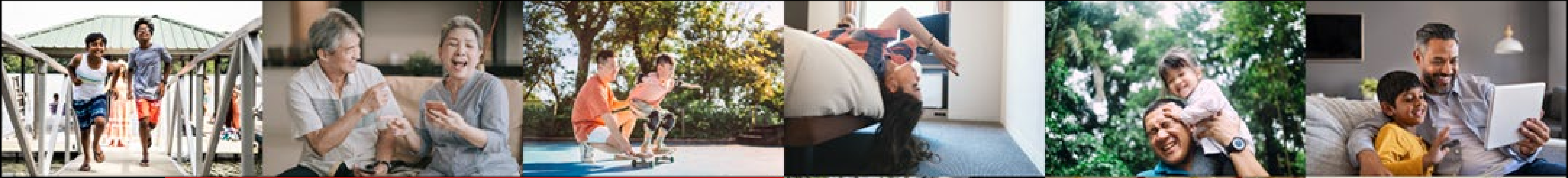

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Live more,
Bank less

2H Digital Assets Update: Tokenization, AI, and Capital Markets

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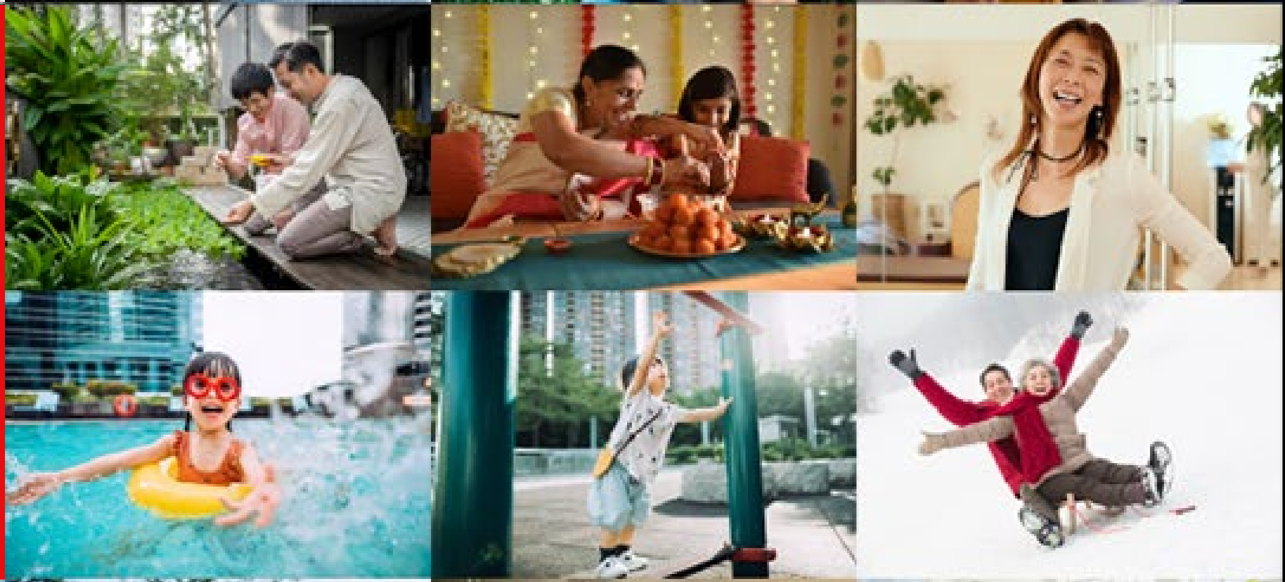
Radhika Rao (Senior Economist)

25 August 2026



DBS Research

DBS Digital Assets Research

Digital Assets Update 2H26: Tokenization, AI & Capital Markets

Tokenization and artificial intelligence are likely to reshape capital markets, much as ETFs and electronic trading transformed asset management and financial infrastructure.

