

Q4
2026

BITWISE STAKING REPORT

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About Bitwise

Bitwise Asset Management is a global asset manager specializing in crypto and onchain finance with a nine-year track record and more than \$14 billion in client assets. The firm’s suite of over 70 investment products—spanning ETFs, option income strategies, model portfolios, DeFi vaults, tokenized funds, and staking—helps investors access opportunities across the financial frontier. Bitwise serves more than 5,500 private wealth teams, RIAs, family offices, and institutional investors, as well as 21 banks and broker-dealers. The company is headquartered in San Francisco, with offices in New York and London. For more information, visit bitwiseinvestments.com.

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Authors



Kam Benbrik
Head of Onchain Research

@KamBenbrik



Rafal Klich
Protocol Researcher

@0xrafal

Introduction

Crypto's role in financial markets expanded in Q3 2026. Stocks traded onchain at greater scale, activity increased, and Robinhood's blockchain completed its first quarter. The networks are becoming more capable, and the range of assets and services built on them is growing.

Fees and activity across networks: Q2 vs. Q3 2026

Network	Fees Q2 2026	Fees Q3 2026	Activity Q2 2026	Activity Q3 2026
Ethereum	\$63.0M	\$40.6M	203.9M tx	199.3M tx
Solana	\$51.0M	\$76.0M	9.8B non-vote tx	14.2B non-vote tx
Hyperliquid	\$182.8M	\$228.1M	188.0B actions 31.1M EVM tx	153.8B actions 35.5M EVM tx
Robinhood Chain	—	\$51.1M	—	870.2M tx
NEAR Blockchain	\$137.3K	\$208.4K	77.7M tx	68.0M tx
NEAR Intents	\$9.32M	\$14.43M	7.0M swaps	9.6M swaps

Source: Bitwise. Tx = transactions.

The growth in tokenized equities shows the trend clearly. Trading volume of tokenized equities on Solana reached \$6.93 billion, up 45% from Q2. On Hyperliquid, non-crypto markets accounted for more than a third of perpetuals trading volume. Robinhood Chain entered the market with more than 190 tokenized stocks. Together, these results show how onchain trading is expanding to assets that investors already hold in traditional markets.

The infrastructure supporting this activity also improved. Solana processed 14.2 billion non-vote transactions, up 45% from the previous quarter, while reducing slot times from 400 to 250 ms. On Ethereum, the average cost of four common transaction types fell 67% YoY. Faster execution and lower costs make it easier to build financial services that people can use frequently and at scale.

More capital was committed to securing these networks. Ethereum's active stake reached a record 43.80 million ETH, equivalent to 35.9% of supply, while Solana's active stake rose to 440.5 million SOL. Staking is a central part of this growth, as it provides the economic security on which applications and their users depend. As the value held and traded onchain grows, the performance and resilience of the validators supporting these markets become increasingly important.

New services are also creating additional sources of income. NEAR Intents handled \$10.41 billion in volume and generated \$14.43 million in fees during the quarter. Hyperliquid added \$17.26 million of accrued USDC reserve income, extending its income sources beyond trading fees. Both illustrate the growing range of services that crypto networks can support.

This report examines progress across five networks, from the growth in financial activity to the protocol changes behind it, and what these developments mean for staking rewards, validator operations and network security.



ETHEREUM

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Overview

Ethereum staking continued to grow this quarter. ETH held by active validators reached an all-time high of 43.80 million, representing 35.9% of total supply. Net staking inflows added another 1.99 million ETH, the sixth consecutive quarter of positive inflows. However, as more investors staked ETH, the annualized yield continued to fall.

Ethereum also processed substantially more transactions at a lower cost. The number of transactions increased 35.3% from the same period last year, while fees and MEV revenue declined. Higher gas limits associated with the Fusaka upgrade, which went live in December 2025, increased the network's capacity to handle transactions. Users benefited from cheaper blockspace, but the additional activity has not yet translated into stronger value capture.

The quarter in numbers

Metric	Q2 2026	Q3 2026
ETH held by active validators	40.24 million ETH	43.80 million ETH
Share of total ETH supply held by active validators	33.0%	35.9%
Net staking inflow	1.44 million ETH	1.99 million ETH
Annualized staking yield	2.81%	2.63%
Transactions processed	203.85 million	199.32 million
Average daily fees and MEV	331 ETH	198 ETH
Ethereum mainnet DeFi TVL*	\$42.30 billion	\$55.40 billion
Distributed tokenized assets	\$18.61 billion	\$16.67 billion
Stablecoin market capitalization	\$174.84 billion	\$167.36 billion

Source: Bitwise, Allium, RWA.xyz, DefiLlama.

* TVL is measured in US dollars, so higher token prices can increase its value without additional deposits.

Ethereum continues to benefit from one of the strongest network effects in the blockchain industry. It remains the largest Layer 1 by total value locked, with more than \$50 billion locked in DeFi protocols, and continues to attract major teams. For example, this quarter Robinhood launched the public mainnet of Robinhood Chain, an Ethereum Layer 2 designed for financial applications and tokenized assets.

Ethereum is also the largest network for tokenized assets, with a 43.3% share of the non-stablecoin market and supporting close to \$167 billion in stablecoins.

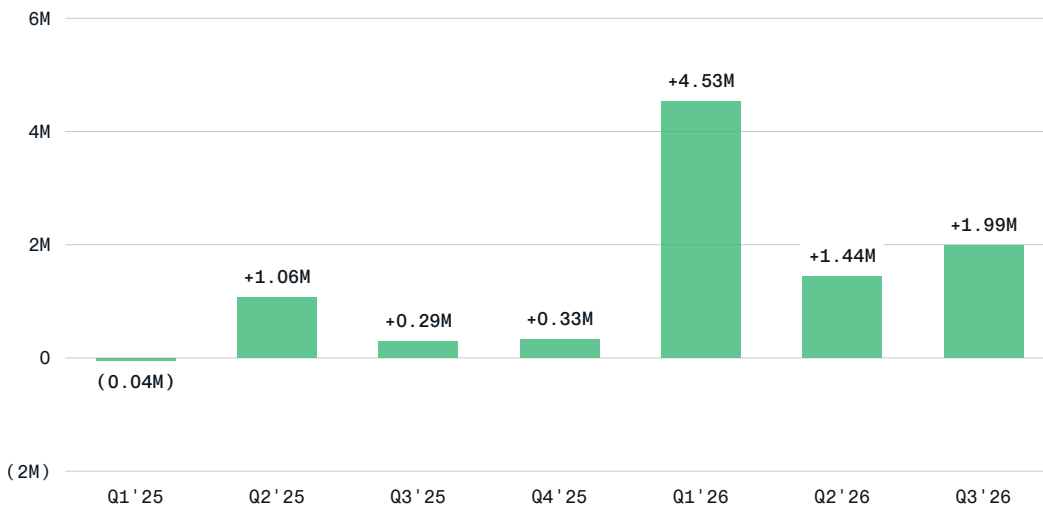
Overall, Ethereum's position cannot be measured through transaction throughput alone. Its main advantage remains the capital, liquidity and financial infrastructure built around it.



Staking demand and yield

Net staking inflows reached 1.99 million ETH this quarter, up from 1.44 million ETH in Q2 but still well below the 4.53 million ETH added in Q1. In total, 7.96 million ETH were staked in the first three quarters of 2026; this is 6.¹ times the 1.31 million ETH recorded over the same period last year. Institutional staking supported this growth: Bitmine's reported stake rose from 0.41 million ETH in late December 2025 to 5.07 million ETH as of September 27.¹

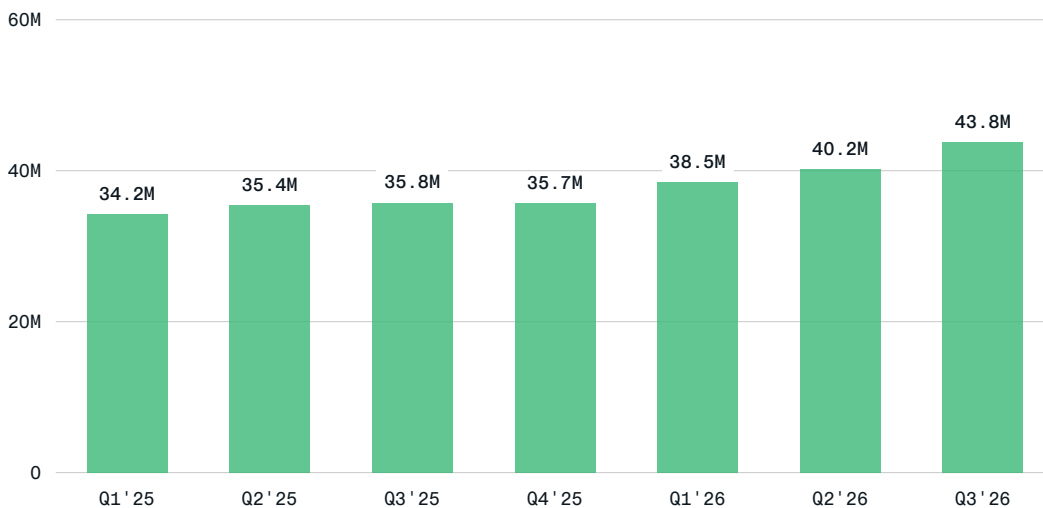
Net staking inflows by quarter



Source: Bitwise, Allium.

Active validator balances reached an all-time high of 43.80 million ETH. One reason behind this growth is that, since the "Pectra" upgrade, validators that enable compounding have their rewards automatically staked, thus increasing validator balances. (This happens automatically for consensus rewards only, not priority fees or MEV.)

ETH held by active validators



Source: Bitwise, Allium. Includes rewards held in active validator balances.

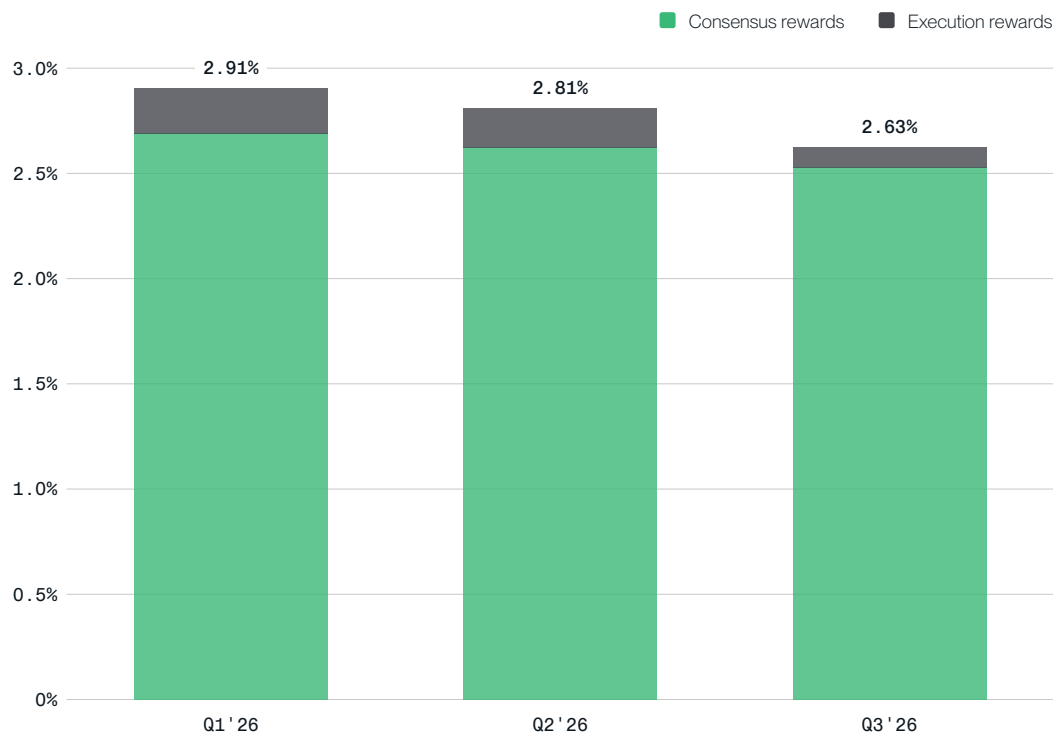
(1) Source: <https://www.sec.gov/Archives/edgar/data/1829311/000149315226044459/ex99-1.htm>



The estimated wait for new ETH to enter active stake fell from around 70 days in February 2026 to approximately 25 days at the end of Q3. A shorter queue means new deposits can begin earning staking rewards sooner.

The annualized staking yield averaged 2.63% this quarter, down from 2.81% in Q2. Inflationary consensus rewards contributed 2.53 percentage points (or 96.3% of the total yield) while priority fees and MEV added only 0.10 percentage points. As more ETH is staked, rewards are distributed across a larger pool, reducing the yield earned on each ETH. The continued decline in staking yield reflects both the growth in active stake and lower execution rewards.

Annualized staking yield by quarter (gross)



Source: Bitwise, Allium. Daily reward rates weighted by active effective balance, before operator fees.



Pectra is changing how validators operate

The Pectra upgrade, activated in May 2025, continues to change Ethereum staking. As mentioned earlier, validators using the new withdrawal credentials (0x02) can automatically compound their consensus rewards into their effective balance. The maximum effective balance is now 2,048 ETH per validator, while the minimum required to create a validator remains 32 ETH.

Execution rewards work differently: Priority fees and MEV are paid to an execution-layer address and do not automatically compound within the validator balance.

Pectra also allows operators to consolidate multiple validators, reducing infrastructure costs and simplifying operations. The effect is already visible: The number of active validators has fallen from close to 1.1 million to around 881,000, even as the amount of ETH held by validators has reached an all-time high.

Active Ethereum validator count



Source: Bitwise, Allium.

Bitwise was ready to support Pectra immediately after the fork and has been helping clients consolidate validators since June 2025. In September, Bitwise became the first operator to begin consolidating validators on Lido Core, working closely with the Lido team.² Bitwise's migration will reduce approximately 8,000 Bitwise-operated validators to 125. Lido plans to extend the consolidation process across the wider operator set.

² <https://x.com/Bitwise/status/2100978370309746850?s=20>



More transactions, but lower revenue

Ethereum generated 18,210 ETH from network fees and MEV in Q3; this was worth \$40.64 million based on daily ETH prices. This represents an average of 198 ETH per day, compared with 331 ETH in Q2—a decline of 40.2% and the lowest level since Q1 2025.

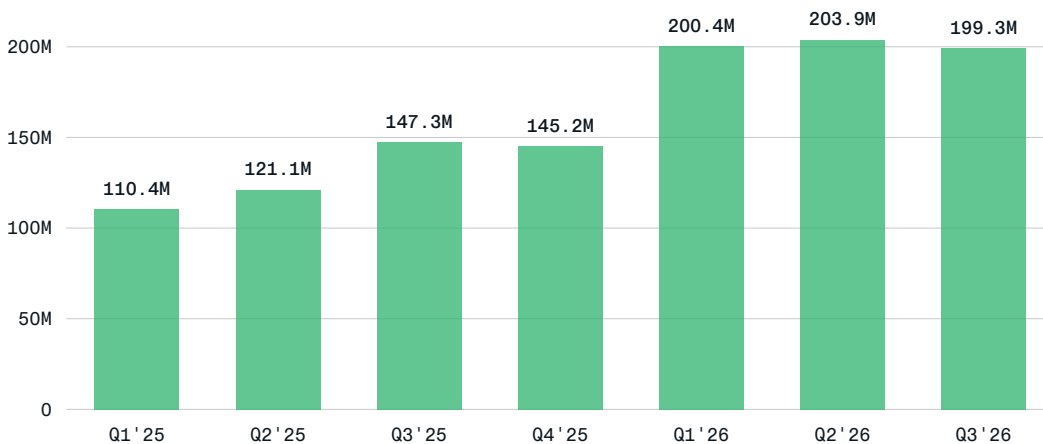
Ethereum network revenue by quarter (ETH)



Source: Bitwise, Allium.

This quarter, Ethereum processed 199.32 million transactions, 35.3% more than during the same period last year. Yet even though the network processed more transactions, users paid less for each transaction.

Ethereum transactions by quarter

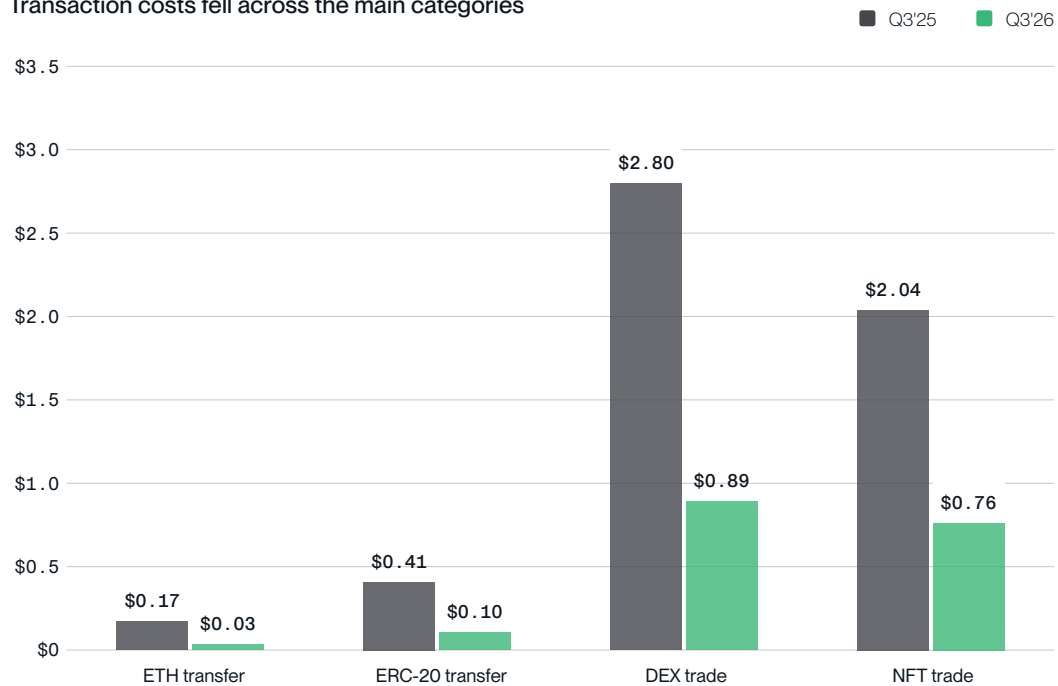


Source: Bitwise, Allium.



To understand how transaction costs changed, we compared four common types of activity between 2025 and 2026: DEX trades, NFT trades, ERC-20 transfers, and ETH transfers. Costs declined across all four categories; the average cost across these categories fell to \$0.45 this quarter, compared with \$1.35 during the same period last year, a decrease of 67.0%. The decline was mainly supported by Ethereum's increase in capacity. The block gas limit rose from 45 million to 60 million, allowing each block to process roughly one-third more computation. However, while transaction count increased, fees depend on total gas demand rather than the number of transactions alone. With more blockspace available and less competition for immediate inclusion, base fees and priority fees declined.

Transaction costs fell across the main categories



Source: Bitwise, Allium.

For users, lower transaction costs make it cheaper to use applications on Ethereum mainnet. For the network, however, lower fees mean that less ETH is burned and validators and stakers earn less from execution rewards.



Ethereum remains the center of capital

Ethereum mainnet had more than \$50 billion in DeFi TVL this quarter, making it the largest Layer 1 by value locked, with substantially more capital than its entire Layer 2 ecosystem.

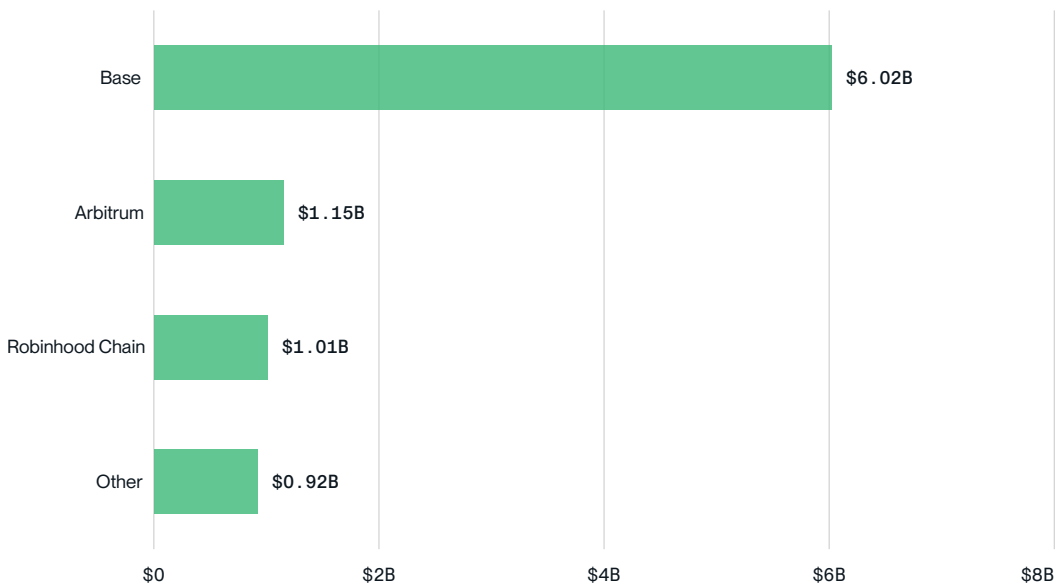
Ethereum mainnet DeFi TVL



Source: Bitwise, Allium, DefiLlama.

