CRCL live AMA with CEO Jeremy Allaire

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SUMMARY

The Circle investor AMA at the Circle Forward event highlighted the company's strategic focus on building a global internet platform centered around USDC, the regulated stablecoin. The discussion emphasized the importance of innovation, partnerships, and the development of new technologies like ARC, which aims to integrate AI and blockchain for enhanced economic activity.

- *Circle is positioning itself as a leading global internet platform for financial transactions, emphasizing the long-term vision of programmable money.*
- *The ARC project is seen as a transformative economic operating system that will facilitate the integration of AI and blockchain technologies.*
- *USDC is experiencing growth in transaction volume despite a slowdown in overall stablecoin circulation, attributed to macroeconomic shifts and increased institutional adoption.*
- *Circle maintains strong partnerships with major companies like Coinbase, Visa, and Mastercard, enhancing USDC's market presence.*
- *The company is focused on building a robust ecosystem that allows stakeholders to generate value alongside Circle, fostering a collaborative environment.*
- *The future of payments is expected to involve agentic commerce, where AI agents will conduct transactions autonomously, supported by Circle's infrastructure.*
- *Circle's competitive advantage lies in its regulatory compliance, liquidity, and extensive interoperability, which are driving preference for USDC over competitors.*
- *The long-term strategy includes expanding USDC's use in traditional financial markets and enhancing developer engagement through the ARC platform.*

Morning everyone and uh welcome to all of you who are tuning in live all around the world for this circle investor AMA. [cheering and applause] >> All right. I had I had posted on X that uh there's a surprise venue uh and and setup for this and so I'm going to tell the audience a little bit more. So, uh, if you haven't noticed, uh, we are here with, uh, over a thousand Circle employees at our annual event, Circle Forward. And what's amazing, [cheering] what's amazing and so important about this uh, for Circle Investors is every single person in this room is a stakeholder. Every single person in this room is an investor. Every single person in this room cares deeply about our strategy, about our execution, about how we compete, how we win, how we innovate.

Everyone here is focused on the long term. It is such a privilege for me to be able to work with such an extraordinary group of people. And this is a group of people that hails dozens of countries and virtually every US state and reflects the diversity of the world that participates in the technology that circle itself puts out in the world and reflects you as investors. I've been thrilled seeing questions coming in from Korea, from other parts of Asia, from uh the Middle East, from Europe, from Latin America, from all around the world. uh we're building a global internet platform company to change the way the entire financial and economic system works. And so very quickly, we've been here uh for for a number of days really talking about the three pillars of our strategy, the criticality of the continued scaling and growth in the use cases of USDC as the preeminent regulated stablecoin network in the world about completely new platforms that we're building like ARC and our Gentic stack to transform the very nature of the way economic activity moves on chain and moves into this world. and this uh significant growth in payments and real world payments that are building on this infrastructure. So that's that's what we've been here talking about. So we're going to dive into the uh into the investor uh AMA. Uh my lawyers have to have me read this first. Uh a short disclaimer. Uh this is a live conversation and I'll be taking questions throughout the session. Before we get started, I'd like to remind you that during today's call, we may make forward-looking statements, which may be very materially, which may vary materially from actual results. Any information shared concerning risks, uncertainties, other factors that could cause these results to differ is included in our SACE filings. Uh, okay.

