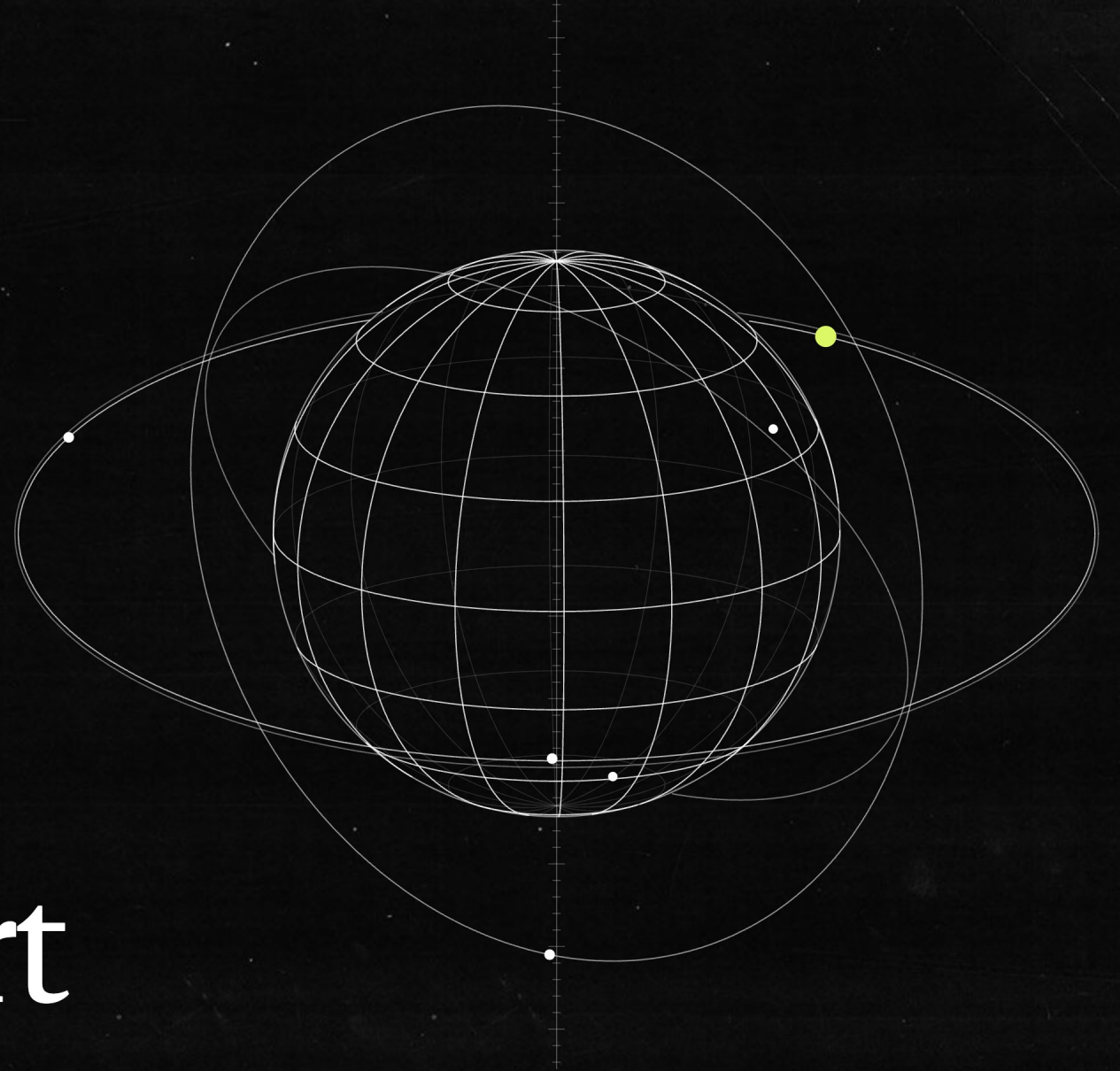


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1kx Blockchain Revenue Report



Blockchain revenues, their drivers and origins,
sector trends and valuation implications

1kx Blockchain Revenue Report
October 2026

Key takeaways

01

~\$100B

Blockchain revenue fell 28% YoY, broadly in line with the 30% decline in crypto prices, but is still expected to reach ~\$100B in 2026

02

30%

Contrary to the overall decline, revenues tied to institutional adoption and broader economy use grew to 30% of the total in 2026, with broader economy revenues overtaking Blockchain infrastructure in Q3 for the first time

03

16%

Public companies earn 16% of Blockchain revenues now, up from 7% in 2022; concentration is high, but for protocols, revenue leadership keeps rotating

04

82%

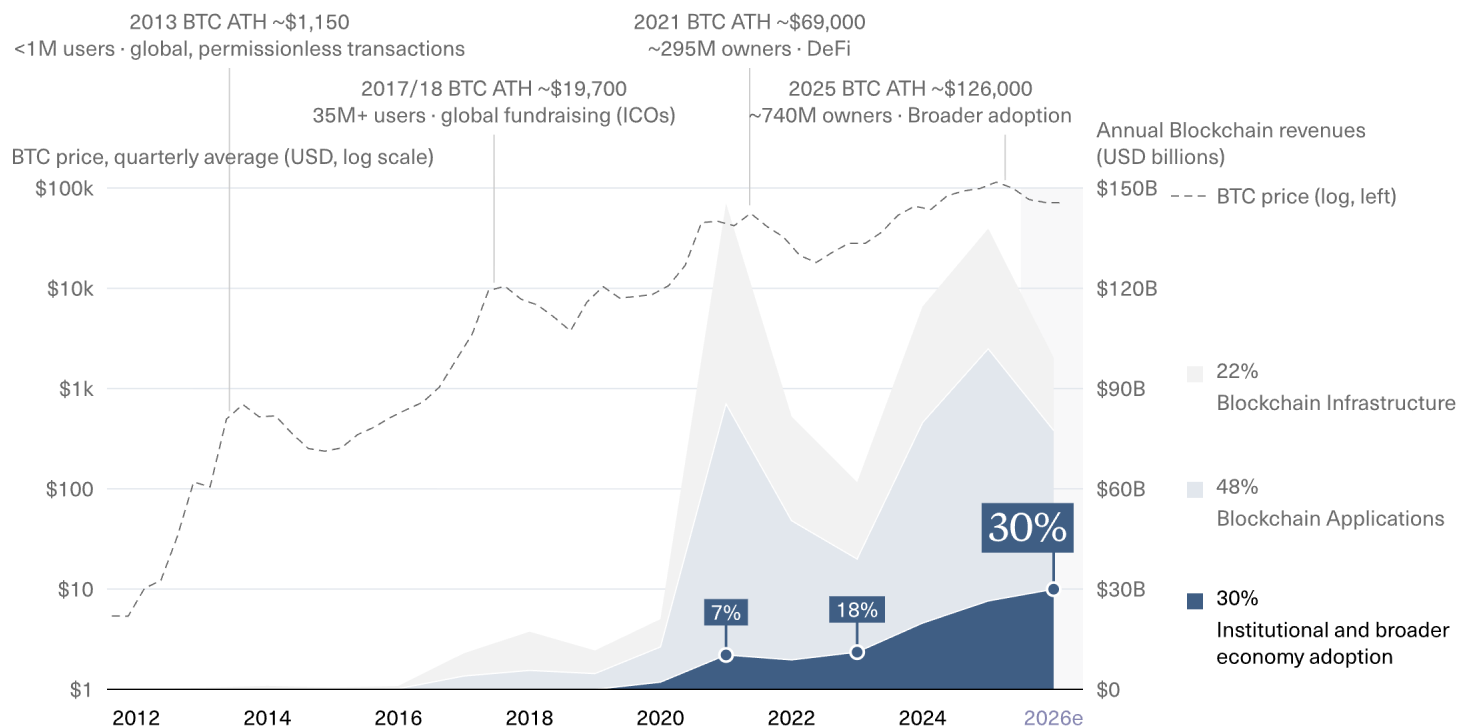
Paying token holders is what the market rewards in 2026: the dividend-token index returned 82% YTD. Distributing apps now trade in line with public companies; only blockchains keep a premium on Price to Fee ratios

05

3

Revenue should recover as these trends continue, with three themes to watch: the growing importance of onchain data, uncertainty around AI's impact on onchain revenue, and the evolving convergence of token and equity characteristics

Mania - Maturity - Broader Adoption



Note: Users and owners: 2013 based on Blockchain.info wallet counts; 2017 identity-verified exchange users (Cambridge Centre for Alternative Finance, 2018), a floor as not all users hold exchange accounts; 2021 and 2025 year-end crypto owners per Crypto.com Crypto Market Sizing Reports.

Our 2025 Revenue Report, “From Mania to Maturity”, showed falling transaction costs letting applications scale user-paid fees while base layers’ share of revenue declined. Both trends held in 2026, even as total blockchain revenues fell with crypto prices.

Beneath the drawdown, the revenue mix is shifting: institutions and broader economy adoption generated 30% of revenues in 2026:

- Institutional clients and owners (12%) and tokenized assets, payments and prediction markets (18%) are gaining share. In Q3 ‘26 the latter overtook Blockchain infrastructure’s revenue for the first time.
- Adoption concentrates where legacy structures cannot yet deliver (24/7 tokenized stock trading, pre-IPO price discovery) and where intermediaries’ take rates are compressible (card networks, bookmakers)
- Public companies are deepening their engagement and capture a growing share of 16% of total revenues in 2026

This report combines onchain data from 2,600+ protocols, earnings of 100+ public companies, and additional sources on private entities, through Q3 2026, to map blockchain revenues: their drivers and origins, sector trends, and valuation implications.

How we measure Blockchain revenues

Scope

This report focuses on revenues made by businesses and protocols that leverage Blockchain infrastructure to generate income:

- **User-paid fees**¹, directly paid for services such as transaction or trading fees
 - Onchain, e.g., swapping on Uniswap or transacting on Ethereum
 - Offchain, e.g. trading on CEXs or paying custody fees²
- **Other income** related to Blockchain ecosystems not directly paid by end users (e.g. mining rewards, staking yields, interest income from reserve assets)

Our focus is on aggregate figures, key trends and underlying drivers. Value accrual to token holders or treasuries is only briefly discussed. Profitability and cost structures are out of scope for this edition.

Classification and definitions

Classification draws on taxonomies from DeFiLlama, TokenTerminal, CoinGecko, and Messari, consolidated into six sectors: **Blockchain infrastructure** (e.g., Bitcoin, Base), **Middleware** (e.g. Chainlink, OpenZeppelin), **DePIN** (e.g., Helium), **DeFi/Finance** (e.g., Uniswap, Binance, BlackRock ETFs), **Wallets** (e.g., MetaMask), and **Consumer** (e.g., Axie Infinity, OpenSea). “Applications” means all non-Blockchain sectors.

Revenues are mapped by origin into four categories³:

- 1 Institutional adoption:** institutional owners (e.g. BlackRock ETF fees, Visa card fees, Robinhood Chain fees) and institutional clients (e.g. institutional transaction fees as reported by Coinbase, B2B revenues)
- 2 Broader economy adoption:** real-world assets (stablecoin reserve income, RWA trading fees) and utilities (payments, trade finance, prediction markets, consumer, DePIN, compliance and security)
- 3 Blockchain applications:** DeFi, related infrastructure, wallets and interfaces, consumer apps, incl. centralized versions (e.g., Binance) and casinos on Blockchain rails (e.g., Stake)
- 4 Blockchain infrastructure:** transaction fees, mining and staking income, and related middleware

¹ Refer to p. 46 in the appendix for the distinction between fees and revenues used throughout this report

² Note that some CEX revenues are visible onchain and hence counted as such via buybacks of CEX tokens pledged as a share of revenue

³ Overlaps between the areas are excluded with increasing numbers, e.g. Apollo's income from their tokenized credit funds is included in the first, but not in the second category, similar with Visa's income with stablecoin credit card networks (part of 1, but not 2)

Data sources

Sources: Allium, DeFiLlama, Dune, TokenTerminal and other data platforms plus onchain-based estimates for offchain fees, complemented by third-party reports.

Coverage: **2,621 protocols** (2020 to Q3 2026), earnings reports from **104 public companies**; protocol valuations sourced from CoinGecko.

We addressed double-counting of fees (e.g., L2 with L1 blockchains) and market maker income with CEX transaction fees; see the appendix p. 52.

Architecting network success

2018
160+
Global
1kx.capital

Founded by Lasse Clausen and Christopher Heymann

Startups supported across the blockchain stack

Investor base incl. sovereign wealth, pension funds, endowments and family offices

Research and thesis work

1kx is a research-driven, fundamentals-focused global investment firm. Founded in 2018 by tech entrepreneurs Lasse Clausen and Christopher Heymann, the firm is headquartered in New York and invests at key inflection points where blockchain technologies meet the broader economy. Since the firm's inception, its Cost of Trust thesis has defined where 1kx invests: in businesses and networks that lower the cost of trust and create what legacy infrastructure cannot. With a hands-on approach and technical rigor, 1kx has made more than 160 investments across three market cycles, often leading early rounds before their categories were proven. The firm partners with a global institutional investor base that includes sovereign wealth funds, pension funds, endowments, foundations, funds of funds, corporations, and family offices.

Our network: 1kx portfolio



Community is everything. We're happy to make any intros across our portfolio.

Note: The investments or portfolio companies mentioned, referred to, or described are not representative of all investments in vehicles managed by 1kx, and there can be no assurance that the investments will be profitable or that other investments made in the future will have similar characteristics.

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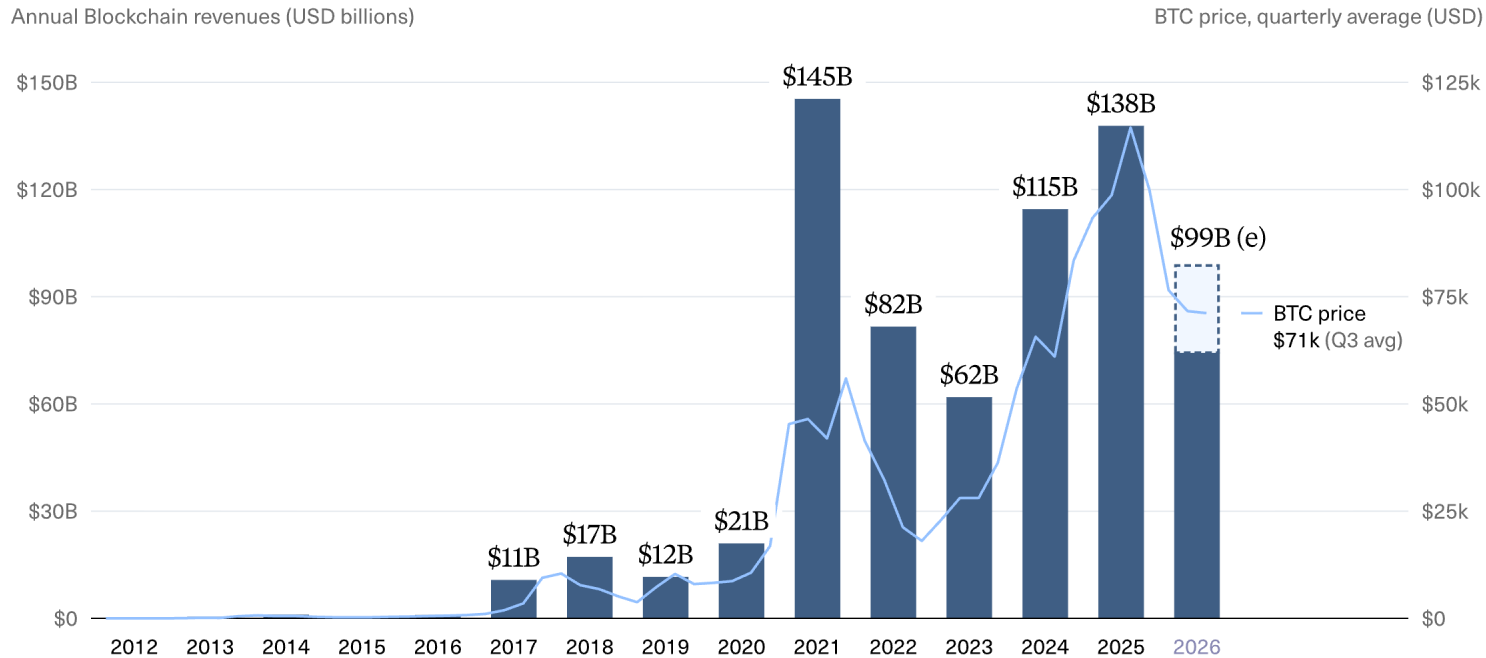
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What are Blockchain revenues and how big are they?

01

Blockchain revenue fell 28% YoY, broadly in line with the 30% decline in crypto prices, but is still expected to reach ~\$100B in 2026

2026 Blockchain revenues on track to \$100B

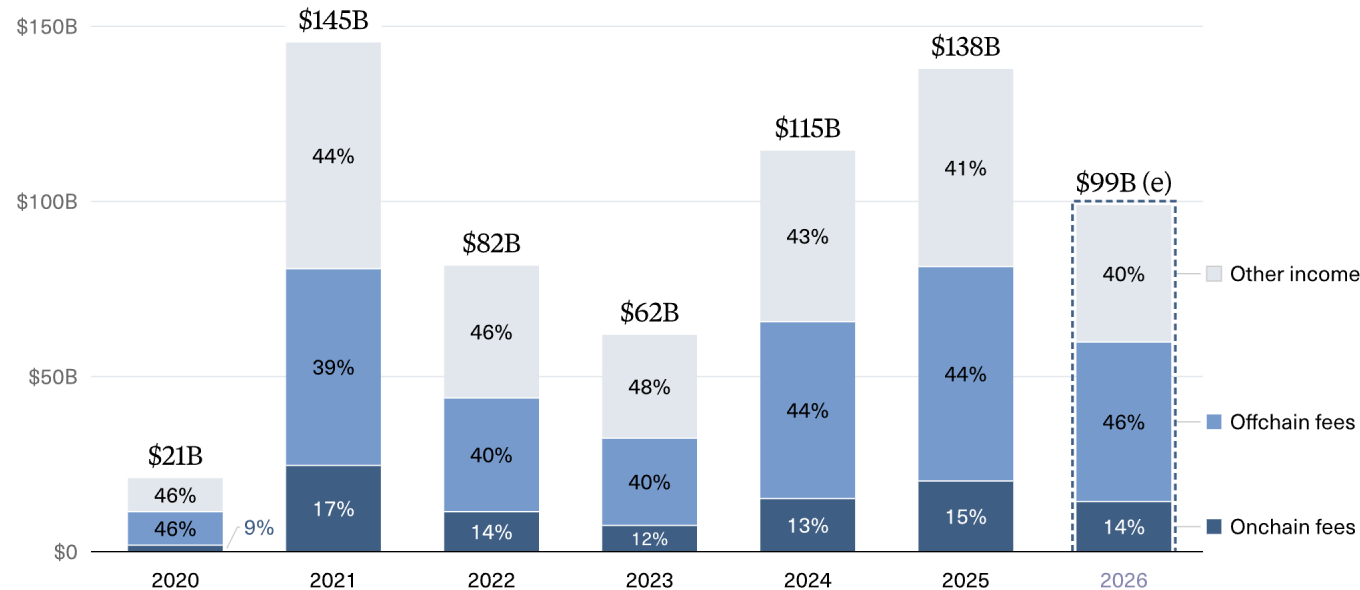


2025 total Blockchain revenues reached ~\$140B, close to the 2021 record. Most Blockchain revenues track crypto-asset prices:

- Blockchain revenues in 2026 declined 28% YoY, in line with the decline of Bitcoin's average price - relative to total crypto market cap, revenues are flat YoY
- Extrapolating Q3 2026 YtD, 2026 revenues are expected to reach ~\$100B

Blockchain revenues are about 50-60% user-paid fees (12-17% onchain) and 40-50% other income since 2021

Annual Blockchain revenues (USD billions)



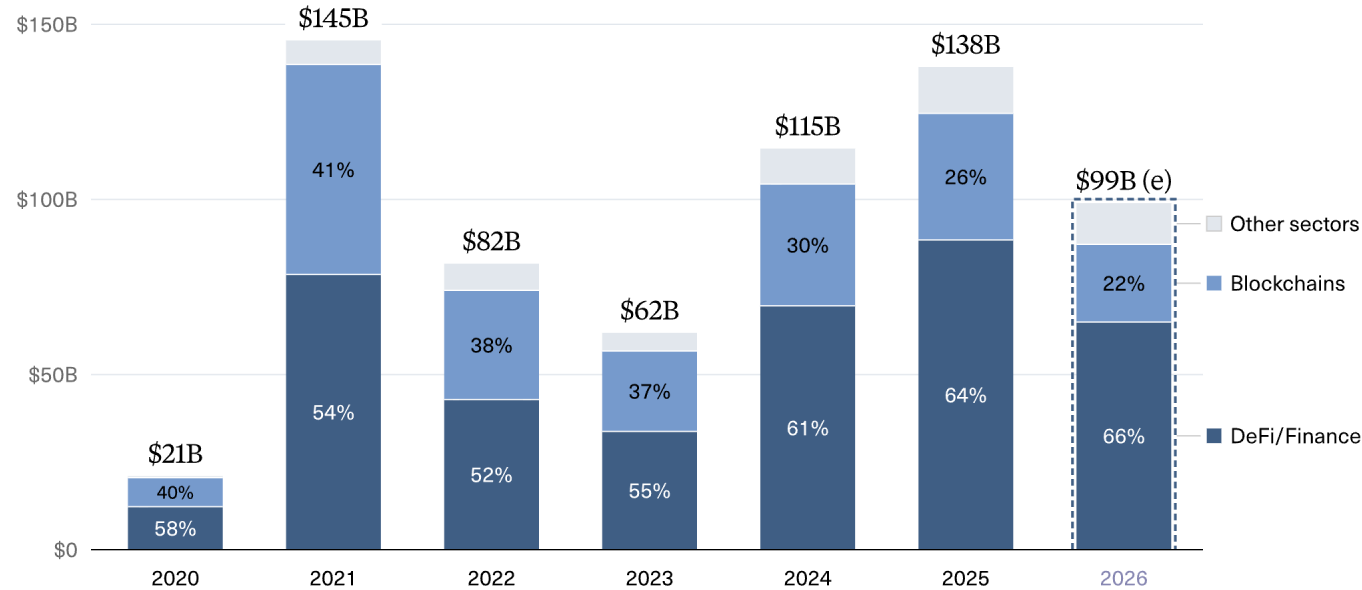
Blockchain revenues cluster into three origins:

- **Onchain user-paid fees**, e.g., trades on Uniswap, publicly available in real time
- **Offchain user-paid fees**, e.g., trades on Binance, which can't be derived from onchain data directly
- **Other income**, e.g. Bitcoin mining (paid indirectly through dilution of holders) or Circle's stablecoin reserve income (earned on T-bill yield); most is derivable onchain

The split has been stable, but the distinction matters: other income mainly depends on asset prices (~half of it is mining and staking rewards) and external yields.

DeFi/Finance dominates while Blockchain infrastructure revenue share declines since 2021

Annual Blockchain revenues (USD billions)

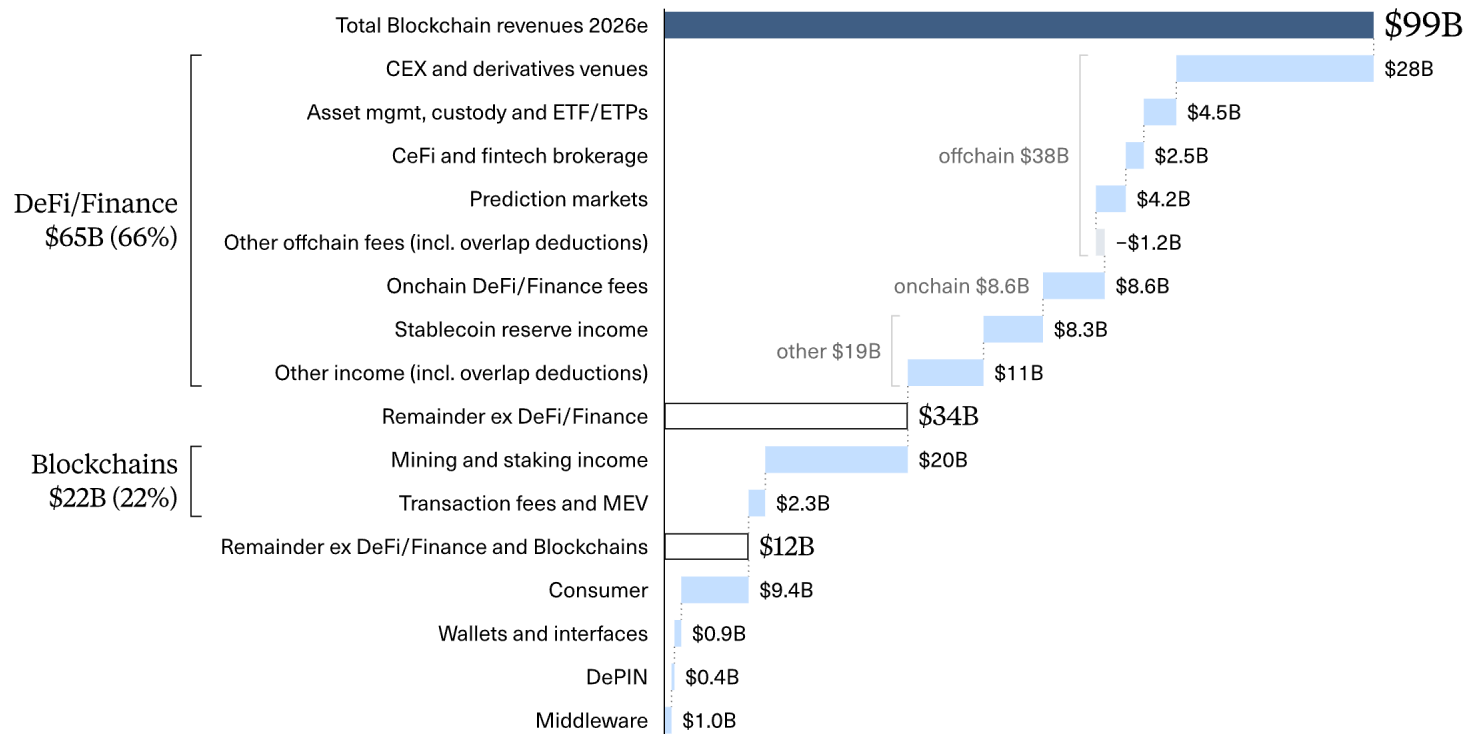


DeFi/Finance has grown its share since 2022 to $\frac{2}{3}$ in 2026.

Blockchain infrastructure's share keeps shrinking and its transaction fees have fallen in absolute terms since 2021.