Group Research - Econs 25 Aug 2026

- Tokenization could gain institutional acceptance once the US CLARITY Act passes.
- Tokenised platforms offer faster speed, lower cost and improved liquidity.
- Tokenized asset markets could grow to USD 5.6 to 9.3trn by 2030.
- Besides Ethereum, Solana's high transaction speed makes it suited for tokenised assets trading.
- Tokenisation changes the nature rather than the quantity of systemic risk.

Have a question?

Get in touch

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Photo credit: Unsplash

Click here to read the full report.

Have a question?

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Tokenization

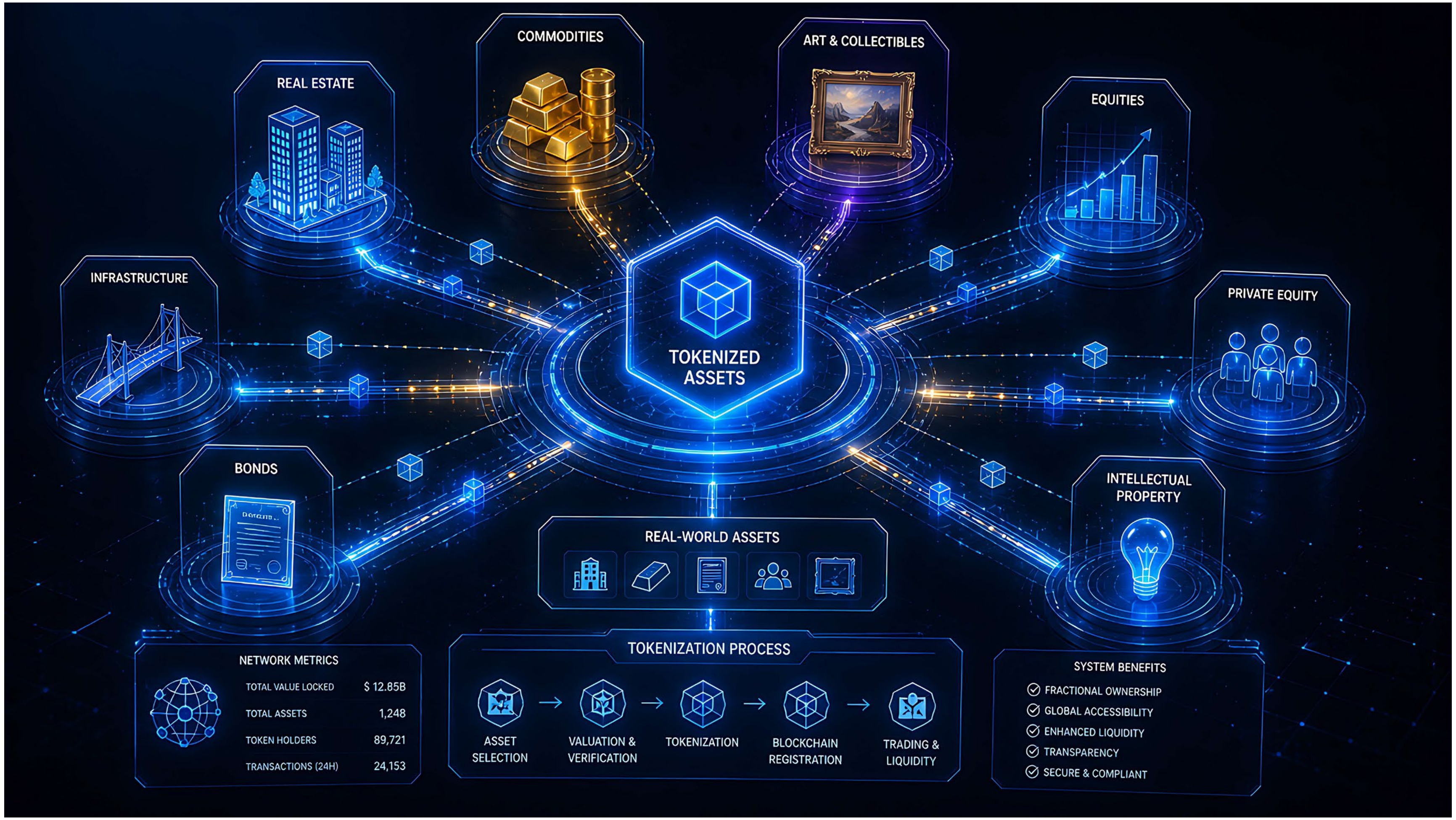
Tokenization means a digital representation of value on blockchains.

