Institutional Research Brief

State of Quai Q2 2026

Quai is a fully operational, fast proof of work Layer-1 positioned at the intersection of commodity money, energy markets, and monetary settlement. The market still prices Quai like an early experiment, while revenue comps, public access, and pool distribution data point to a material market discrepancy.

Price	Market cap	SOAP revenue	Burn address
$0.0268	~$26.9M	$4.40M	89.6M
CoinGecko / Kraken, 19 May	RPC supply basis	Cumulative external PoW revenue	QUAI at protocol burn address

Key Insights

20 May 2026

1. **SOAP trailing-24h revenue was $36.7K**, putting Quai in the revenue conversation with much larger networks and above Hyperliquid, BSC, Arbitrum, Injective, and Aptos in the peer set.
2. **Quai annualized SOAP revenue equals ~52.3% of market cap**, versus Hyperliquid at 0.09%, Solana at 0.04%, Ethereum at 0.01%, and BSC at 0.01%.
3. **Current SOAP revenue annualizes to ~$13.4M**, giving funds a live ARR-style benchmark for miner-sourced demand.
4. **Singularity removed 1.67B QUAI of future genesis unlocks**, reducing the forward genesis path from the original 3.0B schedule to a 1.33B post-fork baseline.
5. **SOAP has routed $4.40M of cumulative external PoW revenue**, while the protocol burn address holds 89.6M QUAI.
6. **Distribution and mining access improved in Q2** through v0.53 BIP-302, StratumX solo mining, pool support, Kraken trading, Blip wallet support, and Symbiosis routing.

Prepared by the Quai Network team for institutional review. Data as of 20 May 2026.

Key Metrics

Quai's SOAP puts it in the revenue conversation with much larger networks

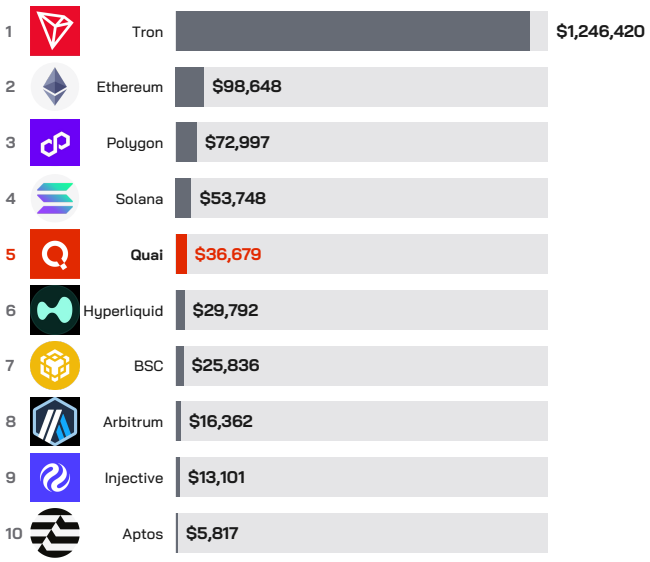
Quai's economic engine is not limited to transaction fees, blockspace demand, or application activity. SOAP revenue is $36.7K per day, ahead of Hyperliquid, BSC, Arbitrum, Injective, and Aptos in this peer set, while the network still trades at small-cap scale.

Strategic read

Quai annualized SOAP revenue equals ~52.3% of market cap. Hyperliquid is at 0.09%, Solana at 0.04%, Ethereum at 0.01%, BSC at 0.01%, Tron at 1.34%, and Polygon at 2.76%. The setup is a small-cap L1 with a live external PoW demand mechanism that can be evaluated alongside much larger networks.

L1 Chain Daily Revenue Rankings

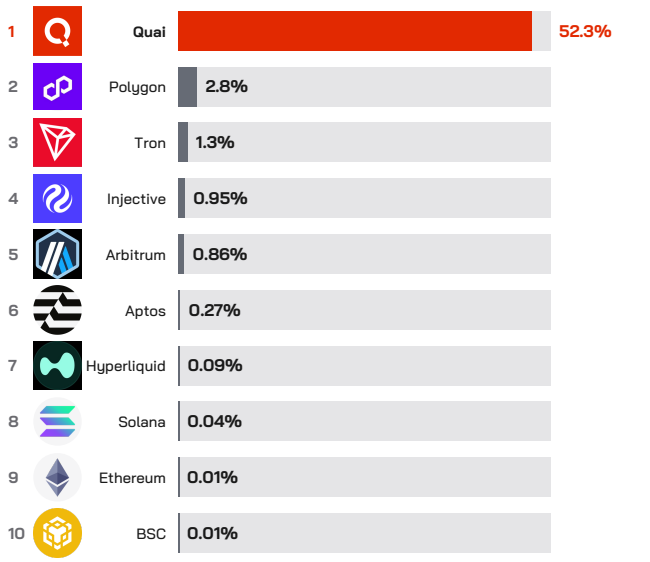
Fig. 1



Source: DeFiLlama fees overview API and SOAP /api/blocks trailing-24h aggregation, 20 May 2026.

