

Waffle Capital Ltd.

Cardano Insider

May 2025



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Introduction

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What is Cardano?

Cardano is a proof-of-stake blockchain designed for scalability, sustainability, and interoperability. Founded in 2017 by Charles Hoskinson (a co-founder of Ethereum), the network was initially developed through a collaboration of three core entities: [IOG](#) (focused on protocol development), the [Cardano Foundation](#) (overseeing standards and adoption), and [Emurgo](#) (driving commercial integration). While these founding organizations remain important, Cardano's ecosystem has evolved into a vibrant, decentralized network with growing contributions from independent developers and community-led projects.

Cardano uses an advanced UTxO model (e-UTxO) that supports decentralized applications, combining Bitcoin's security with smart contract functionality. As a leader in blockchain R&D, Cardano follows an unprecedented evidence-based approach: all core infrastructure undergoes [peer-reviewed academic research](#), formal verification, and high-assurance engineering before implementation. This rigorous methodology produces enterprise-grade reliability for financial systems and mission-critical applications.

Cardano's ecosystem is powered by ADA, a fixed supply token, following Bitcoin's model of scarcity with controlled inflation. As the network's native cryptocurrency, it [supports a thriving landscape](#), including DeFi DApps, decentralized infrastructure (DePIN), AI solutions, real-world assets (RWAs), identity services, and institutional blockchain applications. Developers and enterprises alike benefit from Cardano's distinctive combination of academic rigor and real-world utility, with hundreds of projects now leveraging the blockchain.

Report Purpose & Background

The aim of Cardano Insider is to provide comprehensive, timely updates on the Cardano ecosystem through structured monthly reports. These reports provide quantitative metrics, qualitative developments, and analysis - continuously improved through community feedback. The reports offer valuable insight for a broad audience ranging from retail to institutional investors.

This initiative is funded by [Project Catalyst](#), Cardano's decentralized innovation fund. Execution is led by [Waffle Capital Ltd.](#), which handles data aggregation, analysis, and reporting. As an active ecosystem participant, Waffle Capital Ltd. operates at the intersection of daily dApp usage, governance participation, and institutional collaboration, ensuring a well-rounded perspective for the Cardano Insider series.

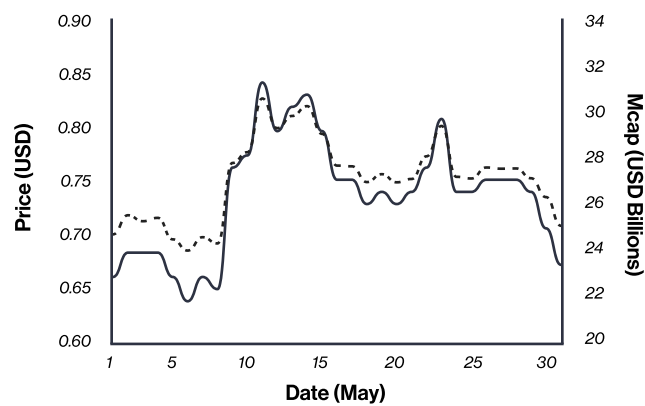
Key Highlights

- | | |
|---|--|
|  ADA surged 23.5% mid-month before moderating, reflecting broader crypto sentiment and macroeconomic influences. |  New protocols launched (Aquarium Protocol for fee flexibility, Strike Finance for perps) and existing protocols underwent upgrades (e.g., Danogo for fixed-rate lending, Sundae Labs for permissioned pools). |
|  SEC delayed ADA Spot ETF decision and clarified regulatory stance of Proof-of-Stake blockchains. |  BitcoinOS & Sundial achieved the first bridgeless BTC to Cardano transfer using ZK proofs, enabling trustless cross-chain value movement. |
|  Fairgate and Input Output Global (IOG) unveiled a demonstration of Bitcoin Ordinals being transferred to Cardano through the trust-minimized BitVMX protocol. |  Select Cardano founders graduated from Draper University 5-week program, expected to generate new venture capital interest in Cardano. |

Network Updates & Metrics

2

ADA Price & Market Cap



Source: CoinGecko

Circulating Supply

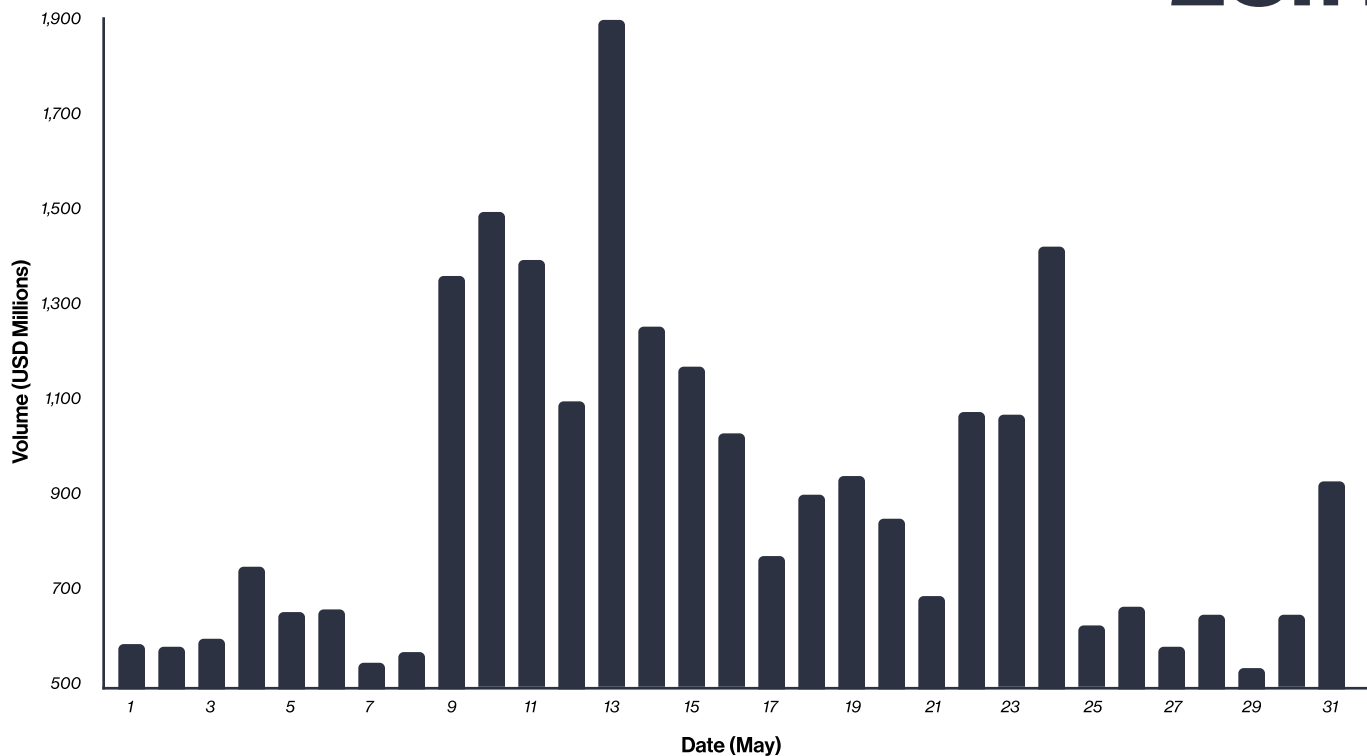
34.43B / 45B
76.5%

Source: Cardano DB Sync

MoM Change

Forthcoming
June 2025

Daily Volume (USD)