Real world assets including real estate, commodities, private assets have been tokenized.

US security laws have been unclear on tokenized securities

CLARITY Act could be the game changer

Tokenization, AI, and Capital Markets



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US Digital Assets Policy

White House is moving ahead with executive and regulatory changes without waiting for CLARITY Act

The Next Era of Capital Markets

- GENIUS Act passed in July 2025 giving legal recognition to stablecoins
- CLARITY Act to define regulatory rules for security tokens scheduled for a mid-Sept procedural vote
- White House convened a meeting of financial regulators (SEC, CFTC), and crypto/TradFi industry leaders on 19 Aug
- SEC has also proposed Regulation Crypto Assets on 18 Aug, to introduce a securities offering regime that will support digital assets

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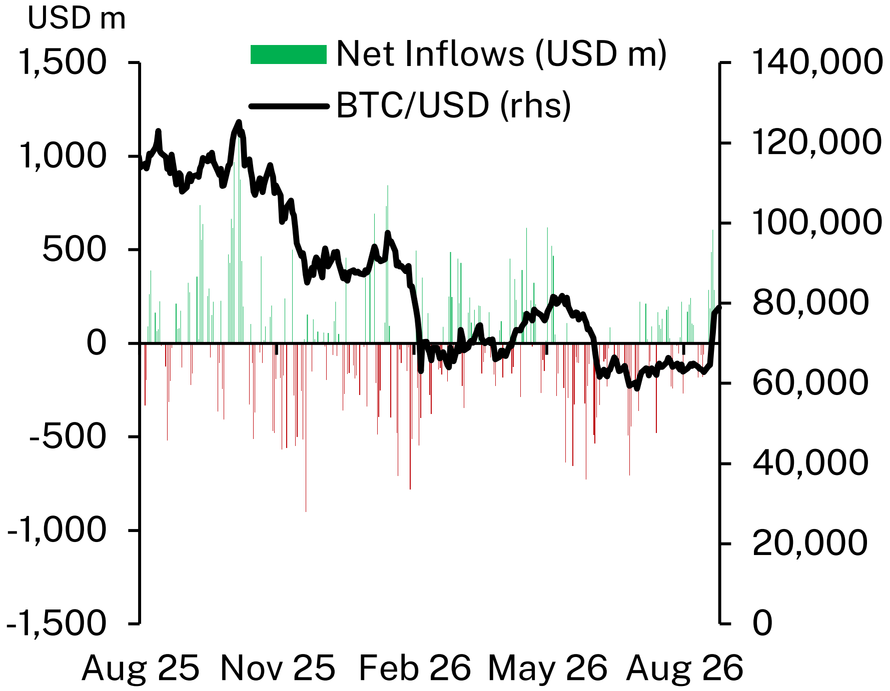
Crypto market

