EURC / Circle

Reserves • Liquidity • Redemption • MiCA • Multichain architecture

Executive summary

End-August 2026

Key takeaways

1. As of 31 July 2026, €397.4m of EURC are in circulation against €400.1m of examined reserves, implying a €2.75m surplus and a 100.69% coverage ratio.
2. The recently published reserve structure is simple: cash held at regulated financial institutions, adjusted for timing and settlement differences.
3. No Treasury bills, money market fund, CUSIP portfolio or reverse repo is published for EURC in recent Reserve Reports.
4. EURC is presented as an e-money token (EMT) under MiCA, issued and redeemed by Circle Internet Financial Europe SAS.
5. The main analytical limitation is not the level of coverage, but the absence of public disclosure by bank, country, maturity and mobilisable liquidity.
6. By end-August 2026, public data show high turnover in issuance and redemption flows, together with expanding multichain support.

Key message

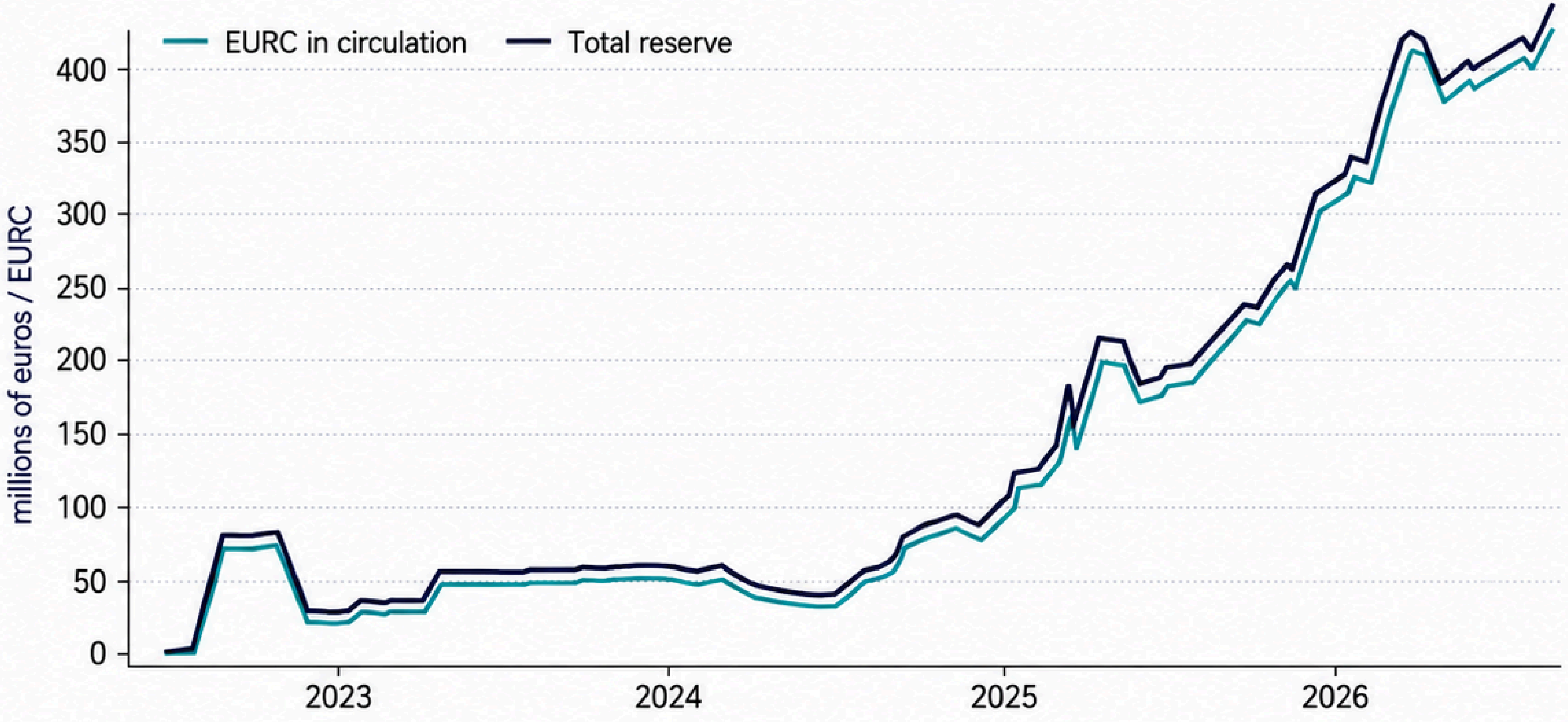
Our assessment: recent reserve structure prudent and readable, but insufficient granularity on banking counterparties and liquidity under stress.

