

SNAPSHOT FOR INSTITUTIONS TO REDUCE RISK

# Stablecoin safety matrix

# Stablecoin safety matrix

## Summary

The Stablecoin Safety Matrix is a comparative reference tool developed by Anchorage Digital to bring clarity to the regulatory and reserve structures underpinning fiat-backed stablecoins. It highlights key differences across issuers to help institutions better understand how oversight and reserve design can impact operational resilience.

### The matrix focuses on two dimensions:

- **Regulatory Oversight:** Whether and how the stablecoin issuer is subject to financial supervision, including the nature of its regulatory regime and its track record.
- **Reserve Asset and Liability Management:** The composition of reserves backing the stablecoin, including asset quality, use of bank partners, presence of equity buffers, and mechanisms to mitigate credit risk.

The Matrix draws exclusively from public disclosures and third-party documentation, and reflects a point-in-time look at the stablecoin landscape as of June 2025.\*

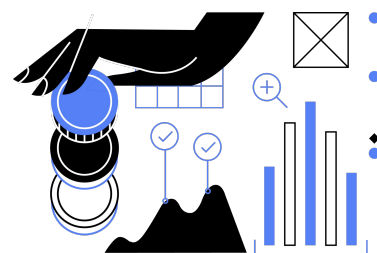
### Overview of observed patterns:

Some stablecoins operate under formal prudential oversight frameworks (e.g., NYDFS or MAS), while others are unregulated or licensed in jurisdictions with limited supervisory depth.

Reserve structures vary significantly. A number of stablecoins hold predominantly high-quality liquid assets (HQLAs) with clear risk mitigants such as insurance or equity buffers. Others include material exposure to uninsured bank deposits or lack sufficient capital buffers to absorb potential losses.

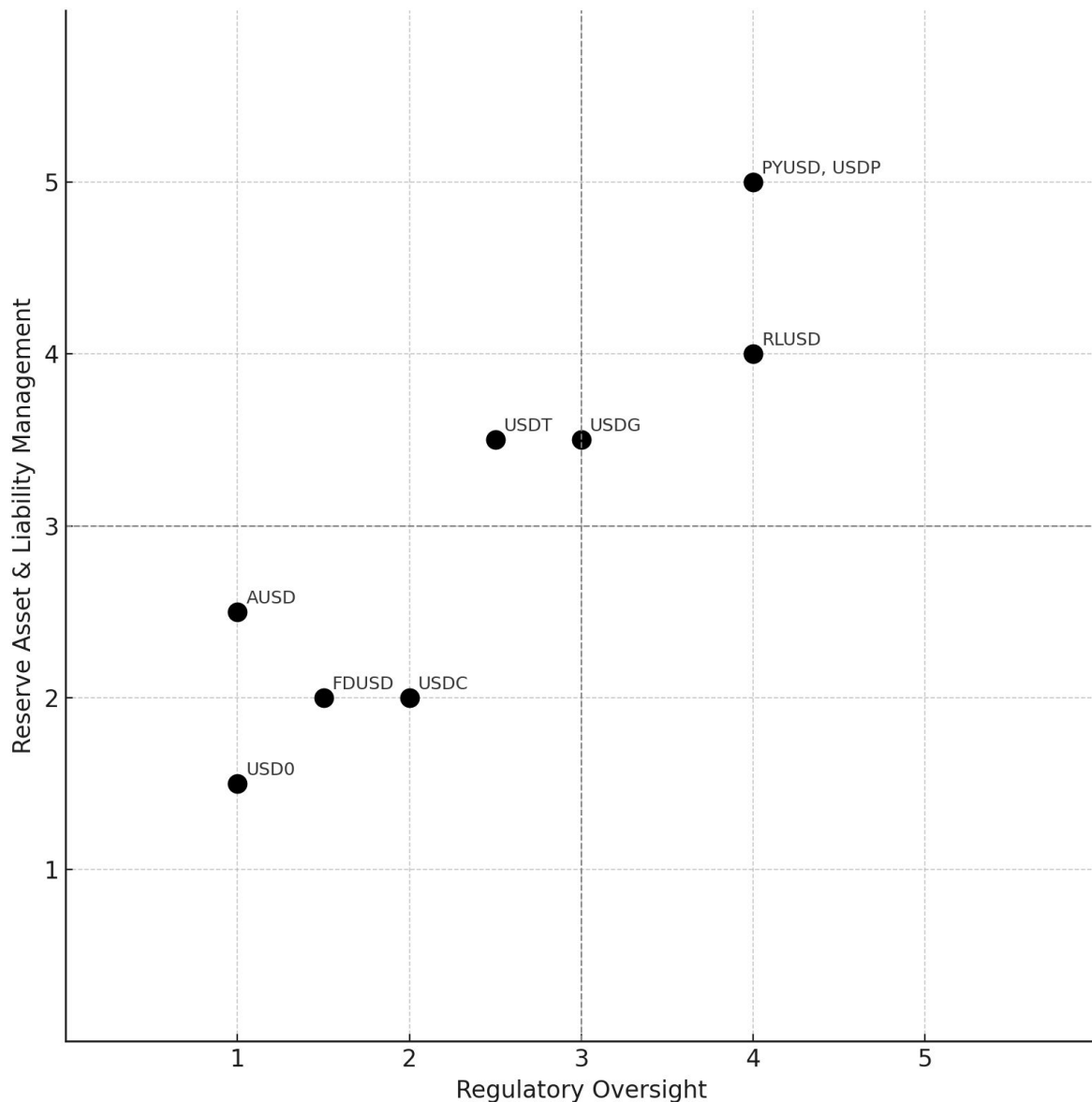
Public transparency also differs. While some issuers provide granular reserve breakdowns and regulatory status, others publish limited or non-standardized information.