Bitcoin and Ether prices have leapt higher after the August White House summit

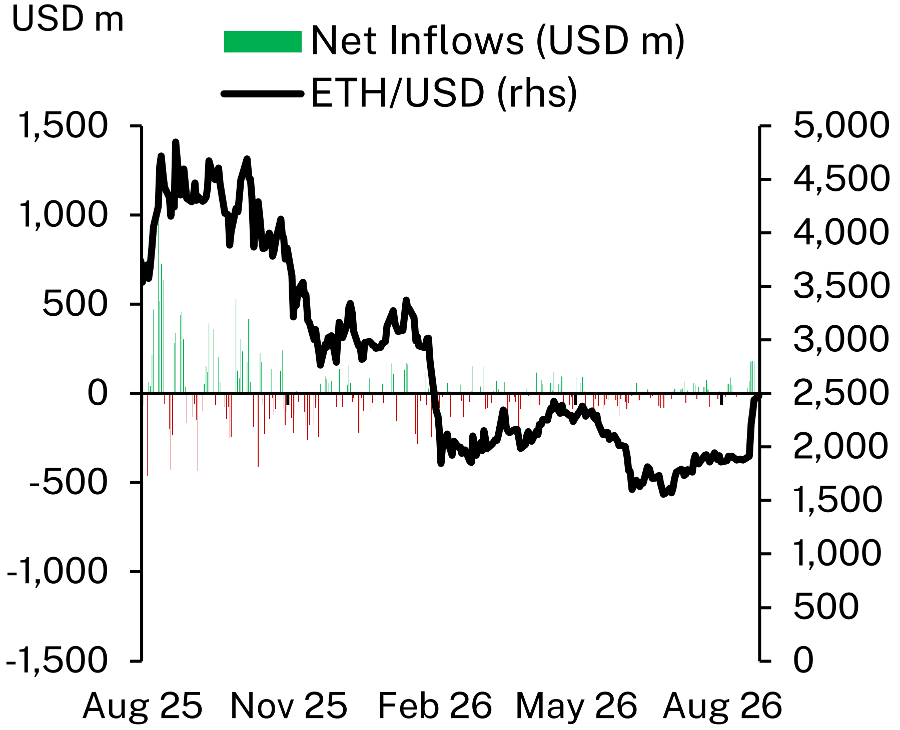
"Crypto Winter" is showing signs of thawing

BTC: US-listed ETF daily net inflows and price



Source: Bloomberg, DBS

ETH: US ETF daily net inflows and price



Source: Bloomberg, DBS

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Tokenized assets

Blockchains’ transaction processing has been scaling with innovation across Ethereum and Solana

Technology is proven, but acceptance is key

Blockchain transactions throughput

Network	Theoretical Max (transations per day, m)	Realized Peak (transations per day, m)
Bitcoin	2.0	0.9
Ethereum	20	3.6
Ethereum (with L2s)	>2500	2480
Solana	5600	172

Source: growthepie, DBS

Credit Card Transactions

Annual Transactions

791 billion

transactions per year

Daily Transactions

2.17 billion

transactions per day

Source: StatsPanda, DBS

Human vs AI

AI integration into crypto wallets have been done

Tokenized AI Agents were introduced to memecoin markets in March 2026

Human market participants were hurt by excessive competition, proving AI proficiency

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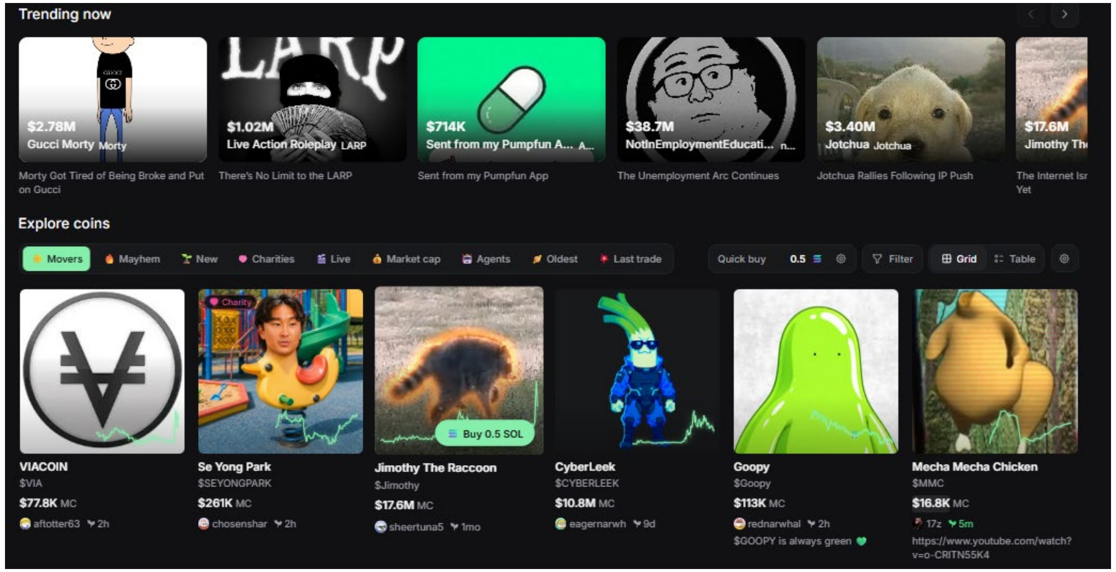
Tokenized Markets X AI