The Layer 2 networks we tracked held approximately \$9.1 billion in DeFi TVL. Base dominated the ecosystem with \$6.02 billion, representing 64.5% of the tracked total. Arbitrum ranked second with \$1.15 billion, followed closely by Robinhood Chain with \$1.01 billion.

Layer 2 DeFi TVL at quarter-end

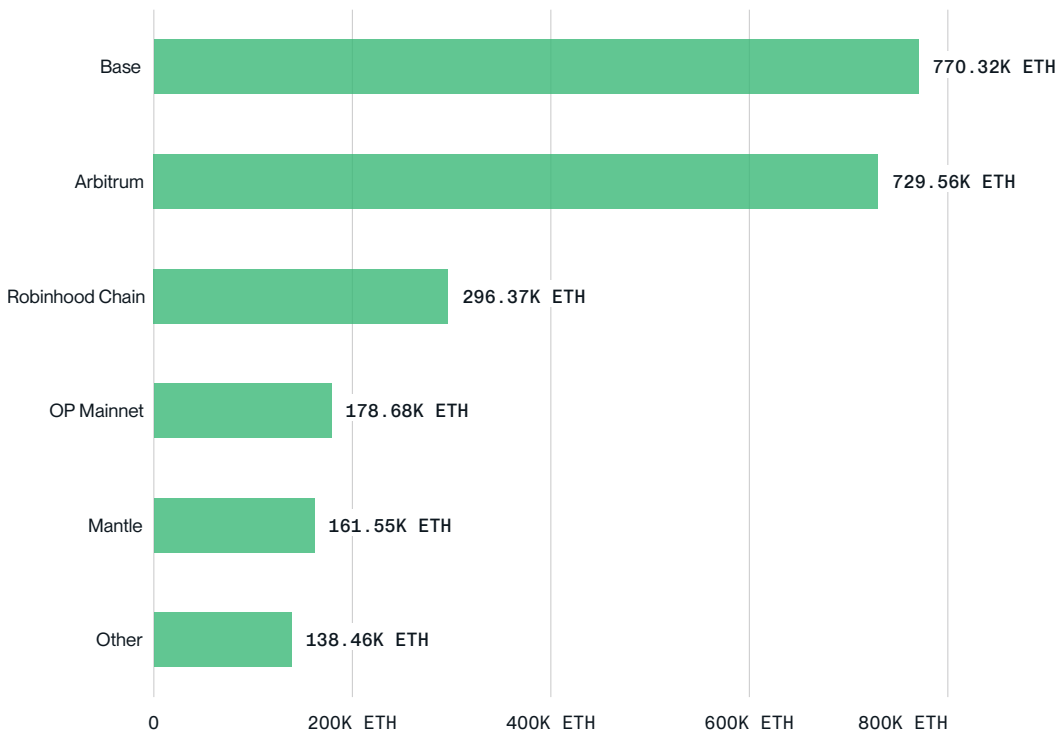


Source: Bitwise, Allium and DefiLlama.



Layer 2s also hold a growing share of the ETH supply. Across the L2s we tracked, bridge escrows held 2.27 million ETH, representing 1.86% of total supply. Robinhood Chain alone held approximately 296,372 ETH, or 0.24% of the total ETH supply, just three months after its July 1 launch.

Native ETH held in Layer 2 bridge escrows



Source: Bitwise, Allium, L2BEAT escrow registry.



The composition of Ethereum's asset base is changing

A large share of Ethereum's capital remains in liquid staking or in DeFi protocols that use ETH and liquid staking tokens as collateral. This reinforces Ethereum's position as the main liquidity hub for decentralized finance. Over the last three months, however, much of the asset growth came from stablecoins, tokenized funds and other institutional products.

At quarter-end, Ethereum accounted for 43.3% of the tokenized asset market, excluding stablecoins. The table below shows the 10 assets that added the most supply on Ethereum this quarter.

Top assets on Ethereum by supply added

Asset	Supply added (USD)	Supply added (tokens)	Supply growth	Current value (USD)	Category
Ripple USD	\$652.28M	652.29M	88.86%	\$1,386.35M	Stablecoin
WisdomTree Government Money Market Digital Fund	\$504.14M	504.14M	71.53%	\$1,208.88M	RWA
Tether Gold	\$499.94M	0.12M	16.91%	\$3,456.62M	RWA
Ethena USDe	\$412.35M	412.48M	9.26%	\$4,865.20M	Stablecoin
United Stables (U)	\$332.26M	332.45M	1,345.95%	\$356.95M	Stablecoin
Hastra PRIME	\$238.23M	224.35M	114.77%	\$445.82M	RWA
Re Protocol Deposit Token	\$120.43M	109.07M	76.32%	\$278.24M	RWA
GHO	\$99.90M	100.00M	16.69%	\$698.32M	Stablecoin
Ondo U.S. Dollar Yield	\$76.63M	66.80M	6.83%	\$1,199.44M	RWA
Strategy Stretch Preferred (Ondo Tokenized)	\$67.51M	0.64M	901.57%	\$75.00M	RWA

Source: Bitwise, Allium.

Growth was not uniform: USDT and USDC supply on Ethereum declined during the quarter, although the network still supported close to \$167 billion in stablecoins. At the same time, the value of tokenized assets on Ethereum nearly doubled over the past year. The growth of these assets reflects continued issuer confidence in Ethereum as a base layer and could bring more stable, long-term demand to the network.



Ethereum's issuance policy enters the debate

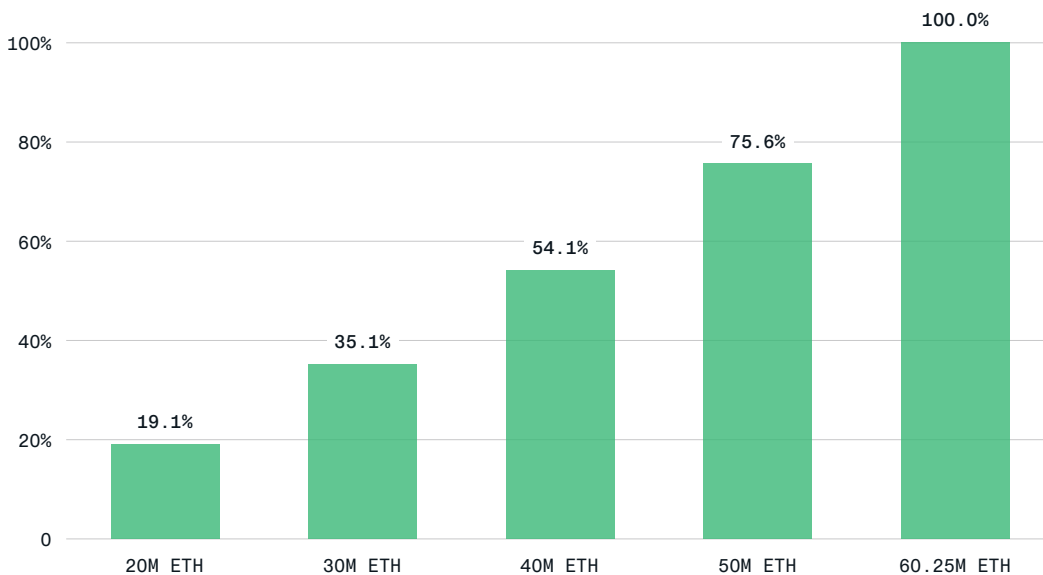
The growth in staking has renewed the debate over how much ETH Ethereum needs to issue to secure the network. EIP-8363, known as Tapered Issuance Burn, was introduced in July and opened for public discussion on August 4. Its authors argue that the current reward curve continues to encourage more staking even when additional stake provides limited security benefits. They proposed including the change in the Hegotá upgrade.

Under the proposal, the share of consensus rewards burned would increase as more ETH is staked. Around 54% would be burned at 40 million ETH staked, 76% at 50 million ETH, and 100% at 60.25 million ETH. This final threshold is roughly half of Ethereum's reference supply.

At 60.25 million ETH staked, the burn would fully offset the consensus rewards earned by validators that perform their duties correctly. They could still earn priority fees and other execution income, but missed duties and penalties could reduce their staked balance.

To make the transition more gradual, consensus rewards would initially double before the burn is applied. These additional rewards would decline over 18 months, although burning would begin immediately.

Proposed burn share at different effective-stake levels



Source: EIP-8363 draft proposal.

Supporters argue that ETH holders should not be diluted to fund a security budget that keeps growing. They also believe that more staking can increase concentration as more ETH moves to custodians and liquid staking protocols. Lower issuance could reduce this pressure and keep more ETH held directly.

Critics argue that lower rewards may favor large providers. All validators face hardware, hosting and maintenance costs, but large operators can spread these costs across much more ETH. Smaller operators (including solo stakers) may struggle to remain profitable, causing stake to become more concentrated.

Lower consensus rewards would also make execution income more important. Priority fees and other execution rewards vary from block to block. Large providers and staking pools can smooth these changes across many validators, while smaller operators could face more uneven income.



The proposal also raises several practical questions:

Accounting: Paying a reward and then burning part of it could be more difficult to account for than issuing a smaller reward in the first place.

Lending and borrowing: Strategies that rely on staking income to cover borrowing costs could become less profitable. Lending markets using staked ETH would also need to assess the impact of lower rewards.

Ecosystem review: A change of this scale would require time to analyze and broader analysis of its effects on network security, validator operators and ETH holders.

On September 7, the Ethereum Foundation's Protocol team chose not to recommend EIP-8363 for the Hegotá upgrade.³ The team said that changing how much ETH is issued requires a wider community discussion.

Glamsterdam would improve staking liquidity

Glamsterdam is expected to be Ethereum's next major upgrade, with a target date in Q4 2026. Two of the main changes are enshrined proposer-builder separation and block-level access lists, both of which we covered in our previous report.⁴ Both are designed to improve how blocks are built and help the network process transactions in parallel.

A related proposal, EIP-8061, would increase the amount of staked ETH that can exit the network or move through validator consolidations. Ethereum currently limits these movements to prevent too much stake from changing at once. These limits help protect the network, but they can also create long queues when many validators want to exit or combine several validators into one.

With 36 million ETH staked, the estimated daily capacity would change per the following table.

Changes to ETH movement limits under proposed changes

Network-wide capacity	Current rules	Proposed rules
ETH allowed to exit staking	57,600 ETH/day	About 247,000 ETH/day
ETH available for consolidation	About 66,000 ETH/day	About 124,000 ETH/day
New stake allowed to become active	57,600 ETH/day	Unchanged

Source: EIP-8061.

The proposal would allow stakers to access their ETH more quickly when exit queues are long. It would also help operators consolidate validators faster, reducing the number of validator records while keeping the underlying ETH staked. However, the rate at which new stake becomes active would remain unchanged.

(3) <https://blog.ethereum.org/2026/09/07/protocol-hegota-eips>

(4) <https://s3.us-east-1.amazonaws.com/static.bitwiseinvestments.com/Research/Bitwise-Staking-Report-Q3-2026.pdf>



SOLANA

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Overview

Solana added about 13.4 million SOL of active stake in Q3 to reach a record 440.5 million SOL staked, or 69% of total supply. At the same time, liquid staking declined for a third straight quarter, mostly because of the significant reduction in the DoubleZero delegation program. Gross staking yield fell to about 6.0% as inflation continued to decline, although higher fees partly offset the drop in inflation. The number of active validators fell to 659 as smaller operators continued to leave the network.

Network activity accelerated. Solana processed a record 14.2 billion non-vote transactions, up 45% from Q2, while the average cost per transaction stayed roughly at the same level. Users paid 837,000 SOL (\$76.0 million) in transaction fees, up 33% in SOL terms, while applications earned about \$396 million, up 54%. Memecoin trading was responsible for much of this growth, but tokenized equities were the fastest-growing category, with trading volume up 45% to \$6.93 billion.

The quarter in numbers

Metric	Q2 2026	Q3 2026
Active stake	427.1 million SOL	440.5 million SOL
Share of SOL supply staked	68%	69%
Non-vote transactions processed	9.8 billion	14.2 billion
Average non-vote TPS	1,246	1,786
Real Economic Value (REV)	631,000 SOL (\$51 million)	837,000 SOL (\$76.0 million)
Solana application revenue	~\$257 million	~\$396 million
Tokenized equities supply	\$421 million	\$669 million
Tokenized equities DEX volume	\$4.77 billion	\$6.93 billion

Source: Allium, Blockworks, Bitwise.

The network also increased bandwidth and reduced latency. Solana raised its block capacity from 60M compute units per block to 100M and cut slot times from 400 ms to 250 ms in anticipation of Alpenglw, the new consensus mechanism. The Teraswitch outage in August tested the network’s resilience with almost 29% of stake going offline, yet the network kept producing blocks.

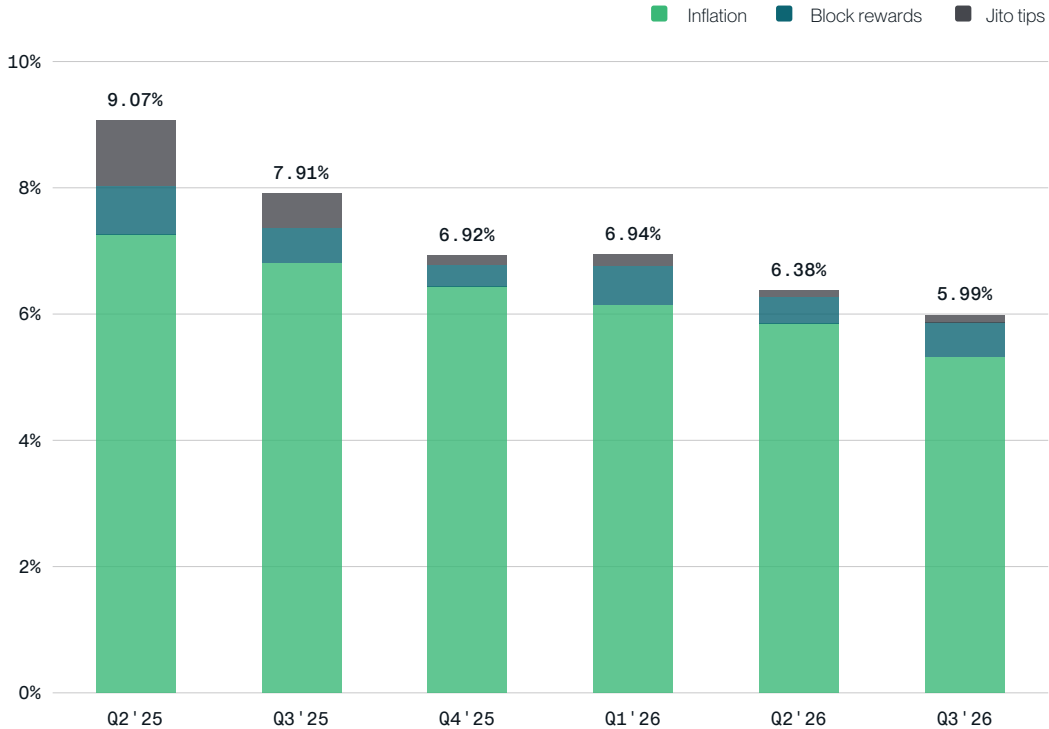
Validators and stakers also voted on Solana’s first major governance proposals since early 2025, approving a new governance process and a faster disinflation schedule, which still remains to be activated.



Staking yield composition

Solana validator rewards come from two components: inflationary (SOL issuance) and non-inflationary (block rewards and Jito tips). In Q3 2026, inflation yield fell by 0.53 percentage points QoQ as issuance declined under the 15% annual disinflation schedule and those rewards were spread across a slightly larger active stake. At the same time, block rewards and Jito tips rose by 0.14 pp thanks to increased onchain activity, partially offsetting the lower inflation yield.

Network gross APY



Source: Allium, Bitwise. Based on the performance of superminority validators.

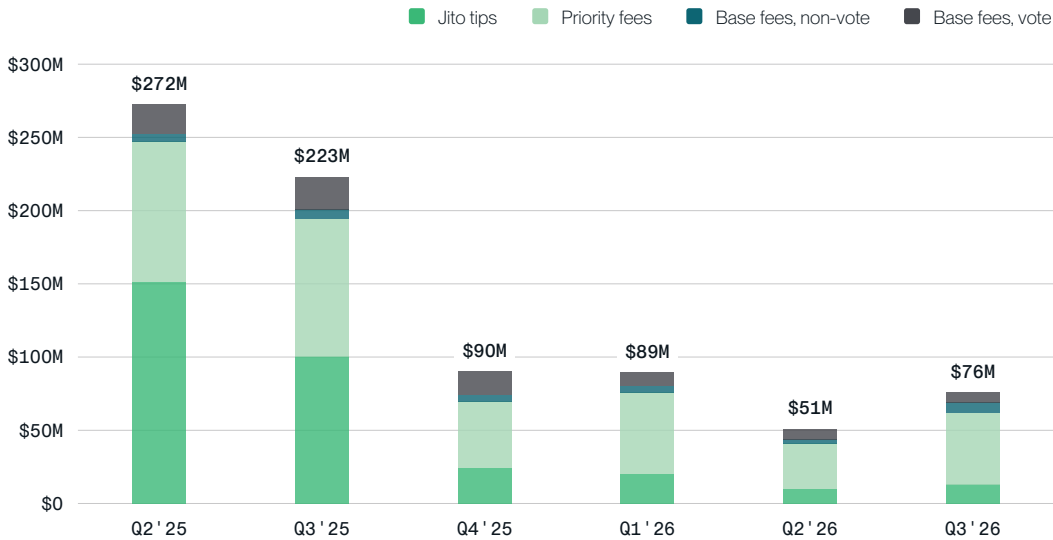
Inflation remained the main source of staking yield, accounting for almost 90% of gross APY. Non-inflationary rewards recovered during the quarter but ended at roughly 60% of their levels from the same time last year.

Block rewards made up 81% of non-inflationary rewards while Jito tips made up 19%. This was largely due to the continued trend of alternative bundling systems, such as those from Harmonic and Rakurai, taking market share from Jito for MEV execution.

Solana's Real Economic Value (REV), a measure of what users pay to transact on the network, began recovering in Q3 after a significant decline in Q2, driven by higher network activity. Users paid 837,000 SOL (\$76.0 million) in fees to use the chain, up 33% in SOL terms and 49% in USD terms from the previous quarter. Priority fees led the recovery at 64% of REV, Jito tips added 17%, and base fees from vote and non-vote transactions made up the rest. REV grew faster in USD terms than in SOL terms as the increase in activity coincided with a 12% rise in SOL's price.



Solana REV (USD)



Source: Allium, Bitwise.

Solana REV (SOL)



Source: Allium, Bitwise.

Liquid staking decreased for a third straight quarter

Solana's active stake increased by about 13.4 million SOL in Q3 to 440.5 million SOL, raising the already high staking ratio from 68% to 69% of Solana's total supply.

The increase came from direct market stake and the Solana Foundation Delegation Program (SFDP), which grew by 13.9 million and 3.5 million SOL, respectively.

Liquid Staking Token (LST) stake declined by 6.9% to 52.6 million SOL. As a result, LSTs' share of active stake fell from 13.2% to 11.9%. Q3 is the third consecutive quarterly contraction for liquid staking tokens, following a 5.0% decrease in Q2 and a 7.8% decrease in Q1.

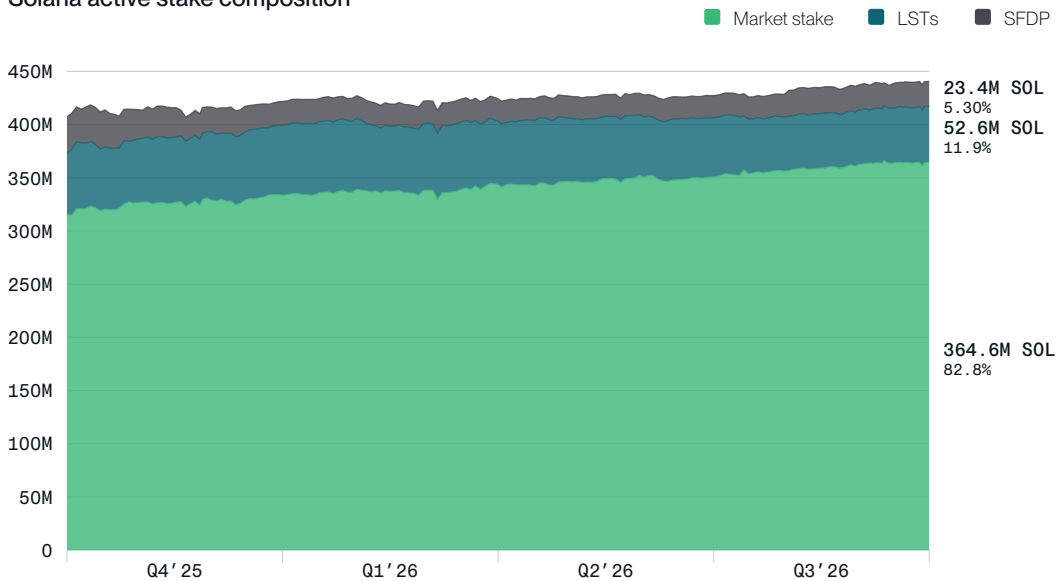


DoubleZero drove most of the decline. dzSOL fell by 87%, from 5.27 million to 0.68 million SOL, after Phase II of its delegation program ended in June and the Solana Foundation moved its stake out of the DoubleZero pool to other initiatives.

