Chiara
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Behind the Peg
Stablecoin Insider's Series

Stablecoins Key Payment Corridors

A Worldwide Overview

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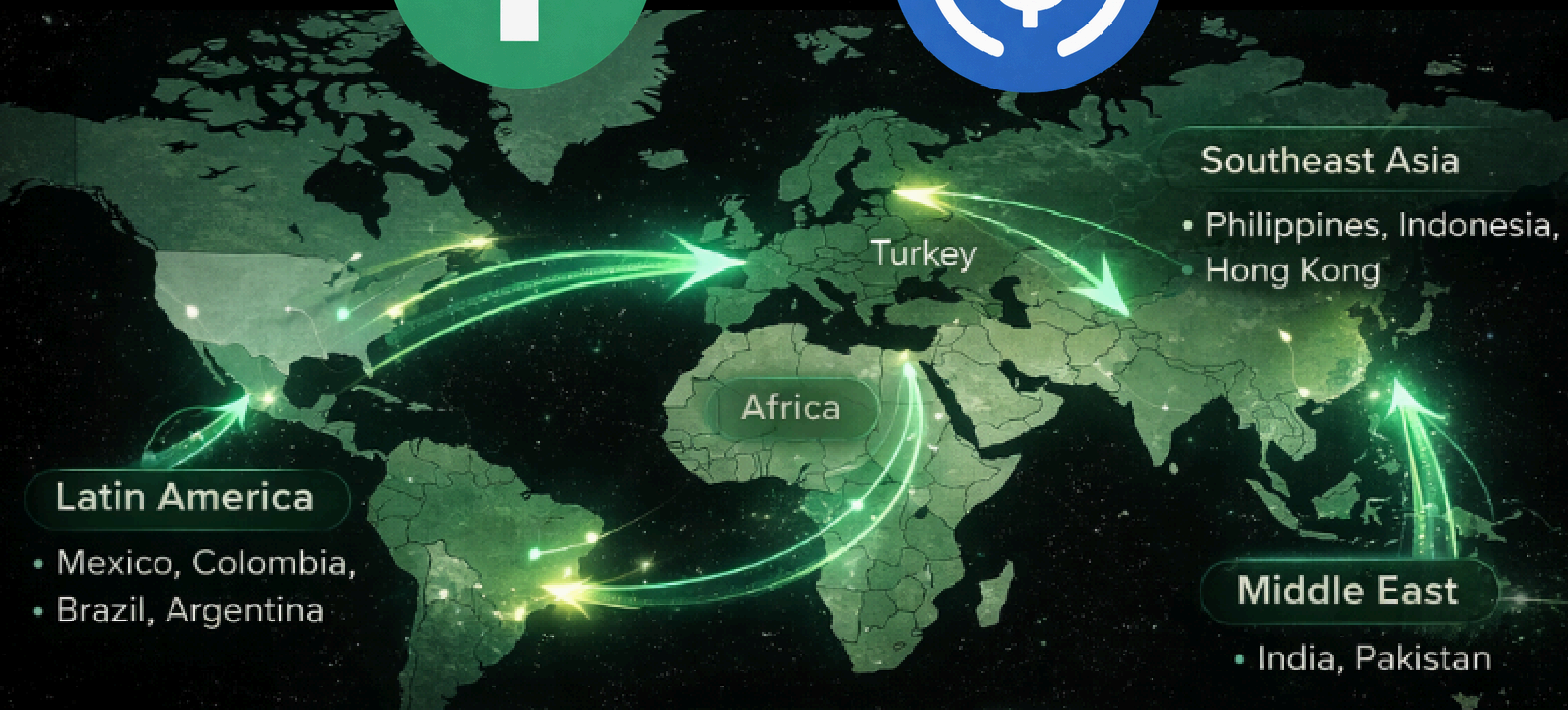
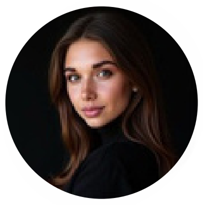




Stablecoins are now being used for remittances, cross-border business payments, corporate treasury transfers, and as a way to access U.S. dollars in emerging markets.

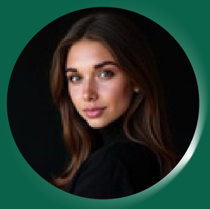
Over the past year, **stablecoin payment corridors have expanded quickly** across Latin America, Africa, Southeast Asia, and the Middle East, especially where traditional banking is slow, expensive, or restricted.

In this guide:

- What a stablecoin payment corridor actually is
- Where adoption is strongest worldwide
- The economic drivers behind corridor growth
- Real-world regional case studies

and more...

