



The Idle Assets Report by P2P.org



Table of Contents

CEO Foreword.....	3
Executive Summary.....	4
1. The Idle Assets Problem.....	5
2. Market Size of Idle Assets.....	6
2.1 Stablecoins.....	6
2.2 Ethereum Staking.....	7
2.3 Restaking Gap.....	8
2.4 Unclaimed Rewards.....	8
3. The Cost of Idle Capital.....	8
3.1 Opportunity Cost for Holders.....	8
3.2 TradFi Benchmark.....	9
3.3 Institutional Revenue Streams.....	9
3.4 Ecosystem Efficiency.....	9
4. Why Assets Stay Idle: Barriers and Frictions.....	10
4.1 Complex User Experience.....	10
4.2 Knowledge Gaps.....	10
4.3 Manual Effort and Inertia.....	10
4.4 Risk and Trust Concerns.....	10
5. Regional Deep Dive: USA and APAC.....	11
5.1 United States.....	11
5.2 Asia-Pacific.....	12
5.3 South America.....	12
6. Future Outlook: 2026–2027.....	14
6.1 Scenario Analysis: Idle Assets Mobilized.....	14
Graphic 3: Forecast Scenarios for Idle Assets Activation (2027).....	14
6.2 Key Drivers of Adoption.....	14
6.3 Strategic Implications.....	15
7. Strategic Implications & Conclusion.....	15
7.1 The Institutional Mandate.....	15
7.2 The Ecosystem Impact.....	15
7.3 The P2P.org Position.....	16

CEO Foreword

By Alex Esin, CEO, P2P.org

The crypto industry has matured into a multi-trillion-dollar market, but vast pools of capital remain idle. Stablecoins are treated as digital cash, yet rarely earn yield. Billions in Ether remain unstaked, undermining both security and returns. Across DeFi, significant portions of protocol rewards remain unclaimed, sitting idle in wallets instead of compounding

In traditional finance, idle capital is unthinkable. Money market funds, sweep accounts, and automated treasury systems ensure that every dollar is put to work. In crypto, by contrast, the default is zero action. This inefficiency costs billions annually and erodes the ecosystem's capacity to grow.

Account Abstraction is the breakthrough that changes this. By turning wallets into programmable smart accounts, it removes the frictions that keep capital idle. Yield can become the default. Compounding can be automated. Payments can flow directly from earnings.

At P2P.org, we believe this shift is as significant as the rise of proof-of-stake or the emergence of liquid staking. Idle crypto is not just an opportunity cost — it is one of the industry's greatest inefficiencies. Solving it will create stronger networks, more efficient markets, and fairer outcomes for every participant.

This report sets out the scale of the idle assets problem, why it persists, and how Account Abstraction can finally unlock the capital that today sits still.

Executive Summary

Crypto is now a multi-trillion-dollar asset class. (Source: [The Block](#)) Yet a significant share of that capital remains idle, generating no return and weakening network efficiency.

- **Stablecoins:** Over **\$300 billion** in circulation as of mid-2025, with the majority sitting in wallets or exchanges earning nothing (sources: [CoinDesk](#), [DeFiLlama](#))
- **Ethereum:** Only **28% of ETH supply (~35M ETH)** is staked, leaving ~70% unstaked and missing 3–5% annual rewards (source: [The Block](#)).
- **Restaking:** Just **25–30% of ETH stakers** have adopted EigenLayer, leaving additional rewards unclaimed (source: *P2P.org internal research, 2025*).
- **Lost rewards:** Coinbase users in five U.S. states missed out on **\$90 million** in staking rewards due to regulatory restrictions (source: [Coinbase](#))

Idle assets represent billions in foregone income for holders, lost revenue streams for institutions, and weaker security and liquidity for networks.

The main difficulty with activating yield on idle assets today is the manual process required: users must deposit, withdraw, claim, and restake across multiple protocols. This friction discourages participation, leading to billions in underutilized capital.

The solution is **Account Abstraction (ERC-4337, EIP-7702)**, which transforms wallets into programmable smart accounts (Source: [Ethereum Foundation](#)). With AA, balances can be deployed into yield strategies automatically:

- Stablecoins earn yield by default.
- ETH can be staked and restaked with one click.
- Rewards are auto-claimed and compounded.
- Recurring payments can be funded directly from yield streams.