Blockchain revenues 2026: 66% DeFi/Finance, 22% Blockchain infrastructure

2026 full-year run-rate (USD billions)



\$65B DeFi/Finance revenues in 2026, driven by offchain fees¹:

- 42% CEX and derivative venues
- 7% asset management / ETF-related
- 6% prediction markets²
- 13% onchain user-paid fees
- 29% other income (stablecoin reserve income, yields)

\$22B Blockchain infrastructure revenues at lowest since 2020: actual transaction fees paid are now less than 3% of all Blockchain revenues

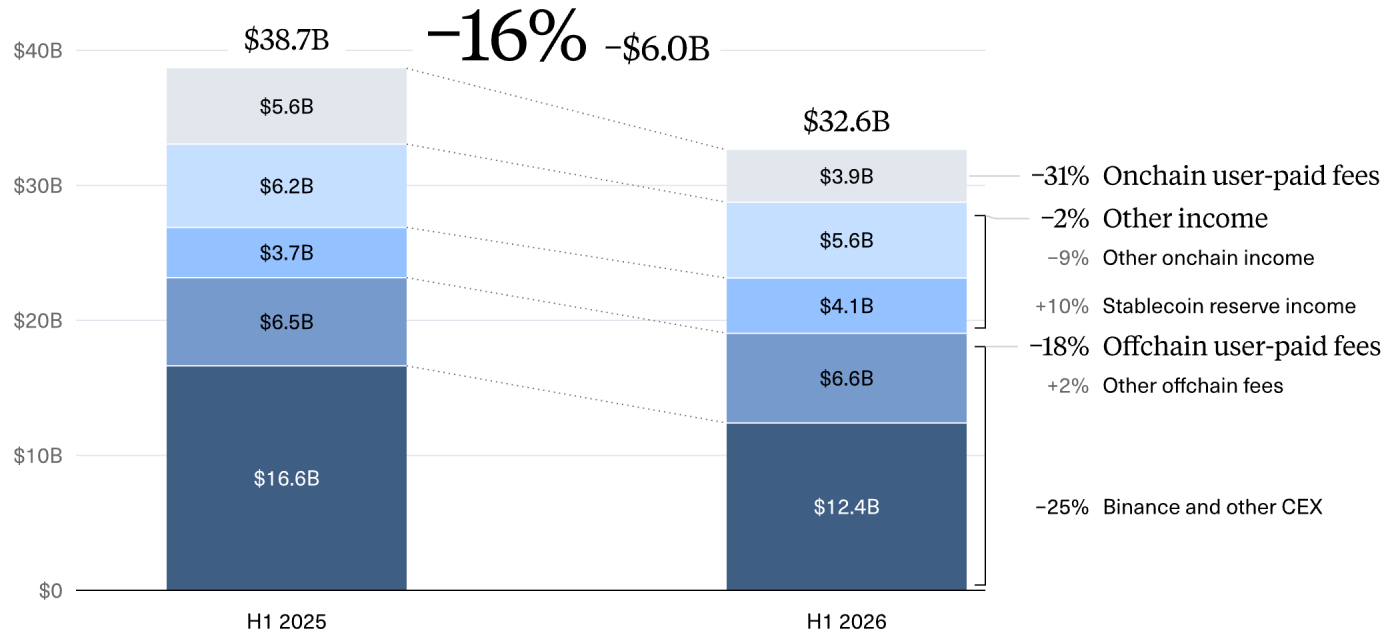
\$12B Remaining sectors, with Consumer the largest (9%)

¹ Note that the overlap deductions are not included in the listed percentages

² Offchain fees only, onchain fees for prediction markets are under "Onchain DeFi/Finance fees", see p.21

DeFi/Finance down 16% YoY: CEXs and onchain fees with the largest declines

DeFi/Finance revenues, half-year (USD billions)



Offchain user-paid fees -18%

- Price-sensitive areas fell most: CEXs -25% (they are ~65% of offchain fees); mgmt. and custody fees -34%, ETF/ETP fees -20%, brokerage -34%
- CeFi operations +12%, driven by institutions
- Prediction markets went from less than \$50M to \$1.5B+ in H1 2026 (Kalshi and Polymarket)¹

Other income -2%

- Stablecoin issuers like Tether and Circle grew reserve income 10%
- Yields and rewards of miners, onchain asset managers, and staking providers -9%

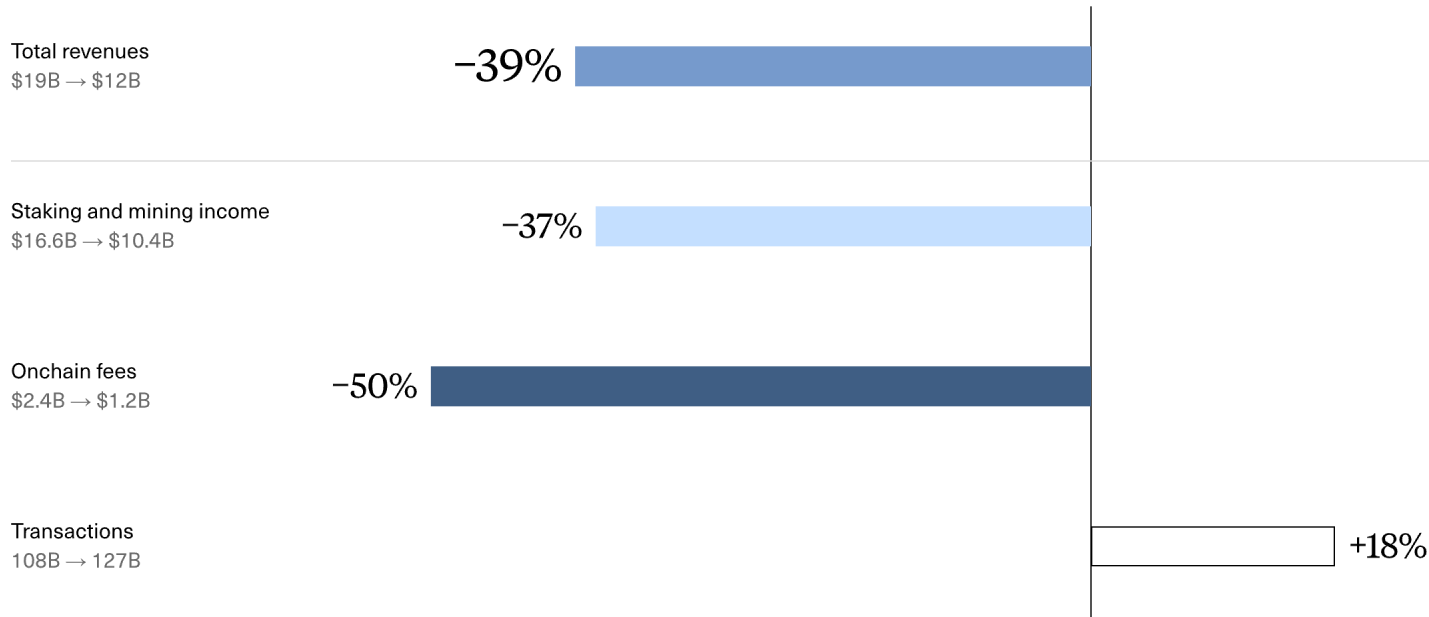
Onchain user-paid fees -31%

- DEXs -50% YoY given the price sensitivity of fees and volumes
- Perps +14% as RWA markets reduced their dependence on crypto prices
- Lending markets flat YoY in H1, but down 46% in Q3

¹ Most prediction market fees are not traceable onchain; in these cases we use estimates based on Allium data as offchain user-paid fees (see p. 21)

Blockchain transaction fees halved YoY while transactions increased

Blockchains, H1 2026 vs H1 2025



Blockchain infrastructure revenues -39%:

Staking and mining income decline price driven; now ~90% of Blockchain income (Bitcoin mining rewards are about half)

Transaction fees (onchain fees) halved, while

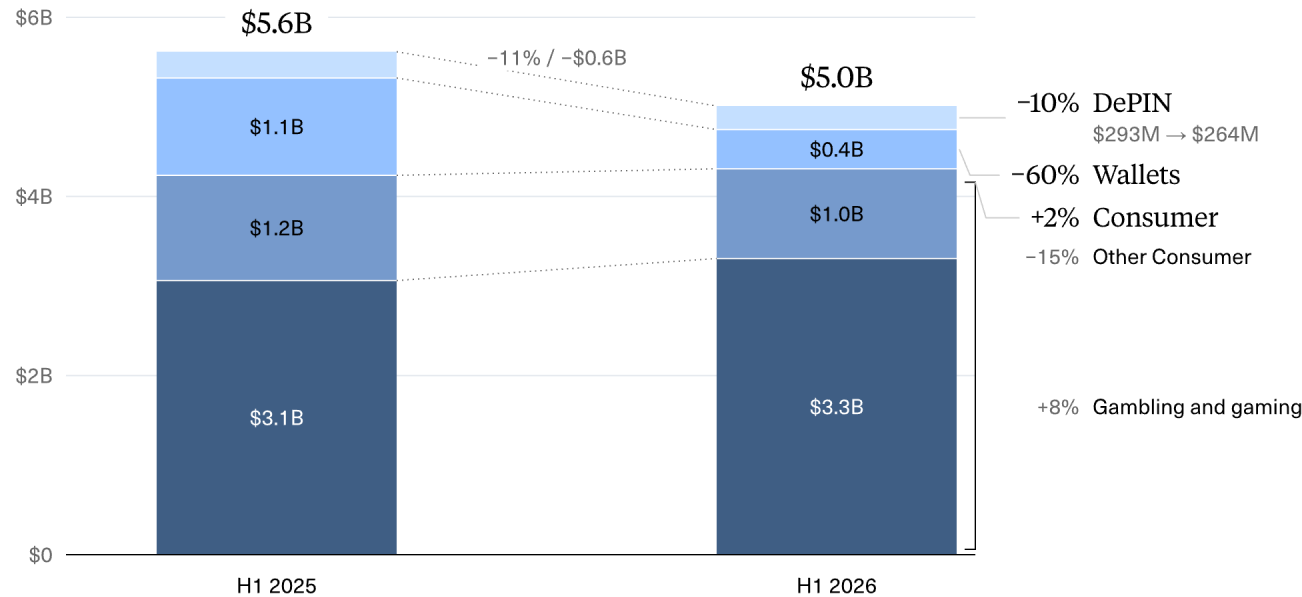
- Transaction count expected to exceed previous years by 18%
- Monthly active users about 200M, above 2024 levels (where transaction fees even ~3x higher), though -35% vs. 2025

This continues the trend we described in the 2025 report and laid out as part of the cost of trust thesis - see p.60

MAU and transaction data per Tokenterminal for 103 chains, excl. voting transactions for Solana

Wallets more than halved, Consumer flat, DePIN down despite rising onchain fees

Half-year revenues (USD billions)



Consumer flat overall, though the largest category, gambling and gaming, is up 8%, driven by online casinos like stake.com

Wallets and interfaces lost 60% of fees as both prices and activity declined.

DePIN -10%: token rewards fell ~\$100M (-65%)¹, as prices declined, while **user-paid onchain fees doubled** to \$170M YoY

¹ Burn-Mint-Equilibrium and Staking are common mechanisms to compensate node operators in tokens whilst the DePIN protocol earns the fees

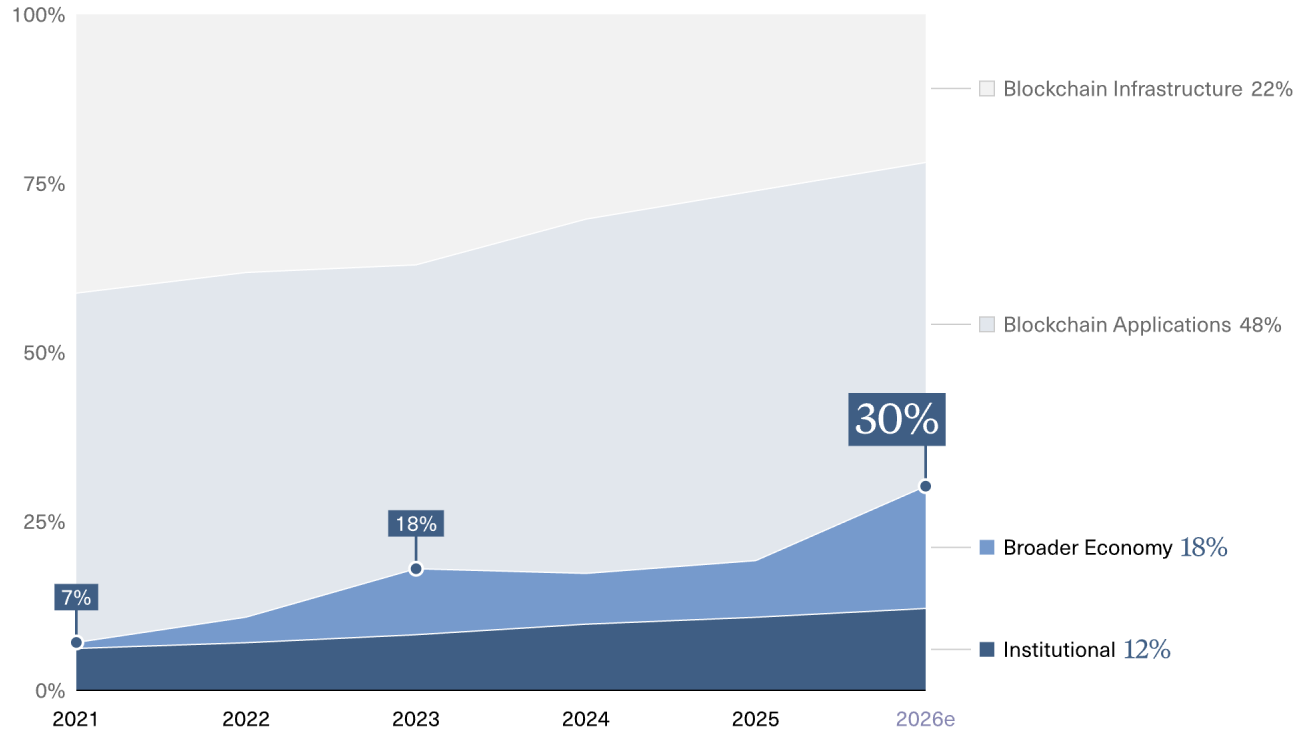


What is the key trend in Blockchain revenues?

02

Contrary to the overall decline, revenues tied to institutional adoption and broader economy use grew to 30% of the total in 2026, with broader economy revenues overtaking Blockchain infrastructure in Q3 for the first time

Institutional and broader economy revenues to reach 30% of the total in 2026



Institutional revenues doubled in three years to \$6B in H1 2026, 12% of total Blockchain revenues

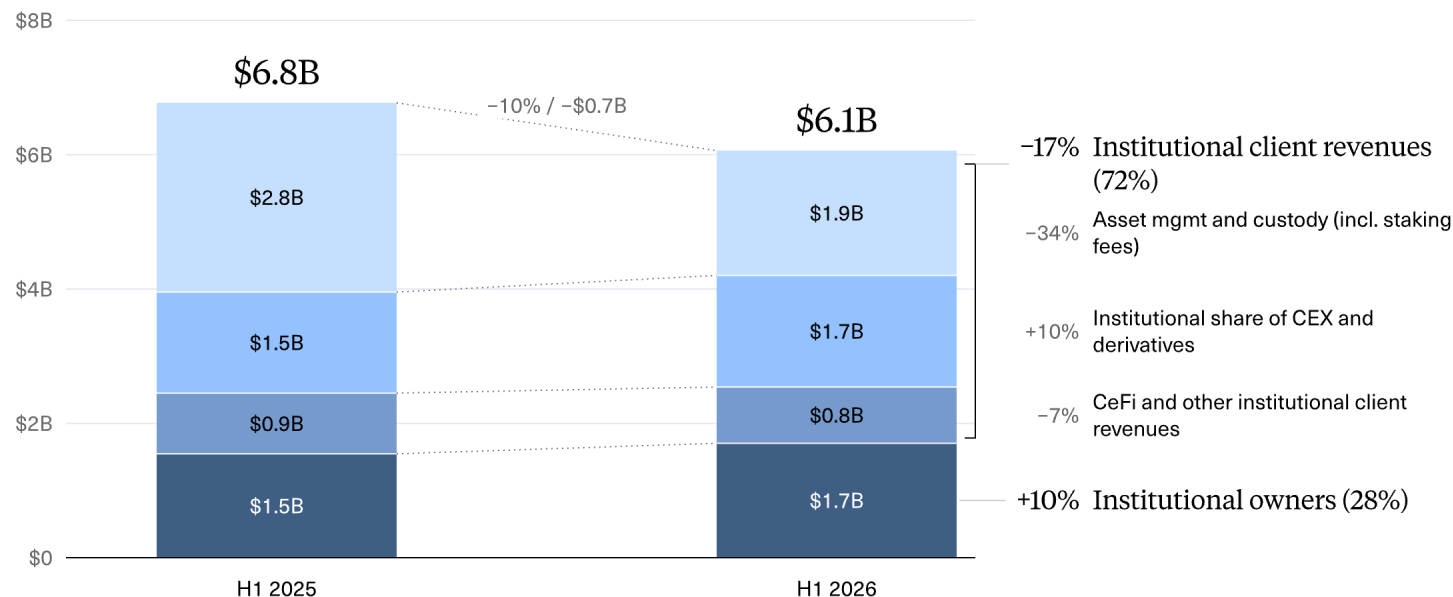
Broader economy revenues grew 58% YoY, led by prediction markets and RWA trading fees and overtook Blockchain infrastructure revenues in Q3 for the first time¹

Combined: 30% of blockchain revenues for full-year 2026 based on 33% of Blockchain revenues in Q3 2026.

¹ Blockchain infrastructure ~\$5.1B vs. ~\$5.3B from broader economy revenues. Note that this amount for Blockchain infrastructure only covers the amounts not included in the other categories, e.g., fee share of staking rewards captured by institutions or DeFi protocols

Institutional adoption drives ~\$6B of Blockchain revenues in H1 2026

Institutional revenues (USD billions)



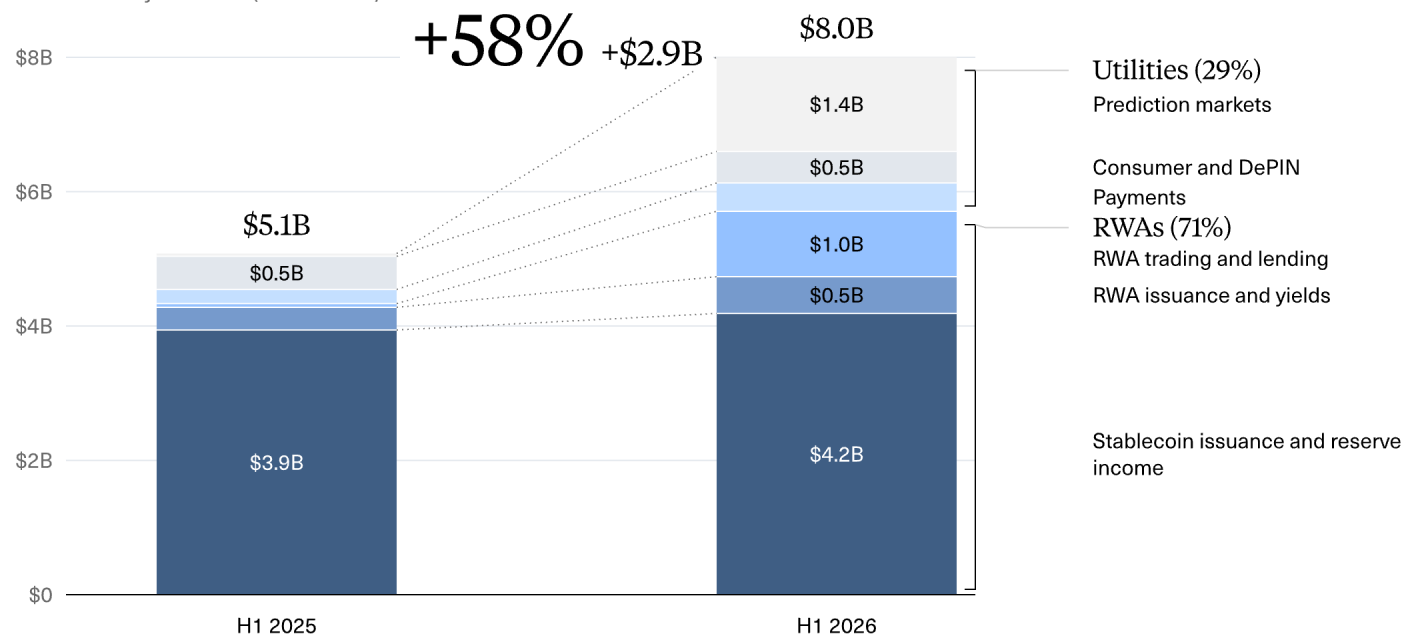
Institutional revenues fell \$0.7B YoY to \$6.1B in H1 '26, entirely from price-sensitive management, custody, and staking fees:

- **\$1.7B institutional owners, +10% YoY**
 - Fintech brokerage revenues down by \$0.4B
 - Banks and incumbents: +\$0.2B to \$0.6B; from zero three years ago. 1/3 are ETF/ETP fees by asset managers (see p. 63 for the expansion from tokenized treasuries to tokenized credit)
 - Institution-owned chains (Canton, Robinhood Chain, Arc, Soneium): +\$0.35B from ~0 last year; H1 is all Canton
- **\$4.4B institutional client revenues, -17%**
 - Asset management, custody and staking fees -34%, driven by price decline of assets
 - Institutional share of CEX and derivatives +10%, e.g. Coinbase reported 9% of total revenues / \$236M from institutional transactions in H1 2026, doubling this share YoY (6x vs. H1 2023)¹

¹ See Coinbase 10-Q Q2 2026, large part of YoY increase was related to the acquisition of Deribit

Broader economy adoption grew revenues 58% YoY, driven by prediction markets and RWA trading

Broader economy revenues (USD billions)



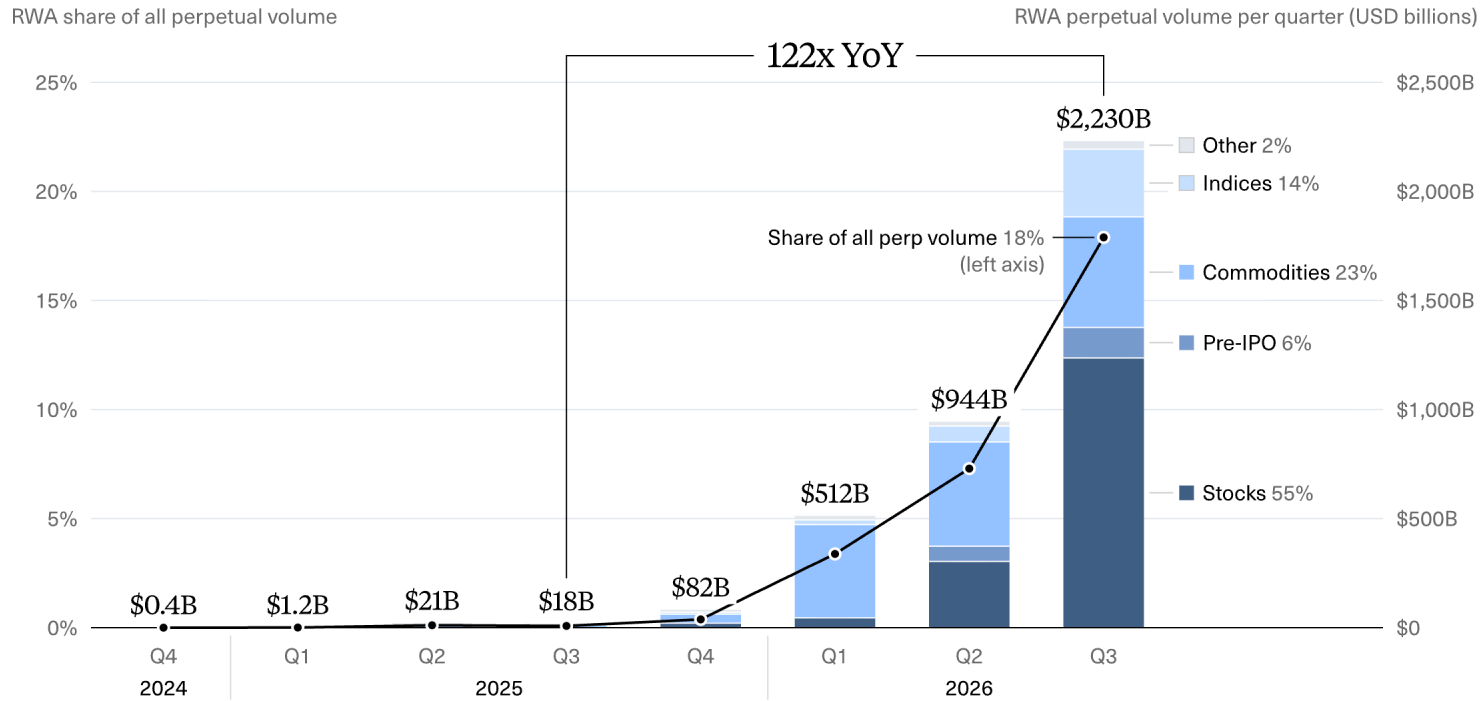
Drivers of the \$2.9B YoY increase H1 2026 of Broader economy adoption revenues:

- **+\$0.25B** stablecoin issuance fees and reserve income¹, still the largest component ever since the Fed raised rates in 2022 (see p. 61)
- **+\$1.1B** from increased RWA tokenization and RWA-related trading and lending fees
- **+\$1.6B** in utilities:
 - **+\$1.4B** prediction markets², mainly Kalshi and Polymarket, ~0 last year but estimated to surpass \$4B this year
 - **+\$0.2B** credit cards, trade finance and other payments; per BCG, businesses are involved in ~60% of stablecoin transfers in 2025. Whilst stablecoin supply has stalled lately, their payment volumes are at all time highs

¹ Note that onchain fees for issuance are included here, vs. the amount shown on p. 13 is just the Stablecoin reserve income (other income), issuance fees are part of onchain fees

² As noted on p. 21, we exclude crypto-related revenues from prediction markets here, hence the H1 total less than shown in p. 21

RWAs drive trading fees as their perp volumes grew 100x+ YoY



RWA trading volume saw wide traction this year, accounting for 18% of all perpetual volumes in Q3¹:

- Tokenized stocks are 55% of perp volume (gold led last year); oil perps lead commodities
- Pre-IPO listings are new, SpaceX the best known
- Est. \$1B in trading fees for H1 2026 (avg. 7bps)

Adoption came fast, alongside regulatory engagement:

- **Tokenized stock volume** on Robinhood Chain passed \$13B in Q3, over 70% of it while US exchanges are closed²; all chains ~\$50B spot volume
- **TradFi incumbents** move toward off-hours trading: Nasdaq announced 23h/5-day trading starting December
- **Regulation advances:** the SEC proposed its first transfer-agent overhaul in 40 years citing tokenization; Coinbase seeks SEC approval for 24/7 equity perps; Hyperliquid in talks with Payward on a US perps push