This matrix is not intended to serve as a recommendation. It is a factual summary of observable regulatory and structural characteristics that may influence how institutions assess risk, compliance readiness, and operational fit.



\*Anchorage Digital maintains financial relationships with the issuers of USDG and PYUSD, which are included in the Matrix.

# Stablecoin safety matrix

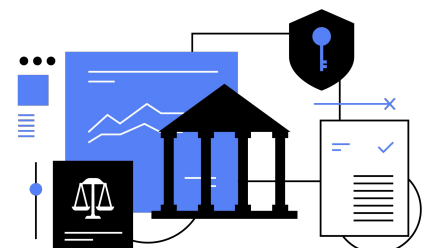


## Regulatory oversight

- 1 = No regulator
- 2 = Licensed, but with no prudential oversight
- 3 = US state or other prudential regulator, limited record
- 4 = US state or other prudential regulator, strong record
- 5 = Federal US prudential regulator

## Reserve management

- 1 = Substantial portion of non-HQLAs and/or low/no equity buffer
- 2 = Mix of HQLAs and non-HQLAs, equity buffer not sized to absorb losses
- 3 = Mix of HQLAs and non-HQLAs, equity buffer sized to absorb losses
- 4 = Mainly HQLAs, bank credit risk attenuated by GSIBs or significant equity buffers
- 5 = HQLAs, bank credit risk mitigated with insurance or equity buffer to cover full losses