Source: pump.fun, DBS

- AI agents are already integrated into crypto wallets
- Possible use cases:
  1. Automated investment and trading
  2. Block trading across multiple venues
  3. Machine speed trading responding to news

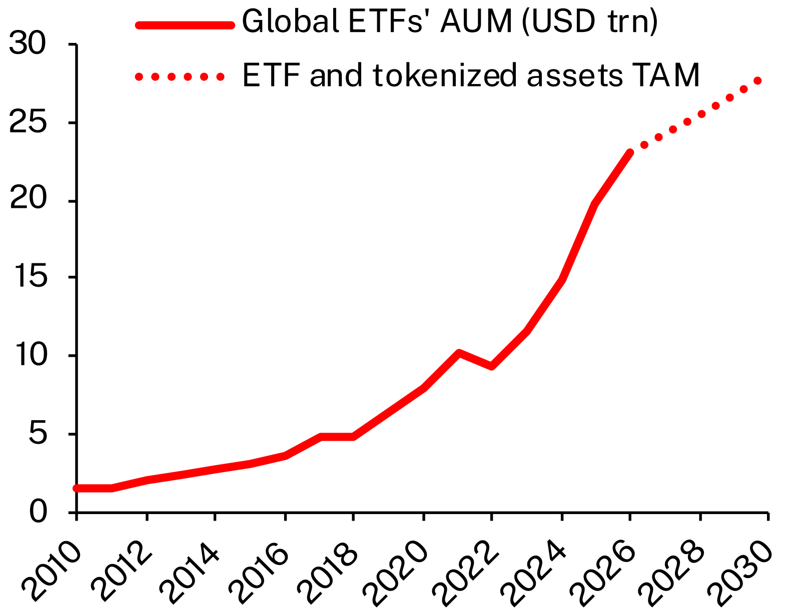
Market Size

Tokenized assets could compete with ETFs

Higher flexibility for individual customization, AI advisory and automation, and cost efficiency puts Tokenized assets at an advantage

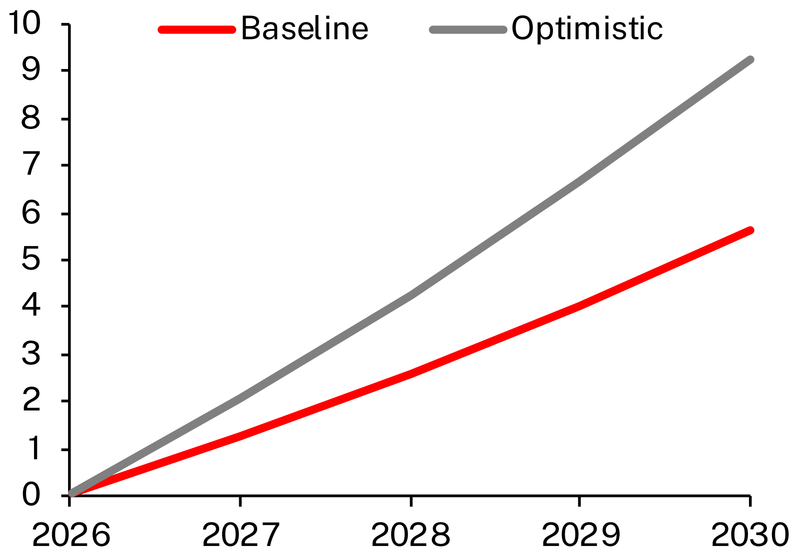
Tokenized market size to hit USD5.6trn in 2030

