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Onchain Neobanks & the LATAM Gold Rush

A Playbook for
the 2026 Race

by **Pedro Veiga**
Co-Founder of MOIC Digital

The "nu" logo in a white, lowercase, sans-serif font.

The "Revolut" logo in a white, sans-serif font.

The "nbs." logo in a green, lowercase, sans-serif font.





LATAM is an underrated region. Unexplored.

There's so much opportunity here, and our goal with this report is to show that to everyone who's building or investing in neobanks or interested in blockchain technology.

At MOIC, we help Web3 projects architect and execute their growth. We've worked with more than 75 projects in the space, across all different sectors.

Despite being underrated, I believe people are starting to wake up. The amount of meetings I've had over the past year with companies wanting to expand to LATAM is not normal. MOIC is headquartered in Florianópolis, Brazil. My co-founder and I were born and raised in the country, as well as the rest of our team. We understand this market.

My goal with this report is to make sure you understand it too.

Pedro Veiga
Co-Founder, *MOIC Digital*



Neobanks & the LATAM Gold Rush

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1. Introduction

The banking system is broken. Hours, days, weeks of paperwork. Inefficient platforms. Exorbitant fees. Zero transparency. Yet most people still rely on them because, until recently, there were no better alternatives.

Then came the neobank revolution. **Nubank reached a \$72 billion market capitalization** serving 122 million users across Latin America. **Revolut hit \$75 billion** with 60+ million customers globally. **Chime IPO'd at \$11.6 billion** in 2025 with 18 million account holders in the US alone. These digital-first banks proved that better, faster, cheaper banking could scale to hundreds of millions of users and generate billions in revenue, all **without a single physical branch**.

For Web3 natives, this is old news. Crypto users have been self-custodying, transacting peer-to-peer, and earning yields on stablecoins for years. But for the average person? Crypto remains too complex, too risky. They need the bridge: **Web3 neobanks**, familiar banking interfaces powered by blockchain rails, stablecoin accounts, and DeFi infrastructure.

The market is waking up. Pro-crypto regulation arrived with the **GENIUS Act signed in July 2025**, establishing the first comprehensive federal stablecoin framework in the United States. **Plasma, supported by Tether, launched its mainnet in September 2025** after raising more than \$75 million. **UR, backed by Mantle's multi-billion dollar treasury, went live in June 2025** offering Swiss-backed accounts. **EtherFi is building quietly** with strong on-chain metrics. The narrative is igniting.

Yet here's the opportunity gap: **The top 3 traditional neobanks have \$150+ billion in combined valuations. Web3 neobanks? Under \$5 billion.** The entire emerging sector is valued at less than 7% of Nubank alone.

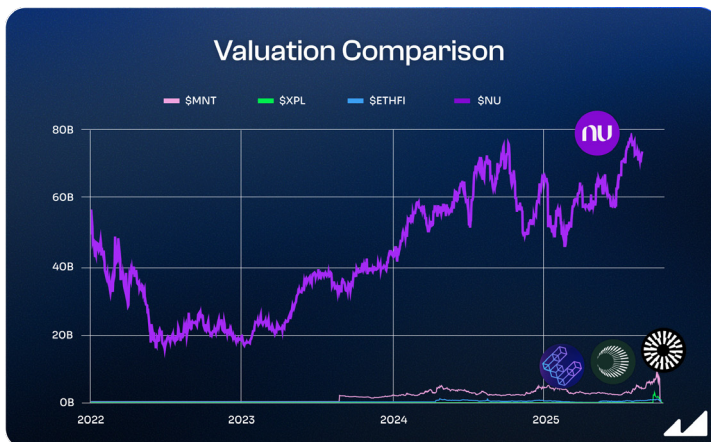
There's one more thing, Nubank, the world's largest neobank by users, is based in Latin America. The region already processes **trillions in crypto transactions**, with **50-90% of activity in stablecoins** rather than speculation. **Argentina's 178% inflation** drives desperate demand for dollar-denominated accounts. **\$160 billion in annual remittances** flow through the region at exploitative fees. **122 million people remain unbanked** while carrying smartphones with large penetration rates.

LATAM proved that neobanks can dominate. LATAM is already stablecoin-native. LATAM has the structural conditions, currency crises, remittance dependency, and banking exclusion, that make Web3 neobanks not just useful, but essential.



So why isn't anyone building there?

The gold mine is unexplored. **MOIC** will help to change that.





2. Neobanks Before Crypto

2.1 What is a Neobank?

A neobank is a digital-first financial institution that operates exclusively through mobile apps and web platforms, with no physical branches.

Unlike traditional banks that digitized existing infrastructure, neobanks were born in the cloud, built from scratch to deliver banking services through smartphones. They typically partner with licensed banks for regulatory compliance and deposit insurance while maintaining direct customer relationships through superior user experiences, lower fees, and faster service.

Key Characteristics That Define Neobanks

- **No Physical Branches:** Everything happens on your phone, account opening takes 5 minutes, not a week. No branches to visit, no business hours, 24/7 support through chat.
- **Zero Bureaucracy:** No paperwork mountains or notarized documents. Automated KYC verification means snap a photo of your ID, take a selfie, and you're done in under 10 minutes.
- **Dramatically Lower Fees:** Free checking accounts, no monthly maintenance fees, no minimum balance requirements.
- **Mobile-Native Experience:** The app isn't an afterthought as in traditional banks, it's the entire product.
- **Customer-Centric Design:** Traditional banks optimize for institutional needs. Neobanks optimize for the user, spending categorization, savings goals, investment opportunities and cashback rewards are built-in, not add-ons.



What Neobanks Are NOT

To be clear: neobanks aren't just "banks with apps." Every traditional bank has an app now. The difference is architectural. Traditional banks added digital interfaces onto decades-old core banking systems. Neobanks built modern, API-first infrastructure that enables fundamentally better products, faster feature development, and lower operational costs.

This infrastructure advantage is why Nubank serves customers at **\$1 per month** while traditional Brazilian banks spend **\$15-20 per customer monthly**. It's why Revolut can add new countries in weeks while traditional banks need years. It's why neobanks achieve **80-90% organic growth** through word-of-mouth while traditional banks spend hundreds of dollars per customer acquisition.

2.2 Current State of the Market

The neobank sector has quickly become one of the most valuable segments in fintech. While traditional banks spent decades building branch networks and legacy infrastructure, digital-first challengers captured hundreds of millions of customers and achieved valuations that rival century-old institutions.

The numbers tell the story: **Revolut is worth \$75 billion with 60 million customers. Nubank has a \$70 billion market cap serving 122 million users. Chime IPO'd at \$11.6 billion.** These aren't startups anymore, they're financial giants processing billions in transactions, generating billions in revenue, and in many cases, turning substantial profits.

Here's the global landscape:



Company	Valuation	Users	Geography	Key Metrics	Status
Revolut	\$75B	60M	UK/Global (200+ countries)	\$4B revenue (2024), \$1.4B profit, 500k business customers	Private
Nubank	\$70B	122M	Brazil, Mexico, Colombia	\$11.5B revenue, \$2B net profit, 29% ROE, 60% Brazil adult pop.	Public (NYSE: NU)
SoFi	\$31.4B	11M	United States	\$4B revenue (2024), \$1.4B profit, 10M business customers	Public (NASDAQ: SOFI)
N26	\$9.6B	10M	Germany/Europe	\$510M revenue, first profitable quarter Q3 2024	Private
Kakao Bank	\$7.8B	21M	South Korea	\$1.2B revenue, 38% market share in S. Korea	Public (KOSPI)
Toss Bank	\$7.4B	31M	South Korea	\$420M revenue, super app model	Private
Chime	\$6.4B	18M	United States	\$1.7B revenue, 40% US neobank market share	Public (NASDAQ: CHYM)
Monzo	\$5.9B	13M	UK	\$1.6B revenue (2024), first annual profit in 2024	Private (Preparing for IPO)
Starling Bank	\$5B	4M	UK	\$950M revenue, \$300M profit (2024)	Private
Banco Inter	\$4B	35M	Brazil	\$1.2B revenue, digital bank + marketplace model	Public (B3: BID11)
Current	\$2.2B	6M	United States	Teen banking focus, premium subscriptions	Private
Varo Bank	\$1.5B	7M	United States	First US neobank to receive full bank charter (2020)	Private

Source data compiled from company investor reports, TechCrunch funding announcements, and public filings, as of Oct 22, 2025.

A Young Market Moving Fast

This wasn't always the landscape. Most of these companies didn't exist 15 years ago. Revolut was founded in 2015. N26 in 2013. Chime and Nubank in 2013. The entire sector is barely a decade old and already combines valuations that rival century-old banking institutions.

Several achieved profitability only in 2023-2024, proving the business model works at scale. Public offerings came even more recently: Nubank's IPO was in December 2021, SoFi went public in 2021, and Chime just IPO'd in 2025. **This is a market still in its early chapters.**



LATAM's Breakout Star

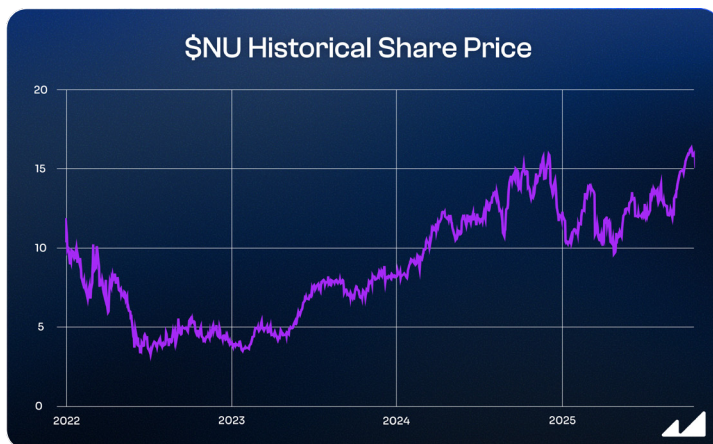
Here's what makes this relevant to our story: **The world's largest neobank by customer count is based in Latin America.**

Nubank's **122 million users** across Brazil, Mexico, and Colombia represent more customers than Revolut and Chime combined. The company went from zero to capturing **60% of Brazil's adult population** in just over a decade. It generates **\$11.5 billion in annual revenue** and posts a **29% return on equity**, numbers that would make traditional banks jealous.

Even Warren Buffett saw it. In 2021, Berkshire Hathaway invested \$500 million in Nubank's pre-IPO round, a rare move for the legendary investor who typically avoids tech and fintech companies.

If LATAM can produce a \$70 billion neobank serving fiat accounts in an inflationary, underbanked market, what happens when Web3 neobanks bring stablecoin infrastructure, DeFi yields, and blockchain rails to the same demographic?

That's the opportunity.



2.3 Unit Economics & Revenue Models

To understand why Web3 neobanks represent such a massive opportunity, we first need to understand how traditional neobanks make money, and why their economics are so much better than legacy banks.



The Traditional Banking Industry: A \$7 Trillion Baseline

Let's start with scale. The global banking industry generates approximately **\$7 trillion in annual revenue**, according to [McKinsey's Global Banking Annual Review 2024](#). To put that in perspective, even the largest neobanks represent less than **1% of global banking revenue**.