So, we're going to get started and uh get a little water. Our first question from a Circle investor. Um, how should investors think about ARC's potential contribution to Circle's revenue and strategic moat over the medium-term? Look, we have long believed that uh the sort of first chapter of this technology for us was about establishing a protocol for dollars on the internet and and establishing a way for uh digital dollars to be recognized in the global financial system and to build them on top of these these blockchain networks and allow that value to move frictionlessly. The second premise really since the founding of the company was that these blockchain networks would become general purpose computing machines and that programmable money and the ability to actually have software machines intermediate value exchange broadly was when the radical new utility of money would emerge. We believed that since inception and we began executing on that a couple years ago as the R&D on ARC began. And so when we think about ARC, we think about ARC as an economic operating system that is going to help bring all economic activity natively onto the internet. And that includes the storage of and movement of money. That includes the tokenization of every form of asset. That includes the actual economic contracts that intermediate everything from labor to the work between AI agents to more complex financial arrangements between companies that are enforced by machines and and and we see that converging with AI machines. The velocity of economic activity is going to increase dramatically and AI agentic uh agentic machines are going to be orchestrating a lot of that. And so we're designing an operating system with the future of this machine-driven economy in mind. So to the question, how do I think about it over the medium-term? We believe that ARC is it's already a very valuable component to the business. Uh we talked about it in our earnings call. The ARC token had a pre-sale with a $3 billion FTV. An incredible uh range of stakeholders who are who are getting involved in the network. We believe that this can build a very very meaningful network. The incentives and uh ability to bootstrap growth are there. And for circle this turns into uh you know revenue associated with ARC token, revenue associated with staking, revenue associated with transaction fees and revenue associated with deep integration across our entire platform stack. But more critically, we've built this so everybody can win. We've built this as an ecosystem platform where the stakeholders in the ecosystem all around the world can generate value and generate revenue alongside us. And that's one of the powers of blockchain networks to really bring along these communities. And so that's how you build something that is durable and and something that is meaningful is you you create an an entire global ecosystem that can come along with you. So, we believe this can be an extraordinarily value creator over the medium term and it fundamentally shifts the position of Circle into being a much more broad-based internet platform company.

We're competing for AI developers. We're competing for financial and technology developers. Uh, and we're working with enterprises that are increasingly trying to find their way to move their own operations on chain. Uh, second question from Parkwayne 8581. Thank you, Parkween. Uh, USDC growth appeared to slow in 2026 compared with the previous acceleration phase. How does management assess the key drivers behind this slowdown? You know, I I look at this in a couple of ways. I think the first is just um we have to put this in context. Um, you know, the growth in stable coin is never a straight line. If you look historically at the way uh stable coin circulation has grown, it's it's had many different phases. Times where it is relatively flat, times it declines, times it has significant growth. And this is driven by activity in the crypto economy. This is driven by macroeconomic factors. And this is driven by waves of new technology cycle adoption. And this is normal. I think right now is an interesting time because I believe part of what we're seeing is that uh there's a a a lot of activity that has has historically been in digital asset markets which is actually leaving digital asset markets and going and investing into uh effectively into AI infrastructure and other forms of commodity investment and that is what we're seeing. We're seeing a capital rotation that is happening right now.

And so to the degree that there's capital that's associated with people who speculate on Bitcoin and they don't want to speculate on Bitcoin, they want to speculate on Nvidia or on the price of oil, there's actually like a macro shift. And so that just creates in in the current environment, an environment where there's just less capital flowing through those markets. Now what's also notable is that uh during this same period while we've been uh essentially kind of holding the line in terms of that uh that stable coin circulation other digital assets have decreased dramatically. Uh and so what we're also finding at the same time is while this is happening the actual utility of this is growing. The number of major institutions integrating this and launching with this is growing. Our transaction volumes that happen with USDC have been hitting all-time highs.

The number of major mainstream apps like Meta, Cash App, and others around the world that are implementing and integrating USDC continues to grow. So, we look at traction institutionally, traction internationally, we look at traction in terms of use cases and and all those things have to be taken into consideration. Um, there are going to be these cyclical moments and that is absolutely fine. uh we are a obviously a very long-term focused company and I think related to this is when people think about and as we think about the TAM on this what you have to believe is that this new form of money and this new form of economic infrastructure is in fact the economic infrastructure and the model for money for the future of the digital economy and that that will absorb greater and greater portions of that global uh M2 electronic money is 120 $20 trillion and all the apps and utilities and services and markets that actually move that around themselves are multiple hundreds of billions of dollars in revenue. That's the opportunity space in front of circle. So you have to take the long view. Okay.