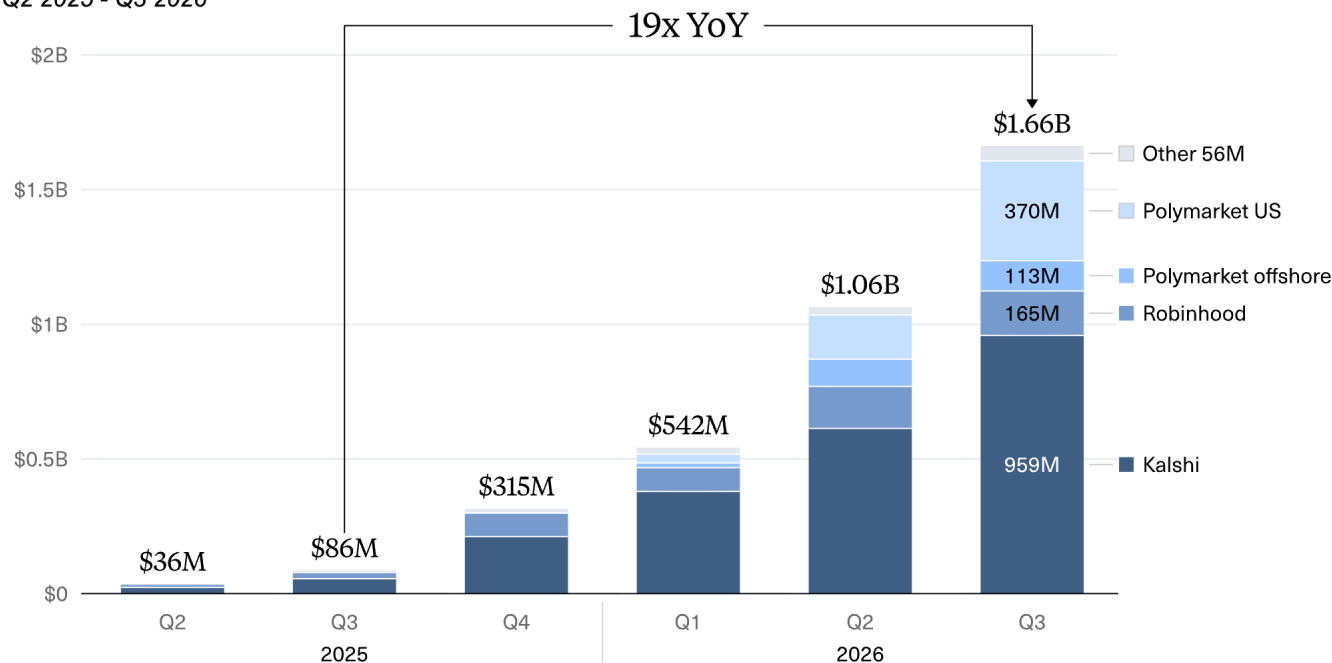
¹ We limited the total perp volume from CoinGecko perpetual volume to 15 of the largest CEXes by volume in line with those considered on theblock.co for derivative volumes to exclude less reliable volumes; the total perps/futures volume by CoinGecko is about 2x larger than ours

² Data by Blockworks, dune.com/queries/8071940 shows about \$10B for Q3, 70% reported by Robinhood

Source: CEX volumes self-reported, other venues DefiLlama, total perp volume CoinGecko

Prediction markets: 19x in fees YoY

Prediction market fees by quarter
Q2 2025 - Q3 2026



Prediction markets became popular during the 2024 US election and grew to settle about \$55B in Q3 2026:

- Most volume relates to sports; crypto-related markets are estimated to take less than 15% of volume¹
- Heavily concentrated in Kalshi and Polymarket, though there are 100+ platforms
- Larger companies catch up as **distribution partners** (Robinhood and Coinbase reported ~\$200M prediction market revenues in Q2 2026, mostly via Kalshi)² and by **buy/build** (Robinhood's Rothera³, DraftKings' DKeX, Meta's Arena, Interactive Brokers' ForecastEx, Kraken acquired Bitnomial)
- Nasdaq's private markets became a data provider for Polymarket

Fees ~\$1B in Q2 2026, est. \$1.5B+ in Q3. Volume tracks fees less closely as platforms add continuous markets, parlays, and opinion markets.

Business hedges (e.g., Blanket) and insurance products are expected to drive further demand.

¹ Based on Allium volume split. Recent allegations of wash trading on Kalshi focus on their crypto markets (perp markets)

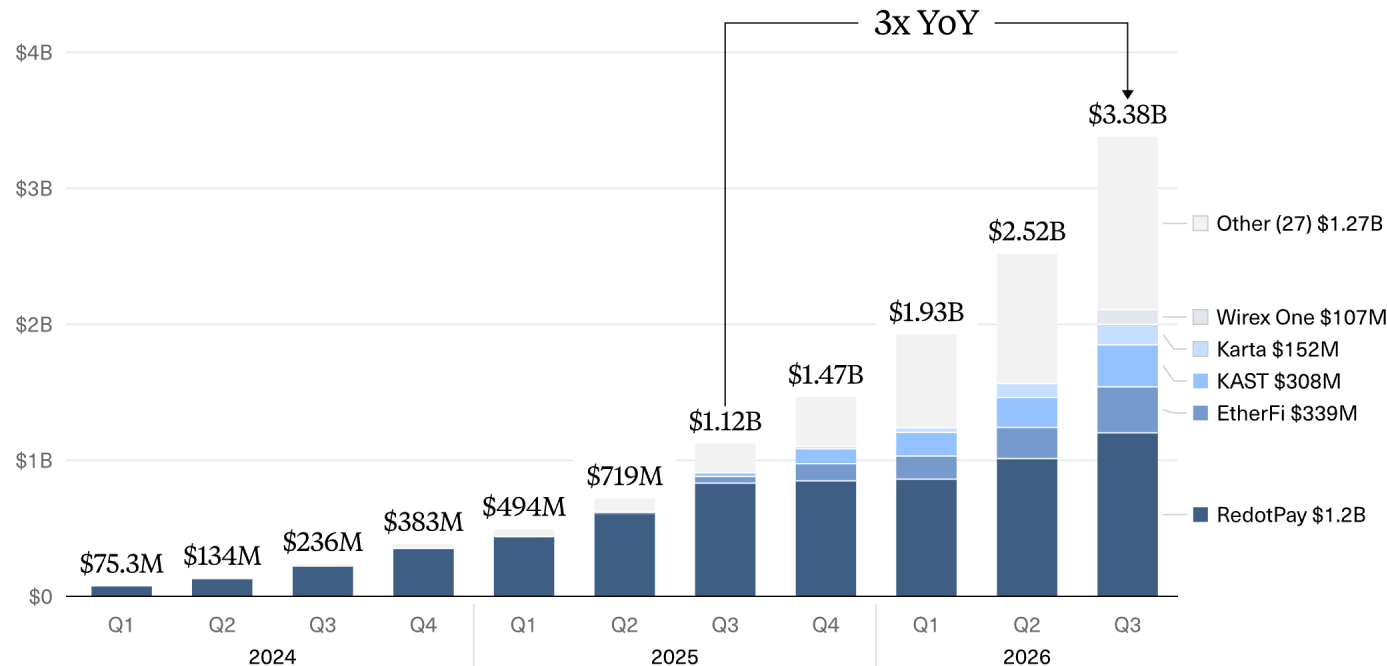
² For Robinhood that was more than their equities- or crypto-trading revenues

³ And reported for June that 1/3 of volume already runs through Rothera

Source: Allium and DefiLlama; Robinhood filings (event contracts revenue, pre-Q2 2026 reconstructed, Q3 estimated - actual reported \$173M)

Payments: crypto payment card spend tripled YoY to \$3.4B in Q3 2026

Card spend per quarter (USD)



Payment revenues (cards, remittances, on/off-ramps) est. \$500M+ in H1 '26¹, Credit card revenues are fast-growing:

Credit Card revenues more than doubled as volumes tripled YoY Q3 '26

Onchain card fees even rose 8x on 11x volume: take rates fell 25%+, a sign of competition

Almost all volume runs on Visa's network, following a capital-light strategy to become the standard.

Mastercard acquired BVNK this year for up to \$1.8B, accessing ~\$30B stablecoin volume and licenses in 100+ markets; this vertical integration lets it capture B2B and cross-border flow, beneficial if stablecoin settlement itself becomes a fee pool.

A detailed report on payment card spend is provided in a16zcrypto's report ([link](#)).

Source: Paymentscan.xyz

¹ Not included are payment related transaction fees for the underlying Blockchain. Based on the adjusted stablecoin volume by Allium these are ~\$300-400M in H1 2026, see <https://www.allium.so/reports/state-of-stablecoins-and-payments-q3-2026>

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Who captures the revenues and who is winning?

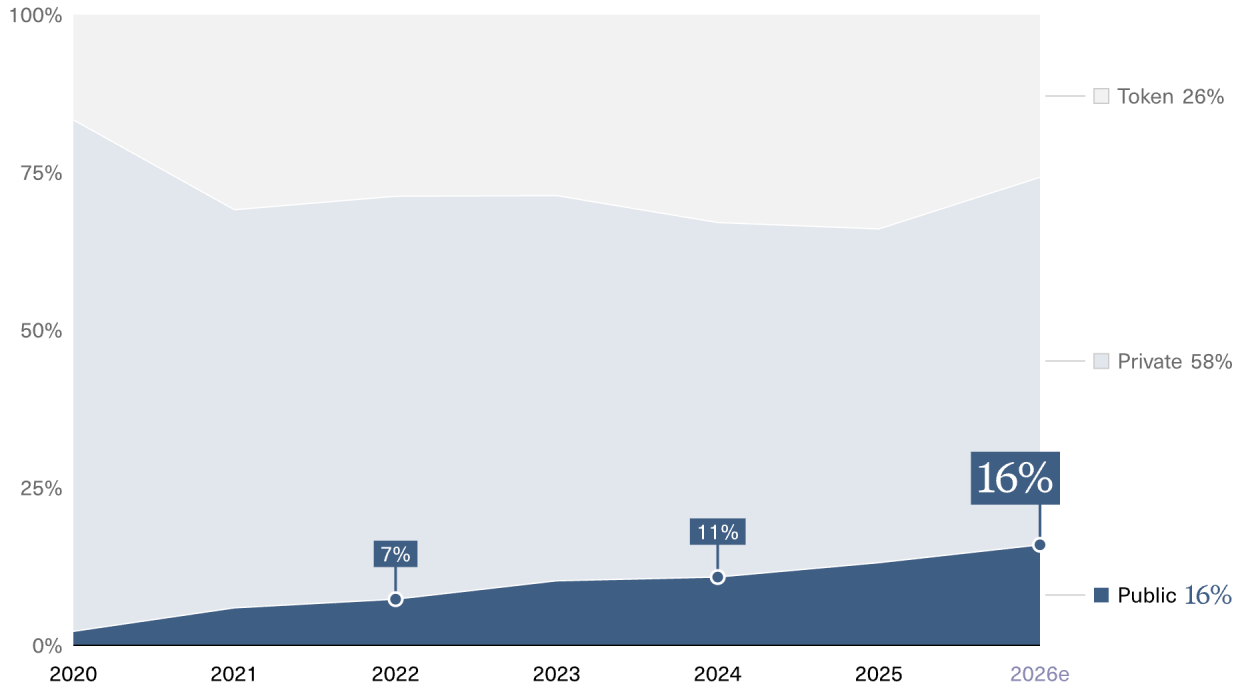
03

Public companies earn 16% of Blockchain revenues now, up from 7% in 2022

Concentration is high, but for protocols, revenue leadership keeps rotating

Public companies' revenue share rose from 7% in 2022 to 16% in 2026

Blockchain revenues by ownership class (share of total)

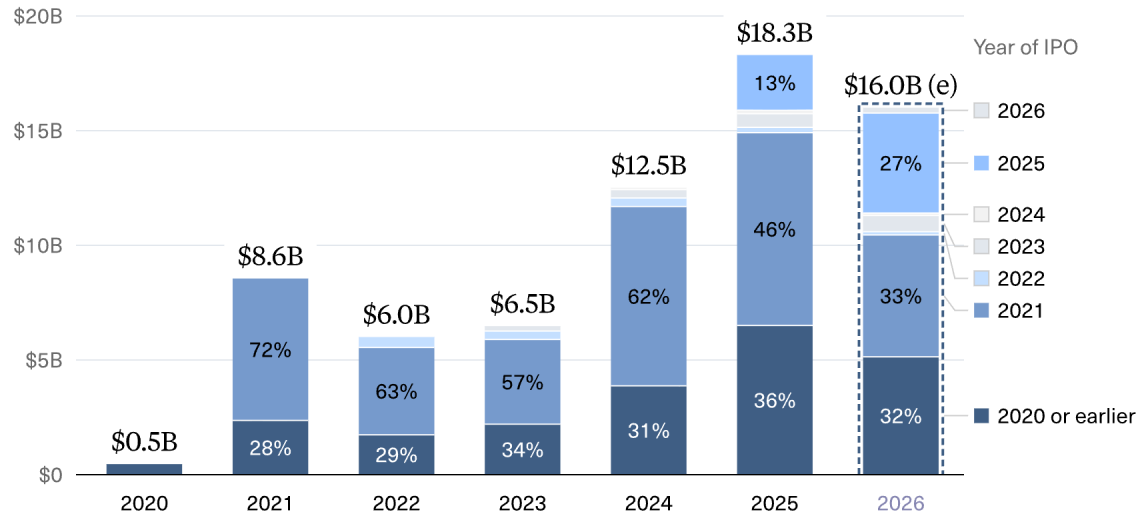


More public companies are earning meaningful Blockchain revenue, increasing their overall share over time:

- 1 Driven by general revenue expansion and more IPOs, e.g., Circle in 2025
- 2 Revenues are concentrated: the top 6 companies account for ~60% of revenue; for private entities it's over 50% as well
- 3 Token protocols' share at total is lowest since 2020. After accounting for the decrease in token launches and infrastructure revenues, the share of protocols amongst user-paid fees is actually at all-time-highs

What drives the rising share of public companies' revenues?

Public-company Blockchain revenue (USD billions)



Three IPO cohorts drive revenue and company count

- 2025 saw 30 IPOs, led by Circle, which added \$1.7B in 2025 and is expected to add \$2.7B in 2026 (see p. 61 how the distribution model of these revenues becomes more relevant)
- The 2020 cohort is the largest by count, as it includes TradFi entities - these entities overall still generate a small share (~10%), but are the only ones that grew revenues YoY in absolute terms (\$0.2B)
- 2021 is 70-90% Coinbase over the years

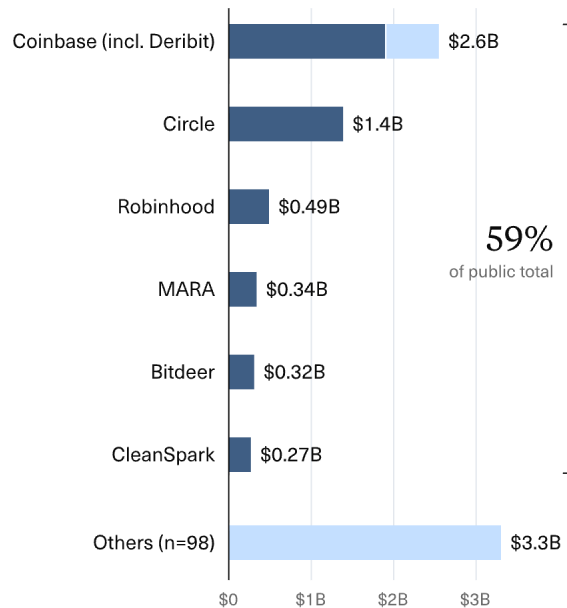
Existing companies expanding revenue

- Directly:** the top 10 companies (~2/3 of 2026 revenue) doubled revenues in three years
- Via acquisitions:** BVNK (Mastercard), OpenZeppelin (S&P Global), bitbank (SBI), Zodia Custody (Standard Chartered), or protocols like Axelar (Circle)
- Not included, but noteworthy, is direct ownership of protocol and network tokens:
 - Apollo agreed to acquire up to 90M MORPHO; its tokenized funds became collateral on Morpho
 - BlackRock invested strategically in the Uniswap ecosystem, reportedly incl. UNI, while enabling BUIDL trading via UniswapX
 - Apollo, BlackRock, SBI, Standard Chartered and others gained exposure to Circle's Arc via the 740M token presale

Revenues are concentrated: the largest six account for 50-60% of their category

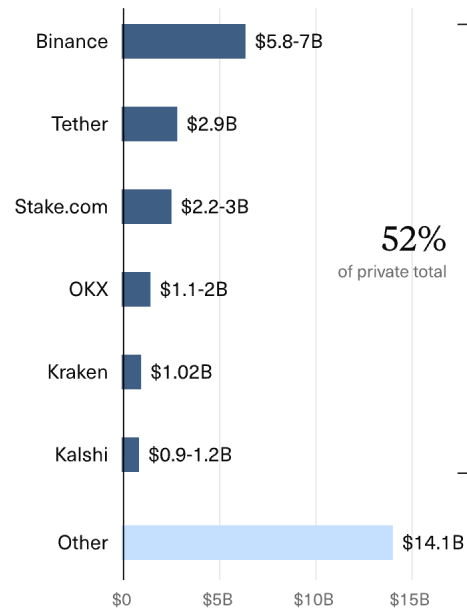
Public

H1 2026 total \$8.0B



Private

H1 2026 total \$29.5B



Public companies: besides ~\$3.3B earned by Coinbase and Circle, three large groups:

- **\$2B Bitcoin miners:** Bitcoin emitted close to \$6B in H1 2026; listed miners made ~1/3
- **\$1.1B Institutions:** banks (JPMorgan), asset managers (BlackRock), exchanges (CME), rating agencies (S&P Global), payment networks (Visa), fintechs (Robinhood)
- **\$0.6B other exchanges and market makers:** Bullish, Gemini, Web3 services of Amber and SBI

The tail includes DATs staking their assets, Figure's RWA issuance income, Shopify, and former miners pivoting to AI.

Private entities: large CEXs, Tether, retail entities and protocols without a token

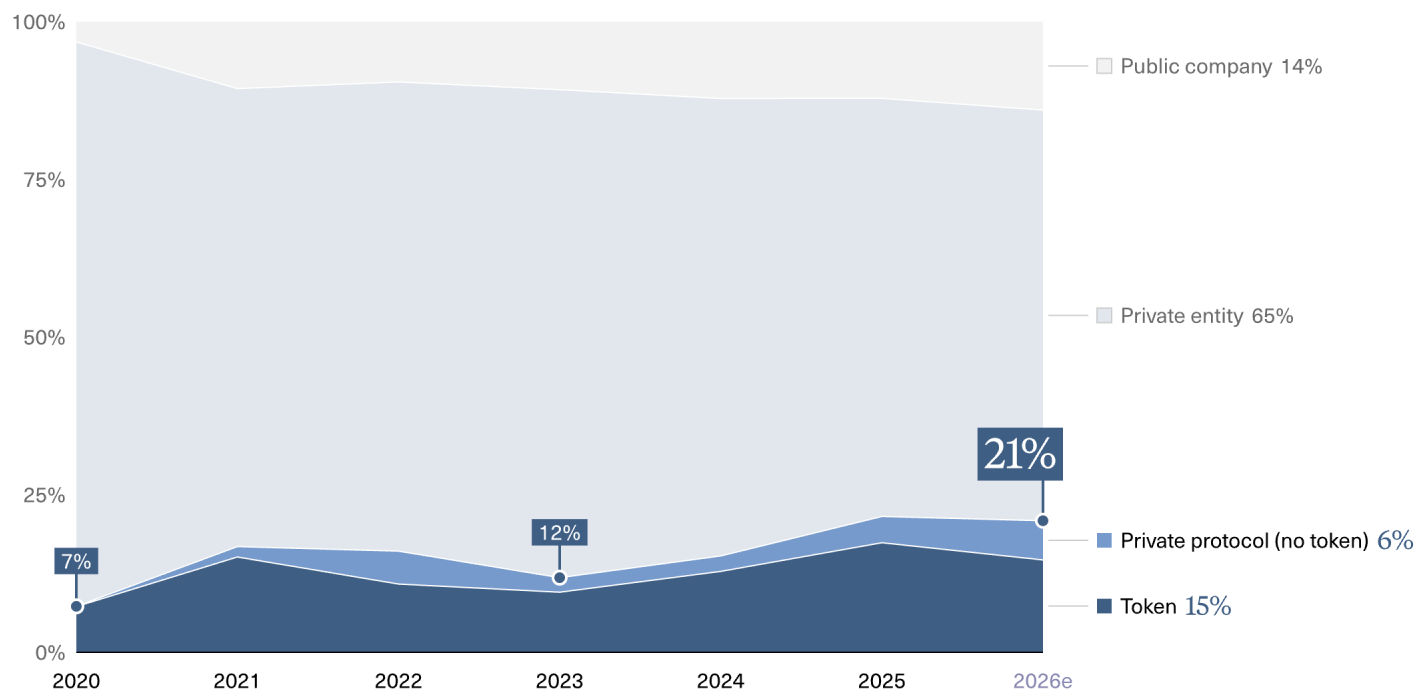
- ~40% CEX and related infrastructure: <10 large CEXs earn ~30% of H1 2026 private revenues; Binance alone ~half of all CEX revenue. Incl. market maker prop trading, the category made ~\$13-14B in H1 2026
- ~9% gaming and gambling (e.g., Stake.com, Roobet); ~7% asset management, CeFi, brokerage, ETF/ETPs (now ~50/50 private vs. public); ~5% prediction markets, mainly Kalshi (p. 21)
- ~30% mining, staking and yield income not captured by public or large entities (~\$4B Bitcoin mining plus a similar amount of staking)
- 5% onchain user-paid fees of protocols without a token, still ~25% of all onchain fees; largest are Fragment (\$180M) and Axiom (\$125M) in H1 '26

Note: Coinbase bar includes \$0.66B of Circle income; this overlap is excluded from the panel total.

Token protocols' share of user-paid fees is rather high once launches and infrastructure revenues are accounted for

User-paid fees ex-Blockchains by ownership class (share of total)

Annual (2026 YtD Q3), 100% stacked, user-paid onchain + offchain fees only, Blockchain infrastructure excluded (e.g. no staking/mining rewards, no transaction fees)

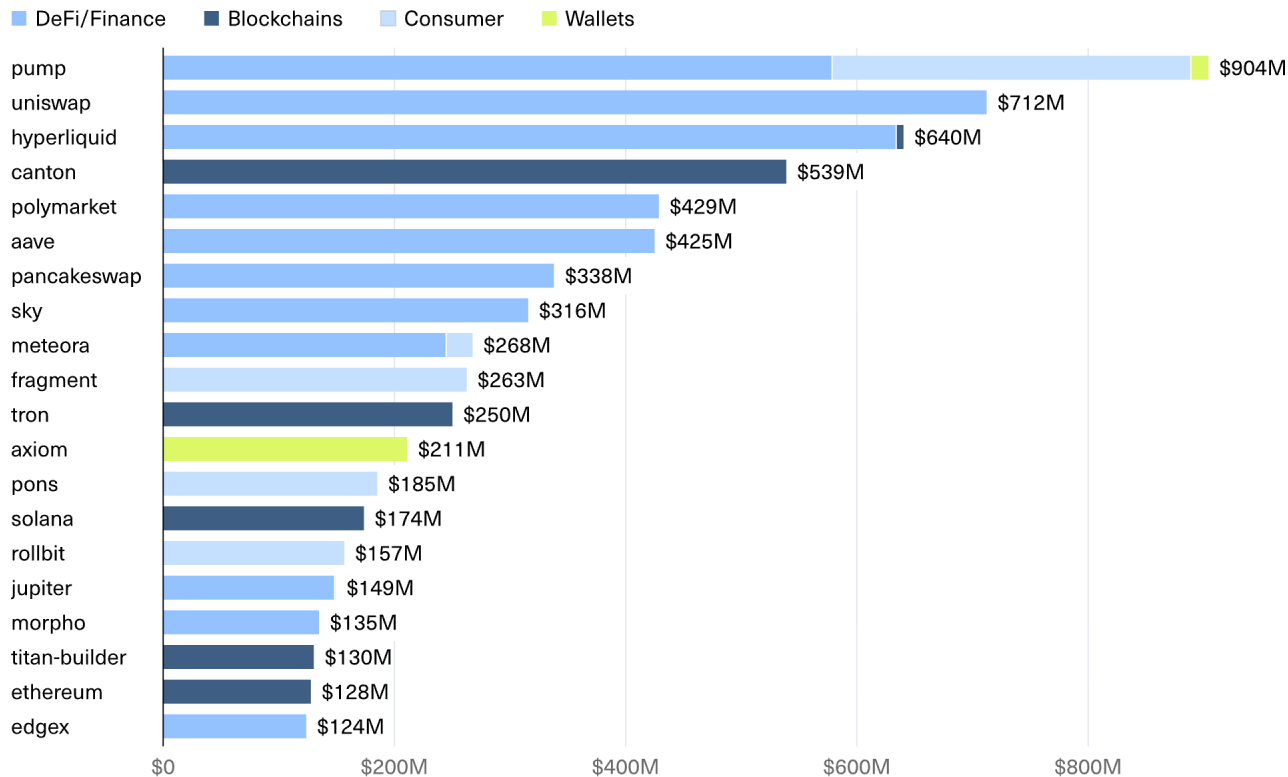


Protocols with tokens make up 26% of Blockchain revenues in 2026 (YtD, Q3), the lowest since 2020. This needs context, as it's driven by three factors:

- Public and private entities captured more “other income”, e.g., stablecoin issuance, mining, and staking - hence the look at user-paid fees
- Among user-paid fees, the largest decline has been Blockchain transaction fees (which belongs to the token category): 9% of total revenues at the 2021 peak, <3% now.
- Fewer fee-generating protocols launched a token, typical in bear markets. Protocols without a token have gained share lately.

