

STABLECOIN FLOW MONITOR

EDITORIAL & RESEARCH METHODOLOGY

01 PURPOSE AND SCOPE

The BitBullNews Stablecoin Flow Monitor is a weekly research publication that interprets movements inside the stablecoin market: where dollar-denominated supply is expanding or contracting, which networks are gaining or losing on-chain liquidity, which issuers are behind the change, and what those shifts may signal for the wider crypto market.

The Monitor does not simply restate whether total market capitalization rose or fell. It reads the data for liquidity: whether on-chain dollar liquidity is entering the market, moving between chains, concentrating in particular issuers, shifting toward exchanges or DeFi, or showing early signs of stress. This document sets out how that data is gathered, validated and turned into research, the open and proprietary sources behind every figure, and the legal terms that govern the work.

RESEARCH PRINCIPLES

- **Data-first.** No figure is published without an underlying number that has been retrieved and checked.
- **Source-first.** No single dashboard is treated as final truth; every material figure is corroborated.
- **Causal caution.** A correlation is reported as a correlation until a cause is independently verified.
- **Reproducibility.** Each edition can be rebuilt from its logged sources, raw figures and timestamps.
- **Date discipline.** Every material figure is tied to a defined reporting window or publication date.

Publication	Weekly stablecoin-market research
Primary objective	Turn stablecoin data into a structured liquidity read
Update frequency	Weekly
Reporting window	Fixed weekly window measured in UTC
Maintained by	BitBullNews Research Desk
Review cadence	Quarterly, and after any major market-structure or regulatory change
Methodology version	Version 1.0

POSITIONING

The Monitor treats stablecoin flows as a liquidity signal, not a standalone forecasting tool. Every conclusion is tied to observable, sourced evidence; where the evidence is incomplete, the Monitor says so instead of guessing at intent.

02 WHAT THE MONITOR MEASURES

Consistent definitions prevent the most common analytical errors. The metrics below are measured the same way in every edition, and the Monitor always states which variant of a figure it is using.

SUPPLY AND CAPITALIZATION

- **Total market capitalization** — the combined market value of all tracked stablecoins, each valued at its prevailing price, which is typically near but not exactly \$1.
- **Circulating supply** — tokens issued and outstanding on-chain, excluding issuer-held inventory that has not been put into circulation. This is the preferred basis for flow analysis.
- **Net issuance** — gross mints minus gross burns over the window, distinguished from gross mint/burn, which can be large even when the net change is small.

ACTIVITY AND VOLUME

- **Raw transfer volume** — total on-chain value moved, before filtering. It is routinely inflated by exchange-internal transfers, market-maker rebalancing, bridge mechanics, smart-contract loops, MEV and treasury movements, and is never treated as organic usage.
- **Adjusted (organic) transfer volume** — volume after filters that remove inorganic activity. The reference method is Visa Onchain Analytics / Allium: a single-direction filter that counts only the largest stablecoin amount moved within a transaction, plus an address filter that excludes wallets exceeding 1,000 transactions or \$10m of volume in a rolling 30-day period while retaining labeled categories such as exchanges, DEXs, lending and mint/burn. The method is calibrated on several million labeled addresses and covers fiat-backed stablecoins; synthetic and yield-bearing assets are handled separately.
- **Active addresses and transaction count** — independent cross-checks on whether volume reflects broad participation or a handful of large actors.
- **Velocity** — adjusted transfer volume divided by average circulating supply over the same window. Rising velocity against flat supply points to more intensive use of existing liquidity; falling velocity points to accumulation or idle balances.

PEG AND LIQUIDITY

- **Peg deviation** — the gap between traded price and the \$1 reference, expressed in basis points.
- **Reportable depeg** — a deviation treated as material when it exceeds roughly $\pm 0.5\%$ (about 50 bps), persists beyond a single print and appears on more than one venue. Smaller, momentary, single-venue moves are treated as noise.
- **Liquidity depth** — the size of buy and sell support around the peg on major venues and DEX pools; a thin book can turn a small flow into a large price move.

03 STABLECOIN TYPES AND RISK CLASSIFICATION

A dollar increase in a fully reserved, audited, regulated fiat-backed token is not the same risk signal as the same increase in a synthetic or yield-bearing instrument. The Monitor never aggregates across types without flagging the mix.

