Solana (SOL)

Tokenholder Report

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Q3 2026

Blockworks Advisory

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SECTION 01

Executive Summary

REV and application revenue rose 48% as retail returned, ETP inflows quadrupled, tokenized equities set records, and token holders ratified a supply cut.

$75.7M	$299.1M	$492.3M	$7.1B
REAL ECONOMIC VALUE	APPLICATION REVENUE	SOL SPOT ETP NET INFLOWS	TOKENIZED EQUITIES VOLUME
+48% QoQ	+48% QoQ	vs $113.7M in Q2	+40% QoQ

Solana's core financial metrics turned higher in Q3 2026. REV rose 48% QoQ to $75.7M, its first quarterly increase since Q4 2024, and application revenue rose 48% to $299.1M, the highest since Q3 2025. September was the strongest month for both REV ($30.1M) and app revenue ($117.1M) since January, and tokenized equities set a new all-time high of $4.4B in September alone, taking the category to a record $7.1B for the quarter, up 40% QoQ. DEX volume rose 23% to $197.2B, and Solana's share of spot DEX volume across chains climbed to 36%, the ninth consecutive quarter above 30%, cementing its positioning as the king of spot trading.

Institutional demand accelerated alongside the rally. SOL spot ETPs recorded $492.3M in net inflows, more than four times Q2's $113.7M and the strongest quarter since Q3 2025, with US spot SOL ETFs posting their largest single day on record ($71.5M on September 25th) late in the quarter. Spot ETP AUM nearly doubled to $3.7B, with Bitwise's BSOL crossing the $1B AUM mark. Staked SOL reached a record 441M and DATCO holdings grew 8% to 18.8M SOL, the strongest quarterly growth since Q4 2025.

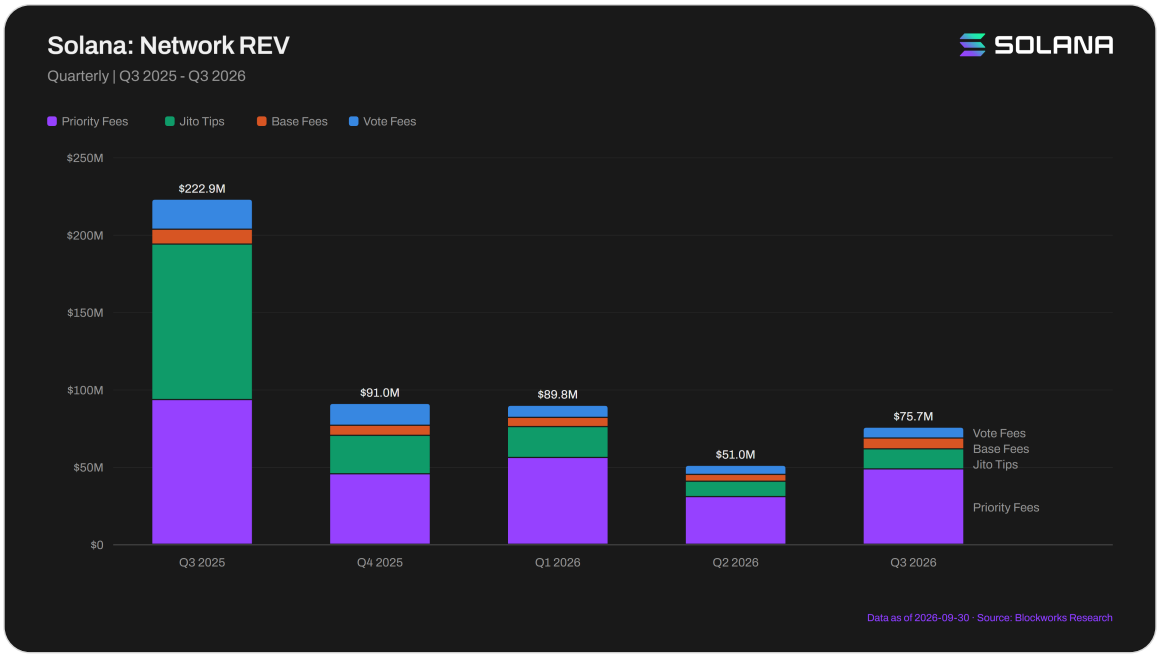
Solana's first binding onchain votes concluded on August 28th on Solana's governance platform, with SIMD 550 (SGP 002) passing, doubling the disinflation rate and pulling the 1.5% terminal inflation rate forward from 2032 to 2029. SIMD 553 (SGP 003), which proposed a resource and inclusion fee, fell short of the two-thirds threshold. At the protocol level, slot times stepped down from 400ms to 250ms across three activations, blocks grew to 100M compute units, and the network processed a record 14.2B non-vote transactions. Alpenglow, which brings 150ms finality, went live on public testnet on September 22nd and now moves toward mainnet scheduling.

SECTION 02

Financials

Real Economic Value (REV)

Solana's Real Economic Value (REV) totaled $75.7M in Q3 2026, up 48% from Q2's $51.0M and the first quarterly increase since Q4 2024. The recovery strengthened every month, with REV rising from $19.1M in July to $26.5M in August and $30.1M in September, the highest monthly figure since January. The rebound was broad-based across components: priority fees rose 58% QoQ to $48.7M and contributed roughly 64% of REV, Jito tips rose 30% to $12.9M, and base and vote fees together contributed $14.0M on record transaction counts.

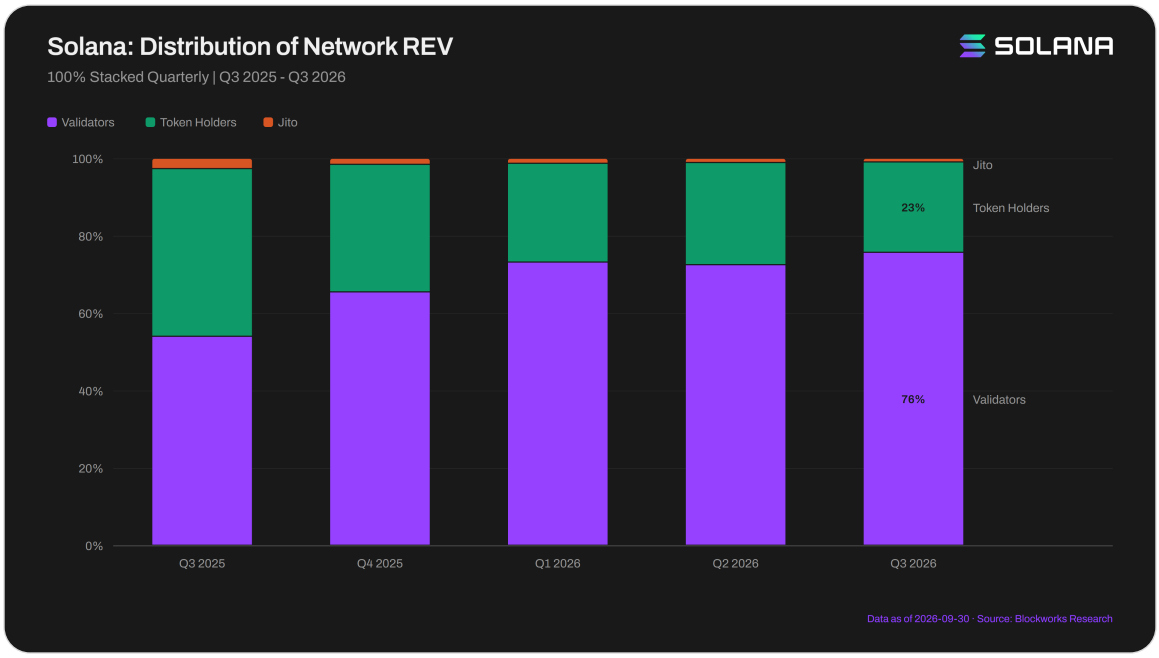


Solana: Network REV. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

Token holder net income, which measures REV less operator payments, came in at -$0.6M for the quarter, a notable improvement from -$3.6M in Q2. More

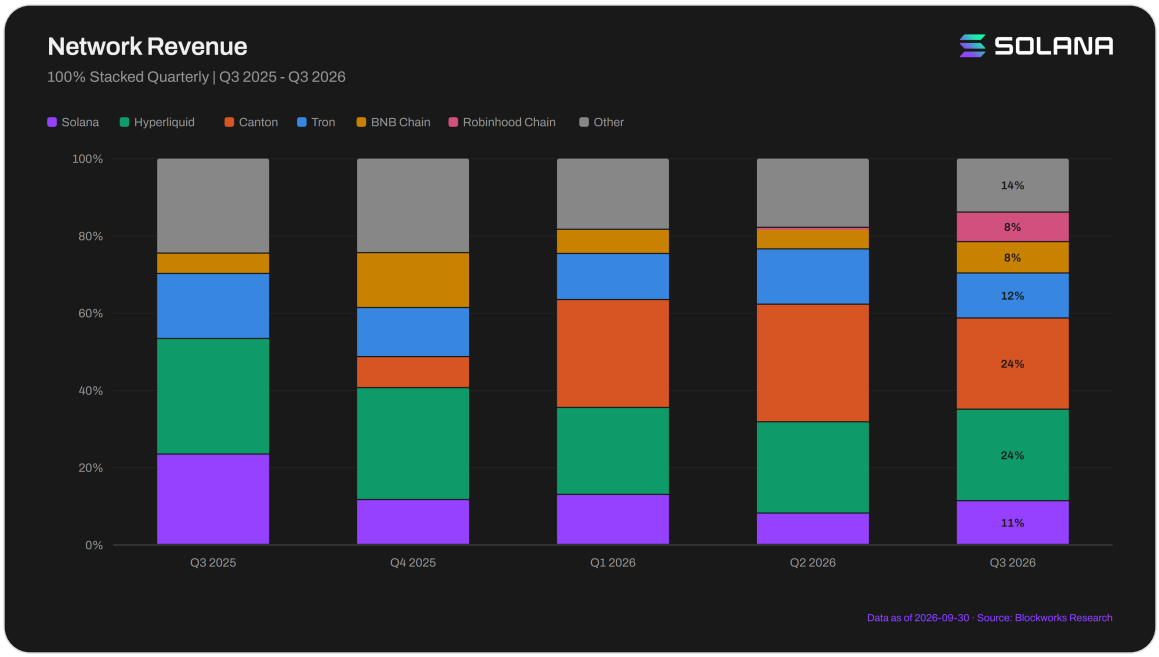
importantly, it turned positive in August (+$0.1M) for the first time since February and stayed positive in September (+$0.1M), meaning fee revenue once again exceeded the network's operator cost base for two consecutive months.

The distribution of REV across network stakeholders remained consistent with recent quarters: roughly 76% accrued to validators, 23% to token holders, and about 1% was captured by Jito.