Uh another another great question. Um this is a question from uh Gigg I think. Um, uh, Visa, Mastercard, Stripe, and Coinbase are reported, reportedly partnering on a new stable coin platform. How do you feel about this? Um, I think I'd say a few things here. I think first, don't believe everything you read in the news. Uh, uh, I think second, um, what's what's really notable is that obviously, uh, Circle and Coinbase have a a a deep strategic partnership around USDC. And I think both of uh our companies together have made this the you know the the incredible platform that it is today. Uh what's also notable is that we have great relationships and partnerships with Visa, with Mastercard and with Stripe. In fact, almost all of the volume in stablecoin that's done on Stripe's platform is USDC. And almost all of the volume uh on settlements that have been growing incredibly fast on Visa are in USDC. So we build good relationships here. Uh what I'd also say is that we live in a world of co-opetition. Uh so you know we we will support competitive blockchains with our digital assets and we will support other stable coins on our own blockchains. We will build uh uh wallets and payment utilities that support competitive stable coins at the same time integrating our own infrastructure. When you build a broad horizontal platform company where you operate at the OS and at the infrastructure and the application layer, you're going to have lots of pieces where you you're competing, where you're cooperating, etc. Most importantly though is that the track record of consortium coins, the track record of new dollar stable coins uh in this space is it's pretty clear what the track record is. None of them have worked. And I think and we talk about this all the time. We talked about this through our IPO. We talk about this uh you know very frequently uh with with investors around the world as well which is stable coin networks are network businesses. They have very strong network effects. Every application, every utility that plugs into our stablecoin network increases the network effects of that. the 60 million active users of Cash App that can now send and receive USDC just added a node of 60 million active users to the USDC stablecoin network. When Meta with an enormous base of of creators and others is is choosing USDC to make con to make value available to users around the world, we're adding to the network.

Those network effects are strong. And so when a developer decides what am I going to implement, what am I going to integrate, they almost don't have a choice other than using USDC. We also gain that competitive advantage in those network effects through liquidity network effects. USDC of regulated digital dollars is the most liquid digital dollar in the world. In the first quarter, we minted and redeemed almost $150 billion of USDC. We have pipes and infrastructure all around the world to make that possible. And so that means that an enterprise, a bank, a financial institution, a fintech, a neo bank, an uh a startup knows wherever they are in the world in 185 countries that they can access that digital dollar dial tone. And then obviously we've built out an infrastructure that's regulated around the world. uh we've built something over many years working with leading central banks, leading regulators to ensure that this is a fungeible digital dollar that works across these markets. So all those things show up in the numbers. You know, I think you've seen huge companies with hundreds of millions of users launch stable coins and they've struggled to get any distribution and any distribution that they've gotten they've had to pay subsidies. So these are actually money losing products for those companies that are subscale not successful.

Uh while while at the same time you look at the what really counts which is are these being used and you look at the data of the $22 trillion of onchain transactions with dollar stable coins. The the significant majority was USDC. The second was USDT. And the third was all these other stable coins that all of their transaction volume rounded to zero. They're not being used. So we, you know, we we believe strongly in our competitive modes. We believe strongly that co-opetition is fine. We've got a great partnership with Coinbase who is leaning in hard to build USDC alongside us. And frankly, we continue to be excited about the work we're doing with leading companies like Stripe, like Visa, and like Mastercard.

And don't believe everything you read in the news. Okay. Um [applause] I I really like this question. This is from uh uh another Circle investor uh in the live stream. Um, Agentic payments are still early, but Circle is moving quickly with agent wallets, X42, and nano payments. What needs to happen for Agentic Commerce to move from an exciting concept to a measurable business driver? This is something that I'm thinking about a lot. Um, I talked about this on our earnings call. We're going through a collision uh a tech a collision of of key technologies that are in in turn compounding each other.

On the one side, it's these operating systems for intelligence. And now on top of those operating systems, this new paradigm of AI agents that conduct work, can perform tasks uh of any type and economic operating systems that can uh safely and provably store value uh enforce contracts and provide a layer for doing economic coordination. These two platforms are made for each other and they're colliding. And the you know the idea of agentic payments and AI payments has been around for a while. In fact we started collaborating with uh key stakeholders in X42 I think well over a year ago year and a half ago and we've been uh experimenting in this space for some time but it was really in the first quarter when agentic technology has really taken hold and so now what needs to happen there are a number of things. So one is we need to make sure that the developers of AI agents and the developers using AI itself which is basically every developer in the world because if you're a developer and you're not using these you're not doing your job. Uh and so we're seeing this huge shift in terms of the technology and tools people use to build software. And we're seeing virtually every organization in the world uh looking at this and trying to find ways to break down the work that happens in their companies and and break that down into agents. And we're seeing startups exploding. The number of new startups that are starting that are being driven by AI and are taking AI first approaches are growing. So what do we need to do? We need to provide an infrastructure where agents can be built but where they can safely execute and store value. They can enter into economic arrangements. They can settle transactions of any size and any type uh interoperably. They can prove themselves their identity and reputation. uh and and and uh and we need to create a model where the agents themselves can express their services to the world through agent marketplaces that are then discoverable by AI LLM and by AI itself.