TYPE	DESCRIPTION AND EXAMPLES	PRIMARY RISK FOCUS
Fiat-backed	Redeemable claims on off-chain fiat and short-dated instruments (USDT, USDC, PYUSD, FDUSD).	Reserve quality, custody, redemption access.
Crypto-backed	On-chain collateral with a stability module (USDS, the Sky successor to DAI).	Collateral volatility, oracle integrity, fiat-stablecoin pass-through.
Synthetic / delta-neutral	Value held through hedged positions rather than fiat reserves (USDe).	Funding rates, exchange counterparty exposure, hedge execution.
Algorithmic	Peg maintained by supply mechanics without full asset backing.	Reflexive failure; historically the highest-risk category.
Yield-bearing	Pass interest or strategy returns to holders.	Backing and yield source examined separately.

04 DATA SOURCES: OPEN AND PROPRIETARY

No single dashboard is final truth. Every material figure is corroborated by at least two independent sources, and each metric has a designated source of record. Sources fall into open (public, free-to-access) data and proprietary (licensed or paid) data; the Monitor uses both but treats them differently.

OPEN AND PUBLIC SOURCES

- **Issuer disclosures** — official transparency pages, reserve reports and attestations published by issuers such as Circle, Tether, Paxos, Ethena and Sky.
- **Chain explorers** — Etherscan, Tronscan, Solscan, Basescan and Arbiscan for mint/burn events and contract-level verification.
- **Public aggregators** — DefiLlama for supply, market cap, chain breakdowns, inflows and peg, plus the open dashboards of Artemis and RWA.xyz for activity and reserve structure.
- **Official and editorial context** — regulator and statute texts, governance forums, protocol documentation, exchange announcements and reputable news, used to explain and corroborate events rather than to source headline numbers.

PROPRIETARY AND LICENSED SOURCES

Some figures rely on commercial datasets that are accessed under licence and are not redistributed in raw form; the Monitor publishes only the derived metrics and the analysis built on them.

- **Adjusted-volume analytics** — Visa Onchain Analytics / Allium for organic, filtered transfer volume on fiat-backed stablecoins.
- **Premium on-chain platforms** — Nansen, Glassnode, Coin Metrics and Token Terminal for deeper wallet, market and protocol context, alongside paid tiers of Dune and Flipside for custom queries.
- **Reserve and backing data** — RWA.xyz and issuer attestation detail used to assess reserve composition.

Where a number depends on a single proprietary source, the Monitor states this explicitly and, where possible, cross-checks the direction of the move against an open source.

SOURCE OF RECORD BY METRIC

METRIC	PRIMARY SOURCE OF RECORD	CORROBORATING SOURCE
Total market cap / issuer supply	DefiLlama	Issuer page and a second aggregator
Mint / burn and contract events	Chain explorer	Issuer announcement
Adjusted transfer volume	Visa Onchain Analytics / Allium	Artemis raw volume and active addresses
Active addresses / transaction count	Artemis	Second aggregator or Dune query
Peg / price	DefiLlama and major-venue data	Second venue
Reserves / backing	Issuer attestation	RWA.xyz
Regulatory status	Regulator / official statute text	Reputable legal analysis

05 DATA VALIDATION AND CROSS-CHECKING

Before any figure is published it passes a validation protocol designed to catch source disagreement, classification mismatches and window misalignment.

- **Two-source rule.** Every material figure is confirmed against at least two independent sources; where only one source exists, the Monitor states this explicitly.

- **Tolerance and reconciliation.** Supply and market-cap figures within roughly 2% across two sources are treated as agreement; larger gaps are reconciled and both figures disclosed, with the direction of change emphasized over a single point estimate. Transfer-volume figures are never summed across methodologies — one consistent series, preferably adjusted, is reported and the method named.
- **Classification reconciliation.** For each number the Monitor confirms whether it is market cap, circulating or fully diluted supply; whether a chain figure includes bridged or wrapped versions that may double-count native supply; whether synthetic and yield-bearing tokens are included; and whether a change is net or gross mint/burn.
- **Window reconciliation.** The reporting window is fixed in UTC; when a source snapshots on different boundaries or reports a rolling 7-day figure, the nearest snapshot to the window edges is used and exact timestamps are logged. Windows are never silently mixed.
- **Reproducibility log.** Each edition records its sources, exact retrieval timestamps, raw figures and any adjustments, so the analysis can be reconstructed after publication.