The opportunity isn't replacing traditional banks overnight. It's capturing even 3–5% of their market over the next decade.

The Market Capture Opportunity

Market Share Captured	Annual Revenue	Potential Market Cap (at 3–4x revenue)	Growth vs Today's Leaders
Current State (2024)	~\$20–25B*	~\$150–200B	Baseline
1% capture	\$70B	\$210–280B	1.4–1.9x
3% capture	\$210B	\$630–840B	4.2–5.6x
5% capture	\$350B	\$1.05–1.4T	7–9x

Current leaders for context

Company	Annual Revenue	Market Cap / Valuation	Revenue Multiple
Nubank	\$11.5B	\$70B	6.1x
Revolut	\$4.0b+	\$45B	11.3x
Chime	\$1.7B	\$11.6b	6.8x

*Combined Revenue of Nubank (\$11.5B), Revolut (\$4B), Chime (\$1.7B), and other major players



The math is simple: If neobanks collectively captured just **5% of global banking revenue** (\$350 billion annually) and traded at current valuation multiples (3–4x revenue for most, though high-growth players like Revolut command premiums), you're looking at a **\$1–1.4 trillion industry by market cap**.



That's **5-6x larger than today's leading neobanks combined**, and Web3 neobanks are positioned to capture a meaningful slice of that pie.

How Neobanks Make Money

Neobanks generate revenue through four primary streams:

1. Interchange Fees

Every time a customer swipes their debit or credit card, the merchant pays a 1-3% interchange fee. The card network (Visa/Mastercard) takes a cut, and the neobank keeps the rest. This is the biggest revenue driver (Chime derives approximately 70-90% of its revenue from interchange alone).

2. Lending Products

Credit cards, personal loans, and buy-now-pay-later products generate interest income. Traditional banks make 50-60% of revenue from lending, but neobanks start with deposits and cards, adding lending once they have customer trust and data.

Nubank's credit portfolio reached approximately \$21 billion by Q3 2024, with reported ROE reaching the high-20s to approximately 30%, significantly higher than traditional banks (typically 15-18%) because they target underserved customers and maintain tight risk management.

3. Premium Subscriptions

Monthly fees (\$10-45) for premium features like airport lounge access, better FX rates, and crypto trading. Revolut (Revolut Premium) and Nubank (Nubank Ultravioleta) both monetize premium tiers successfully. This is predictable, high-margin recurring revenue.

4. FX & Crypto Trading

Spreads on currency exchanges and also crypto trades now. Revolut supports 80+ cryptocurrencies and saw strong growth in Wealth/Crypto revenues during 2024. Especially lucrative in LATAM, where customers constantly convert volatile local currencies to dollars or stablecoins.



Traditional neobanks proved digital banking can scale to hundreds of millions of users and generate billions in revenue with superior unit economics.

But what happens when you build a **crypto-native neobank from day one**?



3. Time for Crypto Neobanks



Victor Cioffi

Senior Marketing Strategist
at MOIC Digital

Neobanks are the ultimate fate of crypto. It's the thesis that brings the onchain world to the masses. Every RWA, every token, every DeFi product, every investment vault, every L1 or L2, everything onchain needs distribution. The new wave of neobanks is connecting all dots



3.1 What Makes Onchain Neobanks Different?

Neobanks disrupted legacy banks by going digital. Web3 neobanks will disrupt traditional neobanks by going decentralized.

This isn't just adding a "crypto trading" tab to an existing banking app. Web3 neobanks are architecturally different, built on blockchain infrastructure from the ground up.

UR: A Real Example

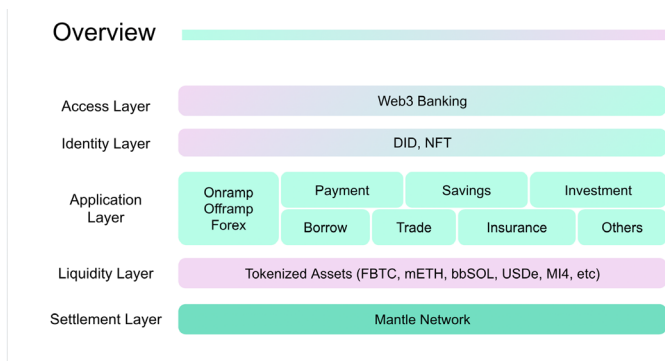
To understand what this looks like in practice, let's take a look at **UR**, a Web3 neobank backed by Mantle's multi-billion dollar treasury that launched in June 2025.

UR users can open **Swiss International Bank Account Number (IBAN) accounts** supporting USD, CHF, EUR, RMB, JPY, SGD and HKD, with 1:1 backed deposits and spend through a **Mastercard debit card** at merchants globally. All UR accounts are offered by a Swiss-regulated financial institution, with core infrastructure integrating **tokenized deposits** and



NFT-based identity.

But here's where it gets interesting. Under the hood, UR has core integrations with the **Mantle Network** (Ethereum Layer 2 blockchain) and its products like **mETH** (liquid staking token) and **MI4** (tokenized money market fund). This architecture allows UR to offer traditional banking services (IBAN accounts, debit cards, fiat currencies) while simultaneously providing access to on-chain yields and DeFi opportunities.



Source: Mantle's Blog

This is the key difference. Traditional neobanks have a single banking infrastructure layer. Web3 neobanks **separate the layers**, allowing them to plug into global blockchain settlement, tokenized liquidity pools, and DeFi protocols while maintaining a familiar banking interface on top.

Users don't need to understand Mantle or mETH to use UR. They just see: "XYZ% APY on USD deposits" or "Instant EUR→USD. The crypto infrastructure is invisible, but it's what makes the superior economics possible.



Neo Liat Beng
UR COO

Cards are distribution; accounts are infrastructure. We believe neobanks that are accounts-first: named, regulated multicurrency accounts connected to traditional rails so on-chain dollars become salaries and bill payments-and, over time, credit history. That's how we believe successful neobanks will be built that blurs the line between fiat and crypto.





Now, let's break down the **four core differentiators** that make this architecture so powerful:

1. Blockchain Rails

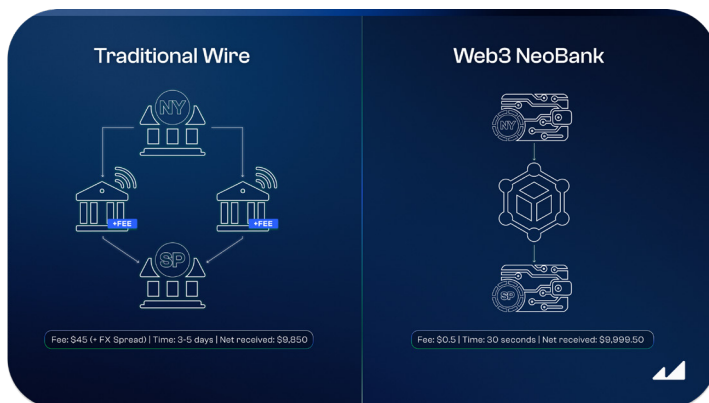
Traditional neobanks still run on legacy banking infrastructure. When you send money through Revolut or Nubank, it goes through ACH (US), SEPA (Europe), or similar payment rails that take **3-7 business days** to settle. Wire transfers are faster but cost **\$25-50** per transaction. International transfers through SWIFT can take **5+ days** and involve multiple intermediary banks taking cuts.

Web3 neobanks use blockchain settlement. Send USDC from your account to someone in another country, and it arrives in **seconds to minutes** with fees under **\$1** (often under \$0.10 on efficient chains like Solana or Plasma). No weekends, no holidays, no intermediaries, no delays.

Real-world example: Sending \$10,000 from New York to São Paulo:

- **Traditional wire:** \$45 fee, 3-5 days, \$9,850 arrives (intermediary fees + FX spread)
- **Web3 neobank (USDC):** \$0.50 fee, 30 seconds, \$9,999.50 arrives

This isn't theoretical. Millions of people already use stablecoins for the remittances because it's dramatically cheaper and faster.



2. Stablecoin Accounts

Traditional neobanks offer accounts in local currencies (Brazilian real, Mexican peso, Argentine peso). If you want dollar exposure, you need either (a) a US bank account, or (b) currency exchange at terrible rates with your local bank.



Web3 neobanks offer stablecoin accounts (USDC, USDT) that give anyone, anywhere, a dollar-denominated account. No US bank needed, no residency requirements, no credit check. Just download an app and hold dollars on-chain.

Why this matters in LATAM: When your local currency loses **50%+ of its value annually** (Argentina, Venezuela), holding dollars isn't speculation, it's survival.

3. DeFi Integration

Traditional neobanks offer savings accounts with interest rates tied to central bank policy. In the US, that's **4-5% APY** on high-yield savings accounts (matching Federal Reserve rates). In Brazil, Nubank offers around **100% of CDI** (Brazil's benchmark interbank rate), which currently sits at **10-11% nominal APY**.

But here's the catch for Brazilian users: With inflation running at **4-6%** and the Brazilian real subject to constant political and currency volatility (the real lost **15%+ against the dollar in 2024** alone), your "10% yield" in reais might actually be **negative in dollar terms**. You're earning interest while your purchasing power erodes.

Web3 neobanks integrate DeFi protocols where users can earn **yields in dollar-denominated stablecoins**, protecting against both inflation and currency devaluation. These yields come from multiple sources:

- **Overcollateralized lending:** Users lend USDC/USDT to borrowers who put up 150%+ collateral
- **Liquidity provision:** Providing stablecoins to decentralized exchanges for trading pairs
- **Onchain vaults:** Professional asset managers running delta-neutral/other onchain strategies
- **Staking rewards:** Liquid staking tokens generating validator rewards
- **Yield tokenization:** Platforms like Pendle allowing users to trade and boost future yields





DeFi Yield Table (2024-2025)

Protocol/ Product	Yield (APY)	Asset	Strategy
Ethena (sUSDe)	10-15%	USDe (synthetic dollar)	Delta-neutral basis trading + liquid staking
Pendle	8-20%	Various yield tokens	Yield Tokenization + boosted returns
Aave	3-7%	USDC/USDT	Overcollateralized lending
Plasma One	10%	USDT	Integrated DeFi strategies

DeFi yields fluctuate with market conditions. Rates shown are indicative ranges, not guarantees.



Compare this to **Chase Bank's 0.01% APY** on standard savings, or even Nubank's 10% in a depreciating currency. For a Brazilian user, earning **12% APY on dollar stablecoins** through Ethena beats earning **10% APY on reais** that lose 15% against the dollar annually.

Important Risk Disclosure

These yields come with **smart contract risk** and are **not FDIC-insured**. DeFi protocols can be exploited. Ethena's delta-neutral strategy depends on derivatives markets functioning properly. Pendle's yields require an understanding of complex fixed-income markets.