Regional dynamics underscore the urgency:

- **United States:** With Treasury yields above 5% and new regulatory clarity from the GENIUS Act, demand for compliant yield on idle balances is accelerating.

- **Asia-Pacific:** The fastest-growing crypto market, where stablecoins are already used as savings but often remain inactive (source: [Chainanalysis](#)).
- **South America:** Stablecoins are the dominant crypto asset, often used as a hedge against inflation and currency volatility. In countries like Argentina and Brazil, dollar-pegged stablecoins account for over 50% of on-chain transaction volume (source: [Chainanalysis](#)). Despite high adoption, these balances are overwhelmingly idle, representing a major opportunity for yield activation.

Key takeaway: Idle crypto is one of the industry's largest inefficiencies. Account Abstraction is the mechanism to solve it.

P2P.org is building the rails to make that happen — operating institutional-grade validators across 40+ networks, supporting restaking, and developing smart account modules that automate yield, compounding, and payments.

Our mission is simple: ensure that every token, stablecoin, and reward finds productive work by default.

1. The Idle Assets Problem

In traditional finance, idle capital is minimized through sweep accounts, money market funds, and automated treasury systems. In the U.S., households alone moved more than **\$1.3 trillion into money market funds in 2023** as interest rates rose (source: [FT](#)).

In crypto, the opposite is true: the default wallet or exchange account earns **0% yield**. Stablecoins sit inert. ETH goes unstaked. Staking and DeFi rewards remain unclaimed.

This creates a triple inefficiency:

- **For holders:** Billions in yield are left on the table every year.
- **For institutions:** Treasuries and fintechs forgo a major source of revenue.
- **For networks:** Lower staking participation reduces security; liquidity pools are shallower without compounding rewards.

2. Market Size of Idle Assets

Idle assets can be grouped into four major categories: stablecoins, unstaked ETH, low restaking adoption, and unclaimed rewards. Together, they account for **hundreds of billions in inactive capital**. (Source: [Coindesk](#))

This report focuses on idle assets within the Ethereum and broader EVM ecosystem, where standards such as ERC-4337 and EIP-7702 can automate yield activation. Non-EVM networks face similar inefficiencies, but their technical and regulatory architectures differ and fall outside the present scope.

“When you add it all up – the stablecoins sitting in wallets, the ETH left unstaked, the rewards never claimed – you’re looking at one of the largest inefficiencies in global finance. Solving it is where the next wave of value will come from.”

– Alex Esin, CEO, P2P.org

2.1 Stablecoins

The global stablecoin market surpassed **\$300 billion** in mid-2025 (source: [DeFiLama](#)). The majority of this supply sits in centralized exchanges or self-custody wallets, earning nothing.

Stablecoin	Market Cap (USD)	Share of Market	Typical On-Chain Yield	Active in DeFi (proxy)	Notes
USDT	~\$175B	62%	5–7%	~\$15–20B (Aave, Curve, Compound)	Majority sits on exchanges/wallets (Glassnode, CryptoQuant). Issuer does not pay yield (Galaxy).
USDC	~\$73.5B	26%	4–6%	~\$10–12B (Aave, Morpho, Curve)	Circle prohibited from paying interest under GENIUS Act (CoinDesk).
Others	~\$32B	12%	4–12% (varies)	~\$5–7B (DAI, FDUSD, TUSD in DeFi pools)	Highly fragmented; most are non-yield-bearing stablecoins.
Total	\$280–300B+	100%	4–8% typical	~\$30–40B actively deployed	Suggests ~85% of supply is passively held in wallets/exchanges.

Table 1: Stablecoin Supply and Idle Balances (Q3-2025)

But perhaps the most significant development is the emergence of professional staking infrastructure designed specifically for institutional needs. The market, currently valued at \$18 billion, is projected to reach \$40 billion by 2025—a 122% growth rate that reflects surging institutional demand. Companies like P2P.org now manage over \$10 billion in assets across 35+ networks with 99.9% uptime and zero slashing incidents.