Market cap relative to ARR

Fig. 2



Linear scale: bars show annualized revenue as a percentage of market cap. Source: DeFiLlama fees overview API, SOAP /api/blocks aggregation, and CoinGecko market caps, 20 May 2026.

Key takeaway

For Quai, higher SOAP revenue directly strengthens the security budget because revenue comes from merge-mined external proof of work subsidy. This is not just chain-fee activity. It is miners converting outside block rewards into QUAI demand, burn, and lock activity, creating a revenue-to-security feedback loop that no other chain in this peer set can claim.

Section I

Primer

Quai Network is a proof of work Layer-1 built around a multi-chain architecture and Proof-of-Entropy-Minima (PoEM) consensus. QUAI is the scarce account-based asset. QI is a UTXO payment asset tied to mining difficulty and intended for cash-like payment use cases. The network is EVM-compatible on the QUAI ledger while QI provides a separate payment rail.

SOAP is the core Q2 proof point. It lets workshare miners contribute parent-chain work and routes external coinbase subsidy into QUAI purchases. Purchased QUAI is burned or time-locked, turning external PoW rewards into a measurable demand surface for the network.

The timing of the supply reset matters. Quai is already past the one-year cliff and the post-cliff monthly unlock point that drove most of the visible overhang concern. After Singularity, the investor question is no longer an approaching Y1 unlock wall, but the smaller residual post-fork schedule alongside SOAP burn and lock activity.

1 **Live demand engine**
SOAP has been live since December 2025 and can be monitored through the SOAP dashboard, burn-address revenue, and processed parent-chain blocks.

2 **Supply reset already executed**
The Singularity fork removed 1,667,159,984 QUAI of future genesis unlocks from the forfeiture address set after the one-year cliff had already moved into the historical base.

3 **PoW monetary positioning**
Quai is best compared with PoW monetary assets and execution networks, not generic high-throughput PoS L1s.

4 **Q2 access and wallet catalysts**
Kraken trading and the Blip iOS release added public-market and end-user access points during Q2.

5 **SOAP ARR benchmark**
At the current $36.7K trailing-24h rate, SOAP annualizes to ~$13.4M of external PoW revenue routed toward QUAI accumulation.

Takeaway: Quai is ready for broader market adoption: live demand revenue, reduced supply overhang, multi-algo proof of work security, and improving access rails.

Section II

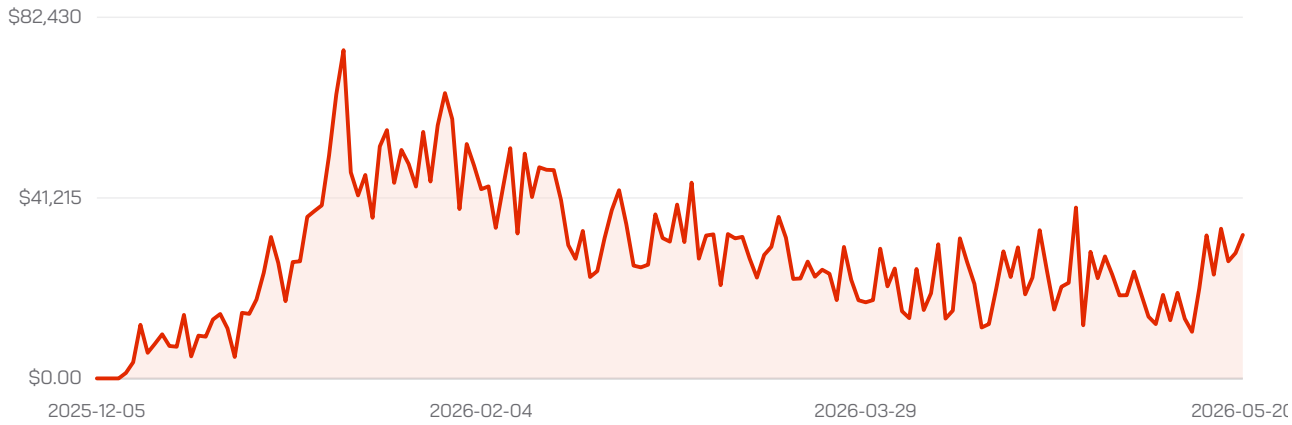
Usage and SOAP analysis

SOAP daily economic revenue is the most important live series in the report. It is external PoW revenue, not fee revenue. Track it alongside burn-address inflows, processed blocks, source-chain mix, and workshare breadth.