But context matters. For users in countries with:

- Double-digit inflation (Argentina: 178%)
- Currency controls (Venezuela, Argentina)
- Banking system instability (Lebanon, Turkey, Nigeria)
- Political uncertainty driving capital flight

DeFi risk often feels **safer** than keeping money in local banks. When your government froze bank accounts ([Argentina 2001](#), [Brazil 1990](#)), or your currency lost 90% of its value overnight, "smart contract risk" becomes relative.

For millions of people globally, that's an easy choice.



4. Permissionless

Traditional neobanks need banking licenses, regulatory approval, partnerships with licensed banks for FDIC insurance, card issuing agreements with Visa/Mastercard, and compliance with dozens of local financial regulations. This takes **years** and **millions in legal/compliance costs** before you serve your first customer.

Web3 neobanks can launch core products (stablecoin accounts, DeFi yields, peer-to-peer transfers) **permissionlessly**. You don't need a banking license to let users hold USDC or earn yield on Aave. You can build and deploy in **weeks to months**, not years.

Reality check: Web3 neobanks still need licenses and partners for:

- Debit/credit cards (Visa/Mastercard issuing)
- Fiat on/off-ramps
- KYC/AML compliance (regulated providers)

But the core product, stablecoin accounts with DeFi integration, can launch immediately. Cards and fiat ramps get added later as the product matures. This dramatically lowers barriers to entry and speeds time-to-market.

This is why we're seeing an explosion of Web3 neobank launches in 2025. The infrastructure exists, the demand is proven, and the regulatory clarity just arrived (GENIUS Act).

Builders can now move fast.

Traditional Neobank vs Web3 Neobank: The Comparison

Feature	Traditional Neobank	Web3 Neobank
Settlement Speed	3-7 days	Seconds to minutes (blockchain)
Transfer cost (Domestic)	Free to \$3	Cents
Transfer cost (International)	\$25-50 (wire)	Cents
Saving Account Yield	4-5% APY	8-12% APY (DeFi-integrated)
Currency Access	Local fiat only	Dollar stablecoins globally
Banking License Required	Yes	No (for core features)
Operating Hours	Business days only	24/7/365
Cross-Border Restrictions	Heavy (SWIFT, compliance)	Minimal (peer-to-peer)
Inflation Protection	Limited (local currency)	Strong (dollar-pegged)
Transparency	Opaque backend	On-chain, auditable
Custody Model	Bank holds funds	User controls keys (optional)
DeFi Integration	None	Native (lending, staking, swaps)
Time to Launch	Years	Months



Why This Matters Now

For years, crypto-natives talked about “banking the unbanked” with blockchain technology. It was aspirational, not practical. Wallets were confusing, gas fees were volatile, regulations were hostile, and UX was terrible.

2025 is different:

- **Stablecoins are mature:** \$200B+ market cap, proven stability, regulatory frameworks in place
- **Networks are fast and cheap:** Solana, Base, Plasma, Mantle process thousands of TPS at sub-cent fees
- **UX is dramatically better:** Account abstraction, social recovery, embedded wallets, crypto feels like Venmo now
- **Regulations clarified:** GENIUS Act (US), MiCA (EU).
- **Infrastructure is plug-and-play:** Circle/Tether APIs, Fireblocks custody, Plaid-style onboarding, you don't need to reinvent the wheel

The pieces are in place. The market is ready.

3.2 Regulation: The Time is NOW

For years, the biggest barrier to Web3 neobanks wasn't technology, it was regulation. Stablecoins existed in legal limbo. Banks refused partnerships. VCs hesitated. Builders stayed offshore.

July 18, 2025 changed everything.

The GENIUS Act: America's Stablecoin Framework

On July 18, 2025, President Trump signed the Guiding and Establishing National Innovation for US Stablecoins (GENIUS) Act into law, creating the first comprehensive federal framework for stablecoins in the United States.

What it does:

- Establishes federal licensing for stablecoin issuers (OCC oversight for bank issuers, state + Fed approval for non-banks)
- Mandates 1:1 reserve backing with high-quality liquid assets (cash, Treasuries, Repurchase Agreements)
- Requires monthly attestations and public reserve reporting
- Preempts state-by-state fragmentation, creating a single national standard



- Allows approved stablecoins to operate nationwide without regulatory uncertainty

This removes the existential regulatory risk that kept institutional capital on the sidelines. Banks can now partner with stablecoin issuers. Neobanks can integrate USDC/USDT without fear.

The floodgates opened.

Key players now operating under clear rules:

- Circle (USDC)
- Tether (USDT)
- PayPal (PYUSD)
- Paxos (USDP)

MiCA: Europe's Parallel Framework

The US isn't alone. Europe implemented Markets in Crypto-Assets (MiCA) regulation in 2024, creating similar clarity for stablecoin issuers operating in the EU.

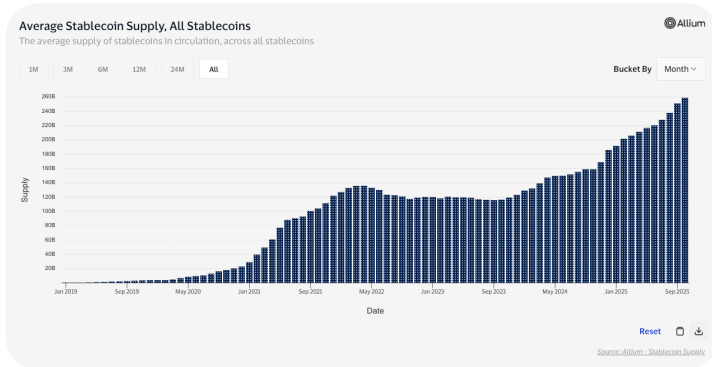
MiCA's key requirements:

- 1:1 reserve backing (similar to GENIUS)
- E-money license for stablecoin issuers
- Consumer protection standards
- Transparent reserve audits

MiCA-compliant stablecoins like **EURC (Circle's euro stablecoin)** and **EURT** can now operate freely across all 27 EU member states. Combined with GENIUS Act in the US, **the world's two largest economies have regulatory clarity on stablecoins.**

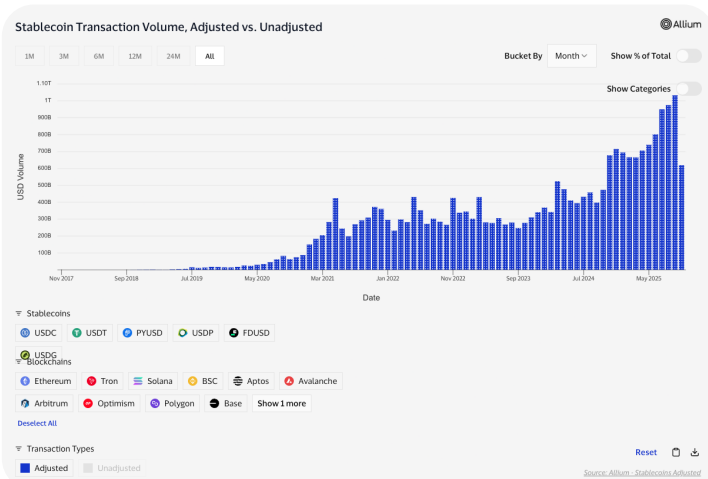
Stablecoin Market Explosion

The regulatory clarity is fueling growth. Global stablecoin market cap surpassed \$250 billion in 2025, up from \$150B in 2024.



Source: Visa Onchain Analytics

This is real utility. Stablecoins processed **over \$5 trillion in transaction volume in 2024**, rivaling Visa's \$14 trillion. People are using them for real economic activity: remittances, savings, payments, cross-border commerce.



Source: Visa Onchain Analytics



2025: The Regulatory Timeline

Key milestones that brought life to the Web3 neobank narrative:



The Strategic Bitcoin Reserve, where the US government holds Bitcoin as a strategic asset alongside gold and foreign currencies, further legitimized crypto at the institutional level. If the federal government treats Bitcoin as a reserve asset, stablecoins as regulated payment instruments, it sends an unmistakable signal: crypto is here to stay.

The Window is Open

2025–2026 is the perfect entry window for Web3 neobanks:

- Regulatory clarity exists
- Stablecoins are \$250B+ and growing
- Infrastructure is mature
- Institutional capital is flowing
- User demand is proven

The pioneers who move now capture first-mover advantage before traditional neobanks fully integrate crypto, and before Big Tech enters the space.

The race has started. And Latin America is a gold mine.



3.3 A Fresh Narrative: Started by Plasma

The neobank space isn't new. Projects have been building for years, and it's always been a somewhat hot sector. But after all the regulatory wins in 2025, **one specific moment fired up the narrative**: The launch of the **Plasma blockchain and Plasma One**, the flagship neobank product, on September 25, 2025.

This was the “**iPhone moment**” for **Web3 neobanks**, the moment when infrastructure, regulation, capital, and user experience converged to make the vision finally viable at scale.

The Funding Journey: From Seed to \$396M

Plasma's path to launch proves the growing confidence in Web3 banking:

- **\$3.5M Seed (2024)**: Bitfinex-backed round to build USDT infrastructure on Bitcoin and expand stablecoin access.
- **\$20M Series A (February 2025)**: Framework Ventures led the round to launch Plasma's own blockchain.
- **\$373M Token Sale (7x oversubscribed)**: The market spoke. \$373M in commitment to purchasing the chain's token, \$XPL.

Why Tether Changes Everything

Plasma is a chain supported by Tether. As the core liquidity provider and strategic partner, Tether enables USDT transfers on Plasma to incur **zero fees**, sponsored directly by the chain. This is the **new generation of banking infrastructure** where the most widely-used stablecoin in the world (\$180B+ market cap) moves for free.

Tether was recently valued at **\$500 billion**, making it the **most valuable private company in the world** (larger than SpaceX or any neobank). When the world's largest stablecoin issuer supports Web3 neobank infrastructure, that's not an experiment. That's a statement.



CRYPTO WORLD

Tether CEO confirms major capital raise at a reported \$500 billion valuation

PUBLISHED TUE, SEP 23 2025-5:18 PM EDT | UPDATED TUE, SEP 23 2025-11:07 PM EDT



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The implications for LATAM are massive. Stablecoins already dominate crypto activity across the region (50-90% of transactions in major markets). Now those transactions can move instantly, for free, with substantial yield opportunities attached.

Launch Day: September 25, 2025

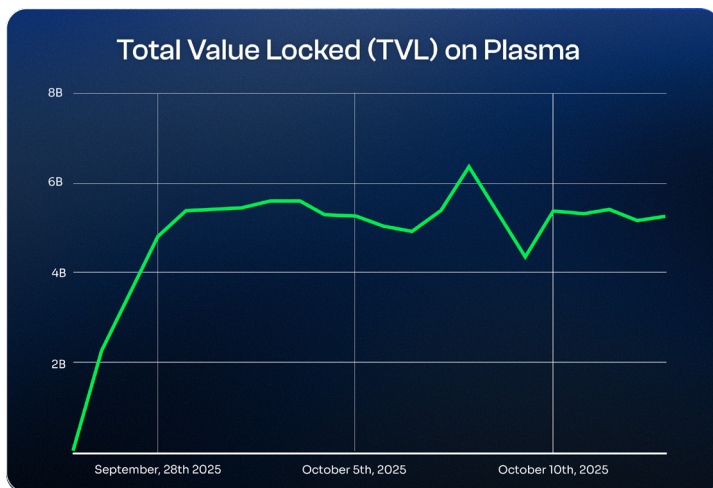
The hype was real, and the numbers backed it up.