Excluding dzSOL, LST stake increased by approximately 0.69 million SOL. LSTs issued by digital asset treasury companies grew especially fast. DeFi Development Corp (dfdvsOL) increased 138% to 1.83M SOL, while Forward (fwdSOL) rose 53% to 2.17M SOL.

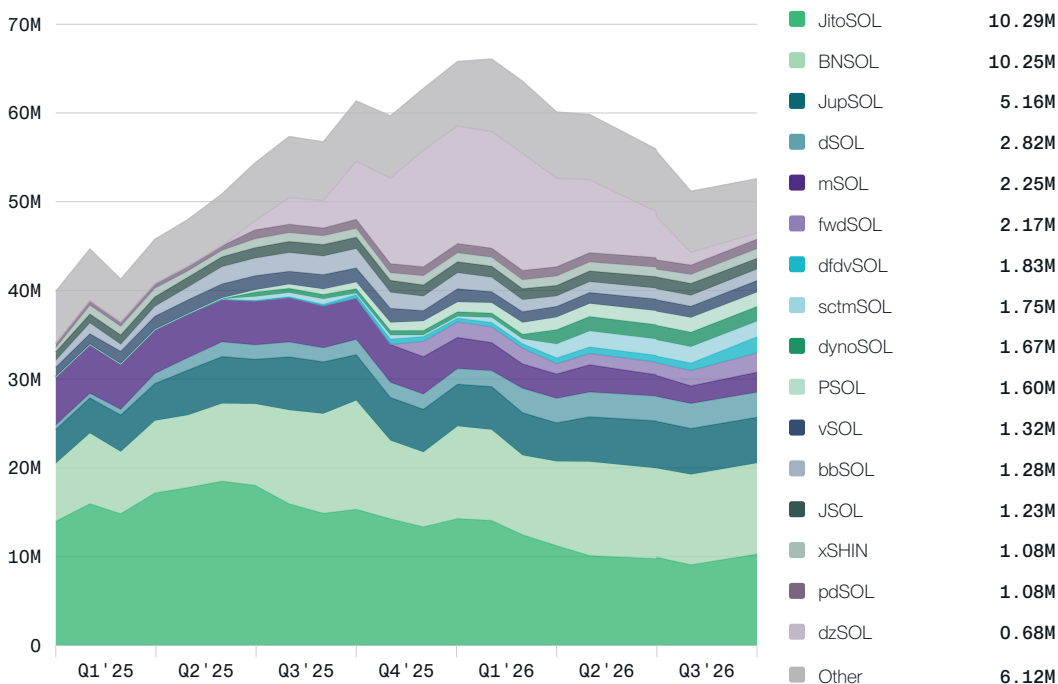
Among established LSTs, Jito ended Q3 as the largest. It grew 3.5% to 10.29M SOL, while Binance grew 1.5% to 10.25M SOL. Their combined market share rose from 35.5% to 39.1%.

Solana active stake composition



Source: Allium, Bitwise.

Solana LST market composition (SOL)



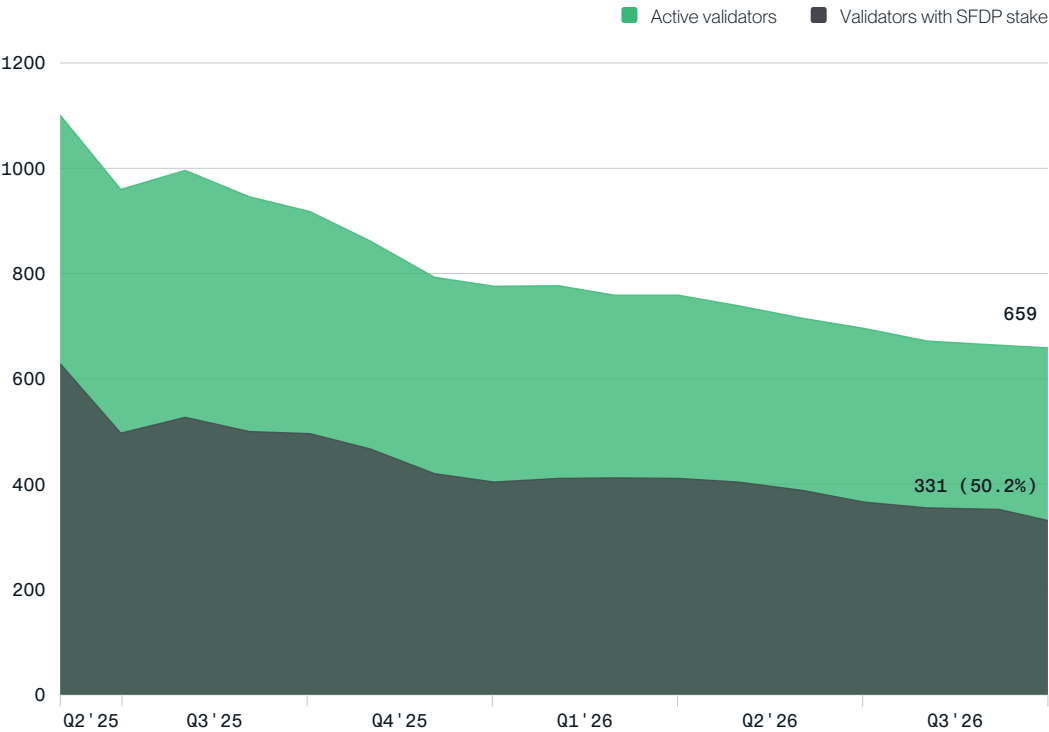
Source: Allium, Bitwise.



Validator set continued to decline

Under continued cost pressure, the number of active validators continued their downward trend, falling over 5% from 696 to 659. Validators receiving SFDP stake fell faster, from 356 to 331, reducing their share of the active set from 51.1% to 50.2%. Over the past year, the two groups have shrunk by about 30% and 34%, respectively.

Solana validator set



Source: Allium, Bitwise. Active validators are defined as those that produced at least one block during the sampled epoch. This differs from our previous report, which counted vote accounts with active delegated stake, including validators that did not produce a block.

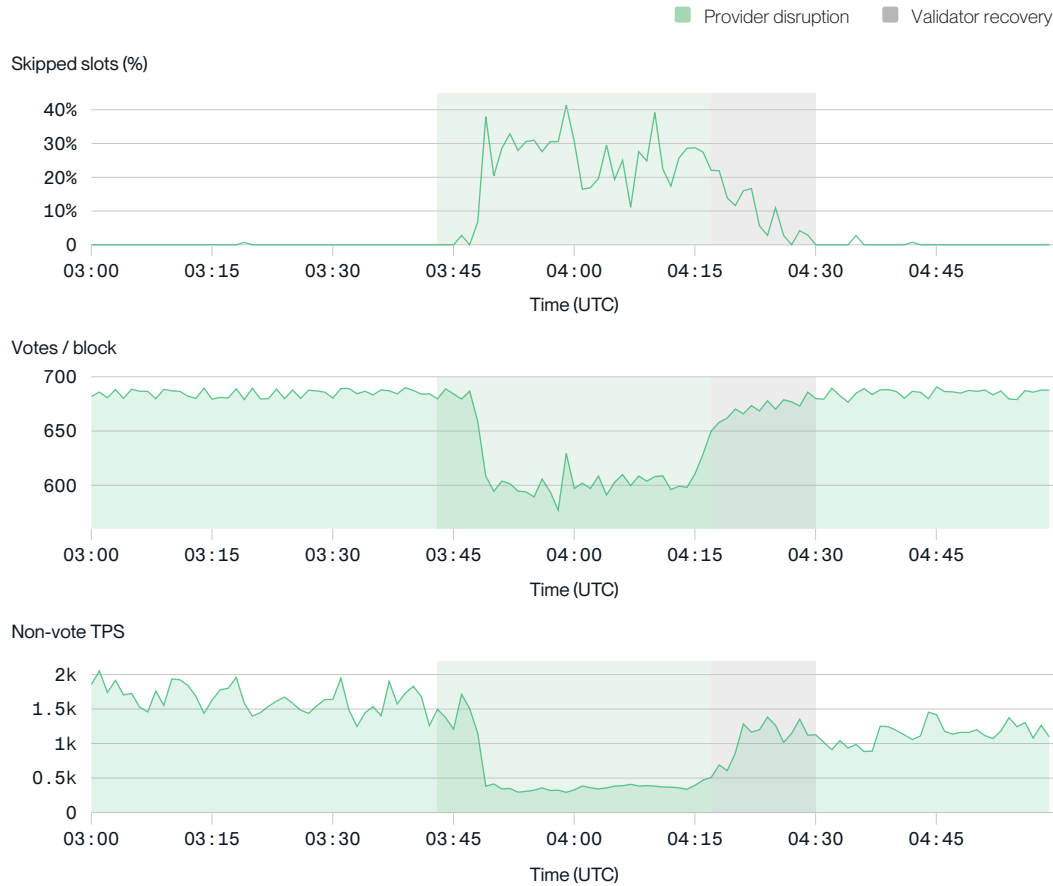
Validator consolidation is expected to continue. Larger validators can earn more out-of-protocol revenue by selling new block and transaction data and leveraging more slot-building opportunities. They also have a better chance of landing transactions that pay outsized tip or fee revenue. These advantages compound over time, making it harder for smaller validators to compete with the low commissions offered by their larger counterparts.



Teraswitch outage tested Solana's resilience

On August 12, 2026, at 03:43 UTC, a networking configuration error originating at Teraswitch's Miami site propagated through Amsterdam and spread across Europe and Asia-Pacific, causing 12 sites to lose connectivity at the same time. Within minutes, more Teraswitch sites in London, Amsterdam, Dublin, Frankfurt, Singapore, and Tokyo lost connection.

Teraswitch incident: network impact



Source: Allium, Bitwise.

About 90 validators, representing almost 29% of stake, went dark.⁵ During the outage, vote transactions per block fell from about 685 to 577, skip rate jumped above 41%, and non-vote TPS dropped from over 1,500 to 300. Teraswitch then isolated the Miami site and prevented the broken config from spreading. Normal operations were restored at 04:16 UTC. Voting and skip rate returned to normal within about 15 minutes, while transaction throughput took longer to recover.

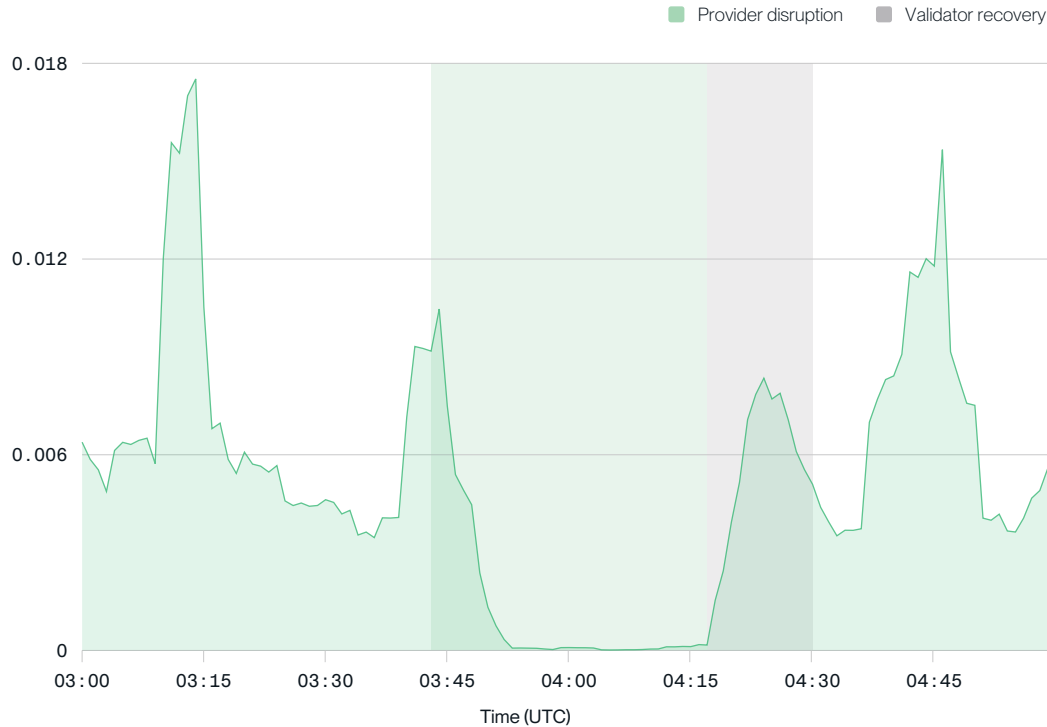
(5) Solana requires a two-thirds vote of active stake to finalize new blocks. If more than one-third doesn't vote, the network will continue producing blocks but cannot reach the supermajority required for finalization. Consensus would then stall until enough stake returns. Without finality, new transactions are no longer irreversible. Exchanges, bridges and apps cannot safely rely on the latest state because transactions might be dropped or reordered after consensus recovery. The 33.3% threshold is thus the first major inflection point at which a failure prevents the network from operating as intended. Any operator, infrastructure provider, or validator client with more than one-third of stake can therefore become a potential single point of failure for network finality.



Another core piece of infrastructure affected by the incident was the Jito Block Engine. Although validators outside the affected group continued producing blocks, Jito tips for those validators fell by 99% between 03:53 and 04:17 UTC, effectively going to zero. Tip payments returned to normal as connectivity was restored, and by 04:30 UTC they were back at the normal level.

Teraswitch incident: Jito tip impact

Jito tips (SOL/block)



Source: Allium, Bitwise.

During the outage, Solana demonstrated resilience, and decentralization worked as intended, but the incident showed that the infrastructure is vulnerable. The chain kept working despite losing almost a third of the stake, yet the incident exposed concentration across hosting, routing, validator failover, and transaction-delivery infrastructure.

In the aftermath, the community came together to discuss what went wrong and how to avoid a similar situation in the future. As with other past misses or near-misses, Solana is expected to learn from them. The priorities should be to spread validators across independent providers and to do more work to ensure that backup systems properly take over when the main ones fail.

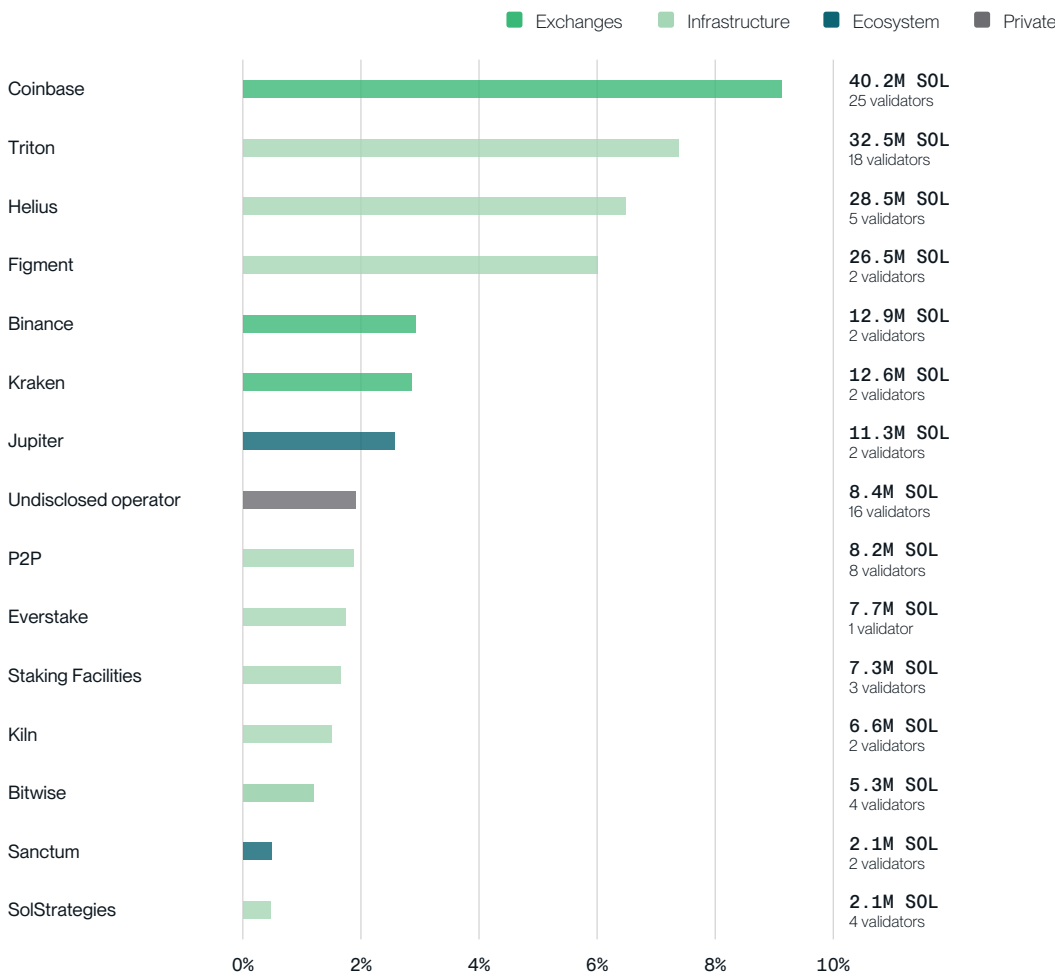


Where Solana stake is concentrated

Validators and operators

Solana has many validators, but the same entities often control them and may share infrastructure dependencies, as the Teraswitch incident proved. To find which entities control different nodes, validator identities can be clustered by looking for signs of shared financial or operational control, such as shared withdrawal authorities, identity keys on the same machines, coordinated failovers, and shared metadata. These signals can then be matched with public disclosures to create a Solana operator landscape. The results of one such study conducted by Marinade are shown in the table below.⁶

Largest validator operator groups (% share)



Source: Coinbase, Marinade, Solana RPC, Bitwise.

Coinbase is the largest entity on Solana today, operating 25 validators that control about 9% of the active stake. The five largest identified operator groups, including Coinbase, Triton, Helius, Figment, and Binance, account for nearly 32% of the stake. While the current provider spread introduces some risk, the network remains resilient to an event in which even the five biggest operators go down simultaneously, which is very unlikely.

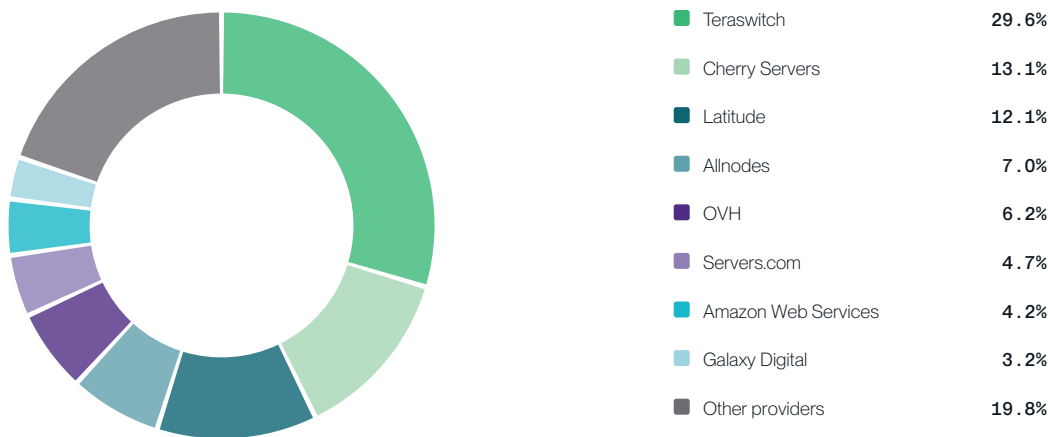
⁶ <https://app.marinade.finance/explore/>



Infrastructure and software

Infrastructure concentration presents a more immediate risk. Teraswitch, the leading provider, currently hosts 95 active validators, representing 29.6% of staked SOL—very close to the one-third threshold. However, the remaining infrastructure is more widely distributed: Cherry Servers and Latitude account for 13.1% and 12.1%, respectively, followed by operators with single-digit market share.

Validator infrastructure concentration



Source: Marinade, Solana RPC, Bitwise.

Validator software is another source of concentration, and the one that's hardest to resolve. All past network failures ultimately originated from the client software being unable to handle the transaction throughput or from consensus and transaction-processing bugs.

Today, Agave represents 84.2% of active stake, but only 1.1% runs the vanilla client. Each popular Agave fork introduces its own transaction ingest and ordering logic, including Jito BAM, the largest with 34.2% of active stake, followed by Jito-Agave at 28.8% and Harmonic at 18.5%.