Excluding these, ownership shares of protocols (with or without token) are at all-time-highs, so from here we analyze protocols on onchain user-paid fees

Protocol fees are winner-takes-most, though leadership rotates



The top 20 protocols account for 60% of onchain user-paid fees (2026 Q3 YtD):

- 30 protocols on track to over \$100M in onchain fees in '26
- Expansion follows two directions: **horizontal** across ecosystems and products (Uniswap¹ now does ⅔ of their fees on Robinhood Chain, its core YoY growth driver) and **vertical**, within sector (Jupiter: DEX, perps, lending; Polymarket added perps and a stablecoin) or across sectors (Pump.fun into DEX and wallets)
- New in the top 20: Canton, Polymarket, Pons, edgeX, Titan Builder and Morpho; Meteora was #1 then with \$1B+ in fees, now #9

Rotation is typical (as shown in last year's report). Five examples of how it continues:

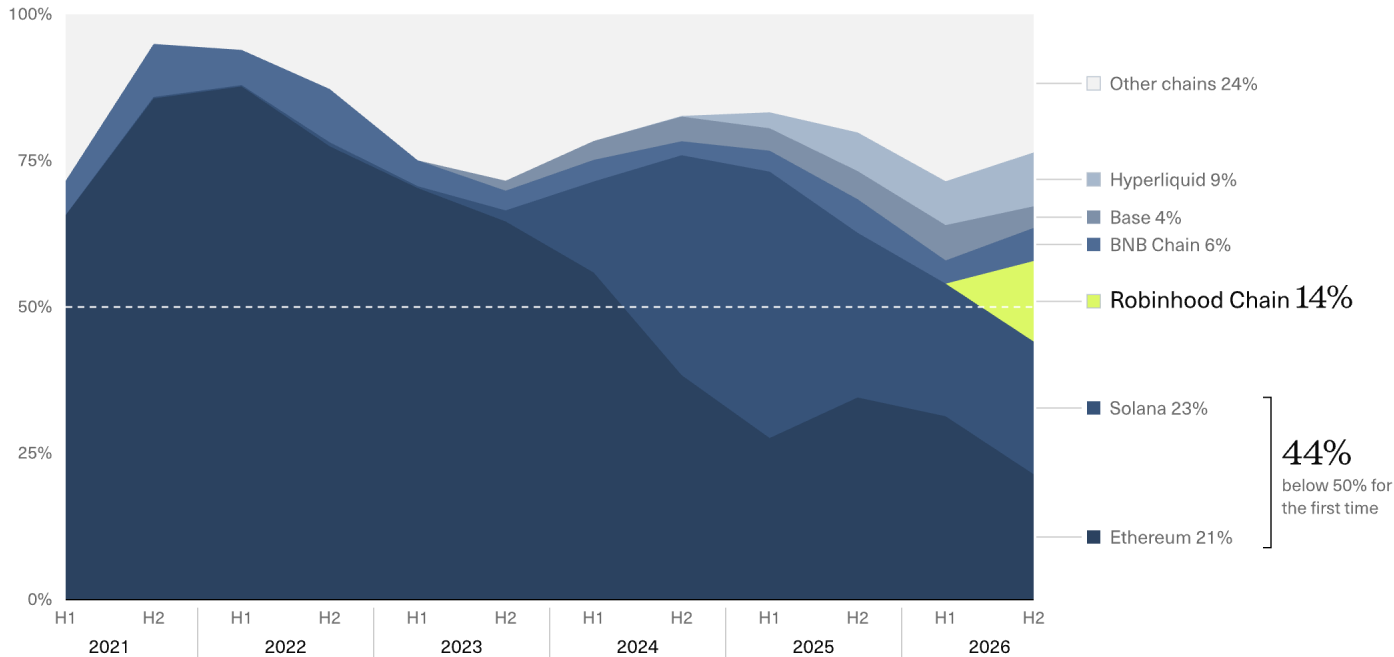
- 1 Robinhood launched its chain right into the top ecosystems by fees
- 2 Hyperliquid might end the regular rotation of perp leaders
- 3 Morpho's curator markets withstand the lending downturn
- 4 Launchpads and new forms of collectibles lead Consumer fees (see appendix p68-69)
- 5 Trading interfaces are now 80%+ of the Wallets sector (see appendix p70)

¹ Given Unichain is an app-chain solely designed to run the exchange, one can consider that expansion part of improving the existing product and no vertical expansion

Note: Polymarket is onchain fees per DefiLlama and combine those of US- and Offshore. Total US fees higher, see p. 28

Robinhood launched its chain right into the top three ecosystems by fees

Share of onchain fees (apps + transaction fees)

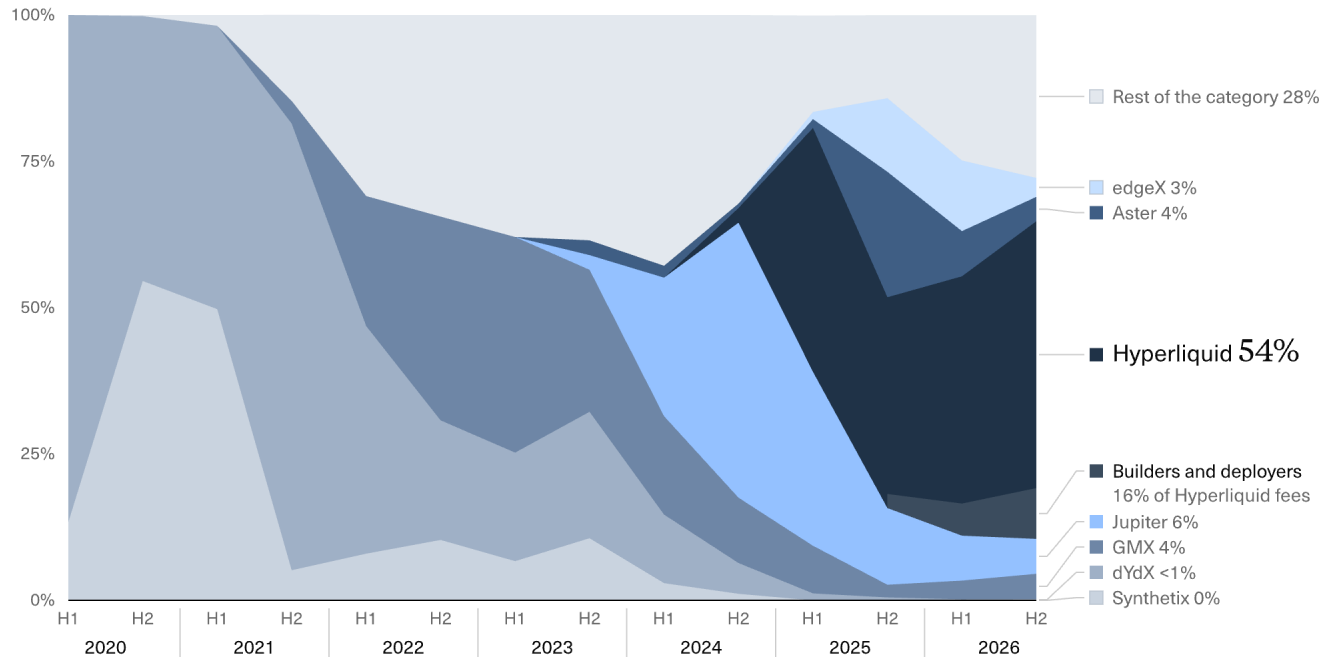


Ecosystem fees of a blockchain are a) the transaction fees it earns plus b) the fees of all applications running on it:

- In Q3 2026, for the first time, Solana and Ethereum together are below 50%; two years ago Ethereum started to lose its majority share of ecosystem fees
- Robinhood Chain launched successfully in July, taking the #3 spot from Hyperliquid with 14% in Q3 2026 - see p. 64 how this is driven by trading activity on Uniswap and Pons

Will Hyperliquid end the regular rotation of perp leaders?

Share of perps and derivative fees (excl. prediction markets)



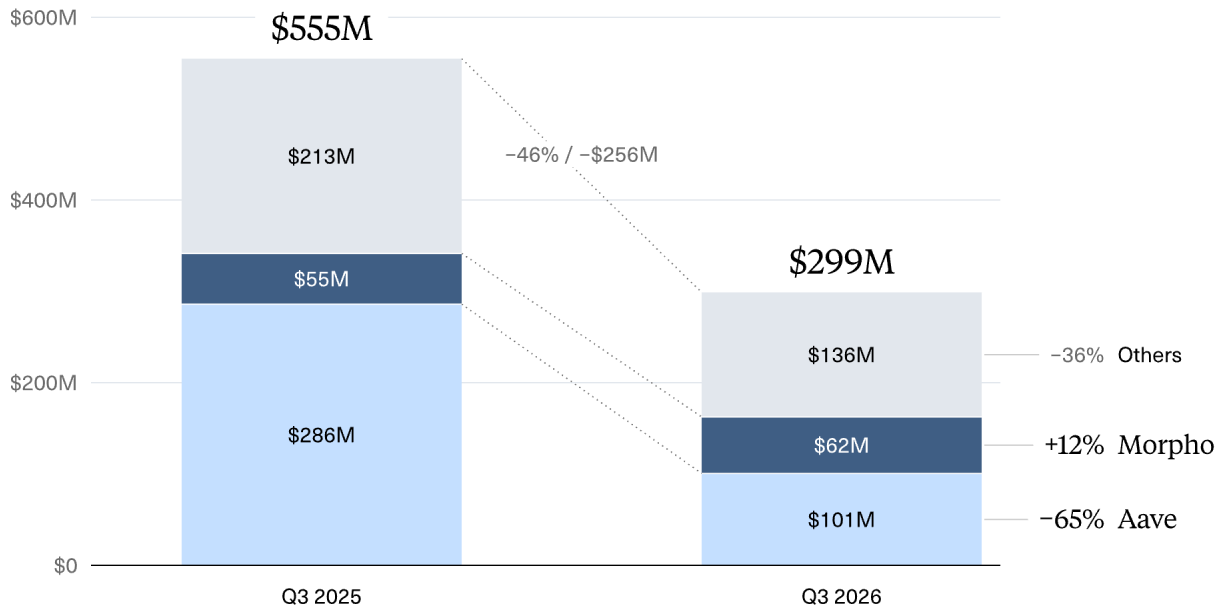
Source: Builder list and fees via DefiLlama

Hyperliquid is the largest onchain perps platform by volume and fees, and the fifth protocol to lead the category after dYdX, Synthetix, GMX and Jupiter:

- Hyperliquid went further than previous market leaders by combining monetized third-party frontends through builder codes with third-party-operated markets (HIP-3), helping expand RWA market coverage and trading activity.
- Builders and deployer share account for 16% of Hyperliquid's fees, steadily increasing
- Hyperliquid is about to lead the perp DEXs by fees for two years, longer than its competitors before and expanding its share in 2026 - is Hyperliquid about to end the regular rotation in fee leadership?

Morpho's curator markets withstand the lending downturn

Lending onchain fees, USD M per quarter



User-paid fees on lending markets halved YoY, driven by the leading protocol Aave:

- Morpho, #2 by fees, reached \$62M in Q3 2026, even slightly gaining; these fees are mostly earned by risk curators like Steakhouse or Gauntlet managing markets on Morpho
- Aave suffered a major drawdown in deposits after the KelpDAO exploit in Q2 2026, slowly recovering
- Both platforms strive to win the lending markets for tokenized treasuries and credit-linked RWAs

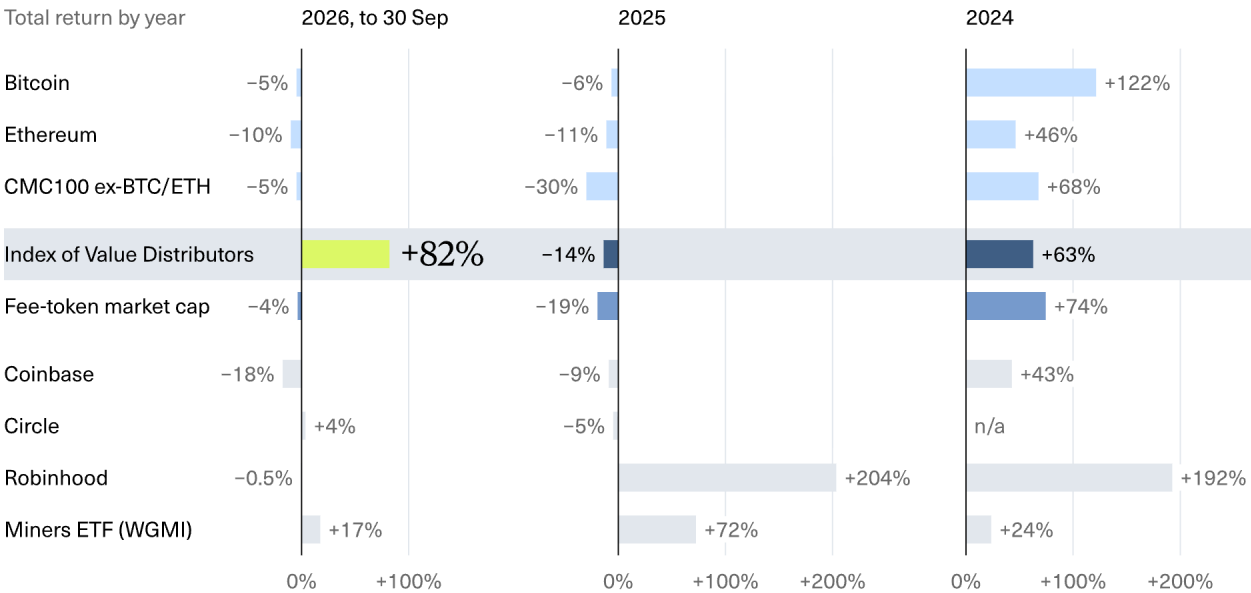
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How does the market value revenue generators?

04

Paying token holders is what the market rewards in 2026: the dividend-token index returned 82% YTD, while distributing apps now trade in line with public companies; only blockchains keep a premium

Distributing value to token holders is the factor driving performance in 2026



Notes: Index of Value Distributors: [1kx Fundamentals Index Dividend](#). CMC100 is CoinMarketCap Top 100 Index excluding BTC and ETH. Equities use dividend-adjusted closes. Circle listed in June 2025; its 2025 bar runs from its first close. Fee-token market cap: change in the total market cap of fee-generating tokens. Index figures are hypothetical and based on backtests; see the Disclaimer on p. 44.

About 40% of Blockchain revenue is publicly investable via tokens or public companies.

Their return drivers:

Tokens: Distributing value to holders is a key factor in 2026 both for returns and valuations

- 1 Paying holders mattered most: a dividend-token index beat BTC in 2026 (+82%); in parallel, Applications' fee distribution hit a record
- 2 Valuation multiples such as price to fees/price to sales of public exchanges and brokers sit between distributing DeFi and Consumer protocols. Blockchains keep their valuation premium with multiples around 2,000x.
- 3 Protocols need less to scale: Relative to amounts raised, leading protocols earn significantly more than public companies

Public companies: consistent winners have diversified revenue

- Robinhood is the top performer in our set; Blockchain revenues ranged from 20-30% of its total since Q1 2025
- Miners returned double digits every year, related to diversifying into AI
- Coinbase returns since 2024 are close to Ethereum's

Paying token holders outperform Bitcoin in 2026

Dividend-paying protocols vs. the market, 2026 YTD

Cumulative total return, 1 Jan 2026 to 30 Sep 2026; monthly rebalance, net of 20 bps per trade



Note: Constituents and weights fixed at each monthly rebalance from data available at the time; 20 bps per-trade cost assumed; factors selected on 2021-2026 data. Index figures are hypothetical and based on backtests; see the Disclaimer on p. 44.

We analyzed 60+ factors impacting token performance (2021-2026):

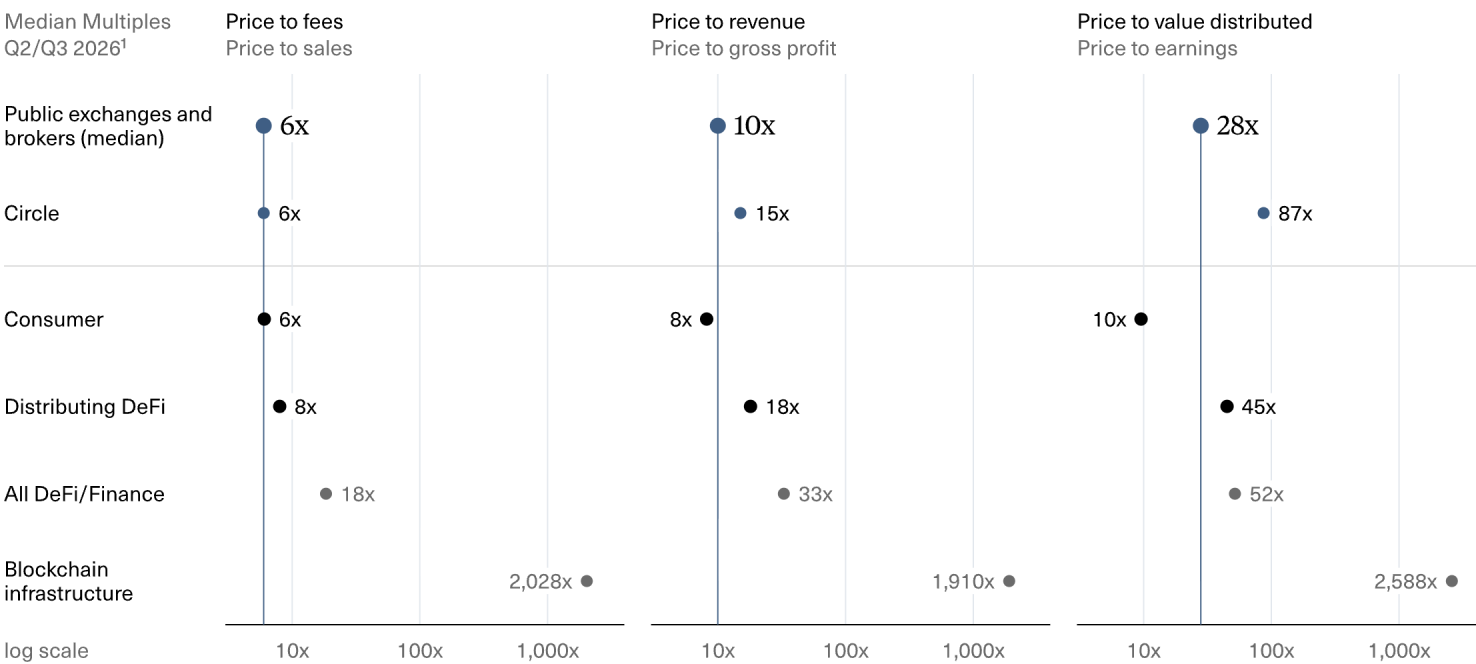
Value distributed to holders (paying a “dividend”) is the strongest driver for outperformance vs. other tokens (see [full analysis](#))

Outperforming Bitcoin was rare in recent years until 2026, as the weighted and equal-weighted “Dividend Index” show.

Other factors are either supersets that draw relevance from “value distributed” (e.g. “has token burn”, “fee generation”) or show no effect.

A record of 283 protocols is distributing value to token holders in Q3 2026, whilst the distribution rate (its ratio to fees) hit a new high in 2026 as well (p.73)

Valuation multiples of public exchanges and brokers sit between distributing DeFi and Consumer protocols



Public: Price to Sales higher for Coinbase (8x) and Robinhood (17x), lower for Gemini and eToro (both about 3x)

Consumers: 6-10x for all multiples, signaling the high share of fees passed through to holders

DeFi: value distributing protocols with lower multiples. Within DeFi, DEXs and lending protocols have the lowest multiples

Blockchain infrastructure: ~2,000x based on fees, in line with Applications when based on Holder-Revenue (p.76)

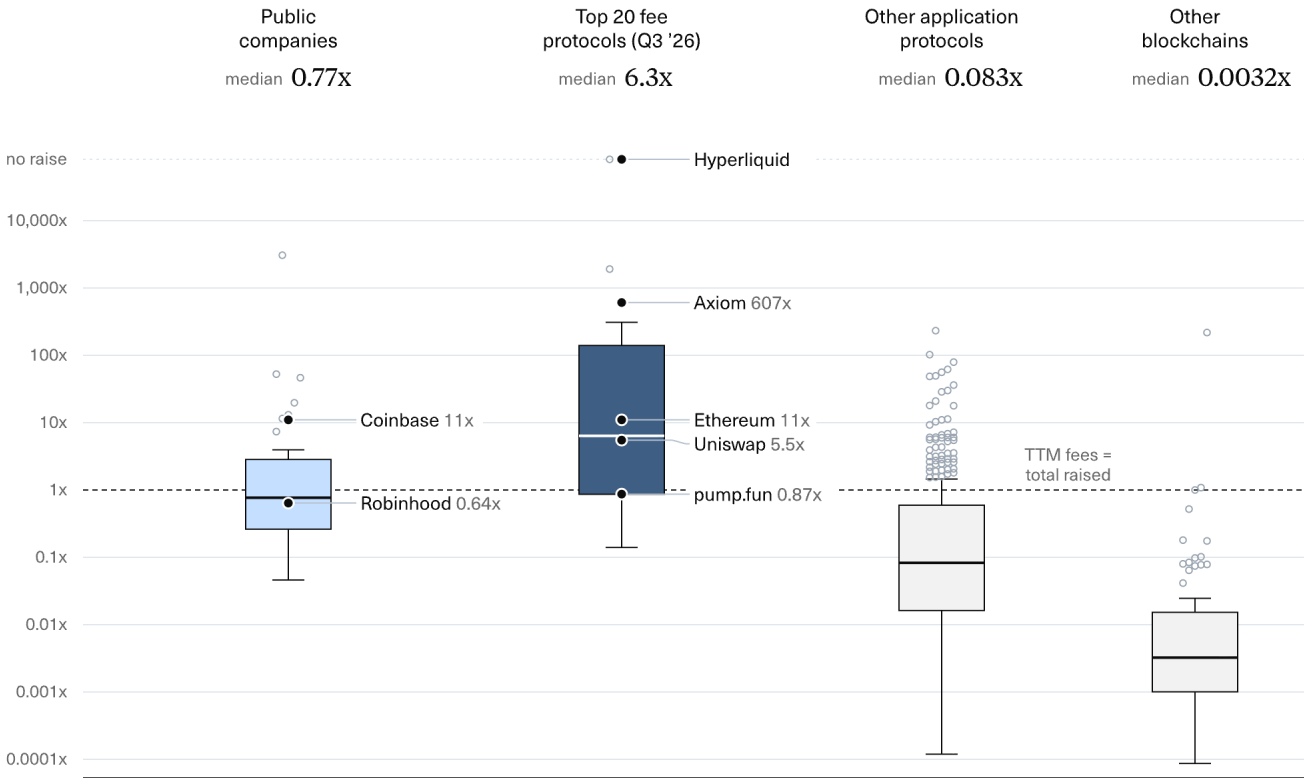
The Price-to-Fee ratios over the past quarters have been relatively stable, though on the longer term (since 2021) they have decreased (p.75)

See p.74 for a detailed view of multiples across sectors.

¹ Q3 for protocols, Q2 for public companies, Multiples based on FDV

Relative to amounts raised, leading protocols earn more fees than public companies

Trailing-12-month fees ÷ total raised (offchain: total revenue), log scale



Due to the efficiencies of underlying infrastructure, protocols earn faster (p.65) at less amounts raised (TTM fees per dollar raised):

Some of the top earners didn't raise any funds, but earn meaningful fees, e.g. Hyperliquid (\$939M TTM) and Fragment (\$378M TTM)

Within public companies, exchanges, brokers, asset managers and stablecoin/tokenization companies sit around 1.1x (median), whilst Bitcoin miners (0.4x) drag the overall median (DATs not included, median 0.07x)

Larger private exchanges like Binance are not shown - their median is estimated around 2.3x

Blockchains, in line with their price-to-fee ratios, have ratios magnitudes lower than applications and companies



What to expect for 2027?

05

Revenue should recover as the key trends continue, with three themes to watch: the growing importance of onchain data, uncertainty around AI's impact on onchain revenue, and the evolving convergence of token and equity characteristics

Key trends continue, plus three themes to watch

We expect the key trends of this report to continue over the next quarters:

- Blockchain infrastructure scales further, enabling more applications to monetize on top, and continues its decline in revenue share
- Institutional and broader economy adoption increases, driven by regulatory clarity and tokenization
- Large public companies continue to increase their revenue capture

Beyond, three themes might gain importance:

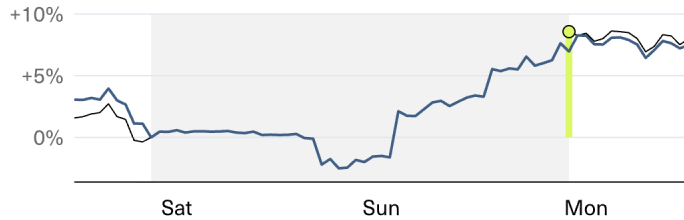
- 1 **The obvious:** onchain data as the new alpha
- 2 **The controversial:** Can the “machine-native economy” drive onchain revenues?
- 3 **The wildcard:** tokens become more equity-like, while equities become more token-like

Onchain data as the new alpha: RWA perps signal prices when Wall Street is closed

— Hyperliquid xyz:CL — CME WTI front month (CL=F) ■ CME closed ■ CME reopen gap

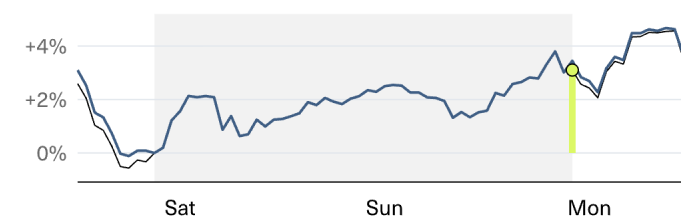
Apr 10 to 12 (Hormuz blockade ordered)

CME gap +8.6%, Hyperliquid +7.6% an hour before open: 89% priced
Weekend volume \$1,089M



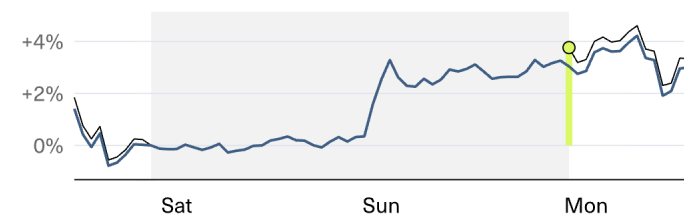
Jun 5 to 7, 2026

CME gap +3.1%, Hyperliquid +3.0% an hour before open: 97% priced
Weekend volume \$354M



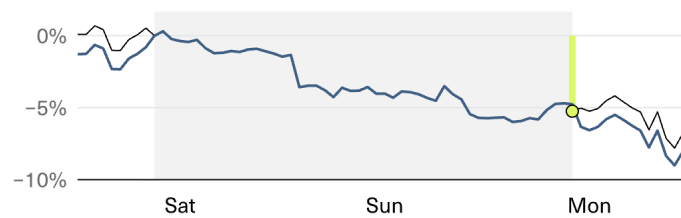
Jul 10 to 12, 2026

CME gap +3.8%, Hyperliquid +3.3% an hour before open: 87% priced
Weekend volume \$210M



Jul 24 to 26 (ceasefire headlines)

CME gap -5.2%, Hyperliquid -4.7% an hour before open: 90% priced
Weekend volume \$372M



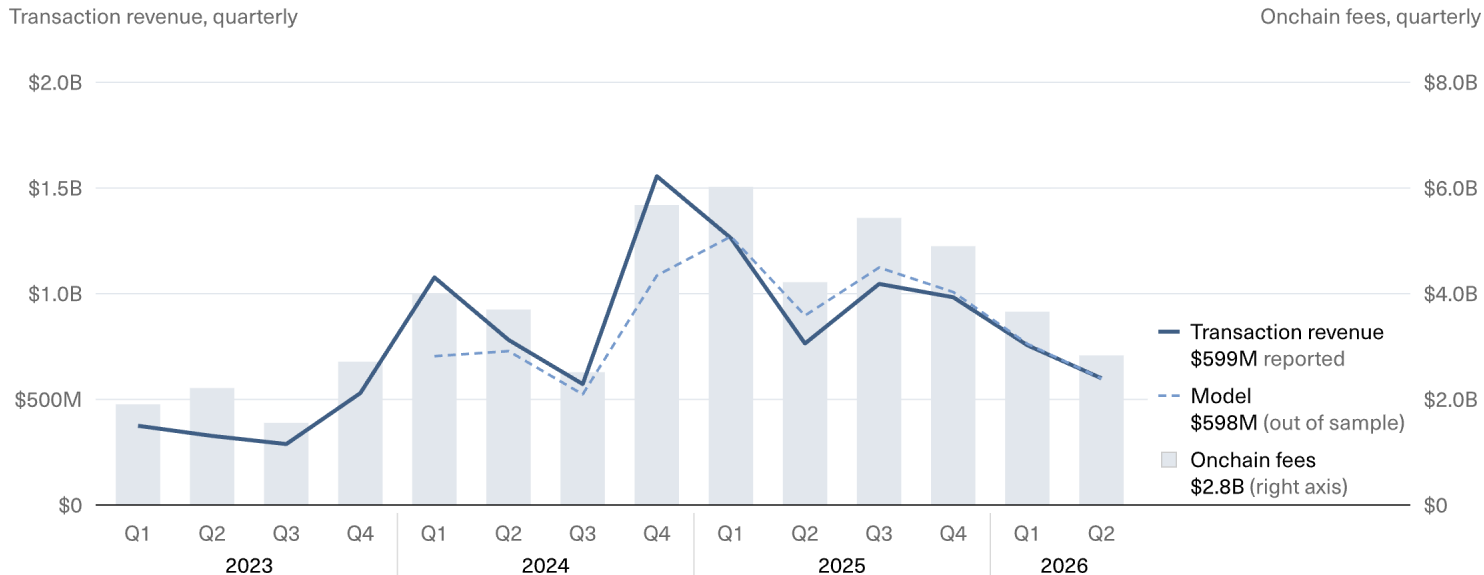
RWA perps and prediction markets offer more accurate off-hours and pre-IPO price signals:

- **Weekends:** Hyperliquid oil perps priced 87-97% of CME's WTI reopen gap on the largest Iran-conflict weekends.
- **Pre-IPO prices:** SpaceX traded onchain 7 months before its IPO - see p77 how it moved ahead of each filing before public disclosure
- **Even weather forecasts**, as Crosier evaluated in a [recent paper](#)

These markets are still illiquid by TradFi standards, but signals start to matter: Bloomberg added Hyperliquid RWA-perp feeds and stablecoin data to its Terminal. Allium details more examples of [onchain as alternative alpha](#).