Day-one metrics:

- **\$2 billion in USDT liquidity** seeded on launch day
- **10%+ yields on stablecoin deposits (Plasma One)**
- **Zero-fee USDT transfers**
- **4% cashback debit cards** for early users
- **Plasma One neobank app** live with IBAN accounts, card issuing, and DeFi integration

By **October 15** (20 days later), Plasma already crossed **\$5 billion in Total Value Locked (TVL)**, a 2.5x increase from launch. Blue-chip DeFi protocols rushed to deploy: **Aave, Pendle, Balancer, Fluid, Veda, Neutrl, Euler**, and **dozens more** are now building on Plasma.

This is what product-market fit looks like in real-time.





The Narrative Catches Fire

Plasma's launch **ignited the narrative and drove mindshare**. Projects that had been building quietly for months suddenly found themselves in the spotlight as “Web3 neobanks” became the hottest sector in crypto.

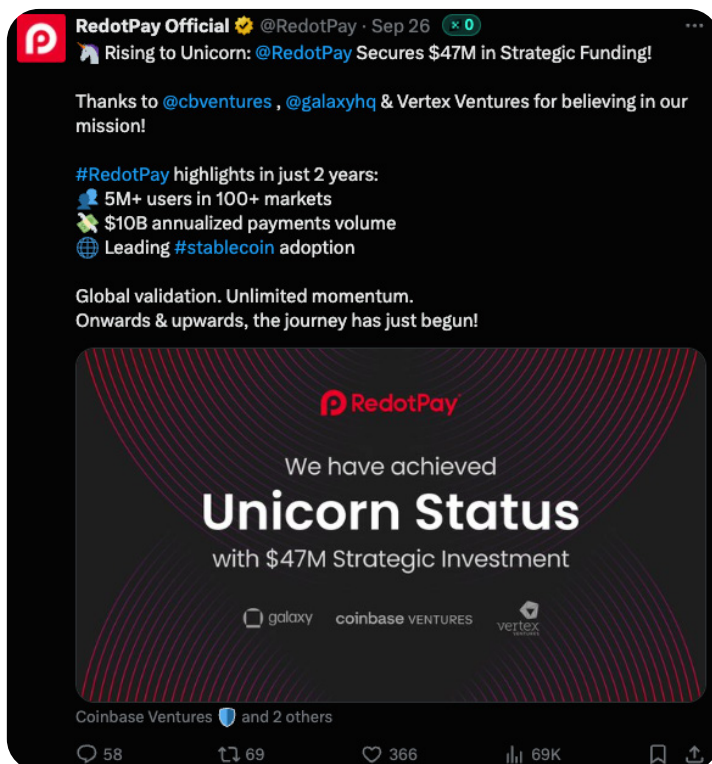
The announcements started flowing:

RedotPay: Announced a **\$47M Series A** just one day after Plasma's launch, achieving unicorn status. Backed by **Coinbase Ventures, Galaxy Digital, and Vertex Ventures**. The timing aligned perfectly.

Tria: Closed a **\$12M pre-seed and strategic round** in October.

The narrative got hot. CT KOLs (Influencers), VC analysts, and fintech media all started talking about Web3 neobanks simultaneously.

What had been a niche sector suddenly became **the story of Q4 2025**.





The Valuation Gap

Despite the momentum, **Web3 neobanks remain dramatically undervalued** compared to traditional players.

[Stablewatch](#) recently published a research report comparing Plasma and EtherFi to traditional neobanks by TVL and market valuation:

Traditional Neobanks:

- Nubank: \$70B valuation, 122M users
- Revolut: \$75B valuation, 60M users
- SoFi: \$31.4B valuation, 18M users

Web3 Neobanks:

- Plasma: ~\$3-4B valuation*
- EtherFi: ~\$600M-1B valuation

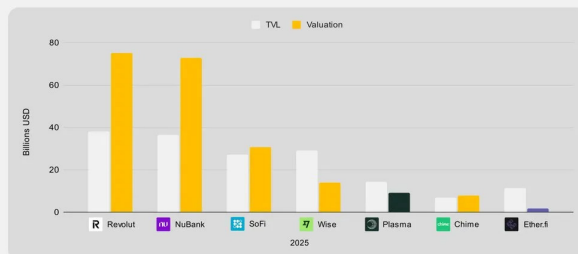
**Note: Plasma's token XPL represents both the Layer 1 blockchain infrastructure and the Plasma One neobank, so valuation includes infrastructure value, not just the neobank product.*

Looking at EtherFi at the bottom of the chart, we see the opportunity.

There's massive room to grow. It's finally time that Web3 projects match the efficiency and compete in the first division against traditional startups and unicorns.

If Web3 neobanks capture even **5-10% of the market share** that Web2 Neobanks hold, we're looking at **10-30x valuation upside** from current levels.

Plasma compared to leading neobanking platforms
by user deposits and valuation



Sources: The Guardian, Revolut, NuBank, SoFi, Yahoo Finance, Wise, Plasmascan, CoinMarketCap, Chime, Ether.fi

stablewatch™



An Open Ecosystem: Room for Everyone

Lucid, the COO of Plasma, recently shared his vision for the network related to neobanks, **welcoming projects to build in the space despite Plasma building**

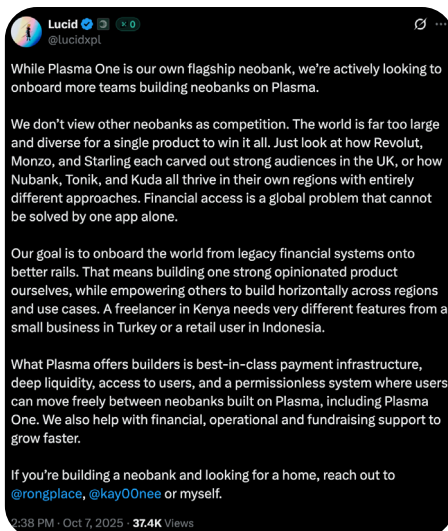
Plasma One. The message was clear: **there's space for projects to conquer their niches.**

Just look at how Nubank conquered LATAM, Revolut dominated Europe, Chime captured the US market. Different regions, different user behaviors, different regulatory environments. **Web3 neobanks will follow the same pattern**, multiple winners, each owning specific verticals or geographies.

Plasma is positioning itself as **infrastructure + flagship neobank**, but the ecosystem is open. Projects can build:

- **Remittance-focused neobanks (US-LATAM corridor)**
- **Youth banking (Gen Z crypto natives)**
- **Wealth management (DeFi integration)**

The neobank narrative goes **well beyond Plasma**. There are dozens of projects building in this space, and that's exactly what we're going to explore in the next section.





3.4 Ecosystem Emerges

Following Lucid's thoughts brought up previously, now it's time to show you the main players building in this space.

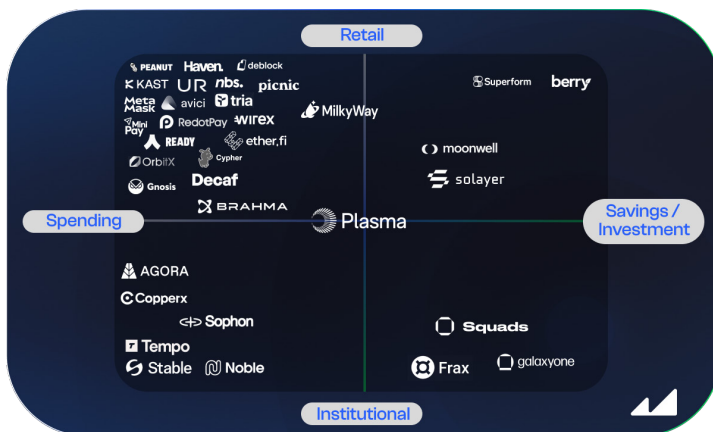
We've mapped **over 70 projects across the Web3 neobank ecosystem**. Since many of these players overlap and build multiple neobank-related products, we found it more meaningful to represent them along a **spectrum** rather than in rigid sub-sectors.

) We only included 34 projects in the image to keep it readable, the retail spending/card segment is the most crowded of the ecosystem.)

The spectrum separates into 4 different aspects:

1. **Retail (Top):** Projects that focus on everyday people instead of institutions
2. **Institutional (Bottom):** Neobanks building B2B solutions
3. **Spending (Left):** Neobanks focused on everyday use (spending), as most crypto cards. (Or infrastructure providers powering payment systems).
4. **Savings / Investing (Right):** Neobanks with large focus on growing capital and DeFi opportunities

Oh, and if your project isn't here, talk to us at **MOIC**, we'll help you improve your marketing and position within the neobank narrative.





Now, let's take a closer look at **4 projects and how they stand out** in the space: **EtherFi, Plasma, UR**, and a **special mention to Neobankless**, which has already attracted over **5,000 Brazilians** in an alpha version and has been working very closely with **MOIC Digital**.

1. Plasma

Plasma has the **infrastructure advantage** and strong backing from major players, most importantly its close relationship with **Tether**. Deep liquidity, a full ecosystem built around the chain, and **Plasma One** delivering strong yields position them as the stablecoin-native leader. Their zero-fee USDT transfers and day-one \$2B liquidity give the project a strong advantage.

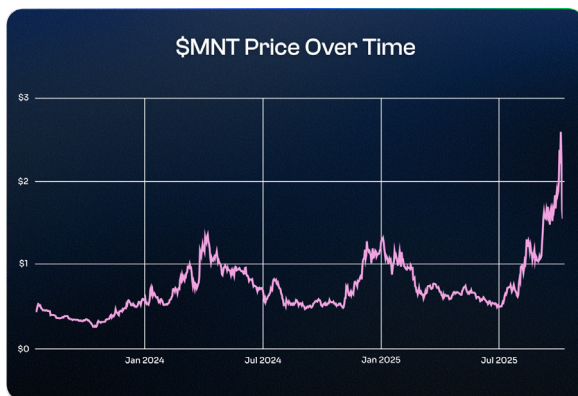
2. EtherFi

Very DeFi-native. EtherFi acquired massive TVL when it launched as a liquid restaking project during the restaking narrative peak. They were quick to adapt, pivoting to neobank services while maintaining their DeFi roots. Now offering both **retail and corporate solutions** with the highest yields in the market (11-15% APY, considering token incentives), EtherFi's deep DeFi integration gives them an edge with crypto-native users.

3. UR

UR offers **Swiss-backed multi-currency accounts** with a Mastercard debit card and global banking rail access (SWIFT, SEPA, SIC). Their advantage: being built on the **Mantle blockchain** with strong institutional backing and **direct ties to Bybit**, one of the world's largest exchanges. This positions them perfectly for businesses and high-net-worth individuals who need traditional banking features with Web3 infrastructure.