DISCLOSURE

The Monitor discloses disagreement between sources rather than hiding it. Example: “Dashboards show slightly different figures because of how they classify bridged assets and circulating supply; the direction of the move was consistent across sources.”

06 CAUSAL-ATTRIBUTION FRAMEWORK

A flow can be observed with confidence even when its cause is not. The Monitor separates the two and grades every causal claim by the strength of the evidence behind it. Supporting evidence may include an official issuer announcement, an on-chain mint/burn transaction, an exchange statement, bridge data, a DeFi incentive campaign, a governance proposal, a protocol launch, a corroborating public dashboard or reputable reporting.

CONFIDENCE TIER	EVIDENCE REQUIRED	PERMITTED LANGUAGE
Confirmed	Two or more independent evidence types pointing to the same cause.	State the cause directly (“the increase was driven by ...”).
Likely	One strong piece of evidence with supporting context.	Hedged (“the move coincided with ...”, “a likely driver is ...”).
Unconfirmed	Direction is clear but the cause is not.	State that the cause is not yet established; list candidate explanations.

HARD RULE

The Monitor never writes “this happened because” unless the cause meets the Confirmed tier.

Worked example. “Supply on Base increased over the window. The available evidence does not yet establish whether this came from retail usage, DeFi incentives, exchange inventory or issuer-side allocation, so the cause is recorded as unconfirmed.”

07 HOW A RESEARCH EDITION IS PRODUCED

Each weekly edition is built through the same repeatable pipeline. The steps describe how the research is assembled from data to interpretation, independent of any publishing format.

- 01 Step 1 – Define the window.** Fix a clear period on one time basis, preferably UTC (for example Monday 00:00 to Sunday 23:59 UTC), and reconcile any source reported on a different basis.

- 02 Step 2 – Gather the market snapshot.** Total market cap; weekly and 30-day change; the top 5–10 stablecoins by supply; USDT dominance and USDC share; top chain-level supply figures; and the largest weekly chain inflows and outflows.
- 03 Step 3 – Identify the material changes.** The largest issuer increase and decrease, the largest chain inflow and outflow, any unusual movement, any peg deviation and any mismatch between supply growth and usage — reporting what changed rather than restating the full table.
- 04 Step 4 – Cross-check.** Apply the validation protocol so that every material figure clears the two-source rule and the reconciliation checks.
- 05 Step 5 – Attribute the cause.** Apply the confidence tiers; where the cause is unclear, record it as unconfirmed.
- 06 Step 6 – Separate data from interpretation.** Distinguish what happened, why it may have happened, why it matters and what is still to be confirmed, preferring precise liquidity language over narrative shorthand.
- 07 Step 7 – Document for reproducibility.** Log sources, timestamps, raw figures and adjustments so the edition can be rebuilt.

THE QUESTIONS EACH EDITION ANSWERS

The pipeline is built to answer a fixed set of questions: whether total supply grew or contracted and how it compares with the 30-day trend; whether the move was broad-based or concentrated in one issuer; how dominance is shifting between USDT, USDC and challengers such as PYUSD, FDUSD, USDe and USDS; how supply changed chain by chain and what drove each move; whether adjusted volume, active addresses and transaction counts confirm or contradict the supply trend; whether major tokens held their peg and whether liquidity depth or redemption activity changed; and which one-off drivers — launches, incentives, bridging, listings, regulatory news, security incidents or large moves in BTC and ETH — must be ruled out before a conclusion is drawn.

FOUR DISTINCTIONS

The Monitor keeps four things separate: supply growth (more tokens exist), transfer volume (tokens are moving), organic usage (real users, institutions, payments or DeFi participants) and rotation (liquidity relocating between chains, venues or use cases). Raw volume alone is not treated as proof of adoption.

FLOW DISCIPLINE

The Monitor avoids “capital is moving into Chain X” until the source of the supply change is established, because a chain-level increase can reflect minting, bridging, exchange inventory, incentives or internal treasury movement rather than end-user demand.

08 ISSUER, RESERVE AND REGULATORY ASSESSMENT

Reserve and issuer quality are examined whenever they change or matter for the week’s flows. For each relevant issuer the Monitor reviews backing type; transparency level; reserve composition and any higher-risk exposure; redemption rights and who may redeem directly; concentration and counterparty exposure; and jurisdiction and regulatory status.