Historical path of supply and reserves

Executive summary

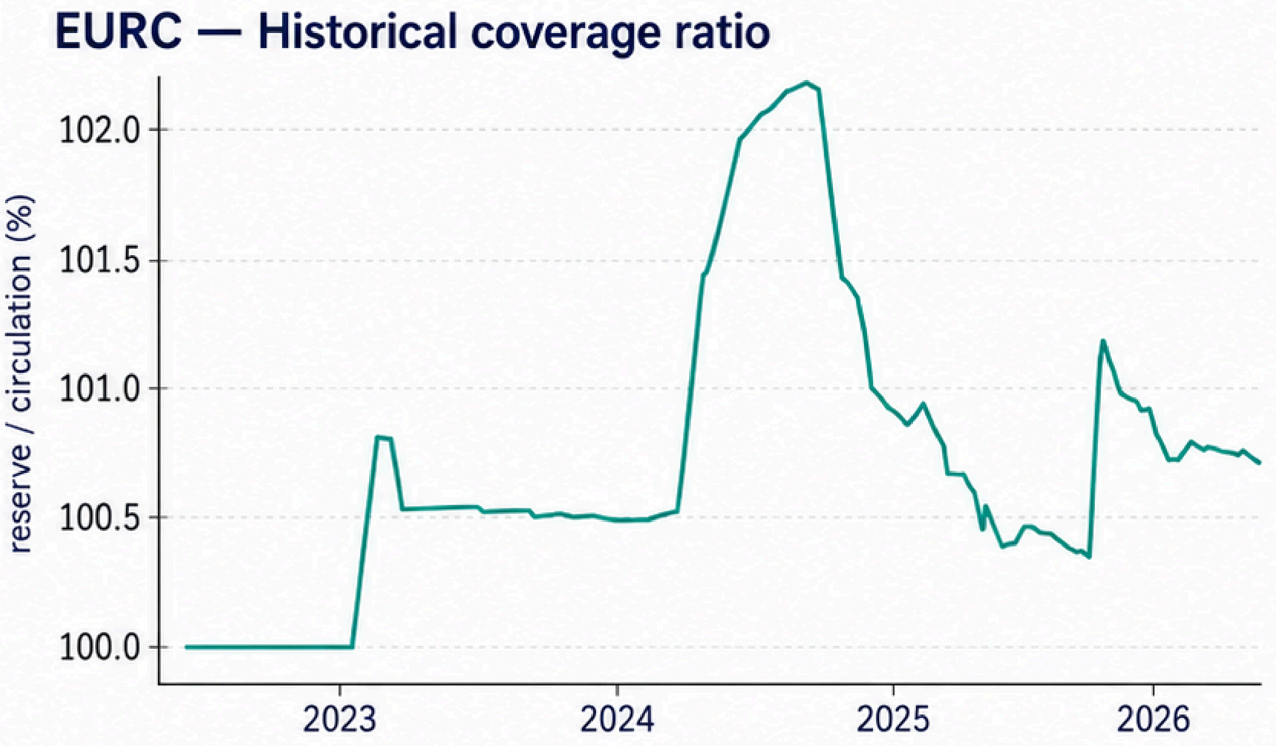
1. 50 monthly reports analysed, from June 2022 to July 2026
2. 93 distinct observation dates
3. 31 July 2026: €397.4m in circulation; €400.1m of examined reserves
4. Strong acceleration in supply from 2025 onward

EURC — Circulation and examined reserve (2022–Jul. 2026)



Reading: in the examined series, reserves closely track supply and remain slightly above circulation.