Solana: Distribution of Network REV. 100% Stacked Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

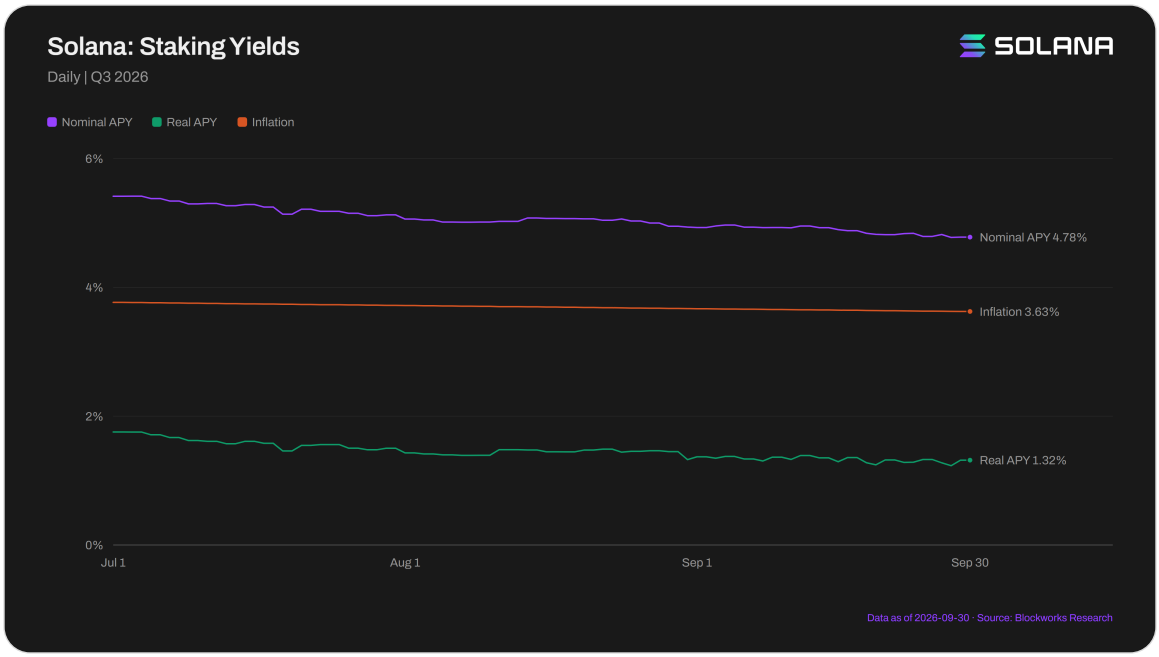
When looking at revenue by chain, Solana ranked fourth with an 11% share ($75.7M), up from fifth and 8% in Q2. Hyperliquid (24%, $158.1M) and Canton (24%, $157.6M) led, with Tron third at 12% ($77.8M). Solana moved ahead of Ethereum ($41.1M) during the quarter, stayed ahead of BNB Chain ($54.2M), and briefly ranked third in August with a 12% share. It is important to note that on Canton, fees are burned by applications rather than end users, with those applications and validators receiving newly minted CC as activity rewards. As such, activity on the network is highly incentivized.



Network Revenue. 100% Stacked Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

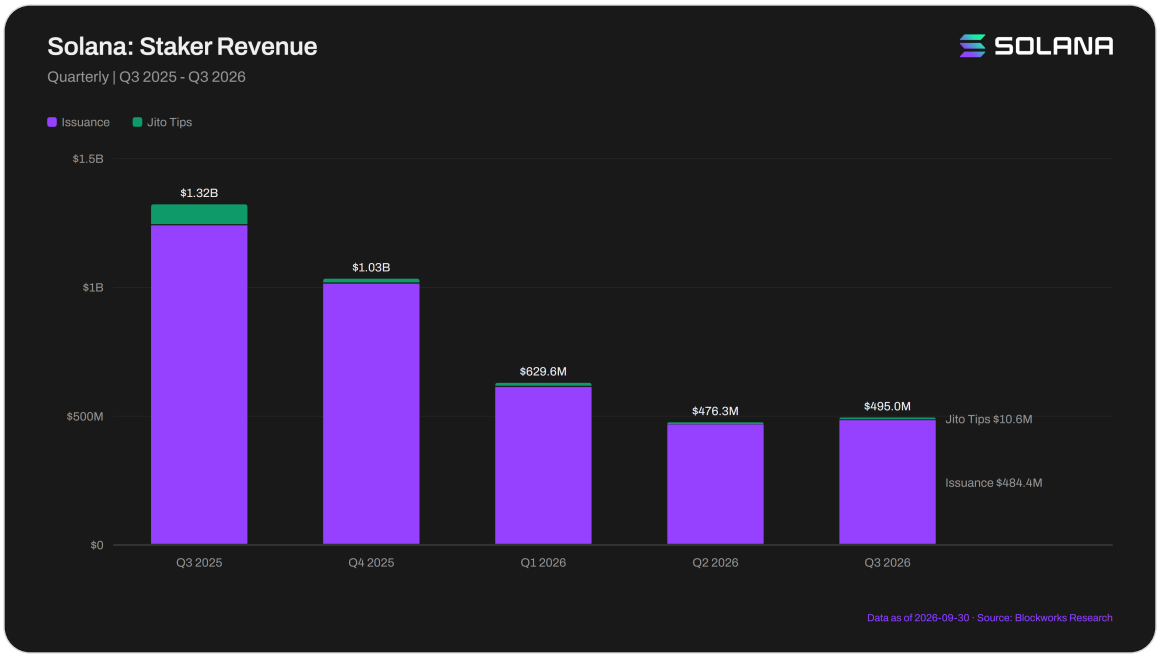
Staker Revenue

SOL's nominal staking yield ended Q3 at approximately 4.8%, down from 5.4% at the end of Q2, as the emission schedule continued to decay. With inflation now sitting near 3.6%, real staking yield (nominal yield less inflation) ended the quarter at approximately 1.3%.



Solana: Staking Yields. Daily | Q3 2026. Source: Blockworks

Solana stakers earned $495.0M in Q3 2026, up 4% from Q2, as SOL's price recovery outweighed the lower issuance rate. Issuance accounted for roughly 98% of staker revenue, with Jito tip yield contributing $10.6M, up 32% QoQ. Staked SOL reached a record 441.3M at quarter end, up 3.3% QoQ, and the dollar value of staked SOL rose 64% to $52.6B.



Solana: Staker Revenue. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

Q3 saw the issuance debate turn into policy with the passing of SGP 002. SGP 002, which reflects Helius' SIMD 550, passed its voting phase on August 28th and doubles Solana's disinflation rate from 15% to 30% a year, leaving the 1.5% terminal rate unchanged while reaching it in 2029 rather than 2032 and removing roughly 18.9M SOL of emissions over the period.

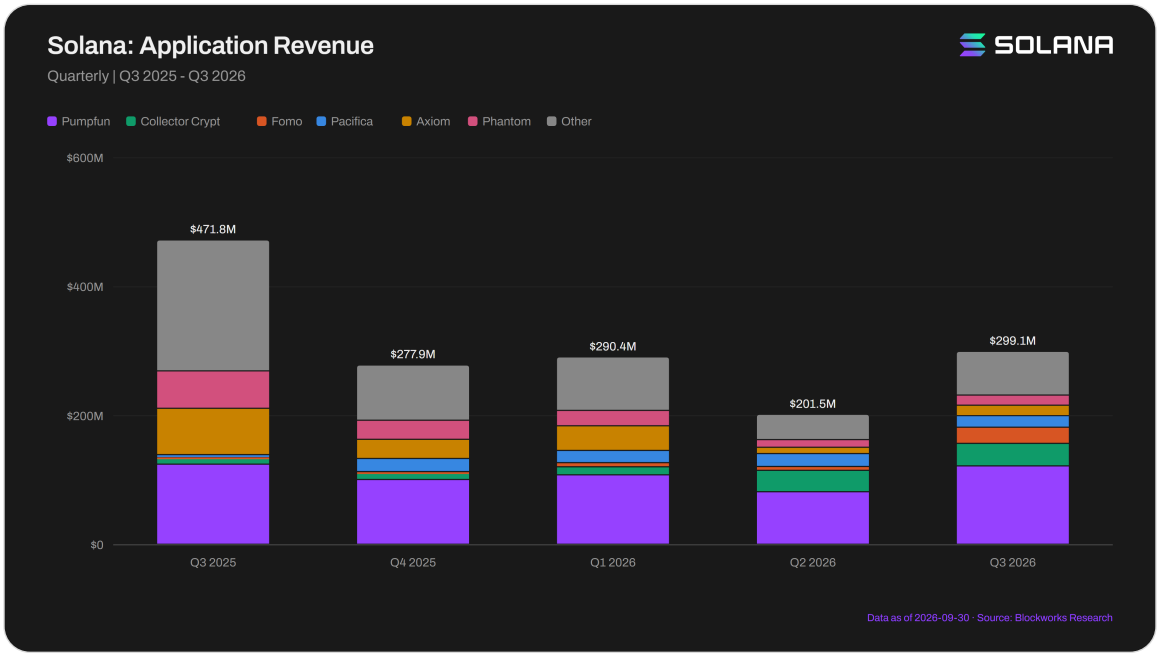
The vote itself took place on Solana's new governance platform. Passage requires a one-third quorum and two-thirds approval of participating stake, with SGP 002 clearing both with little room to spare. Delegator overrides, which allow stakers to override their validator's votes, proved decisive. 901 stakers overrode their validator's votes to move 11.2M SOL of stake at more than 99% in favor.

The staker-economics story remains tied to SIMD 123, which would introduce a standardized in-protocol mechanism for validators to share priority fees with stakers. With priority fees at nearly two-thirds of REV, in-protocol fee sharing remains the single largest pending improvement to staker value accrual, and it is expected to ship alongside Alpenglow.

Application Revenue

Application revenue serves as an indicator of success for businesses within an ecosystem. While REV is an important metric to track, the true metric of an ecosystem's product market fit is the revenue generated by user-focused applications.

Solana applications generated $299.1M in revenue in Q3 2026, up 48% from Q2's $201.5M and the highest quarterly total since Q3 2025. Monthly revenue climbed from $75.4M in July to $106.5M in August and $117.1M in September, the strongest month since January.



Solana: Application Revenue. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

The leading apps by revenue in Q3 were Pump ($121.5M, 41%), Collector Crypt ($35.0M, 12%), Fomo ($24.9M, 8%), Pacifica ($18.0M, 6%), and Axiom ($16.2M, 5%). The breadth behind the leader improved meaningfully, with trading terminal Fomo quadrupling its revenue QoQ and Axiom growing 65%. Phantom ($15.6M) and Jupiter ($11.6M) also grew revenues through each month of the quarter.

