Structured Fixed Income Vaults

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Resolving limitations in open DeFi infrastructure to meet demand for tokenised credit, treasuries and RWAs.

Fixed income is the largest asset class in global finance. Global fixed-income securities outstanding reached $160.7 trillion in 2025, up 10.6% year-on-year, while global long-term fixed-income issuance reached $29.9 trillion. For comparison, global equity market capitalisation stood at $157.8 trillion.

As bonds, credit markets, and money markets migrate on-chain, DeFi infrastructure must evolve to support them. The on-chain market remains tiny relative to the opportunity. By March 2026, the active RWA market had grown to $25.2 billion, more than five times its size a year earlier. Private credit alone accounted for approximately $4.6 billion. Yet only around $2.8 billion of the roughly $28.6 billion total on-chain RWA market was deployed within DeFi, highlighting the gap between tokenisation and actual on-chain capital deployment.

Open vaults built to generate yield cannot support institutional credit markets; curated or managed infrastructure can.

Laser Digital is building that infrastructure by partnering with counterparties that share its vision to meet demand for tokenised credit, treasuries and other RWAs. By combining quantitative risk modelling and institutional governance, we are bringing to the market a new primitive for DeFi: structured fixed income vaults.

The curation thesis

This shift is already visible in the evolution of DeFi vaults. According to the latest *State of DeFi Curation 2026* report, managed vaults now represent $11.29 billion in TVL across 856 vaults, managed by 131 curators across 18 protocols. The scale of the ecosystem highlights the emergence of on-chain strategies managed by risk governors, who select strategies, configure risk parameters and determine how capital is deployed.

Before we proceed, let's understand the four structural risks which currently limit the scale of on-chain credit. At present, these risks prevent institutional capital from simply depositing into an open DeFi vault:

Compliance risk

In permissionless DeFi pools, participants interact with a smart contract, not a verified counterparty. Other participants thus remain unverified, with unknown identity and jurisdiction. For institutional mandates under regulatory oversight, this is difficult to reconcile with KYC and AML/CFT obligations, creating risk that is hard to size within a fund's risk framework.

Smart contract and exploit risk

DeFi protocols remain vulnerable to smart contract exploits and infrastructure failures. While the ecosystem has improved security practices, capital remains exposed without institutional insurance coverage. For fixed income capital seeking predictable returns, unhedged exploit risk is unacceptable.

Governance risk

On-chain lending markets have largely relied on informal parameter setting and community governance for risk decisions. In traditional finance, credit markets operate under structured risk governance frameworks with institutional oversight. That gap limits the confidence of allocators evaluating on-chain credit exposure.

Settlement risk

Real-world assets do not settle atomically on-chain. Funds operate through NAV cycles, redemption windows, and off-chain settlement processes. This prevents leveraged credit strategies from functioning efficiently in DeFi, where liquidations and collateral adjustments require atomic transactions.

In essence, these constraints create a gap between the capital arriving on-chain and the infrastructure available to support it.

Bringing fixed income markets fully into DeFi therefore requires new infrastructure designed to manage compliance, governance, insurance, and settlement mechanics in a single system.

The fixed income edge

DeFi fixed income is a complex asset class. The underlying strategies span private credit, delta-neutral carry, tokenised treasuries, and structured products. Each has different settlement mechanics, redemption windows, and risk profiles. Curating strategies for these assets requires quantitative risk modelling rather than parameter copying.

Risk governance of such on-chain strategies encapsulates the design and management of parameters that determine how capital enters a vault, how risk is governed, and what protections are in place. It sits between asset management and protocol infrastructure and, in short, solves for the risks above.

The emergence of a distinct curation layer is already visible in the market structure: the current Vaults Report ecosystem maps 22 vault platforms and 33 management and curation entities, alongside a growing universe of tokenisation platforms.

DeFi fixed income requires a new kind of intermediary. Asset managers select strategies, lending protocols provide infrastructure, and curators occupy the space in between: designing the vault architecture, calibrating the risk, and verifying who can participate. That role did not exist in early DeFi because the assets did not require it.

The risk governor defines the conditions under which capital can access a strategy without managing the strategy directly. It is a discipline that draws on three distinct areas of expertise: quantitative risk methodology, fixed income structuring, and fixed income trading.

> *"Institutional interest in on-chain fixed income is no longer theoretical. The opportunity is real, but so are the constraints. We are focussed on building offerings to support assets whose behaviour more closely resembles conventional fixed income instruments than volatile crypto tokens, while preserving the efficiency benefits of on-chain settlement."*
>
> *Dr. Jez Mohideen, CEO and Co-Founder of Laser Digital*

Through strategic partnerships, Laser Digital aims to become an advisory risk governor for low-risk DeFi vaults. Asset management, allocation decisions, and discretionary positions stay with the fund operators.

This also shapes how we approach the design of on-chain strategies. LTV ratios, interest rate models, exposure caps, and liquidation thresholds are calibrated using quantitative frameworks derived from historical on-chain data rather than borrowed from other protocols.

About Laser Digital

Laser Digital is the digital asset subsidiary of Nomura Group and a full-spectrum digital finance company, powering institutional participation in the on-chain economy. Headquartered in Zurich, with licenses from UAE's VARA and ADGM, Laser Digital is engaged in active management of yield-bearing crypto funds, sophisticated OTC trading strategies, and structured treasury management solutions, built on fully compliant infrastructure.

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