Sources:

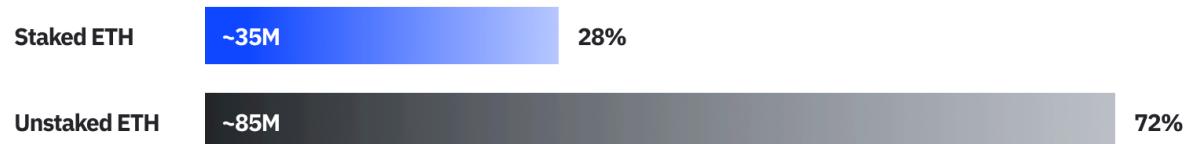
1. Market caps: [DeFiLlama](#) Stablecoins Dashboard, [CoinDesk](#) Stablecoins & CBDCs Report Sept 2025
2. Active DeFi proxy: DeFiLlama protocol TVL (Aave, Curve, Compound, Morpho, Maker, etc.)
3. Non-yield-bearing classification: [Galaxy Research – The State of Onchain Yield](#)
Exchange reserve evidence: [Glassnode](#), [CryptoQuant](#)
4. Regulatory prohibition (GENIUS Act): [CoinDesk](#)

2.2 Ethereum Staking

ETH staking remains far below potential. Out of a total supply of **~122M ETH**, only **~35M ETH (~28%) is staked**, leaving **~85M ETH unstaked** (source: [The Block](#)).

In practice, not all ETH will ever be staked — nor should it. A healthy ecosystem requires liquidity for trading, DeFi, and payments.

Comparisons with Solana (~67% staked), Cardano (~63%), and Polkadot (~50%) suggest that Ethereum could realistically sustain **50–60% staked supply** over time (Source: [Staking rewards](#)). At today's (as of 02.10.2025) supply and a price of around **\$4,000 per ETH**, this would translate into an additional **24–35M ETH (\$96–140B)** staked, strengthening Ethereum's security and unlocking billions in annual rewards.



Graphic 1: ETH staked vs. unstaked

2.3 Restaking Gap

Restaking via EigenLayer offers additional returns beyond base ETH staking. Yet adoption remains limited: only **25–30% of ETH stakers** have opted in (source: P2P.org internal research, 2025).

This leaves hundreds of thousands of ETH earning base rewards when more could be unlocked.

2.4 Unclaimed Rewards

Across staking and DeFi protocols, billions in rewards remain unclaimed:

- Manual claiming is required.
- Gas costs often exceed the value of small rewards.
- Tokens sit idle instead of compounding.

“When rewards aren’t claimed and compounded, they fail to reinforce the system — yields don’t compound, liquidity doesn’t recycle, and newly issued tokens dilute supply without strengthening security. Account Abstraction closes that gap by automating claims and reinvestment, ensuring capital continuously feeds back into the ecosystem.”

— Artemiy Parshakov, VP of Institutions, P2P.org

3. The Cost of Idle Capital

Idle crypto represents billions in lost returns for holders, missed revenue streams for institutions, and weaker security and liquidity for the ecosystem.

3.1 Opportunity Cost for Holders

Holding **\$1M in USDC or USDT idle for a year** means losing **\$60–90k in potential earnings**, assuming yields of 6–9% available in major DeFi protocols (source: [RebelFi](#)).

At scale, a fintech with **\$10M of customer float** could earn **\$800k annually** by deploying balances into low-risk money markets. One payments company that did so reported **cutting user fees by 35%** by monetizing its stablecoin float (source: [RebelFi](#)).

3.2 TradFi Benchmark

Traditional finance rarely tolerates idle balances:

- U.S. households shifted **\$1.3T into money market funds** in 2023 to capture yield as rates rose (source: [FT](#)).
- Banks use sweep accounts to ensure customer cash is automatically deployed overnight.
- By contrast, crypto wallets and exchanges default to **0% yield** — leaving billions in stablecoins inert.

3.3 Institutional Revenue Streams

For fintechs, exchanges, and custodians, idle assets represent untapped revenue. Regulatory clarity is forcing the issue:

- The **GENIUS Act (2025)** prohibits stablecoin issuers from offering yield directly, but opens the door for **infrastructure providers** to power compliant yield products (Source: [US Congress](#))
- Institutions that integrate yield into stablecoin balances can improve margins and reduce customer fees — while competitors who don't will lag.