We are doing all of that. We are working on all of that and uh we launched circle agent stack very recently. You're going to see accelerated product releases from circle on this. My own view is that uh the the volume of of transactions conducted by agents uh will far far exceed the volume of transactions conducted by traditional let's just call it point-and-click uh uh types of of of of applications and agents will intermediate a greater and greater deal a greater and greater degree of economic activity. But I also would say um that the model itself uh is going to shift where um a lot of times people think agentic commerce they think hey I have an agent it's going to go buy my thing on uh buy my groceries or book me a car or that kind of stuff and that may well be true. The much more interesting problem in my view and a thing that we're very focused on is that agents become economic actors. agents as a service becomes a fundamental business model. There was software as a service.

Now there's agents as a service. And you're going to see an explosion of an entre an explosion of entrepreneurs building agents as a service. You're going to see a lot of existing software utility companies recomposing themselves as agents as a service and agents as a service and the monetization model. Effectively, an agent is a worker and that worker can be highly specialized and that worker can do incredible work and can sell its services on a consumptive basis and you need an economic environment to do that and an economic OS like arc the developer platforms we're building on agent stack the primitives we're providing to do this safely with guard rails all these things are critical. So this is a big investment and um uh you know we we don't provide specific guidance on well how much revenue etc but uh we view this as a a major primary driver uh going into the launch of ARC and uh and obviously beyond into all of the digital asset infrastructure that we operate.

Okay, this is uh from Kai Hongyang 4956. Thank you. Um, of the $22 trillion payment volume reported in Q1, what percentage came from traditional financial institution payment flows? So, we get asked questions like this a lot. Um, you know, onchain transaction volume uh just happens on the internet and it doesn't happen like directly in circles, you know, circles customer uh list. So, we're not actually looking at every customer. um what we what we have seen and so really what I what I how I'll answer this is I'll kind of characterize what we've seen what we have seen is that there are a number of of areas that are growing so for example uh Visa and other third parties are now reporting the amount of stable coin stablecoin backed payments attached to uh traditional card products growing to record high numbers of transaction volumes uh money settled within payment networks growing very significantly. And so this is an aggregate of not just say money that Visa settles on its network, but all of these emerging stablecoin payment networks, CPN being an example of one of those, you know, Bridge, BVNK, uh, and and, uh, many other, uh, companies that are out there are moving tens of billions of dollars of value on stable coins today. And then what I'd also say is anecdotally what we have found is that especially in global markets and global emerging markets um uh transaction flows are rooted in everyday transactions and they're rooted in uh both store of value and crossber settlements. So we see all that. Now, at the same time, stable coins remain an intrinsically powerful, in fact, the only really usable asset uh or dollar for settlement in digital asset markets.

And that's a great thing. The world has invented 24/7 365 continuously running markets. These markets exist at internet scale. They exist all around the world. They exist onchain through DeFi and and dexes like Hyperlid uh and unis swap and others. They exist on centralized exchange platforms and as we've seen the traditional capital markets are converging with onchain markets as the instruments tokenized stocks tokenized commodities and other things move here and so capital market flows are also a big driver and I think that's actually very very healthy because you know we want to make sure that USDC and and our and our other digital assets are intrinsically important and valuable uh to those markets. Um so that's uh that's certainly what we see uh today.

