



BNY Extends Digital Cash Capabilities for Institutional Clients

Capability marks a step forward in BNY's ambition to tokenize bank deposits for real-time, on-chain settlement between industry participants.

January 9, 2026

Key takeaways

- BNY (NYSE: BK), a global financial services company, has taken the first step in its strategy to tokenize deposits by enabling the on-chain mirrored representation of client deposit balances on its Digital Assets platform.
- This launch helps to advance BNY's ambitions to support programmable, on-chain cash for institutional market infrastructure.
- Early participants include a wide range of prominent financial institutions and digital natives.

How it will work

- Beginning with collateral and margin workflow use cases, this launch extends BNY's cash capabilities by creating on-chain digital book entries that represent participating clients' existing demand deposit claims against the bank.
- This capability operates on BNY's private, permissioned blockchain and is governed by the company's established risk, compliance, and control frameworks. Client balances continue to be recorded on BNY's traditional systems to maintain regulatory and reporting integrity.

Why it matters

- As global financial markets shift towards an always-on operating model, institutions are seeking faster and more efficient ways to move assets – with greater settlement certainty, transparency, lower friction and capability to unlock liquidity.
- Tokenized deposits can help to reduce settlement friction, improve liquidity efficiency across collateral and margin workflows, and enable programmable payments and settlements.
- In the future, BNY aims to support rules-based, near real-time cash movements to reduce settlement friction and enhance liquidity and operational efficiency for its institutional clients.
- BNY continues to connect traditional banking infrastructure with emerging digital rails – stablecoins, tokenized money market funds and tokenized deposits – anchored in institutional trust, scale, and governance. With a focus on how these digital assets interoperate, tokenized deposits will serve as the connective tissue of BNY's digital infrastructure.
- **Carolyn Weinberg, Chief Product and Innovation Officer, BNY:** "As institutional markets move toward always on operating models, BNY is committed to innovating and helping define how cash moves across the modern financial system. Tokenized deposits provide us with the opportunity to extend our trusted bank deposits onto digital rails – enabling clients to operate with greater speed across collateral, margin, and payments, within a framework built for scale, resilience, and regulatory alignment."

Hear from clients and prominent digital asset ecosystem participants that are shaping the future of finance with BNY:

- **Nathan McCauley, CEO and Co-Founder, Anchorage Digital:** "We've long believed that the future of finance is programmable. Tokenized deposits accelerate that vision through institutional adoption –

money that moves at the speed firms need, under a framework they trust. BNY taking this step to enable tokenized deposits is a milestone moment for digital cash adoption, and Anchorage Digital is energized to help build toward a world where these capabilities are industry standard."

- **Theo Golden, Tokenization Lead and Investment Manager, Baillie Gifford:** "We believe the tokenization of all assets over the coming years will fundamentally transform how financial markets operate and deliver better outcomes for clients. The technology has now passed a clear credibility threshold, and with institutions such as BNY and Baillie Gifford actively involved in the ecosystem, this vision is becoming a reality. The tokenization of cash is a critical enabler of broader asset tokenization, unlocking interoperability and efficiency across financial markets. We are particularly encouraged to see BNY leading the way as a regulated institution bringing a tokenized money solution into the core of the financial system."
- **Dante Disparte, Chief Strategy Officer and Head of Global Policy and Operations, Circle:** "We welcome BNY's support of an always-on financial system, tokenized money and payment stablecoins like USDC. Showing interoperability between these systems not only builds durable bridges between the real economy and the broader internet financial system but also demonstrates that speed and new use cases do not come at the expense of safety and soundness expectations of the world's leading financial institutions. Our long-standing relationship with BNY has been anchored by this shared vision."
- **Citadel Securities:** "Tokenization is a critical part of the next wave of innovation in financial markets, and we are pleased to work with BNY as it aims to enable tokenized deposits that can safely and securely improve the speed and efficiency of capital movement throughout the financial system."
- **Yuval Rooz, Co-Founder and CEO, Digital Asset:** "We welcome the opportunity to work with BNY as they advance a practical, institution-ready approach to tokenized deposits. Bringing deposit balances on-chain can make asset mobilization more efficient and unlock liquidity across key workflows. This direction aligns closely with our strategy for the Canton Network – supporting privacy-enabled on-chain infrastructure and solutions that help regulated institutions coordinate and transact in real time, while maintaining the controls, governance, and trust that underpin global financial markets."
- **Brian Boots, Global Head of Treasury, DRW Holdings:** "The introduction of BNY tokenized deposits provides another important building block for facilitating institutional adoption of on-chain capital markets activity."
- **Steve Kurz, Global Co-Head of Digital Assets, Galaxy:** "This launch reflects a clear view of where market infrastructure is going. Tokenized deposits aim to bring real programmability and 24/7 settlement efficiency into the core of the banking system. We're pleased to be working with BNY on this capability as it comes to market and see it as a pragmatic step toward always-on markets that institutions can engage with today."
- **Elizabeth King, Global Head of Clearing and Chief Regulatory Officer, ICE:** "ICE is excited to work with BNY as we take steps towards supporting tokenized deposits across ICE's clearinghouses. This collaboration reflects a shared goal to enable more continuous and efficient movement of cash as we prepare our clearing infrastructure to support 24/7 trading and the potential integration of tokenized collateral. We remain committed to maintaining close communication with our clearing members and other market participants throughout this transformation."
- **Kathleen Wrynn, Global Head of Digital Assets, Invesco:** "We are excited about BNY's latest digital asset capability. Our relationship with BNY reflects Invesco's commitment to responsible innovation and to delivering forward-looking capabilities for our clients."
- **Paul Cusenza, Chairman and CEO, Nodal Clear:** "Nodal Clear is delighted to support BNY as they extend their digital cash capabilities. As the first clearing house in the world to clear margined futures 24/7, Nodal