# Stablecoin safety matrix

Stablecoin	Regulatory oversight	Issuer detail	Reserve management	Reserve asset and liability management detail
<b>AUSD</b>	1	Issuance under BVI entity with no regulator. The company's legal analysis claims it does not fall under any regulatory oversight requirement.	2.5	Limited overcollateralization (40bps) and 4% in bank deposits — no public information on which banks. Implicit company expectation to cover losses in case of bank failure.
<b>FDUSD</b>	1.5	Unregulated, with reserve custody under regulated First Digital Trust Ltd. FD has expressed intent to comply with the newly passed HKMA stablecoin bill.	2	A mix of HQLAs and non-HQLAs (15% in banks) and equity buffer (30bps) is not sized to absorb losses.
<b>PYUSD</b>	4	Regulated by the New York Department of Financial Services.	5	HQLAs and bank credit risk is mitigated with private insurance.
<b>RLUSD</b>	4	Regulated by the New York Department of Financial Services.	4	HQLAs and bank credit risk is attenuated by use of an equity buffer. No public information on private deposit insurance or banks.
<b>USDO</b>	1	Unregulated.	1.5	A substantial portion of non-HQLAs and a low equity buffer to absorb losses (70bps).
<b>USDC</b>	2	Operates largely out of the US with MTLs and no substantive prudential oversight. Its MICA license provides higher prudential oversight, but unclear how the EU and US offerings work together and whether the main issuance has moved to the EU.	2	De minimis overcollateralization (~10bps) and a substantial portion of reserves (~15%) in banks, including non-GSIB banks. This risk materialized in 2023 with SVB and reserves were sustained by coverage of non-FDIC insured deposits by regulators.
<b>USDG</b>	3	Regulated by MAS, substantively compliant with its upcoming stablecoin framework.	3.5	HQLAs and bank credit risk is attenuated by the use of GSIBs.
<b>USDP</b>	4	Regulated by the New York Department of Financial Services.	5	HQLAs and bank credit risk is mitigated with private insurance.
<b>USDT</b>	2.5	Nationally regulated in El Salvador, with a limited prudential regulation track record.	3.5	A mix of HQLAs and non-HQLAs and an equity buffer is sized to absorb potential losses in the portfolio: 3.5% overcollateralization.

## Sources:

**AUSD**  
<https://developer.agora.finance/attestations>  
<https://governance.aave.com/t/arfc-onboard-ausd-to-aave-v3-on-avalanche/19689/4>  
**FDUSD**  
<https://firstdigitalabs.com/transparency>  
[https://www.linkedin.com/posts/first-digital-trust\\_fdusd-activity-7330935845576736768-8bJY](https://www.linkedin.com/posts/first-digital-trust_fdusd-activity-7330935845576736768-8bJY)  
**PYUSD**  
<https://www.paxos.com/pyusd-transparency>  
<https://www.paxos.com/terms-and-conditions/stablecoin-terms-conditions>  
**RLUSD**  
<https://ripple.com/solutions/stablecoin/transparency>  
<https://docs.ripple.com/stablecoin/overview/>  
**USDO**  
<https://docs.usual.money/>  
[https://dune.com/usual\\_team/usual](https://dune.com/usual_team/usual)

**USDC**  
<https://www.circle.com/transparency>  
<https://www.fdic.gov/news/press-releases/2023/pr23019.html>  
**USDG**  
<https://www.paxos.com/usdg-transparency>  
<https://docs.paxos.com/stablecoin/usdg>  
**USDP**  
<https://www.paxos.com/usdp-transparency>  
<https://www.paxos.com/terms-and-conditions/stablecoin-terms-conditions>  
**USDT**  
<https://tether.to/en/transparency/?tab=usdt>  
<https://cnad.gob.sv/stablecoins-eligible-for-trading/>

# Stablecoin safety matrix

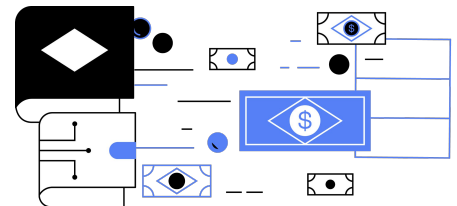
## Conclusion

The Stablecoin Safety Matrix highlights clear differences in the regulatory oversight and reserve practices across leading fiat-backed stablecoins. Stablecoins such as USDP, PYUSD, RLUSD, and USDG reflect stronger institutional alignment—each operating under formal regulatory regimes and backed by reserves composed primarily of high-quality liquid assets, with mechanisms like insurance or equity buffers to absorb losses. In contrast, AUSD, FDUSD, USDC, and USD0 exhibit greater structural risk. These include limited or no regulatory oversight, material exposure to uninsured bank deposits, or reserve structures that lack sufficient buffers to mitigate credit or liquidity shocks.