Hyperliquid WTI perp (xyz:CL) against the CME WTI front month over four weekends in 2026, both rebased to their Friday 21:00 UTC level
Source: Hyperliquid, Yahoo Finance; Selected from the 23 weekends with complete data, Mar 20 to Oct 2, 2026.

Onchain data helps predict companies' earnings calls



Source: Coinbase shareholder letters and 10-Qs; 1kx revenue report (onchain fees). Model: log-log fit on 2022+ data, one quarter ahead, out of sample from 2024 Q1.

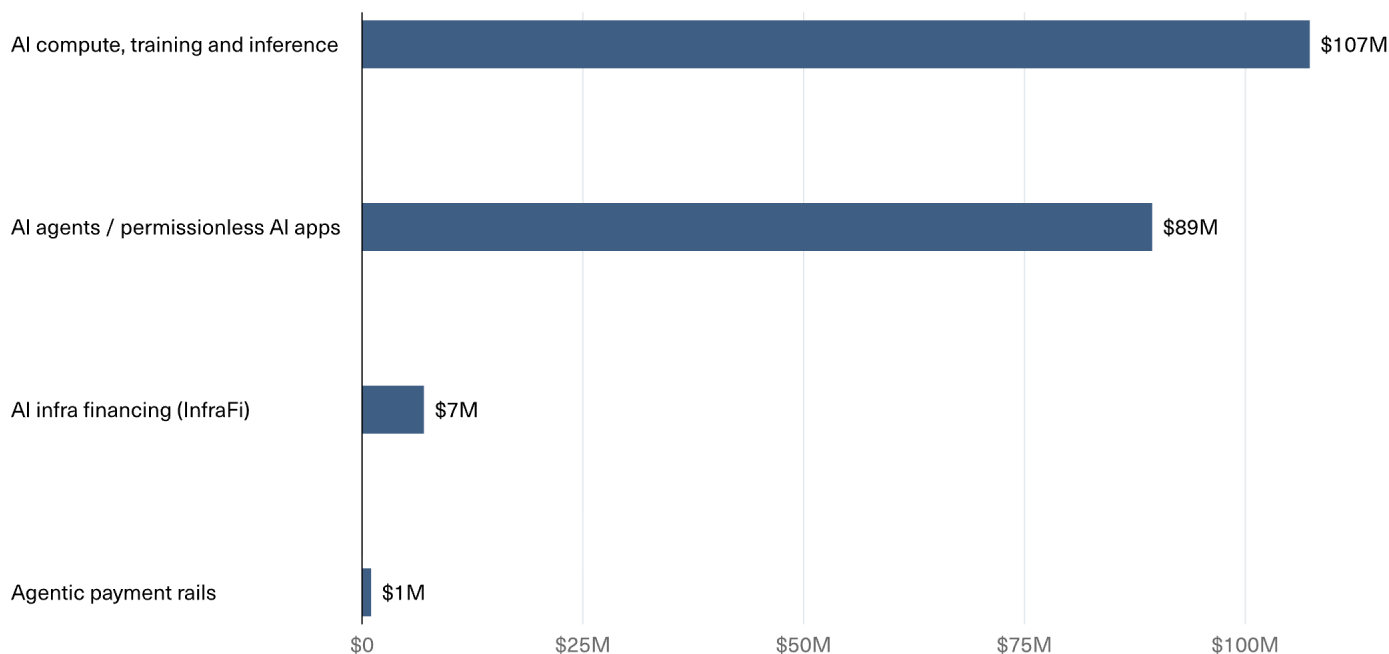
For companies whose income depends heavily on Blockchain revenues, onchain data helps predicting their earnings - making it a baseline requirement for analysts:

- **Coinbase:** a simple regression on our onchain user-paid fees predicts revenues with <2% median error since 2025; CoinMetrics and Messari/Blockworks regularly publish low single-digit-error estimates
- **Circle:** USDC supply is traceable onchain, so revenue estimation errors are below 1% (e.g., Allium)
- **Bitcoin miners:** difficulty, block rewards, fees, and pool payout addresses are onchain, so quarterly mining revenue is derivable from hash price times realized hashrate before monthly production releases; remaining error lies in power costs and AI/HPC contracts

Beyond modeling, prediction markets offer markets on quarterly earnings of public companies; CBOE and Robinhood announced SEC-regulated KPI/earnings contracts.

Can the “machine-native economy” drive onchain revenues?

\$205M AI-related onchain fees, 2026 YTD



¹ ~\$1-2M monthly volume in '26 vs. \$5M+ in Q4 '25; 29M payments averaging 6ct in August 2026, MPP does <1M monthly payments. See [Allium, State of Stablecoins and Payments Q3 2026](#)

² E.g. Goldman Sachs \$5.3T 2025-2030, Morgan Stanley \$2.9T 2025-2028

BlackRock’s “[Machine-Native Economy](#)” argues AI is a demand source for digital assets via agentic payments and compute. Today they are limited in scale on Blockchain rails (see [Fanti and Jules](#)) and still early-stage: Onchain user-paid fees are ~\$200M in 2026 YTD.

As stated in our Cost of Trust Thesis 2.0, we believe these two areas will gain relevance: as intelligence gets cheaper, the bottleneck shifts to trusted deployment (credentials, data access, policies, payments). However, traction is low, yet:

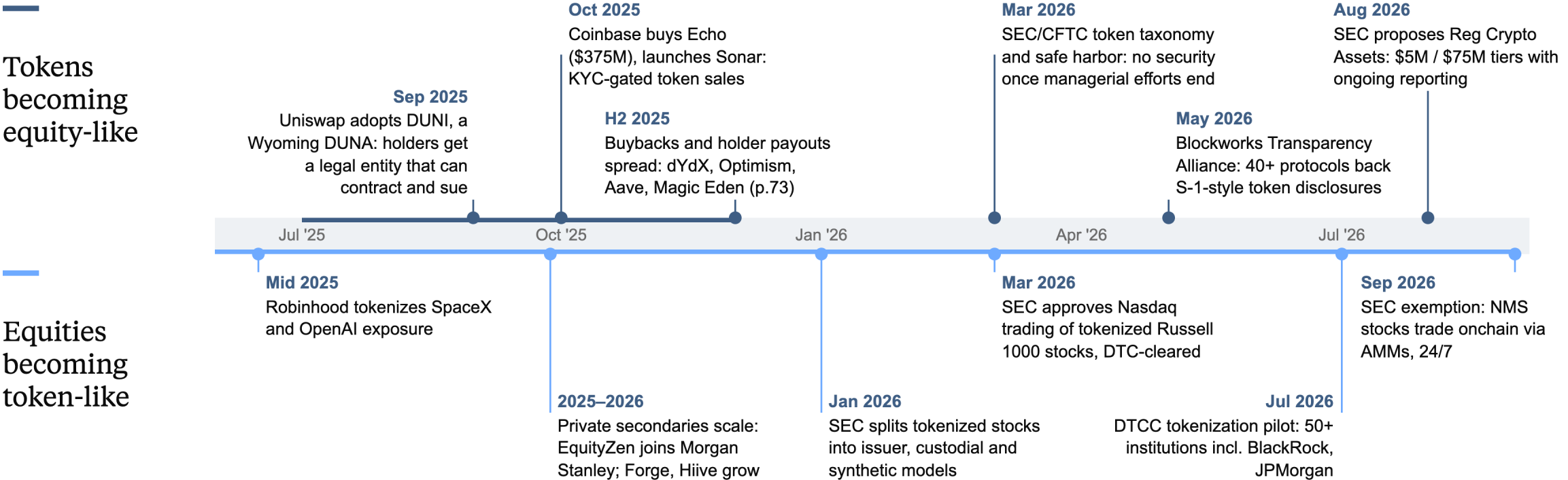
- **Agentic payment rails:** x402 demonstrated the capacity to facilitate high-volume micropayments, but activity has since declined¹; other standards either stall (Stripe/OpenAI's ACP) or lack usage data (Google's AP2, Visa's TAP). Given leading agent frameworks' integration with card networks, blockchain payment rails may prove more relevant where traditional payments remain constrained, such as cross-border, high-value and underserved-market transactions.
- **Compute markets:** onchain perps and prediction markets have small, single-digit million volumes, most traction is on related equities and ETFs; CME started H100 and B200 futures in October; Kalshi's CEO predicts compute futures worth \$100T+ by 2030².

This should benefit decentralized AI compute, training and inference networks, and InfraFi protocols, which generated \$7M in protocol fees this year (e.g., USD.AI with \$300M+ loan volume)

Tokens become more equity-like, while equities become more token-like

We classify onchain capital formation as on the brink of becoming a mature market in our Cost of Trust Thesis. Two trends underneath might accelerate its convergence:

- Tokens attempting to provide guarantees to holders beyond economic promises. Clearly the market started to reward such, e.g., via value distribution as shown on pp. 33ff.
- Equity markets gaining more features of tokens



Conclusion and outlook

The end of the bull market in 2025 also marked a peak in Blockchain revenues. Revenues rose again in Q3 vs. Q2, and 2026 is on track for ~\$100B despite the decline.

Against this drawdown, revenues tied to institutional and broader economy adoption are increasing and reached 30% of Blockchain revenues in 2026. This shift comes with rising activity and ownership from TradFi companies across the full stack, from Blockchain infrastructure to middleware to DeFi applications and frontends.

The number of protocols monetizing keeps increasing and, more relevant for investors, the number distributing value to holders is at an all-time high; investing in such protocols significantly outperformed Bitcoin and the market in 2026.

Outlook: regulatory tailwinds, a growing number of tokenized assets, and a market price turn signal an uptrend in Blockchain revenues in the coming quarters, continuing the shift above. This is one aspect of the “convergence of TradFi and crypto”, which makes continuous analysis of onchain data more indispensable than ever. We share regular updates of our observations and the revenue dashboard, and are always open to deepening the discussion with investors and founders.

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Appendix A: Detailed methodology and data

A

Fees vs. revenues: what's the difference?

Econ 101

Net sales/revenues

- COGS

= Gross profit

- SG&A, marketing, R&D, other opex

= Operating income

- Interest income/expense

= Earnings before taxes

- Income taxes

= Net earnings

Capital distributed (dividends, buybacks)

Decentralized protocols

Fees

- COGS / supply-side revenue shares

= (Protocol) revenue

- Protocol/foundation expenses
- Token rewards (beyond supply-incentives)

= Operating income

...

Value distributed to token holders

Data providers in the decentralized ecosystem use “fees” and “revenues” differently from conventional financial reporting:

- **Fees** represent the total user payments to protocols, analogous to net sales or top-line revenue in traditional P&Ls. These are typically transaction costs, such as swap fees (DEX) or gas fees (Blockchains), hence “fees”
- **(Protocol) revenues** reflect the portion of fees retained after compensating contributors (the “supply-side fee share”), comparable to gross profit in corporate terms

Decentralized protocols need assets to offer their services, e.g., liquidity for DEX swaps. Contributors provide these assets and receive a share of the fees users pay. This cut can take several forms and leads to the profitability and capital-distribution parts of the P&L (see p. 48).

To align with industry terminology, we use “fees” as defined above; conceptually they correspond to “revenue” in corporate finance, hence “The Revenue Report”.

Where and how are fees generated?

Where are fees generated?

Onchain vs. offchain fees: see the methodology on p. 4 or the glossary for the distinction.

B2B vs. B2C: protocols can't easily tell retail from institutional users, since any wallet can use them directly (unlike public companies, e.g., Coinbase reporting institutional fees separately).

- Our estimates: we count onchain protocol fees as non-institutional, unless reliable estimates exist (e.g., Lido staking income or stablecoin payments)
- What is visible onchain: whether fees come from direct wallet use ("C-type") or from protocol-to-protocol activity ("B-type"). E.g., a frontend aggregator can bundle the gas, bridge and DEX fees of a cross-chain swap into one user fee and pay the underlying protocols itself, making it their B2B customer.

Similarly, Ethereum L2s aggregate many user transactions and pay settlement fees to Ethereum. This creates potential double counting, since both L2 fees and the portion remitted to Ethereum appear in reported figures (see p. 52).

How are fees generated?

The foundational use case is blockchain-based transaction settlement: users pay fees to record transactions (e.g., transferring 1 BTC) on immutable ledgers. Transaction fees remain the core business model for blockchains, while further sectors build on decentralized, permissionless infrastructure:

- **Blockchains:** transaction and settlement fees on L1s, L2s, and MEV protocols
- **Middleware:** developer tooling, oracles, identity and bridges, e.g., bridges charge fees for cross-chain transfers
- **DePIN:** real-world services (compute, storage, connectivity, data) monetized via user fees
- **DeFi/Finance:** DEXs, derivatives, lending, staking, vaults, payments, stablecoin/RWA issuance
- **Wallets:** interfaces like Phantom or MetaMask charging swap or transaction fees on top of integrated DeFi services
- **Consumer:** gaming, gambling, social, digital art (NFTs) and content platforms

Who is getting the protocol fees?

Four groups benefit from protocol fee flows

01	Contributors	validators, liquidity providers
02	The protocol	Treasury / foundations
03	Active token holders	e.g. stakers or governance participants
04	Passive token holders	e.g. just hold tokens in wallets or exchanges

Fees first cover contributor costs (e.g. Bitcoin miners capture all transaction fees). The remainder is protocol “revenue”, comparable to gross profit in corporate finance terms (see p. 46).

¹ Exception: XYO protocol officially registered as a security, with semi-annual reports.
² Tokens are burned by sending them to a non-accessible (zero) address.
³ Users pay priority fees to move their transactions to the front of the queue for the next block.
⁴ Tax tokens charge a fee each time they are transferred, monetizing token velocity.

Value accrual mechanisms

Because direct fee distributions to token holders face regulatory hurdles, protocols use alternative mechanisms¹:

- **Fee sharing:** a portion of fees kept by the protocol or distributed to stakers; staking signals long-term commitment or is required for governance and reward eligibility
- **Buybacks:** fees in non-native assets used to repurchase native tokens, then redistributed (e.g. Aerodrome converts swap fees into AERO for lockers)
- **Burn mechanisms:** tokens acquired via fees are destroyed (“burned”²) to reduce supply (e.g. Ethereum’s fee burn alongside validator rewards)

Many protocols blend these, e.g., Ethereum distributes priority fees to validators and burns base fees³. Governance monetization (bribes), tax tokens⁴ or service access exist but are beyond scope; Valueverse offers a full classification.

This report centers on fees as protocol net sales, directly shaped by operational activity and less constrained by regulation, and contrasts them with value flows to tokens and treasuries, noting current distributions are often driven more by compliance than business motives.

Measuring cash flows and profits is easier said than done for protocols

Bottom-line metrics are rich in caveats

User fees do not directly accrue to protocols or their token holders. This reflects regulatory considerations (e.g., avoiding security classification), reinvestment priorities, and the need to fund contributors. Fee-based top-line analysis hence cannot be translated directly into bottom-line metrics for cross-protocol comparison.

Nevertheless, we share two metrics, inspired by those commonly provided on data platforms, that approximate traditional profitability metrics when assessing value accrual to tokens.

Metric 1: protocol revenue / gross profit

Fees retained by the protocol and token holders after contributor payouts. Close to gross profit, yet heavily dependent on protocol design and business decisions, e.g.:

- **Bitcoin:** all fees accrue to miners, so gross profit for BTC holders is always zero
- **Uniswap:** swap fees accrue to liquidity providers, and gross profit was zero before 2026 when token holders voted to redirect a portion for a distribution to the protocol and token holders

Metric 2: value distributed to token holders

The **value distributed to token holders**, analogous to dividends or buybacks¹. It aligns with holder revenue (per DeFiLlama): the share of protocol income distributed to holders via buybacks, burns, or rewards (often limited to active holders, see p. 48).

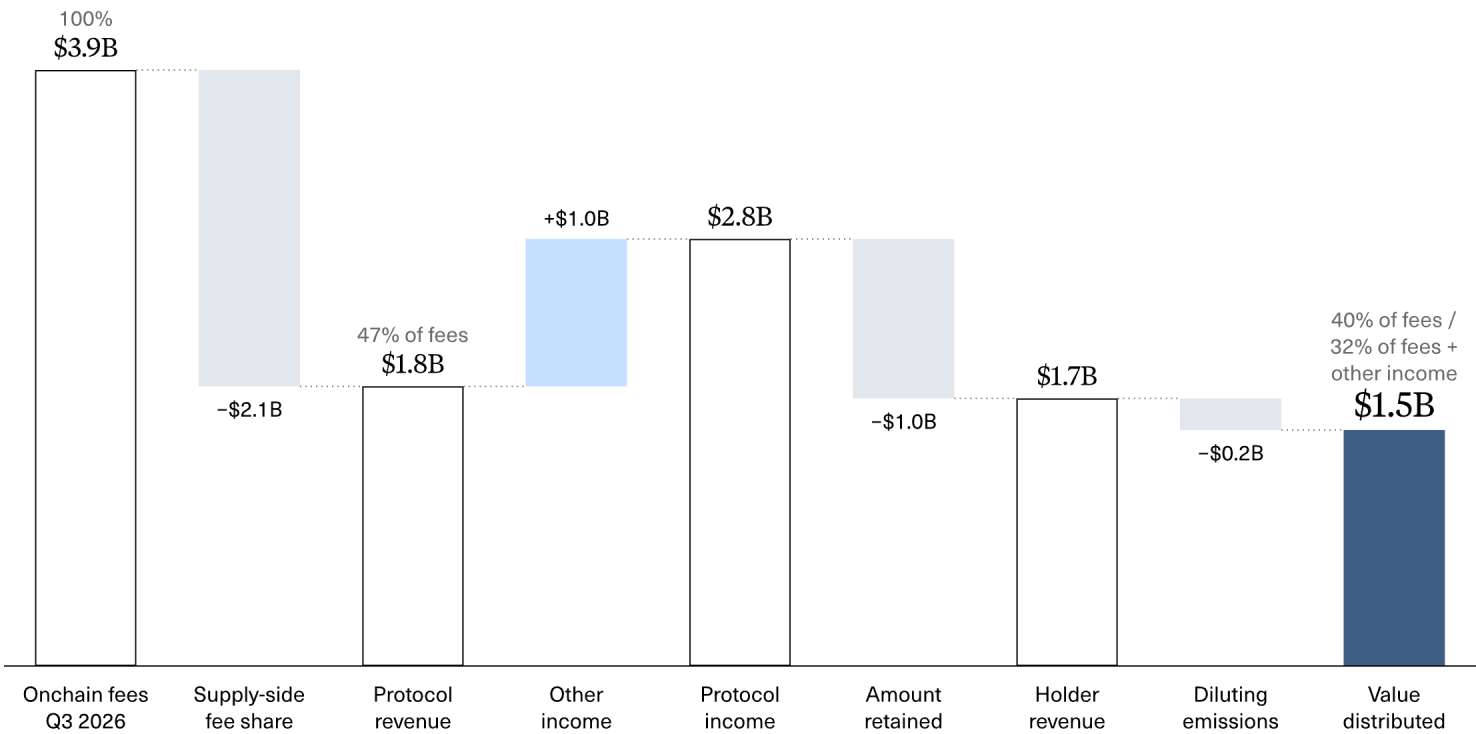
It also adjusts for dilution, as some holder revenue coincides with new token emissions, potentially resulting in negative net value. As such dynamics are common in Blockchains², early-stage protocols, or by design³, we report only positive net distributions when aggregating, consistent with how aggregate capital returns are treated in corporate finance.

¹ Captures only immediate economic value, excluding, e.g., governance rights over treasury allocation, parameters, and strategy.

² E.g., in Q3 2026 \$9.7M worth of ETH was burned (holder revenue), yet \$401M worth of ETH was emitted to stakers.

³ E.g., Burn-Mint-Equilibrium.

From onchain fees to value distributed to token holders (Q3 2026)



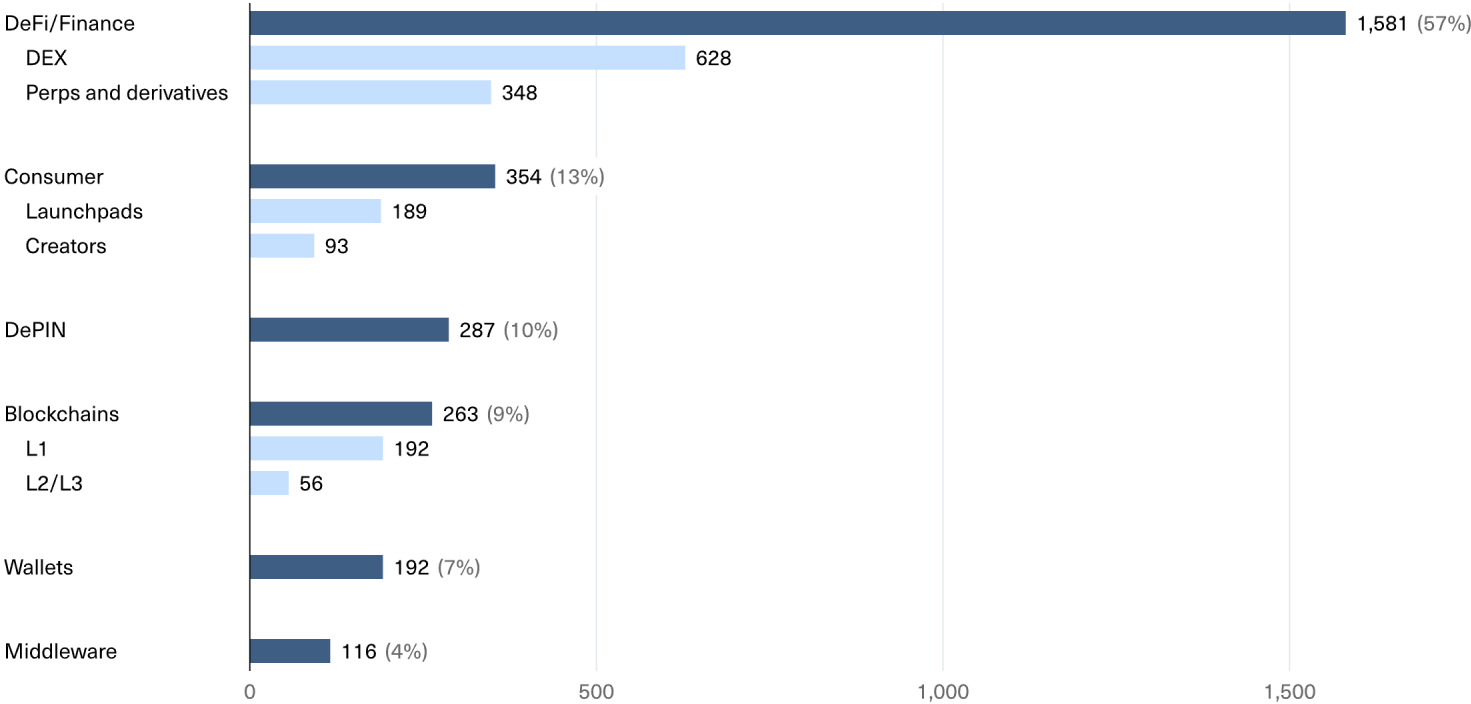
Q3 2026 onchain fees were \$3.9B. The related profit metrics have caveats when put in contrast:

- **(Protocol) revenue:** \$1.8B / 47% of fees, so 53% was paid out to contributors; the largest part is DEXs (42% of that), typically paying out liquidity providers
- **Protocol income:** revenue plus other income (e.g., BNB auto-burn, Hyperliquid's USDC yield)¹
- **Holder revenue:** 63% of protocol income is passed directly or indirectly (e.g., via burns) to token holders, resulting in \$1.7B holder revenue for Q3. Conversely, protocols retained 39% / \$1.1B. These holder revenues are already net of staking rewards (~\$2.1B)²
- **Value distributed to token holders:** protocols whose emissions did not exceed holder revenue had \$0.2B in dilutive emissions³, resulting in \$1.5B / 40% of fees (32% of fees plus other income) - as a reference: Apple's dividends and buybacks relative to revenues in Q2 '26 were 27%

¹ E.g., the auto-burn of BNB, or penalties of Filecoin storage providers that are burned as well.
² These staking rewards are part of holder revenue, but not included here. They are dilutive emissions, hence a redistribution of values within tokenholders, unrelated to onchain fees
³ E.g. Canton paid \$155M in holder revenue (excl. staking rewards), but emitted \$135M token incentives beyond staking in Q3 2026, which are dilutive and hence leave just \$20M in net value distributed

Underlying data and protocol categorization

Number of protocols in the data set



¹ Many L1s listed on CoinGecko likely do not generate meaningful fees where no data is available.
² Hyperliquid's trading fees and its L1 transaction fees are split into the respective sectors and sub-sectors.