Clear is proud to be working with BNY on innovative solutions that meet the evolving needs of our trading and clearing community."

- **Charles Cascarilla, CEO and Co-Founder, Paxos:** "We're committed to the institutional adoption of digital assets to ensure they power new financial infrastructure. Paxos is dedicated to driving innovation and expanding the utility of on-chain finance with BNY."
- **Noel Kimmel, President, Ripple Prime:** "As more traditional financial institutions move into digital-native services in 2026, BNY is staying ahead of the curve, bringing digital assets directly into the banking system. We're proud to expand our longstanding strategic collaboration, now as an early adopter of BNY's tokenized deposit services through its Digital Assets Platform for cashflow management and liquidity optimization."
- **Carlos Domingo, Founder and CEO, Securitize:** "BNY continues to demonstrate institutional leadership in how tokenization becomes real market infrastructure. From enabling tokenized funds together to this expansion into tokenized deposits, they've consistently moved from experimentation to execution. While many are still debating whether and how to engage, BNY is already building interoperable, regulated systems that bring cash, assets, and settlement together on-chain – unlocking tangible efficiency and liquidity for institutional markets."
- **Brian Mulcahy, Chief Executive Officer, StoneX Digital:** "StoneX continues to innovate in support of customer demand for digital services. We look forward to working with BNY to support this exciting new functionality."
- **Anton Katz, Co-founder and CEO, Talos:** "Talos provides a comprehensive platform for the world's largest financial institutions to manage the entire digital asset investment lifecycle. For institutions trading digital assets, 24/7 settlement is critical to improving liquidity management and operational efficiency. That's why we're excited to join BNY as we look to enable real-time, always-on cash movement."
- **Will Peck, Head of Digital Assets, WisdomTree:** "We see tokenized deposits as a building block for moving more financial activity on-chain, enabling trading, settlement, and money movement to occur instantly and on a 24/7 basis. Representing bank money on-chain opens opportunities for more programmable financial services. We are looking forward to exploring use cases with BNY."
- **Edward Woodford, CEO and Founder, zerohash:** "Tokenized deposits are a critical step in making on-chain finance practical at institutional scale. BNY is building the bridges of trusted bank money with programmable digital rails. We are excited about the potential of enabling institutions to interact with on-chain cash securely and at scale, via zerohash's regulated infrastructure. This kind of interoperability is exactly what the next phase of market infrastructure requires."

BNY

BNY is a global financial services company that helps make money work for the world - managing it, moving it and keeping it safe. For more than 240 years BNY has partnered alongside clients, putting its expertise and platforms to work to help them achieve their ambitions. Today BNY helps over 90% of Fortune 100 companies and nearly all the top 100 banks globally access the money they need. BNY supports governments in funding local projects and works with over 90% of the top 100 pension plans to safeguard investments for millions of individuals, and so much more. As of September 30, 2025, BNY oversees \$57.8 trillion in assets under custody and/or administration and \$2.1 trillion in assets under management.

BNY is the corporate brand of The Bank of New York Mellon Corporation (NYSE: BK). Headquartered in New York City, BNY has been named among Fortune's World's Most Admired Companies and Fast Company's Best Workplaces for Innovators. Additional information is available on www.bny.com. Follow on [LinkedIn](#) or visit the BNY Newsroom for the latest company news.