SECTION 03

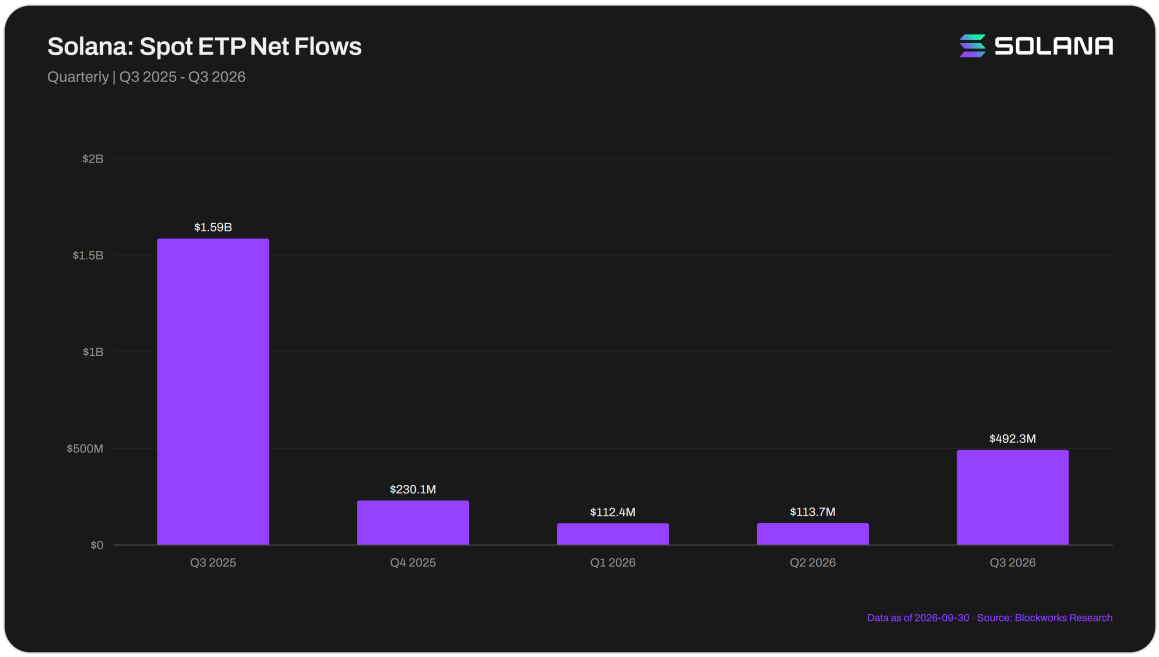
Institutional Flows

The institutional adoption seen through Q2 continued into Q3. As highlighted last quarter, seven of the 29 global systemically important banks (G-SIBs) have live Solana capabilities, led by JP Morgan Chase and Citigroup, the two most systemically important names on the list by capital-surcharge tier. The deployments span the full service stack rather than a single use case: tokenization and delivery-versus-payment settlement at JP Morgan, SOL and SPL custody alongside USDC mint/burn and fund administration at BNY Mellon, custody, spot trading, ETFs, and lending at Morgan Stanley, stablecoin issuance at Société Générale, and a money-market fund at State Street.

In Q3, Charles Schwab, with nearly 40 million active accounts and more than $13 trillion in client assets, announced spot SOL access through Schwab Crypto, and Morgan Stanley rolled out SOL trading on E*Trade. On the asset management side, BlackRock launched BRSRV, a money market fund for stablecoin reserves on Solana, and filed with the SEC to issue tokenized fund shares on the network. Visa's new Stablecoin Platform, built to let banks and fintechs mint, hold, and transfer stablecoins, launched with Solana among its initial supported networks. Investors and institutions can now reach SOL and Solana-based assets through the brokerages, funds, and payment networks they already use.

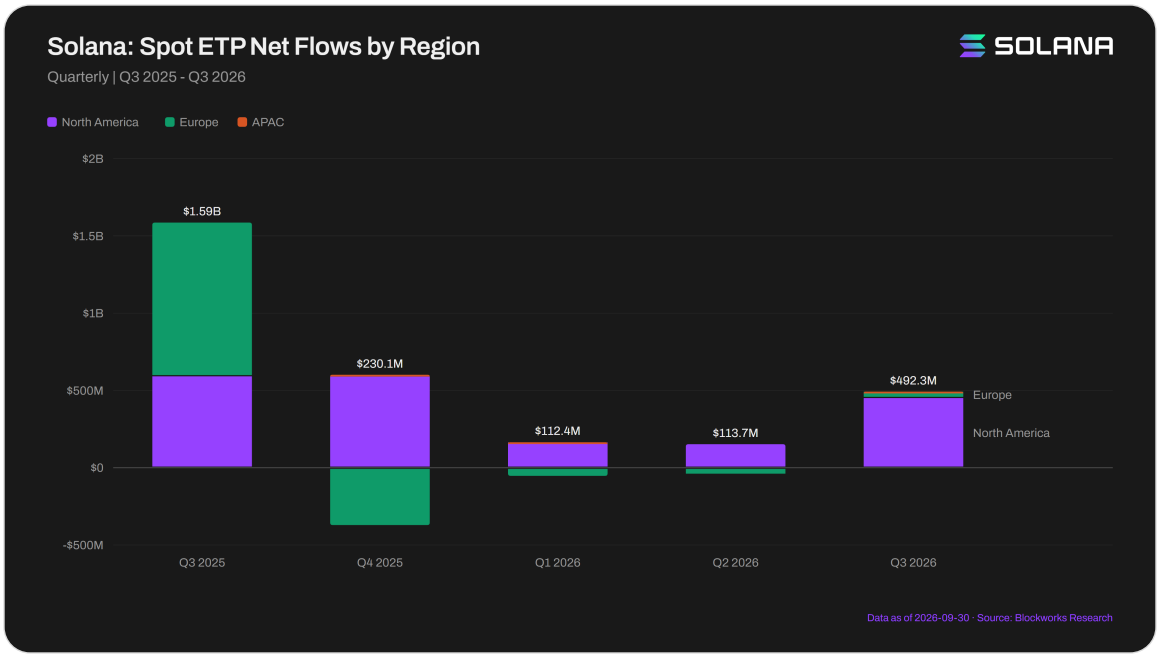
Exchange-Traded Products (ETPs)

SOL spot ETPs recorded $492.3M in net inflows in Q3 2026, more than four times Q2's $113.7M and the strongest quarter since Q3 2025. Flows accelerated each month: $30.6M in July, $197.6M in August, and $264.2M in September, the strongest month in a year. US spot SOL ETFs set a YTD inflow record of $56.1M on August 27th, then surpassed it twice in September, culminating in $71.5M on September 25th. That day capped a $184.5M week, with Bitwise's BSOL contributing $54.3M on September 25th, its best day of 2026. BSOL now holds $1.36B in AUM, having crossed the $1B AUM mark in early September.



Solana: Spot ETP Net Flows. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

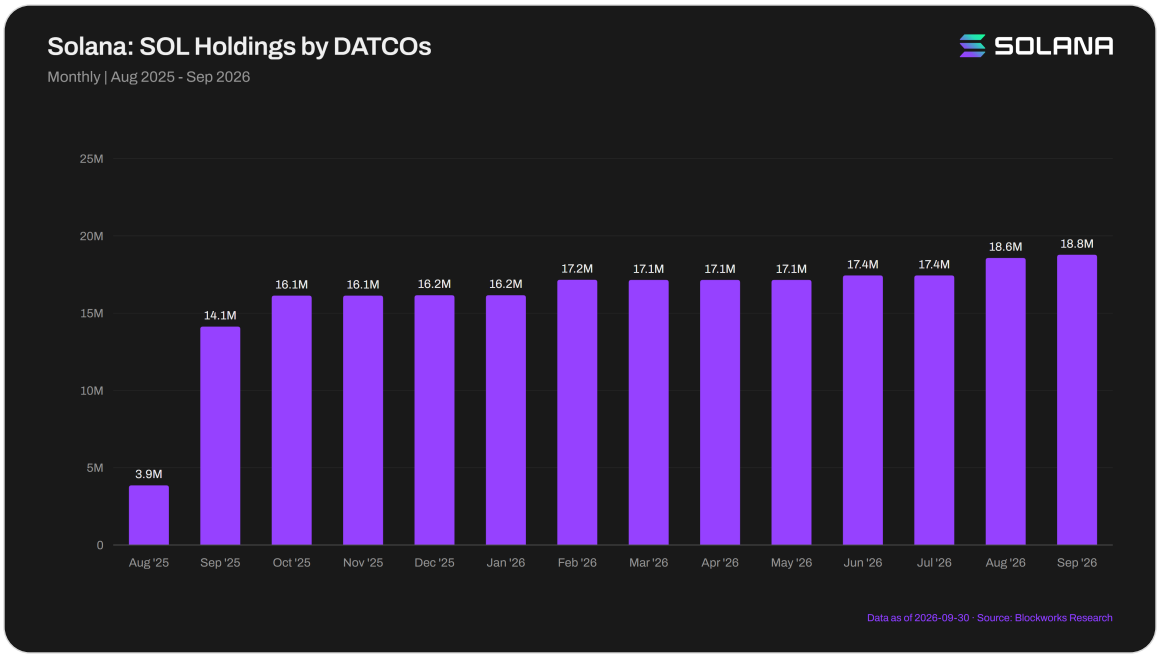
Regionally, North America remained the engine with $450.8M in net spot inflows, while Europe turned positive at $41.4M after three consecutive quarters of outflows. Spot ETP AUM ended the quarter at $3.7B, up 94% QoQ, as inflows and SOL's 62% price rally compounded.



Solana: Spot ETP Net Flows by Region. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

Digital Asset Treasury Companies (DATCOs)

SOL DATCO holdings saw their strongest growth since Q4 2025, rising 7.7% QoQ to 18.8M SOL from 17.4M at the end of Q2, with aggregate NAV up 71% to $2.2B. Most of the growth came in August, when SOL's rally let treasury companies issue equity accretively again after months of mNAV discounts and thin secondary liquidity. Forward Industries led the accumulation, adding 254K SOL between July 1st and August 3rd to reach roughly 7.8M SOL and SOL equivalents, nearly all of it staked through its own validator.



Solana: SOL Holdings by DATCOs. Monthly | Aug 2025 - Sep 2026. Source: Blockworks

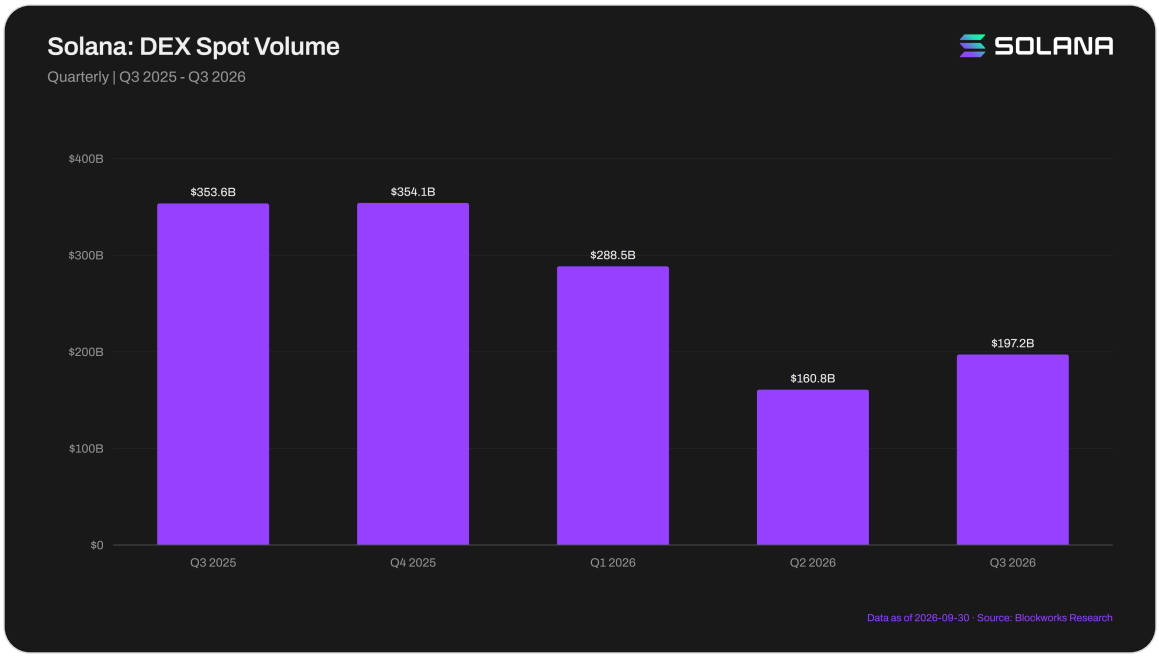
SECTION 04

Sector Analysis

Retail traders returned to Solana at speed in Q3, driving record transaction counts, a 69% jump in trade count, and resurgent launchpads. Newer categories kept growing alongside them: tokenized equities set a record in a market that grew roughly ninefold, and Solana's share of spot DEX volume across chains rose to 36%. The Solana Foundation debuted their Frontier Traders program in Q3, a community and rewards program for high-volume trades, which saw promising early traction.