Protocol data was sourced from analytics platforms such as Dune and Allium and aggregated providers including TokenTerminal and DeFiLlama. While this dataset is the most comprehensive to date, it remains incomplete; e.g., it covers 192 L1 blockchains whilst CoinGecko lists 458¹.

We verified and adjusted the source data to align with our definitions of onchain fees and (sub-)sector classifications.

We built on categorizations from DeFiLlama, TokenTerminal and Messari, with two key modifications:

- **Sector aggregation:** these sources do not group categories into broader sectors, so we created six overarching sectors (p. 4): Blockchains, Middleware, DePIN, DeFi/Finance, Wallets, and Consumer
- **Multi-sector attribution:** many protocols span multiple categories (e.g., Hyperliquid as L1 and trading platform²). We allocated fee income by source, so 163 of 2,621 protocols are assigned to multiple sectors.

Businesses spanning multiple sectors are treated the same way in the industry overview (e.g., Coinbase).

Accounting for double-counting

In onchain fees

User-paid fees are sometimes passed through to other protocols when they use underlying infrastructure. To avoid double-counting, we made the following adjustments:

- **Blockchains:** L2s settle user transactions on L1s (e.g. Base → Ethereum); growthpie.com data separates these flows
- **MEV protocols:** some MEV fees overlap with blockchain priority fees (e.g., Flashbots on Ethereum); overlaps adjusted using eigenphi.io data
- **DEXs /aggregators/wallets:** wallets and aggregators route swaps via DEXs; fees reported for wallets exclude DEX-related shares
- **Offchain fees:** CEX token buybacks (onchain) tied to offchain income were deducted from aggregated offchain fee totals

These overlaps accounted for ~3% of H1 2026 onchain fees and will be refined as more granular data becomes available.

In estimates for offchain fees and other income

When estimating total industry revenues (pp. 9, 12), we adjusted for double-counting of user payments:

- **CEX wallets:** revenues from exchange-operated wallets are included under DeFi/Finance, not Wallets; exceptions are Coinbase Wallet and Trust Wallet, classified under Wallets as onchain fees
- **Market makers and CEXs:** offchain market-maker spreads overlap with CEX revenues and were deducted accordingly
- **Blockchains:** validator and infrastructure operator income was excluded to prevent overlap with onchain transaction fees and rewards
- **Liquid staking:** staking rewards (Blockchains) and liquid staking income (DeFi/Finance) are shown separately, incl. the share retained by liquid staking protocols (e.g. Lido)
- **Public TradFi numbers:** when not reported, we derived revenue estimates, e.g., via ETF issuance or derivative volumes

1k(x)

Appendix B: Glossary

B

Glossary

Burn-Mint-Equilibrium	A self-balancing token model where tokens are continually issued to reward contributors and destroyed through user payments, economically comparable to a company that funds operations through equity issuance while offsetting dilution via share buybacks.
CEX	Centralized exchange (e.g., Binance, Upbit). Centralized businesses generating offchain revenue, often with balance sheets, management and regulatory obligations; more akin to listed financial institutions and traditional brokerages or exchanges.
DAT	Digital Asset Treasury Companies are publicly traded firms that raise capital to accumulate and manage cryptocurrencies on their balance sheets, giving investors equity-market exposure to digital assets. Their shares may trade above or below the value of their holdings and carry additional risks from leverage, dilution, operating costs, and management execution.
DePIN	Decentralized Physical Infrastructure Networks use blockchain coordination to deploy and manage physical or digital infrastructure provided by individuals or businesses rather than a single operator, e.g., Helium (wireless), Render (GPU compute), Filecoin (storage), Aethir (cloud and edge compute).
DEX	Decentralized exchange (e.g., Uniswap). Software-based marketplaces that monetize through onchain transaction fees. A CEX is like a stock exchange holding client assets; a DEX is the open-source code version: no company, no custody, just software earning fees each time traders use it.
Governance	How decentralized networks make and enforce decisions: a shareholder-style system where token holders, not executives, vote on rules, fees, and resource allocation.
Holder revenue	The dollar amount distributed to token holders (per DeFiLlama), typically through buybacks, burns, or rewards, often limited to active holders such as stakers or governance participants.

Glossary

Memecoin launchpads	Platforms such as Pump.fun automate the creation, listing, and initial liquidity of speculative community tokens, akin to retail IPO or crowdfunding engines. They earn fees per launch and trade, process thousands of launches daily, and generate hundreds of millions in annualized onchain fees.
MEV (Maximum Extractable Value)	Additional profit a validator or block producer can earn by reordering, inserting, or excluding transactions within a block. TradFi parallels: HFT latency arbitrage, broker-dealer internalization, and specialists' book control. On blockchains, validators have full discretion over ordering inside their block, making these opportunities transparent and enforceable by code.
Node sale	How especially DePINs finance and distribute capacity: investors purchase and operate nodes, earning network fees or tokens, much like owning productive assets in a digital utility.
Onchain fees	Fully recorded on the blockchain, with payer and recipient identifiable via wallets (e.g., payments to validators). We extend this to buybacks when the protocols tie offchain fees to onchain buybacks; see offchain fees.
Offchain fees	Occur outside the blockchain, e.g., card payments for DePIN services or in-game purchases. Some are later brought onchain via fiat transfers or token buybacks; we include these unless clearly not market-sourced. CEXs and market makers keep most income offchain with limited disclosure; buyback programs (e.g., Binance, Gate, Bitget) link offchain profits to tokens, but funding sources remain unverifiable.
RWA (Real-World Asset)	A digital token representing ownership of, or an economic claim on, an offchain asset such as government bonds, private credit, real estate, commodities or fund interests.

Glossary

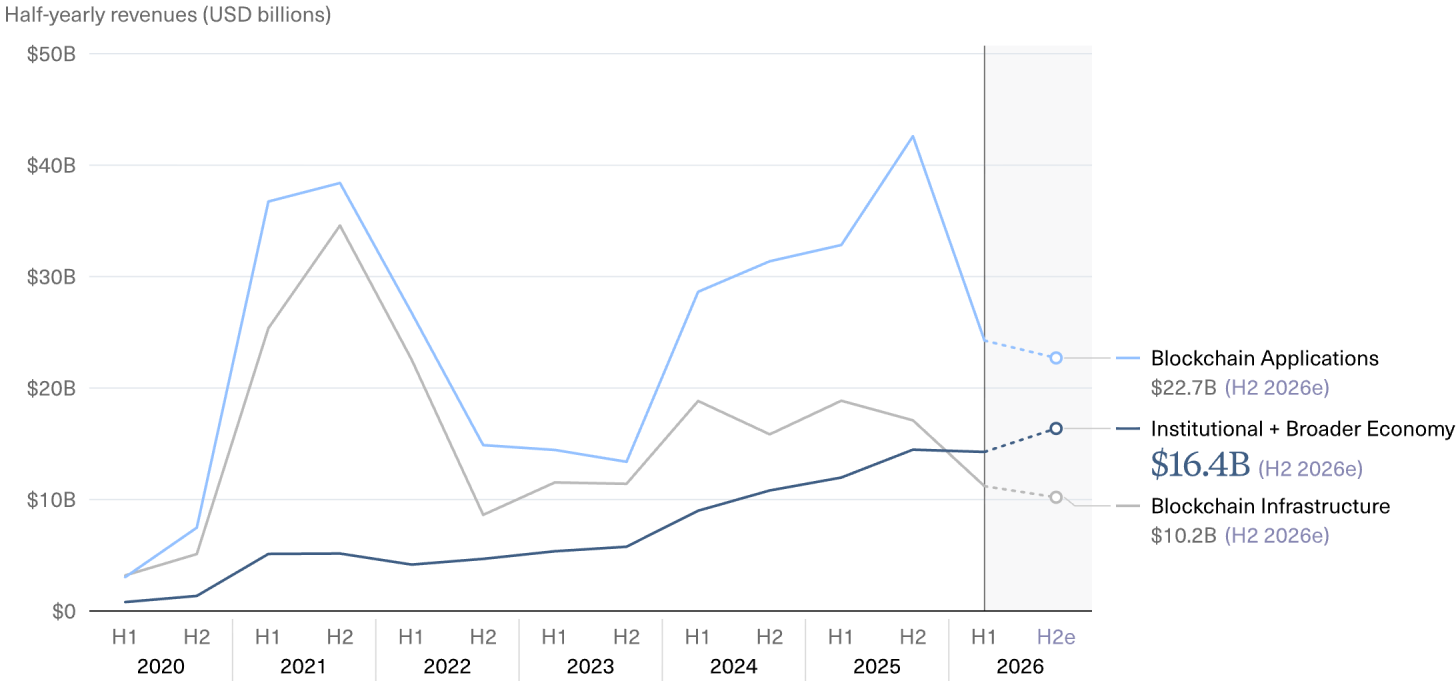
Staking	Committing (“locking up”) tokens to support a proof-of-stake network in return for periodic rewards: a hybrid of a dividend-paying stock and a performance bond, as stake can be forfeited if obligations are not met; also similar to a term deposit.
Tax token	A token whose smart contract automatically collects a fee on every transfer, routed to predefined wallets. One can think of it as a security with an embedded, automated transaction levy - except in crypto, no clearinghouse or transfer agent is doing the deduction; it’s built into the token’s code itself.
Token burn	Permanent removal of tokens from circulation by sending them to an inaccessible address, economically similar to a share buyback followed by retirement.
Token rewards/incentives	Units of a protocol’s token granted to validators, liquidity providers or users for contributing to the network. They bootstrap activity, reward contributions and align incentives; a hybrid of equity grants, in-kind dividends and loyalty points (though here, the “points” are often tradable on open markets).
Value distributed to token holders	Net value accruing to token holders, analogous to dividends or buybacks, adjusted for dilution from new emissions. When aggregating across protocols, we report only positive net distributions, consistent with how aggregated capital returns are treated in corporate finance.

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Appendix C: Additional charts and notes

C

Institutional and broader economy adoption: less cyclical and steadily growing

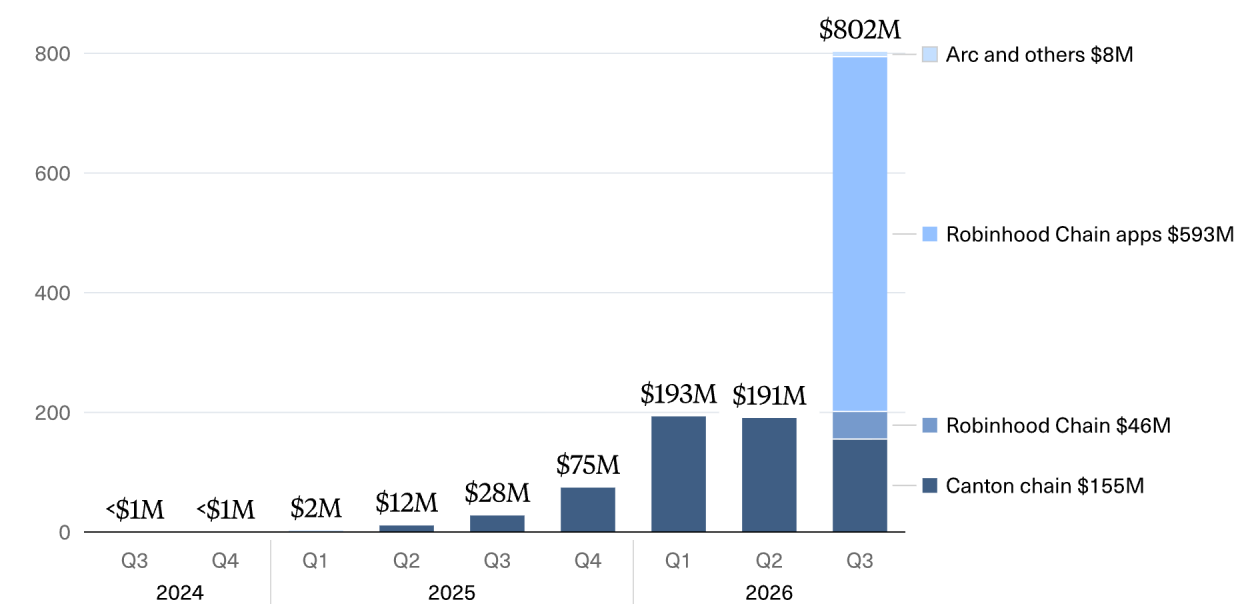


Cyclicity of revenue sources:

Revenues from institutional and broader economy adoption have been smaller, yet rose continuously over the years. They move less cyclical/price-sensitive than revenues of Blockchain applications and infrastructure

Are Canton and Robinhood the counter-example to failed consortium chains?

Quarterly fees (USD millions)



Chains owned by institutional consortiums have had:

- Many failures (ASX’s CHES replacement, B3i, Libra, Fnality, Patriot, Spunta, we.trade, TradeLens, Marco Polo, Contour)
- Low traction, as Sony’s Soneium and Stripe’s Tempo show¹

Canton, Robinhood Chain and Arc (launched in September) start to see meaningful traction, though Canton emits incentives.

Will pilots follow these or the failed projects?

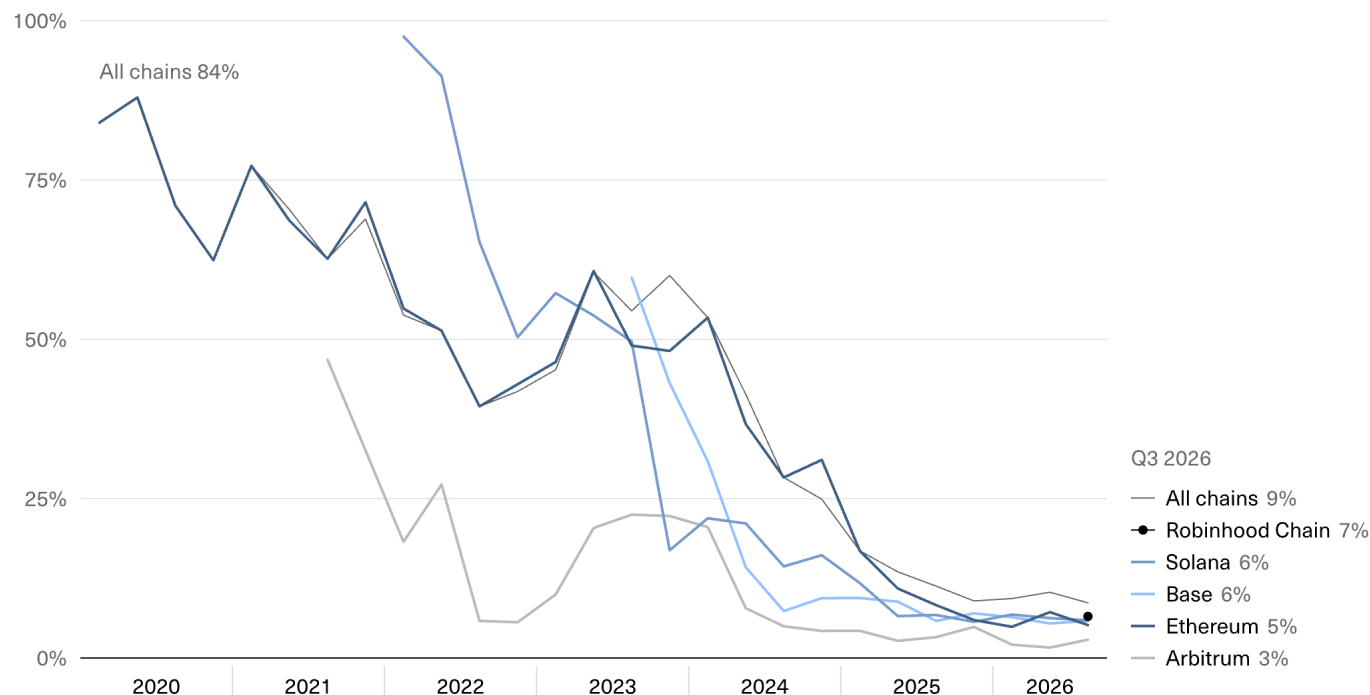
- Swift’s blockchain, started with 17 banks in Q3 2026
- Google’s GCUL, to leave testnet this year
- Central bank projects (ECB’s Pontes and Appia, BIS’s Agora)

For single-company projects without onchain-traceable revenues (HSBC’s Orion, JPMorgan’s Kinexys, Visa’s VTAP), estimates are included in the \$0.6B of incumbents’ owned blockchain revenues.

¹ Traction in terms of onchain app fees is close to 0. In terms of monthly active addresses it’s about 50-100k in Q3 (see TokenTerminal)

The cost of trust keeps falling: Blockchains' take rate keeps declining, approaching levels of traditional payment rails

Base-layer share of onchain fees



¹ Merchant discount rates, see [Congressional Research Service](#) on credit card fees and [Richmond Fed](#)

² Per Allium, [State of Stablecoins and Payments Q3 2026](#)

Blockchain transaction fees decline while app fees increase: the “chain cut” and the cost per dollar transferred approach those of traditional rails:

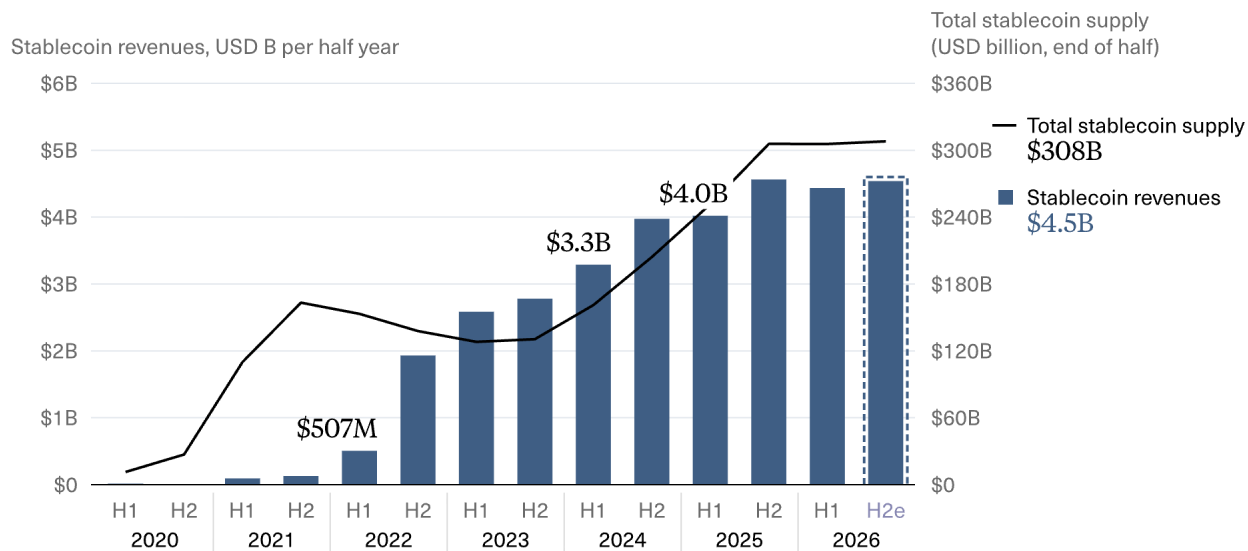
“Chain cut”: chains keep 3-7% of ecosystem fees now

- Approaching card networks / MDRs (1-3%)¹
- Undercutting take rates of app stores (15-30%) or internet connectivity (15%)
- This follows the mechanism described in our [Cost of Trust thesis](#)

Limited to stablecoin transfers (fees per \$ transferred)

- Ranges: <0.01bps (Base), <0.1bps (Arbitrum), <1bps (Solana) and <10bps (Ethereum); volumes need context: depending on use case, H1 '26 stablecoin transfers are \$1.4T or \$70T across chains²
- Below cross-border remittance (~6%) and cross-border P2P costs (2-3%)
- Yet volumes and costs are still far from DTCC settlement at ~0.006bps (\$2.9B on \$4.7 quadrillion processed in H1 '26)

Stablecoin revenue growth stalled in the last year, whilst distribution models come into focus



¹ The largest part of stablecoin revenues is reserve income, mainly from T-bills. The last meaningful revenue growth was H2 vs. H1 2025 in line with stablecoin supply expansion.

Supply and revenue plateaued (9% of total):

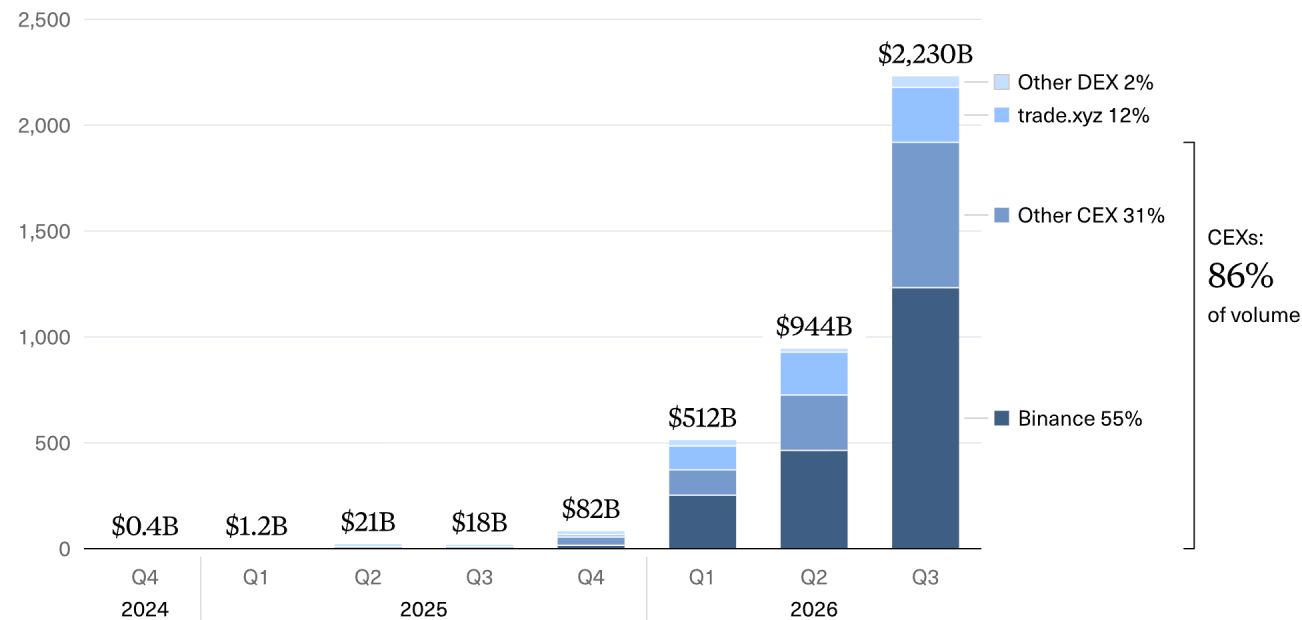
- Total supply plateaued in the past year, and so did revenues¹, keeping the share of total Blockchain revenues at 9%
- Tether does most (est. \$2.9B H1 2026), followed by Circle (\$1.4B); there are hundreds of stablecoins, 15 of which with \$1B+ in supply per Q3 2026

Focus shifts to distribution models:

- Issuer gets reserve income (and then distributes):
 - E.g. Circle has bilateral agreements with Coinbase, Binance or Hyperliquid. Circle's distribution cost was ~59% H1 2026 (e.g., \$655M to Coinbase)
 - Besides partner expansion (e.g. Circle with Samsung), issuers are expanding through Whitelabel solutions, e.g. Polymarket launched pUSD, which has USDC as reserve asset. Such coins reached ~\$0.9B in supply end of Q3 2026
 - Another expansion route is Circle's Arc Blockchain: with USDC as gas token, opens demand beyond distribution partners
- Distribution partners get reserve income: E.g. with OpenUSD nearly all reserve income flows to distribution partners after a management fee
 - OpenUSD reached \$800M supply within its first two weeks early October
 - backed by over 200 partners, incl. founding investors Coinbase, Mastercard, Shopify, Stripe and Visa, alongside BlackRock, BNY, Standard Chartered and major global banks.