Uh next question from uh Mongul. Uh circle stock has been declining due to concerns about increasing stable coin competition and its revenue model. Many Korean shareholders are worried. Uh what are your thoughts? So I'd say first um stocks obviously go up, they go down. uh why they do uh is is anyone's guess and so I I don't I don't know that I agree with the premise that uh this is about a revenue model uh etc. Um what I would say is um what we've seen happen uh you know obviously we announced our earnings we had strong earnings uh with very strong uh platform progress uh this tremendous momentum around ARC uh we made it clear uh that you know you know once ARC launches we're going to come back and talk to all of you as our investors about the impact of this on our financials going forward. There's some very positive dimensions to that that we're excited about. So we have major new developments, major new developments in in Agentic uh huge progress on institutionalization and major partners across traditional institutions coming on chain. So a lot of tremendous progress, but I think um you know there's like things that get in the news that I think uh that that that people react to. And I think reacting in the short term to to a news-driven cycle is is is not a good way to kind of have long conviction. We're very focused on the long term. So, will the Clarity Act pass? Is it good? Is it bad? Like, who knows? Uh, we believe it will pass. We think it's a very good piece of legislation, etc. But that's something there. Um, what we've also seen, and I think this is very important. It was part of my first answer to my first question is that um you know there there has been a kind of uh uh uh kind of secular capital shift from crypto assets people who are speculating on crypto assets to shift into investing in uh AI infrastructure businesses. you could just look at the uh at the at the results that are there and and that may continue right the the mega IPOs that are going on there will be capital that by virtue of these getting put into index funds and other things that capital will shift so there is a kind of secular shift in AI infrastructure and uh and so if you were sort of betting on like hey you know bitcoin's going to pump and that's going to be great and circle stock will go up uh like that's probably not the best you know system of reasoning um I would say This is this is affecting a lot of companies. Companies that have nothing to do with technology uh companies in technology uh a lot of really world-class uh technology and software companies their stocks are down 70 80%. Um and um and within our peer cohort of uh other public comps whether they be digital asset companies or fintech companies we're seeing similar uh kinds of of actions there. So there is a lot of noise as well. You got to read signal through the noise. What I'd ask you to do is, you know, really focus on is this company making the right strategic bets. Are we setting ourselves up to win this much greater prize of building the coordination layer of this internet economy? Are we becoming the mainstream institutional infrastructure for digital dollars? You know, are we winning uh the the critical brands that are going to continue to grow and scale this network? Are we setting ourselves up to be that scaled utility and that scaled platform infrastructure that every company in the world will ultimately depend on? I think we are and that's what I want everyone to pay attention to.

Thank you. [applause] Okay, another question. Uh USDC appears to be gaining share in actual transaction activity, not just circulation. What do you think is driving that preference? regulation, liquidity, enterprise trust, interoperability. How does Circle turn that usage advantage into a durable mode? That's a great question and it's actually kind of answers itself a little bit which is that um you know we we have focused for 10 years as we've built this up. We have focused on building the most trusted, the the most well- reggulated, most uh liquid and and now most widely available and interoperable stablecoin network in the world. We have built that out. There is nothing that comes close. Uh the majority of traffic that moves across different blockchain networks is over our interoperability network CCTP. Uh that's incredible. uh the liquidity and the and the regulation are massive. With Genius Act coming into play, every major company now knows I can use these digital dollars and they're moving into this space. Banks are moving into this space and they want to work with the networks that bring these things. And so I think um those those attributes that the the person who asked the question listed are in fact driving that preference. Every single one of those I would add the network effects that I talked about earlier. If you adopt USDC in your product, you know that it is interoperable and works with literally tens of thousands of other products. You can you could fund your cash app. Now you can fund your interactive brokers.

Now you can fund your Robin Hood. Now you can put money into a DeFi app. You can trade a perpetual future. You can now store value and earn rewards. You can send it to a friend in another country instantly at no cost. You can use it as a merchant to send money on a crossber basis eliminating speed and time delays and capital inefficiencies. It has utility. It's plugged in all over the place. Uh and so these are our modes. These are our modes and they're getting bigger and they're getting stronger.

Okay, another question. Uh Dominic uh Cardroso 9667. Uh Jeremy, you said money should move as freely as information. What's the last thing standing in the way of that actually being true for a billion people? You know, I've actually thought about this for about 14 years. Uh and uh and it's it's been as as you've noted here, like this is this is a premise that we put out in the world when we started to think about what we could build at Circle. and um uh and and a number of things I I would always say you basically first you need the infrastructure to scale right if you're going to serve a billion people you need you know you know essentially these blockchain network computers to be able to support it through different types of architectures we're now entering the fourth generation of these uh blockchain operating systems arc I believe is going to be one of the most preeminent of those in the coming years so we're building the infrastructure other people are building those fourth gener fourth generation infrastructures so that the world's largest consumer institutions can connect to this and use this. So that's one. What's important about that is that that infrastructure has to present the economics and the usability.