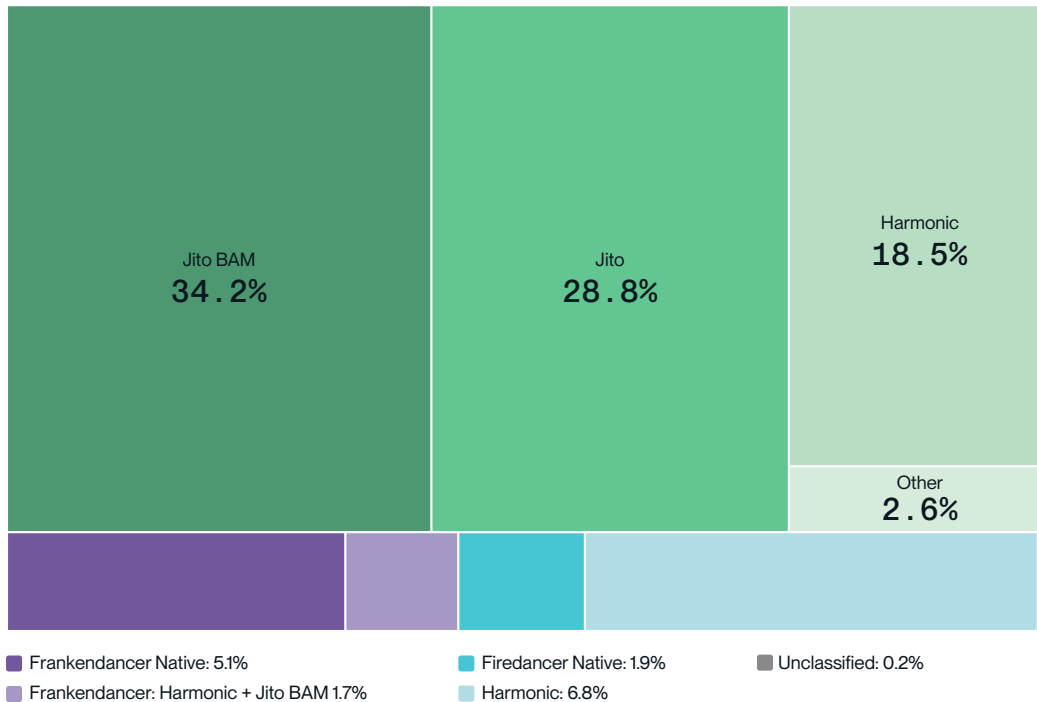
Frankendancer, which combines Firedancer's networking and block-building components with Agave's execution and consensus, makes up 6.8% of active stake. Firedancer clients add another 8.7%, bringing the two to 15.5%. Unlike Frankendancer, Firedancer is independent of Agave across the validator stack.



Validator client composition

Agave

84.2%



Source: Solana RPC, Bitwise.

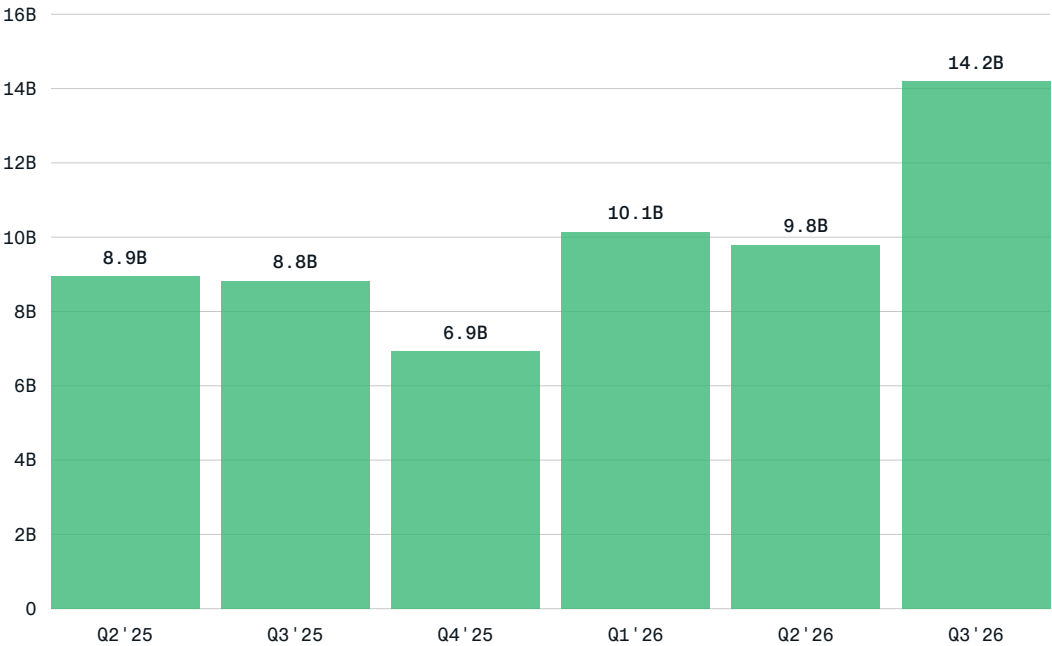
As a result, Agave code is present in approximately 91.0% of active stake when Frankendancer is included. That said, Agave has been battle-tested and, despite its past failures, has become reliable, fast, and state-of-the-art software. Agave's reliability is evident in the fact that the last Solana outage took place on February 6, 2024, more than two and a half years ago.



Record activity, with steady transaction costs

The number of non-vote transactions is one of Solana’s most important activity metrics, alongside REV. REV measures the economic demand for transaction execution but is also influenced by congestion, available capacity, and, when expressed in dollars, the SOL price. Non-vote transaction count is a raw measure of the workload the network processes, showing changes in activity and demand for blockspace.

Solana non-vote transaction count



Source: Allium, Bitwise.

The third quarter brought a rapid increase in non-vote transaction count. Solana processed 14.2 billion non-vote transactions during Q3, up 45% QoQ and 61% YoY, recording multiple days with record high transaction numbers. Non-vote transactions accounted for around half of all transactions, compared with 40% in Q2 and 30% a year earlier.

Solana non-vote transaction activity and cost

	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Average daily non-vote transactions	95.3M	98.3M	95.9M	75.2M	112.6M	107.6M	154.3M
Average TPS (non-vote)	1,103	1,138	1,109	870	1,303	1,246	1,786
Average block fullness (non-vote)	73.73%	75.07%	56.88%	38.4%	55.54%	47.46%	39.92%
Average cost per non-vote transaction	\$0.092	\$0.028	\$0.023	\$0.011	\$0.008	\$0.0045	\$0.0049

Source: Allium, Bitwise. In a change from our last report, the metric now shows what users pay per non-vote transaction rather than total REV per non-vote transaction, so it excludes validators' voting costs.



In late July, Solana increased the compute limit per block from 60M to 100M CU, a 67% increase. With more spare capacity, block fullness fell as expected by 7.5 pp QoQ despite higher transaction volume.

In Q3, Solana processed an average of 1,786 non-vote transactions per second, its highest quarterly rate on record, up 43.3% QoQ and 61.0% YoY. At the same time, the average user cost per non-vote transaction, including Jito tips, was \$0.0049, up just 9% QoQ and 79% below Q3 2025. Transaction volume grew sharply with little rise in what users paid per transaction. The growth was spread across several types of apps, although memecoin activity drove much of it.

Transaction throughput and cost per non-vote transaction



Source: Allium, Bitwise.

Shorter slots made Solana faster

Solana has aimed to increase transaction throughput and reduce latency since its inception. Starting in August, the network took additional steps in this direction. Slot times were reduced from 400 ms to 350 ms on August 21, to 300 ms one week later, and then to 250 ms on September 18.*

Shorter slots change the cadence at which transactions are processed. One benefit is faster consensus: Votes arrive more frequently, which cuts the expected time to finality from 12.8 seconds at 400 ms slots to 8 seconds at 250 ms. Shorter slots also reduce the delay when a leader skips its slot.

Because each leader produces four slots in a row, shorter slots also shorten the time one leader controls block production. The leader window shortened from 1.6 seconds at 400 ms to 1 second at 250 ms, and would fall to 800 ms at 200 ms. That leaves less time to delay or censor transactions before the next leader takes over. Shorter slots also give apps a more precise measure of time, which matters for oracles and market makers.

* On October 9, slot times were further reduced to 200 ms. Since this occurred after the end of Q3, we focus here on just the first three reductions.

One challenge is that shorter slots could disproportionately affect validators in remote locations, who have less time to receive and replay a block, submit a vote, or produce a block during their leader slot.

Today, about 72.8% of Solana's stake is in Europe, highly concentrated within the Amsterdam–Frankfurt–London triangle. North America accounts for 16.2% of stake, Asia for 10.6%, and a small South American group for 0.4%.

Where Solana validators run

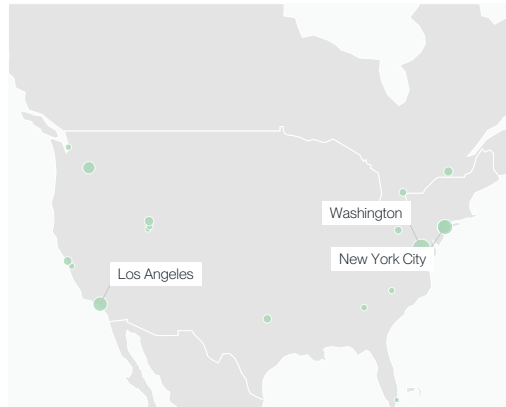
Europe

72.8% of stake



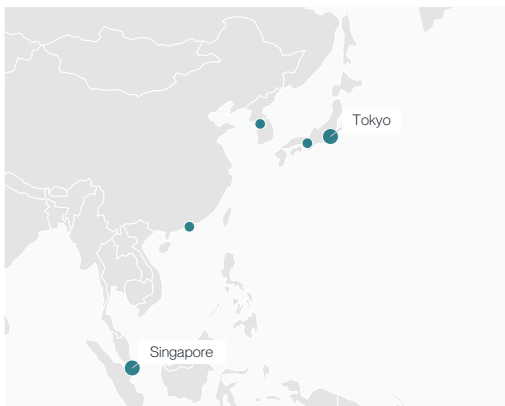
North America

16.2% of stake



Asia

10.6% of stake



South America

0.4% of stake

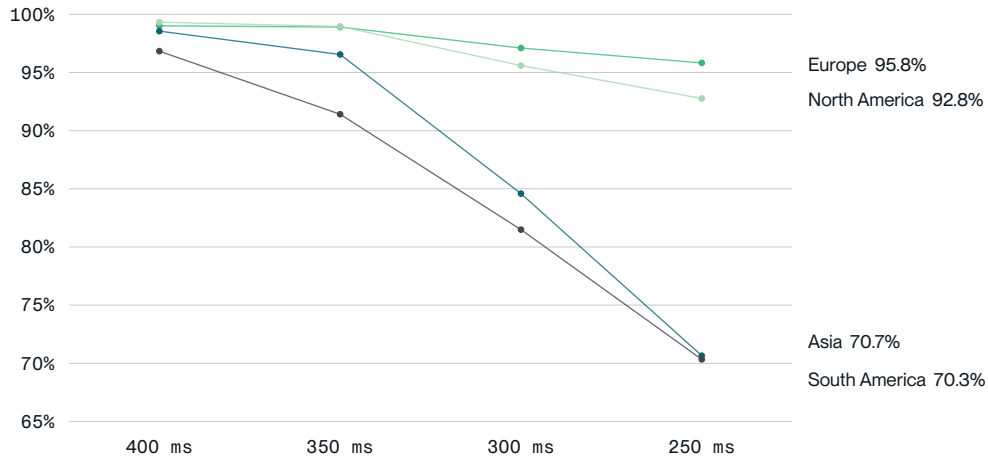


Source: Allium, Solana RPC, Marinade, Bitwise.

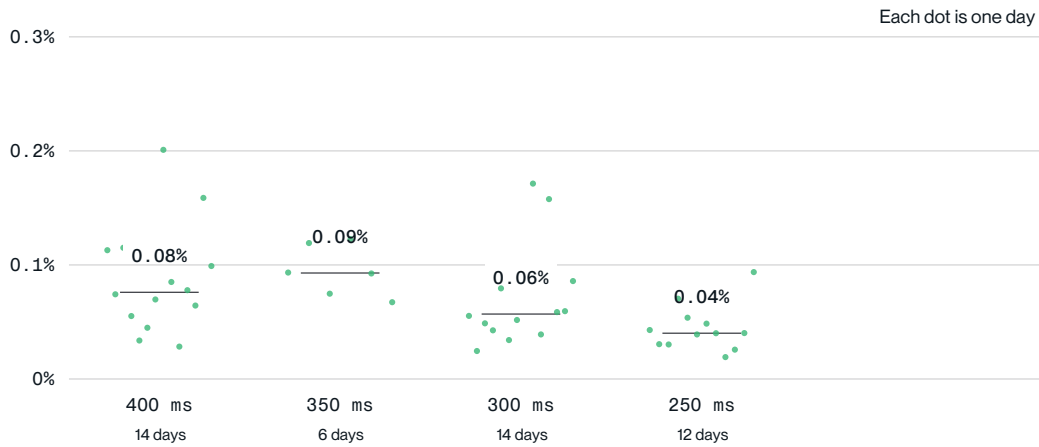
Indeed, the most visible effect of shorter slots has been increased vote latency measured in slots, especially for validators outside Europe and North America. At 400 ms, more than 98% of votes from validators in Europe, North America and Asia landed within one slot. As slot times shortened, Europe and North America held up well, while Asia and South America fell sharply. At 300 ms, the shares were 97.1% in Europe, 95.6% in North America, 84.6% in Asia and 81.5% in South America. At 250 ms, they fell further to 95.8%, 92.8%, 70.7% and 70.3%, respectively.



Votes landing within one slot



Median network skip rate



Source: Firedancer, Bitwise.

Almost all votes still landed within two slots, preserving close to maximum timely vote credits and avoiding significant reduction in inflation rewards. Nevertheless, the wide geographic gap suggests that validators farther from Solana's main hubs will face greater pressure as slot times reach 200 ms.

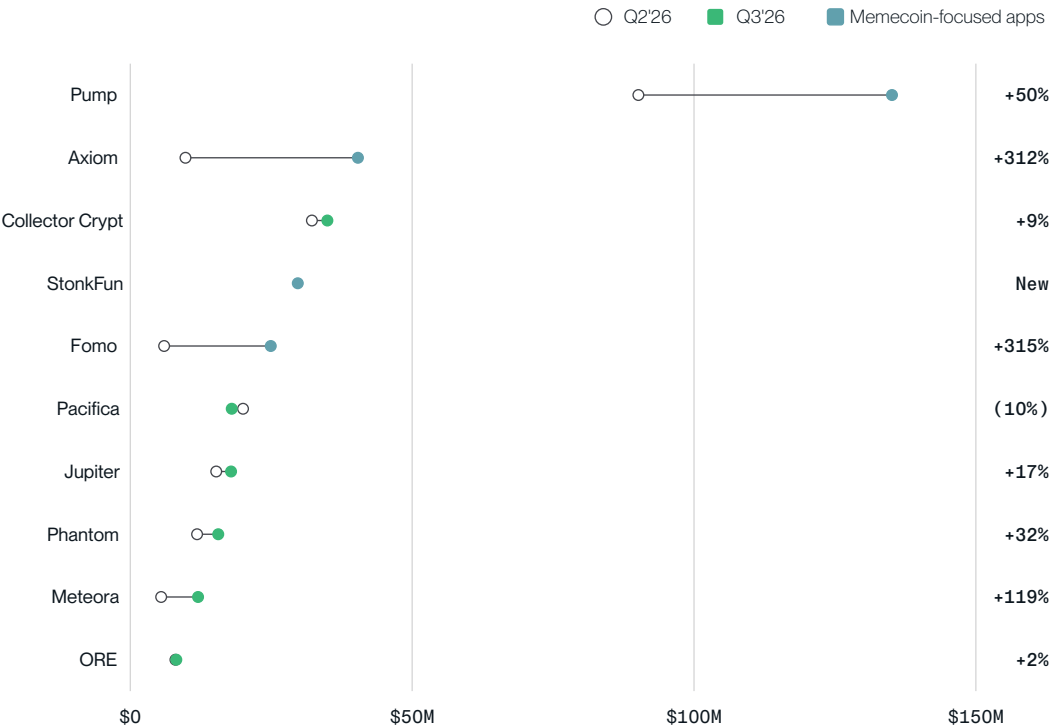
On the other hand, the skip rate did not visibly increase. The network median daily skip rate was 0.08% under 400 ms slots, 0.09% at 350 ms, 0.06% at 300 ms, and 0.04% under 250 ms slots. There was also no consistent deterioration in skip rates among validators in Asia or South America, although these groups are small and their results are more volatile.



Memecoin apps led a rebound in app revenue

Solana applications posted strong revenue growth in Q3. App-layer revenue rose 54% to about \$396 million, from \$257 million in Q2.⁷ The average SOL price rose only about 12% over the same period, so most of the increase came from higher activity, centered on trading apps and especially memecoins.

Application revenue growth



Source: Bitwise, Blockworks Research.

Pump.fun has been Solana's top revenue-generating app since Q3 2024 and kept that position in Q3 2026, with revenue up 50% QoQ to \$135 million.

Beyond Pump, trading and memecoin apps were at the front of the growth rankings. A new entrant, StonkFun, earned \$29.7 million, all but \$1 million of which was in September. Its rapid growth built on the success of stock-paired memecoins on Pons, a launchpad on Robinhood Chain. StonkFun brought the model to Solana, letting creators pair memecoins with tokenized stocks and other assets. A pairing is simply a trading pool with two tokens, such as a memecoin and tokenized Nvidia stock. Traders swap one for the other, which links memecoin activity to demand for tokenized equities.

Among other memecoin-focused apps, Axiom's revenue rose 312% QoQ to \$40 million, and Fomo's rose 315%.

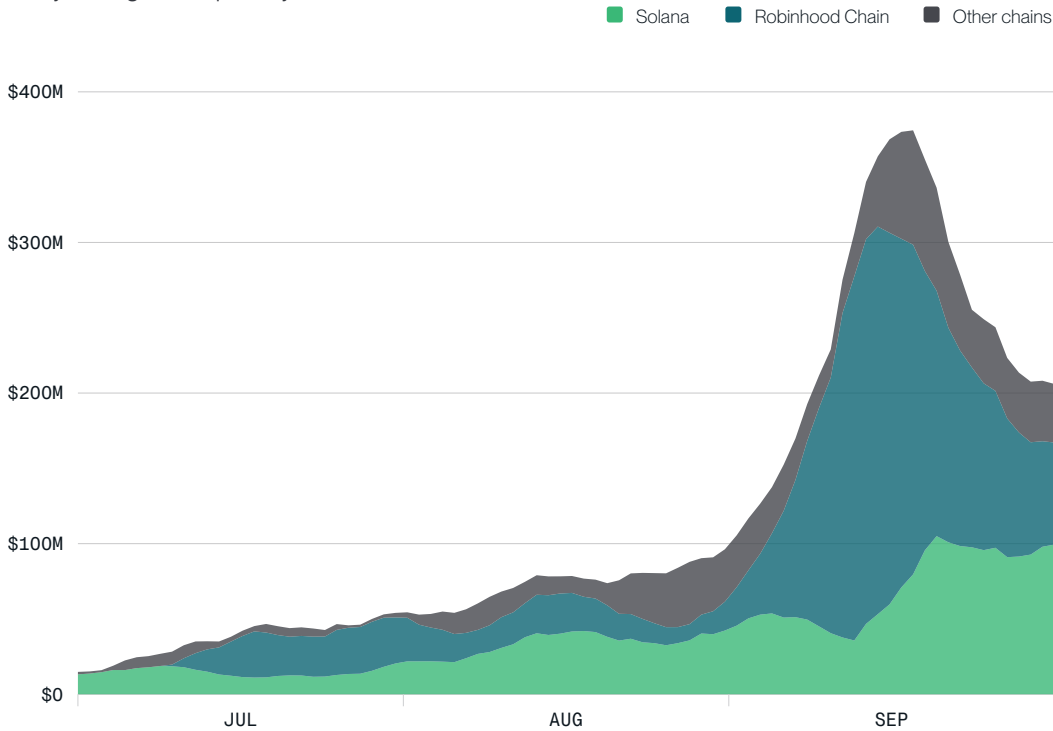
Fomo is a self-custodial social trading app that combines token swaps with a social feed, trader discovery, leaderboards, and copy-trading features. It is multichain, working across Solana, Base, BNB Chain, Monad, Ethereum, and Robinhood Chain through a unified balance. It also offers perps via Hyperliquid and TradeXYZ.

(7) The Q2 2026 figure has been restated from \$227 million in our previous report to reflect an updated app set.



Fomo trading volume

7-day average, USD per day



Source: Dune. Data through September 22, 2026.

Solana's Fomo monthly volume increased from \$496 million in July to \$1.25 billion in August, and then \$1.84 billion through September 22. Although volume on Robinhood expanded rapidly after its July launch, by September 22, Solana accounted for 48% of Fomo's seven-day volume, compared with 33% for Robinhood and 19% for other chains.

Other trading apps such as Jupiter and Phantom posted double-digit growth vs. Q2, increasing 17% and 32%, respectively. The outlier is decentralized exchange Meteora, which grew 119%.

Pump, Axiom and Fomo, all memecoin-focused, accounted for 87% of the revenue increase among apps tracked in both quarters. Revenue across the remaining apps grew 15%, with Meteora's 119% gain making up for weaker results elsewhere.



Validators approved faster disinflation

As in most recent quarters, Q3 2026 on Solana was eventful. Beyond increased chain activity, shorter slots and unexpected infrastructure resilience tests, Solana held its first major governance vote since early 2025.

