

FV Bank integrates PayPal's stablecoin, building needed momentum for the digital asset

Article

The news: FV Bank integrated PayPal's stablecoin, PayPal USD (PYUSD), into its banking services, per a press release.

- The digital bank's customers will be able to use the stablecoin for direct deposits and outbound payments like remittances.
- The feature will also offer automatic, real-time conversion to and from USD.

FV Bank also offers Circle's USDC and Tether's USDT as payment options.

The bigger picture: PayPal [launched PYUSD](#) in August 2023. Customers can use the stablecoin for [P2P payments](#) between PayPal, Venmo, and third-party wallets and for [fee-free remittances](#) via Xoom.

While PayPal has not released any of its own data on the stablecoin, so far, adoption seems to be minimal.

- PYUSD's market cap is \$503.23 million, per CoinMarketCap, making it the seventh-largest stablecoin.
- But PayPal has a long way to go to catch up to industry leaders USDT and USDC, which have market caps of \$137 billion and \$45 billion respectively.
- And [nearly 77% of all PYUSD](#) is held by just 10 wallets.

Our take: Tie-ups like this are a smart growth tactic because there is a strong use case for stablecoins for cross-border payments. They help make transfers faster and cheaper.

This partnership with FV Bank also signals there is growing momentum for PYUSD. We expect the stablecoin space as a whole to perform well once President-elect Donald Trump takes office and [ushers in an era of crypto-friendly regulation](#), which PayPal should capitalize on if it wants to catch up to its competitors.

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