At scale, a fintech with **\$10M of customer float** could earn **\$800k annually** by deploying balances into low-risk money markets. One payments company that did so reported **cutting user fees by 35%** by monetizing its stablecoin float (source: [RebelFi](#)).

3.4 Ecosystem Efficiency

Idle ETH is a drag on network health. With only **30% staked**, Ethereum's security budget is far below potential (source: [Coinlaw.io](#)).

Unclaimed DeFi rewards also weaken liquidity: tokens that should be compounding back into pools instead remain stagnant.

4. Why Assets Stay Idle: Barriers and Frictions

If the incentives are so clear, why do billions remain idle? The barriers fall into five categories.

4.1 Complex User Experience

Earning yield often requires multiple dApps, bridging, and transaction approvals. The average user defaults to holding idle assets.

“Most wallets today force users to think like engineers – approving transactions, managing gas, and making choices about infrastructure they shouldn’t even see. Account Abstraction lets us redesign that experience from the ground up.”

– Artemiy Parshakov, VP of Institutions, P2P.org

4.2 Knowledge Gaps

Many treasuries and retail users are simply unaware of yield options. Surveys show **49% of financial institutions already use stablecoins**, but most don’t deploy them to earn interest (source: [Fireblocks](#)).

4.3 Manual Effort and Inertia

Without automation, rewards often remain unclaimed. Gas costs sometimes exceed reward value. Even among ETH stakers, **only 25–30% adopted EigenLayer restaking** despite clear yield benefits (source: P2P.org internal research, 2025).

4.4 Risk and Trust Concerns

The collapses of CeFi lenders like Celsius and BlockFi created caution. Many prefer “0% but safe” over uncertain yield. Protocol exploits and stablecoin de-pegs reinforce this conservatism.

Barrier	Example	Impact
UX complexity	Multi-step staking/restaking flows	Users default to idle assets
Knowledge gap	49% of institutions use stablecoins but don't earn yield	Billions in float remain idle
Manual effort	Low EigenLayer participation	Rewards left unclaimed
Risk/trust	Post-CeFi collapse caution	Retail keeps funds inert
Regulation	\$90M lost rewards due to staking bans (U.S.)	Forced idleness

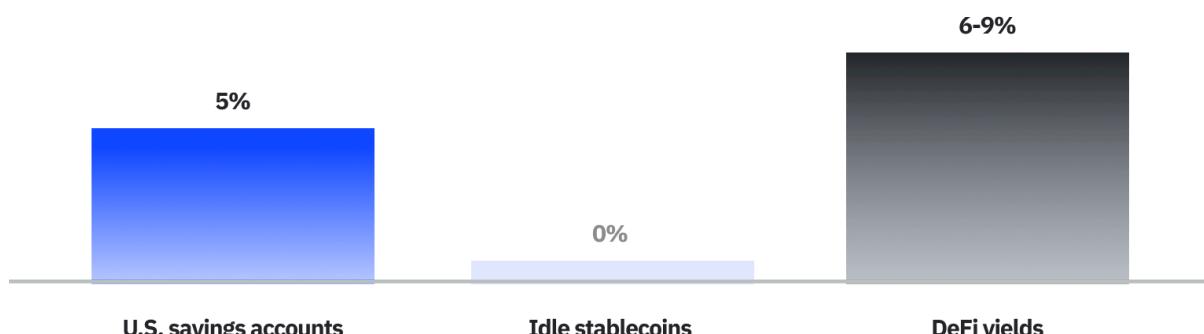
Table 2: Barriers to Yield Adoption

5. Regional Deep Dive: USA and APAC

5.1 United States

The U.S. ranks **#2 globally for crypto adoption** (source: CoinDesk). Stablecoins are mainstream, but idle balances remain widespread.

- **Lost rewards:** Coinbase users in five states missed out on **\$90M in staking rewards** due to regulatory bans
- **Regulatory clarity:** The GENIUS Act (2025) prevents issuers from offering yield directly but opens the door for compliant infrastructure providers to fill the gap (source: US Congress).
- **Competitive pressure:** With Treasury yields above 5%, American users won't tolerate 0% stablecoins. Fintechs and exchanges offering auto-yield will win market share.