RWA trading started on decentralized venues, but 86% of volume is on CEXs now

RWA perpetual volume per quarter (USD billions)



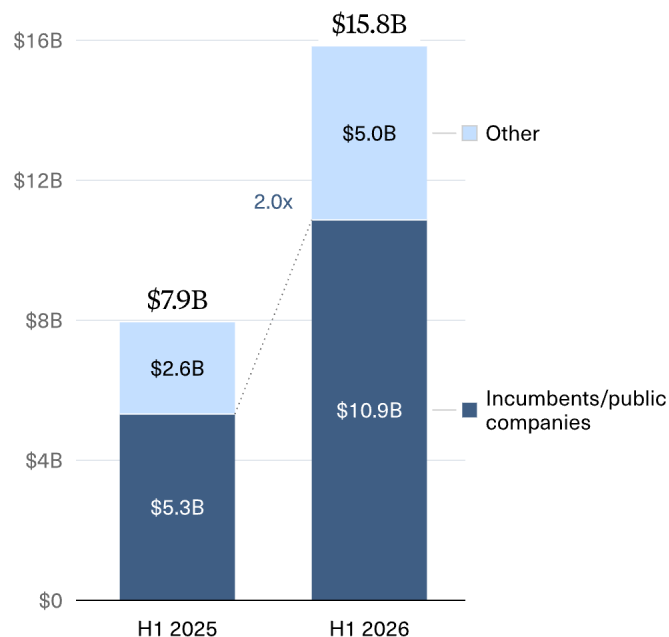
Decentralized venues like trade.xyz (via Hyperliquid) started to offer RWA perp trading, but late 2025 CEXs took over:

- On CEXs: RWA went from <0.1% of perp volume to 18% in 12 months (Q3 '26)
- Binance is the largest RWA perps platform with over 50% of volume in Q3 2026 (though self-reported numbers)
- Trade.xyz is the largest onchain protocol by volume, generates ~1bp in fees on its \$259B volume
- Variational is another decentralized venue that started to catch up with trade.xyz's volumes early October 2026

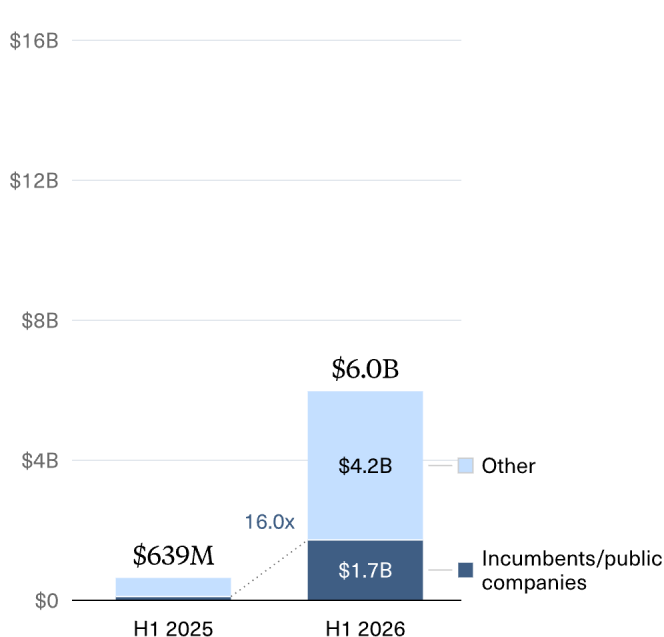
Source: CEX as self-reported / by DeFiLlama's RWA perps data. trade.xyz volume via Hyperliquid API
Note that resulting fees shown on p.19 have a different split (accounting for the potentially overstated volumes and lower take rates: about 1/3 decentralized vs. 2/3 CEXs)

Incumbents' tokenization started with treasuries and moves up the risk curve

Tokenized Treasuries



Tokenized credit



Treasuries are established as a tokenization vehicle for public companies; credit is emerging:

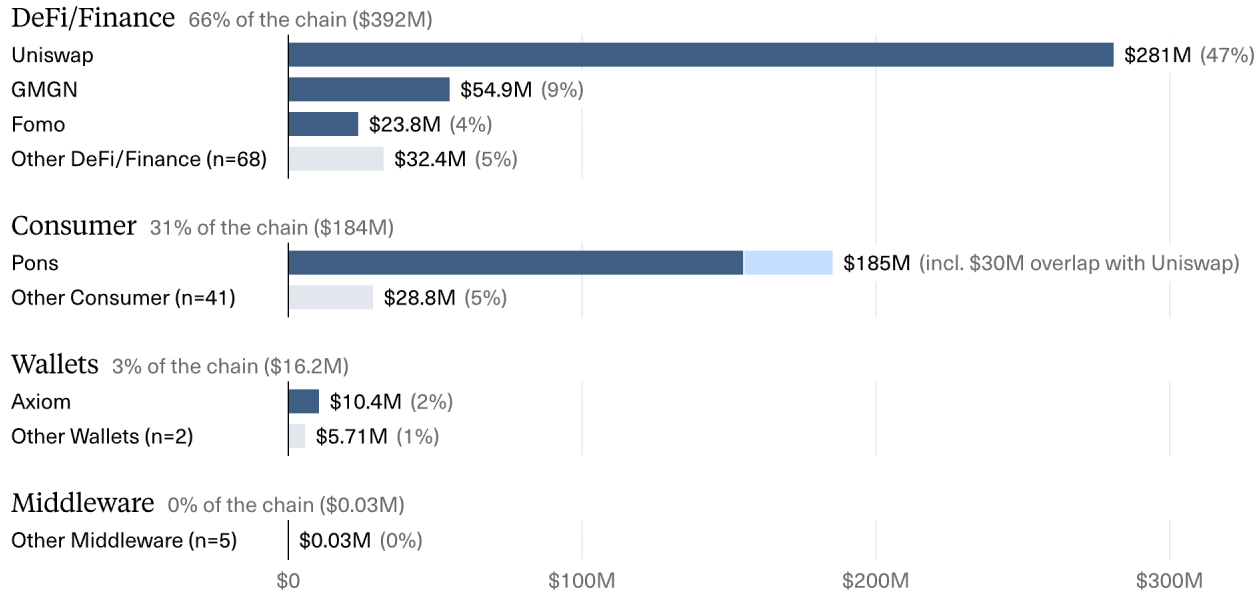
- Largest tokenized treasury TVL: Franklin Templeton (\$2.7B, e.g. BENJI), Circle (\$2.4B, USYC), BlackRock (\$2.3B, BUIDL), WisdomTree (\$1.2B, WTGXX), JPMorgan (\$0.7B, JLTXX)
- Tokenized credit is mainly Janus Henderson (\$0.7B, JAAA), Figure (\$0.6B, PRIME)¹, China Merchants (\$0.2B, CFSRS) and Apollo (\$0.1B, ACRED)

Next step is using these tokens in onchain markets, e.g., a Sentora-curated Morpho vault lends PYUSD against Figure's PRIME home-equity token, or USD.ai's GPU loans.

¹ The issuer here is Hastra, though exposure is to Figure origination and structuring

Trading activity drives Robinhood Chain's success so far

Fees earned on Robinhood Chain, Q3 2026 (USD millions, \$593M total)



1. A Layer-2 settling on Ethereum, allowing cheap fees

- ~9M estimated active users in August paid <2ct per transaction on average; activity in early September pushed that above 30ct
- Of \$46M transaction fees in Q3, 10% / \$4.6M go to Arbitrum as part of the Licensing Agreement; Directly paid to Ethereum for settlement are avg. 13bps¹, so Robinhood drove ~\$60k of Ethereum transaction fees in Q3
- In September, Robinhood raised the gas target, allowing more throughput with less fee impact when activity surges

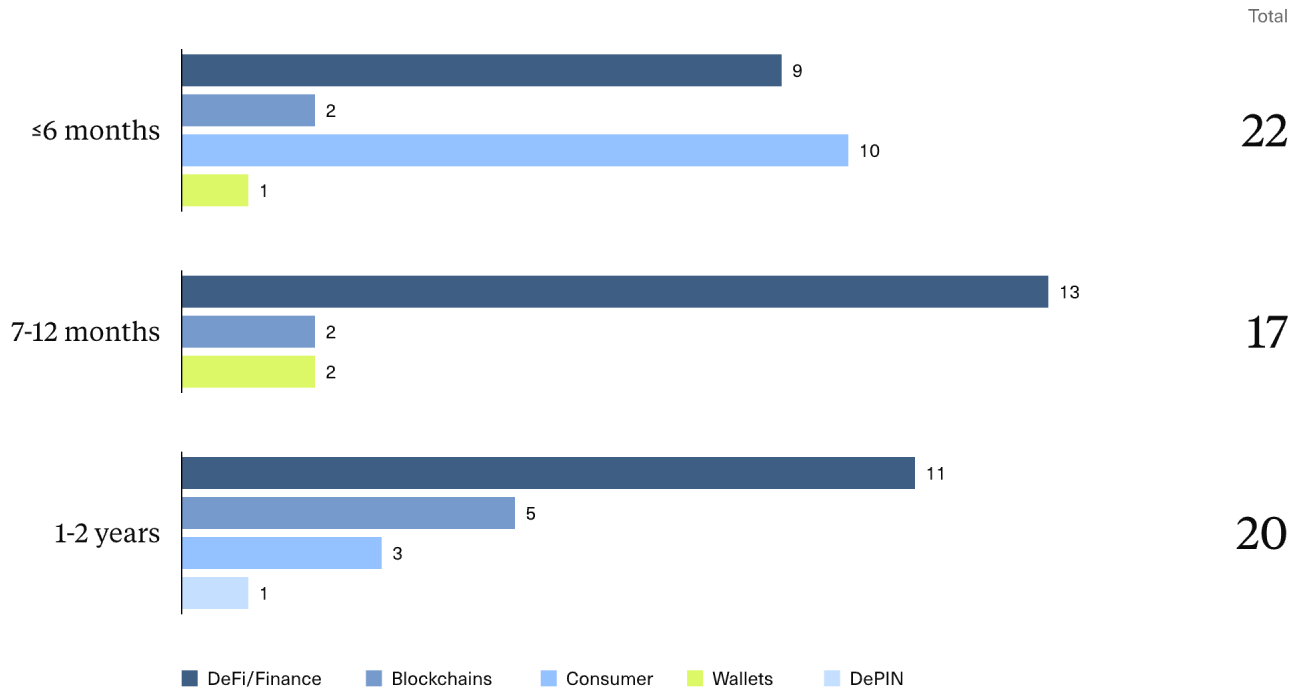
2. App fees are largely trading-related: Uniswap (DEX) and Pons (memecoin launchpad) generate 73%

3. Most activity is from existing crypto users

- US customers, the bulk of Robinhood's base, largely cannot use the chain via the main app under current regulation
- 1% of wallets do 62% of volume and ~16% comes from wallets with 10K+ trades a month ([Bitquery](#)), indicating many bots and pro traders

¹ See L2Beat on the cost of Robinhood Chain to settle on Ethereum

Protocols with unprecedented speed to scale monetization



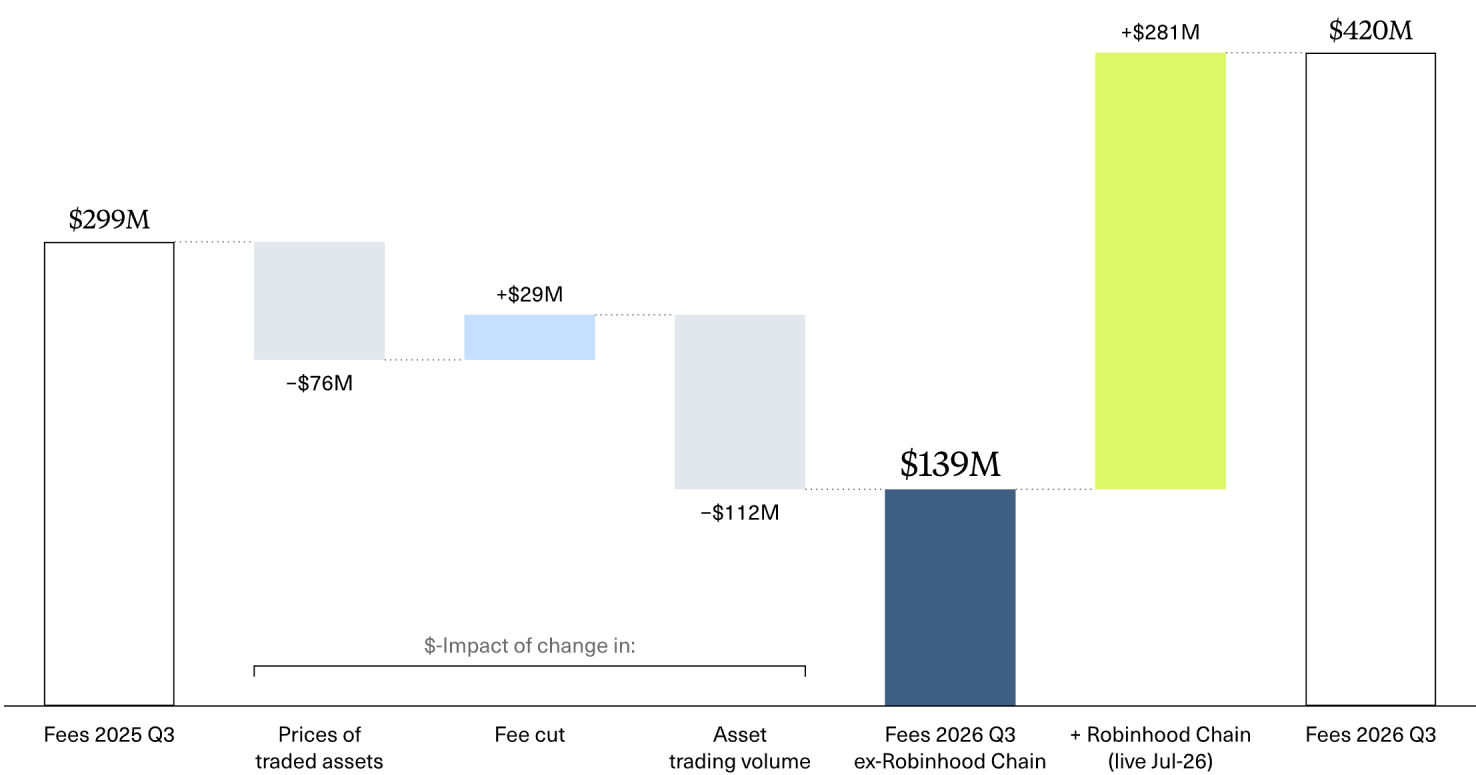
Protocols open a way to scale quickly:

22 protocols generated \$100M+ in annualized user-paid fees in half a year or less; 39 within a year

7 of the 22 started to monetize since 2025: Believe, Bags, Polymarket US, Pons, Robinhood Chain, Stonkfun, and Tokenworks.

Note: Timerange 2020 through 2026-Q3, Annualized fees based on three consecutive months

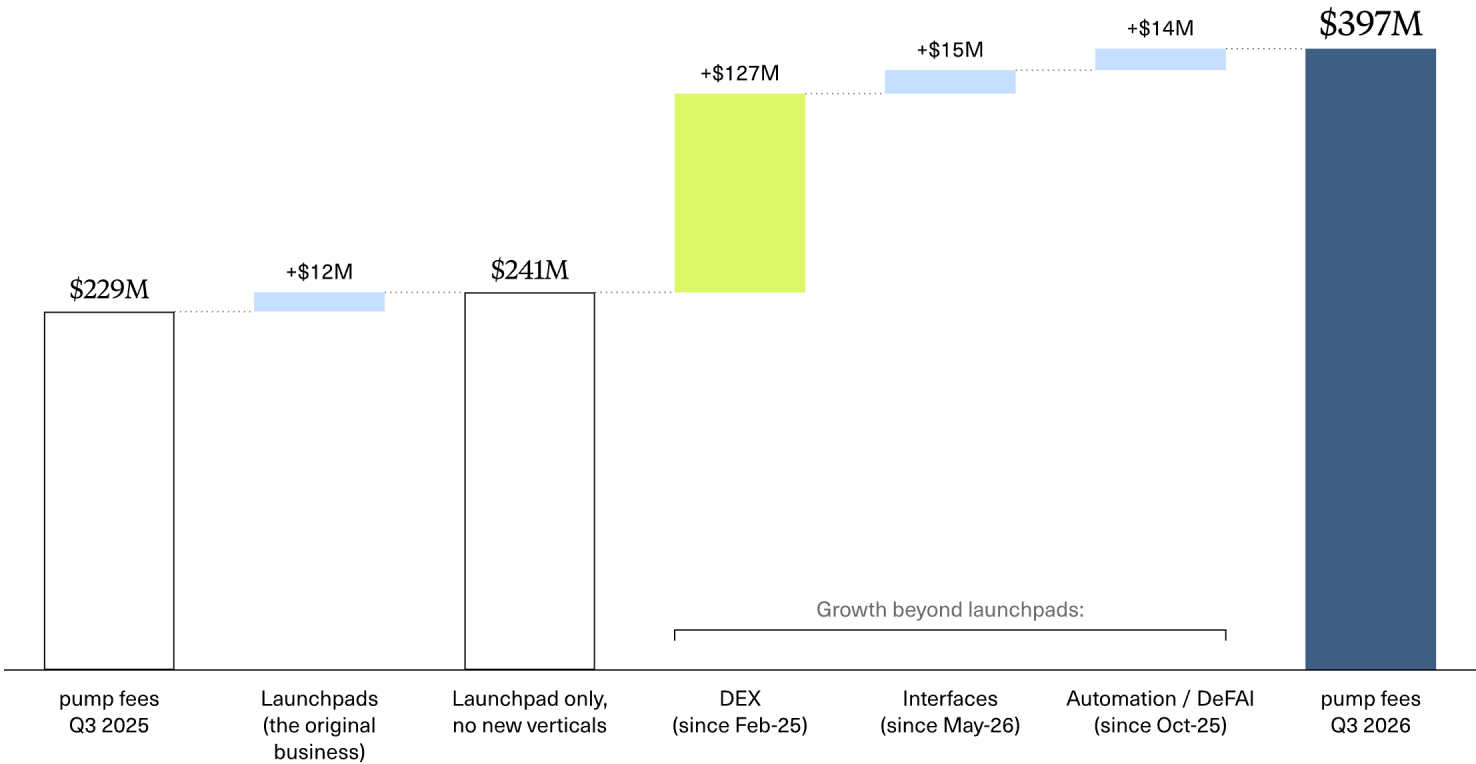
Uniswap fees would be down over 50% YoY without Robinhood Chain



Note that an increasing share of Uniswap fees are based on v4 long tail (memecoin) pools with high fees. Above numbers include all of them per DefiLlama, though some dataplatfroms like TokenTerminal exclude fees of these low liquidity pairs.

- Typical for DEXs in bear markets, Uniswap fees declined with prices and volumes, until it added Robinhood Chain:
- Fees ex Robinhood declined 54% YoY; the Robinhood launch turned that into a 40% increase
 - Trading Volume in total is still down 40% YoY
 - Uniswap also started taking a share of fees as protocol revenue; analysis so far shows no impact on willingness to provide liquidity (v3, e.g., Wang; v4 fees introduced July 31)

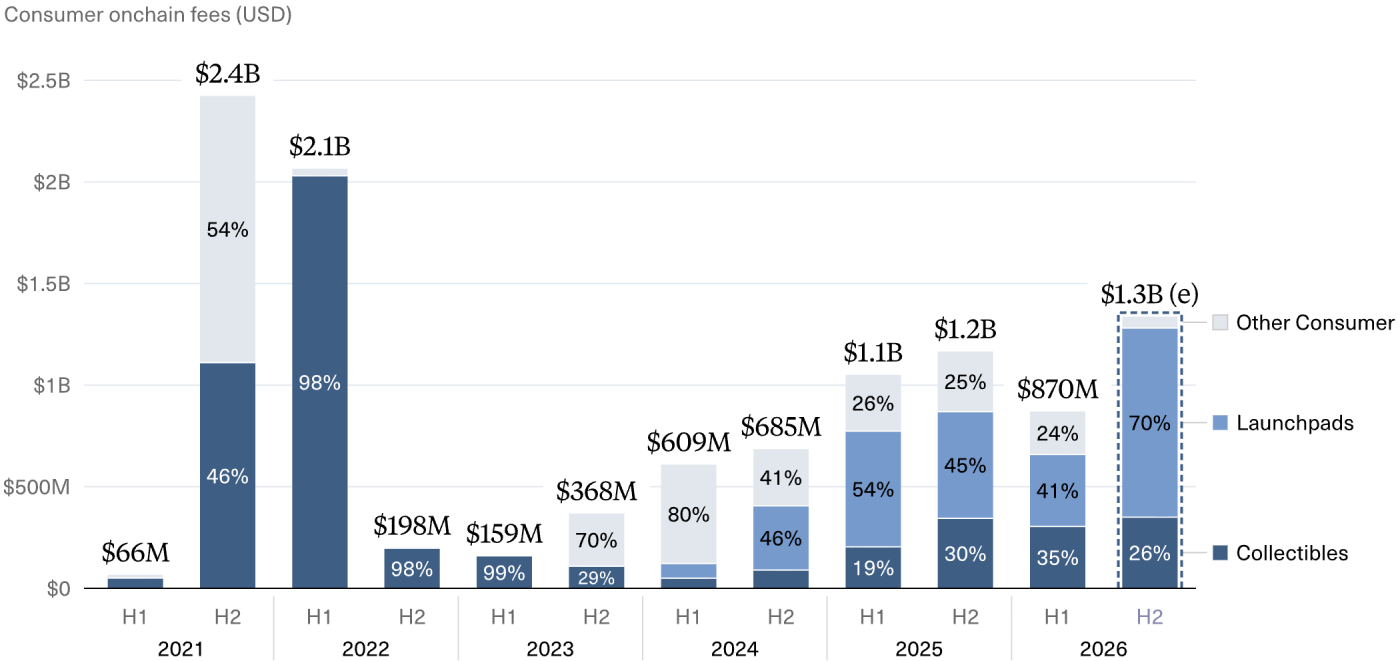
Pump.fun’s 73% YoY gain is almost exclusively driven by vertical expansion



All but \$12M of Pump.fun’s \$168M / 73% YoY fee gains came from new verticals.

Not all protocols succeeded with vertical expansion; for example, Jupiter lost over 70% in fees YoY in Q3 2026.

New forms of collectibles and launchpads lead Consumer fees



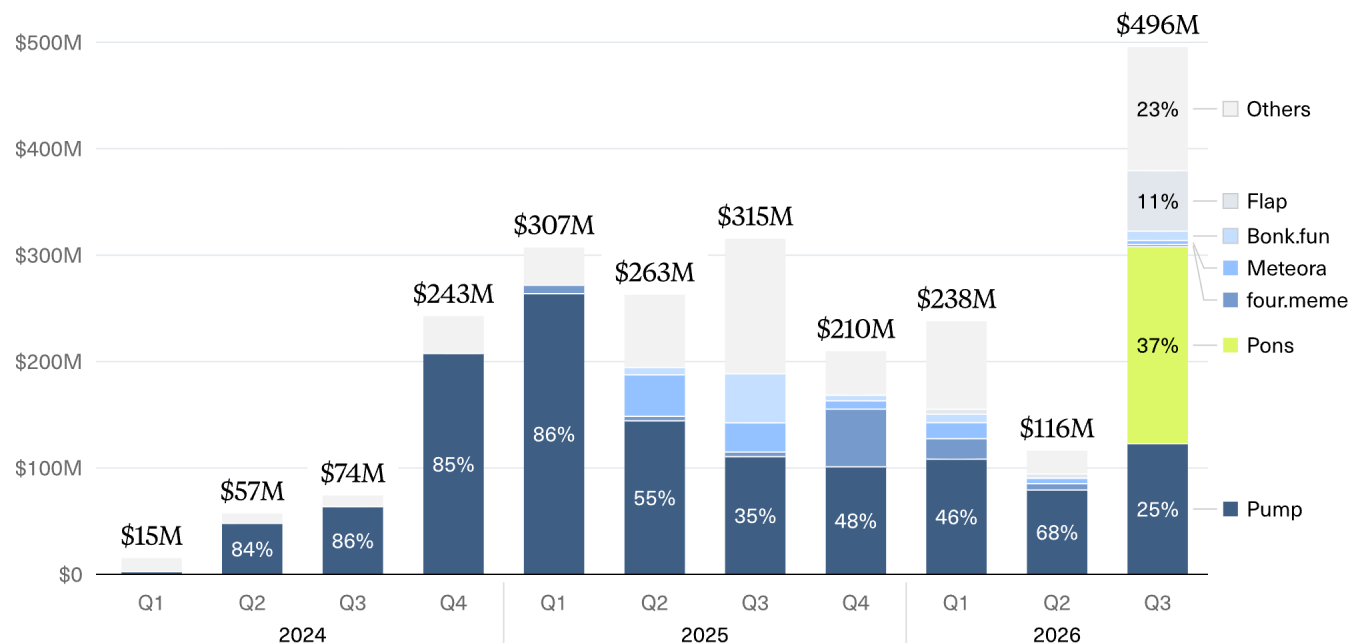
The 2021/22 boom and bust of consumer fees was NFT-driven. The latest increase over the past two years was driven by Launchpads (see next slide) and Collectibles, though not NFTs:

What drove the Collectibles' fees are Phygitals: physical cards and similar collectibles paired with a digital representation.

The main protocols are Collector Crypt, Courtyard, and Beezie. The largest fee generator is Fragment, a protocol on Telegram’s blockchain, letting users trade digital assets and services on Telegram.

Launchpads revive this quarter after a 50% drop in Q2

Launchpad onchain fees (USD millions)

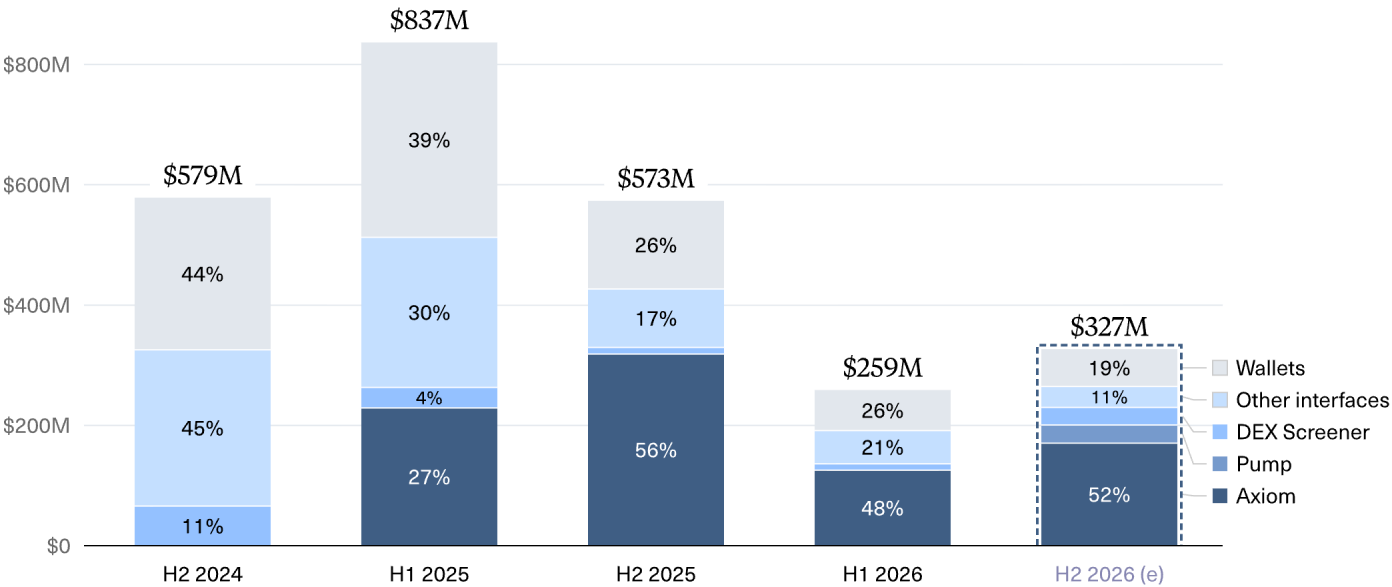


- Pons on Robinhood Chain drove about half of the \$380M QoQ onchain fee gains for Launchpads
- Pump.fun (#1 protocol by total user-paid fees in 2026)¹ has led fee generation from the start; no competitor sustained elevated share and volumes beyond a quarter and Pons was the first to generate more quarterly launchpad fees than Pump.fun

¹ Fees here are Launchpad-Fees only, see also p.67. Similar to Kalshi's perps, Pump.fun and other launchpads are alleged to have some of their volume and fees driven by wash trades, though the conclusive share (so far) is <2% (see arxiv.org/html/2609.10246v1)

Trading interfaces are now 80%+ of the Wallets sector onchain fees

Wallets sector fees, USD millions per half year

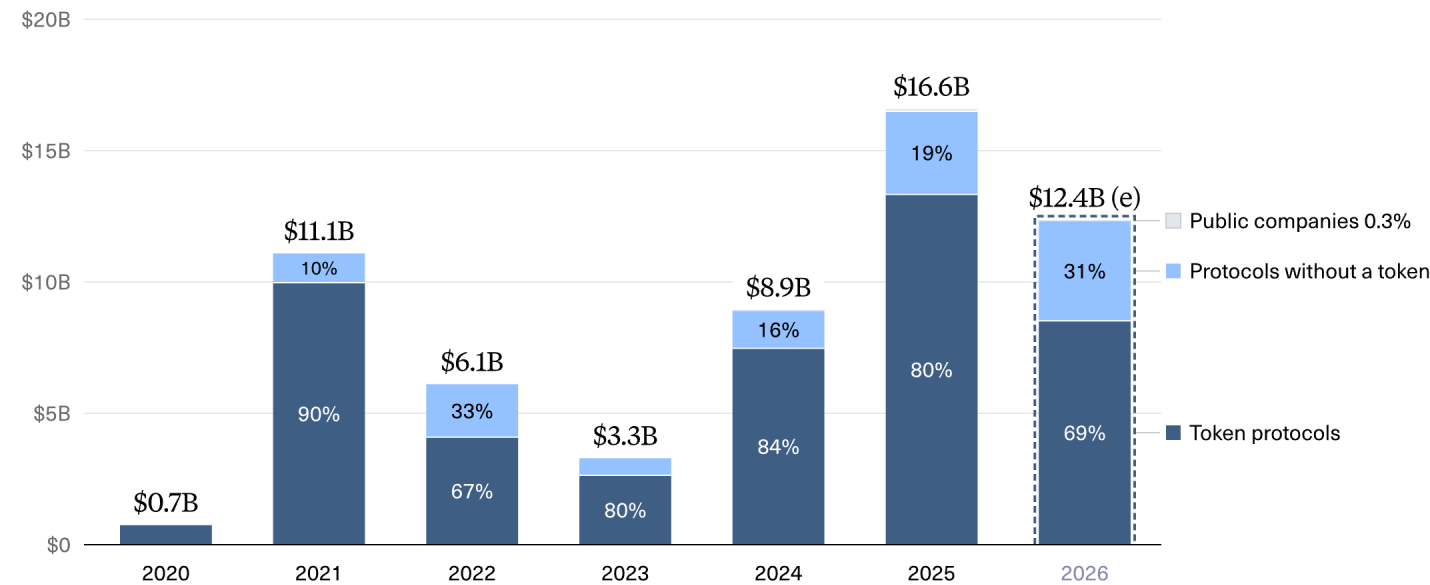


Wallets like Phantom and MetaMask saw a steep rise in onchain fees from 2023 to 2025 by charging additional swap fees in their frontends.