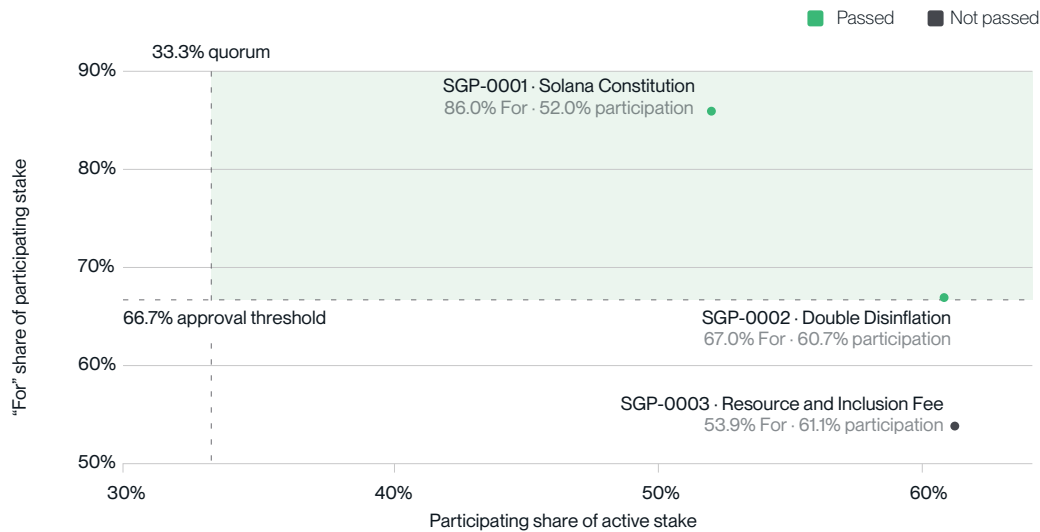
In August, validators and stakers voted on three proposals covering governance rules, inflation schedule and transaction fees. To pass, each proposal needed participation from a minimum of one-third of active stake and support from two-thirds of participating stake.

SGP-0001 set up the formal governance process under the new Solana Constitution. It defines how proposals are submitted, introduces onchain stake-weighted voting, and lets delegators override their validators' votes. It passed comfortably with 85.97% support and 51.96% participation, and is now in effect.

SGP-0002 doubles the annual disinflation rate from 15% to 30% and keeps the 1.5% terminal inflation rate. Solana would reach that rate in about 2.8 years instead of 5.7, issuing an estimated 18.9 million fewer SOL over six years. It passed with 67.00% support, just 0.33 percentage points above the threshold, and 60.70% participation. The result was uncertain until the last moments and went through only after large validators, including Kraken and Galaxy, switched their votes from No to Yes.

The next step is implementation. The disinflation feature gate must be first scheduled for release and then adopted by the network. However, before this is possible, deterministic staking-reward calculations under SIMD-0607 need to ship, so that Agave and Firedancer compute rewards the same way. No activation date has been confirmed.

Solana governance vote results



Source: Solana Validator Governance, Bitwise.

SGP-0003 proposed replacing the burned half of Solana's current 5,000-lamport-per-signature fee with a variable fee based on a transaction's requested resources. Validators would continue receiving a flat 2,500-lamport inclusion fee, while the new resource fee would be burned. The proposal aimed to discourage transactions from reserving more compute than they consume and to increase SOL burn.

SGP-0003 received 53.90% in favor, not enough to pass, despite having the highest participation rate at 61.14%. Its rejection suggests an active decision by the Solana ecosystem, which appeared uncomfortable approving a complex fee mechanism with uncertain effects on market structure. As a result, Solana's fee structure stayed unchanged. A reparameterized version could return, but it would need a new governance vote.



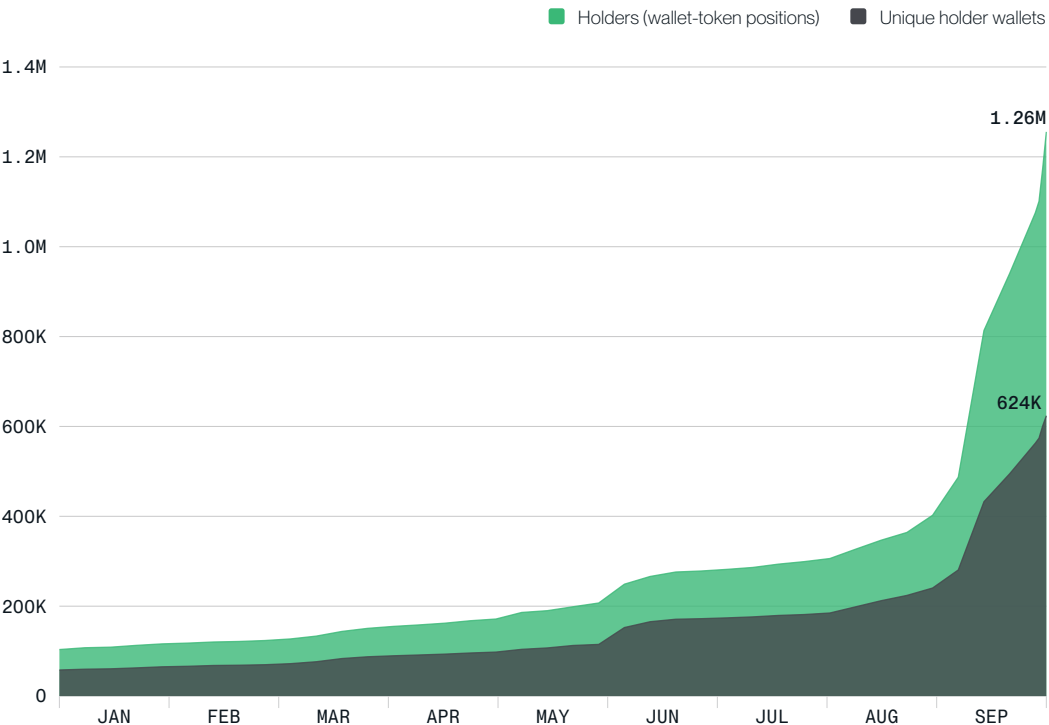
Tokenized stocks kept growing

Together with memecoins, tokenized equities have become Solana’s other fast-growing category. Last quarter, the SpaceX IPO drew a surge of trading that put the category on the map. In Q3, it grew on every key measure: circulating supply, product coverage, holder positions and trading volume.

During Q3, 635 tokenized equities, covering at least 416 underlying stocks and funds, were traded on Solana decentralized exchanges. Of these, 271 traded more than \$10,000 and 157 more than \$100,000. Among the major issuers, Ondo had 423 active products, xStocks 150 and Backpack 51.

Holder numbers grew even faster. Holder positions (wallet–token pairs) rose 351%, from about 278,000 at the end of Q2 to 1.26 million at the end of Q3. Unique holder wallets increased by 262%, from 172,000 to 624,000.

Solana tokenized equities holders

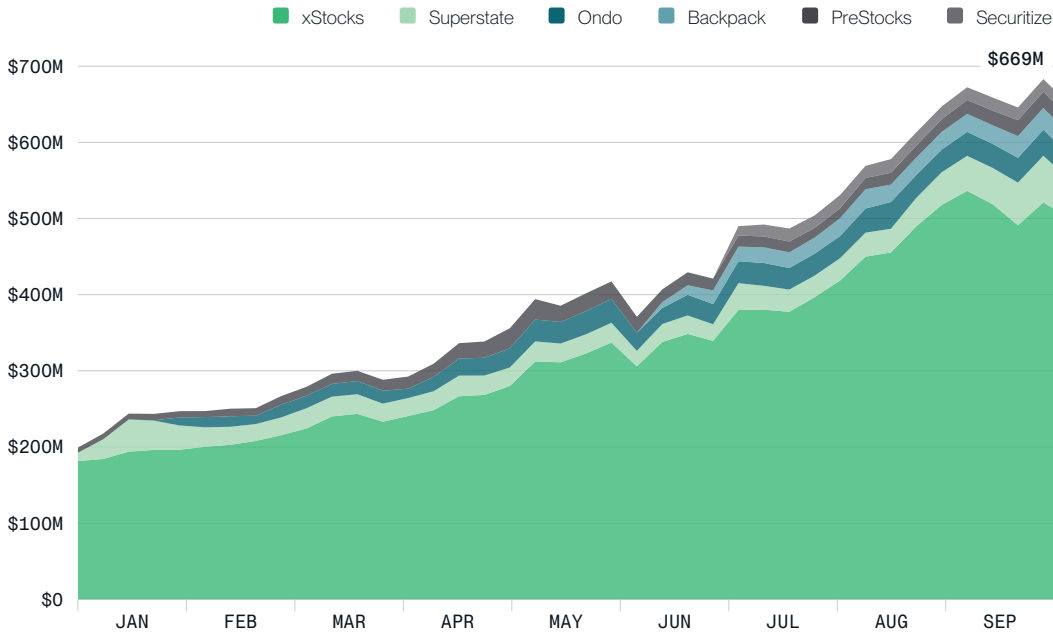


Source: Allium, Bitwise.

Tokenized equities supply rose 59%, from \$421 million to \$669 million, but remained concentrated even as the range of assets and issuers increased. xStocks held about 77% of total supply, followed by Superstate, Ondo, PreStocks and Securitize. Backpack, the leading issuer by trading volume after xStocks, held only 4%.



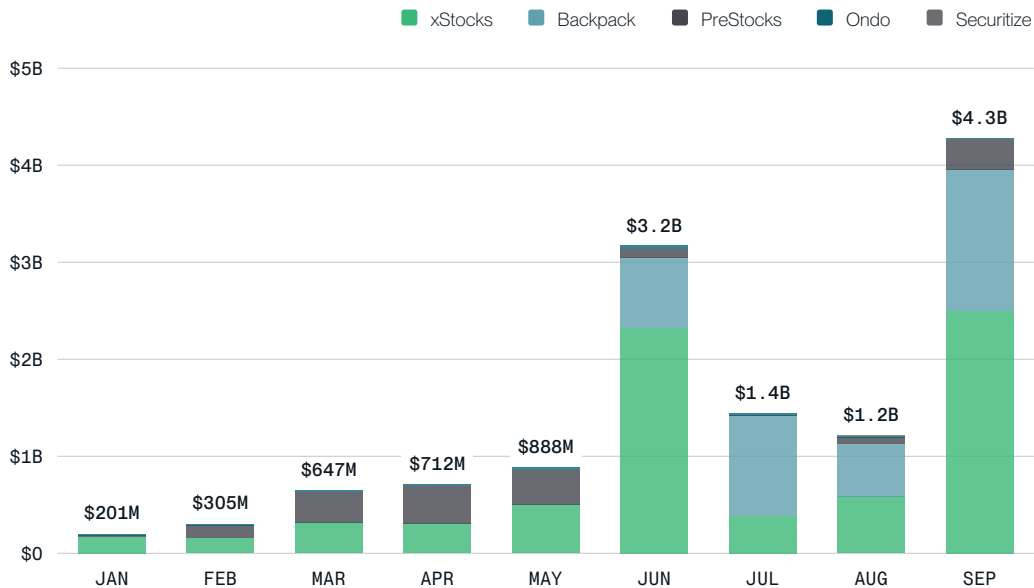
Solana tokenized equities supply by issuer



Source: Allium, Bitwise.

Trading volume reached \$6.93 billion in Q3, up 45% from \$4.77 billion in Q2, even though Q2 was boosted by two exceptional weeks around the SpaceX launch. Activity picked up again late in the quarter, with September alone generating \$4.28 billion, or 62% of Q3 volume.

Solana tokenized equities DEX volume



Source: Allium, Bitwise.

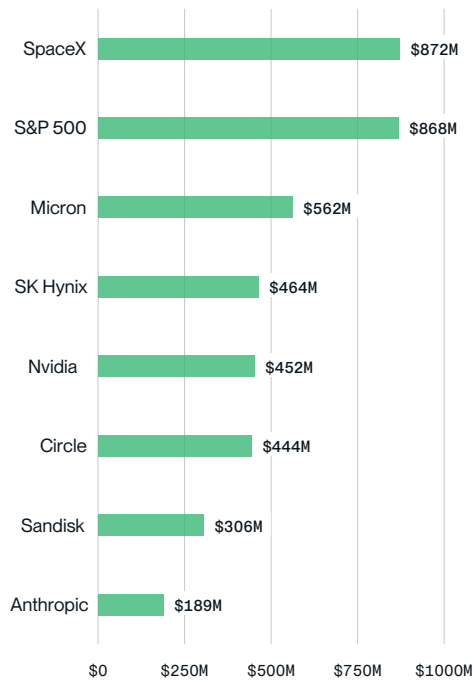
Supply and trading volume tell two different stories about Solana's tokenized equity market. While xStocks holds 77% of circulating supply and Backpack just 4%, their shares of Q3 trading volume were very close, at 50% and 44%, respectively. In other words, Backpack generated nearly as much trading volume as xStocks with about one-nineteenth of the supply.



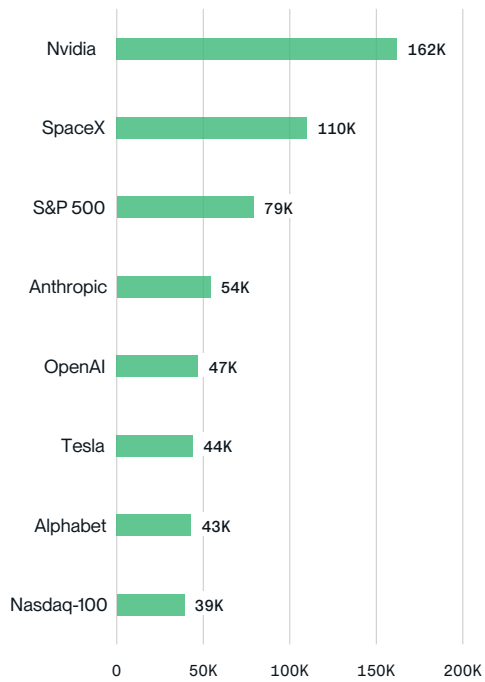
Trading is concentrated in a small group of assets. SpaceX led Q3 volume with about \$872 million, followed by the S&P 500 (\$868 million), Micron (\$562 million), SK Hynix (\$464 million) and Nvidia (\$452 million). Together, these five accounted for about 46% of the quarter's volume. Nvidia had the most holders, with about 162,000 wallets, followed by SpaceX (110,000), the S&P 500 (79,000), Anthropic (54,000) and OpenAI (47,000).

Most popular tokenized equities on Solana

Q3 DEX volume



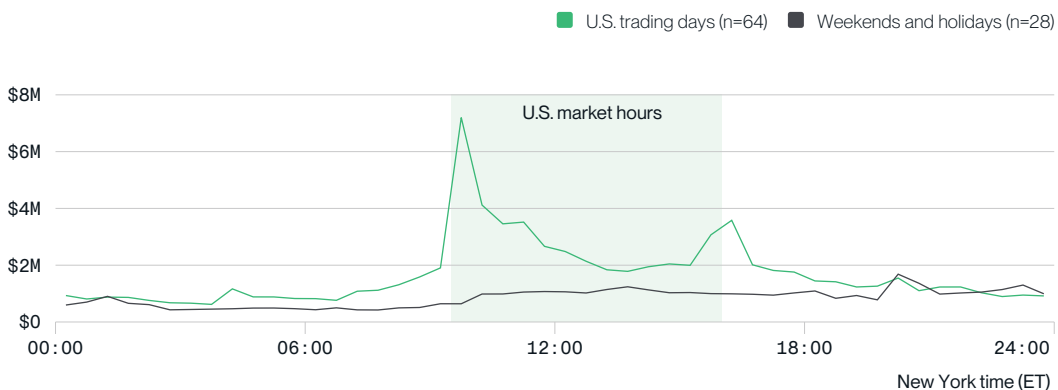
Unique holder wallets



Source: Allium, Token.xyz, Bitwise.

Onchain trading doesn't stop when traditional markets close. Even so, about 39% of Q3 DEX volume took place during regular U.S. market hours, which make up only 19% of the quarter, so trading was almost three times as intense while U.S. markets were open. The first half-hour after the opening bell alone accounted for about 7% of the volume in the chart. Activity also rose before the open and again around the close, in line with price discovery around the opening and closing auctions. On weekends and holidays, volume stayed low throughout the day.

Tokenized equities volume by time of day



Source: Allium, Bitwise. Average 30-minute volume for Q3 2026.

HYPERLIQUID



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Overview

Hyperliquid continued to generate strong revenue this quarter while expanding beyond crypto trading. The protocol generated \$228.1 million, or an average of \$2.48 million per day, up 24.8% from Q2.

Trading volume reached \$730.1 billion, while average open interest increased by 46.4% to \$12.7 billion. HIP-3 markets accounted for \$261.5 billion in volume and 36.5% of total perpetuals volume, up from 32.7% in Q2.

The quarter also saw the launch of several new features. AQA v2 created a new source of revenue from USDC held on the network, HIP-4 introduced permissionless outcome markets, and native lending allowed users to borrow directly through HyperCore.

The quarter in numbers

Metric	Q2 2026	Q3 2026
Fees and reserve income generated	\$182.8 million	\$228.1 million
Total trading volume	\$668.7 billion	\$730.1 billion
Perpetuals volume	\$652.5 billion	\$716.0 billion
Average open interest	\$8.7 billion	\$12.7 billion
Non-crypto perpetuals volume	\$212.1 billion	\$261.5 billion
HYPE actively staked	437.29 million	436.47 million
Annualized staking yield	2.25%	2.24%
HIP-4 outcome-market volume	\$189.5 million	\$178.1 million

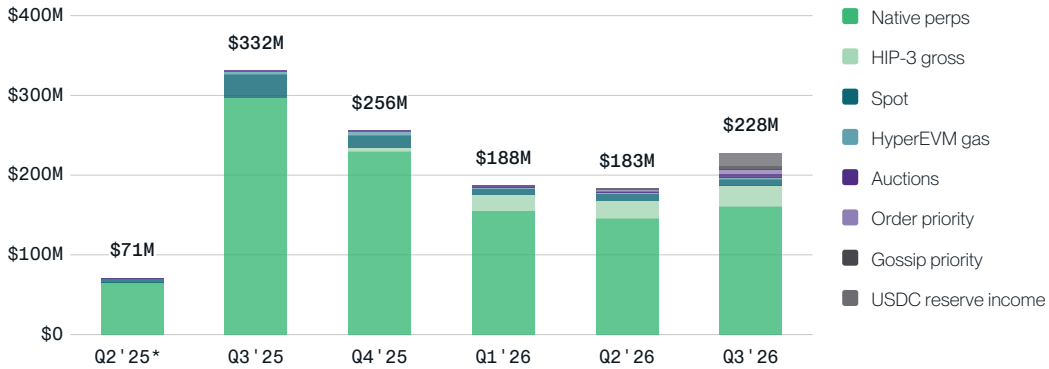
Source: Bitwise, Allium.



Revenue and staking yield remained strong

Perpetuals trading fees remained by far the largest source of revenue for Hyperliquid, although its revenue base became more diversified. Native perpetuals contracts accounted for 70.4% of total fees and reserve income generated in Q3, down from 79.7% in Q2.

Hyperliquid fees and reserve income generated by quarter



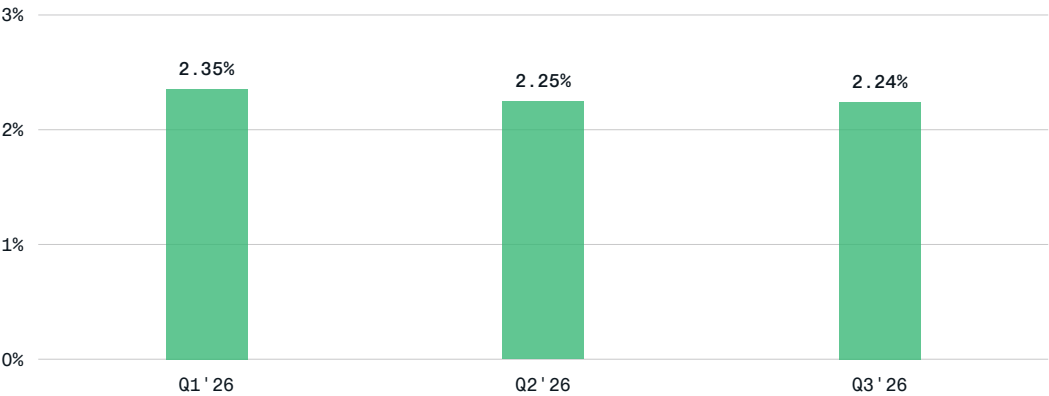
Source: Bitwise, Allium.
*Q2'25 covers June only; earlier history excluded.

Hyperliquid directs part of its fees to Hyperliquidity Provider (a community-owned vault that supplies liquidity for trading and helps handle liquidations), market deployers, and the Assistance Fund. The Assistance Fund automatically uses stablecoin revenues to buy HYPE, and because the wallet is treated as a burn address, the purchased tokens are effectively removed from circulation.

As of September 30, the Assistance Fund held 47.60 million HYPE, equivalent to approximately 15.9% of the estimated circulating supply and 4.76% of the initial token supply.⁸

The annualized staking yield averaged 2.24%, broadly unchanged from 2.25% in the previous quarter. The reward rate falls as more HYPE is staked. Average stake increased only modestly this quarter, from approximately 430.6 million to 437.5 million HYPE, consistent with the yield remaining broadly unchanged.