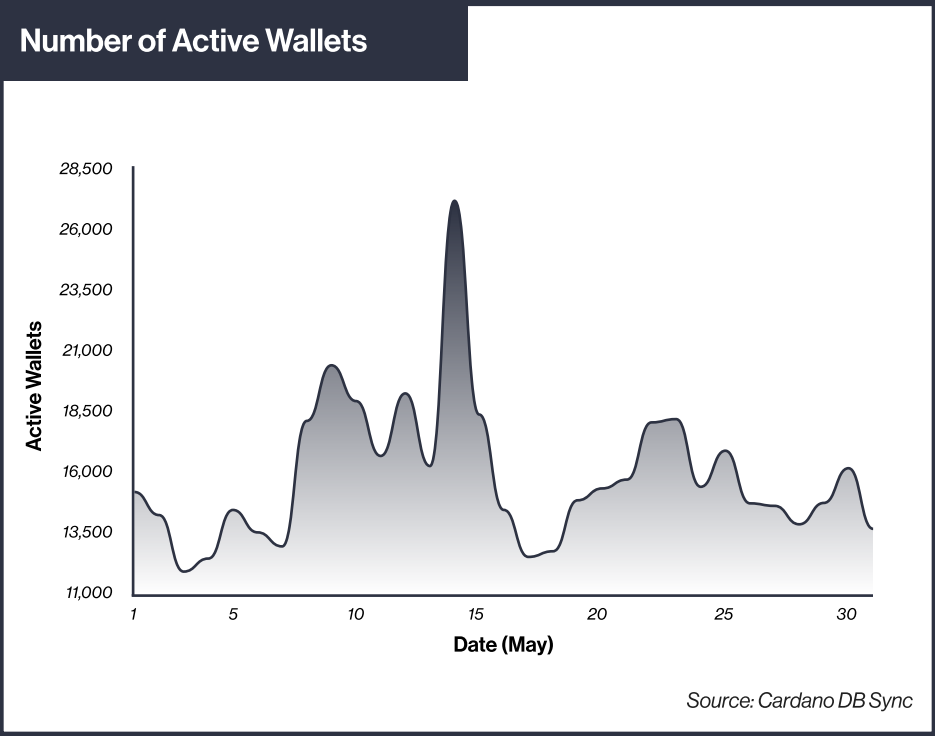


Source: CoinGecko

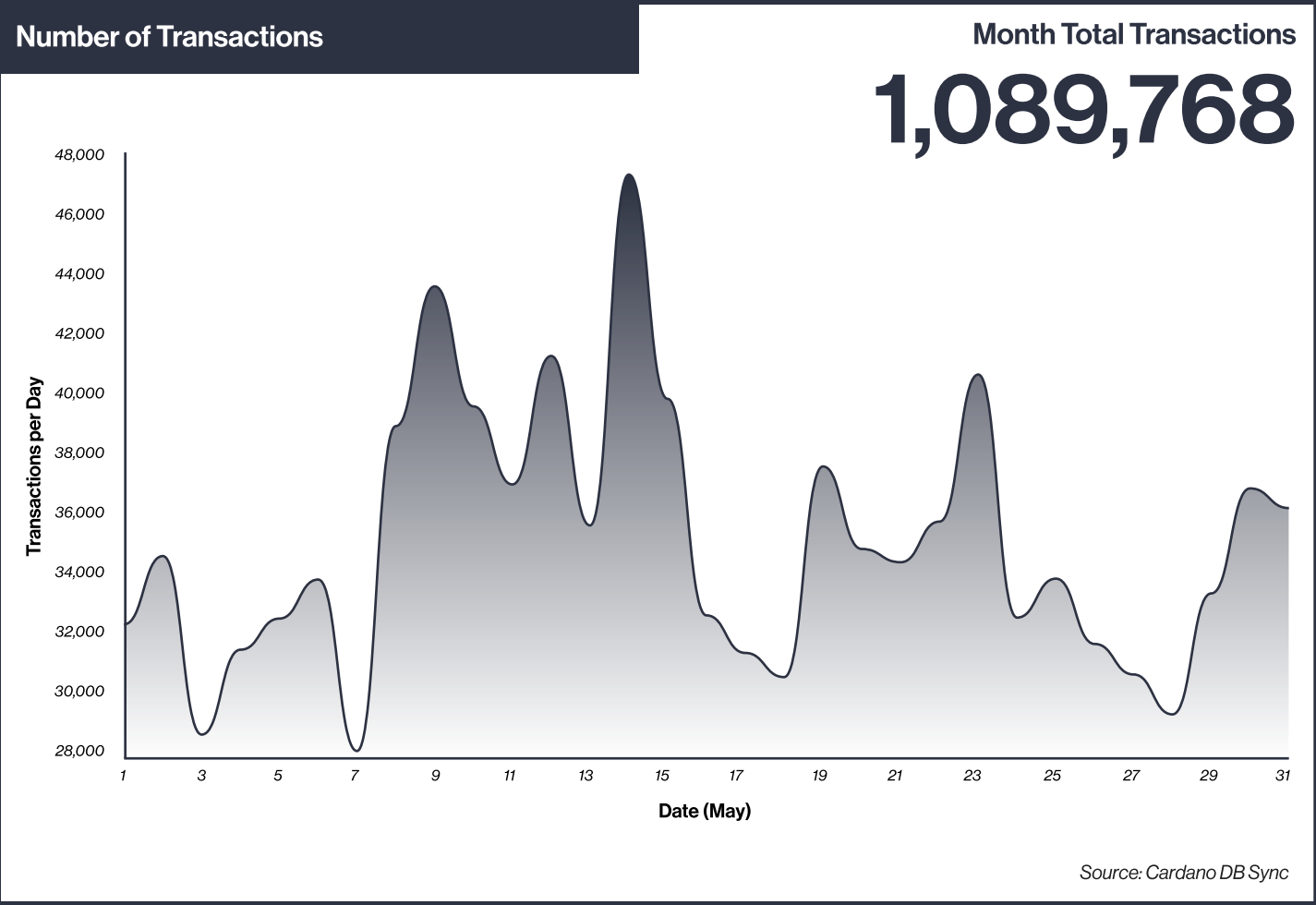
Monthly Volume (USD Billions)

28.11

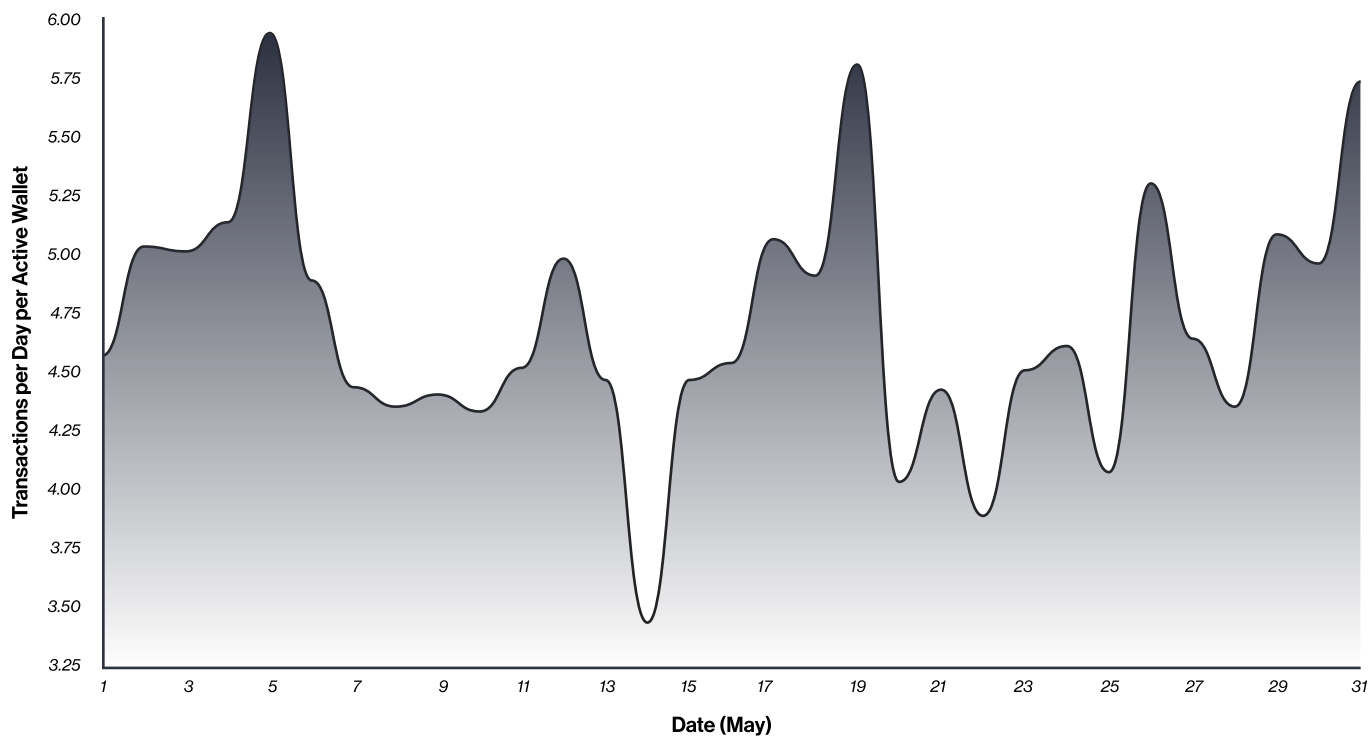
ADA opened May at \$0.68 and staged a strong 23.5% rally mid-month, peaking at \$0.84 on May 11th. The move aligned closely with Bitcoin's upward momentum, reinforcing the broader crypto market's positive sentiment. The latter half of the month saw a gradual correction, driven in part by macroeconomic uncertainty following Trump's announcement of 50% tariffs on EU steel and aluminum imports. A similar trend was observed in trading volume, which mirrored ADA's price action.