As the stablecoin landscape evolves, institutions must stay informed and agile to effectively manage risk. Regulatory clarity is beginning to solidify—through frameworks like the GENIUS Act—and with it, compliance expectations are likely to increase. Institutions that proactively evaluate the structure and oversight of the stablecoins they use will be best prepared to meet these rising standards and operate with confidence in a more regulated environment.

Ultimately, building the institutional foundations stablecoins need to thrive is a critical objective. Anchorage Digital is helping define what good looks like—for institutions seeking operational certainty, for issuers aiming to meet higher standards, and for the broader digital asset ecosystem as it moves toward maturity and regulatory alignment.

Learn more about institutional use of stablecoins  
→ [getintouch@anchorage.com](mailto:getintouch@anchorage.com)



## About Anchorage Digital

Anchorage Digital is a global crypto platform that enables institutions to participate in digital assets through custody, staking, trading, governance, settlement, and the industry's leading security infrastructure. Home to Anchorage Digital Bank N.A., the only federally chartered crypto bank in the U.S., Anchorage Digital also serves institutions through Anchorage Digital Singapore, which is licensed by the Monetary Authority of Singapore; Anchorage Digital New York, which holds a BitLicense from the New York Department of Financial Services; and self-custody wallet Porto by Anchorage Digital. The company is funded by leading institutions including Andreessen Horowitz, GIC, Goldman Sachs, KKR, and Visa, with its Series D valuation over \$3 billion. Founded in 2017 in San Francisco, California, Anchorage Digital has offices in New York, New York; Porto, Portugal; Singapore; and Sioux Falls, South Dakota. Learn more at [anchorage.com](https://anchorage.com), on X @Anchorage, and on LinkedIn.

The information contained in the attached does not constitute investment advice or research. This is being provided for informational purposes only. Custody, settlement, staking, and governance services are offered through Anchorage Digital Bank National Association ("Anchorage Digital Bank"). Digital asset trading services are provided by Anchorage Hold LLC ("Anchorage Hold"). Agency trading services are offered in New York by Anchorage Digital NY, LLC. BitLicense #0000041. AI Ltd. is a principal trading business. Anchorage Services, LLC ("Anchorage Services") is an NFA-registered introducing broker, NFA ID No. 0532710. Anchorage Digital Bank, Anchorage Hold, and Anchorage Services are not registered with the SEC or any state authority as a broker or dealer and are not authorized to engage in the business of the offer, sale, or trading of securities. Anchorage Digital services are offered to institutions and certain high net worth individuals in limited circumstances, and are not marketed to residents outside of the US. Certain trading services are designed and available only for institutions who meet eligibility requirements, including qualification as an Eligible Contract Participant (ECP) under the rules of the U.S. Commodity Futures Trading Commission. For institutions participating in custody, staking, or governance with Anchorage's Singapore entity, those services are offered through Anchorage Digital Singapore Pte Ltd ("Anchorage Digital Singapore"). Anchorage Digital does not provide legal, tax, or investment advice or private banking services. Holdings of cryptocurrencies and other digital assets are speculative and involve a substantial degree of risk, including the risk of complete loss. There can be no assurance that any cryptocurrency, token, coin, or other crypto asset will be viable, liquid, or solvent. No Anchorage Digital communication is intended to imply that any digital asset services are low-risk or risk-free. Digital assets held in custody are not guaranteed by Anchorage Digital and are not subject to the insurance protections of the Federal Deposit Insurance Corporation (FDIC) or the Securities Investor Protection Corporation (SIPC).