Spot Trading

Solana DEX spot volumes totaled $197.2B in Q3 2026, up 23% from Q2's $160.8B. Solana handled the most spot volume across networks for yet another quarter, representing 36% of volume, ahead of Ethereum (17%), BNB Chain (14%), and Robinhood Chain (12%). This marks the ninth consecutive quarter in which Solana accounted for over 30% of spot DEX volume, and its share rose from 34% in Q2.

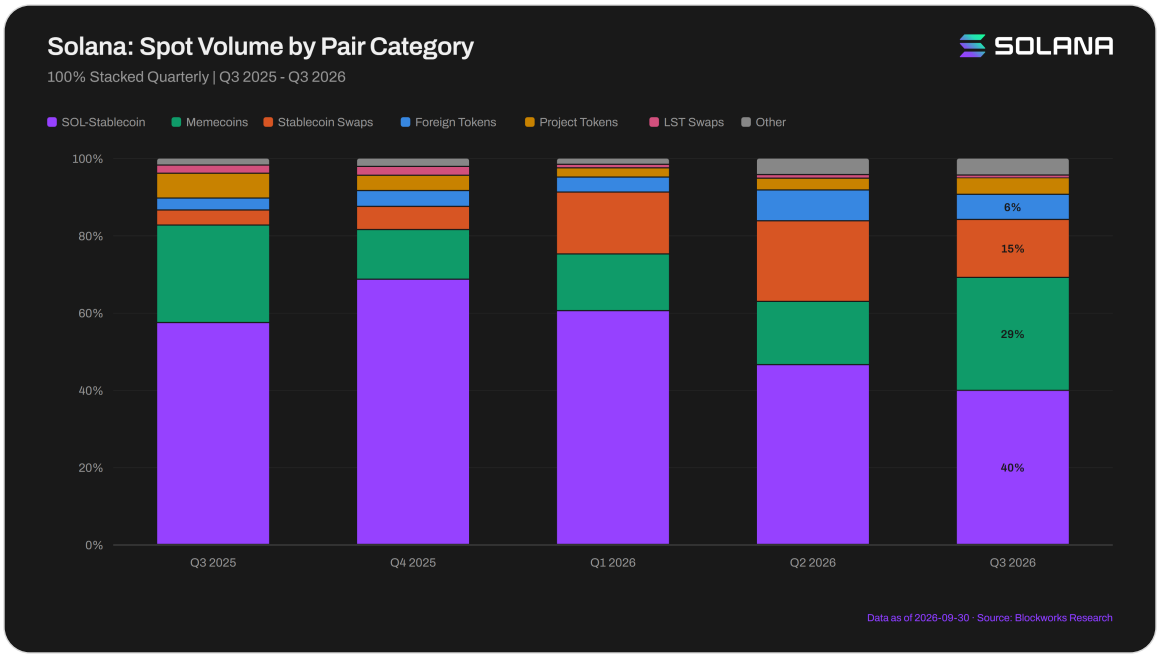


Solana: DEX Spot Volume. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

Volumes rose from $50.5B in July to $67.2B in August and $79.5B in September, the strongest month since February. Trade count grew even faster, rising 69% QoQ to 1.74B trades, with September alone reaching 771M trades. Pump's integrated AMM was the largest single venue at roughly 21% of Q3 volume, followed by BisonFi (13%) and Raydium (10%). Aggregators routed 55% of volumes to spot DEXs in Q3 2026, down from 65% in Q2 as more flow went directly to venues.

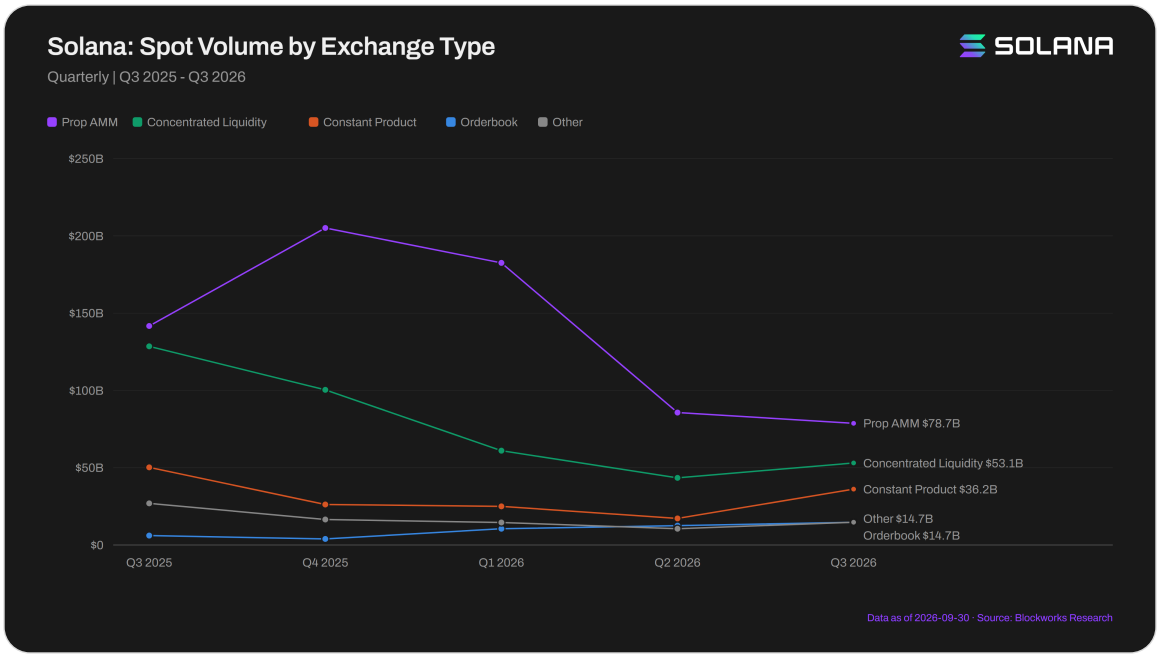
The Frontier Traders program drew strong early adoption. In the first 30 days after launch, more than 90,000 retail traders signed up, and Frontier Traders activations drove over $3.6 billion in combined perpetuals and spot trading volume. These results point to strong retail demand and show that the program can turn user acquisition into meaningful onchain trading activity.

SOL-stablecoin pairs remained the anchor at roughly 40% of volume, while memecoins rose to 29% from 16% in Q2, their strongest showing since mid-2025. Stablecoin swaps represented 15% of volume, foreign tokens 7%, and project tokens and tokenized assets roughly 4% each.



Solana: Spot Volume by Pair Category. 100% Stacked Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

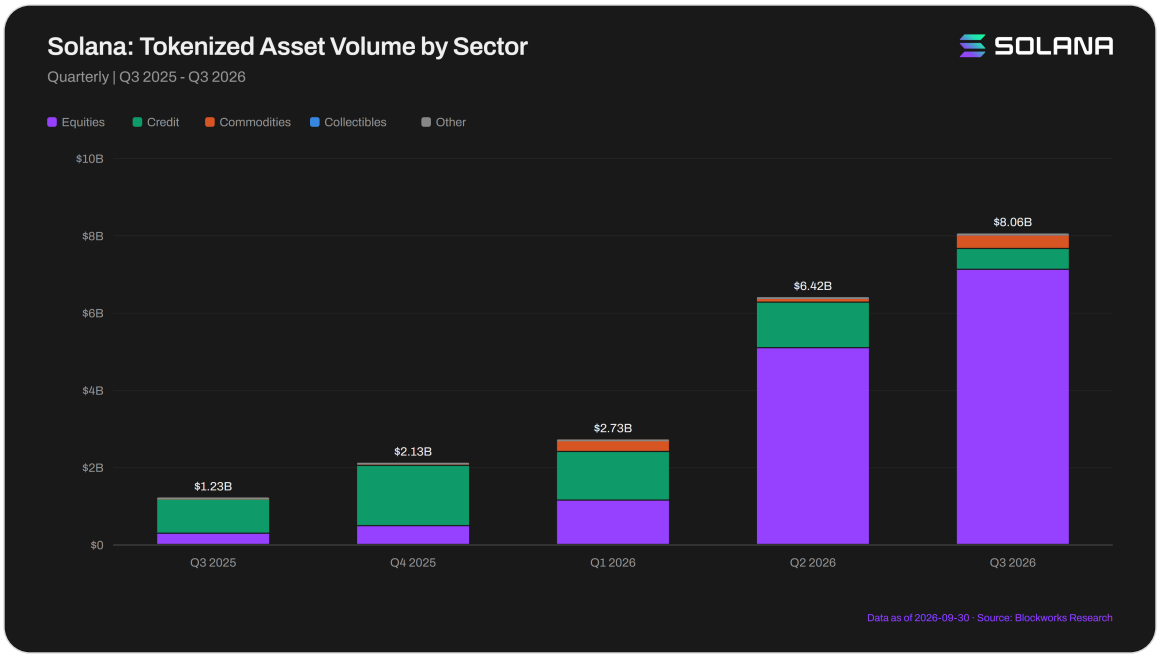
Prop AMMs remained the largest exchange type on Solana. Prop AMMs are spot exchanges with actively managed liquidity via oracle updates, each operated by an individual market maker who updates quotes multiple times per second. Their share of spot DEX volume was 40% in Q3, down from 51% in Q2, as memecoin flow concentrated on constant-product pools, whose share rose to 18% from 10%. The shift tracks the asset mix: prop AMMs specialize in the major pairs, and memecoins trade almost entirely on pools.



Solana: Spot Volume by Exchange Type. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

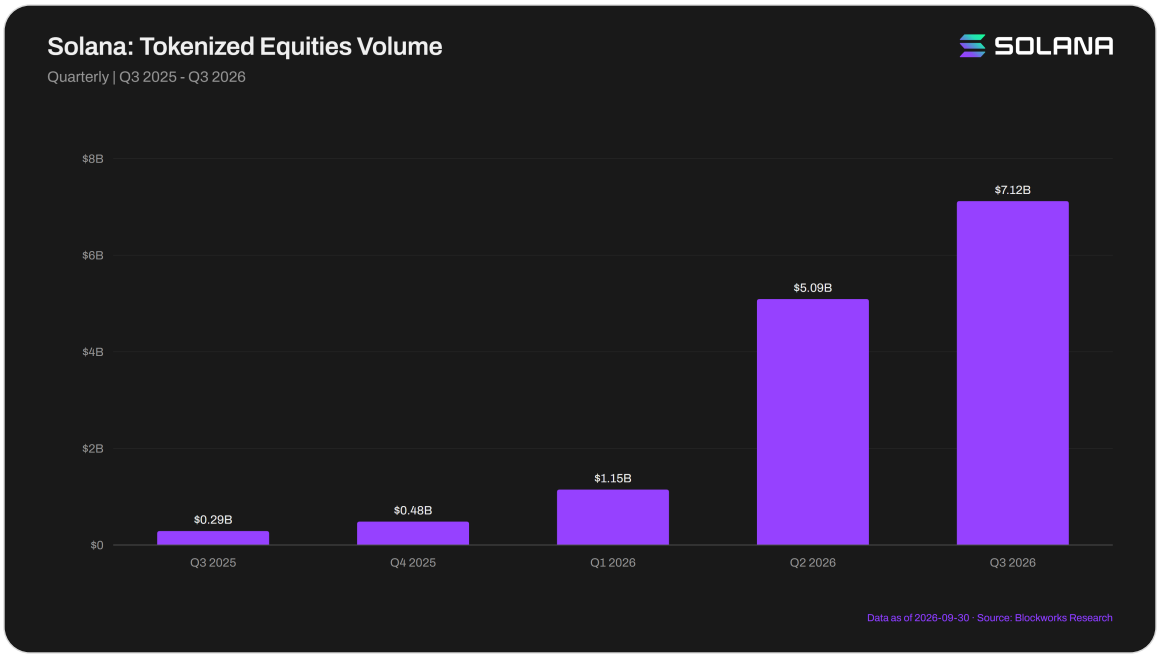
Tokenized Assets

Tokenized assets set another record in Q3 2026. DEX volume in tokenized assets reached $8.1B, up 26% QoQ and a new all-time high for a seventh consecutive quarter.