Gross annualized staking yield by quarter



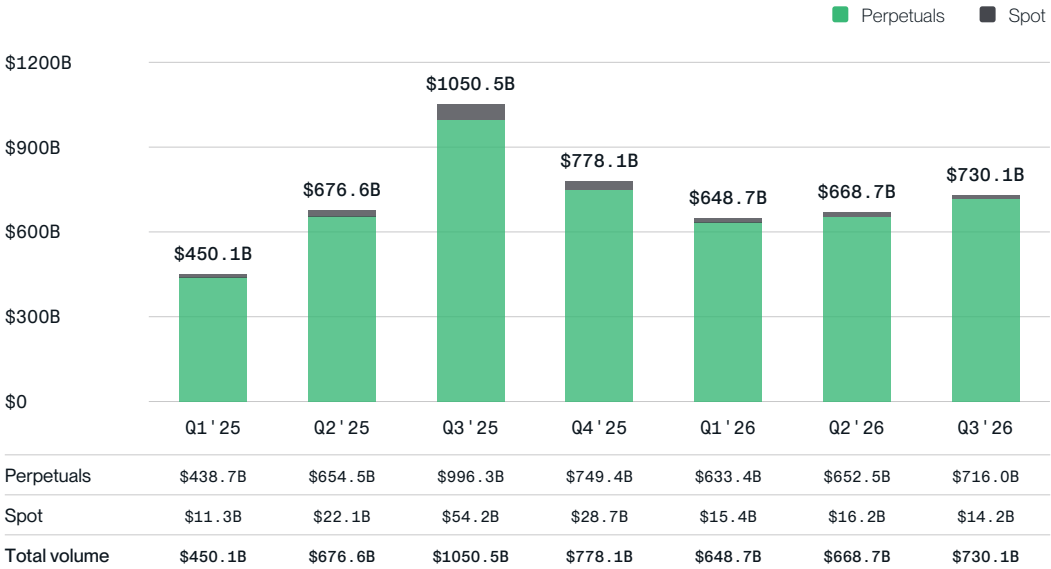
Source: Bitwise, Allium.

(8) <https://api.hypurscan.io/holdersAtTimeWithLimit/HYPE/1790812799/10>

More volume, but fewer HyperCore transactions

Spot trading on Hyperliquid remained small compared with perps trading. Of the \$730.1 billion in total volume processed this quarter, only \$14.2 billion came from spot markets, representing only 1.9% of the total volume.

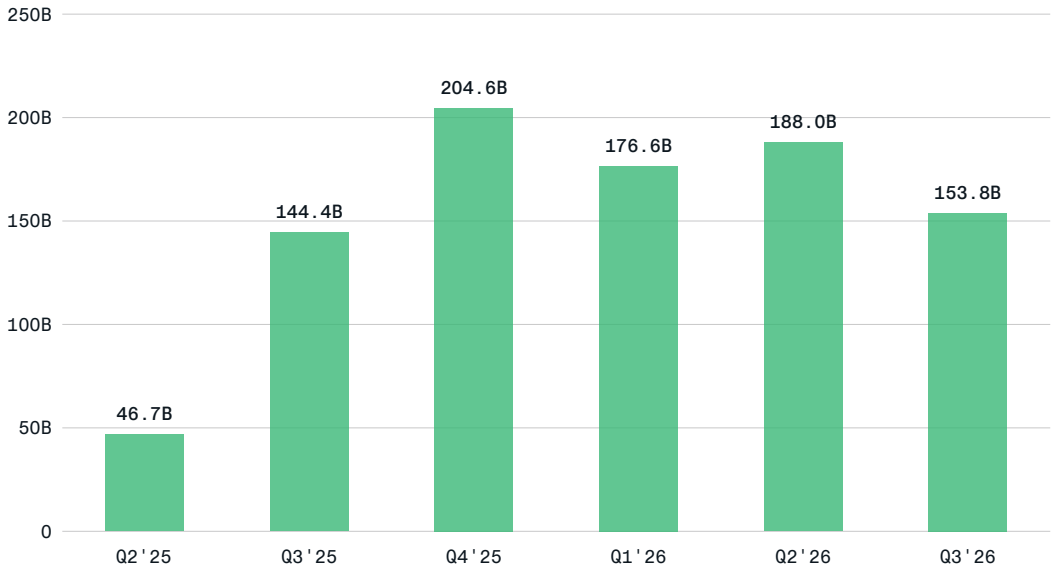
Spot and perpetual trading volume by quarter



Source: Bitwise, Allium.

HyperCore processed approximately 153.8 billion actions, including orders, cancellations and executions. This is equivalent to 1.67 billion actions per day, 19.1% below Q2. Since trading volume increased despite fewer actions, the value processed per action rose from \$3.56 to \$4.75.

Hyperliquid: HyperCore transactions

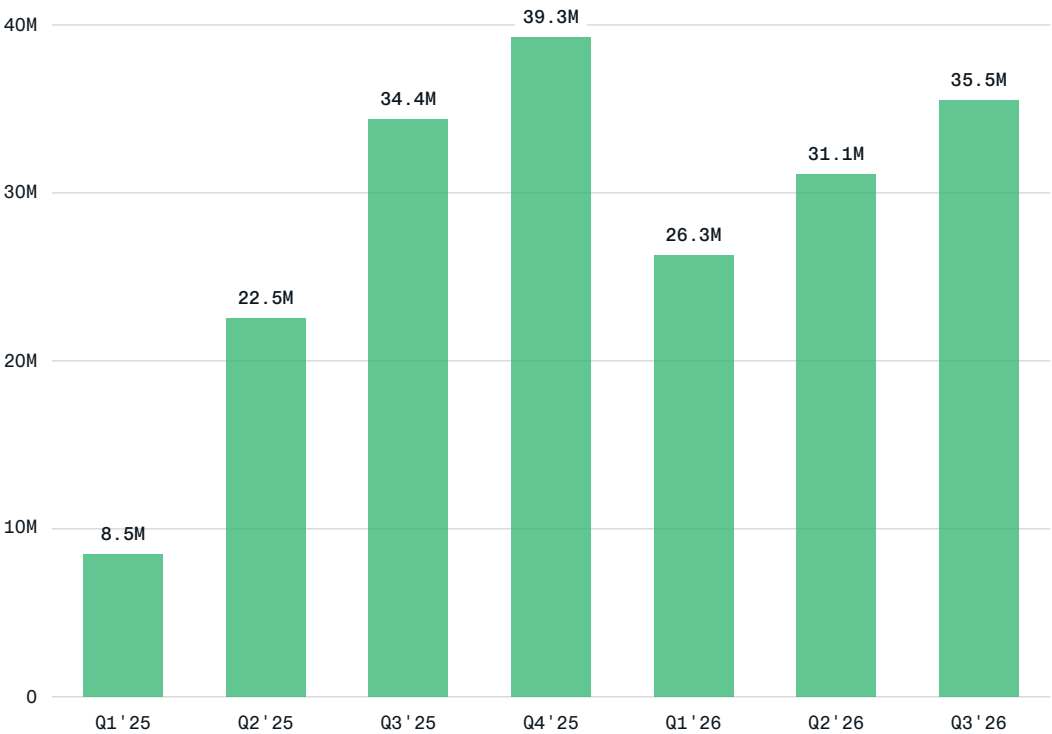


Source: Bitwise, Allium.



HyperEVM, the smart-contract layer, processed 35.5 million transactions. This equals approximately 386,000 transactions per day, or 4.5 per second. Daily activity increased by 13.0% from Q2.

Hyperliquid: HyperEVM transactions



Source: Bitwise, Allium.

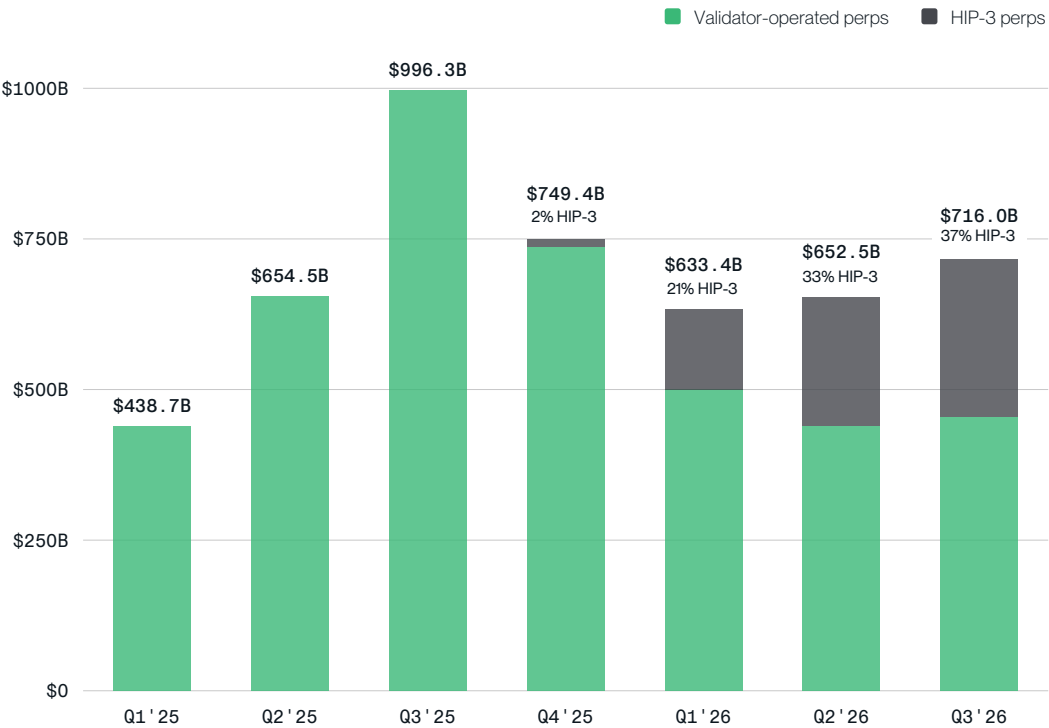


HIP-3 brought non-crypto markets onchain

HIP-3 allows builders to launch their own perpetuals markets using HyperCore's order book and margin system. This quarter, non-crypto markets generated \$261.5 billion in volume and accounted for 36.5% of total perpetuals volume, up from 32.7% in Q2.

This is becoming an important part of Hyperliquid's growth, as a larger share of trading volume is now linked to traditional markets.

Perpetuals volume: validator-operated and HIP-3 markets



Source: Bitwise, Allium.

Five of the six largest HIP-3 markets were linked to equities or equity indices. The five equity-related markets generated \$121.8 billion, or 46.6% of all HIP-3 volume.

Largest HIP-3 markets by volume

Market	Exposure	Q3 Volume	Share of HIP-3
SKHX	SK Hynix	\$38.78B	14.82%
XYZ100	Nasdaq-100 index	\$23.48B	8.97%
SNDK	Sandisk	\$21.90B	8.37%
SP500	S&P 500 index	\$19.95B	7.63%
CL	Crude oil	\$19.45B	7.43%
MU	Micron	\$17.72B	6.77%

Source: Bitwise, Allium.



TradeXYZ dominated HIP-3 activity, accounting for nearly all HIP-3 trading volume. Its XYZ markets generated \$258.84 billion in volume, representing 98.9% of the total, up from 95.1% in Q2.

TradeXYZ share of HIP-3 market-deployer volume



Source: Bitwise, Allium.

An incident in the SK Hynix market showed the risks that come with HIP-3. Market deployers control their own oracles, leverage limits and settlement rules, so each market can carry different risks.

On July 27 at around 23:01 UTC, the SK Hynix contract switched to its external reference price and picked up an unusually low transaction from NextTrade. Contemporary reporting puts the mark-price fall at 18.7%, from \$1,127.⁹0 to \$917.25.9 Several data providers confirmed the same price, suggesting that the issue came from the reference market rather than an oracle hack.

Galaxy estimated that the move liquidated between \$57 million and \$80 million in long positions across roughly 960 accounts.¹⁰

According to contemporaneous reporting, TradeXYZ later offered compensation using a reference price of \$1,115.50.¹¹ Payments reportedly began on August 1. Claims below 10,000 USDC were paid automatically, while larger claims were reviewed separately.

(9) <https://www.cryptopolitan.com/trade-xyz-repays-traders-after-a-stock-glitch-erased-60m-in-crypto-longs/>

(10) <https://www.galaxy.com/insights/research/hyperliquid-tradexyz-oracle-liquidations>

(11) <https://www.cryptopolitan.com/trade-xyz-repays-traders-after-a-stock-glitch-erased-60m-in-crypto-longs/>



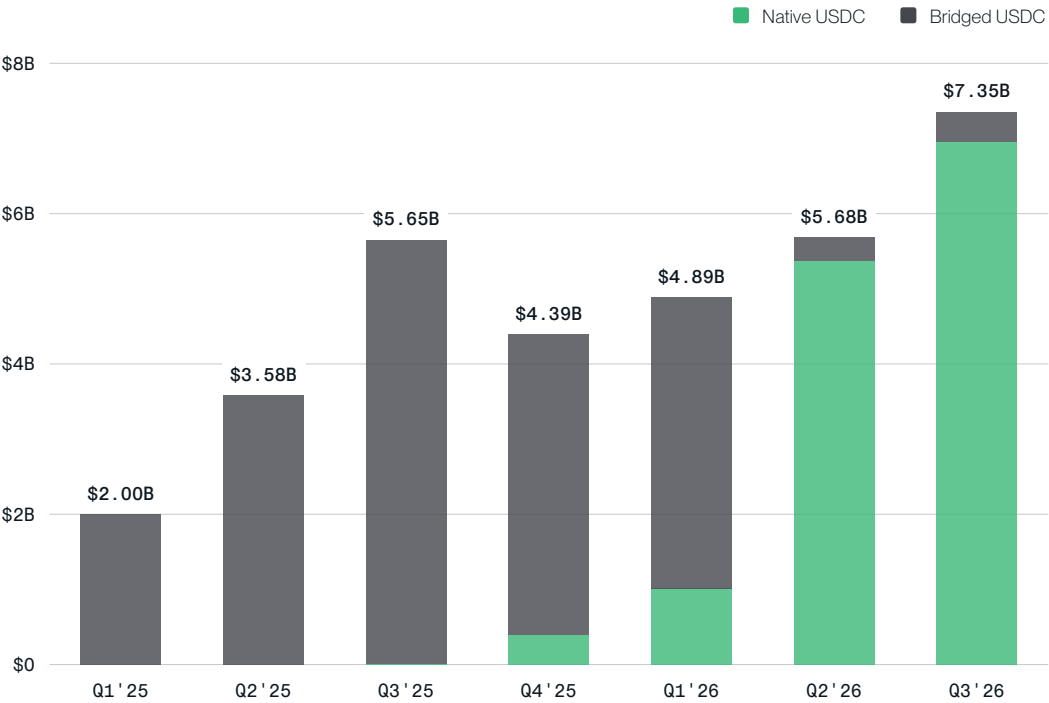
AQAv2 created a new source of revenue

AQAv2 directs part of the income earned on USDC reserves to Hyperliquid. Coinbase acts as the treasury deployer and provides the funding commitment. Circle serves as the technical deployer, supporting minting, redemptions and cross-chain transfers. Each role requires 500,000 HYPE to be staked, for a combined requirement of one million HYPE.

At the end of Q3, Hyperliquid held approximately \$7.35 billion in USDC. Approximately \$6.77 billion of native USDC backed balances on HyperCore, Hyperliquid’s trading system. AQAv2 requires this amount to be split 90:10 between the treasury and Circle’s linked contract. The treasury held \$6.09 billion, while the linked contract held \$676.9 million.

Together, these balances represented 97.2% of native USDC at that snapshot. The remaining 2.8%, approximately \$193 million, was held elsewhere on HyperEVM. The treasury’s \$6.09 billion is therefore only one part of the \$7.35 billion shown in the chart below.

USDC on Hyperliquid



Source: Bitwise, Allium.

AQAv2 directs around 90% of the net yield earned on USDC reserves to the protocol. This revenue then goes to the Assistance Fund, where it is used to buy and burn HYPE.

Based on the September 30 USDC balance and a 3.22% annual reference rate, AQAv2 could generate approximately \$536,400 per day, \$16.09 million over 30 days and \$195.9 million per year. These figures are estimates, not realized revenue. Yield began accruing on August 26. Q3 saw \$17.26 million in accrued USDC reserve income, including \$14.86 million earned in September.¹²

AQAv2 gives Hyperliquid a new source of revenue that is less dependent on trading volume. As the amount of USDC held on the network grows, the revenue available for HYPE purchases and burns could also increase.

(12) <https://hyperliquid.gitbook.io/hyperliquid-docs/hypercore/aligned-quote-assets>



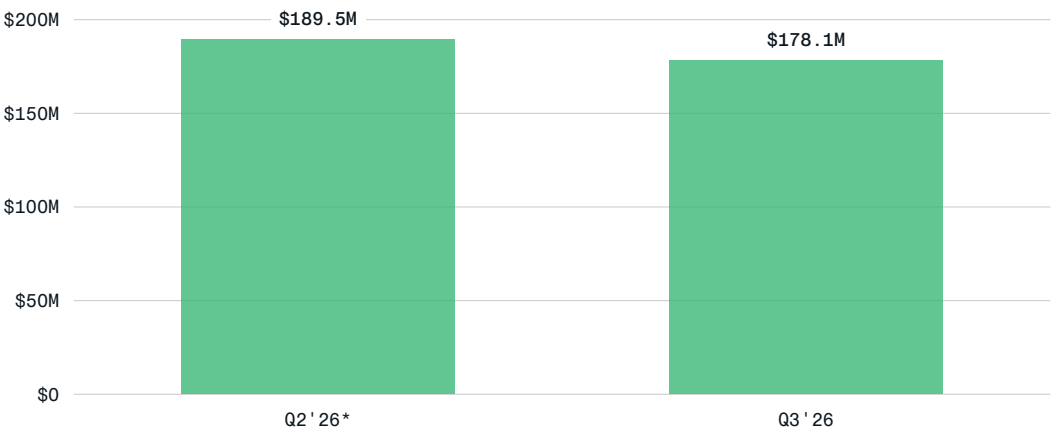
HIP-4 expanded into outcome markets

HIP-4 launched on mainnet on May 2, but Q3 was when it began to open to external builders and became permissionless.

By September 30, HIP-4 had 18 live prediction markets with 231 possible outcomes. Permissionless templates accounted for 223 of these outcomes, and three external deployers had already launched markets.

During the quarter HIP-4 processed \$178.1 million in notional volume across 2.17 million trades. It attracted around 960 traders per day and generated approximately \$73,500 in trading, settlement and conversion fees.

HIP 4 notional volume by quarter

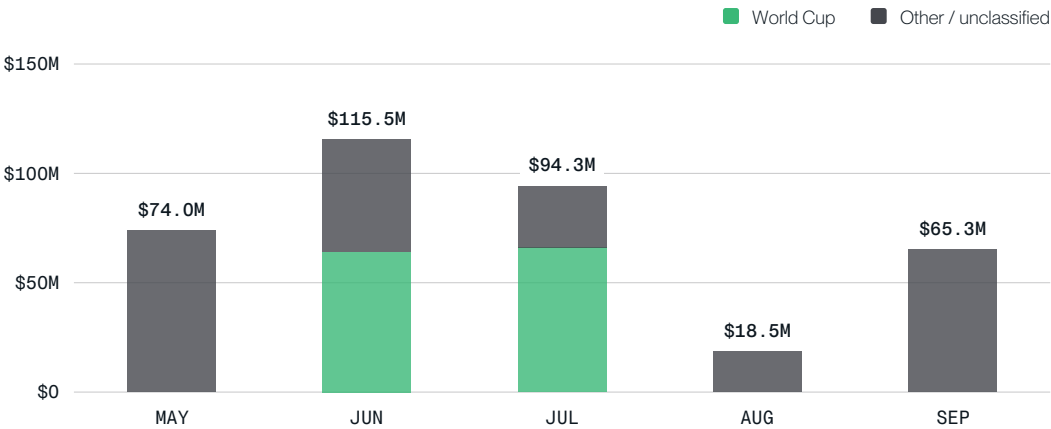


Source: Bitwise, Allium.
*Q2 data covers May 2–June 30, 2026. Q3 covers the full quarter.

However, much of HIP-4’s early activity was concentrated in World Cup markets. In Q2, HIP-4 generated \$189.46 million in volume, with these markets contributing \$64.02 million, or 33.8% of the total.

The World Cup share continued to grow, reaching 55.4% in June and 70.0% in July. With the World Cup now over, HIP-4 will need new markets to sustain trading activity.

HIP-4 turnover by month



Source: Bitwise, Allium.



HIP-4 is still very small compared with Hyperliquid's perpetuals markets; its Q3 volume represented only 0.02% of perpetuals volume. However, it offers a different type of product. HIP-4 contracts are fully collateralized and settle based on a specific event or result, without funding rates or liquidations.

The product expands what users can trade through Hyperliquid's infrastructure. The platform can now support direct market exposure, leveraged perpetuals and event-based contracts in one place.

Three external deployers are currently active. Outcome offers the widest range of markets, including sports, tournaments, asset prices and macroeconomic events. Skew focuses on price-binary markets, while Events by TradeXYZ covers recurring economic and financial events. Outcome currently leads the three external deployers.

Native lending on HyperCore

Hyperliquid launched manual borrowing on September 18. Users can now use HYPE or Unit Bitcoin as collateral to borrow USDC or USDT0 through HyperCore. This gives HYPE holders access to liquidity without selling their tokens.

By September 30, the lending system held \$1.79 billion in supplied assets and \$362.1 million in loans, including balances from portfolio margin. HYPE represented \$1.09 billion of the supplied assets, while Unit Bitcoin accounted for \$180.36 million. Neither asset earned interest because both were used as collateral.