Network activity spiked in mid May, with both active wallets and daily transactions reaching monthly highs during ADA's price rally. The data reveals two distinct patterns of network usage. During peak activity periods, average transactions per wallet climbed notably, suggesting intensified engagement from existing users. Later in May, while total active wallets decreased, the sustained transaction volume indicated continued activity from core network participants.



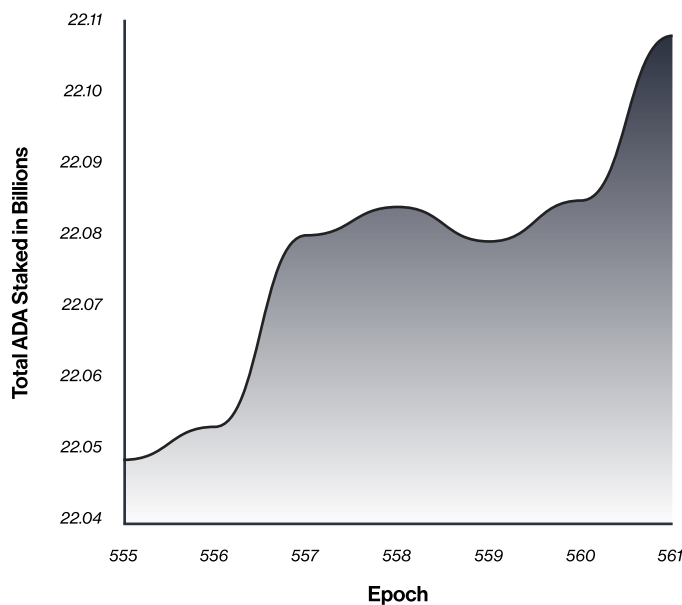
Transactions per Active Address



Source: Cardano DB Sync

Staking Metrics

Total ADA Staked in Billions



Source: Cardano DB Sync

ADA staking rewards compound every 5 days, leading to an expected monthly growth in staked balance of around 0.20%. This month, the staked balance increased by 0.27%, slightly above projections - indicating that while compounding remains the primary driver, some additional ADA holders likely chose to stake.

Validator activity followed normal protocol patterns, with the number of stake pools producing blocks varying naturally due to Cardano's [Ouroboros consensus mechanism](#). This probabilistic block assignment operated as designed, showing no performance anomalies during the period.

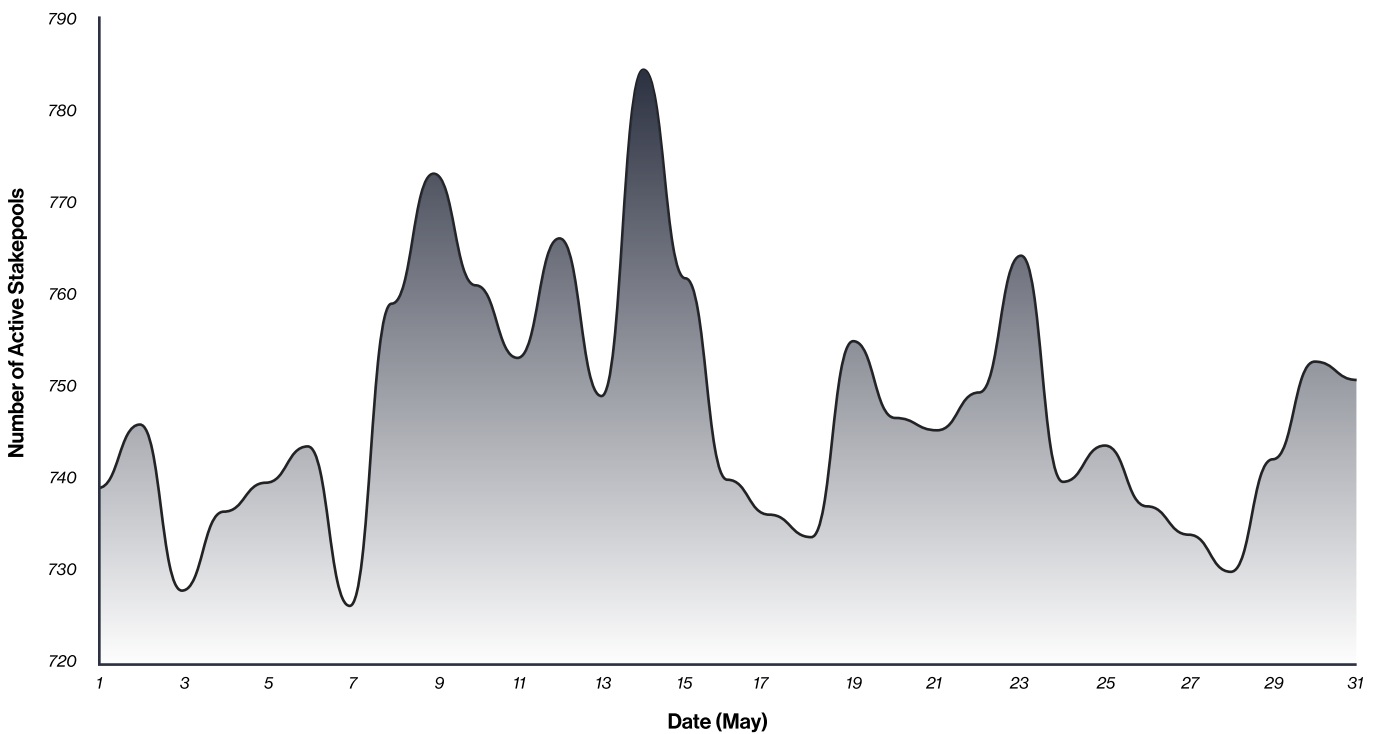
Staking Yield

2.37 %

Total ADA Staked (% of Circulating Supply)

64.22 %

Number of Active Stakepools



Source: Cardano DB Sync

Note: active stakepool defined as a stakepool that produces at least one block per day

Treasury Inflows and Balance

Cardano generated 79k ADA (\$53k) in transaction fees this month. Extrapolating this figure for 12 months returns 949k ADA (\$636k) - though this is subject to fluctuations based on network activity and ADA price action. During the same period, roughly 26m ADA (\$17m) was added to the treasury through scheduled emissions. This represents the majority of the addition to the reserve, in line with the protocol's pre-defined, stable inflation mechanism.

ADA Revenue from Transactions (ADA)

79,113

ADA Revenue from Transactions (USD)

59,180

Source: Cardano DB Sync

Latest Developments

Fluid Tokens' Aquarium on Cardano Mainnet

FluidTokens is a permissionless suite of DeFi products. They were the first dApp to deploy on both Cardano and Bitcoin, and their intricate knowledge of both ecosystems has positioned them as a powerhouse to help many others bridge the two ecosystems.

This month, FluidTokens launched Aquarium protocol. Aquarium protocol's main feature enables Cardano users to pay transaction fees using any Cardano Native token (CNT), including stablecoins and wrapped bitcoin, rather than requiring ADA. Another feature of Aquarium is the support of scheduled transactions, enabling automated recurring payments for use cases such as salaries, service providers, subscriptions.^{1, 2}

See below for tutorials:

[User tutorial](#) [↗](#)

[Business integration tutorial](#) [↗](#)

Upgrades, Partnerships & Integrations

3

Cardano Entrepreneur Draper University Program

A group of 20 Cardano-focused founders recently graduated from an intensive [5-week blockchain accelerator program](#) at [Draper University](#). The initiative attracted hundreds of applicants, with final participants representing key Cardano projects. Notably, program organizers demonstrated interest in Cardano's eUTXO model as part of a broader industry shift in attention towards UTXO DeFi.

Waffle Capital's CEO Youry Brauner: "The program is expected to generate new venture capital interest in Cardano, with investment announcements anticipated in coming weeks."

This successful collaboration marks a milestone in Cardano's growing recognition within traditional venture capital circles while demonstrating the ecosystem's ability to cultivate strong founder talent.³

"The program is expected to generate new venture capital interest in Cardano, with investment announcements anticipated in coming weeks."

Youry Brauner (CEO of Waffle Capital)

BOS x Sundial Sent BTC to Cardano

On May 4th, [BitcoinOS](#) and [Sundial Protocol](#) successfully demonstrated the first bridgeless transfer of Bitcoin (BTC) to the Cardano blockchain. Using BitcoinOS' BitSNARK zero-knowledge proof protocol, 1 BTC was wrapped into xBTC, a cryptographic and programmable token, and moved seamlessly between Bitcoin and Cardano without relying on custodial bridges. This demo highlighted the potential for secure, decentralized cross-chain interoperability.