Mantle (\$MNT) is by far the best-performing token in the Layer 2 space. Following the announcement of UR in June 2025, MNT skyrocketed from **\$0.60 to an all-time high of \$2.86 (377% increase)**. The narrative is hot.



Source: Coingecko as of Oct 21, 2025



Special Mention: Neobankless

Neobankless is tapping directly into the **Brazilian market**, targeting **Web2 users with Web3 opportunities** in a way no international player has yet mastered.

The problem they're solving: Brazilians don't want to hold BRL due to currency volatility and inflation, but current options to acquire US dollars are **expensive**, apps like Nomad and Wise charge significant fees, despite having a friendly user experience.

Neobankless's solution: Built on Solana, but with the entire UX **abstracted away from the blockchain**. Users deposit BRL directly via **PIX** (Brazil's instant payment system), and it arrives as **USDC**. Additionally, Neobankless abstracts away DeFi investments, delivering high USDC yields for people who don't even know what blockchain is.

What makes them different: Unlike other crypto cards that offer debit only, Neobankless will provide a **credit card**. This means users can keep their money earning dollar yields in their savings account while making purchases on credit. The credit limit will be controlled by the total collateral in the account, combining **dollar savings with spending flexibility** in a way traditional neobanks can't match.

Crucially, the card will support installment payments, a very common practice in Brazil and other developing countries where consumers split purchases into monthly payments. This feature, combined with dollar-denominated credit, positions Neobankless to compete directly with traditional Brazilian credit cards while offering superior currency stability.

COMPARISON

Why are we better?

Market	Banks	Nomad	Wise	Neobankless
Exchange Rate	5%	1.91%	0.91%	0.50%
IOF	3.5%	3.5%	3.5%	✗
Dollar Profitability	✗	✗	✗	✓
Global Installment Payment	✗	✗	✗	✓
AI Copilot	✗	✗	✗	✓
Decentralized Exchange	✗	✗	✗	✓
Intelligent Self-Custody	✗	✗	✗	✓
Earnings with Referrals	✗	✗	✗	✓
Freezing Risk	✓	✓	✓	✗

We are not just more efficient, we have a completely superior business model.

nbs.

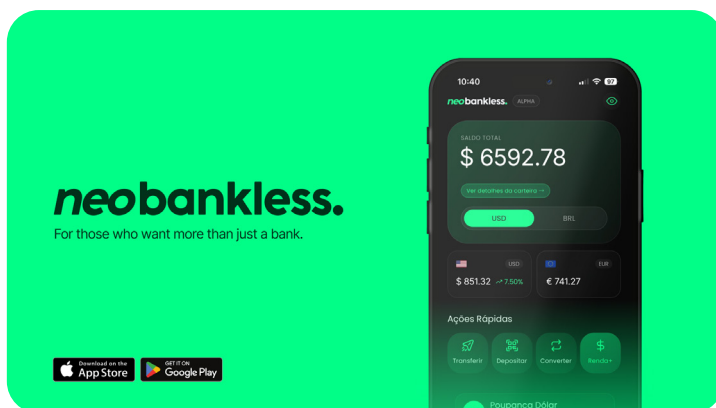
The traction: Currently in a **limited alpha version**, Neobankless already has **over 2,000 users** who have **transacted over R\$1.5 million** on the platform, with **an additional 3,000+ users on the waitlist** waiting to access the app.



All of this was achieved with zero budget, 100% organic growth. The **Visa card will be released very soon**. They're coming to battle directly with **Wise (\$10B valuation)** and **Nomad (\$363M valuation)**, two of the strongest names in Brazil for dollar access.

MOIC Digital's role: We've been working on the marketing side with Neobankless since the beginning, helping to bring advisors, users, transaction volume, and strategic consulting on how to grow in the Brazilian market.

The early results are already here, and we expect much higher growth very soon.



3.5 EtherFi Case Study: Fast to Adapt

The title of Section 3 is “Time for Crypto Neobanks,” and one project that gave a **masterclass on timing and adaptation** is EtherFi.

If you're new to DeFi or crypto, you might see EtherFi as one of the largest Web3 neobanks. But that's not how they started. **EtherFi launched as a liquid restaking protocol** and completely dominated that narrative throughout 2023–2024.

However, when the market lost interest in restaking—EigenLayer rebranded to “EigenCloud,” the term “restaking” faded from daily crypto conversations—EtherFi didn't collapse like its competitors.

Instead, they **leveraged billions in TVL and infrastructure** built during the restaking boom to pivot into the Web3 neobank space with massive advantages over new entrants.

Let's go back to 2023 to understand the full story.



2023: Riding the Restaking Wave

EtherFi launched in 2023 alongside EigenLayer, which introduced the concept of **restaking**, using staked ETH to validate other networks, essentially bootstrapping security for new chains by leveraging Ethereum's highly secure validator network.

We won't dive into the technical details here, but EtherFi capitalized on this hot narrative by building a **Liquid Restaking protocol**. The idea mirrored Liquid Staking (where Lido already dominated with over 30% of staked ETH supply), but applied to restaking. Users could earn **higher yields from restaking** without locking their ETH/stETH tokens, receiving **eETH** (EtherFi's LRT) in return.



EtherFi became the largest Liquid Restaking Protocol. Competitors like Renzo, Puffer Finance, Inception, and Swell also launched, but most couldn't retain TVL. Why? **Mercenary capital.**

Users farmed points for airdrops, then left once the tokens dropped. There was no sticky product keeping them around.

Once the airdrops launched and the restaking narrative cooled, with limited adoption of AVs (Actively Validated Services) on EigenLayer, most protocols saw their TVL collapse.

Many protocols died. Others tried expanding to new ecosystems. EtherFi adapted.

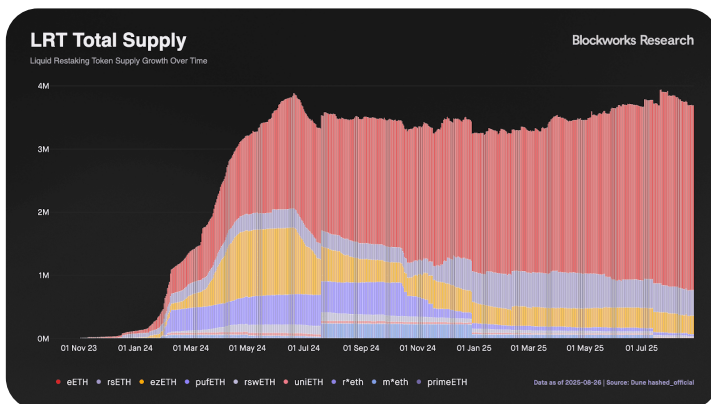
The Key Difference: Retention Through Value

EtherFi was the **only major LRT protocol to retain TVL** after the restaking hype faded. The chart below from [Blockworks Research](#) tells the story clearly:

Why did EtherFi succeed where others failed?

Deep Liquidity: As the largest LRT, eETH had actual liquidity across DeFi protocols. Users could trade it, use it as collateral, earn yield with it. Smaller LRTs couldn't offer this.

Fast to Provide Value: EtherFi didn't just sit around collecting fees on eETH.



They were **aggressively building new products** to give users reasons to stay.

As of now (Oct 2025), EtherFi has 3 main products:

1. Stake

Stake ETH, BTC, or USD and earn rewards. eETH alone has **over \$6 billion in TVL** here. This is the original product that built their foundation.

2. Liquid

Launched after Stake, Liquid enables users to deposit ETH, BTC, and USD into **automated strategy vaults** that earn yield across DeFi protocols. This kept TVL sticky by offering higher returns than just holding eETH.

3. Cash

The third product, and why EtherFi appears in this report as a neobank.

Cash is a

non-custodial, DeFi-native credit card.

Here's what makes EtherFi Cash interesting: Users can deposit a list of approved assets (including eETH and other LRTs, plus Liquid vault tokens) into a collateral vault and **use the EtherFi card to spend** on everyday purchases (bills, groceries, subscriptions, whatever).

You're earning yield on your deposited assets while simultaneously using them as collateral for credit card spending. You **don't have to sell your crypto** to spend, so you still capture the upside if prices rise.

Users also earn **cashback on purchases** (up to 3%) and can choose to pay directly with crypto tokens or stablecoins if they wish.

After only a few months live, EtherFi Cash has already gained serious



traction, and we believe this is just the beginning:

- **\$77M+ in spend volume**
- **\$3.6M+ in cashback distributed**
- **930K+ transactions**
- **32K+ cards issued**



Source: Dune Analytics (@ether_fi) as of October 21, 2025

One thing is crystal clear: **EtherFi was fast to engage in the restaking narrative and capture market share.** They're doing the **exact same thing** with the neobank narrative, but now they already have **\$10 billion in TVL** and a well-established brand in crypto.

They know how to play the game.

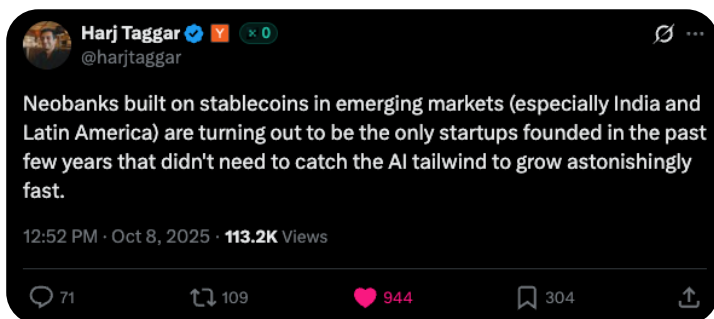
In the same way that EtherFi was fast to adapt and conquer market share in the neobank space, **projects need to act quickly in the LATAM market.** The gold mine doesn't last forever. First movers capture brand awareness, distribution channels, and user trust before competition arrives.

The window is now. Let MOIC explain the untapped opportunity in the next section.



4. LATAM Opportunity: The Unexplored Goldmine

Before anything else, let's start with this post that Harj Taggar, Managing Partner at [Y Combinator](#) did a few weeks ago:



Now, let's get started with the LATAM alpha.

4.1 Crypto Usage in LATAM

If you're building a Web3 neobank and ignoring Latin America, you're missing the single biggest opportunity in the space.

LATAM is not "crypto-curious." **LATAM is crypto-native.** The region already processes more crypto transaction volume than Europe. Stablecoins dominate, not as speculation, but as **savings accounts, remittance rails, and inflation hedges.**

Let's look at the numbers.

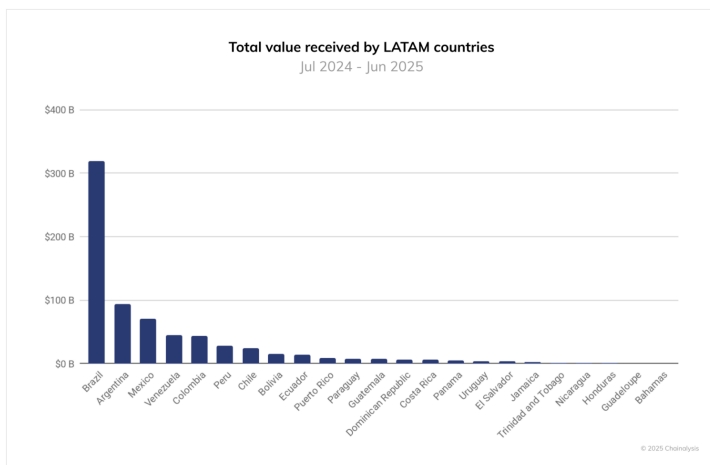
According to [Chainalysis's 2025 Latin America Crypto Adoption Report](#),



LATAM processed **\$1.5 trillion in crypto transaction volume** between July 2022 and June 2025, representing **42.5% year-over-year growth**.