Coverage and reserve surplus



Average coverage: **100,72%**

Exact minimum observed: **100,00%**

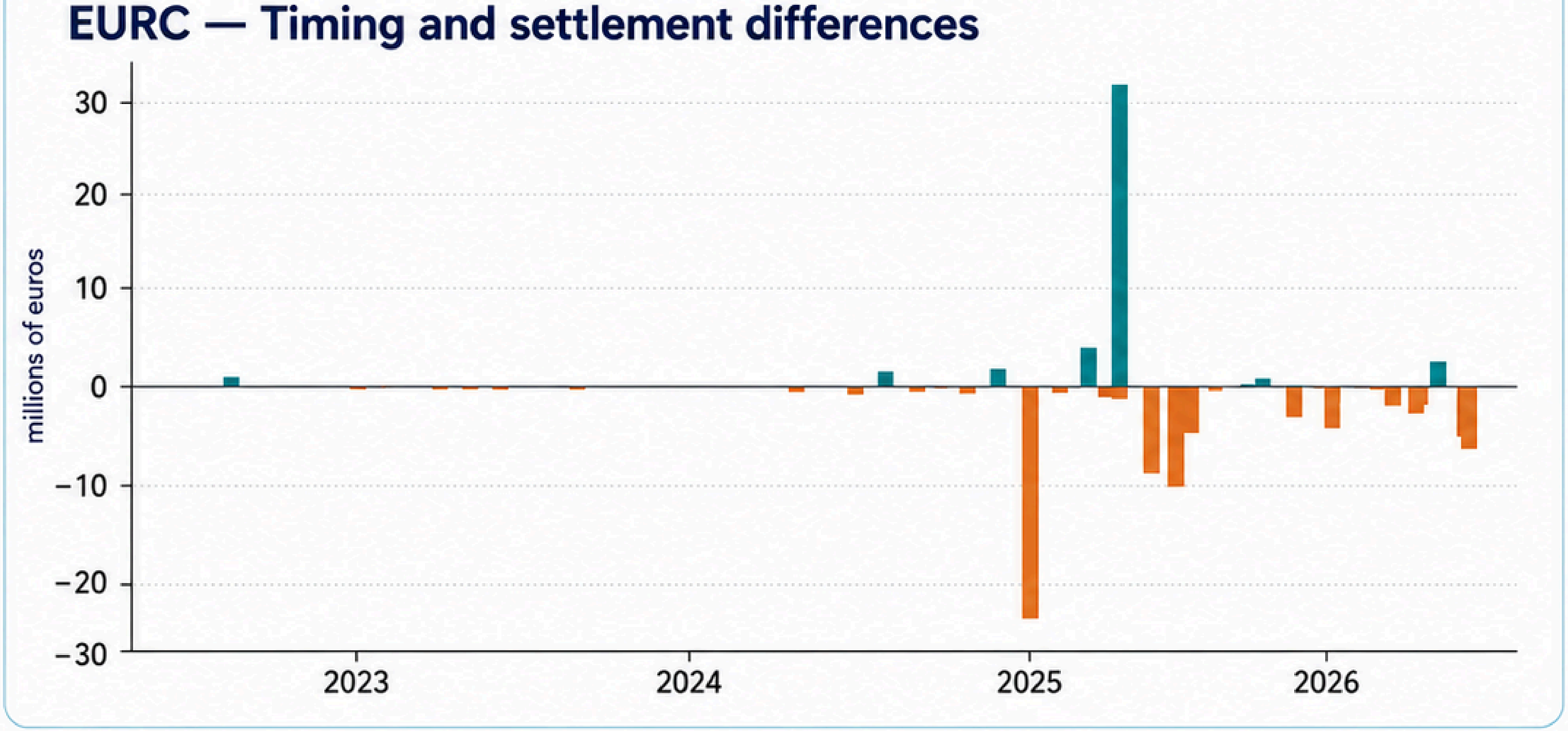
Exact maximum observed: **102,15%**

Surplus as of 31/07/2026: **€2.75m**

- No examined observation shows reserves below outstanding circulation.
- The coverage peak occurs on 18/07/2024.
- The surplus level varies, but remains positive over the recent series.

Conclusion: the central question is not published coverage, but the granularity of information on counterparties and liquidity.

Timing and settlement: a real reserve variable



Reserve Reports adjust bank cash for timing and settlement differences, notably linked to deposits and withdrawals occurring after banking cut-offs.

1. **Observed range: -€23.47m (31/12/2024) to +€31.90m (31/03/2025)**
2. **+€0.06m as of 31/07/2026**
3. This item can temporarily increase or reduce total reserves
4. It should not automatically be interpreted as reserve weakness

Why it matters

The apparent surplus partly depends on this item.
Coverage analysis should therefore distinguish bank cash and settlement adjustments.

What the EURC reserve discloses — and does not disclose

Disclosed in recent Reserve Reports	Not disclosed at this stage
Cash held at regulated financial institutions	Bank names and allocation by institution
Cash due to/(owed by) Circle due to timing and settlement differences	Country breakdown
Total EURC Reserve Assets	Maturity buckets and J+0 / J+1 liquidity
Reserve in euros, in Segregated Accounts	Treasury bills, money market funds, reverse repos, CUSIP
	Counterparties, haircuts, collateral, any asset manager

Key methodological point: EURC should not be mechanically mapped onto the USDC architecture.

Legal framework, MiCA and redemption

1 Entity chain

- **Management assertion** in Reserve Reports: Circle Internet Group, Inc.
- **Issuance and redemption:** Circle Internet Financial Europe SAS

2 MiCA reading

- EURC is presented as an e-money token (EMT)
- Right to redeem at par in euro
- The EMT framework does not turn EURC into a bank deposit
- No coverage by the French deposit guarantee scheme

3 Access to redemption

Circle Mint / professional client	Eligible retail holder	User via platform	Holder of non-affiliated wrapper
KYC/KYT strict, sanctions controls	KYC/KYT, sanctions controls, EEA IBAN	Operational dependence	Secondary market, liquidity and risks
Direct access	Relatively direct access	Indirect access	Very indirect access

Note : For an eligible retail holder, Circle generally indicates a timeframe of up to five business days.