Total addressable market size for ETFs and tokenized assets (USD trn)



Source: ETFGI, DBS

Forecast Growth Trajectory of Tokenized Asset Markets (USD trn)



Source: DBS

- Total Addressable Market for ETF/Tokens could be USD 28trn in 2030
- Tokenized assets could have 20%-33% market share (USD 5.6trn to USD 9.etrn)

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Tokenised Assets

Unique advantage over traditional platform with use of smart contracts.

Provide almost instantaneous settlement.

Reduce transaction costs especially for illiquid private equity asset class.

Improve liquidity by facilitating 24/7 trading even over weekends and public holidays.

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Benefits of tokenised trading

Characteristics	Traditional Platform	Tokenised
Transaction structure	Multiple intermediaries to handle various processes	Smart contracts to replace intermediaries
Settlement Time	T+1/T+2	Almost immediate
Transaction costs	0% (US equities) -4% (private equity)	0.02% (tokenised stock) – 2% (tokenised private equity)
Liquidity	Up to 13-hour trading, only on working day (Nasdaq, effective 6 Dec 26)	24/7 trading inclusive of weekends and public holidays
Min trading size	Up to USD1m for private equity	As low as USD10k for private equity

Source: DBS estimates

Solana

Conceive to solve the problem of slow transaction speed of Ethereum and Bitcoin.

Trade off security benefits of Ethereum for much faster speed at lower cost.

Suitable for high-frequency applications such as tokenised securities trading.

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What makes Solana unique?

	Solana	Ethereum	Bitcoin
Main purpose	High frequency transactions such as trading	Stable and secured systems	Store of value due to scarcity
Consensus Mechanism	Proof-of-History (sequenced validation)	Proof-of-Stake (validation)	Proof-of-Work (computation)
Staking support	Yes	Yes	No
Smart Contracts	Very powerful	Very powerful	Limited
Speed	600-700TPS (maximum 65k TPS)	15-30TPS	3-7TPS
Fees	USD0.00025, even during high load periods	USD0.0017 – USD0.0499	USD0.20-USD0.26
Monthly Active Full-time Developers	~670	~2,718	~825

Source: CoinTracker, Electric Capital, DBS

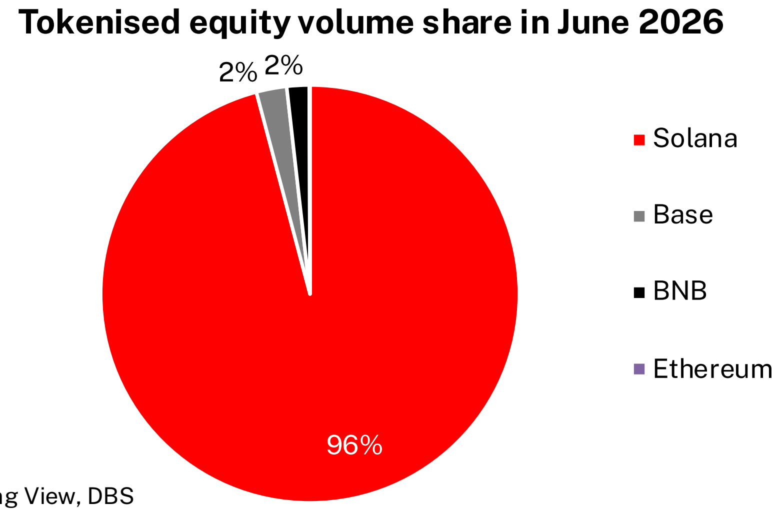
Solana

Currently, it is the de-facto blockchain network for tokenised trading.