So what does that mean? Well, transactions settle in hundreds of milliseconds. Transaction costs are a tiny fraction of a cent. Effectively, you've brought those costs down to zero. And in these new architectures like ARC itself, there is no uh you know commodity token you need to buy in order to just use the network. Uh gas fees are are in USDC. The developers of the apps that you're going to use because the gas fees are so low. You're not going to pay gas fees. It might be, you know, uh, uh, just sort of like, you know, when you use an app like Netflix and it's built on top of AWS, they're not putting a line item like AWS credit, you know, you know, fee charges that you're paying.

So, you know, developers pay for infrastructure and and operations on these networks and users just get speed, utility, ease of use. Uh, the other thing is um, you know, interoperability. What we've done with ARC is we've created a model where USDC can flow seamlessly to and from other networks. So if people have wallets on base or wallets on Salana or wallets on the Robin Hood, you know, blockchain or other things that might come along, you know, your product will work with that and you know that your users can interact with that. In fact, the key is that the crypto needs to disappear. It needs to disappear. people don't care if they're using a blockchain network and they don't want to know what these things are. Uh if you haven't looked the way that Cash App implements USDC is really beautiful. Uh it actually looks a lot like what we did with Circle Pay a long time ago. But basically uh you just have dollars and you spend them directly to a wallet and USDC is just what happens underneath and that's really powerful as well. So as those things happen and then finally as stable coin money becomes legal electronic money as it is through all of these laws around the world then businesses, financial institutions, households etc will have the confidence to use it. So we are there that is arriving and so my expectation is you know this will get to billions of people. We estimate close to 700 million digital wallet accounts have access to USDC today. uh and obviously the number of things connecting to that continues to grow and so this will get into the billions in the coming years.

Okay, a question from X um how do you see ARC evolving beyond USDC into a broader settlement layer for AI agents and machineto-achine payments? Um you know we see this as a front and center use case uh for ARC.

What's been really interesting is, you know, we we have um a vibrant developer community now. We have developer hackathons that we're continuing to do. And you know, the majority of what people are doing is they're using AI with ARC. They're building with AI. They're building agent applications with AI and they're doing that with ARC. ARC makes uh you know uh uh makes using blockchain money and interacting with smart contracts very very straightforward. We surface all of the infrastructure through uh through skills through a command line interface and we have an agent native wallet and the agent stack which supports uh agent uh agent discovery and and payment protocols as well. And so we really see this as a use case that's coming online.

Uh you're going to be you know seeing a lot more of this from us as we as we approach mainet launch as well. Um and um this is obviously like a a completely new creative surface area. I I I sort of think about this like when the iPhone came out and you finally had a form factor and a touchscreen and you had 3G broadband uh you know mobile broadband and you had a set of things. No one knew what people were going to build. Uh and if you remember the very first Apple ad campaign for the iPhone uh when they when they created the app store was in 2008 was there's an app for that.

there's an app for that because people just kept being blown away like holy cow there's an app that can do that because this new this new form factor this new software environment made that possible and and and uh economic operating systems like Arc are creating an environment that is going to unleash incredible developer creativity and so I think a year from now our minds are going to be blown by the incredible range of invention that's going to be happening uh from building on all this and we are going to make sure we have the best infrastructure in the world for those developers.

Uh, another question from X. Uh, what if Circle's long-term mode? What is Circle's long-term mode if stable coins become widely available from banks, fintexs, and other issuers? I think there's uh a few key pieces here. Circle is building and has built a broad-based internet platform business. We are building at the operating system level, at the fundamental infrastructure level. We are building at the at the protocol level with stablecoin protocols, interoperability protocols. We are building a diverse digital assets business. USDC is the largest regulated digital dollar. We operate the largest regulated digital euro. We operate the largest regulated tokenized money market fund. We're just launching SRB BTC, a onchain version of Bitcoin. We will look at additional digital assets that we can launch. We have a we have a a stablecoin network. This is not just a stable coin.