Enjoy the reading.



What Is a Stablecoin Payment Corridor?

Stablecoin Payment Corridor

A payment corridor is a recurring transaction route between two regions.

Example:
US → Mexico remittances
Europe → Africa supplier payments
US → Latin America freelancer payouts

Traditional Cross-Border	Stablecoin Rail
SWIFT intermediaries	Direct blockchain transfer
Banking hours	24 / 7
FX spreads 3–7%	Lower spreads
Settlement 1–3 days	Minutes to Hours
High remittance fees	Reduced costs

https://www.fireblocks.com/report/stablecoins-101

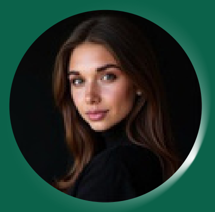
<u>Stablecoin corridors</u> emerge where:

- Banking rails are slow or expensive
- Dollar demand is high
- Capital controls exist
- FX spreads are wide

They typically follow a simple flow:

1. Funds are converted into stablecoins in Country A
2. Transferred on-chain
3. Converted to fiat in Country B

<u>The result: A parallel, 24/7 global payment network is taking shape.</u>



Global Corridor Map

Stablecoin activity clusters around:

- Latin America
- Sub-Saharan Africa
- Southeast Asia
- Turkey
- UAE
- Eastern Europe

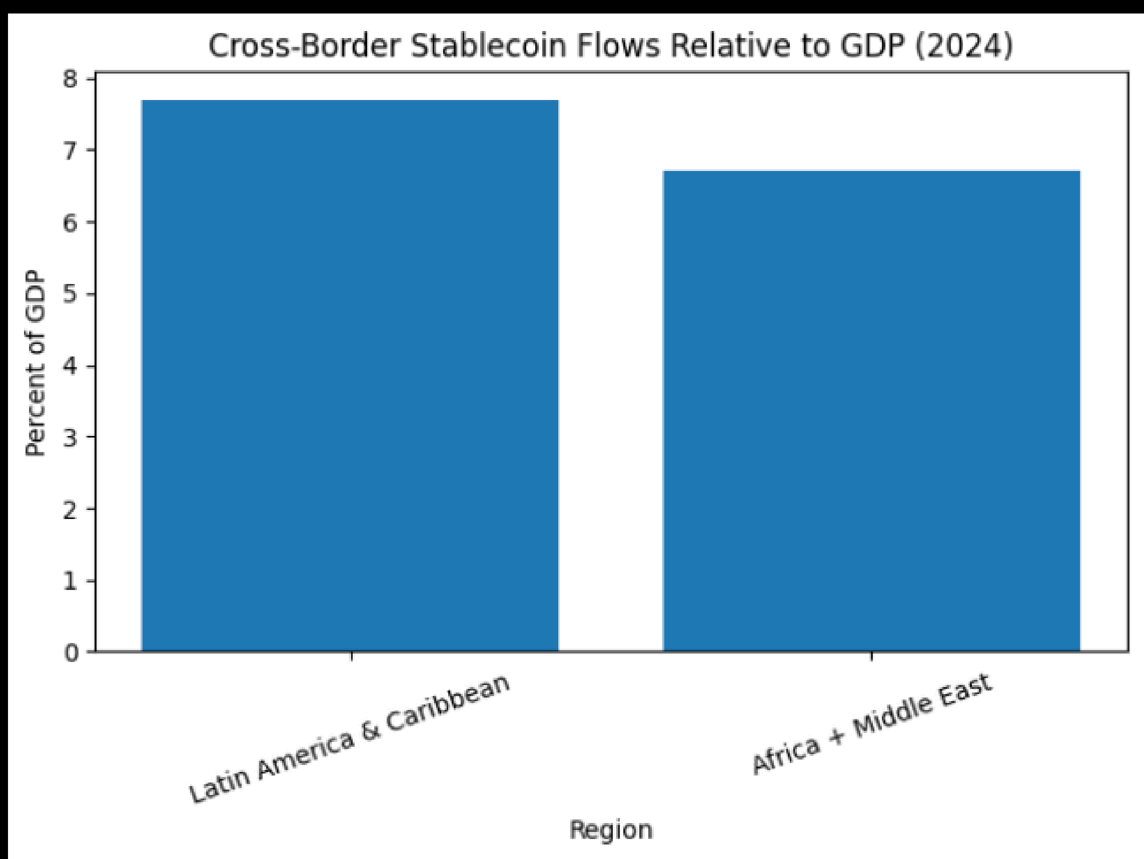
Corridors often involve USD stablecoins such as USDT and USDC.