SOAP daily economic revenue

Fig. 3

Daily external PoW economic revenue aggregated from SOAP processed blocks.

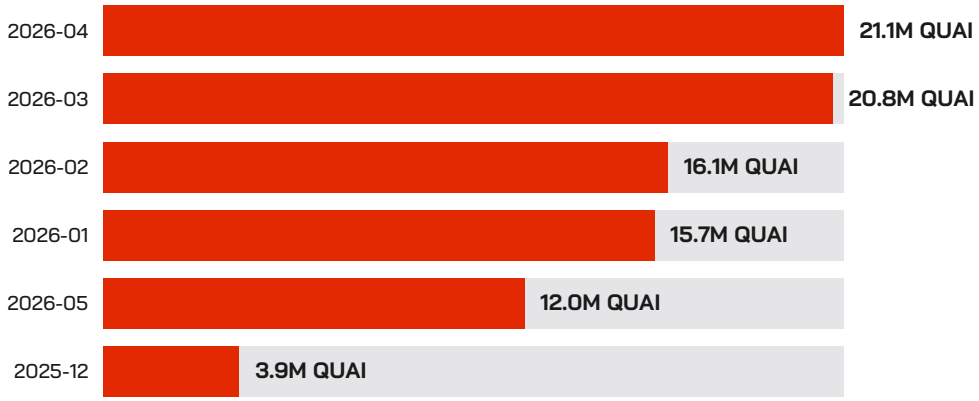


Source: SOAP /api/blocks range query, 19 May 2026.

SOAP burn-address monthly inflows

Fig. 4

Successful normal transfers into the protocol burn address, grouped by month.



Source: Quaiscan burn-address transaction reconciliation, 19 May 2026. Burn-address balance 89.6M QUAI.

Takeaway

SOAP gives Quai a live operating metric that funds can diligence daily. The relevant read is not only price action or application forecasts, but the link between miner participation, external PoW revenue, processed blocks, and QUAI that is burned or locked.

Section III

Supply and Singularity

Singularity is the central tokenomics event of Q2. It changed the future genesis unlock profile by removing the remaining unlock schedules for the forfeiture address set at Prime Block 1,530,500 on 19 March 2026.

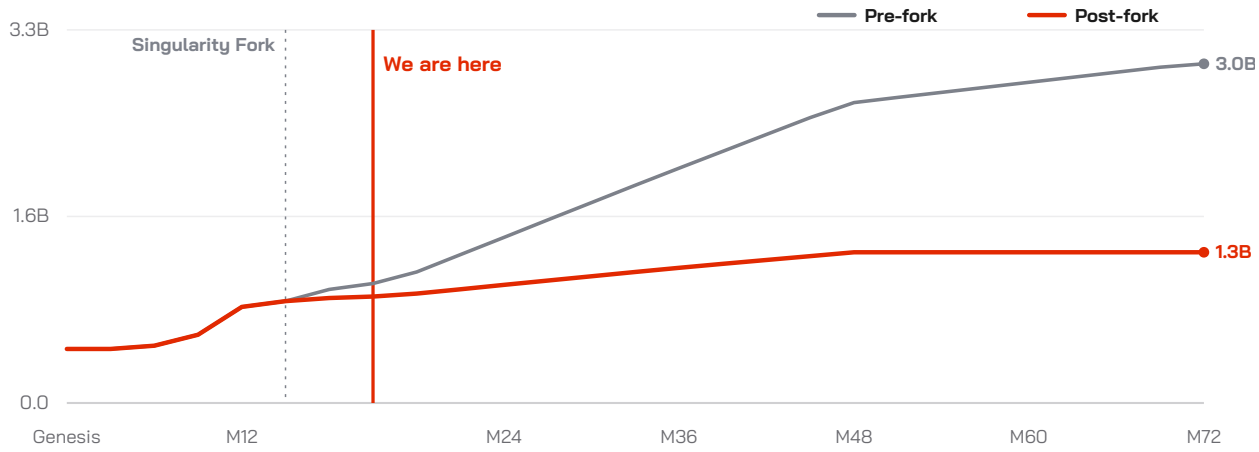
Modeling discipline

The charts below describe the forward genesis-unlock path before and after the fork. They do not model ongoing mining emissions or future net supply after SOAP burns.