The process began with BitcoinOS locking 1 BTC on Bitcoin's Layer 1 and minting xBTC, which retains Bitcoin's value while enabling programmability. The xBTC was sent directly to Sundial Protocol's Cardano wallet, where it became a UTXO (unspent transaction output) and functioned like a native Cardano asset. To showcase interoperability, the xBTC was transferred between Cardano wallets and then returned to Bitcoin, where it was unwrapped to reclaim the original BTC. Each step was verified through cryptographic proofs, ensuring security without custodial intermediaries.

Sundial Protocol, a hybrid Layer-2 solution, facilitated the transfer by integrating Bitcoin's liquidity with Cardano's eUTXO model and smart contract infrastructure. BitcoinOS, a team focused on building smart contract layers for Bitcoin, sees xBTC as a way to expand Bitcoin's capabilities, allowing it to interact with decentralized applications and other ecosystems. While this was a demonstration and not yet deployed for broader use, it represents a step toward more seamless and trustless interoperability between Bitcoin and Cardano.^{4, 5, 6, 7}

Lace x Bitcoin Integration

On May 28th, [Fairgate](#) and [Input Output Global \(IOG\)](#) unveiled a demonstration of Bitcoin Ordinals being transferred to Cardano for the first time, enabled by the trust-minimized BitVMX protocol and executed on the [Lace](#) wallet. Using a novel transfer-of-ownership mechanism, [BitVMX](#) securely moved Bitcoin Ordinals to Cardano without relying on centralized intermediaries. The transaction wrapped Bitcoin's non-fungible assets (Ordinals) into a format compatible with Cardano's extended UTXO model, allowing them to function as native assets on Cardano's blockchain while retaining their provenance on Bitcoin.

This achievement represents a step toward greater interoperability between Bitcoin and Cardano, combining

Bitcoin's security with Cardano's smart contract capabilities. By introducing [Cardinal](#), a protocol for wrapping Bitcoin UTXOs, the demonstration revealed how Bitcoin holders could unlock new use cases such as staking, lending, and borrowing on Cardano's DeFi ecosystem. While the demo was limited to showcasing the technology, it illustrates how BitVMX could expand Bitcoin's utility and integrate its liquidity into decentralized finance in a decentralized and trustless manner.^{8, 9}

Coinbase Wrapped ADA on Base

Centralised exchange [Coinbase](#), with its 100m+ users, and as the largest Bitcoin custodian as of 2024, will expand its offerings in the wrapped token space by releasing wrapped versions of [Ripple](#) (XRP), Cardano (ADA), [Dogecoin](#) (DOGE), and [Litecoin](#) (LTC). These tokens will be released on Coinbase's network [Base](#), the largest Ethereum layer-2, with a total value locked of nearly \$4bn at the time of writing.

Wrapped tokens allow assets from one blockchain to be used on another, improving ecosystem interoperability. Coinbase's move would offer Base users access to these popular digital currencies, reducing friction for onboarding. This expansion of their wrapped asset suite builds on its earlier success with [cbBTC](#), a wrapped Bitcoin version launched on Base last year that has accrued \$4.3bn of capital (40,000 BTC) at the time of writing.^{10, 11, 12}

Cardano x Brave Wallet

Input Output Global (IOG) has partnered with privacy-focused browser [Brave](#) to integrate full Cardano support into Brave Wallet, exposing the ecosystem to Brave's 85+ million monthly active users. The collaboration will enable seamless interaction with Cardano's native assets - including ADA transfers, swaps, and transaction signing - directly within the privacy-oriented browser.

This strategic integration tackles a critical challenge for Cardano: ecosystem accessibility. By embedding native support into a mainstream Web3 wallet, the partnership eliminates onboarding friction while aligning with Brave's privacy-centric user base. Charles Hoskinson emphasized the shared vision between both organizations for a Web3 experience that prioritizes user control and accessibility. While development timelines remain undisclosed, the collaboration signals Cardano's accelerating push beyond its ecosystem silo into mainstream crypto infrastructure.¹³

Minswap Integrated into Polkadot Subwallet

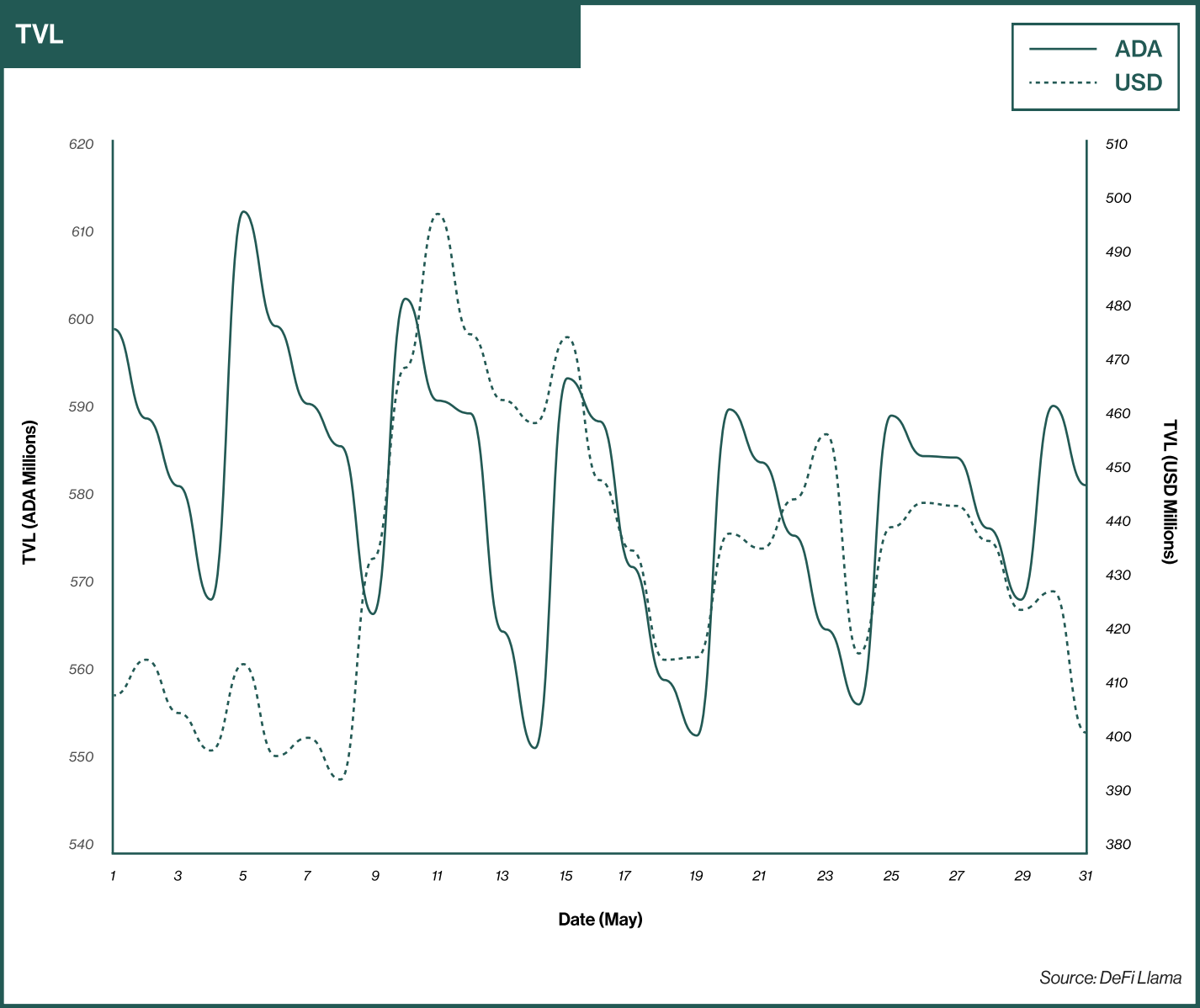
[Minswap](#), top decentralised exchange (DEX) on Cardano by volume and total value locked (TVL), announced an integration with [PolkaDot's SubWallet](#). This integration offers PolkaDot users direct access to Cardano's DeFi ecosystem - through Minswap. Subwallet self-reports having 800K+ active users and devices, with 1.6M+ installs. Independently verified, the SubWallet Chrome extension displays that the wallet has '200,000 users'. This integration comes with a call to action for other Cardano DApps as the Subwallet team asks, "Got a favorite Cardano dApp you'd like to see on SubWallet next? Let us know!"^{14, 15}

"Got a favorite Cardano dApp you'd like to see on SubWallet next? Let us know!"