RESERVE TRANSPARENCY HIERARCHY

The Monitor states which level of assurance applies to each issuer and never describes an attestation or a dashboard as an “audit.”

LEVEL	WHAT IT IS	STRENGTH
Independent financial audit	Examination against an accounting standard, with an opinion.	Strongest
Third-party attestation	An accountant confirms reserves at a point in time against management assertions.	Moderate — not an opinion on the financials

LEVEL	WHAT IT IS	STRENGTH
Management report / dashboard	Issuer-produced, not independently examined.	Weak
Proof-of-reserves	Cryptographic or on-chain evidence of assets only.	Partial — does not prove liabilities, so not proof of solvency

REGULATORY FRAMEWORKS

Regulatory status is a first-order input because the frameworks materially change reserve, redemption and disclosure obligations. Because status, attestation cadence and reserve composition change, they are verified each edition rather than assumed from prior coverage.

- **United States.** The GENIUS Act, signed into law on 18 July 2025, establishes the first federal framework for payment stablecoins: full 1:1 backing in cash and low-risk assets such as short-dated Treasuries and repo, issuance limited to permitted issuers under federal or state supervision, mandatory reserve disclosure and audits by registered accounting firms, and the ability to freeze or seize tokens under lawful order. Its effective date is the earlier of 18 months after enactment or 120 days after final implementing rules, so implementation is phased.
- **European Union.** MiCA regulates stablecoins as e-money tokens and asset-referenced tokens, with stablecoin provisions in force since 30 June 2024. E-money tokens must be redeemable at par on demand, issued by authorized credit or e-money institutions, and may not pay interest to holders; algorithmic models are effectively excluded.
- **Other jurisdictions.** Regimes such as Hong Kong's stablecoin licensing framework impose their own reserve, audit and licensing requirements. Where an issuer operates across regimes, the Monitor notes which framework governs the relevant supply.

09 PEG AND LIQUIDITY-STRESS ASSESSMENT

Flow analysis is incomplete without peg context: a growing stablecoin with a weak peg is not the same signal as a growing stablecoin with deep liquidity and transparent reserves. Each edition checks whether major tokens held near \$1; the size and duration of any deviation; the venues where it appeared; whether it was broad or isolated; whether liquidity depth changed; whether redemption activity rose; and whether issuer communication was clear.

A peg move carries more weight when it appears across multiple venues, persists over time, or coincides with redemption stress, reserve concerns or broader market panic. A momentary, single-venue wobble inside the noise band is noted but not elevated to a stress signal.

10 ACCURACY AND INTEGRITY RULES

- 01 Never rely on one source for a material claim.** If no alternative exists, say so.
- 02 Never confuse supply with demand.** Supply growth indicates more available liquidity, not proven end-user demand.
- 03 Never treat raw volume as organic volume.** Prefer adjusted volume and cross-check with active addresses, transaction count and known events.
- 04 Always classify issuer type.** Fiat-backed, crypto-backed, synthetic, algorithmic and yield-bearing tokens carry different risks and are not discussed interchangeably.
- 05 Always check the peg.** Pair every supply read with peg and liquidity context.
- 06 Be careful with causality.** Use “coincided with,” “the data suggests” or “a possible driver is” until a cause is confirmed.
- 07 Date every material number.** Tie figures to the reporting window or publication date.
- 08 Disclose source limitations.** Bridged and wrapped assets, synthetic stablecoins and per-chain supply are classified differently across dashboards; state these where they affect the read.

11 LIMITATIONS AND CAVEATS

On-chain data is transparent but imperfect, and the Monitor is explicit about what its figures cannot show. Active addresses are not unique users; total value locked is not economic value created; and stablecoin transfer volume can include exchange-internal, bridge or automated movement. Market-cap figures alone say nothing about peg health, reserve quality or redemption access.

Accordingly, the Monitor does not publish unsourced numbers, reuse stale figures without re-checking their date, present supply growth as guaranteed bullish liquidity, mix fiat-backed and synthetic or yield-bearing products without explanation, ignore chain-level differences, depeg risk or issuer risk, or make price predictions from stablecoin flows alone.

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