Forward genesis unlock path

Fig. 5

Cumulative genesis unlocks under the original schedule versus the post-Singularity schedule.

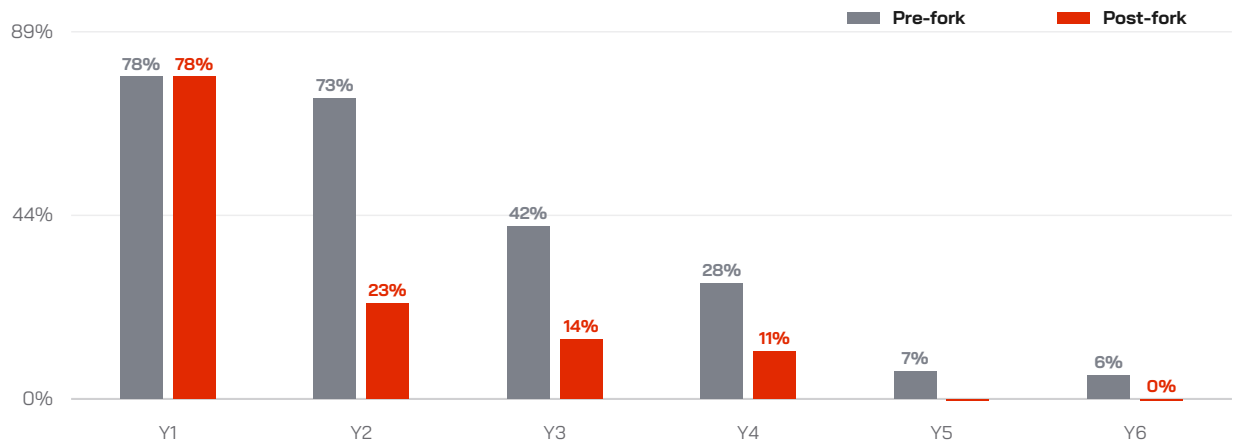


Source: /Users/comp/research/polychain-genesis/genesis_alloc.json, forfeiture_fork.json, and FORK_ANNOUNCEMENT.md.

YoY genesis-unlock inflation

Fig. 6

Annual genesis unlocks divided by beginning-of-year cumulative genesis unlocks.

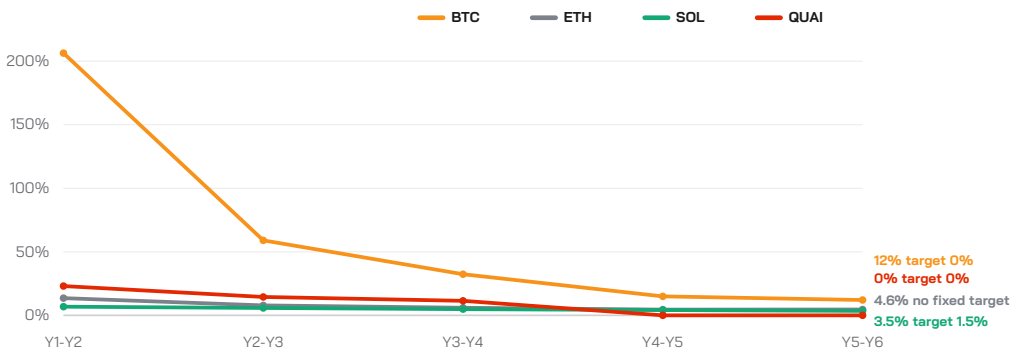


Source: /Users/comp/research/polychain-genesis/genesis_alloc.json, forfeiture_fork.json, and FORK_ANNOUNCEMENT.md.

Annual supply growth rate over time

Fig. 7

Y-axis shows YoY supply growth, starting after each network's first year-end.



Source: CoinMetrics SplyCur; Solana staking schedule; Quai Singularity unlock schedule. Labels show latest plotted growth and policy target.

SOAP and net issuance

Traditional proof of work networks pay miners with newly issued coins, so security budgets usually arrive with persistent token inflation. Quai keeps PoW security, but SOAP creates an offsetting demand loop: external mining rewards are routed into QUAI accumulation, with purchased tokens burned or locked rather than becoming continuous miner sell pressure.