Team at Subwallet

DeFi Updates & Metrics

4



Total Value Locked (TVL) denominated in ADA shows a predictable 5-day pattern tied to epoch boundaries. This rhythm stems from [Optim Finance's](#) stake auction, a mechanism that efficiently converts staking yields into liquid assets through periodic auctions without affecting principal amounts.

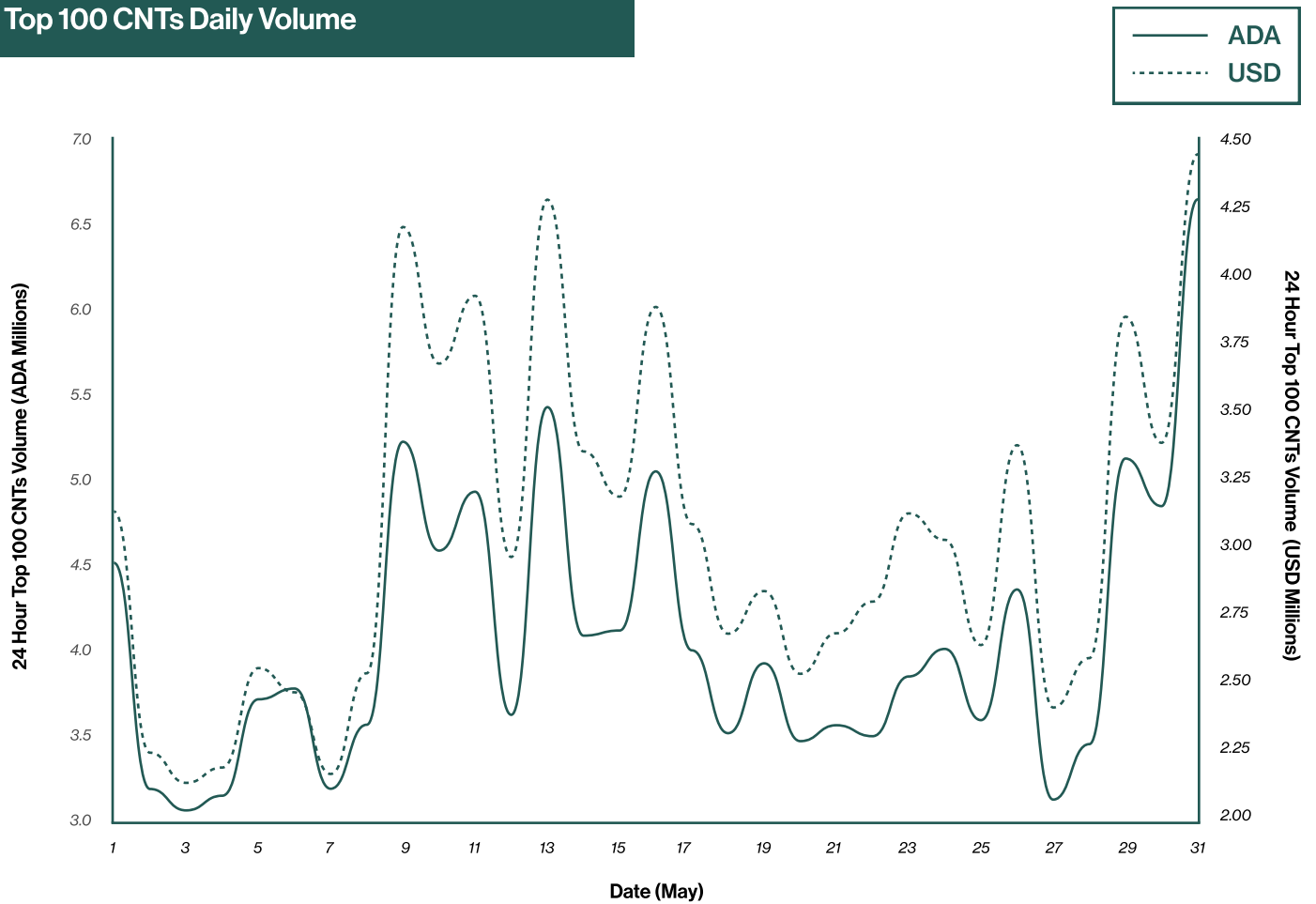
 **Epoch Start:** ADA from the Optim ecosystem is deposited into DeFi (counted in TVL)

 **During Epoch:** Optim ecosystem gradually auctions off abstracted yield of ADA (not counted in TVL)

 **Epoch Snapshot:** Cardano consensus mechanism captures a snapshot of active stakers

 **New Epoch Start:** ADA is returned to Optim ecosystem and deposited into DeFi (counted in TVL again)

Top 100 CNTs Daily Volume



Source: Taptools

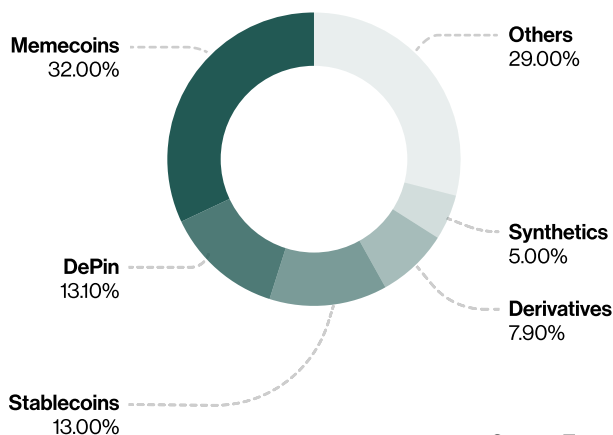
Month Top 100 CNTs Volume (ADA)

125,909,061

Month Top 100 CNTs Volume (USD)

94,186,491

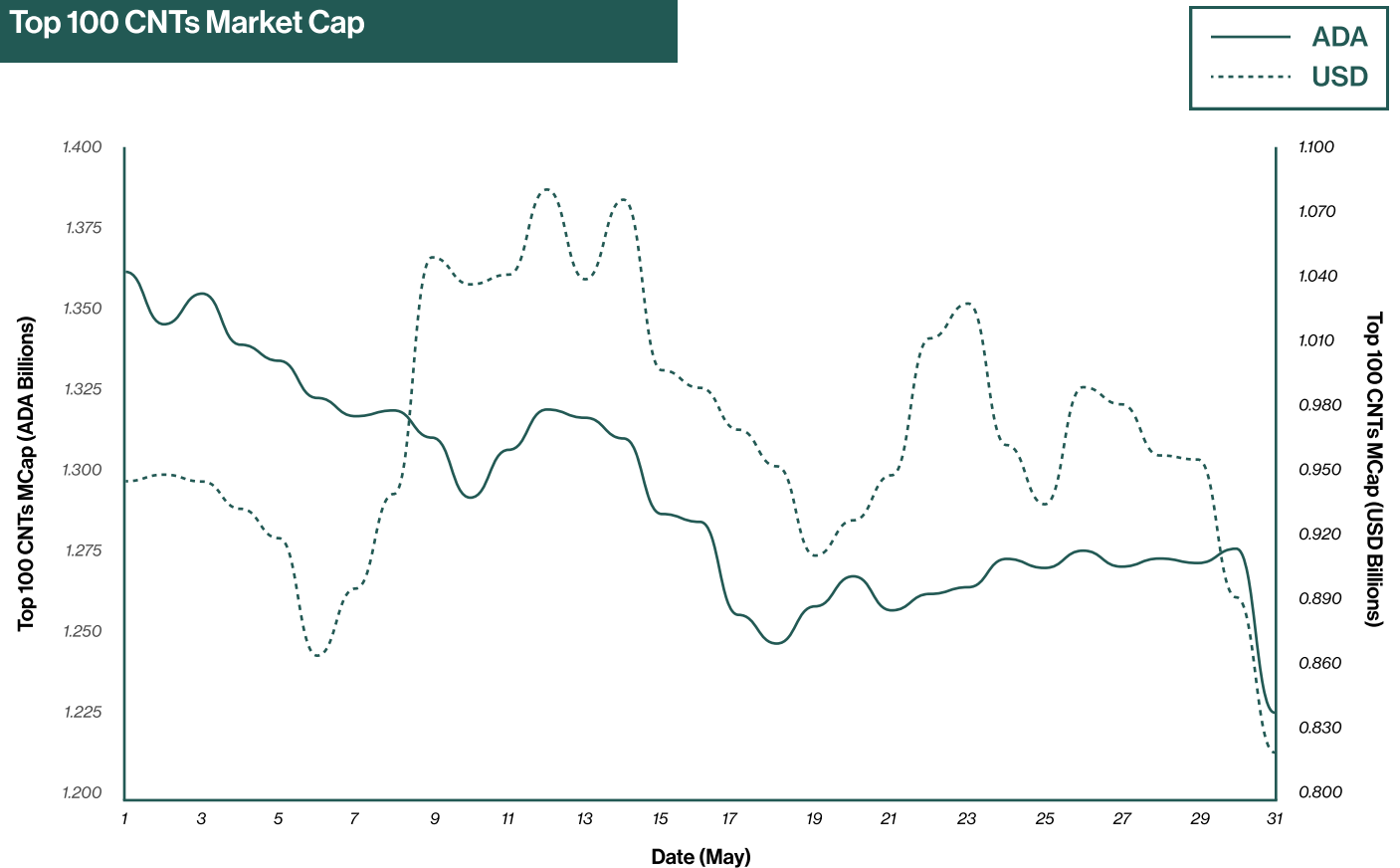
Top 100 CNTs Volume by Category



Source: Taptools

Cardano's native token volume closely mirrored ADA's price and trading activity throughout May, with one notable exception - a late-month surge driven by ecosystem-specific speculation around select tokens. This divergence suggests that while native asset trading generally correlates with ADA's market movements, concentrated interest in particular projects can temporarily decouple volumes from the underlying asset's trend.

