

BlackRock's \$2.9 Billion BUIDL Tokenized Treasury Now Accepted as Collateral on Crypto.com and Deribit, Enhancing Institutional Crypto Trading

BlackRock's USD Institutional Digital Liquidity Fund known as BUIDL a \$2.9 billion tokenized U.S. Treasury fund, has recently been approved as collateral on Crypto.com and Deribit, two leading platforms in the crypto derivatives space. Announced by issuer Securitize, this integration represents a significant milestone in institutional crypto trading, allowing market participants to leverage Treasury-backed tokens for futures, options, and perpetual swaps, while simultaneously generating yield on their collateral.

Bridging Traditional Finance and Crypto Markets

BUIDL is the largest tokenized Treasury fund on the blockchain, fully backed by short-term, yield-bearing U.S. government securities. By tokenizing these securities, BUIDL offers institutional investors a blockchain-native alternative to traditional money market funds, combining capital preservation with attractive annual yields of approximately 4-5%.

The broader tokenized real-world asset (RWA) market has grown rapidly, expanding over 400% year-over-year to exceed \$7 billion in market capitalization, according to rwa.xyz data. BUIDL currently commands 41% of this market, reflecting strong institutional demand for secure, yield-generating collateral within decentralized finance ecosystems.

Advantages for Institutional Traders

The acceptance of BUIDL as collateral on Crypto.com and Deribit introduces a new paradigm in leveraged crypto trading by enabling institutions to reduce reliance on volatile cryptocurrencies or stablecoins, which often fail to generate yield. Using Treasury-backed tokens as margin collateral provides several key benefits:

- **Yield Generation on Collateral:** Traders earn income from U.S. government securities while maintaining leveraged market exposure.
- **Enhanced Risk Management:** Government-backed collateral mitigates counterparty and market volatility risks.
- **Increased Capital Efficiency:** Institutions can optimize balance sheets by using yield-bearing collateral to support leveraged positions.

Carlos Domingo, CEO of Securitize, highlighted that BUIDL is evolving from a pure yield instrument into a foundational element of crypto market infrastructure, meeting institutional requirements for capital-efficient, risk-mitigating collateral.

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Early Market Response and Outlook

Following the announcement, BUIDL's on-chain transfer volume increased by 18% within 24 hours, indicating rapid market adoption. Crypto.com's BTC-USDT perpetual swap market recently reported daily volumes exceeding \$1.4 billion, while Deribit's BTC options open interest is near \$9 billion platforms well positioned to benefit from increased collateral liquidity.

Market analysts estimate that BUIDL's integration could expand leverage capacity by 10-15% on these venues, potentially boosting trading volumes and liquidity. Comparable past events, such as MakerDAO's addition of U.S. Treasuries in 2022, led to a 22% increase in collateralized stablecoin activity within a month, underscoring the catalytic potential of this development.

Furthermore, this integration strengthens the linkage between traditional and crypto markets. Movements in U.S. Treasury yields will increasingly impact crypto leverage pricing through BUIDL's net asset value adjustments, introducing new considerations for traders.

Conclusion

The acceptance of BlackRock's BUIDL tokenized Treasury fund as collateral on major crypto derivatives platforms marks a pivotal advancement in the maturation of institutional crypto trading infrastructure. By combining the safety and yield of government securities with blockchain-based collateral flexibility, Crypto.com and Deribit are enhancing capital efficiency, reducing risk, and facilitating greater institutional participation in crypto markets.