The first-year cliff is already behind the network; the modeled post-fork genesis-unlock path steps down to 23%, 14%, 11%, and then 0%.

Net-supply read

Singularity reduced the forward genesis-unlock overhang, while SOAP gives the network a live mechanism for gross burn and lock activity. If SOAP revenue scales with mining emissions, Quai can move closer to net neutral issuance than a conventional inflationary PoW model.

Gross annualized SOAP burn scenarios

Fig. 8

Scenario arithmetic on burn-address inflow rates. Gross only; not a net-supply projection.

Source: Quaiscan burn-address inflow reconciliation, 19 May 2026.

Distribution takeaway

At the current Jan-Apr burn-address pace of ~221.1M QUAI/year, SOAP burn and lock activity equals ~22% of the ~999.7M working-supply basis each year, implying one full supply-equivalent churn cycle in ~4.5 years. Pair that with holder Gini coefficient and top-holder concentration: if Gini trends lower while SOAP churn stays high, the supply story becomes healthier distribution through repeated turnover.

Section IV

Competitive landscape

Quai is a sovereign PoW monetary network with EVM execution, not another generic L1. The distinction is the combination of PoW security, the QUAI/QI split, SOAP as a live external-demand mechanism, and native Qi privacy for payment use cases.

Peer	Daily revenue	Market cap	Mcap / annualized revenue
Quai	$36.7K	$25.6M	1.9x
Polygon	$73.0K	$966.2M	36.3x
Tron	$1.25M	$34,001M	74.7x
Injective	$13.1K	$501.7M	104.9x
Arbitrum	$16.4K	$701.7M	117.5x
Aptos	$5.8K	$781.0M	367.8x
Hyperliquid L1	$29.8K	$12,370M	1,137.6x
Solana	$53.7K	$49,842M	2,540.6x
Ethereum	$95.7K	$257,722M	7,376.4x
BSC	$25.8K	$87,409M	9,269.2x

Peer rows use DeFiLlama daily chain revenue and CoinGecko market caps. Quai uses SOAP trailing-24h external PoW revenue and CoinGecko market cap from the same 20 May 2026 data pull.

Network	Primary position	Edge	Quai differentiation
Bitcoin	PoW monetary settlement	Deep liquidity, strongest monetary brand, conservative design.	Quai keeps proof of work monetary framing but adds EVM execution, QI payments, and SOAP demand routing.
Kaspa	High-throughput PoW payments	Fast blockDAG narrative and strong retail mining community.	Quai pairs high-throughput proof of work with a second account-based asset, native execution, and a measurable buy and burn surface.
Ethereum and L2s	Execution and settlement stack	Deep apps, liquidity, tooling, and rollup distribution.	Quai is not dependent on Ethereum settlement, bridge security, or data-availability rent. The tradeoff is an earlier app base.
Solana and BSC	High-throughput retail execution	Large user bases, fast settlement, broad exchange access.	Quai's differentiation is monetary design rather than throughput alone: proof of work security, QUAI scarcity, Qi payments, and external revenue through SOAP.
Hyperliquid	Application-led L1 revenue	Clear product-market fit from exchange activity and strong fee capture.	Quai is earlier on applications, but the SOAP mechanism gives it non-app revenue that is already visible in daily data.
Privacy/ payment assets	Private medium of exchange	Payment privacy, fungibility, and cash-like user expectations.	Qi gives Quai a native privacy narrative without making QUAI itself a privacy coin.
Quai	PoW dual-ledger monetary network	SOAP, QUAI/QI split, PoEM, multi-chain execution, and Qi privacy.	Still early on custody breadth, application traction, and institutional depth, but differentiated across security, supply, payments, and demand revenue.

Qi privacy note

Native Qi is designed for cash-like privacy on a UTXO ledger. The privacy model uses enforced non-address reuse, payment codes, fixed denominations, and cooperative reaggregation to reduce traceability while keeping on-chain integrity. This is a payments narrative for Qi.

Section V

Network health and security

The proof of work security picture is clearest when raw hashrate is paired with economic security budget. Daily mined value shows how much value a network pays into mining each day, while market-cap-normalized security budget shows how much mining incentive exists relative to network value. Pool distribution adds the decentralization view across Quai's SHA-256, Scrypt, and KawPoW mining algorithms.

PoW produced (24h) ranking

Fig. 9

F2Pool output24h ranked by daily mined value, with QUAI inserted at a $30K/day SOAP run-rate.