We have a stablecoin network with tremendous moes liquidity distribution and network effects. We have developer platforms that activate on this and we have a a rapidly growing payments network which is building products for financial institutions. So I think the key thing here is as an internet financial platform, Circle's just not going to banks and fintex and saying, "Hey, use USDC." We're going to banks and fintex and saying, "Build on this stack. Issue your tokenized assets on this stack. Get interoperability and distribution from this stack. Integrate AI native flows with this stack. operate on a compliant payment network where you can you can move flows between, you know, hundreds of other financial institutions compliantly with the complexity of compliance and operations and custody hidden in the background.

We're packaging that up so that those institutions can use all of that. We are becoming a broad-based platform provider across all those areas to all of those firms. And we're in fact inviting more stable coins in. There'll be more stable coins, you know, launching on ARC and on stable FX, which is our new onchain FX platform that will be built into our own circle mint that will be built into our own payment network. So, we're building a much broader stack that allows us to partner with all of those institutions around the world. And so, I think that that's the long answer. The short answer is we've got an enormous amount of value to bring to these partners to help them uh be successful coming into this onchain world.

All right, another uh question from X. USDT still leads in market cap, but USDC is stronger in transaction volume. In your opinion, what is USDC's real advantage at the moment? And what strategy is Circle focusing on to increase its market share in 2026? I would sort of break this into a few uh a few buckets. Uh so so one is there's sort of this core market where I think USDT has been has been really strong. Uh it really got started because the offshore Asian exchanges uh couldn't get US banking. They needed a dollar. Tether was created for that and they got really strong in the core of the liquidity of those markets and um and that's been really sticky. Um, and so you you see that in terms of like collateral that's used on derivatives exchanges and the like. And and there, you know, I think what we're seeing is that the biggest exchanges in the world, they're all trying to become like globally regulated, globally compliant, and now where Genius Act is saying like this is a legal uh electronic money, digital dollar, and this is what institutions are going to use. A lot of these platforms are really leaning in hard to make USDC a much bigger part of what they do. And so what we've seen happen over the past 18 months as we got really focused on this is our market share is growing. Our balances are growing. The amount of spot trading volume is growing. Our our participation in collateral on these centralized exchanges is growing. And so we will continue to be relentlessly focused on that because we know that the right safe legal uh redeemable digital dollar will win that as mainstream markets converge with digital asset markets that will be driven even further. and and frankly also the onchain alternatives to these these sort of dexes and others USDC is the dominant uh digital dollar and it it is overwhelmingly what's used and this convergence of onchain and and and tradi and this convergence of onchain and and traditional centralized exchanges further uh further drives that. So that's like a long-term investment. We believe that as this technology goes mainstream uh these markets uh will want to adopt the mainstream uh the mainstream platform. The second thing I'd say here is um uh you know te tether is is widely used in in a lot of emerging markets and so is USDC. So when we look at the adoption of USDC we we have users in 185 countries. We look at uh many many emerging markets uh as as very active and growing. But when you look at the percentage of the population in these markets, the percentage of the population using uh stable coins is still relatively low. And so we see that as a huge opportunity. Uh we believe that continued internationalization and ensuring that um USDC is liquid and available and understood and and and and has awareness uh in these markets is going to be key. We think that the governments around the world are going to want to know that a financial instrument that their customers, their households, their businesses are holding is actually held to very high credential regulatory standards of the United States. Uh they're going to want to know that this is actually liquid and redeemable and not backed by Bitcoin and gold and loans. And so I think that we have a shot at really becoming the really valued uh digital dollar in these markets. And we're very aligned with I think the US government in terms of the strategy which is like hey this is a competition in digital currency and uh and I think you know circle stands you know to to benefit from that. Um and then the last thing uh I'd say just on that is there's looking back which is sort of uh you know uh working capital digital currency used for trading on digital you know cryptocurrency assets and then there's the entire rest of the world of payments of capital markets of traditional instruments of commerce of of treasury management and corporations that whole world which is really where that $120 trillion of M2 money sits that whole world is going to be led by the institutional highly compliant well- reggulated uh platforms and that's why virtually every single major company that announces that they're implementing and integrating stable coins are adopting USDC. So we feel very good about the future and our ability to continue to capture that.

uh looking ahead, what opportunities do you believe uh will create the most value for builders on ARC and how can developers position themselves early to contribute to that vision? Um it's a great question. I think um what's been really exciting uh uh as we get closer to our mainet launch is uh the just the the the energy in the ARC developer community. I think I just saw uh over we have a program uh and there's tens of thousands of people in that community.