Top 100 CNTs Market Cap



Source: Taptools

The Market Cap of Cardano's top 100 tokens (denominated in ADA) showed weakness in May, with 66% of tokens posting negative monthly returns. Encouragingly, early June data shows tentative signs of recovery across the board. This suggests the May downturn may represent a temporary contraction rather than a sustained trend.

New DeFi DApps

Strike Finance has launched perpetual futures on Cardano in a limited beta phase, capping positions at \$1,000 and generating \$332,000 in open interest so far at the time of writing. The platform currently matches orders using team-provided liquidity, similar to Hyperliquid's vault model. Future plans for the protocol include enabling user-provided liquidity soon.

Since going live 3 weeks ago, the protocol has earned 104,000 ADA - projecting 2.34M ADA in annual revenue despite the \$1,000 position cap. The immediate roadmap is as follows:

- 1 Opening liquidity deposits to users
- 2 Increasing max position sizes
- 3 Enabling revenue sharing
- 4 Adding perps for major Cardano native assets
- 5 Accepting STRIKE token as partial collateral
- 6 Developing an API for third-party integrations

Existing DApp Upgrades

Danogo Advances Cardano DeFi with New Features

Danogo has emerged as a powerful DeFi protocol, serving as both an alternative front-end for existing lending/borrowing platforms and an innovator with its own smart contract infrastructure. The platform recently launched [Fixed Rate Lending](#), a primitive for users seeking predictable returns. Equally significant is Danogo's expanded collateral system, which now accepts:



[DEX LP tokens](#)



[Liqwid Finance's qTokens](#)

This breakthrough dramatically improves capital efficiency and DeFi composability on Cardano, allowing liquidity providers and yield farmers to leverage their positions without exiting them. By bridging lending markets with DEX liquidity, Danogo unlocks new strategies for borrowers and lenders alike, further solidifying Cardano's position as a hub for sophisticated decentralized finance.^{16, 17, 18}

Sundae Labs Permissioned Pools

[Sundae Labs](#) designs and builds decentralized software on and for the Cardano blockchain, most commonly known as the creators of the [Sundae Swap DEX](#). This month, in collaboration with [Kora Labs](#) (the team behind [ADA Handle](#) - a Cardano address naming service), they are introducing permissioned liquidity pools.

Permissioned liquidity pools are a CeDeFi (Centralised DeFi) solution aimed at traditional financial institutions hesitant to engage with DeFi due to regulatory concerns. These institutions often face compliance risks, including exposure to money laundering or terrorism financing, in permissionless environments.

To address this, Sundae Labs integrated ADA Handles, decentralized identifiers (DIDs), and customizable pool parameters to create a proof of concept KYC-compliant liquidity pool. This opens new possibilities, such as invite-only trading groups and volatility protected pools.

The innovation complements Sundae Labs' broader ecosystem, including its upcoming Credit protocol to enable RWA's to be tokenised and exchanged onchain, leveraging [Gummiworm](#). The entire sundae suite could serve as foundational primitives for compliant on-chain finance, making them a critical innovation to monitor.

*Gummiworm is an L2 solution that leverages Hydra (state channels like [Lightning Network](#) on [Bitcoin](#)).^{19, 20}

Begin Wallet x Liqwid Finance Lending Integration

[Liqwid Finance](#), Cardano's largest dApp by total value locked (TVL), has integrated with [Begin Wallet](#), a user-friendly mobile wallet designed to simplify DeFi access. This partnership allows users to earn yield on their ADA and other assets directly within their Wallet, removing technical barriers and encouraging broader DeFi participation. The partnership doesn't stop there, with teams having confirmed that Borrowing functionality is currently in development. Learn more about the integration [here](#).

Stablecoins

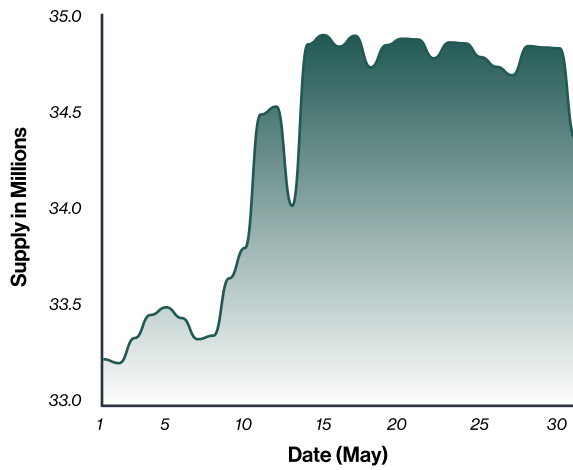
Cardano's stablecoin supply demonstrated growth throughout May, with particularly strong mid-month expansion coinciding with the Trump tariff announcements - a clear risk-off response mirroring ADA's price and volume behavior during this period.

Stablecoin trading volume followed a similar pattern, showing notable late-month activity that suggests continued cautious positioning even as broader markets stabilized.

Month Volume (USD)

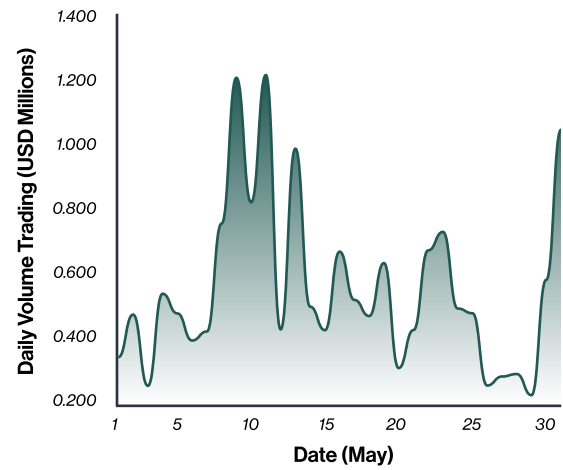
17,231,162

Supply



Source: Taptools

Daily Volume Trading (USD)



Source: Taptools

USDM Stablecoin Expands Access with Retail Minting

Moneta's native fiat-backed stablecoin USDM has launched direct minting and burning of USDM for verified users in approved U.S. jurisdictions. The retail rollout introduces two streamlined processes for obtaining USDM on Cardano: an automated bank transfer option and a manual USDC conversion method. All minted USDM maintains full 1:1 backing with U.S. dollar reserves, with transparency ensured through real-time audits conducted by Charli3's oracle solution via banking API integrations. The expansion to retail users should result in increased volumes and a tighter peg, with more participants able to benefit from arbitrage.²¹

Ecosystem Updates & Metrics

5

Non-DeFi DApps

Agent T - The Heart of Cardano's DeFAi (DeFi x Ai)

Agent T operates as a fully autonomous AI agent on Cardano, managing his own wallet, executing trades, and providing market-making across decentralized exchanges. Beyond trading, he offers research-as-a-service, facilitates non-custodial payments between Cardano addresses via social media, and actively participates in on-chain governance - voting on parameter changes, treasury withdrawals, etc.

He was created by Flux Point Studios, a software development team specializing in gaming experiences and AI-driven solutions. The studio is now building a protocol around Agent T, powered by the \$AGENT token, with ambitions to establish a closed-loop, AI-powered economy. This ecosystem will integrate with FluidTokens' Aquarium Protocol and leverage newly acquired SaturnSwap (order-book DEX) to deepen its trading infrastructure.^{22, 23, 24, 25, 26, 27}

Bodega Prediction Market Gains Momentum on Cardano

Bodega Market has established itself among Cardano's leading non-DeFi applications, with internal metrics showing second-highest daily active users and third-highest transaction volume in this category. The open-source prediction market platform allows anyone holding 50,000 BODEGA (~\$15k) to create markets and earn 2% of trading volume.