USDC was the main borrowing market, with \$521.55 million supplied and \$360.53 million borrowed. This gave it a utilization rate of 69%. Suppliers earned 3.11% annually, while borrowers paid 5.00%.¹³ USDT0 was much smaller, with \$2.39 million supplied and \$1.58 million borrowed.

Expansion into regulated markets

On September 16, Kraken's parent company, Payward, announced plans for a regulated U.S. perpetual futures venue using permissioned HIP-3 markets, subject to regulatory approval. Bitnomial Exchange would create, own and administer the markets. Bitnomial Clearinghouse would clear and settle the contracts, while NinjaTrader Clearing would carry customer accounts. Hyperliquid would provide the onchain order book and trade-matching infrastructure.

The main opportunity for Hyperliquid is access to Kraken's distribution. Payward reported 6.6 million funded accounts across its platforms at the end of Q2. A regulated venue connected to those users could bring more listings, liquidity and trading volume onto Hyperliquid.

Payward's Bitnomial could also compete with TradeXYZ as an HIP-3 deployer. Both would use Hyperliquid's infrastructure, so competition between them could increase overall network activity and reduce the current concentration of HIP-3 volume.

(13) Note: The borrowing rate stays at 5% when less than 80% of the available stablecoins are borrowed. Above 80%, the rate increases as liquidity becomes more limited. Lenders earn interest only on the portion of the pool that has been borrowed. In addition, 10% of the interest paid by borrowers goes to a buffer used during liquidations. This is why lenders earn a lower rate than borrowers pay. The amount users can borrow depends on their collateral. HYPE has a maximum loan-to-value ratio of 65%, meaning that \$10,000 of HYPE can support up to \$6,500 in borrowing. Unit Bitcoin has a lower limit of 50%. A position is not liquidated as soon as it reaches its borrowing limit. Partial liquidation begins only if it later reaches the higher liquidation threshold of 82.5% for HYPE or 75% for Unit Bitcoin.

ROBINHOOD CHAIN

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Overview

Robinhood Chain launched on July 1 and quickly attracted both activity and capital. In its first 92 days, the network processed 870.2 million transactions and generated \$51.11 million in fees.

By September 30, its bridge escrow held approximately 296,372 ETH, representing 0.24% of the total ETH supply. Morpho and Uniswap together held more than \$1 billion in assets on the chain. The number of Robinhood Stock Tokens also increased from 96 at the end of July to 193 by September 30, with at least \$160.8 million in value, based on available historical prices.

Robinhood Chain is an Ethereum Layer 2 and does not have its own staking system. Users pay transaction fees in ETH, while the network uses Arbitrum technology to process transactions before settling them on Ethereum. The value captured by Robinhood depends on the fees it collects minus its costs to Arbitrum and Ethereum.

The quarter in numbers

Metric	Q3 2026
Transactions processed	870.2 million
Gross transaction fees	\$51.11 million
Estimated fees retained	\$45.93 million
ETH held in bridge escrow	296,372 ETH
DeFi TVL	\$1.03 billion
Robinhood Stock Tokens	193
Issuer-matched DEX volume	\$14.05 billion

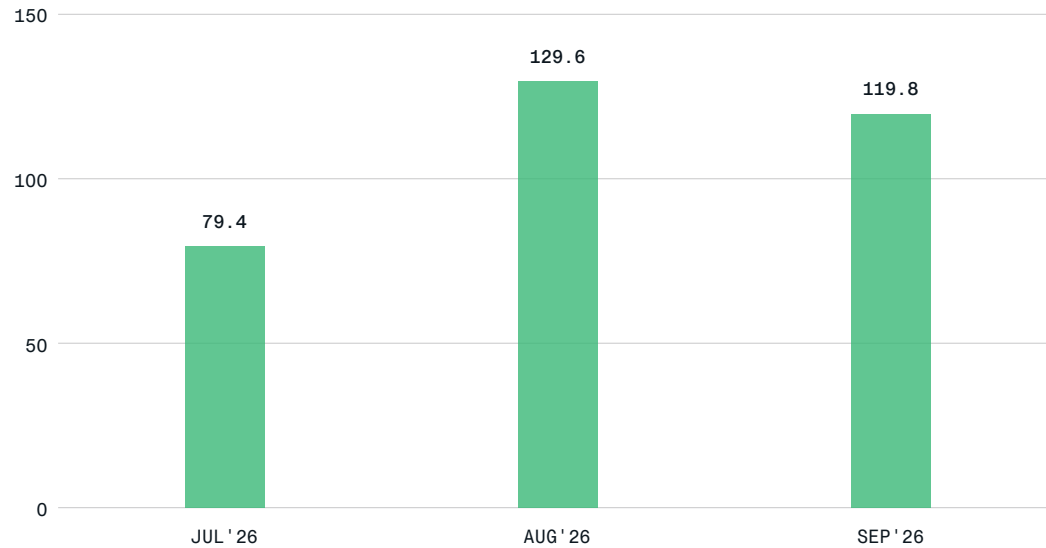
Source: Bitwise, Allium.



Robinhood Chain reached scale quickly

Average throughput on Robinhood Chain was 79 transactions per second in July, 130 in August and 120 in September. These levels show that activity remained strong after launch.

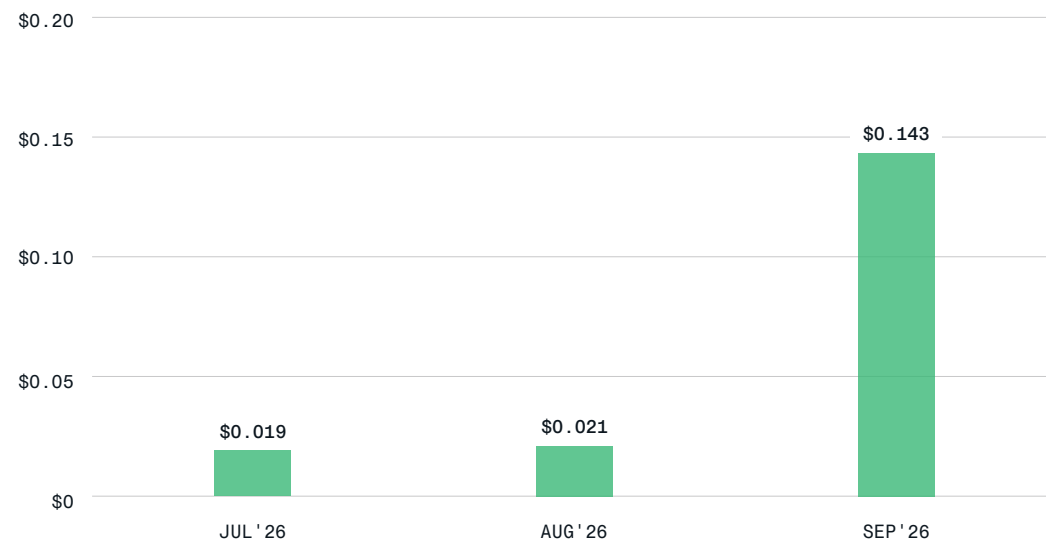
Robinhood: transactions per second



Source: Bitwise, Allium.

Higher activity also pushed transaction costs up, especially in early September.

Average transaction cost



Source: Bitwise, Allium.

To handle the increase, Robinhood Chain raised its sustained processing capacity by 67% on September 1 and increased it again on September 3. The second increase was reversed on September 11, leaving capacity 67% above its original level.



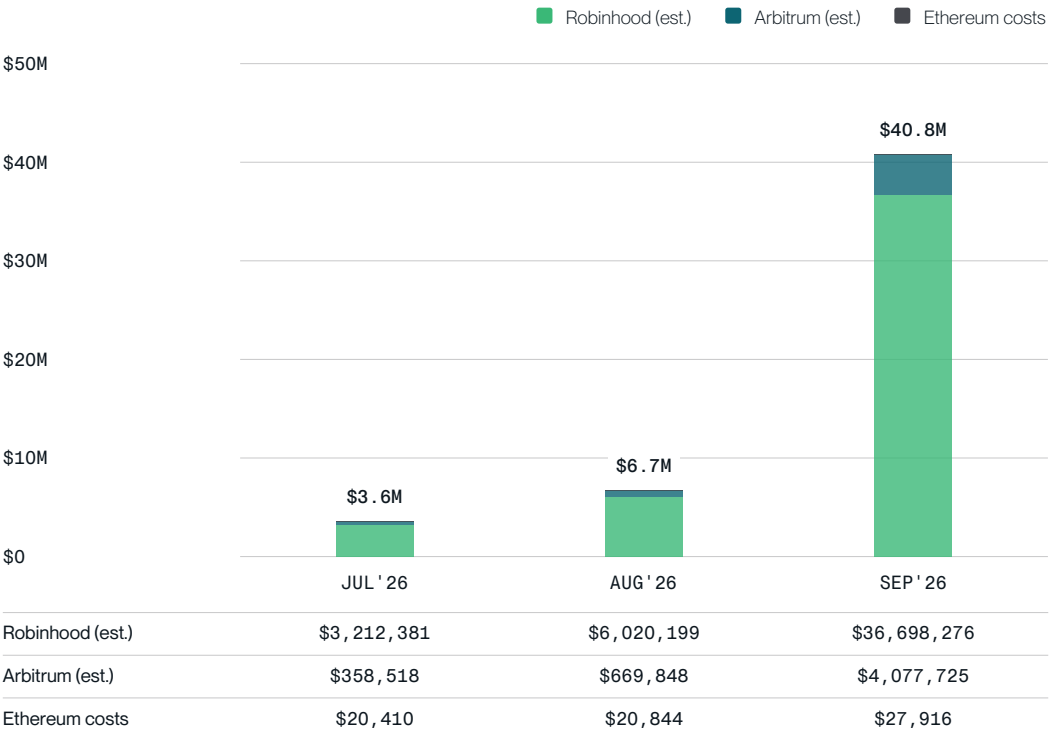
The network generated \$51.1 million in fees

Robinhood Chain generated \$51.1 million in transaction fees between July 1 and September 30. Fees increased from \$3.59 million in July to \$6.71 million in August, before jumping to \$40.80 million—nearly 80% of the total for the quarter—in September.

Robinhood does not retain all of these fees. Of the \$51.1 million in fees generated, an estimated \$5.11 million, or 10.0%, went to the Arbitrum ecosystem. Ethereum settlement costs represented another \$69,170, or 0.1%.

This left Robinhood with an estimated \$45.93 million, or 89.9% of total fees.

Transaction fee distribution



Source: Bitwise, Allium.

This does not mean that Robinhood made \$45.93 million in profit. It still has to cover the cost of the sequencer, infrastructure, development and staff. Even so, operating its own Layer 2 gives Robinhood control over product distribution and allows it to retain most of the fees generated by the network.

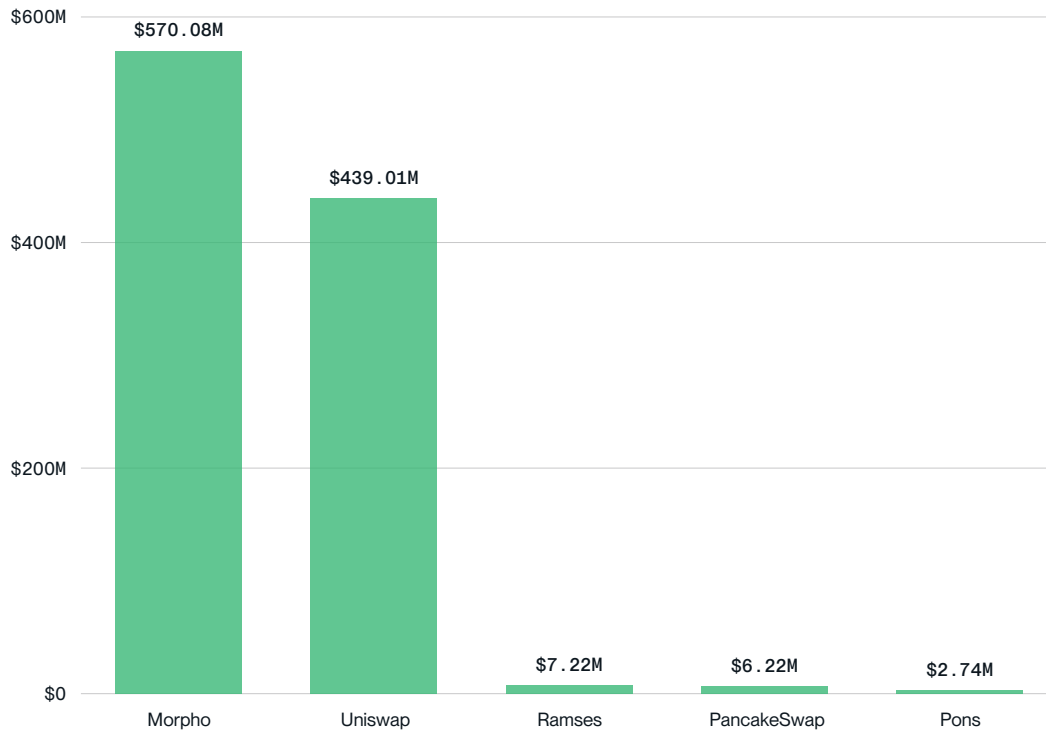


DeFi became a large source of demand

Robinhood Chain already holds around \$1.03 billion in DeFi TVL across Morpho, Uniswap, Pons, and other protocols. Lending accounts for a large share of this capital. Morpho's Steakhouse USDG vault alone reached \$505.6 million, making it the largest Morpho vault across all networks.

Morpho and Uniswap together account for approximately 98% of Robinhood Chain's DeFi TVL. Within Morpho, the Steakhouse USDG vault holds nearly 89% of its capital on the chain. These figures show that most of the network's DeFi capital is concentrated in two applications for now.

Largest applications by priced TVL



Source: Allium.



Stock Tokens give the network a different use case

Robinhood Stock Tokens give investors exposure to stocks and ETFs through a blockchain wallet. The tokens can be transferred and used in supported applications, including decentralized exchanges and lending markets.

Each token is backed by securities held with a custodian and issued by Robinhood Assets (Jersey) Limited. Investors follow the performance of the underlying asset, but they do not own the shares directly or receive voting rights (though this may change in the future). Dividends are reinvested in additional shares, and the exposure represented by each token is adjusted accordingly.

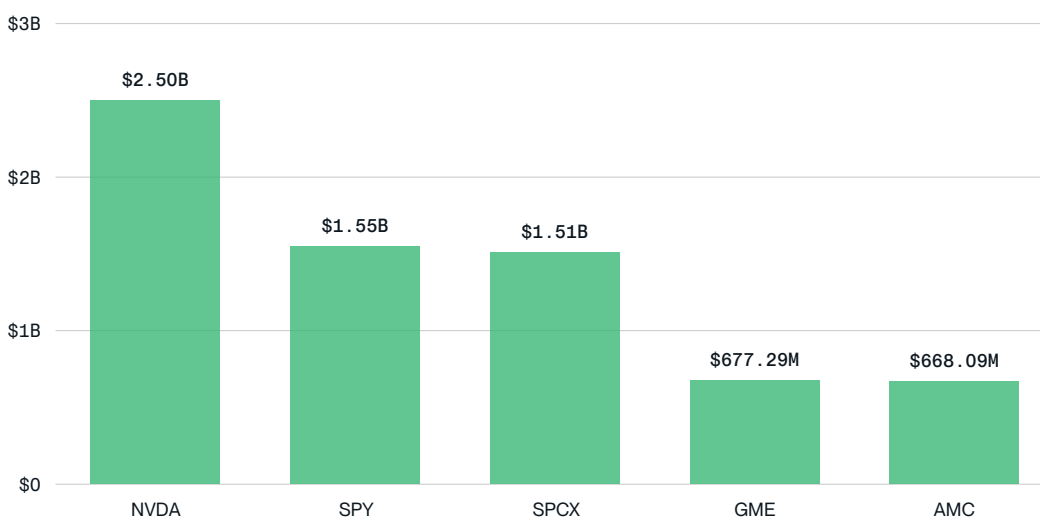
The number of Stock Tokens in circulation increased from 96 at the end of July to 193 at the end of August and remained stable in September. Based on historical market prices, the priced portion of their combined value rose from \$27.9 million in July to \$79.9 million in August and \$160.8 million by the end of the reporting period. A separate September 12 valuation using Robinhood's issuer prices put their value at \$172.9 million.

The available assets now extend beyond listed companies. Robinhood Chain also provides exposure to equity indices, private companies, commodities, and ETFs. SPY was the largest exposure at an estimated \$23.7 million, followed by Nvidia at \$18.1 million and SpaceX at \$10.4 million. GLD, which tracks gold, accounted for \$9.00 million, while Alphabet represented \$5.68 million.

Trading activity increased even faster. Stock Tokens generated \$14.05 billion in DEX volume between July 1 and September 30. Volume rose from \$526 million in July to \$2.21 billion in August before reaching \$11.31 billion during September. Average daily volume increased from \$17.0 million in July to \$71.4 million in August and \$377.1 million in September—an increase of over 22x from July.

Nvidia led with \$2.50 billion in DEX turnover during the quarter, followed by SPY with \$1.55 billion and SpaceX with \$1.51 billion. AMC generated \$668 million, while Robinhood's verified GME token generated \$677 million.

Leading Stock Tokens by priced DEX turnover



Source: Bitwise, Allium.

Stock Tokens are already being actively traded rather than simply held in wallets. Lending could become their next source of growth. If protocols begin accepting them as collateral, investors could borrow against their positions without selling, keeping more capital on Robinhood Chain.



Pons gave Stock Tokens another use

Pons became one of the most discussed projects on Robinhood Chain this quarter. Its V2 platform allows anyone to create a token that initially trades on a bonding curve. The price rises when users buy and falls when they sell. Once the reserve reaches the required level, the collected assets and part of the token supply are moved into a permanently locked Uniswap v4 pool.

What sets Pons apart is that creators can choose the asset used to trade their token. This can be ETH or USDG, but also a Robinhood Stock Token, a commodity-linked asset or wrapped Bitcoin.

For example, if a new coin is paired with the Nvidia Stock Token, buyers must pay with that Stock Token and sellers receive it when they exit. This gives the Nvidia token another use case. However, the newly created coin remains separate and does not represent ownership in Nvidia.

Between August 3 and September 3, 73,896 launches used tokenized stocks, commodity-linked assets or wrapped Bitcoin as their reserve, generating \$232 million in gross bonding-curve trading volume.

Limited supply can create large price differences

The supply of some Stock Tokens remains small. As a result, a single Pons pool can hold a large share of the tokens available onchain and contribute to significant price differences between a Stock Token and its underlying shares.

The BONER/HIMS pool is a good example. On August 31, the pool held 31,198 HIMS tokens, representing 53.1% of the total HIMS token supply on Robinhood Chain.

The previous day, HIMS traded at \$132.64 onchain, compared with the underlying stock's latest closing price of \$28.84, a premium of approximately 360%. The U.S. market was closed at the time, and the pool processed only around \$39,000 in volume during that hour.

The price difference narrowed after the market reopened and Robinhood issued more HIMS tokens. By Monday afternoon, the Stock Token was trading at \$30.10, close to the underlying share price of \$29.41.

AMC provides another example. The AMC Stock Token generated around \$668 million in total DEX volume during the quarter, including approximately \$5.7 million traded through the AMC/CINEMA pool in a single 24-hour period.

On September 4, AMC CEO Adam Aron objected to the Stock Token being issued without the company's involvement and asked Robinhood to stop offering it. Robinhood rejected the request.

The dispute highlights the difference between owning company shares and holding a third-party token that tracks their performance. Activity in a Pons pool can affect the token's price and liquidity, but it does not change the rights attached to the underlying shares.



The next test is whether this activity remains durable

Robinhood Chain's first quarter showed how quickly the network could attract activity and capital. It processed more than 800 million transactions, attracted over \$1 billion across its largest DeFi applications and developed an active market for tokenized stocks.

Most of the network's revenue came in September, when transaction costs increased. Stock Token trading volume also grew much faster than the value of the tokens in circulation, showing that the same assets were changing hands frequently.

The next quarter will show whether Robinhood Chain can retain this capital as transaction costs normalize and whether Stock Tokens find broader use in lending and other DeFi applications. Its main advantage is the connection between Robinhood's existing financial platform and its onchain network. The value of that connection will depend on how many users and financial products move onto the chain.



NEAR

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Overview

NEAR staking remained steady in Q3. An average of 596 million NEAR was staked, about 46% of supply, and gross staking yield was 4.87%, nearly unchanged for three quarters since target inflation was cut from 5% to 2.5%. (NEAR staking rewards come from issuance and don't depend on network activity.)

Activity on the NEAR chain itself continued to fall, as the payments app Kai-Ching wound down. But NEAR Intents, its cross-chain swap service, grew quickly. Its volume rose 67% to \$10.41 billion and gross fees reached \$14.43 million. Confidential Intents, a private environment for Intents, grew from \$28.6 million to \$160.9 million in TVL. Notably, during the Bitget hack in September, the Intents screening system blocked almost all of the more than \$50 million that attackers tried to route through it.