To put that in perspective: LATAM's crypto economy is larger than the entire GDP of many developed countries, such as Sweden, Norway and Austria.

In terms of crypto value received, Brazil dominates the LATAM region with \$318.8 billion in crypto value received, accounting for nearly one-third of all LATAM crypto activity, followed by Argentina, Mexico, Venezuela and Colombia.



Stablecoins Dominate, Not Speculation

Here's the critical insight: **LATAM's crypto usage is not focused on Bitcoin speculation, NFTs, or Altcoin gambling. It's about stablecoins as dollar-denominated savings and payment tools.**

Stablecoin activity represents 50-90% of crypto transactions in major LATAM markets, depending on the country. Let that sink in. When someone in Argentina or Venezuela buys crypto, they're not buying Bitcoin hoping it goes up, they're buying USDT to protect against their currency collapsing. Key Data Points:

- **Argentina: 50% of crypto purchases are stablecoins**
Argentina has nearly 20% of **crypto ownership**, the highest rate in LATAM. But when you dig into what they're buying, more than half of **all purchases are USDT or USDC**. With inflation at 178% annually and the peso losing 51.6% of its value in 2024, stablecoins are the only way ordinary Argentinians can preserve purchasing power without access to US bank accounts.



- **Bitso Exchange: 46% of all purchases are stablecoins**
Bitso is one of LATAM's largest cryptocurrency exchanges, operating across Mexico, Brazil, Argentina, and Colombia. Their user data shows that 46% of all purchases on the platform are stablecoins, not Bitcoin, not Ethereum, but USDT and USDC.
- **Brazil: 90%+ of stablecoin flows**
Chainalysis data shows that Brazilian crypto users heavily favor stablecoins for savings and transfers. The country's strong digital infrastructure (PIX processes 42 billion transactions annually) makes users comfortable with digital money, they just want it in dollars, not reais.

Why Stablecoins? Because Local Currencies Are Failing

The stablecoin dominance is a rational response to economic conditions:

Inflation Nightmares:

- Argentina: 178% (2024)
- Venezuela: Hyperinflation (1,000%+)

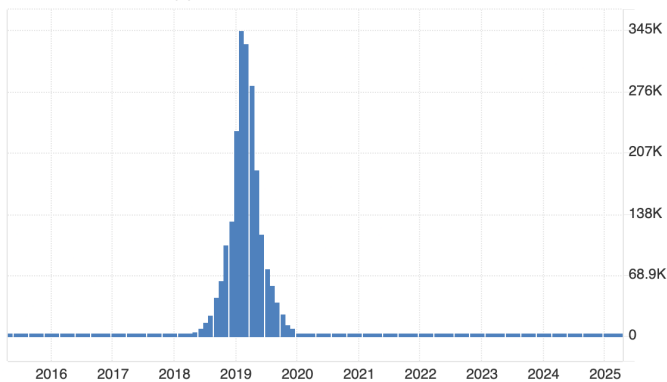
Currency Devaluation:

- Argentine peso: Lost **51.6%** against USD in 12 months
- Brazilian real: Lost **15%+** against USD in 2024
- Venezuelan bolivar: Essentially worthless

When your salary loses 15-50% of its purchasing power every year, **holding dollars becomes essential, not optional.**



Venezuela Inflation Rate (%)



Source: tradingeconomics.com | Banco Central De Venezuela

4.2 How Neobanks Fit the LATAM Space

If you were designing the perfect market for neobank disruption, you'd invent Latin America.

The region combines every structural advantage that makes digital banking **essential**: massive unbanked populations desperate for access, currencies collapsing in real-time, banking oligopolies extracting monopoly rents, and mobile infrastructure ready to deliver financial services to anyone with a smartphone.

Traditional neobanks already proved this thesis with Nubank. **Web3 neobanks can do it even better** by adding stablecoin infrastructure, DeFi yields, and instant cross-border rails.



Cush, Founder of Odisea

The innovation lab accelerating frontier tech in LATAM

LATAM is the region where crypto-powered neobanks will thrive. We've already seen Lemon, Nubank, Bitso, and others lead the way. With today's onchain infrastructure making it easier than ever to launch a neobank, I expect to see dozens of strong players emerge over the next 5 years - driving last-mile financial inclusion and transforming the traditional financial sector.





The Unbanked Crisis: 122 Million People Excluded

122 million people in Latin America (26% of the entire population) don't have bank accounts.

This isn't a small niche. This is almost **the same amount as the entire population of Mexico**. And it's not because they don't want banking services, it's because traditional banks won't serve them, or make access so difficult it's not worth the hassle.

Why are so many unbanked?

- **Minimum balance requirements** that exclude low-income workers
- **Documentation barriers** (proof of address, employment letters, tax IDs)
- **Geographic exclusion** (no bank branches in rural areas, favelas, informal settlements)
- **Distrust of institutions** after decades of banking crises, account freezes, currency confiscations

Country	Unbanked population	% of Adults
	~45M	12 %
	~37M (estimated)	37% (estimated)
	~8M (estimated)	16% (estimated)
	~16M	40%
Others	~16M	Varies
Total: ~122M adults (26% of LATAM adult population)		

Sources: World Bank Global Findex 2021; Baillie Gifford (2024) ; Scottish Mortgage (2024) ; Statista

Web3 neobanks solve this instantly. No minimum balance. No physical branch visit. No employment letter. Just a smartphone, an ID photo, and 10 minutes to complete KYC. Download an app, deposit money via local payment rails (or directly via stablecoins), get a dollar-denominated account with yields and a debit card.



Nubank captured 60% of Brazil's adult population by making banking accessible. Web3 neobanks can do the same across the entire region by making **dollar banking** accessible and cheap.

Inflation Nightmare: Money Losing Value in Real-Time

Inflation in LATAM has always been a nightmare:

Country	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	10-year average
	26.9%	41.0%	25.7%	47.6%	53.8%	42.0%	48.4%	72.4%	211.4%	178%	70.7%
	121.7%	274%	863%	130,060%	9,586%	2,355%	1,589%	234.1%	360%	360%	Hyperinflation
	9.0%	6.3%	2.9%	3.7%	4.3%	4.5%	10.1%	9.3%	4.6%	4.8%	5.9%
	2.1%	3.4%	6.8%	4.8%	2.8%	3.2%	7.4%	7.9%	4.7%	4.4%	4.8%
	5.0%	7.5%	4.1%	3.2%	3.5%	2.5%	5.6%	10.2%	11.1%	5.7%	5.8%

All figures represent annual CPI inflation (year-over-year % change)

Argentina's 178% inflation in 2024 means that if you were paid 100,000 pesos in January, by December that same amount buys you less than 40% of what it did at the start of the year. Your salary stays flat or increases slower than inflation. Rent increases. Groceries cost more every week. Bills go up relentlessly.

The chronic nature is even worse: Argentina has averaged **66.9% annual inflation** over the past decade. This isn't a one-year crisis, it's a **permanent erosion of purchasing power**. Venezuelans endured hyperinflation exceeding **65,000%** in 2018, rendering their currency essentially worthless.

Even "stable" countries suffer: Brazil's 10-year average of 5.9% means 100 Brazilian reais loses approximately 45% of its value over a decade. For comparison, the US averaged 2.5% over the same period.

When your local currency loses value this quickly, the only logical move is immediate conversion to US dollars.

Banking Oligopoly

LATAM banking systems are dominated by oligopolies that extract monopoly rents from captive customers.

Brazil example: Just **5 banks control 92% of the credit market** (Itaú, Bradesco, Banco do Brasil, Santander, Caixa). These banks charge:



- **Overdraft fees averaging 300–400% APR**
- **Credit card interest rates of 400%+ annually**
- **Account maintenance fees** even on basic checking accounts
- **Transfer fees** for domestic wire transfers

Neobanks disrupted this. Nubank offered free checking, no fees, transparent pricing. **60% of Brazil's adult population** now has a Nubank account.

Web3 neobanks can do the same across LATAM by offering:

- **Zero-fee USDT transfers**
- **No account minimums or maintenance fees**
- **10%+ yields on savings**
- **Lower FX spreads** than bank exchanges
- **Instant cross-border transfers** at sub-\$1 fees vs \$25–50 wires

The oligopoly only survives because of regulatory moats and inertia. Web3 neobanks can bypass both.

Mobile Infrastructure (Everyone Has a Smartphone)

*Here's the infrastructure advantage: **LATAM has 80% smartphone penetration, and 88% of users conduct financial transactions on their phones.***

This is critical because it means:

1. **No need to build physical branches**
2. **No need to educate users on mobile banking**
3. **Distribution is instant**
4. **Young, digital-native population**

Brazil's PIX processes 42 billion transactions annually, instant, free, peer-to-peer payments that accustomed 100+ million Brazilians to digital money movement. If Web3 neobanks can deliver a similar user experience while adding Web3 benefits, Brazilians who already trust PIX for reais will readily trust stablecoins moved the same way.

*This mobile-first financial behavior isn't unique to LATAM. **a16z** has*

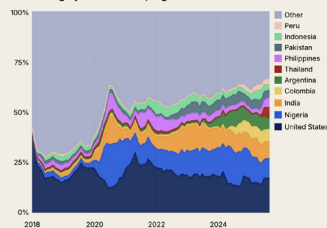


highlighted the strong correlation between mobile usage in developing countries and growing onchain activity, the infrastructure foundation is already in place.

MARKET OVERVIEW

Crypto is global — but onchain activity is growing fastest in developing countries

Mobile wallet usage,¹ an indicator of onchain activity, comes largely from developing countries



alcorypto

Token-related web traffic,² an indicator of interest in tokens, comes largely from developed countries

Source country	Avg % of web traffic from each country	Country population	% of web traffic per 1 billion people
Australia	1.99%	25,666,000	74.63
South Korea	3.80%	51,710,000	73.68
United Kingdom	4.25%	68,350,000	62.15
Canada	2.42%	40,100,000	60.23
United States	13.85%	340,100,000	40.73
Spain	1.89%	48,350,000	39.12
Germany	3.03%	83,280,000	36.44
France	2.22%	68,290,000	32.55
Vietnam	3.08%	100,400,000	30.68
Russia	3.38%	143,800,000	23.80
Indonesia	5.63%	281,200,000	20.02
Turkey	1.59%	85,330,000	18.61
Nigeria	2.81%	227,900,000	12.33
Brazil	2.09%	213,100,000	9.80
India	6.53%	1,438,000,000	4.54

2/ The % of web traffic coming from each country was calculated across the top 30 tokens on CoinGecko, using the project's listed website. Bitcoin, stablecoins, and other unconventional tokens were excluded. (Source: SimilarWeb as of 6/30/2023)

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Remittance Dependence

Latin America receives over **\$160 billion in annual remittances** (money sent home by workers abroad, primarily from the United States). For many countries, remittances represent **4–26% of GDP**:

Country	Annual Remittances	% of GDP
Mexico	\$68B	~4 %
Guatemala	\$22B	20%
Honduras	\$10B	26%
Dominican Republic	\$10B	9 %
Colombia	\$10B	~3%
El Salvador	\$9B	24%

Traditional remittance costs average **6.35%**, with banks charging as much as **12.66%** per transfer. For someone sending \$500 monthly from the US to Mexico, that's **\$32–63 per transfer** or **\$380–760 annually** just in fees.