Stablecoin Payment Corridors

Global framing

➔ IMF estimates about **2 trillion dollars of cross-border stablecoin flows for 2024**, with the largest absolute volumes in **North America** (633 billion dollars) and **Asia–Pacific** (519 billion dollars).

➔ Relative to GDP, the heaviest users are **Latin America and the Caribbean** (flows around 7.7 percent of GDP) and **Africa plus the Middle East** (about 6.7 percent of GDP), which is why your "emerging market" corridors matter more than headline U.S. or EU numbers.



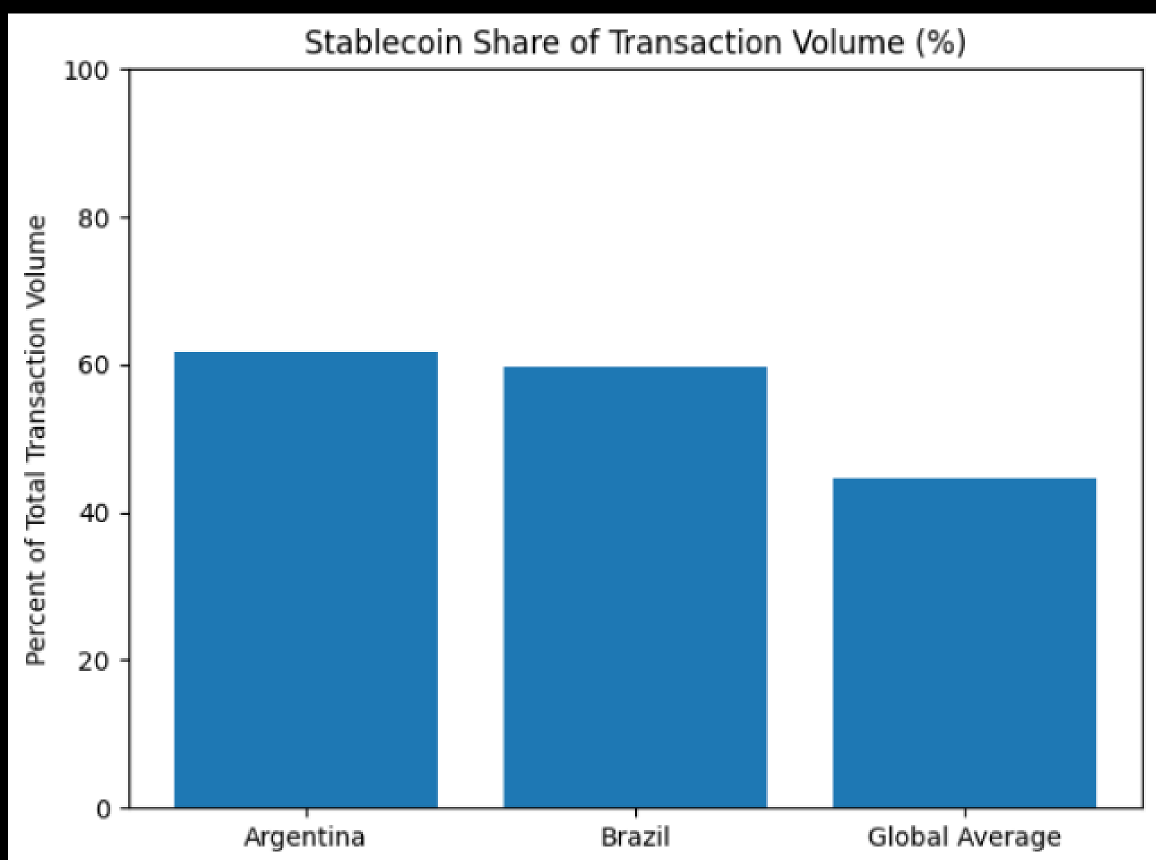
https://www.imf.org/en/Publications/WP/Issues/2025/07/11/Decrypting-Crypto-How-to-Estimate-International-Stablecoin-Flows-568260
https://news.cryptos.com/2024/10/25/africa/stablecoins-now-represent-43-of-sub-saharan-africas-crypto-transactions-chainalysis-report/

Latin America

➜ In **Brazil** more than **90 percent** of crypto flows are now **stablecoin-related**.

➜ stablecoin transaction value grew over 200 percent year-on-year (about 207.7 percent), vastly outpacing Bitcoin and other assets, and roughly **70 percent of indirect flows** from Brazilian local exchanges to global exchanges are now in stablecoins.