1	BTC	SHA256d	$34.80M
2	DOGE	Scrypt	$1.50M
3	ZEC	Equihash	$953.2K
4	LTC	Scrypt	$194.9K
5	XMR	RandomX	$170.3K
6	BCH	SHA256d	$167.1K
7	ETC	Etchash	$105.9K
8	KAS	kHeavyHash	$82.2K
9	SC	Blake2B	$39.5K
10	FB	Sha256d	$32.4K
11	QUAI	SHA256d, Scrypt, KawPoW	$30.0K
12	CLO	Ethash	$13.5K

Source: F2Pool PoW Rankings output24h API, 20 May 2026. QUAI row uses a $30K/day SOAP external PoW revenue run-rate.

Security budget / market cap

Fig. 10

Daily mined-value budget as basis points of token market cap per day.

1	CLO	Ethash	17.35 bps/day
2	QUAI	SHA256d, Scrypt, KawPoW	11.73 bps/day
3	SC	Blake2B	7.71 bps/day
4	FB	Sha256d	7.04 bps/day
5	NEXA	NexaPow	6.14 bps/day
6	GRIN	Cuckatoo32	3.74 bps/day
7	ZEL	ZelHash	2.76 bps/day
8	ALPH	Blake3	2.02 bps/day
9	PEP	Scrypt	1.40 bps/day
10	CKB	Eaglesong	1.35 bps/day
11	RVN	KawPow	1.11 bps/day
12	ETHW	Ethash	1.07 bps/day

Source: F2Pool output24h and market-cap fields, plus QUAI market cap from the report data pull, 20 May 2026.

Key takeaway

Quai is exceptionally secure for its current value. At a ~$25.8M market cap, the ~$30K/day SOAP security-budget run-rate equals ~11.4 bps/day of market cap. That is the #2 reading in this proof of work peer screen and delivers more miner incentive per dollar of network value than nearly every larger network shown above.

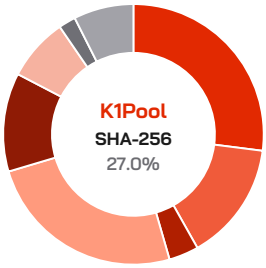
Quai shows competitive pool distribution at a smaller scale

Fig. 11

Reward-basis shares normalize Quai's SHA-256, Scrypt, and KawPoW miners into one security view, so the chart reflects economic security rather than raw hashrate alone. The result shows a smaller network decentralizing competitively across multiple algorithms and operators, instead of depending on a single pool or hardware path.

Quai

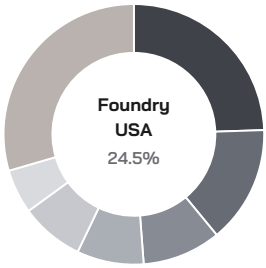
Top pool-algo 27.0% | N50 2



K1Pool / SHA-256	27.0%
Kryptex / SHA-256	14.8%
StratumX / SHA-256	3.7%
Kryptex / Scrypt	24.9%
K1Pool / Scrypt	12.3%
HeroMiners KawPoW	7.8%
Kryptex / KawPoW	2.1%
Other	7.4%

Bitcoin

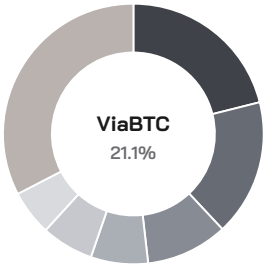
Top pool 24.5% | N50 4



Foundry USA	24.5%
AntPool	14.6%
F2Pool	9.8%
SpiderPool	8.3%
ViaBTC	7.9%
Mara	5.5%
Other	29.5%

Bitcoin Cash

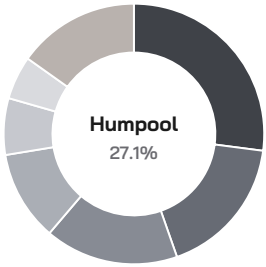
Top pool 21.1% | N50 4



ViaBTC	21.1%
Molepool Solo	17.0%
Tpool	10.2%
Solo Pool Solo	7.1%
Trustpool	6.5%
Kryptex Solo	5.6%
Other	32.6%

Kaspa

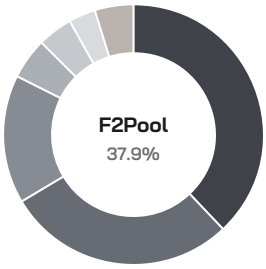
Top pool 27.1% | N50 3



Humpool	27.1%
F2Pool	17.6%
ViaBTC	16.6%
Kryptex Solo	11.2%
K1Pool	7.0%
Kaspa Pool Solo	5.4%
Other	15.2%