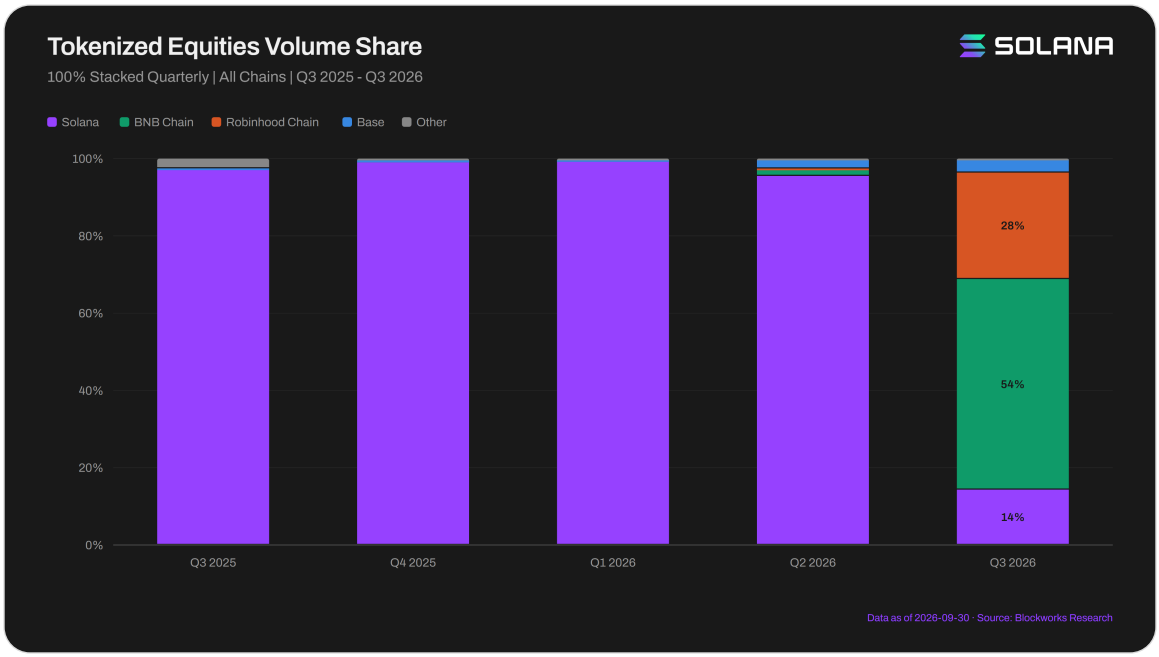
Solana: Tokenized Asset Volume by Sector. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

Tokenized equities accounted for 88% of that activity at $7.1B, up 40% from $5.1B in Q2 and a record for the category. After a quieter July ($1.5B) and August ($1.3B), September reached an all-time monthly high of $4.4B, surpassing June's SpaceX-driven $3.5B. The September surge coincided with a rapid expansion of supply and access: tokenized-equity holders on Solana rose 88% in the first twelve days of the month to more than 800K as StonkFun and Pump introduced trading pairs backed by tokenized stocks.



Solana: Tokenized Equities Volume. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

The category also became far larger and more competitive. Cross-chain tokenized-equity volume reached $49.7B in Q3, roughly nine times Q2. Solana's share of cross-chain volume moved from 95% in Q2 to 14% for the quarter, with BNB Chain at 55%, Robinhood Chain at 28%, and Base at 3%. The monthly trend is more encouraging, with Solana's share nearly doubling from 10% in August to 19% in September, as its own volume more than tripled MoM.

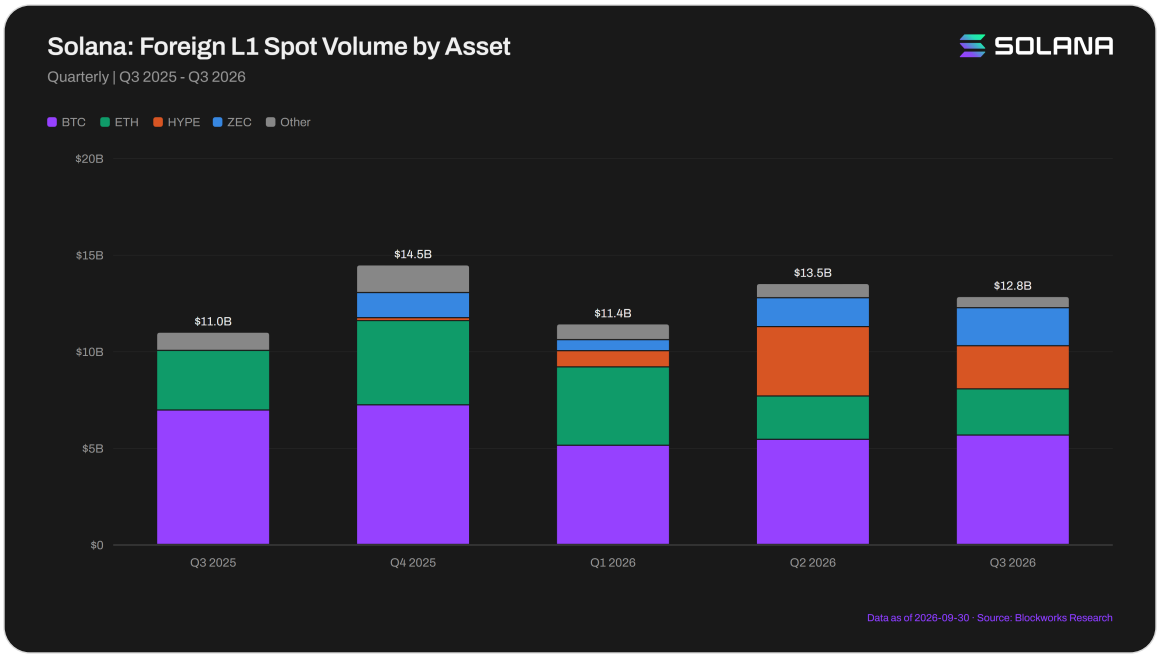


Tokenized Equities Volume Share. 100% Stacked Quarterly | All Chains | Q3 2025 - Q3 2026. Source: Blockworks

Beyond equities, tokenized private credit contributed $539M (7% of volume), commodities nearly tripled to $363M, and collectibles, led by Collector Crypt's trading-card market, grew 78% to $36M.

Foreign L1 Tokens

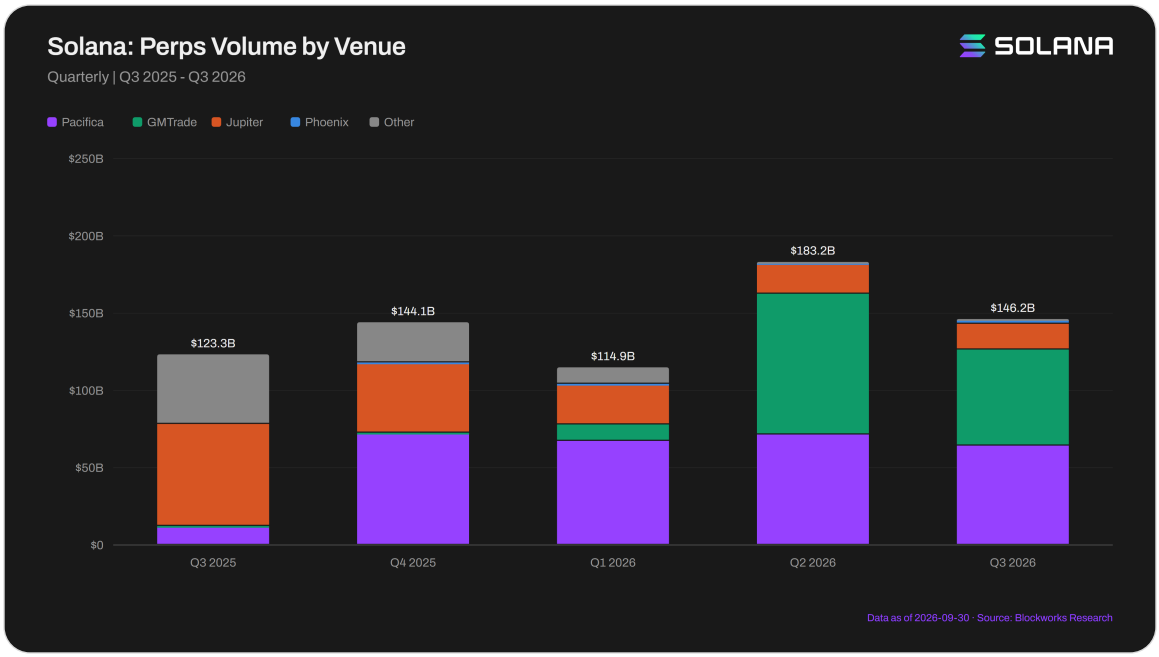
Foreign L1 tokens traded $12.8B on Solana in Q3, 6.5% of DEX volume, down 5% from Q2's $13.5B as memecoin volume expanded around them. BTC pairs grew 4% to $5.7B, followed by ETH ($2.4B, up 7%), HYPE ($2.2B, down 39%), and ZEC ($2.0B, up 30%), which nearly drew level with HYPE.



Solana: Foreign L1 Spot Volume by Asset. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

Perpetual Futures

Solana-based perpetual futures platforms processed $146.2B in notional volume in Q3 2026, down 20% from Q2's record $183.2B but still the second-highest quarter on record. Monthly volume was steady at $47.1B in July and $46.1B in August before rising 15% to $53.0B in September. Pacifica overtook GMTrade for the top spot with 44% of volume ($64.3B) against GMTrade's 42% ($62.1B), and Jupiter at 11% ($16.7B).