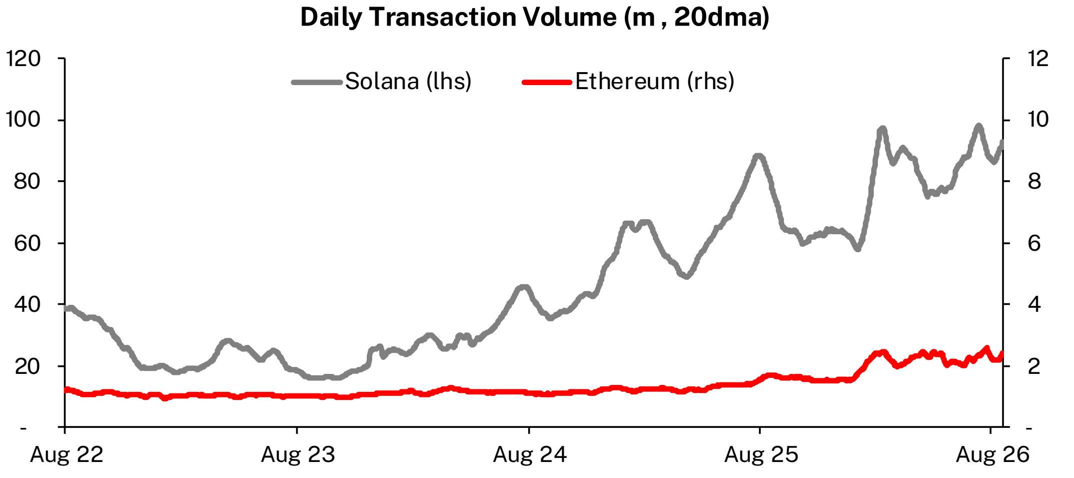
Solana serves as the gas for the network, supported by exponential transaction volume growth.

Relative to Ethereum, Solana has as high as ~44x daily transactions.

What makes Solana unique?



Source: Trading View, DBS



Source: etherscan.io, DefiLlama, DBS estimates

Radhika - done

IMF PAPER ON TOKENISATION

01 / SYSTEMIC SHIFT
The Architectural Shift

- **Embedded Trust:** Compliance and ownership are integrated directly into programmable assets, compressing layers of intermediation.
- **Risk Migration:** Exposure moves from institutional balance sheets to shared ledger infrastructure, code, and governance.
- **Liquidity Dynamics:** Continuous real-time settlement reduces counterparty risks but spikes intraday liquidity demands.

02 / SYSTEMIC RISKS
Speed & Concentration

- **Vanished Buffers:** Constant settlement eliminates traditional lags and netting, shortening critical reaction times during stress.
- **Single Points of Failure:** Over-reliance on permissioned shared ledgers creates deep structural concentration risk.
- **Sovereignty Pressures:** Rapid, cross-border tokenised capital flows and stablecoins threaten monetary sovereignty in emerging markets.

03 / POLICY ROADMAP
The Trust Blueprint

- **Singleness of Money:** Benefits depend on anchoring settlement in safe public assets like wholesale CBDCs and regulated deposits.
- **Enabling Certainty:** Scaling requires robust legal finality over ownership and the enforceability of smart contracts.
- **Elevated Central Banks:** Automation increases the need for central banks to act as backstops of trust, liquidity, and oversight.