The team is preparing to launch V3 next month with live odds and tradable shares, while also planning to be the first prediction market to expand to Bitcoin. Bodega's success stems from its community-focused approach, combining creator incentives with transparent communication. These developments position Bodega as a pioneer in cross-chain prediction markets, bridging Cardano's vibrant ecosystem with Bitcoin's massive user base.

Cory Monroe, Bodega CEO at Draper University earlier this month, "During the program, we learned a lot and made invaluable connections. It also helped us refine our business model and aim even higher! We received fantastic feedback, confirming we're in a strong position, and I'm more excited than ever about Bodega's future."²⁸

"During the program, we learned a lot and made invaluable connections. It also helped us refine our business model and aim even higher! We received fantastic feedback, confirming we're in a strong position, and I'm more excited than ever about Bodega's future."

Cory Monroe (CEO of Bodega Market)

Xerberus

[Xerberus](#) is a blockchain-native risk rating and asset management platform that evaluates digital assets using on-chain data and machine learning. Unlike traditional rating agencies, its decentralized architecture ensures transparency and incorruptibility, assessing tokens based on network health and ecosystem dynamics. Currently deployed across Cardano, Ethereum, Base, and Polygon, Xerberus employs a modular, multi-chain approach to provide comprehensive risk analytics.



Enhanced qualitative insights for tokens, governance, and venture data



AI-generated summaries for clearer, human-readable risk assessments



An SDK for AI agents, enabling third-party integrations



AI Agent MVP that continuously learns from market data

Future plans focus on refining governance tracking, scaling qualitative coverage, and incorporating user feedback into ratings. [Explore their Dashboard](#) to see their evolving analytics in action.

Governance Updates

6

Why Governance Matters

Decentralized blockchains operate without centralized leadership, eliminating single points of failure while maintaining trustlessness and transparency. For these systems to evolve, structured governance determines upgrade paths, resource allocation, and protocol direction. Effective frameworks implement checks and balances to ensure operational smoothness, security, and adaptability without compromising decentralization.

While no governance model is perfect, Cardano's approach transforms the protocol from a static system into a dynamically evolving ecosystem. This capability to adapt through collective input makes governance critical - not just for Cardano's development, but as a benchmark for decentralized systems globally.

Cardano Governance

Cardano distributes decision-making power across stakeholders including ADA holders, Delegated Representatives (DReps), Stake Pool Operators (SPOs), and the Constitutional Committee (CC). The following section elaborates on these roles. This multi-role system requires independent approvals for protocol changes, treasury withdrawals, and other critical actions, enforcing rigorous checks and balances. Every ADA holder participates directly or through delegation to a DRep, ensuring broad representation.

The system enables evolution through on-chain voting and open proposal mechanisms. This collective approach leverages diverse perspectives for smarter decision-making than centralized alternatives. By institutionalizing this adaptability, Cardano can implement upgrades, address vulnerabilities, and capitalize on opportunities without centralized control or disruptive hard forks.

All governance actions remain transparent through immutable on-chain recording of votes, decisions, and rationales. This creates permanent audit trails that maintain accountability while allowing continuous community oversight of the governance process itself.

Key Governance Roles and Institutions

Delegated Representatives (DReps) serve as voting proxies for ADA holders who choose to delegate their governance participation. These representatives cast votes on proposals according to their delegators' interests while maintaining transparency about their decision-making process. Any community member can register as a DRep, creating an open system of delegated democracy.

Stake Pool Operators (SPOs) fulfill dual responsibilities - securing the network through block production while simultaneously participating in governance decisions. Their technical expertise and economic stake in the network position them as key validators of protocol changes and system upgrades.

The Constitutional Committee provides critical oversight, ensuring all governance actions align with Cardano's foundational principles. This body interprets the network's constitution, maintains checks and balances, and safeguards against proposals that might compromise the system's core values.

Intersect is a member-based organization guiding Cardano's development through advisory committees. These experimental groups help shape Cardano's future by influencing direction and establishing processes, **while maintaining clear separation from governance authority - which remains with CC, DReps, and SPOs.**

How Cardano Governance Works: Processes and Mechanisms

Checks & Balances

Approval requires majority consent from at least two of three governance bodies:

- 1

DReps (community representatives)
- 2

SPOs (technical validators)
- 3

Constitutional Committee (oversight body)

Verified Decision-Making Matrix

- 

Constitutional Committee changes: Voted by DReps + SPOs
- 

SPO-related proposals: Voted by DReps + CC
- 

DRep compensation/rule changes: Voted by SPOs + CC

This structure prevents conflicts of interest while maintaining decentralized oversight. For example:

- 

DReps cannot vote on their own compensation (avoiding self-dealing)
- 

SPOs cannot unilaterally change their own incentives
- 

The CC cannot modify its membership without community+SPO approval

Getting Involved: Pathways for Participation

ADA holders can participate in governance by [delegating voting power to a DRep](#). For deeper engagement, community members may join Intersect committees, which provide avenues for proposal development, education initiatives, and ecosystem stewardship. These pathways collectively sustain Cardano’s transparent, decentralized governance model.

May Governance Updates

Constitutional Committee Vote

Prior to on-chain governance activation in the [Chang hardfork](#), the Cardano community voted to establish an [Interim Constitutional Committee](#). This interim body, comprising 7 seats, focuses on the technicality and constitutionality of the first community-submitted on-chain governance actions.

The seats are held by:



1 seat per founding entity (IOG, Cardano Foundation, Emurgo)



1 seat for Intersect



3 community-elected seats

More context can be found [here](#) 

With the Interim Constitutional Committee's term concluding on 1 September 2025, Cardano has initiated its on-chain election for a permanent Constitutional Committee. The application period ran from May 5th-31st, attracting 19 candidates for the 3 available community seats.^{29, 30, 31}

Key Dates



Application Period: May 5, 2025 6:00 PM (UTC) - May 31, 2025 6:00 PM (UTC)



Voting Period: June 10, 2025 6:00 PM (UTC) - June 30, 2025 6:00 PM (UTC)



Results Shown: July 4, 2025 6:00 PM (UTC)

Treasury Withdrawals

Any ADA holder may submit an info action proposal by depositing 100,000 ADA (fully refundable). These proposals, which might request treasury withdrawals for specific initiatives (e.g., "Withdraw 10 million ADA to develop Project XYZ"), must first pass two critical checkpoints to secure funding:

Info Action Phase



Requires approval from $\geq 50\%$ of Delegated Representatives (DReps)



Must receive constitutional validation from the (Interim) Constitutional Committee



Serves as an initial sentiment check before formal treasury requests

Treasury Withdrawal Phase



Only proposals with successful info actions may proceed, explicitly referencing the previously approved info action



Requires a higher threshold of $\geq 67\%$ approval from DReps



Must again pass constitutional review by the Interim Committee

To avoid the inefficiency of voting on hundreds of separate information actions and treasury withdrawals, Intersect has implemented a more structured approach. First, an off-chain sentiment check was conducted, where individual budget proposals required at least 50% approval to advance. Successful proposals were then consolidated into a single, unified [275 million ADA info action proposal](#) for on-chain voting.

This consolidated proposal is currently under consideration. If approved, Intersect will propose a corresponding treasury withdrawal request for the full amount. Intersect would then oversee the distribution of these funds according to pre-established milestones and agreed-upon project deliverables.³²

Miscellaneous Proposals

Several proposals submitted in May are currently under review. Their results and implications will be analyzed in next month's report.