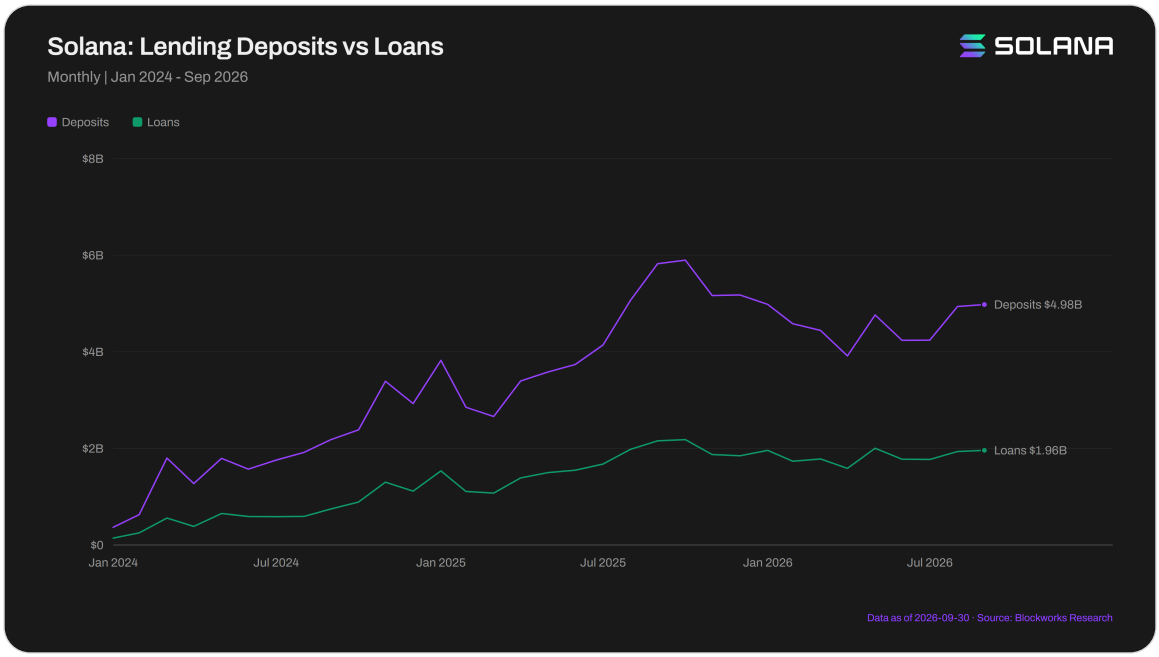


Solana: Perps Volume by Venue. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

Phoenix, built by Ellipsis Labs, remains the most credible attempt to close the perps gap on Solana in a fully onchain form, and it grew rapidly in Q3. Volume more than tripled QoQ to $2.7B. Drift, meanwhile, completed its rebuild after the April exploit and relaunched as Velocity, a USDT-settled perps venue, and opened claims for exploit losses shortly after quarter end.

Lending

Lending recovered with the market. Total deposits across Solana money markets ended Q3 at $5.0B, up 18% from $4.2B at the end of Q2, while outstanding loans rose 10% to $2.0B. The increase retraced most of the first half's decline as demand for onchain leverage returned with the rally. USDe supply on Solana, which scaled from near zero to over $500M in Q2 through the Jupiter Lend and Kamino markets, held near $450M at quarter end.

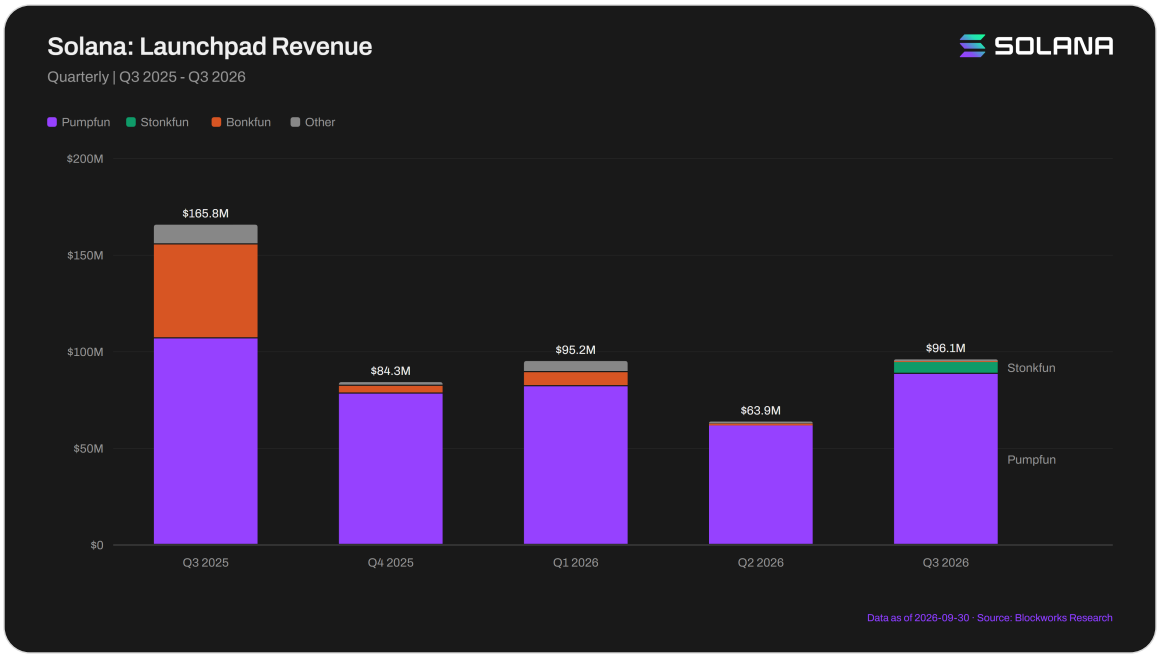


Solana: Lending Deposits vs Loans. Monthly | Jan 2024 - Sep 2026. Source: Blockworks

Consumer

Token Launchpads

Launchpads had their strongest quarter in a year. Launchpad volume totaled $50.8B in Q3 2026, up 95% from Q2's $26.0B and the highest since Q3 2025, while token creation rose 27% to 3.5M tokens launched, the most since Q1 2025. Launchpads on Solana generated $96.1M in revenue, up 50% from $63.9M in Q2, with monthly revenue rising from $21.9M in July to $36.4M in August and $37.8M in September.

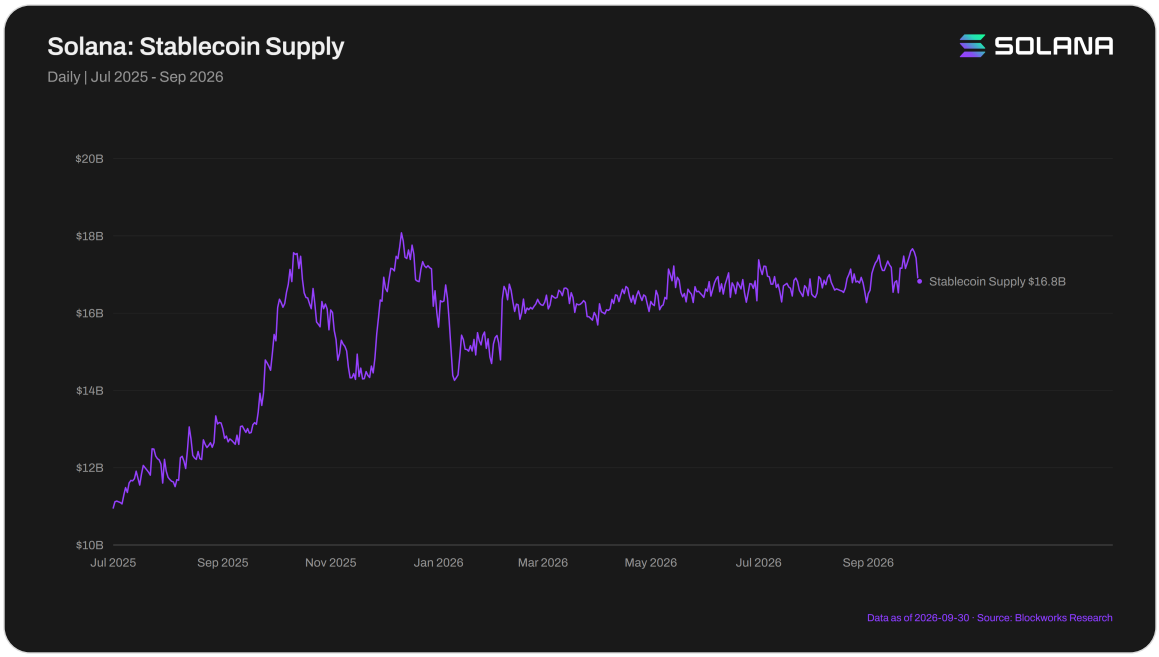


Solana: Launchpad Revenue. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

Pump accounted for 92% of launchpad revenue. The notable new entrant was StonkFun, which captured roughly 7% of Q3 revenue, the first launchpad to hold a visible share against Pump in 2026. Q3's gains came from a broader return of retail activity, and new entrants found room to compete.

Stablecoins

Total stablecoin supply on Solana ended Q3 2026 at $16.8B, up 3% QoQ and the second consecutive quarter of growth, and climbed further to $17.4B in the first days of October. USDC held 47% of supply and USDT 23%, while USD1 (8%), USDGO (7%), PYUSD (5%), and USDG (4%) together accounted for nearly a quarter, a sign of how many issuers now treat Solana as a primary deployment venue.



Solana: Stablecoin Supply. Daily | Jul 2025 - Sep 2026. Source: Blockworks

Payments

Solana has processed more than $5T in stablecoin volume so far in 2026, and Q3 extended that momentum. The quarter closed with the September 30th launch of Open USD (OUSD), a stablecoin from Open Standard issued natively on Solana by Bridge, with reserves held at BlackRock, Lead Bank, and BNY. Its five founding partners, Coinbase, Mastercard, Shopify, Stripe, and Visa, have committed more than $1B to OUSD liquidity, and more than 200 companies, including UBS and SBI Holdings, plan to integrate it.

Remittances were the clearest live use case. Western Union rolled out its Solana-based USDPT stablecoin alongside its Digital Asset Network and Stablecard with Rain, using Crossmint's wallet and payment infrastructure to link digital dollars to cash access across more than 360,000 collection points. Zepz, the company behind WorldRemit and Sendwave, launched the Sendwave Wallet for recipients in more than 100 countries, and MoneyGram brought its Ramps service to Solana, giving builders a single API for cash deposits in more than 25 countries and withdrawals in more than 170. The Solana Foundation formalized the push with the appointment of Jamal Raees as General Manager of Payments.

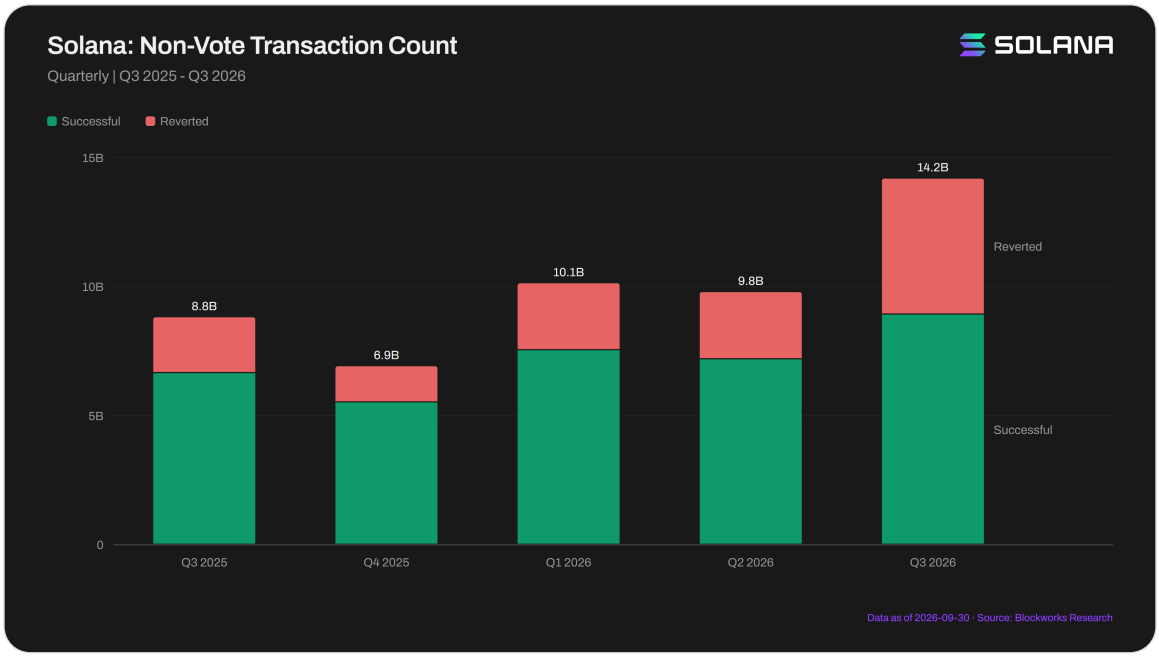
Agentic payments continued to build on the same rails. x402, the open payment standard for AI agents now hosted by the Linux Foundation, has processed roughly 200M transactions and $50B in volume across about 150,000 merchant endpoints, and is referenced in the documentation of Cloudflare, Stripe, and AWS. In September, Solana added payment channels as a native primitive, letting an agent authorize a spending limit once, meter usage offchain, and settle in a single transaction, a design built to support up to one million payments per second. Looking ahead, Solana's high throughput and low transaction costs make it well suited to payments at scale. These deployments position the network as the settlement layer for a growing share of real-world stablecoin payments.