➜ In Argentina, **stablecoin**s make up about **61.8 percent of transaction volume** on some platforms, above both Brazil (around 59.8 percent) and the global average (44.7 percent).

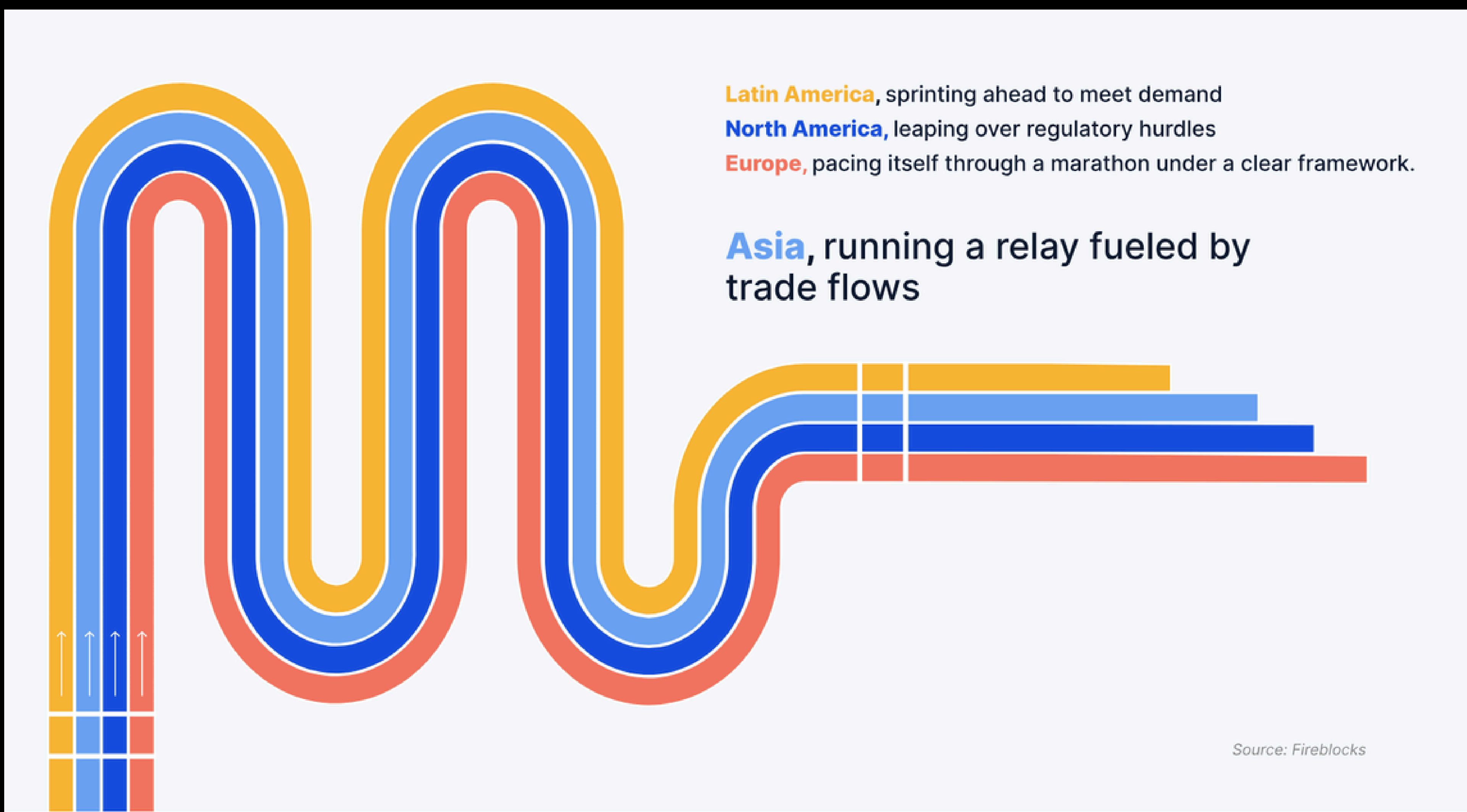


https://www.chainalysis.com/blog/latin-america-crypto-adoption-2025/

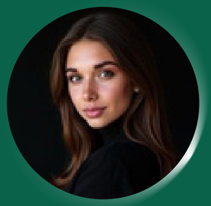
Southeast Asia

➜ **Asia** is now the leading region for “real-world” institutional stablecoin adoption, with one 2025 report showing about **56 percent** of institutions already live with **stablecoin** use and another 40 percent piloting or planning.