Litecoin

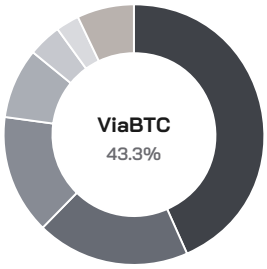
Top pool 37.9% | N50 2



F2Pool	37.9%
ViaBTC	28.5%
AntPool	16.0%
EMCD	5.1%
LitecoinPool	4.4%
Trustpool	3.3%
Other	4.8%

Zcash

Top pool 43.3% | N50 2



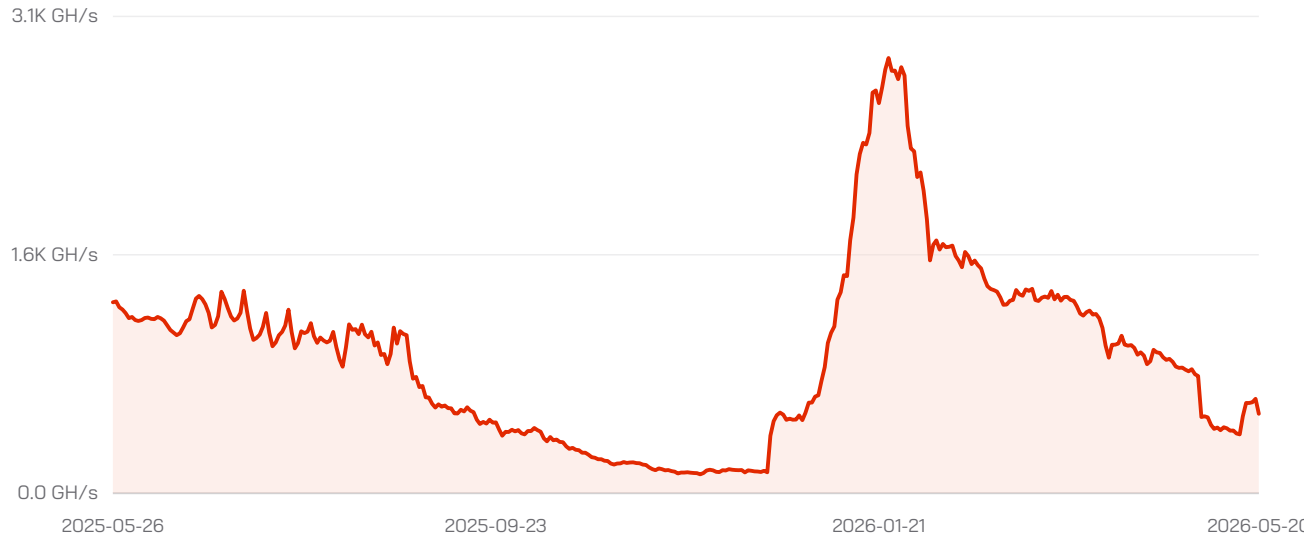
ViaBTC	43.3%
F2Pool	19.0%
AntPool	14.8%
2Miners	8.7%
Luxor	4.1%
Poolin	2.9%
Other	7.1%

Source: MiningPoolStats Quai SHA-256, Quai Scrypt, Quai KawPoW, Bitcoin, Bitcoin Cash, Kaspa, Litecoin, and Zcash pages; Quai RPC mininginfo for SHA-256, Scrypt, and KawPoW reward weights; StratumX stats API for StratumX Quai rows, 20 May 2026.

QUAI hashrate history

Fig. 12

Third-party daily hashrate chart data from Hashrate.no.



Source: Hashrate.no public QUAI chart data, 19 May 2026.

BCH, LTC, DOGE, and RVN as symbiotic subsidies for QUAI security

Fig. 13

Current QUAI SHA-256, Scrypt, and KawPoW hashrate inserted as a synthetic QUAI pool into BCH, LTC, DOGE, and RVN pool sets, with the implied pool rank shown on the left. Each network-share percentage is shown against that target's historical maximum in the local snapshot series.

BCH	SHA-256	QUAI rank #3 of 66 pools	418.0 PH/s Current QUAI SHA-256		8.21% / 15.00% of network / max reached
LTC	Scrypt	QUAI rank #7 of 37 pools	29.8 TH/s Current QUAI Scrypt		0.97% / 5.00% of network / max reached
DOGE	Scrypt	QUAI rank #7 of 45 pools	29.8 TH/s Current QUAI Scrypt		1.10% / 5.00% of network / max reached
RVN	KawPoW	QUAI rank #3 of 26 pools	518.5 GH/s Current QUAI KawPoW		23.17% / 63.00% of network / max reached

BTC SHA-256 target

QUAI already has SHA-256 hashrate; 2-3 EH/s is the next threshold for BTC-relevant SOAP mining.