Web3 neobanks can offer the same transfer for under \$1 using stablecoin rails:

1. Sender buys USDT in the US
2. Sends to recipient's Web3 neobank account in Mexico
3. Recipient spends directly with debit card or converts to pesos instantly

\$163 billion annually × 6% average fees = \$9.78 billion extracted in fees.
That's

*the revenue opportunity. Capture even 5% of remittance volume and you're looking at **\$8+ billion in transaction volume** with dramatically better unit economics than Western Union or MoneyGram.*

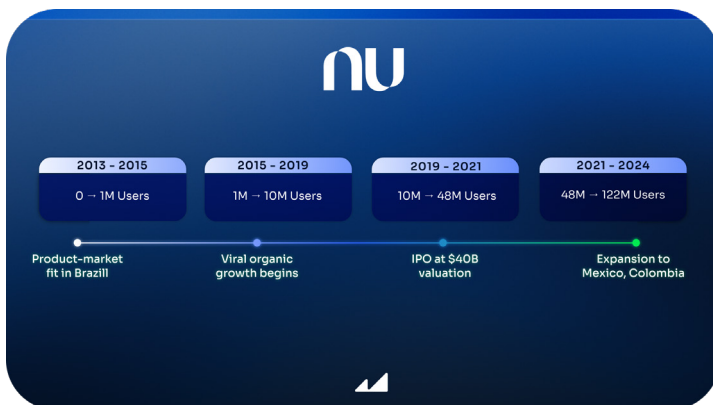
Nubank: Proof the LATAM Thesis Works at \$70 Billion Scale

Everything we've outlined above, unbanked populations, inflation crises, banking oligopolies, mobile infrastructure, sounds compelling in theory. But does it actually work in practice?

Ask Nubank.

*Founded in São Paulo in 2013, Nubank went from zero to becoming the world's largest neobank by customer count and achieving a **\$70 billion market capitalization** by serving LATAM users.*

The Growth Trajectory: 0 to 122 Million Users





Today's numbers:

- **122 million total customers** (more than Revolut and Chime combined)
- **107.3 million in Brazil** (60% of the country's adult population)
- **10+ million in Mexico**
- **2.5 million in Colombia**

The Financials: Nubank is massively profitable:

- **\$11.5 billion in annual revenue** (2024)
- **\$2 billion in net profit**
- **29% return on equity** (better than most traditional banks globally)
- **29.9% efficiency ratio** (spends 30 cents to generate \$1 of revenue)

For context: JP Morgan, considered one of the best-run banks in the world, posts a 17% ROE. Nubank's 29% ROE while serving emerging market customers is extraordinary.

The Valuation Gap: Where Web3 Neobanks Sit Today

Now here's where it gets interesting for Web3 neobanks:

Nubank market cap: \$70 billion

Revolut valuation: \$75 billion

Combined Web3 neobank valuations (Plasma + EtherFi + others): Less than \$5 billion. Let that sink in. **The entire Web3 neobank sector is valued at less than 7% of Nubank alone.**

If Web3 neobanks can capture even 10% of what Nubank achieved in LATAM, we're looking at **\$7+ billion valuations per successful project**. If they can match Nubank's scope (10%+ of LATAM population), we're talking **\$50-100 billion outcomes**.

4.3 Success Playbook for LATAM

Understanding the opportunity is one thing. Executing is another.



Most Web3 projects approach LATAM with generic global strategies, English-first content, and zero understanding of local payment rails or user behavior. They wonder why adoption stalls. **The playbook for LATAM success is different, and the winners will be those who move fast, spend smart, and localize deeply.**

1. Brazil-First Entry Strategy

If you're entering LATAM with limited resources, **start with Brazil**. Not because it's easy, but because it offers the best risk-reward ratio for Web3 neobanks.

Why Brazil?

- **Largest market:** 215 million population, 107.3 million already using Nubank (proven digital banking adoption)
- **Best infrastructure:** PIX processes 42 billion transactions annually, users are comfortable with instant digital payments
- **Clearest regulations:** Brazil's Central Bank (BCB) is building a comprehensive crypto framework expected to finalize in 2025-2026
- **Massive crypto volume:** \$318.8B in annual crypto transactions (31% of all LATAM activity)

The Brazil playbook: Launch with PIX integration from day one (this is non-negotiable), partner with local exchanges like Mercado Bitcoin (more on this later), offer BRL → USDC conversions with transparent fees, and build in Portuguese from the start, not as an afterthought.

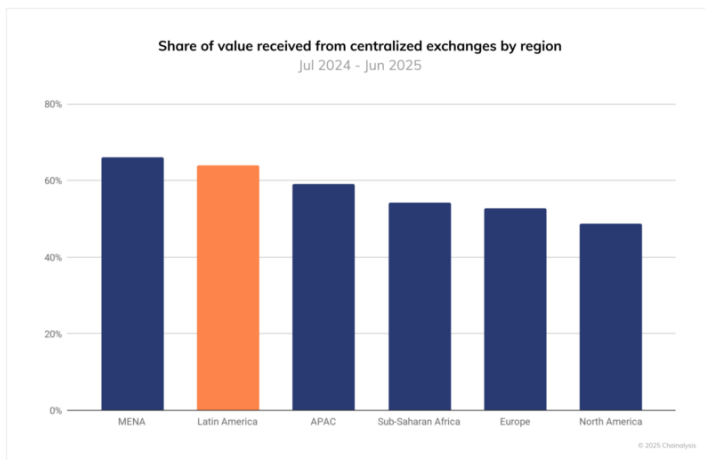
Nubank proved this works. They focused exclusively on Brazil for years before expanding to Mexico and Colombia. That focus allowed them to capture 60% of Brazil's adult population. **Go deep in one market before going wide across the region.**

2. Distribution Through CEX Partnerships

Here's a critical insight most Web3 builders miss: **Centralized exchanges are the dominant entry point for crypto in LATAM**, and it's not even close.

According to Chainalysis, **64% of all crypto activity in LATAM takes place on**

centralized exchanges, the second-highest globally after MENA (66%) and significantly higher than North America (49%) or Europe (53%).



Why CEXs dominate:

- **Fiat on-ramps:** Users need local currency (BRL, MXN, ARS) conversion to crypto
- **Trust and familiarity:** Established brands with years of user relationships (Mercado Bitcoin and Ripio date back to 2013, SatoshiTango to 2014)
- **Customer support:** Local language support, dispute resolution, regulatory compliance
- **Payment rail integration:** PIX, SPEI, bank transfers, cash deposits all built-in

The key regional players:

- **Mercado Bitcoin:** The largest in Brazil, strong brand recognition
- **Bitso:** 8+ million users, dominant in Mexico, previously highlighted with 46% stablecoin purchase rate
- **Ripio:** Strong presence in all LATAM.
- **Wenia:** Localizing for Colombian market (launched by Bancolombia, Colombia's largest bank)
- **SatoshiTango:** Strong presence in Argentina

Don't compete with these exchanges, partner with them. Offer white-label



neobank services, integrate your stablecoin accounts as an “off-exchange wallet” option, provide higher yields than exchange savings products, and create referral incentives for users who move funds to your neobank.

Example partnership model: Bitso users earn 3% on USDT held on the exchange. You offer 10% through DeFi integration. Bitso promotes your neobank as a “premium savings option,” takes a revenue share, and both parties win. The exchange retains the customer relationship, you get distribution to 8 million users.

3. The User Acquisition Playbook: Start With a Niche

LATAM is a **volume game**. You need millions of users to build a viable neobank, and organic growth alone won’t cut it in a competitive market. But here’s the critical mistake most projects make: **they try to be everything to everyone from day one.**

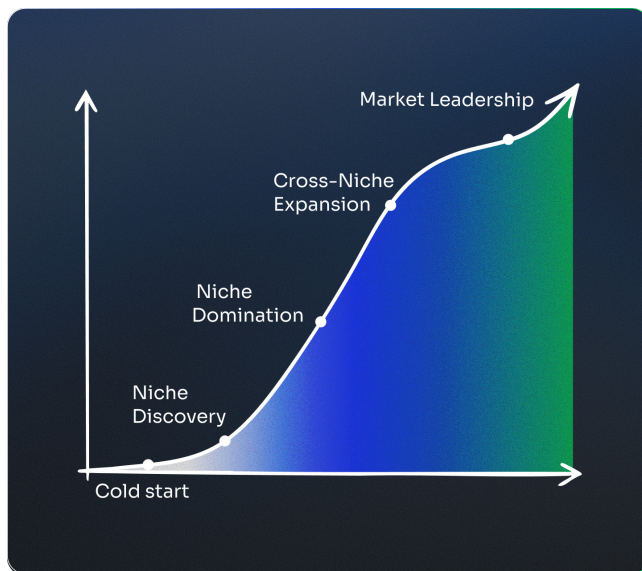
The reality: For a neobank to grow in Brazil or LATAM, you first need to find your niche, a specific community that becomes your **initial cluster, your atomic network**. This is where you concentrate all your firepower before expanding.

Who is your niche?

- **Frequent travelers** who need dollar accounts and international cards?
- **Gamers** who already transact in crypto for in-game purchases?
- **Small merchants** who want to avoid banking fees on payments?
- **Young professionals** tired of traditional bank bureaucracy?
- **Crypto traders** who need seamless fiat on/off-ramps

Why niche-first matters:

- **Concentrated marketing spend:** Instead of spreading budget thin across demographics, you dominate one community
- **Word-of-mouth amplification:** Tight-knit communities talk to each other, referrals spread faster
- **Product-market fit validation:** You learn what features actually matter before scaling
- **Community credibility:** Being “the neobank for X” is more powerful than “a neobank for everyone”



A very good example of a Web3 Neobank that successfully found a niche is Kast, which concentrated heavily on the Solana community from the start (operating globally, though particularly strong in Brazil as well). Similarly, as shown earlier, EtherFi is focusing on DeFi-native users, particularly within the EVM ecosystem. Haven is an example exploring the privacy space by utilizing ZK-technology and blockchain to deliver a self-custody privacy-focused crypto card. (This is a subject we aim to research and write more thoroughly in a separate piece at MOIC).

These Web3 cases illustrate effective approaches to identifying your initial niche.