Operational liquidity: what end-August 2026 shows

Circulation (27/08/2026):	Reserves (27/08/2026):	Issuance 7d:	Redemptions 7d:	Issuance 30d:	Redemptions 30d:
€395.9m	€398.6m	€100.0m	€107.3m	€376.4m	€375.7m

Over 365 days: €3,006.3m of issuance; €2,813.5m of redemptions.

1 Reserve liquidity

Cash reserves exceed circulation, with a €2.7m surplus (coverage ratio 100.69%). Solid level to absorb unexpected outflows.

2 Redemption liquidity

Redemptions rely on regulated banking rails, with clear cut-offs and execution via Circle Mint. Processing occurs on business days in line with banking hours.

3 Market liquidity

Tight spreads on major platforms and deep on-chain pools, but persistent multichain fragmentation. Monitor gaps and execution quality under stress.

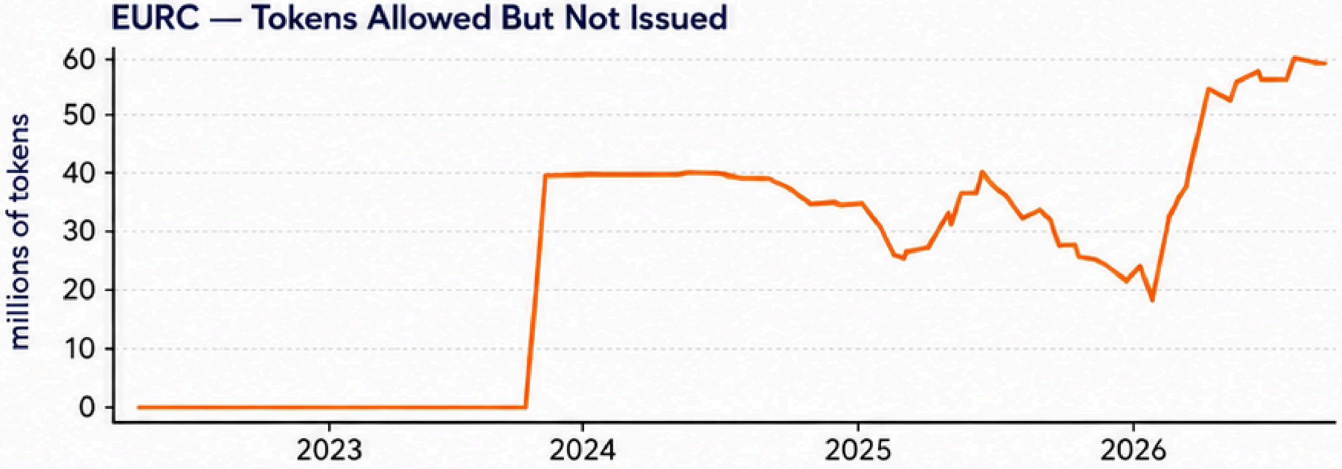
Message: published flows suggest strong operational capacity, but do not remove the need to analyse banking counterparties and liquidity under stress.

Multichain architecture

Native EURC networks supported (Circle public page — August 2026)

Ethereum · Avalanche · Stellar · Solana · Base · World Chain · Cronos · Plasma

As of end-August 2026, Circle's public page shows eight supported networks.
The July 2026 Reserve Report also mentions **Arc** among the **Approved Blockchains**; document dates and scopes should therefore be distinguished.



Tokens Allowed But Not Issued mainly arise from the technical implementation on **Solana**

31/07/2026: 59.4m authorised but not issued tokens

Access Denied Tokens: zero in recent observations

Key message:
Do not confuse native EURC issued by Circle with wrappers, bridges or third-party representations.

Strengths, watchpoints and conclusion

Strengths

1. Examined reserves consistently above supply in the series analysed
2. Recent architecture simple and readable: bank cash + timing adjustments
3. European legal framework and EMT / MiCA presentation
4. Right to redeem at par in euro
5. Ecosystem and multichain support expanding

Watchpoints

1. Banking concentration not publicly measurable
2. Insufficient granularity on countries, maturities and mobilisable liquidity
3. Dependence on banks, cut-offs and settlement processes
4. Operational redemption and compliance risk
5. Multichain fragmentation, wrappers and secondary-market risk
6. Segregation is protective, but not synonymous with absence of risk

Our conclusion:

As of end-August 2026, EURC shows a recent reserve profile that is prudent, readable and strongly framed from a regulatory standpoint. The main analytical limitation remains insufficient transparency on banking counterparties and liquidity effectively mobilisable under stress.