➜ **Turkey, Georgia and Thailand** appear at the top globally when you look at stablecoin purchases as a share of GDP, with **Turkey at about 4.3 percent of GDP**



https://www.fireblocks.com/blog/stablecoins-go-mainstream-in-asias-payment-ecosystem



Latin America Corridors

Latin America Corridors

Key Routes

- US → Mexico
- US → Argentina
- US → Brazil
- US → Colombia

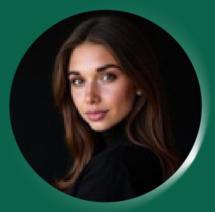
Drivers

- Dollarization demand
- Inflation hedging
- Expensive remittance fees
- Limited USD banking access

Examples

- Argentina: Stablecoins widely used to protect savings from peso inflation.

- Mexico: USDC/USDT increasingly used for cross-border transfers from the US.



Africa Corridors

Africa Corridors

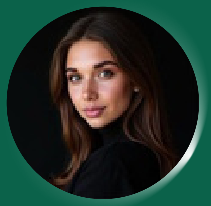
Key Routes

- Europe → Nigeria
- US → Nigeria
- UAE → Kenya
- UK → Ghana

Drivers

- FX restrictions
- Dollar shortages
- High remittance costs
- SME trade finance gaps

Worth knowing: *Nigeria is among the highest peer-to-peer crypto adoption markets globally.*



Southeast Asia Corridors

Southeast Asia Corridors

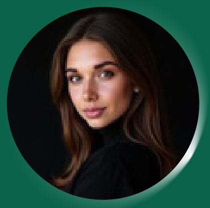
Key Routes

- Singapore ↔ Indonesia
- UAE ↔ Philippines
- US ↔ Philippines
- China trade routes via Hong Kong

Drivers

- Migrant worker remittances
- B2B regional trade
- Digital wallet penetration

Worth knowing: *Philippines remittances increasingly experiment with stablecoin rails via fintech apps.*



Middle East Corridors

Middle East Corridors

Key Routes

- UAE → India
- UAE → Pakistan
- UAE → Africa

Drivers

- Large migrant workforce
- High remittance volumes
- UAE positioning as crypto hub

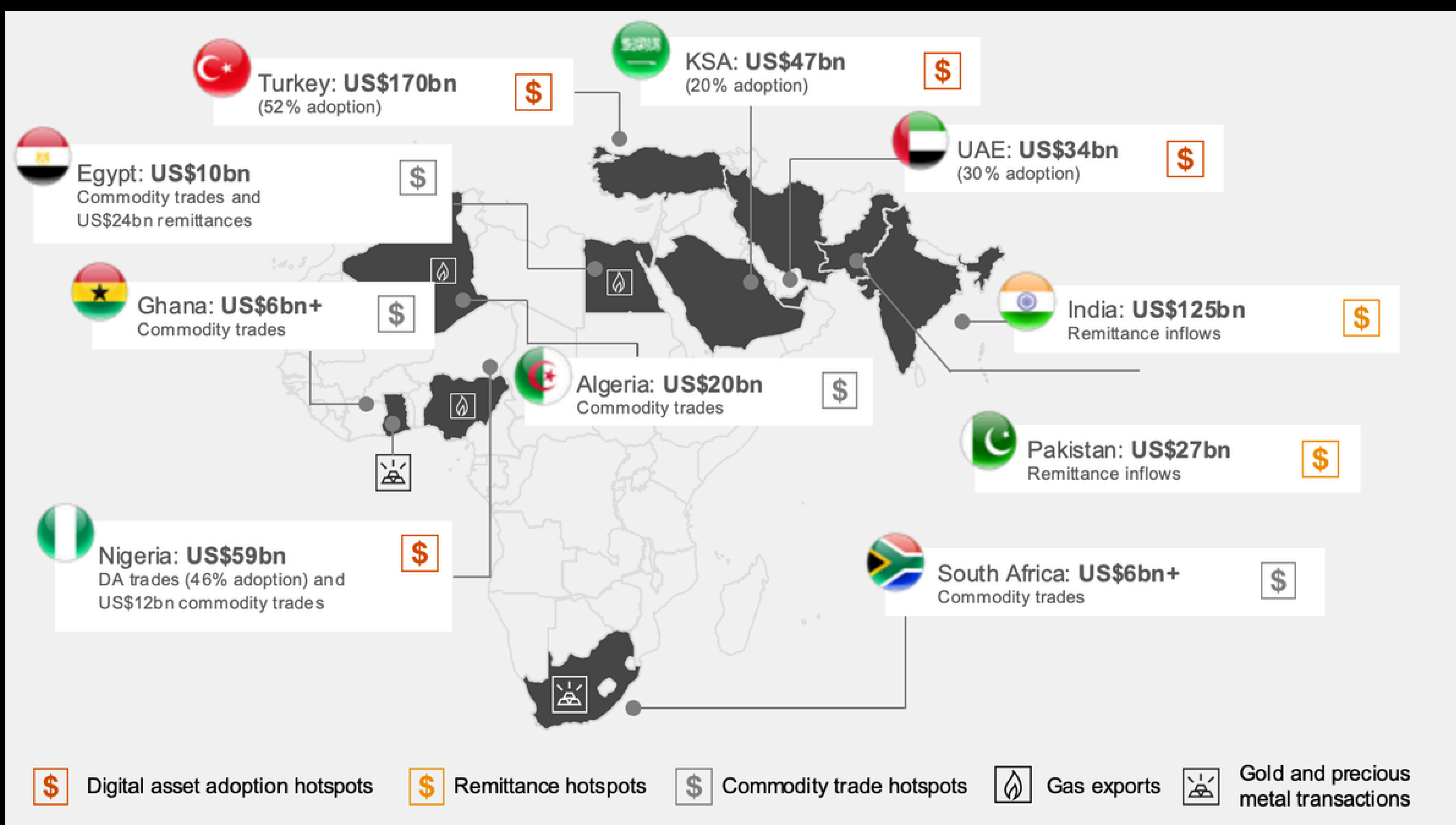
Worth knowing: *Dubai has become a regional stablecoin liquidity center.*