*Your niche becomes the foundation. Once you own that community, then you deploy the full **acquisition playbook**.*

We'll see more on this in the next part, but Member-get-member works because your existing users are already embedded in their communities. KOLs work because you can target influencers who speak to your niche. Giveaways work because you're rewarding the exact people most likely to become power users.

Without a niche, you're just noise. With a niche, you're the only option that matters.

Once you've identified and captured your initial niche, here's how you scale:

The proven playbook:



- **Member-Get-Member Programs**
*Referral mechanics are king in LATAM. Nubank grew 80–90% organically through word-of-mouth and referral incentives. **Offer both sides value: \$10 USDC for the referrer, \$5 USDC for the new user upon first transaction (Example). Make it dead simple to share a link via WhatsApp, which dominates communication across the region.***
- **Micro + Macro KOL (Influencer) Strategy**
*Don't just pay the biggest crypto influencers. **Combine macro influencers for reach with micro-influencers for trust.** A creator in São Paulo with 50K followers often drives better conversion than a generic crypto trader with 500K. Partner with creators across multiple niches: personal finance, entrepreneurship, technology, lifestyle. Crypto-focused creators alone won't reach the mainstream users you need.*
- **Ambassador Programs**
*Identify power users in each market and turn them into ambassadors. Give them co-branded content, exclusive perks, and commission structures that reward user acquisition. **Make them your local evangelists.***
- **High-Impact Giveaways**
*This is where creativity wins. In Brazil, Deflo (MOIC Digital client acquired by a Tier-1 exchange) ran campaigns giving away cars, international trips, and high-value prizes. The giveaways went viral, generating millions of impressions and lots of app downloads. **People will download an app and complete KYC for a chance to win a car.** Use this to your advantage.*

Structure giveaways around milestones: “First 100K users, we’re giving away a BMW,” or “Refer 10 friends, enter to win \$10K USDC.” Make the prizes big enough to generate hype but tied to actions that drive growth.
- **Loyalty Points & Cashback**
Cashback drives retention. Offer competitive cashback on all card purchases, paid in USDC. Make it transparent, instant, and real. Users will choose your card over traditional options if the reward is better and the UX is good. Combine this with loyalty points that unlock higher tiers, better yields, or exclusive perks.
- **Ad Retargeting**
*Most Web3 projects waste ad budgets on cold traffic. **Retargeting is where the ROI happens.** Someone visited your landing page but didn't sign up? Retarget them with social proof (testimonials, user counts, security features). Someone downloaded the app but didn't complete KYC? Show them a video of the process taking 60 seconds. Someone completed KYC but hasn't funded? Offer a*



limited-time deposit bonus.

Here's the reality: users only convert after seeing you 5-6+ times online. Cold traffic converts at <1%. Warm retargeted traffic converts at 5-10%. The difference is massive. Build your retargeting funnels aggressively, track every drop-off point, and re-engage users at each stage.

This is a Web2 playbook, but guess what? Neobanks are targeting both Web3 and Web2 users, so we can't just stick to Web3 marketing strategies. The majority of your potential users in LATAM aren't crypto-native, they're everyday people looking for better banking. Meet them where they are.

Storytelling Outside the Crypto Bubble
FTX's Super Bowl ads didn't target crypto natives, they targeted mainstream America. You need the same approach in LATAM. **Partner with non-crypto creators:** lifestyle vloggers, sports personalities, financial literacy advocates who can tell authentic stories about why they use your neobank for dollar savings, remittances, or everyday spending.

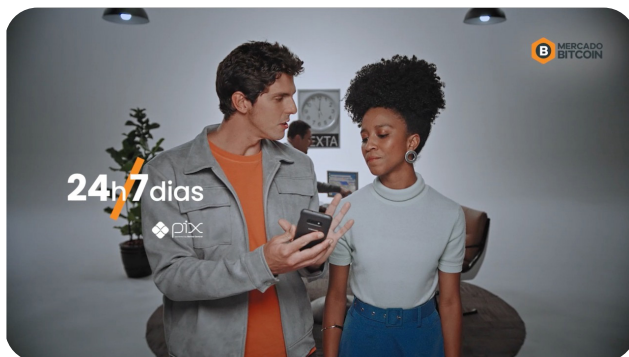
Run campaigns that focus on **problems, not features:** "Tired of your salary losing value every month?" "Earn 10% on your savings, in dollars, not depreciating pesos." This resonates far more than "We're a Web3 neobank with DeFi integration."

Mercado Bitcoin understands this playbook very well.

The Reality Check

Here's the truth from the ground: **The winner won't just be the most creative or the one with the most money. It'll be whoever combines creativity, capital, awareness, and the best product.** You can have the best marketing in the world, but if your app crashes, KYC takes 3 days, or card transactions fail, users churn immediately.

Product quality + aggressive distribution = winning combination for Neobanks.



Rafael Infante stars in Mercado Bitcoin's campaign.



4. Localization is Non-Negotiable

*This should go without saying, but too many projects ignore it: **If you're not localizing, you're not competing.***

Language:

- **Portuguese for Brazil** (*not just translated Spanish, actual Brazilian Portuguese*)
- **Spanish for the rest of LATAM** (*with regional variations, Mexican Spanish ≠ Argentine Spanish*)
- **Native-speaking content creators, not Google Translate**
- **Customer support in local languages, 24/7**

Cultural Understanding:

- **Informal economy:** *Millions work in cash-based gigs, understand their needs*
- **Family-first mindset:** *Remittances aren't just transactions, they're supporting loved ones*
- **Trust barriers:** *After decades of banking crises, currency collapses, and government account freezes, users are skeptical. Build trust through transparency, security, and local partnerships*
- **Mobile-first:** *88% conduct financial transactions on phones, your web app is secondary*

The 12–18 Month Window

*Traditional neobanks like [Revolut](#) and [Nubank](#) are watching the Web3 narrative heat up. Big Tech is exploring [stablecoin integrations](#). Local banks are experimenting with blockchain. **The first-mover advantage window is open now but won't last forever.***

Projects that execute this playbook in 2025–2026 will capture brand awareness, user trust, and distribution partnerships before competition intensifies. Those who wait will find the market already carved up.

MOIC Digital has been building in this space, working with Web3 neobanks to execute these exact strategies on the ground in Brazil and across LATAM.



5. Conclusion: The Race Has Started

The math is simple. The opportunity is obvious. So why isn't everyone building there?

Let's recap what we know:

The Market is Proven:

*Traditional neobanks generated **\$150+ billion in combined valuations** by serving hundreds of millions of users. Nubank alone reached **\$70 billion** serving LATAM with fiat accounts. The business model works. The unit economics work. The scale works.*

The Infrastructure is Ready:

*Stablecoins crossed **\$250 billion in market cap**. Blockchain settlement processes transactions in seconds for sub-dollar fees. DeFi protocols offer **10%+ yields** on dollar-denominated assets. The technology that seemed experimental five years ago is now production-grade and battle-tested.*

The Regulation Arrived:

*The GENIUS Act, MiCA, Brazil's evolving framework—**2025 was the year regulatory clarity finally emerged**. The existential risk that kept institutional capital on the sidelines is gone. Banks can partner. Builders can launch. Investors can deploy.*

LATAM is Crypto-Native: Trillions in crypto volume. 50-90% stablecoin dominance. 122 million unbanked with smartphones. \$163 billion in remittances paying 6-8% fees. 178% inflation driving desperate demand for dollar access.

The Valuation Gap is Massive:

*Web3 neobanks are collectively valued at **less than 7% of Nubank alone**. If they capture even **5-10% of the market** traditional neobanks built, we're looking at **10-30x upside** from current valuations.*

So why the gap?



Because awareness doesn't equal execution.

Everyone sees the same Chainalysis reports showing LATAM's crypto dominance. Everyone knows about Argentina's inflation and Brazil's unbanked population. Everyone watched Plasma raise \$373 million and launch to \$5 billion TVL in 20 days.

But most projects still treat LATAM as an afterthought. They launch in English. They don't integrate PIX. They partner with global CEXs instead of local players like Mercado Bitcoin and Bitso. They waste ad budgets on cold traffic instead of building member-get-member loops. They try to be everything to everyone instead of dominating a niche first.

They don't execute the playbook.

And that's the opportunity. Not for everyone. But for the teams willing to:

- **Move fast** before others do
- **Go deep** in one market before expanding regionally
- **Find their niche** and own it completely before scaling horizontally
- **Localize properly** with cultural understanding
- **Build partnerships** with local CEXs/firms that control user trust.
- **Deploy proven tactics** that traditional neobanks used to reach 100M+ users

The 12-18 month first-mover window is open. Plasma ignited the narrative. EtherFi, UR, RedotPay, Kast, and dozens of others are racing to capture market share. Capital is flowing. Users are ready.

But the LATAM market remains largely unclaimed.

Nubank went from zero to \$70 billion serving Brazilians with fiat accounts that lose value yearly. Imagine what a Web3 neobank can achieve offering dollar-denominated accounts earning 10%+ yields, zero-fee remittances, and instant cross-border transfers.

The technology is ready.

The market is ready.

The regulation is ready.



The question isn't if Web3 neobanks will dominate LATAM. The question is *who* executes first.

This report is just the starting point.

Over the coming weeks, we're diving deeper into the Web3 neobank ecosystem.

Expect:

- **Live conversations** with founders actively building in the space
Deep-dive articles/threads breaking down strategies and tactics
- **A follow-up report** featuring insights from dozens of builders, synthesizing what's actually working in LATAM

Follow us on [X/Twitter](#) to stay in the loop.

Thanks for reading.



About MOIC

*Growth doesn't happen by accident, it's architected. That's why we call ourselves **marketing architects**. We design go-to-market strategies, engineer viral campaigns, build communities from scratch, and turn Web3 projects into household names across Latin America.*

*MOIC Digital is a **Web3-native marketing firm** headquartered in **Florianópolis, Brazil**, with a team of **40+ specialists** who live and breathe the LATAM market every day. Since our founding, we've worked with **75+ projects** across DeFi, Layer 1s, Layer 2s, infrastructure, and now, Web3 neobanks.*

*Our client roster includes **Mantle, Balancer, Centrifuge, Truflation, Rayls, Zircuit, MilkyWay, and Neobankless**, among others. We don't just run campaigns. We **position narratives, activate KOLs, deploy member-get-member programs, secure partnerships, and build the distribution engines** that turn projects into market leaders.*

*t
If you're a Web3 neobank targeting Latin America, you're not competing against other crypto projects. You're competing against **Nubank, Nomad, Wise and legacy banks** with billion-dollar marketing budgets and decade-long brand recognition.*

MOIC Digital is the only marketing firm in LATAM with deep crypto expertise.

We've been in the trenches with Neobankless, helping them grow from 0 to 5,000+ users and R\$1.5M+ in transaction volume in Brazil. All of this in a limited alpha version and in less than 2 months. We know what works because we've built it.



Let's Build Your LATAM Empire

The 12-18 month first-mover window is closing.

The teams that execute now will own the market for the next decade.

We wrote this report to show you the opportunity. Now let us show you how to capture it.

Schedule a [free consultancy call](#) with Carolina, our Head of Business Development

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We build your next wave