SECTION 05

Network Analysis

Transaction Count and TPS

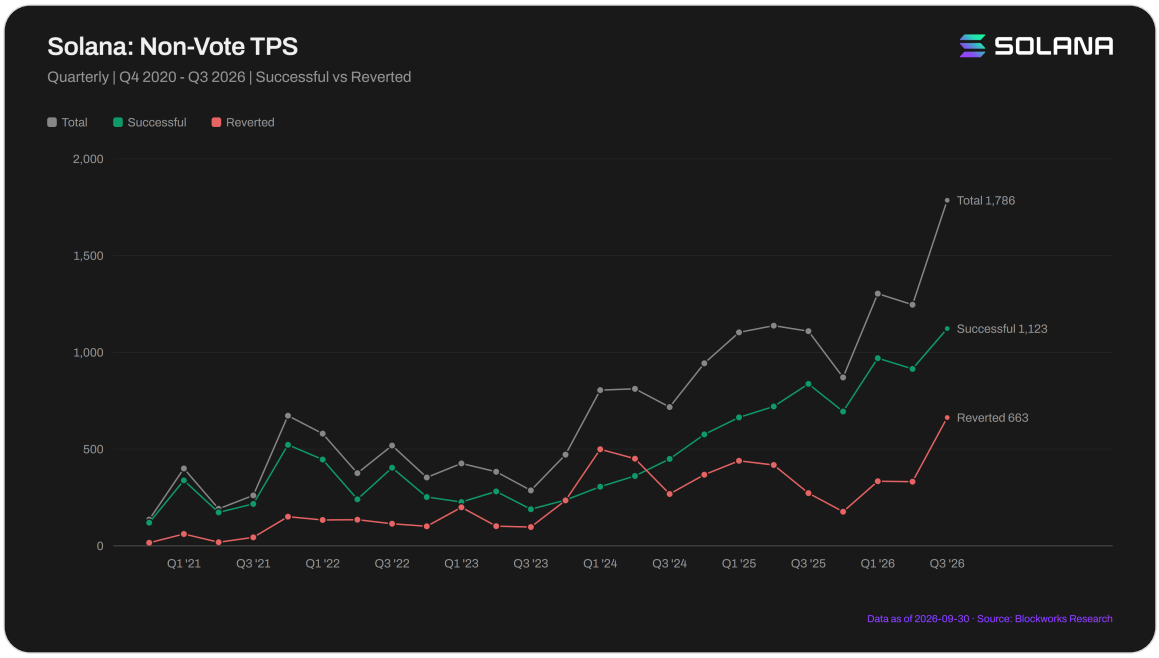
Solana processed a record 14.2B non-vote transactions in Q3 2026, up 45% from Q2's 9.8B. August set the all-time monthly record at 5.2B transactions, and successful transactions reached a record 3.2B in September, the third consecutive monthly high. Of Q3's transactions, 63% were successful and 37% were reverted. Reverted transactions are most often associated with automated strategies such as arbitrage bots, and their share rises when bot-heavy retail flow returns, as it did this quarter. Most are trades that hit their slippage limits and reverted as designed.



Solana: Non-Vote Transaction Count. Quarterly | Q3 2025 - Q3 2026. Source: Blockworks

Non-vote transactions per second (TPS) averaged roughly 1,790 in Q3, up from 1,250 in Q2. Daily active addresses averaged 2.3M, up 16% QoQ, as the retail

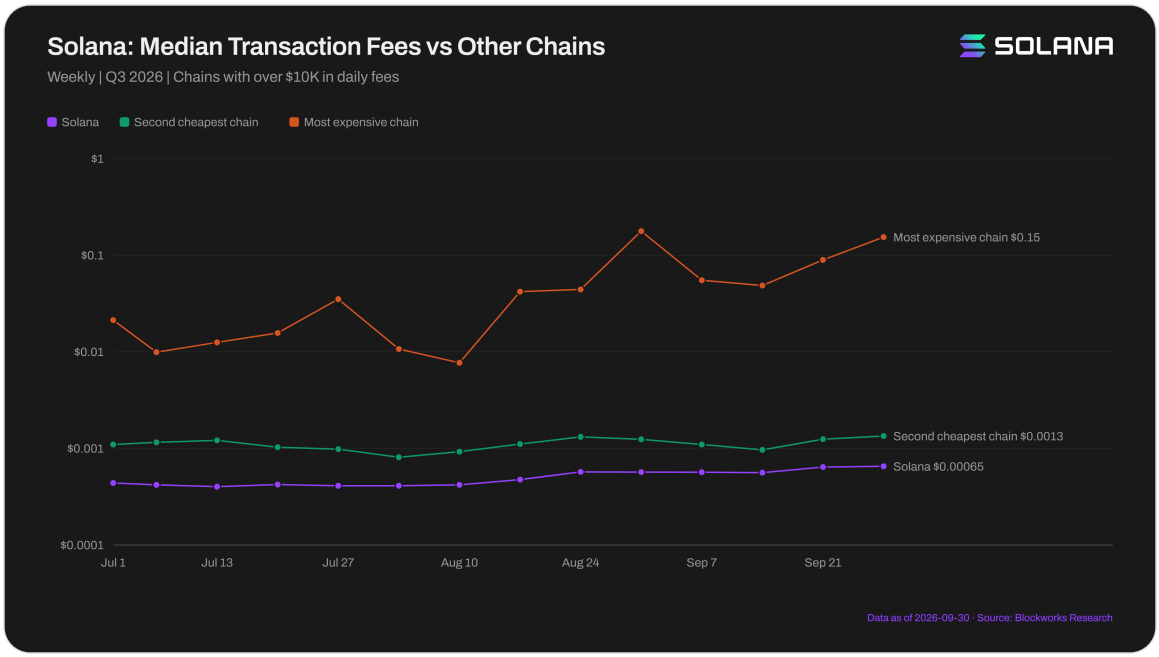
return showed up in users as well as activity. Put simply, Solana is now processing more activity, faster than at any point in its history.



Solana: Non-Vote TPS. Quarterly | Q4 2020 - Q3 2026 | Successful vs Reverted. Source: Blockworks

Median Transaction Fees

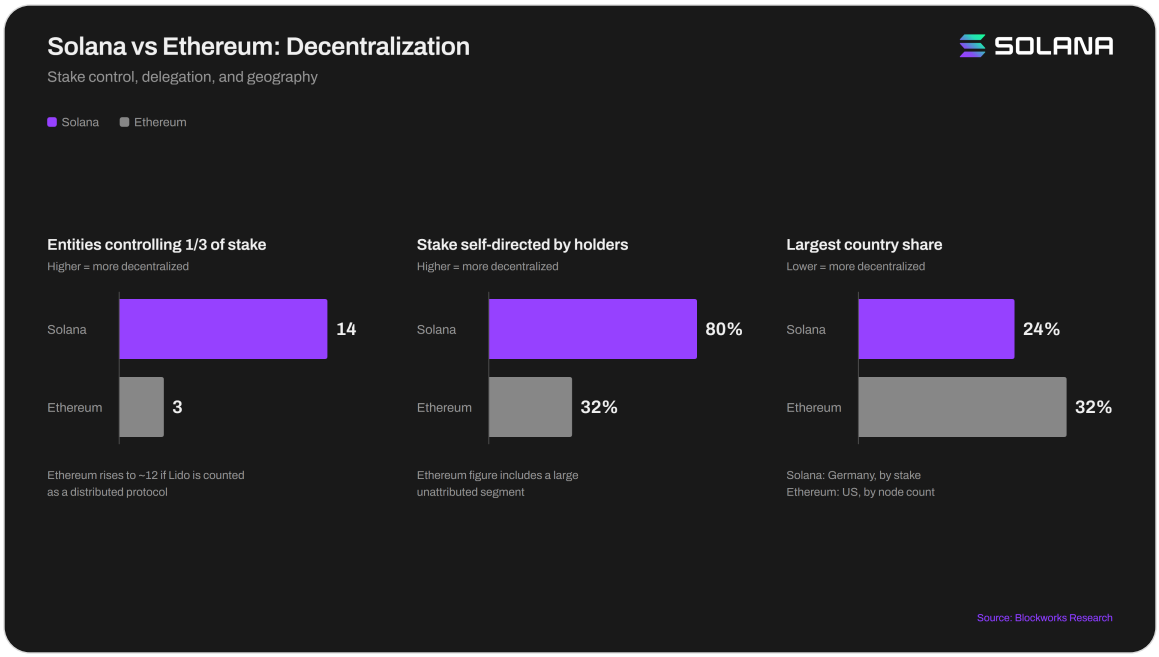
Median transaction fees averaged $0.0005 in Q3 2026 and never exceeded $0.0007 on any day of the quarter. Fees held stable through record transaction counts, a 69% jump in trade count, and three slot-time reductions. Solana is increasing its bandwidth, meaning how much activity fits in each block (block capacity rose 66% with 100M CU blocks), while reducing latency, meaning how quickly new blocks are produced (slot times fell from 400ms to 250ms). Fee stability at this level is what makes high-frequency market making, prop AMM quote updates, and consumer applications economically viable on shared infrastructure. Among chains generating over $10K in daily fees, Solana's median fee was less than half the second cheapest chain's and roughly one-hundredth of the most expensive.



Solana: Median Transaction Fees vs Other Chains. Weekly | Q3 2026 | Chains with over $10K in daily fees. Source: Blockworks

Validators and Decentralization

Solana's first binding governance votes tested who controls the network. Delegator overrides decided the disinflation vote, with stakers outvoting some of the largest validators and showing that stakers hold final authority over operators. Measured on stake control, self-directed delegation and geographic distribution, Solana remains comparable to Ethereum.



Solana vs Ethereum: Decentralization. Stake control, delegation, and geography. Source: Blockworks

The resilience record continued to support the same conclusion. On August 12th, a routing incident at a network provider in Frankfurt did not disrupt consensus, which the Solana Foundation attributed to the diversity of validator stake. Through the outage, 597 of 699 validators kept voting and affected validators recovered within 40 minutes of the incident. Alpenglow will raise the network's tolerance for offline stake to 40%, further hardening consensus against concentration risk.

