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PERSPECTIVES by Eric F. Risley

Tokenization of varying types of securities may be the single largest growth opportunity for our industry. Today, one of the most actively pursued markets is the tokenization of public equity. Tokenization specialists like Ondo, Securitize, xStocks (acquired by Kraken), Dinari and Superstate are rapidly being joined by a who's who of brokers, exchanges and market infrastructure providers, including Robinhood, OKX, Coinbase, Binance, ICE, NYSE, Nasdaq, DTCC, Bullish and 21X in Europe, among others. Missing so far are many of the largest traditional equity brokers, but likely not for long, with Morgan Stanley planning support in early 2027. While perhaps latecomers, these well-established traditional players have an immense advantage, as they are specialists in the origination, distribution, trading, safekeeping and servicing of equities (and other securities), as we highlighted back in March 2025.

Let's step back for context: tokenized equity is tiny relative to traditional equity markets. Today, the total value of tokenized equity is roughly \$3B vs. \$75 trillion for traditional equity, or 0.004% as large. Tokenized equities trading volume is similarly small, at a tenth of a percent of traditional equity markets. This was true back in December 2025, when we analyzed [Kraken's acquisition of xStocks](#), and it hasn't changed much since. This is the opportunity, not the problem. However, meaningful challenges remain to be solved.

U.S. regulators are beginning to help. Two days following the collapse of the CLARITY Act, the Securities and Exchange Commission issued a five-year Innovation Exemption that sets rules to govern tokenized equity. A flurry of announcements to expand the tokenized equities markets in the U.S. quickly followed, including plans by a joint venture between NYSE parent company ICE and OKX, Securitize launching Securitize Stocks, and DTCC announcing the initial set of tokenized equity it expects to go live shortly.

Issuers of equity are also beginning to weigh in, as rules within the Innovation Exemption give issuers a 30-day window to object to their shares being offered in tokenized form. In fact, as of today, roughly 22 mostly large-capitalization public companies have initially resisted tokenization by formally objecting to their stock being offered in tokenized form.

The next few quarters will be formative to the development of tokenized equity markets, with many open questions around the form of instrument, the integration of tokenized equity trading markets into traditional trading markets, and how regulatory obligations unfold between issuers, trading venues, brokers, and the custodians and transfer agents who manage the ownership registries. While traditional equity trading markets and tokenized trading markets can coexist for a while, our view is that tokenization must become the standard for the full value proposition of tokenization to take hold. While secondary trading of tokenized equity is very important, we are closely watching the adoption of tokenized equity as the form in which companies offer equity when issuing primary shares in new capital-raising efforts. That will be an important signal that tokenization has achieved wide acceptance, particularly when the issuers are companies with no tokenization agenda of their own, unlike the examples to date.

RECENT CRYPTO M&A TRANSACTIONS (click here for full AP M&A Tracker)

Target	Acquirer	Transaction Summary	M&A Alert
		Transaction Value: Undisclosed Rationale: To add account-to-account payouts alongside its card acceptance across North America Sector: Payments Infrastructure Target Description: Multi-rail payout orchestration API with fiat-to-stablecoin conversion for gaming and crypto platforms	
THREESTONES VENTURES LTD.		Transaction Value: Undisclosed Rationale: To give Gold House a Canadian MSB licence for fiat-to-crypto payments Sector: Payments Infrastructure Target Description: Canadian registered money services business bought as a licensed fiat-to-crypto payments entity	
		Transaction Value: Undisclosed Rationale: To own the OTC liquidity layer beneath Urban's cross-border crypto payments Sector: Brokers & Exchanges Target Description: Brazilian institutional crypto OTC desk providing liquidity and large-block trade execution	
		Transaction Value: Undisclosed Rationale: To pull Zeal's wallet users into ether.fi's earn-and-spend app via opt-in migration Sector: Investing & Trading Infrastructure Target Description: Self-custodial smart-account wallet pairing DeFi stablecoin yield with a Visa debit card	
	GATTACA	Transaction Value: Undisclosed Rationale: To add wallet order flow upstream of its block-building and execution infrastructure Sector: Investing & Trading Infrastructure Target Description: Wallet transaction routing and MEV protection layer that returns captured value to user	
		Transaction Value: Undisclosed Rationale: To enter Thailand through a locally licensed exchange instead of offshore access Sector: Brokers & Exchanges Target Description: Thai SEC-licensed digital asset exchange and brokerage serving Thai retail investors	
	Libeara	Transaction Value: Undisclosed Rationale: To add a Jersey-licensed dealer for intraday trading of its tokenized funds Sector: Brokers & Exchanges Target Description: Jersey-licensed investment dealer and VASP entity of Standard Chartered-backed crypto broker Zodia Markets	
		Transaction Value: Undisclosed Rationale: To unify Base and Superchain DEX liquidity under one AERO token Sector: Brokers & Exchanges Target Description: vel(3,3) decentralized exchange and liquidity hub on OP Mainnet and the Superchain	

OVERALL CRYPTO M&A ACTIVITY LEVELS