Graphic 2: U.S. Crypto Yield Landscape 2025

5.2 Asia-Pacific

APAC is the **fastest-growing crypto market**, with **69% YoY transaction growth** (source: [CoinDesk](#)).

- **Emerging markets:** In Vietnam, Indonesia, and India, stablecoins function as savings tools but mostly remain idle.
- **Regulation:** Hong Kong is drafting a **stablecoin licensing regime for 2026**; Singapore already allows licensed banks to deploy yield-bearing products.
- **Mobile-first UX:** The region's digital-native user base is primed for AA wallets that abstract away gas and complexity.

"Asia is where crypto is already a household tool. Pairing stablecoins with Account Abstraction means turning everyday balances into productive assets."

— Alex Esin, CEO, P2P.org

5.3 South America

South America is one of the most active regions globally for retail-driven crypto adoption, with stablecoins increasingly used as a hedge against inflation and currency depreciation.

Adoption dynamics:

- In the case of the Colombian peso, the Argentine peso, and the Brazilian Real, stablecoin purchases make up **over half of all exchange purchases** between July 2024 and the end of June 2025 (based on order book data). (Source: [Chainalysis](#))
- Brazil ranks among the top 5 global crypto adoption markets (Source: [Chainalysis](#)) and stablecoins increasingly dominate its crypto flows: [Fireblocks](#) reports ~59.8% of Brazilian crypto activity is in stablecoins, and [Reuters](#) cites the Brazilian central bank asserting ~90% of flows are linked to stablecoins (used for payments and transfers)

Idle asset challenge:

- While stablecoins function as “digital dollars,” most remain idle in wallets or local exchanges, with limited access to safe yield products.

- Average DeFi participation rates in LATAM are lower than APAC/US, largely due to UX barriers and high gas costs relative to small holdings.

Regulation:

- Brazil approved a comprehensive crypto framework in 2023, with stablecoins treated as regulated payment instruments by the central bank. (Source: [IBA](#))
- Argentina and others remain fragmented — often permissive at the retail level but unclear for institutions.

Opportunity:

- With high inflation and mobile-first banking habits, South America is primed for AA-powered wallets that offer auto-yield in local currency terms.
- A stablecoin balance that compounds automatically could function as a savings account replacement in high-inflation economies.

“South America runs on stablecoins — for savings, for remittances, for daily commerce. What’s missing is productivity. Account Abstraction can turn passive balances into an engine for financial resilience.

— Alex Loktev, CRO, P2P.org

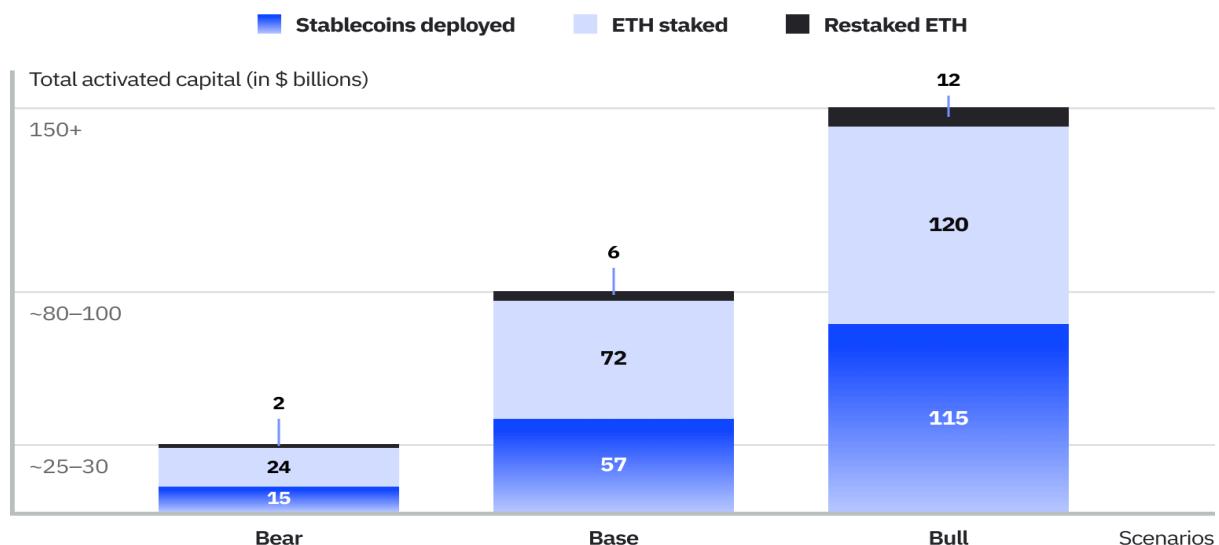
Metric	United States	Asia-Pacific	South America
Crypto adoption rank	#2 globally	#1 region by growth	Argentina, Brazil in global top 10
Stablecoin integration	PayPal, Visa, fintechs	Remittances, retail savings	Inflation hedge, remittances
Regulatory clarity	GENIUS Act, SEC guidance	HK licensing, SG banking	Brazil clear, others fragmented
Idle assets impact	\$90M rewards lost (staking bans)	Billions in idle stablecoins	Billions idle in “digital dollar” use
Opportunity	Compliant yield infra	Mobile-first AA wallets	Savings replacement via AA yield