Trading interfaces gained traction in late 2024. Axiom took the lead in 2025 and generates about 50% of sector fees. Many interfaces also integrate with Hyperliquid, e.g., Axiom, trade.xyz, Felix.

31% of onchain App fees accrue to protocols without a token - last seen during the 2022 bear market

Onchain App-fees (excl. Blockchain infrastructure, USD billions)



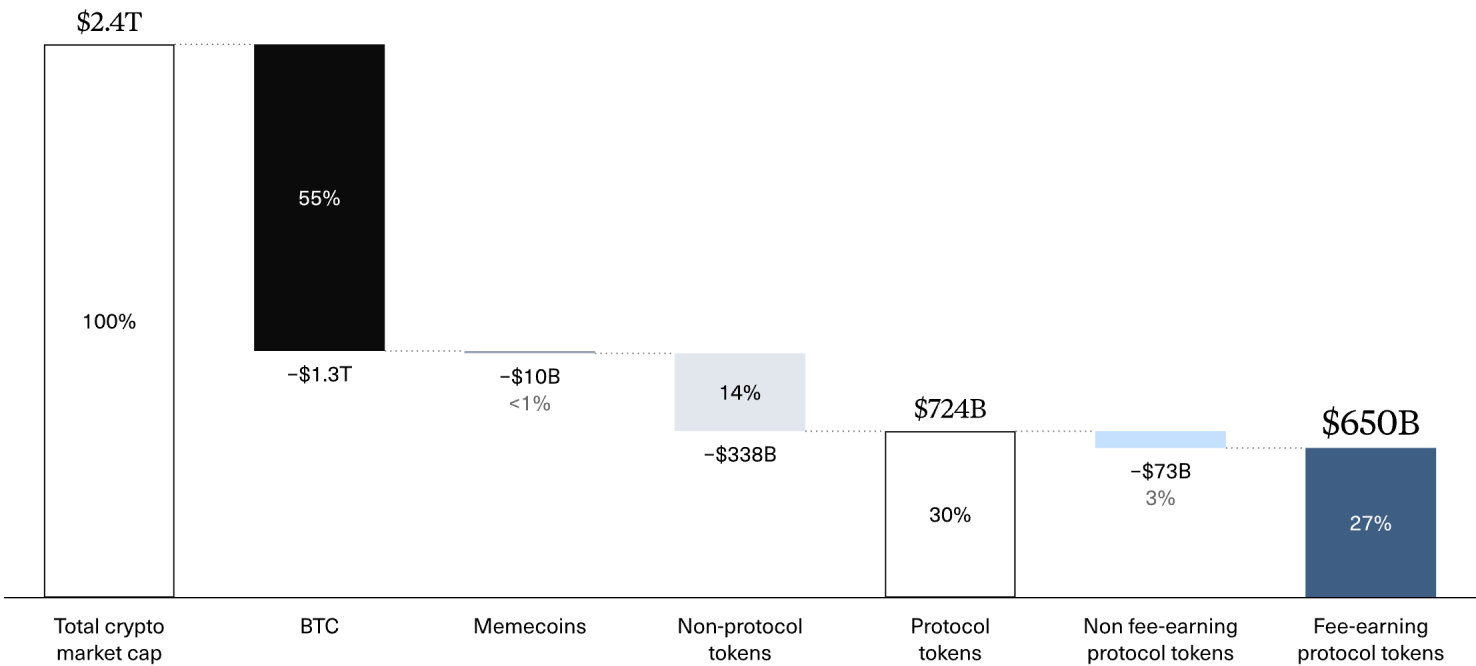
Tokens go hand in hand with onchain fees¹, though protocols without a token took a larger share of onchain app fees this year.

This is partly because token launches declined: among fee-earning protocols, 157 launched a token in 2025. In 2026, we saw 24 by the end of Q3.

¹ Coinbase, with income from Base or Robinhood, is an exception among public companies generating onchain fees

Fee-earning protocol tokens are 90% of market cap excl. BTC, memecoins and non-protocol tokens

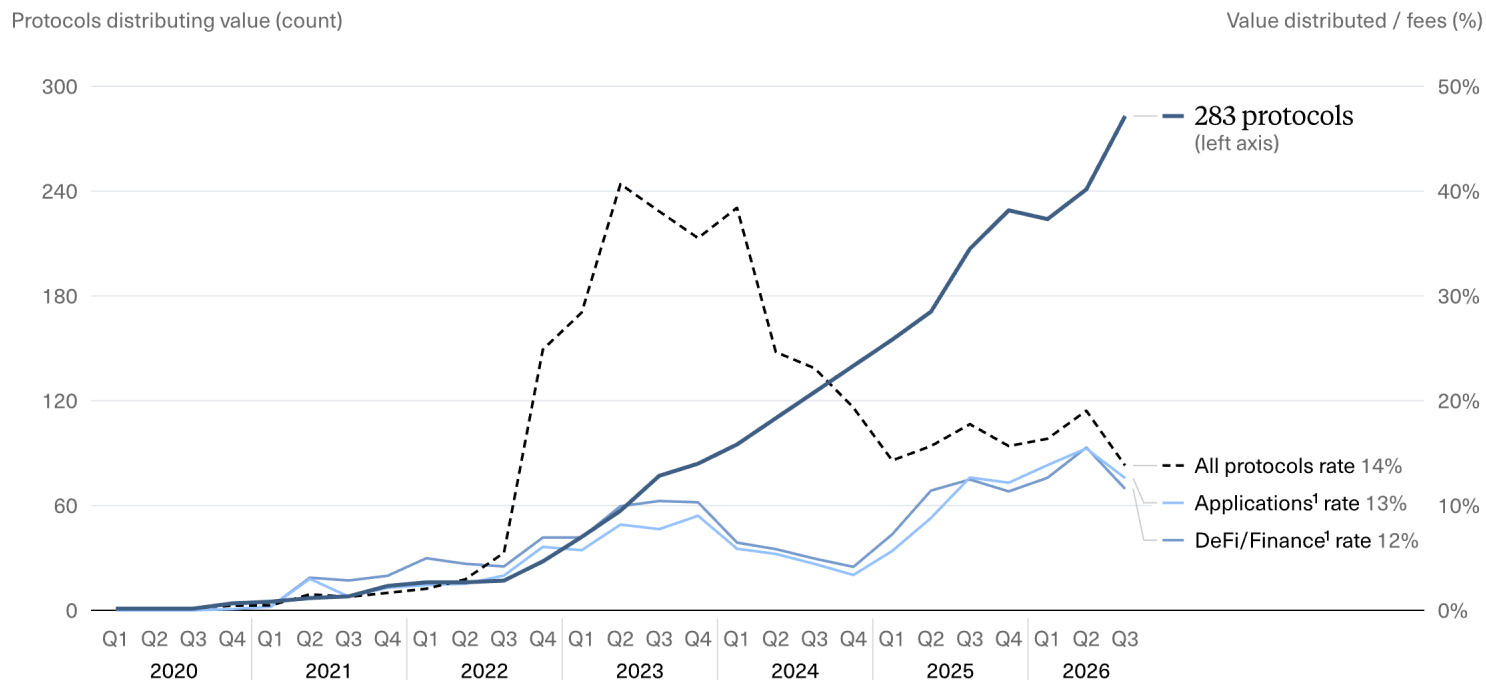
Market cap, Q3 2026 average



The average Q3 2026 Crypto market cap was \$2.4T:

- BTC is 55%; memecoins, stablecoins and other non-protocol tokens are 14%
- 30% / \$724B are protocol tokens, of which 90% are fee-earning protocols

The share of fees distributed to token holders for Applications and the number of protocols are at all-time highs in 2026



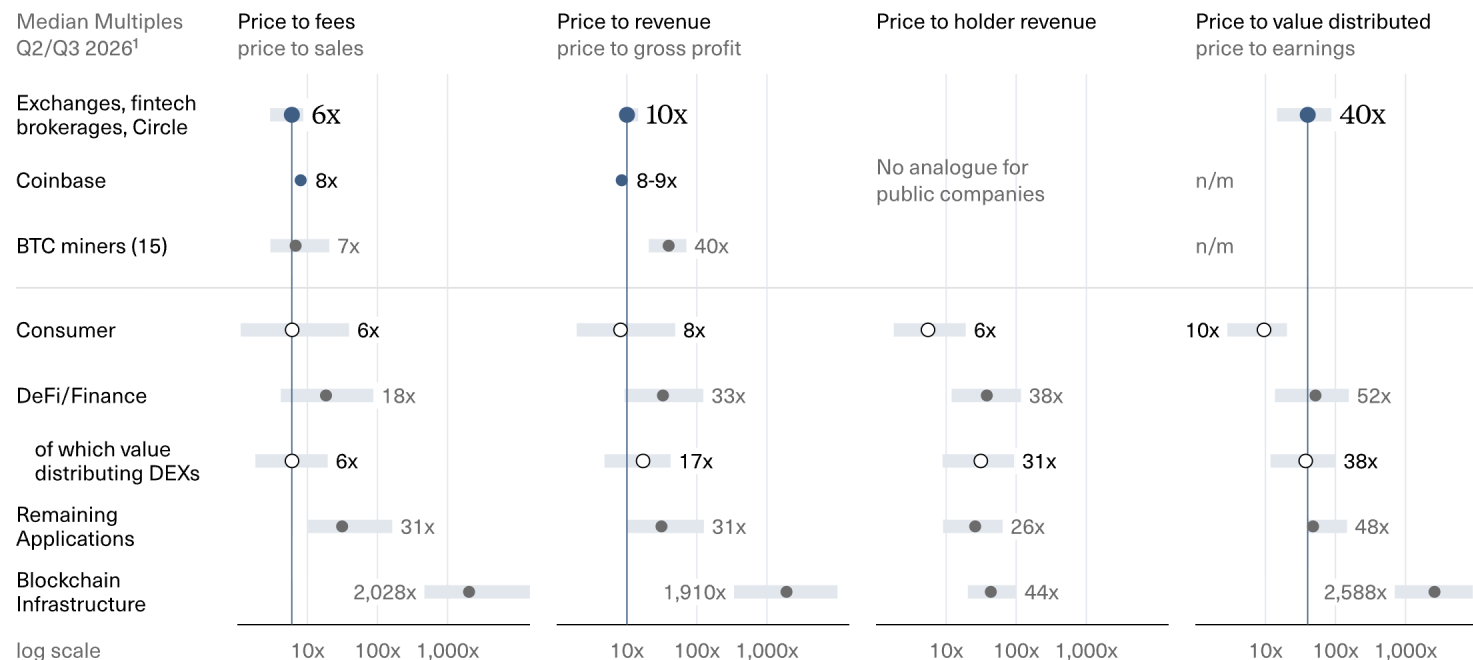
Value distributed to token holders fluctuates, but the distribution rate (relative to onchain fees) for Applications has risen to new highs in 2026¹:

- The number of distributing protocols reached an all-time high in Q3 2026
- The DeFi/Finance distribution rate reached 12%, with Uniswap capturing and distributing revenue² as a prominent example
- Rate and absolute values peaked in 2023 when Ethereum burned 80% of its \$2.4B transaction fees, before the Dencun Hard Fork in March 2024 reduced this and fees declined almost 80% Q3 vs. Q1, causing the decline of the overall distribution rate

¹ Excluded are tokens of centralized entities, e.g., CEX or rollbit - their ratios are 100% as they pledge that the token burns represent platform fees, which distorts the underlying trend of decentralized protocols on the chart

² The burn started Dec 28th 2025 officially

Detailed view on valuation multiples of public companies and protocols



Price-to-sales and price-to-gross-profit ratios of listed exchanges, brokerages and Circle are mostly single digit (Q2 2026), in line with:

- **Value-distributing DEXs** (6x median price to fees); DEXs overall (12x) still trade below DeFi/Finance (18x²)
- **Consumer protocols**, with all multiples between 6x and 10x, reflecting the high share of fees passed through to holders
- The **remaining applications** vary widely, both in how they capture value and in the resulting multiples³

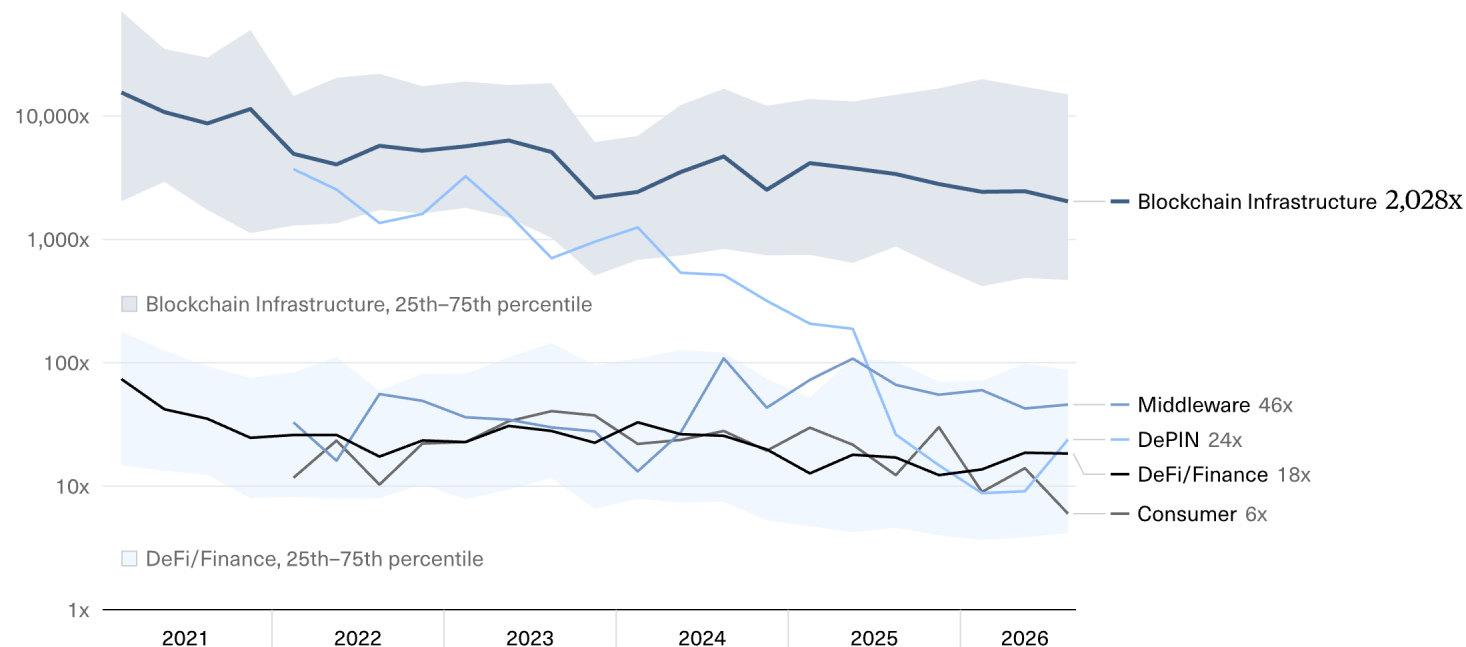
¹ Q3 for protocols, Q2 for public companies

² CEX tokens not included

³ E.g., DePIN trades at a median 24x on fees and revenue but 71x on value distributed, as many DePIN protocols use Burn-Mint-Equilibrium: tokens burned from revenue are largely offset by newly minted rewards

Blockchain price-to-fee stays north of 2,000x while Applications declined over the years to sub-50x

Median FDV / annualised fees (log scale)



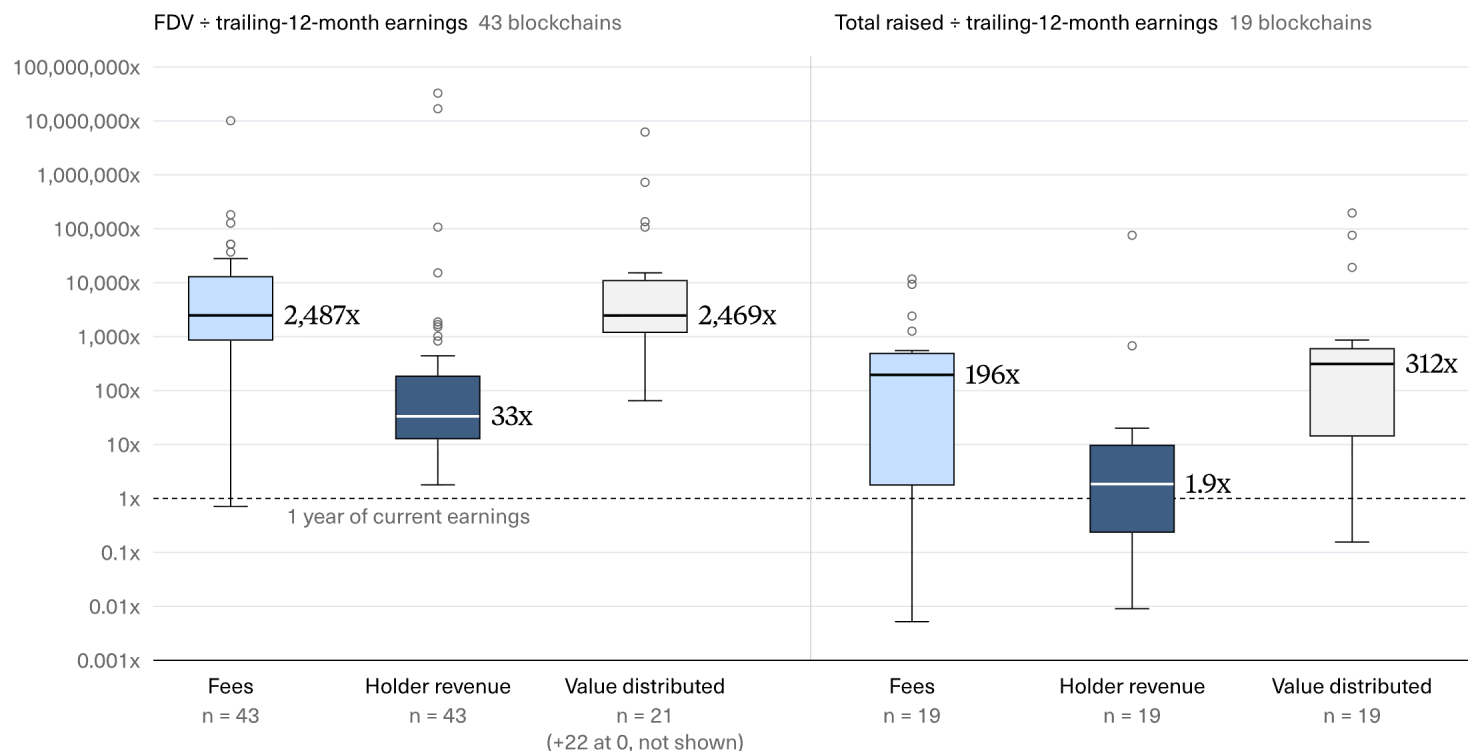
Price-to-fee is fully diluted valuation over annualized fees:

- DeFi/Finance at 18x (median), with DEXs (12x) and lending (6x) on the lower side
- Consumer at 6x, after fluctuating between 10x and 30x since 2024
- DePIN and Middleware came down to 24x and 46x
- Blockchain infrastructure median sits at ~2,000x; even for the 7 chains with 100M+ monthly active addresses, the median is ~250x

Note: excluded are protocols with less than \$300 quarterly fees, and stablecoin, wrapped and tokenized-asset tokens

Blockchain multiples closer to Applications and public companies, when considering holder revenue

Multiple of trailing-12-month earnings (log)



Blockchains' take rate (see p. 60) and fees trend down; as price-to-fee ratios indicate, their valuations are less fee-based than applications'. Looking at holder revenue instead:

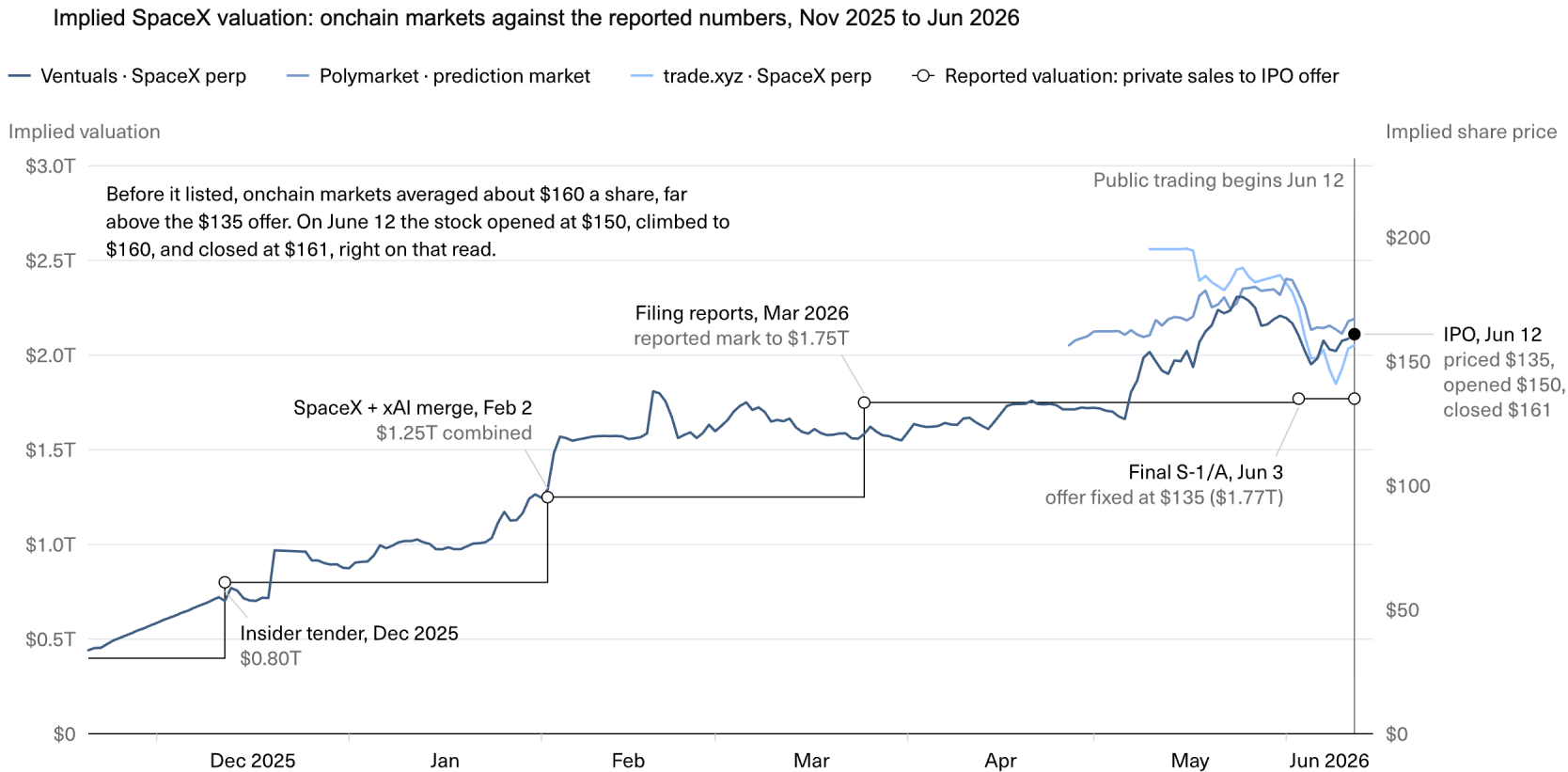
- Price-to-holder-revenue (FDV) sits at a 33x median, which is not too far off the 21x of Applications¹
- Total raised to holder revenue sits at 1.9x, not too far off public companies' ratio to revenue²

Unlike fees, these holder revenues are minted allocations: value redirected from passive holders (not contributing to chain security) to active ones (e.g., stakers).

¹ Numbers based on trailing 12 month here vs. annualized Q3 on slide 74

² See p.36, where the reverse is shown (Fees over Raised), so the ~0.7 median there, corresponds to 1.4x here

Onchain data as the new alpha: Onchain markets priced SpaceX at \$160 while the offer was \$135



Source: Allium. Series are traced from the source chart at daily resolution; the reported-valuation step is built from the dated events it annotates. The right axis converts valuation at the post-rebase fully-diluted count of 13.1B shares. Before the Jun 3 S-1/A, the reported count was 11.9B, so implied prices shown for earlier dates sit on the later basis and read about 10% low.

1k(∞)

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