UAE / Middle East

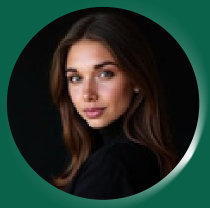
➜ PwC reports that, in the year ending June 2024, the **UAE received about 30 billion dollars in digital assets**, making it the third-largest digital-asset destination in the MENA region.

➜ **Turkey with around 170 billion dollars** in relevant trade and crypto flows and Saudi Arabia with large trading volumes.

➜ Relative to GDP, stablecoin flows **across Africa and the Middle East reach about 6.7 percent**, underlining how important USD-stablecoin rails are for trade and remittances.



https://www.pwc.com/m1/en/publications/2025/docs/unlocking-the-future-of-finance-with-stablecoins.pdf



Eastern Europe & Turkey

Eastern Europe & Turkey

Key Routes

- EU → Turkey
- EU → Ukraine
- Russia-adjacent markets

Drivers

- Currency volatility
- Sanctions pressure
- Dollar demand
- Banking restrictions

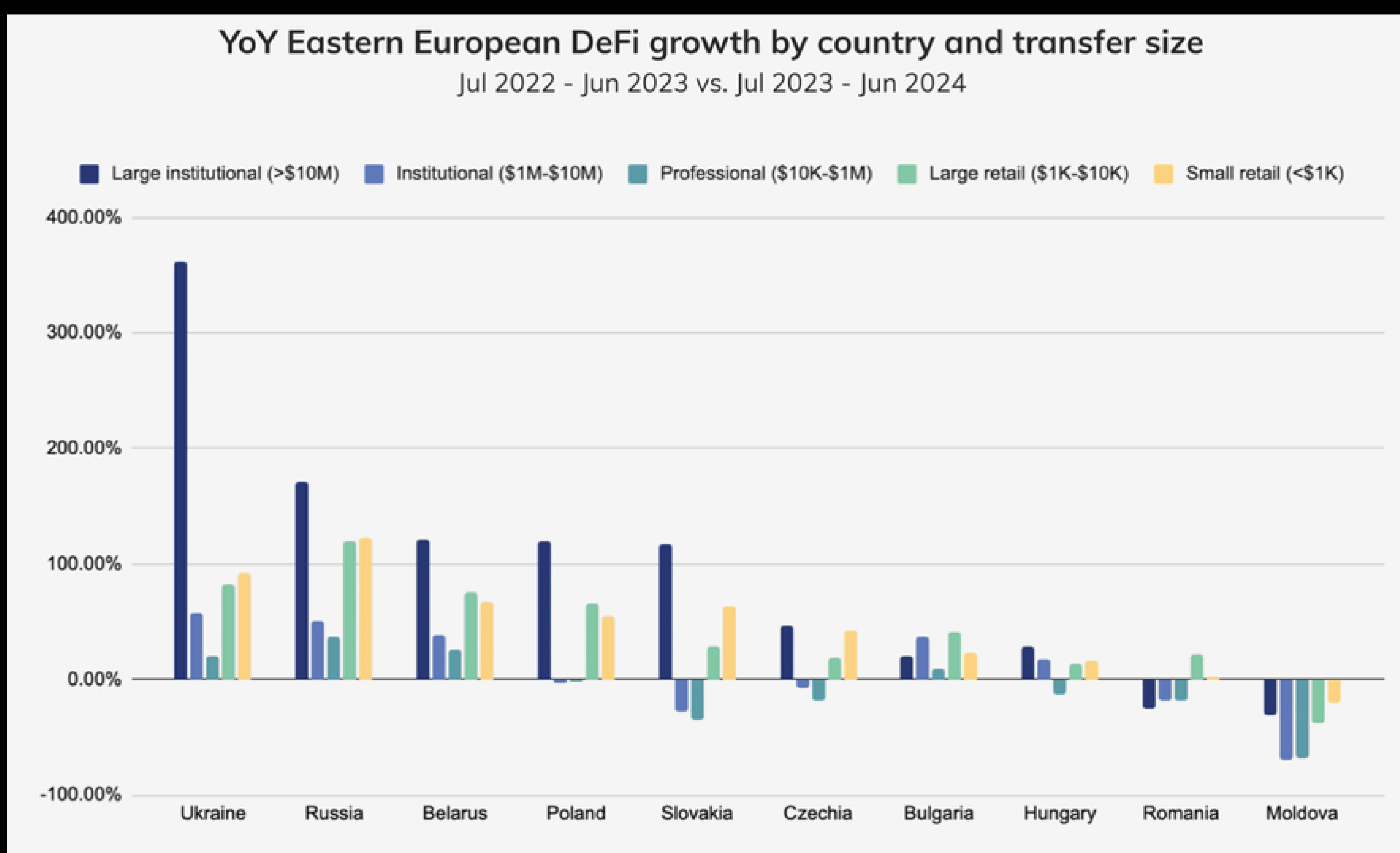
Worth knowning: Turkey consistently ranks high in stablecoin trading volume relative to GDP.

Eastern Europe