Table 3: Regional Comparison (2025)

6. Future Outlook: 2026–2027

Idle assets are not a permanent feature of crypto. With regulatory clarity, UX improvements, and Account Abstraction adoption, large pools of inactive capital can be mobilized. To frame the opportunity, we model three scenarios.

6.1 Scenario Analysis: Idle Assets Mobilized



Graphic 3: Forecast Scenarios for Idle Assets Activation (2027)

6.2 Key Drivers of Adoption

Regulation:

- U.S. GENIUS Act gives clarity for stablecoin yield infra.
- Hong Kong and Singapore setting APAC standards by 2026. (Sources: [HKMA](#), [MAS](#))

Technology:

- AA wallets abstract gas, automate compounding, and simplify flows.
- Rollup ecosystems adopting EIP-7702 as default

User Expectations:

- Just as TradFi savers demanded yield during rate hikes, crypto users won't accept 0% balances when compliant yield is available.

6.3 Strategic Implications

- **Retail:** Yield becomes the default expectation. 0% stablecoin wallets will be obsolete.
- **Institutions:** Exchanges, fintechs, and custodians that fail to activate idle balances risk losing competitiveness.
- **Networks:** Ethereum security strengthens as staking participation rises; DeFi liquidity deepens with auto-compounded rewards.

“Idle assets are one of the last great inefficiencies in crypto. Solving this is not just about higher returns — it’s about network resilience and institutional trust.”

— Alex Esin, CEO, P2P.org

7. Strategic Implications & Conclusion

7.1 The Institutional Mandate

For treasurers, fintechs, and custodians, idle balances are now a strategic liability. With yields available and compliant structures emerging, failing to activate capital is equivalent to leaving revenue — and customer satisfaction — on the table.

7.2 The Ecosystem Impact

Mobilizing idle assets will:

- Strengthen proof-of-stake security.
- Deepen DeFi liquidity pools.

- Reduce friction in payments and recurring transactions.
- Shift crypto from “store and speculate” toward “productive capital by default.”

7.3 The P2P.org Position

P2P.org is building the infrastructure to lead this transition. By integrating Account Abstraction into staking and yield products, we aim to make idle balances a relic of the past.

- **For users:** Higher returns, automatically.
- **For institutions:** A compliant path to yield-on-float.
- **For networks:** More secure and liquid ecosystems.

“Crypto has outgrown the phase where holding was enough. The next era is about productivity – ensuring every token is put to work.”

— Alex Loktev, Head of Business Development, P2P.org

The opportunity is clear: idle crypto represents one of the largest untapped pools of capital in the industry. With Account Abstraction, that capital can be mobilized — unlocking yield for holders, revenue for institutions, and security for networks.

At P2P.org, we are building the infrastructure to make this possible. If you’re a fintech, exchange, custodian, or institutional investor looking to activate idle balances in a compliant and seamless way, we’d like to speak with you.

Reach out to the P2P.org team to discuss partnerships, integrations, or custom solutions that can help put your capital back to work.