Now there are architects that are people who are really putting in work to demonstrate skill and knowledge and engagement on this. There's I think over 2,000 architects uh as part of that community and and there's you know uh third party portals with the apps that people are building. Um, so we're already seeing, I think, some really exciting activity there. And then, and then obviously when we get to day one and we do ARC mainet launch, you know, obviously we we want to, you know, we'll we'll we're bringing a lot of great companies to that. We'll have a lot more to say about that hopefully soon. Uh, but a lot of great apps that are already popular coming to and being available on ARC on day one as well. But I think um getting to the heart of the question uh you know we are making sure that ARC is you know the best blockchain in the world for people who are using AI to build and so this is key. We think that people who are who are leaning into that uh development paradigm and who are actually building AI agents are going to find ARC to be an extraordinarily strong environment. We are building ARC for people who are issuing assets. So, if you're building products where you're going to issue a digital asset, the ability to issue that asset on ARC and then be able to bring it through USD uh CCTCPX, which is our interoperability protocol.

We're we're going to be creating ways to bring interoperability to people who issue assets. And so, that's liquidity and interoperability across these. Uh we're building primitives in what we call app kits uh that basically abstract away a lot of the complexity. And so the time to solution by building with the kits that we're launching is going to be incredibly fast. And I'm really excited about some AI development tools that that we're working on ourselves that will allow people to assemble and do things. And so the speed with which developers are going to go from idea to execution on ARC is going to be incredibly fast. And so I would just say, you know, look at that now. A lot of this is up on test net. Uh and stay tuned. Okay, last question um that we have time for. Uh, stable coins are often discussed as yield products, but Circle frames USDC around utility and velocity.

How should investors think about the long-term value of USDC as programmable money rather than simply a reserve income business? Um, a a few things here. I I think the first is just to ground people in this. Um when you know when you look at what our stable coin network today is, it is one of the world's largest payment systems in a sense handling trillions of dollars of transactions. It is actually a free public utility on the internet. USDC the protocols on these blockchain networks are interoperability protocols. We have created a free public utility for storing and moving dollars and storing and moving dollars at virtually no cost.

tens of thousands of companies build on that and integrate that. They don't have to call us. They don't have to do a deal with us. They can permissionlessly build. That's never existed before. And so we have built a an incredibly widely adopted payment system that doesn't extract a toll on on that. And that's incredibly valuable people who want to use money. And now the programmability of that, the ability to compose with that, the ability to integrate AI with that is unleashing a completely new generation of application utility for money. And that's that's essentially this incredible system that we've built. Now, we do monetize that with uh with reserve income. We also work with the biggest partners in the world to in you know provide incentives to them to help us grow that to build with us to build the best apps to aggregate the most users and do that. So we've built an ecosystem model here too and we want this ecosystem to be bigger. We want the network to be bigger. We want the pi to grow and we're doing that. Um I think the other part uh to answer this question is that you know we have been uh you know very decisively over the past two years as we began before our IPO and through our IPO launching these major new pillars, launching additional infrastructure layers, launching this operating system, launching uh a payments network business. The range of different products that we are bringing into the market is incredibly broad. Our product velocity as a company is at the highest it's ever been. We are delivering more product and more innovation. We're using AI to help us drive that and be effective with that.

And so the the the face of Circle and and who we are and what we do and and how we provide value is growing very very fast. And across many of these products, almost every single one of these has a monetization strategy uh embedded in it. And so I think uh we talk about this a lot um and and we'll continue to talk about it uh with the market. Um look, with that, I I just want to thank uh everyone who tuned in for this. Uh I'm I'm I'm always happy to engage with any question people have. Uh we'll do more of these. I'm also really really grateful that I could share uh you know share this uh this moment uh and this investor uh AMA with the entire circle team. I want you to know this is an extraordinary group of people in this room. Uh this is a group of people who work their asses off to make a great company who are building amazing products and are working in incredibly hard all around the world. I am so proud of this group of people. Uh so I don't think you guys can clap on the on the YouTube and and ask for them, but I'm going to just going to ask everyone in the room to give a big shout out to our investors.

you are our investors and to everything that we're all trying to do to build together. Thank you. [applause] I've