→ **Eastern Europe** decentralized exchanges received roughly **148.6 billion dollars in crypto inflows,** with Ukraine and Russia leading by volume.

→ **DeFi accounted for over 33 percent of all crypto activity in Eastern Europe**, with Ukraine and Russia's decentralized exchanges receiving about 34.9 billion dollars and 58.4 billion dollars respectively in a given year.

Eastern Europe can be described as a set of corridors where local currencies under sanctions or capital controls (for example RUB, UAH, BYN) move into USD stablecoins for cross-border trade, savings and DeFi access



https://crypto.news/chainalysis-ukraine-russia-lead-in-crypto-adoption-at-all-levels/

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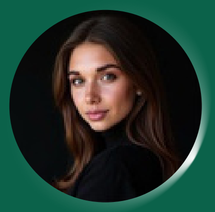
Stablecoin Dominance by Region

Region	Dominant Stablecoin	Why
Nigeria	USDT	High exchange liquidity
Turkey	USDT	FX volatility hedge
Argentina	USDT	Dollar substitute
Brazil	USDT + USDC	Trade + PIX integrations
U.S./EU	USDC	Institutional usage
Singapore	USDC	Financial hub integration

https://www.chainalysis.com/wp-content/uploads/2025/10/the-2025-geography-of-crypto-report-release.pdf