SECTION 06

Product & Ecosystem Updates

The Q3 roadmap moved from prerequisites to activations: live onchain governance, larger blocks, faster slots, larger transactions, and Alpenglow running on public testnet.

Onchain Governance

On July 1st, the Solana Foundation activated Solana Governance Proposals (SGPs), the network's first binding onchain voting mechanism, with stake-weighted votes and delegator overrides. SGP 001 ratified the process itself, and SGP 002 and SGP 003 delivered the first network-level proposals. Any validator with 100K SOL delegated can submit a proposal, which advances to a binding vote after collecting support from 15% of active stake.

SGP 002, carrying SIMD 550's disinflation doubling, passed on August 28th. The result came down to the final hours, with large validators voting against the proposal and Kraken's late reversal of its initial vote lifting support just above the threshold. Validator-cast stake alone totaled 165.1M SOL in favor and would have fallen short of two-thirds, while 901 delegator overrides moved 11.2M SOL at more than 99% in favor. Overrides still amounted to only about 4% of participating stake.

SGP 003, carrying SIMD 553's resource-based fee burn, failed the same day under the same requirements, reaching 63% support against the two-thirds bar. Active opposition came from the application layer, led by Jupiter (11.8M SOL) and Bitwise (8.4M SOL), who argued the fee would raise costs most for compute-intensive applications such as trading venues and make Solana's cost structure less predictable. Delegators again broke heavily in favor, with 739 overrides moving 10.9M SOL at 97% in favor. As the proposal was rejected at the authorization stage rather than on implementation grounds, a revised version can return to the process.

100M CU Blocks (SIMD 286)

On July 29th, Solana raised its block compute limit from 60M to 100M compute units, a 66% increase. The change was designed as headroom for demand spikes rather than a new baseline. In the days after activation, median block size grew modestly while the largest blocks expanded sharply, and slot times were unaffected.

Slot-Time Reduction (SIMD 525)

Q3 brought the first slot-time reductions in Solana's history. SIMD 525 steps slot times from 400ms to 200ms in four 50ms increments, each gated by its own feature activation. The first two steps activated in August, taking slot times to 350ms and then 300ms, and the third took them to 250ms on September 18th, lifting block production to four slots per second. The final step to 200ms is live on devnet and testnet and will be scheduled for mainnet once block-skip rates remain stable at the current cadence.

Transaction v1 (SIMD 385)

On September 15th, Solana activated its new v1 transaction format on mainnet, raising the maximum transaction size from 1,232 bytes to 4,096 bytes. Operations that previously required several transactions, including zero-knowledge proofs and confidential transfers, now fit in a single atomic transaction, giving tokenized-stock and DeFi applications more room for complex routes and execution. Wallets began adding support shortly after activation.

Alpenglow

Alpenglow, Solana's largest protocol upgrade to date, made concrete progress in Q3. Its prerequisites went live on mainnet, with BLS key registration activating July 8th and the Validator Admission Ticket on July 22nd. Agave v4.3, the release carrying Alpenglow, was recommended for all mainnet validators on September 21st. On September 22nd, Alpenglow began activation on public testnet, the same migration path devnet and mainnet will follow, after more than four months of rehearsals on a community cluster.

The upgrade replaces Tower BFT and Proof of History with a new consensus design targeting 150ms finality, roughly a 100x improvement, removes onchain vote transactions (the dominant recurring validator cost), and raises tolerance for offline stake to 40%. For applications, sub-second finality closes most of the remaining user-experience gap with centralized venues.

SECTION 07

Closing Summary & Outlook

Demand returned to Solana in Q3 2026, and nearly every financial line improved. REV rose 48% and token holder net income turned positive for two consecutive months, application revenue grew 48% with breadth improving beneath the leader, and tokenized equities set a record quarter capped by a $4.4B all-time high in September. Institutions leaned in as well: spot ETPs absorbed $492.3M, more than four times Q2, staked SOL reached a record 441M, and treasury companies resumed accumulating. Momentum strengthened into quarter end, with September the strongest month of the quarter for REV, app revenue, ETP inflows, DEX volume, and tokenized equities.

> Retail activity drove much of the quarter's growth, and sustaining it alongside the newer settlement-driven categories will shape the next several quarters.

Token holders directly ratified a supply cut that pulls terminal inflation forward three years. The competitive landscape also evolved: tokenized equities are now a multi-chain market roughly nine times larger than in Q2, and Solana's share recovery to 19% in September will be a key line to watch. Retail activity drove much of the quarter's growth, and sustaining it alongside the newer settlement-driven categories will shape the next several quarters.

Solana's upcoming catalysts are concrete. Alpenglow is live on testnet and moving toward mainnet, bringing 150ms finality, the removal of vote costs, and higher offline-stake tolerance; slot times are one step from their 200ms target; SIMD 550's faster disinflation is now ratified policy; and SIMD 123 would give stakers an in-protocol claim on the priority fees that make up nearly two-thirds of REV.

SECTION 08

Appendix

What is Solana?

Solana is a high-performance layer-1 blockchain designed to support internet-scale applications on a single, globally synchronized state machine. Unlike chains that scale through fragmentation (rollups, sidechains, or app-specific chains), Solana pursues an integrated architecture where all applications share the same execution environment, liquidity, and settlement guarantees.

SOL, the network's native token, is used to pay for transactions, stake with validators, and participate in governance through Solana Governance Proposals. The ecosystem spans DeFi, consumer applications, stablecoins and payments, tokenized real-world assets, and DePIN.

Core Infrastructure

Slot / Slot Time A slot is the time window during which a designated validator (the leader) can produce a block on Solana. Following the SIMD-525 reductions in Q3 2026, target slot times are 250 milliseconds, down from 400 milliseconds.

Compute Units (CUs) Solana's unit of measurement for the computational resources consumed by a transaction. Every instruction in a transaction costs a certain number of CUs, and each block has a total CU budget.

Staking & Consensus

Validator A network participant that runs specialized hardware to process transactions, produce blocks, and participate in consensus on Solana. Validators stake SOL as collateral and earn rewards from inflation, priority fees, and Jito tips.

Staking The process of locking SOL tokens with a validator to help secure the Solana network. Stakers delegate their SOL to validators and earn a share of inflation rewards and, in some cases, tips.

Inflation / Emission Schedule The rate at which new SOL tokens are minted and distributed to stakers. Inflation began at 8% and has decreased by 15% per year;

following the passage of SIMD-550 in Q3 2026, the disinflation rate doubles to 30% per year, reaching the 1.5% terminal rate in 2029.

Liquid Staking Token (LST) A token that represents staked SOL while remaining liquid and tradable. When a user stakes SOL through a liquid staking provider, they receive an LST (e.g., hSOL from Helius, JupSOL from Jupiter) that accrues staking rewards and can simultaneously be used in DeFi as collateral, in liquidity pools, or for trading.

Fees & Revenue

Real Economic Value (REV) A metric that measures total user demand to transact on a blockchain by tracking all value paid for transaction execution. On Solana, REV is composed of three components: base fees, priority fees, and Jito tips.

Token Holder Net Income REV less operator payments to validators. A positive figure means fee revenue exceeds the network's operator cost base, with the surplus accruing to the token through burn or staking rewards.

Base Fee The minimum fixed fee required for every Solana transaction, denominated in SOL. Base fees are currently subject to a 50% burn (permanently removed from supply), with the remaining 50% going to the block producer. They represent the cheapest tier of transaction inclusion.

Priority Fee An optional additional fee that users can attach to transactions to increase the likelihood of faster processing by incentivizing validators to prioritize their transaction. Since SIMD-96 (February 2025), 100% of priority fees go to the block producer (previously 50% were burned).

Jito Tips Out-of-protocol payments made to validators through Jito, a third-party MEV (Maximal Extractable Value) infrastructure provider on Solana. Jito tips are paid by searchers and traders who want specific transaction ordering or inclusion guarantees.

Trading

DEX (Decentralized Exchange) A peer-to-peer marketplace for trading tokens that operates entirely onchain via smart contracts, without a central intermediary holding funds.

AMM (Automated Market Maker) A type of DEX mechanism that uses mathematical formulas and liquidity pools (rather than order books) to determine token prices and facilitate trades. Traditional AMMs allow anyone to deposit tokens into pools and earn fees from trades.

Prop AMM (Proprietary AMM) A specialized type of spot exchange on Solana with actively managed liquidity via oracle price updates. Unlike traditional AMMs with passive external liquidity providers, each prop AMM is operated by a single,

professional market maker who uses highly optimized transactions to update the oracle price multiple times per second.

Liquidity / Liquidity Provider (LP) Liquidity refers to the depth of available buy and sell orders for a given asset; higher liquidity means traders can execute larger orders with less price impact. A Liquidity Provider (LP) is someone who deposits tokens into a DEX pool to facilitate trading, earning a share of trading fees in return. In prop AMMs, the market maker acts as the sole LP.

Price Impact / Slippage Price impact is the change in an asset's price caused by executing a trade; larger trades in less liquid markets cause greater price impact. Slippage is the difference between the expected price of a trade and the actual execution price.

Perpetual Futures (Perps) A type of derivatives contract that allows traders to speculate on the price of an asset with leverage, without an expiration date. Unlike traditional futures, perps use a funding rate mechanism to keep the contract price aligned with the spot price.

MEV & Market Microstructure

MEV (Maximal Extractable Value) The maximum value that can be extracted from block production beyond standard block rewards and fees, by including, excluding, or reordering transactions within a block. MEV strategies include frontrunning, sandwich attacks, and arbitrage.

Late Packing A behavior where a block-producing validator deliberately delays finalizing a block to observe more incoming transactions and potentially extract additional MEV.

JitoBAM A Jito product that enables developers to gain more granular control over transaction sequencing and inclusion.

Upgrades & Governance

SIMD (Solana Improvement Document) The formal process for proposing changes and upgrades to the Solana protocol.

SGP (Solana Governance Proposal) Solana's binding onchain voting mechanism, activated July 1, 2026. Proposals require a one-third quorum of total stake and two-thirds approval of participating stake to pass.

Delegator Override A feature of SGP voting that lets stakers cast their own vote on a proposal, overriding the vote of the validator they delegate to.

Agave The Solana validator client developed and maintained by Anza (formerly a division of Solana Labs).

Anza A core development organization focused on Solana infrastructure, responsible for the Agave validator client and key protocol research.

Alpenglow Solana's next-generation consensus protocol, replacing Tower BFT and Proof of History with a design targeting 150ms finality, removing onchain vote transactions, and raising tolerance for offline stake to 40%. Live on public testnet since September 22, 2026.

Consumer & Applications

Token Launchpad / Bonding Curve A launchpad is a platform that facilitates the creation and initial trading of new tokens. A bonding curve is the specific pricing mechanism used: a mathematical formula that automatically adjusts the token's price based on supply, so the more tokens purchased, the higher the price. This creates instant liquidity for new tokens without requiring a traditional order book.

DePIN (Decentralized Physical Infrastructure Network) A category of crypto projects that use token incentives to build and operate real-world physical infrastructure in a decentralized manner.

dApp (Decentralized Application) An application that runs on a blockchain rather than centralized servers. dApps use smart contracts to execute logic in a permissionless, transparent way.

DeFi Mechanisms

Flash Loan An uncollateralized loan that must be borrowed and repaid within a single transaction. If the borrower cannot repay, the entire transaction reverts as if it never happened.

Funding Rate A periodic payment exchanged between long and short position holders in perpetual futures markets, designed to keep the perps price aligned with the spot price. When the funding rate is positive, longs pay shorts; when negative, shorts pay longs.