CBDCs

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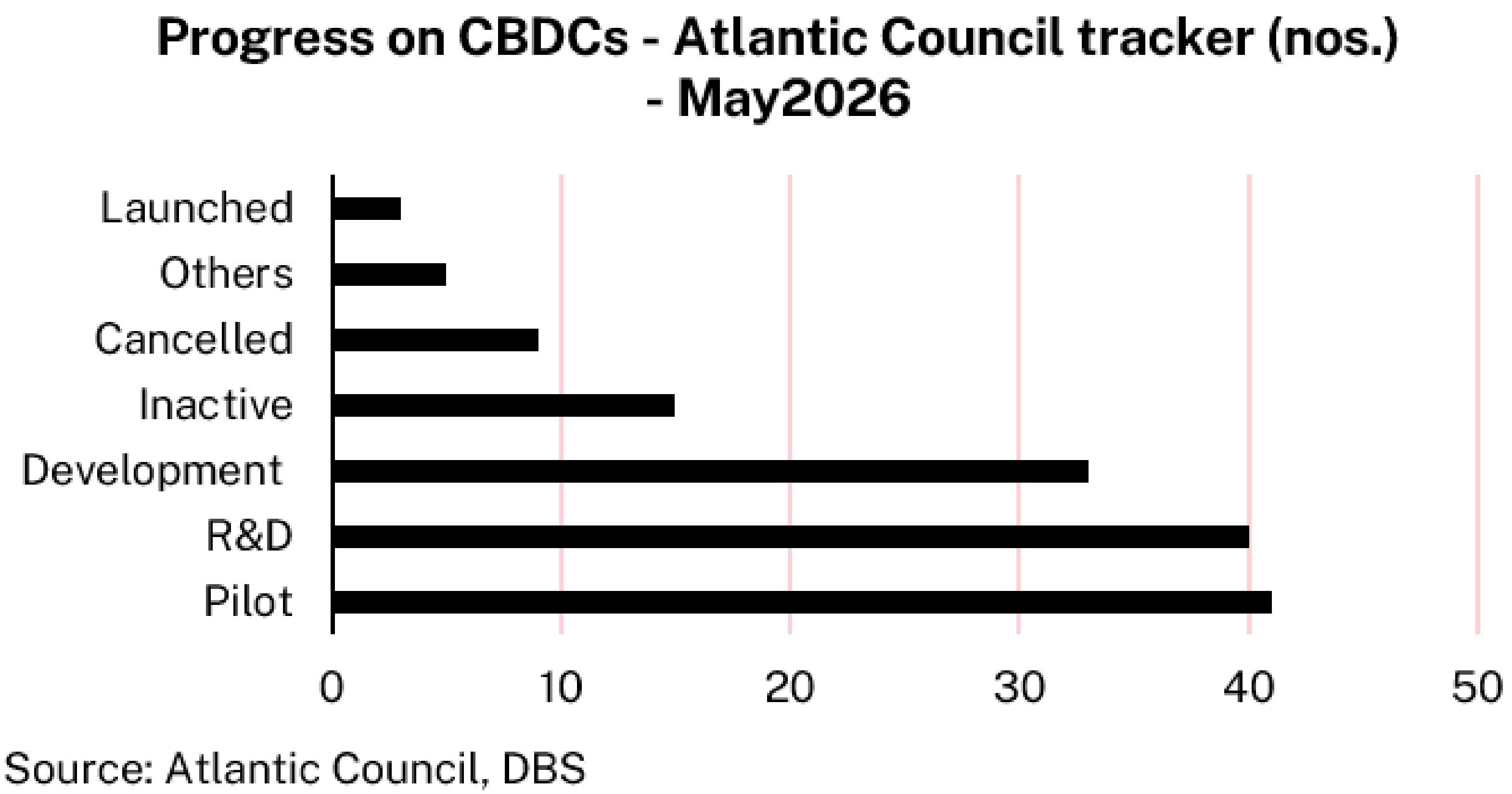
Varied pace of work with CBDCs



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CBDCs

Varied pace of work with CBDCs

European Union

Focus on preparing for a potential future issuance of the digital euro.

US

Rather than advancing a retail CBDC, policymakers have increasingly favoured private-sector digital payment solutions.

Asia

CHINA:

The most significant development this year was the introduction of a new framework.

INDIA:

the RBI said it plans to explore bilateral and multilateral cross-border CBDC pilots this year.

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