Stablecoin Payment Corridors



Regulatory Landscape & Risks

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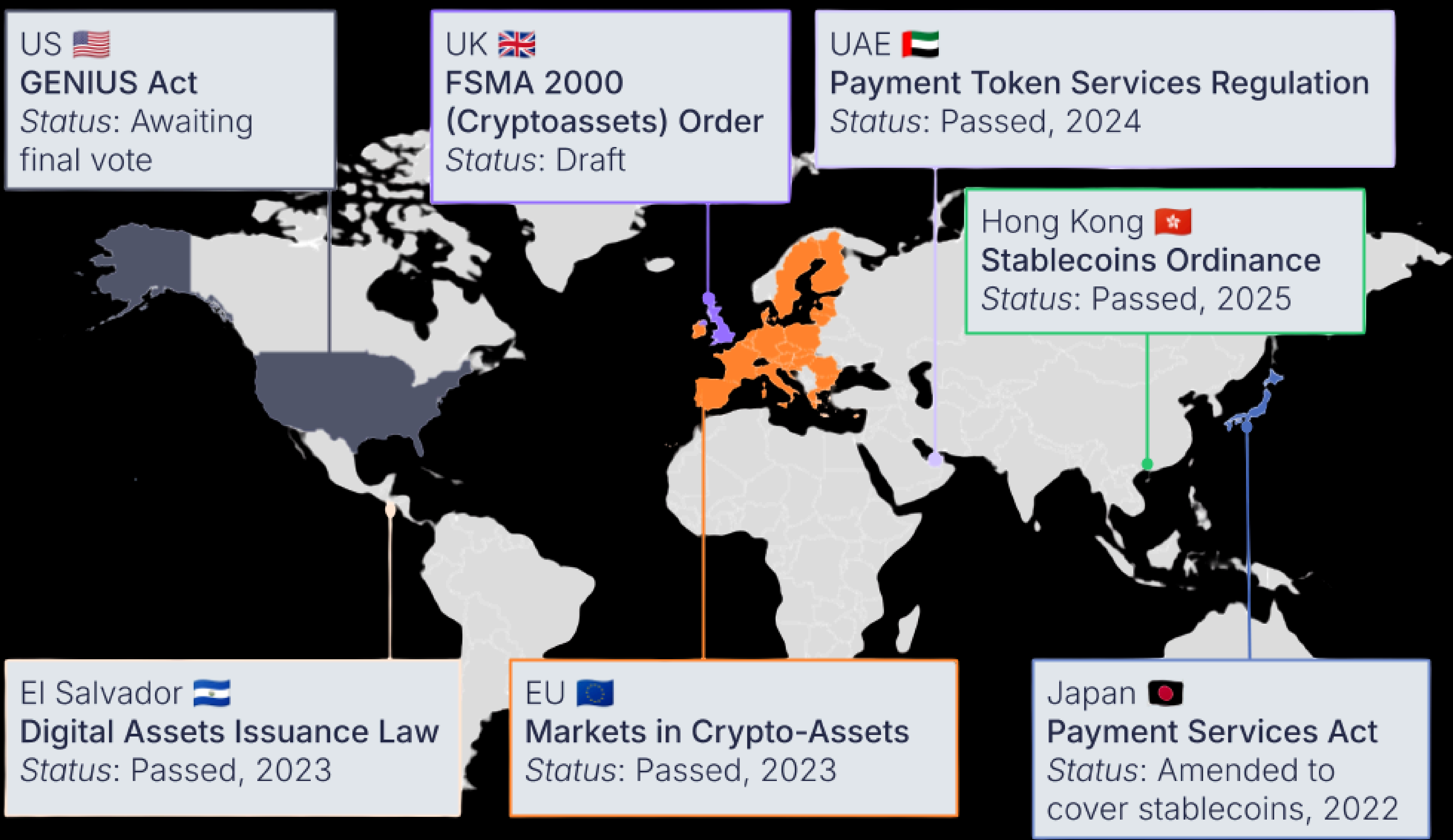
Regulatory Landscape



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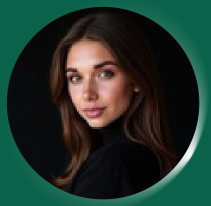
Stablecoin Payment Corridors



Final thoughts

US Domestic & Institutional Corridors

Stablecoins are also used for:

- OTC desk settlement
- Institutional treasury
- Merchant acquiring pilots
- Intercompany transfers

Example: Visa and Mastercard experimenting with USDC settlement rails.

VISA | mastercard

Major Stablecoin Corridor Types

Remittance-Driven Corridors

Corridor	Driver
U.S. → Nigeria	Diaspora remittances + dollar access
E.U. → Turkey	FX volatility + capital controls
LatAm ↔ LatAm	Regional dollarization
Africa ↔ MENA	Informal trade & remittances

Trade & Business Corridors

Corridor	Driver
Argentina ↔ Brazil	Intra-regional trade
Hong Kong ↔ Singapore	Financial hub settlement
Brazil ↔ U.S.	SME imports/exports
E.U. ↔ China	Cross-border commerce

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Stablecoin corridor growth depends on:

- FX volatility
- Inflation
- Remittance fees
- Banking access
- Regulatory tolerance
- On/off ramps availability → are the bottleneck

Stablecoin corridors require:

- Exchanges
- Fintech apps
- OTC desks
- Local liquidity providers
- Banking partnerships

Without fiat conversion infrastructure, corridors cannot scale.

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Good knowledge is built together.

Feel free to send me feedback, ideas, topics you would like to read more, or directly collaborate with me on the next post.

Share if you find this valuable.

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