Top 15 DReps by ADA Delegated

drep_id	Delegated ADA
drep_always_abstain	6,252,246,037
drep1jnmmkfwpta0yuwjchw0gu6csh75vy62088egy9n67d0zc7sn83m	716,906,487
drep1m8mnpkykcjfyax5mcs42whu3dt347u8aq43x45ucs6dv3ztw0lez	276,025,451
drep1qe2l8gw8v7ydswhp9twytxcc3wzwdq8npt55f3vnlgv2u8sx3nt	261,223,813
drep13d6sxkyz6st9h65qqrzd8ukpywhr8swe9f6357qntgigye0gttd	216,174,956
drep15mr008j83j7n0aet3rfpw92trx24gc7hjmjdrk50fh9xslp09mx	201,678,714
drep16tsw66jtrver8ur3y3zzq2fl0m4swl4lwk88fvd4z4ydukj0	200,306,324
drep1g2d3y3skgr806wj2ryhhc5ca3akx6vmppde87jq7kgknjmv589e	190,652,549
drep_always_no_confidence	174,642,296
drep1kyppjilh4lawh4g0ewx2d8a5l20t4yclfnppnuvdkmt7vccg836	168,978,084
drep120m237kstm7pzywv5nwtjm8gj8dl55j9nupwlkapz77mgv7zu7l	131,039,909
drep1npqc9m60dg9a27e852jn8wse9h3l975qsgwgh22mmh2eqzrlsfc	130,170,789
drep1lhkqu7uhq9532xr5558q7gh5rl54m4ezav8p5yfkqz27yrx735a	116,157,966
drep109sf5yy88t6lqrgtfw2uejek9z7kqgupzwckexp4e25a6j28a5v	88,240,963
drep1qz8frp3eq58v3dcguhv0753yt9gf3g50plrxw8rxu2f2krf2p5d	83,914,725
drep1km69g7ksf8t5g0h9d9tkrcd2tezxelx0wtr76rv2mrkl5nzd6v3	83,554,803
drep1ydvwp8x9j8u4flwjgwx8jdjwp9p4zf2x4rk7vv7fgzk6j2k7c6	79,997,317

In Cardano's governance, stakeholders have two additional voting options to express their stance beyond standard yes/no.

- 1 Always_abstain:** signals an intention not to participate in voting procedures, effectively abstaining from the decision-making process. This may reflect neutrality or a preference to defer judgment.
- 2 Always_no_confidence:** signifies a lack of trust in the current Constitutional Committee, serving as a vote of no confidence in their decisions. This mechanism ensures stakeholders can formally dissent if they believe the committee's actions misalign with Cardano's foundational principles, reinforcing accountability within the governance framework.³³

Institutional Environment

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SEC Delays Grayscale Cardano ETF

 Feb 10th : Grayscale files initial spot Cardano ETF application via NYSE Arca	 Feb 20th : Amended filing submitted
 Feb 28th : SEC triggers standard 240-day review period	 May 28th : SEC announces delay (current status)
 July 15th : Next SEC decision deadline (approve/reject/extend)	 Oct 22nd : Final review period deadline if no earlier decision

The SEC must take next action by July 15 - either making a final decision or initiating proceedings for further review. The maximum 240-day review window runs until October 22 if no earlier determination is made.³⁴

Proof-of-Stake Staking Does Not Constitute Securities Offering

In a move to provide regulatory clarity for crypto assets, the SEC's Division of Corporation Finance has issued guidance stating that staking on proof-of-stake (PoS) networks - referred to as "Protocol Staking" - does not involve the offer or sale of securities under federal law. With clearer regulations, Cardano is now better positioned to attract institutional capital and grow as a scalable, compliant blockchain ecosystem.³⁵

ADA Acquisition for Long-Term Digital Asset Strategy

[C2 Blockchain Inc.](#) has announced plans to acquire 1 million ADA as part of its long-term treasury strategy, following approval from its Board of Directors. CEO Levi Jacobson emphasized Cardano's advantages as a third-generation proof-of-stake blockchain, including its academic rigor, energy efficiency, and growing applications in DeFi and tokenization. The ADA holdings may additionally be deployed for staking, pending regulatory compliance.

This strategic allocation reflects C2 Blockchain's updated digital asset policy and underscores rising institutional confidence in Cardano's ecosystem. The move aligns with broader corporate adoption trends and benefits from recent regulatory clarity surrounding proof-of-stake networks, reinforcing Cardano's status as a premier blockchain platform for institutional adoption.³⁶

eToro Relists ADA and Bitstamp Launches Staking

[eToro](#) has relisted ADA on its U.S. platform effective May 28, 2025, restoring the asset to its 38 million global users. The move follows improved regulatory clarity and strong investor demand. Separately, [Bitstamp](#) (by [Robinhood](#)) has launched ADA staking services in the UK through its Bitstamp Earn program, automatically enabling rewards for deposited ADA. This rollout comes after UK regulators clarified in January 2025 that staking constitutes blockchain validation rather than an investment scheme.

These coordinated developments highlight Cardano's strengthening position in both retail and institutional markets. eToro's relisting improves liquidity and accessibility for everyday investors, while Bitstamp's staking service provides UK users with compliant yield opportunities. Together, they reflect the ecosystem's maturation amid clearer regulatory frameworks for proof-of-stake assets, potentially paving the way for further exchange integrations and growth in adoption.³⁷

Closing Summary

8

In May, Cardano showcased resilience and innovation, navigating shifting market conditions while achieving key technical milestones. ADA surged by 23.5% mid-month before stabilizing at \$0.68, mirroring broader crypto market trends amid macroeconomic uncertainty. Network activity remained strong, with transaction volumes and active wallets peaking alongside ADA's price rally.

The ecosystem made significant technical progress, highlighted by FluidTokens' Aquarium Protocol enabling native token fee payments and Strike Finance launching perpetual contracts. Established projects like Danogo and Sundae Labs expanded their offerings - introducing fixed-rate lending and regulatory-compliant liquidity pools, respectively. Cross-chain interoperability between Bitcoin and Cardano advanced with BitcoinOS, Fairgate, Input Output Global, and Sundial all working on using trustless and trust-minimized bridging solutions, while regulatory clarity emerged as the SEC confirmed that proof-of-stake staking does not constitute a securities offering.

Institutional engagement grew through Draper University's Cardano founder program, and governance took decisive steps forward with an upcoming Constitutional Committee election and streamlined treasury withdrawals via Intersect. Together, these developments underscore Cardano's unique position - a blockchain that harmonizes technical ambition with real-world adoption, setting the stage for sustainable growth in 2025 and beyond.

References

Ref No.	Description & Link	Category	Date
1	Post 1 about Aquarium from FluidTokens	Social Media	May 16th 2025
2	Post 2 about Aquarium from FluidTokens	Social Media	May 14th 2025
3	Draper University website	Company Website	May 31st 2025
4	Post about Bridgeless BTC Transfer from BitcoinOS	Social Media	May 5th 2025
5	Article about Bridgeless BTC Transfer from Bitcoin.com News	Media	May 6th 2025
6	Blog about Bridgeless BTC Transfer from BitcoinOS	Social Media	May 22nd 2025
7	Article about Bridgeless BTC Transfer from Maestro	Social Media	May 10th 2025
8	Article about Cardano Ordinals Bridge from Fairgate	Company Website	May 27th 2025
9	Article about Cardano Ordinals Bridge from Input Output Global (IOG)	Company Website	May 28th 2025
10	Article about wrapped tokens on Base from CryptoSlate	Media	May 14th 2025
11	Coinbase website	Company Website	May 31st 2025
12	On-chain tool for Layer-2 data	Public Tools	May 31st 2025
13	Input Output Global (IOG) website	Company Website	May 31st 2025
14	Post about Minswap and Subwallet from cnftdrop	Social Media	May 12th 2025
15	Chrome web store	Public Tools	May 31st 2025
16	Post about Fixed Pool Lending from Danogo	Social Media	May 23rd 2025
17	Post about LP Token Collateral from Danogo	Social Media	May 29th 2025
18	Post about qToken Collateral from Danogo	Social Media	May 30th 2025
19	Sundae Labs website	Company Website	May 31st 2025
20	Project Catalyst proposal archive	Public Tools	November 2024
21	Moneta USDM website	Company Website	May 31st 2025
22	Proof-of-Inference Litepaper by Flux Point Studios	Whitepaper	May 23rd 2025
23	Post 1 about AGENT-T	Social Media	May 16th 2025
24	Post 2 about AGENT-T	Social Media	May 14th 2025
25	Post 3 about AGENT-T	Social Media	May 13th 2025
26	Post 4 about AGENT-T	Social Media	May 12th 2025
27	Post 5 about AGENT-T	Social Media	May 11th 2025
28	Blog about Bodega V3 from Bodega	Social Media	April 16th 2025
29	Documentation about ICC from Intersect	Public Tools	March 2025
30	Documentation about Cardano Governance	Public Tools	May 31st 2025
31	2025 Constitutional Committee elections	Public Tools	May 5th 2025
32	Cardano Budget Governance Proposal by Intersect	Public Tools	May 13th 2025
33	Information about Delegated Representatives (DReps)	Public Tools	
34	News about SEC delaying Cardano ETF	Media	May 29th 2025

35	<u>SEC official statement on staking regulation</u>	Company Website	May 29th 2025
36	<u>C2 Blockchain Inc. ADA aquisition news</u>	Media	May 27th 2025
37	<u>E-toro relisting news</u>	Media	May 29th 2025