The quarter in numbers

Metric	Q2 2026	Q3 2026
Average NEAR staked	596 million	596 million
Share of supply staked	46%	46%
Gross staking yield	4.88%	4.87%
Transactions processed	77.7 million	68.0 million
Gross chain fees	\$137,000	\$208,000
Intents volume	\$6.24 billion	\$10.41 billion
Intents gross fees	\$9.32 million	\$14.43 million
Intents swaps	7.0 million	9.6 million
Confidential Intents TVL	\$28.6 million	\$160.9 million

Source: Allium, DefiLlama, Dune, NEAR, Bitwise.

For the moment, NEAR's center of gravity is moving from its base chain to Intents. In Q3, Intents earned about 70 times as much in fees as the NEAR chain. NEAR's long-term ambition is to become a home for AI agents transacting with each other, which would rely on its base chain as much as Intents. Activity on the chain itself is still modest, so a pickup there would be an early sign that this vision is taking hold.

On the AI front, NEAR keeps building privacy-focused infrastructure. In Q3, it began offering AI credits to users who stake NEAR, creating a link between its AI products and the token.

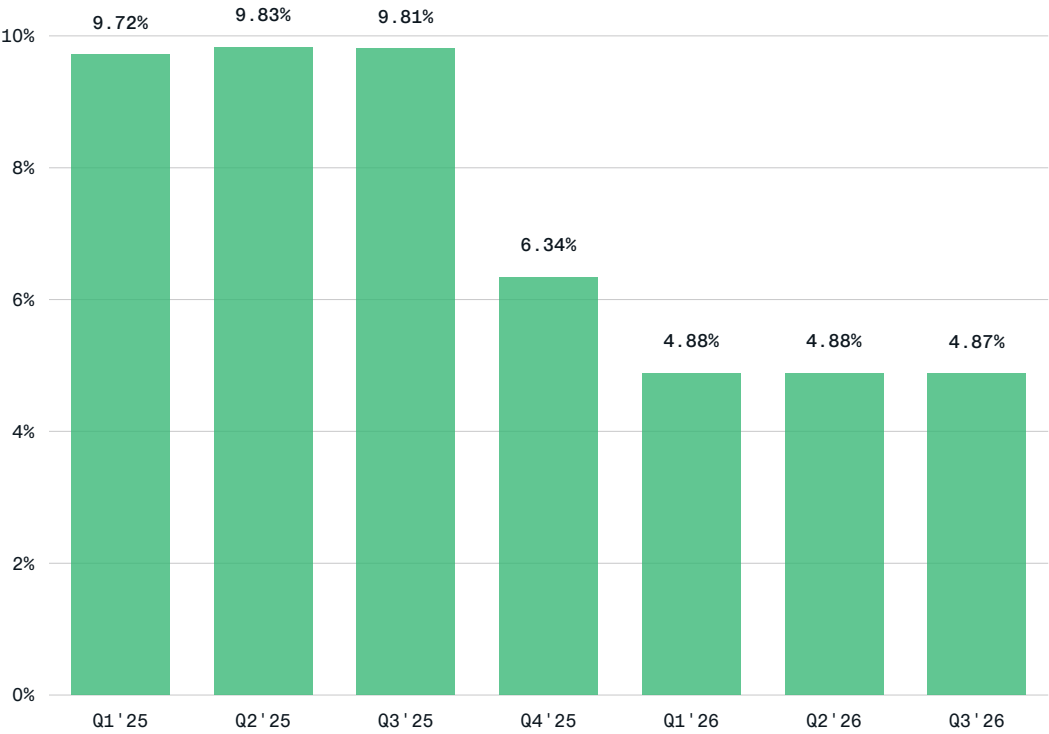


Staking yield held steady

NEAR staking rewards are entirely funded by protocol issuance, so staking yield depends on the inflation rate and how much NEAR is staked, not on transaction activity. Following the Q4 2025 reduction in target inflation from 5% to 2.5%, gross staking yield settled around 4.9% and was nearly unchanged over the last three quarters.

In Q3 2026, an average of 596 million NEAR was staked out of a total supply of about 1.304 billion. With roughly 46% of NEAR staked, gross staking yield was 4.87%.

NEAR gross staking APY



Source: Allium, Bitwise.

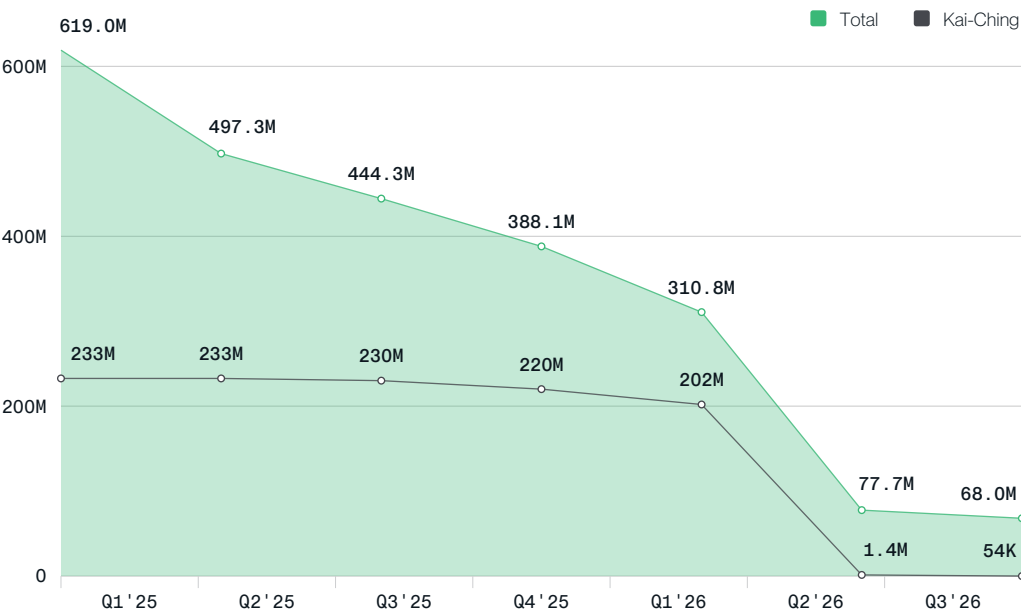
NEAR staking yield doesn't include transaction fees, which, as of today, are split between the smart-contract developers, who receive 30%, and a burn of the remaining 70%. Fees earned through other revenue sources, such as Intents, aren't part of the staking yield.



Chain activity stayed muted

NEAR chain activity stayed muted in Q3 after Kai-Ching, the payments and rewards app, wound down in Q2. Transactions fell about 12.5% QoQ and 84.7% YoY, and Kai-Ching activity almost disappeared, dropping from 1.4 million transactions in Q2 to 54,000. With Kai-Ching now negligible, the last two quarters produce a higher-resolution picture of underlying activity, which at the moment is falling: Excluding Kai-Ching, transactions fell about 11% QoQ.

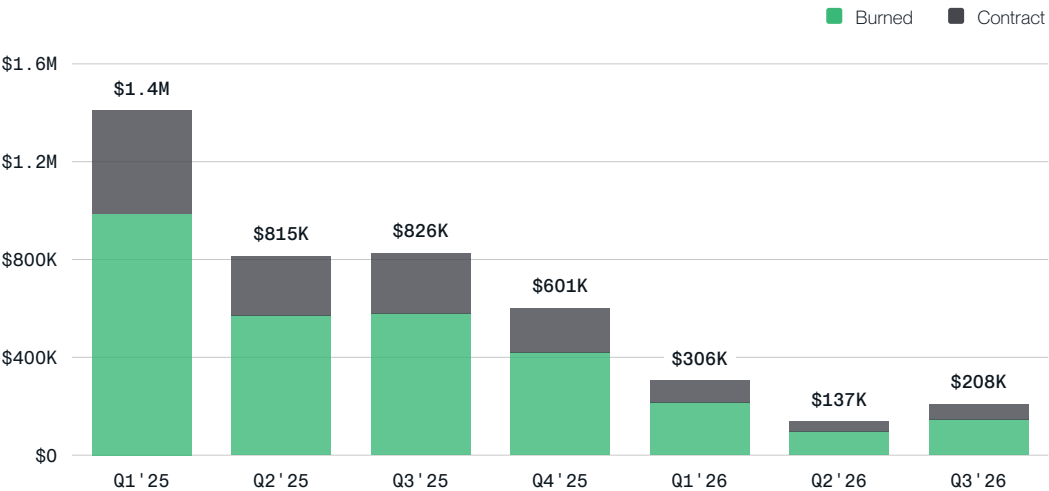
NEAR transaction count



Source: Allium, Bitwise.

NEAR's gross revenue rose to around \$208,000 in Q3, up 52% from \$137,000 in Q2, despite lower transaction activity. Fees paid in NEAR were mostly unchanged at about 83,500 NEAR in both quarters, so the USD increase is a result of the higher token price rather than a jump in chain activity.

NEAR fee revenue



Source: Allium, Bitwise.

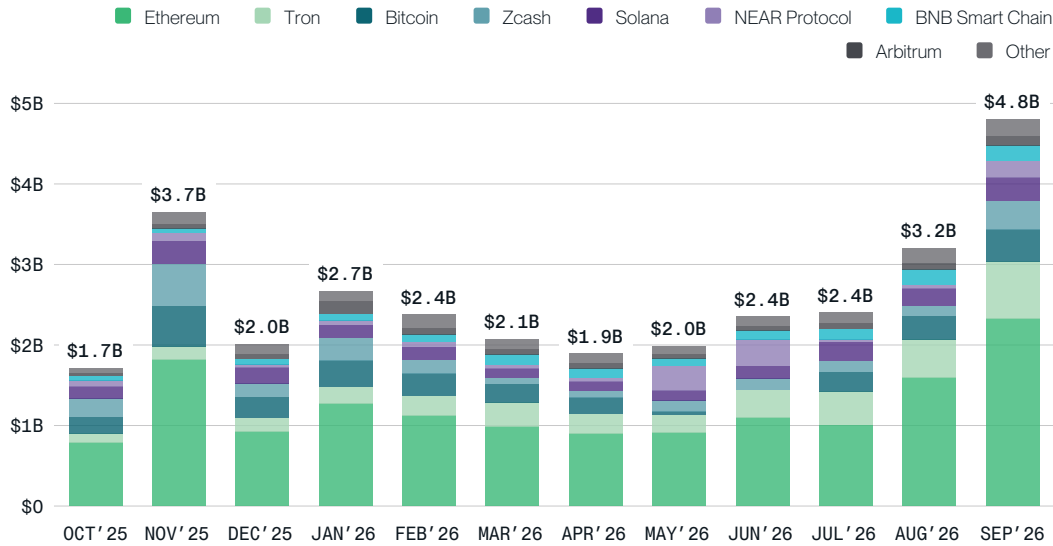


Intents became NEAR's main growth engine

While activity on the NEAR chain itself is slow, NEAR Intents has become its main growth engine. With Intents, users state the outcome they want, such as swapping or bridging an asset across chains, and specialized participants called solvers compete to deliver it at the best price.

Intents volume accelerated sharply through Q3 2026, from \$2.40 billion in July to \$4.80 billion in September. Q3 volume reached \$10.41 billion, up 66.8% QoQ and 891% YoY. Ethereum accounted for almost half of it (47%), followed by Tron (15%), Bitcoin (9%) and a handful of smaller chains.

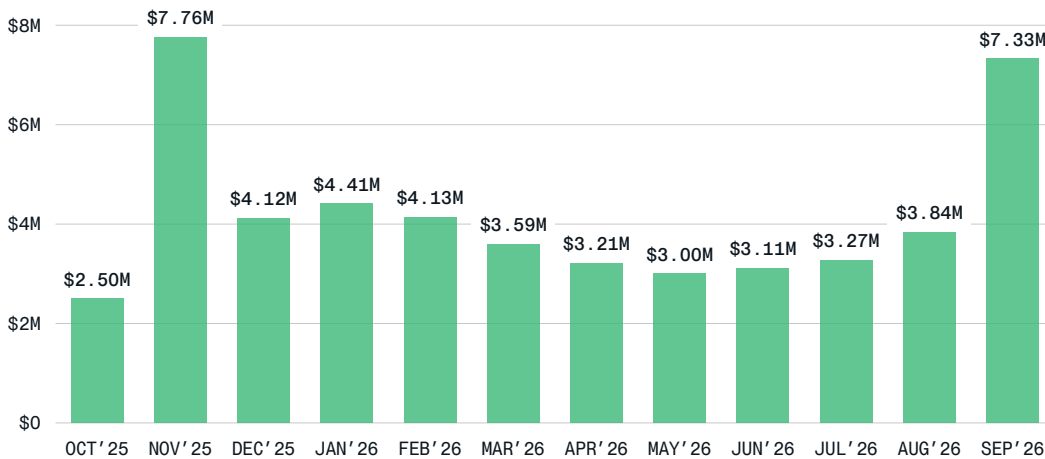
NEAR Intents volume by originating chain



Source: Dune, NEAR.

Gross fees rose every month alongside volume, from \$3.27 million in July to \$7.33 million in September. Q3 gross fees totaled \$14.43 million, up 55% from \$9.32 million in Q2.

NEAR Intents fees earned



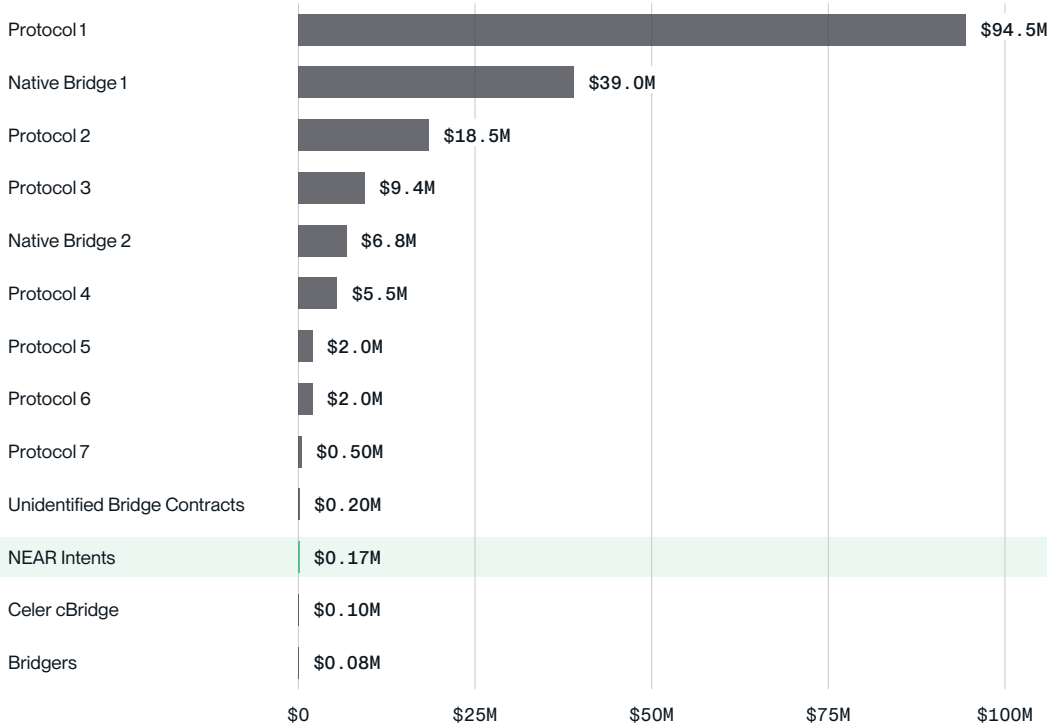
Source: DefiLlama. Buyback figures shown in our previous report have been removed, as they represented an upper bound rather than actual buyback amounts.

N

Intents blocked most of the Bitget hackers' funds

On the evening of September 24, two small transfers left Bitget-linked wallets, one on TRON and one on Ethereum. Half an hour later, \$34.75 million in USDT reached the Ethereum address that had received the first transfer, and large outflows began appearing on other chains. Bitget then confirmed it had been hacked and put the total loss at \$387.5 million. As the attackers bridged the stolen funds, they tried to route more than \$50 million through NEAR Intents.

Bitget hack: cross-chain fund flows



Source: NEAR.

However, NEAR Intents' SHIELD screening system rejected most attempted swaps before execution and stopped an additional \$503,000 mid-transaction. Intents allowed only about \$166,000 of the \$50 million to get through.

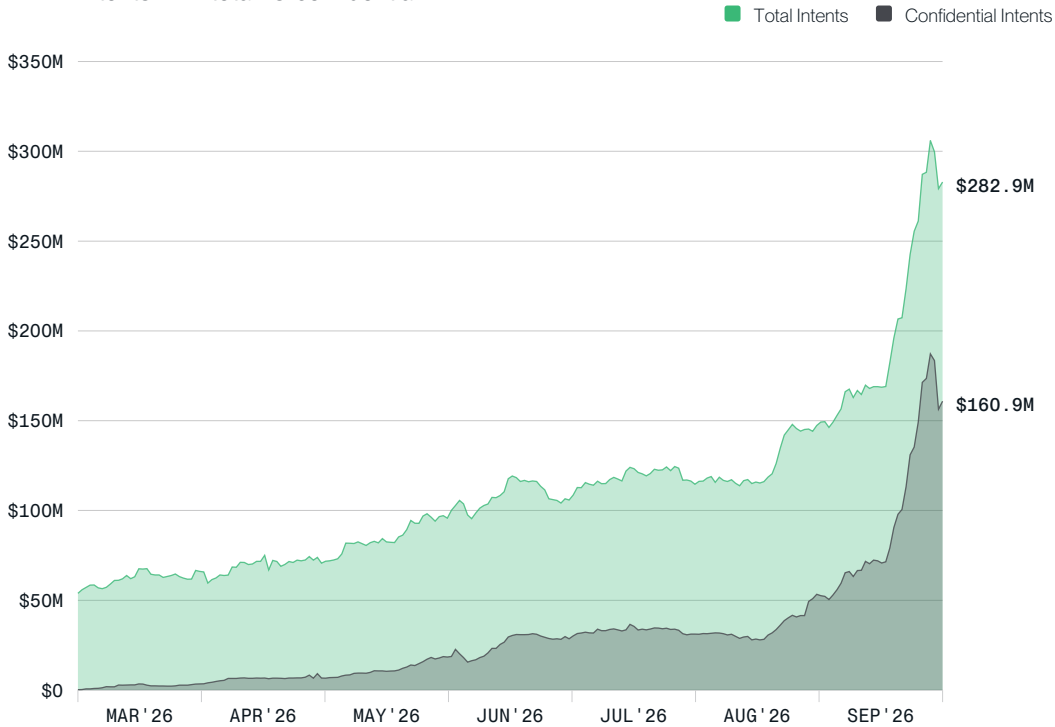
The hack highlighted a less visible Intents feature. SHIELD checks fund flows using signals from transaction-monitoring providers and industry participants. When a swap is flagged, Intents can refuse to provide a quote or stop a transaction already in progress. That gives it a way to limit the movement of stolen funds through its own service, though it cannot stop those funds from moving elsewhere.



Confidential Intents grew more than fivefold

Privacy has become a major crypto theme in 2026. To meet this new demand, NEAR's Confidential Intents enables trading and bridging assets across blockchains without exposing activity inside the confidential environment to the public. Confidential Intents runs on a private NEAR shard connected to the public network through a trusted execution environment bridge. Deposits and withdrawals on public chains can still be visible, but the trading activity between them is not.

NEAR Intents TVL: total vs. confidential



Source: NEAR, Dune.

The fact that users value privacy is well illustrated by the rise in Confidential Intents TVL, which increased 463% from \$28.6 million at the end of June to \$160.9 million at the end of September. Total Intents grew to \$282.9 million over the same period, so Confidential Intents made up 57% of the total.



NEAR’s AI business is still early

The NEAR AI stack has several products. NEAR AI is a cloud service for running AI models with added privacy. It hosts open-weight models in trusted enclaves, which stop the operator from reading users’ prompts and responses. It also offers models from companies such as OpenAI and Anthropic, though those companies still receive prompts in plaintext to generate answers.

For now, most AI work happens offchain, and the main link to the NEAR token is an option to stake NEAR and use the rewards to pay for AI services. Under this option, users stake NEAR and receive credits for AI services without spending the principal. For confidential inference, credits accrue based on the staking yield, the amount staked, and NEAR’s price.

During Q3, NEAR AI added independent verification of its hardware and expanded access to its models via SayGm and OpenRouter. Both services give developers a single interface for calling models from different providers. NEAR is a provider on these platforms.

For now, NEAR’s AI business is more of a long-term bet, but its privacy infrastructure and agent tooling give it a credible position to compete as AI and crypto converge.

Risks and Important Information

Participating in blockchain networks through staking involves risks beyond those associated with holding crypto assets. These risks include technological risks such as, but not limited to, validator downtime, slashing penalties, protocol or network failures, smart contract vulnerabilities, and other technical or operational errors, any of which may result in reduced rewards or loss of assets.

Staking rewards are not guaranteed and may vary based on network conditions, validator performance, and protocol design. Staked assets may be subject to lock-up periods, unbonding periods, or withdrawal delays during which assets are not accessible or transferable. Participation in staking may involve reliance on third-party infrastructure, protocols, or network participants, including validators, relayers, or middleware, which may introduce additional risks.

Crypto asset trading requires knowledge of crypto asset markets. In attempting to profit through crypto asset trading, you must compete with traders worldwide. You should have appropriate knowledge and experience before engaging in substantial crypto asset trading. Crypto asset trading can lead to large and immediate financial losses. Under certain market conditions, you may find it difficult or impossible to liquidate a position quickly at a reasonable price.

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