Current QUAI SHA	BTC network	2 EH/s target	3 EH/s target
418.0 PH/s	964.3 EH/s	0.21% of BTC	0.31% of BTC

Source: Quai RPC mininginfo for current SHA-256, Scrypt, and KawPoW hashrate; MiningPoolStats BCH, LTC, DOGE, and RVN pool pages; F2Pool BTC network_hashrate field, 20 May 2026.

Section VI

Core upgrades, access, and mining ecosystem

Q2 combined protocol execution with market-access and mining-distribution work. The result is a cleaner diligence story: SOAP is live, the supply reset is complete, miners have more ways to participate, and public access points are improving.

Q2 execution track

BIP-302 and qBTC thesis

15 May / 14 May

v0.53 expanded SOAP toward Bitcoin-style SHA-256 mining through SHA-equivalent reward difficulty, KawPoW renormalization, and restart-recovery improvements. Quai also published the thesis connecting SOAP, PoW utility competition, and staged qBTC pathways.

Wallet and exchange access

05 May / 15 Apr

Blip launched as a rebuilt self-custody mobile wallet with native Quai support, while Kraken trading improved public-market access and institutional familiarity for QUAI.

Singularity fork and workshare expansion

19 Mar 2026

v0.51 activated the forfeiture-address supply reset and doubled workshare inclusion limits. Total workshares per block moved from 16 to 32, while SHA and Scrypt shares moved from 8 to 16 each.

Operator cleanup and ASIC compatibility

18 Apr / 24 Jan

v0.52 improved worker workshare visibility, EVM gas efficiency, and worker validation cleanup. v0.50 improved SHA and Scrypt ASIC mining through deeper inclusion, adjusted share targets, default mining templates, and stale-share discounting.

Cross-chain routing

05 Feb 2026

Symbiosis enabled cross-chain liquidity routes, including USDT on Quai and a Base to Quai connection, giving users another path into the network.

SOAP activation

17 Dec 2025

v0.49 moved Quai from ProgPoW-only GPU mining into KawPoW block production with SHA-256 and Scrypt merged-mining share support.

Mining distribution

Solo mining surface

StratumX

go-quai includes a Stratum v1 compatible server for direct solo mining, with SHA-256, Scrypt, KawPoW ports, and monitoring endpoints. Bitaxe-class solo miners can point standard hardware at Quai without relying on a pool and target workshare-level payout opportunities.

Documented multi-algo pool coverage

Pools

Docs list KawPoW support from StratumX, Kryptex, Herominers, K1Pool, and AlphaMine; SHA-256 support from StratumX, Kryptex, AlphaMine, Hash-Hut, 2Miners, PowerPool, and Mining Dutch; and Scrypt support from StratumX, Kryptex, AlphaMine, Hash-Hut, PowerPool, and Mining Dutch.

Execution read

The updates point in one direction: SOAP is no longer a single activation event. It is becoming a broader mining, wallet, exchange, and routing surface that can support repeatable monitoring and institutional diligence.

Section VI / Ecosystem

Ecosystem

Quai's application story is starting to extend beyond mining infrastructure into user-facing rails. BlipPay and Entropic are early but strategically important because they map Quai into two high-value demand lanes: stablecoin payments and AI-native automation.

Emerging stablecoin payments play

BlipPay

BlipPay gives Quai a practical route into consumer and merchant payments. The strategic read is stablecoin distribution: users and businesses can understand dollar-denominated balances faster than they can underwrite a new Layer-1 thesis.

Role	A wallet-to-payment conversion layer that can make Quai useful at the point of transaction.
Why it matters	Stablecoin payments turn Quai's speed, low-friction settlement, and Qi payment design into a non-speculative use case.
Diligence marker	Merchant pilots, retained payment users, stablecoin routes, payment frequency, and repeat transaction cohorts.

Emerging AI play

Entropic

Entropic gives Quai an AI-facing product surface. The strategic read is that AI agents, automated workflows, and autonomous commerce need payment rails that can move value quickly, programmatically, and with low settlement friction.

Role	An AI-native application layer that can connect user intent, automated actions, and on-chain value transfer.
Why it matters	AI adoption creates demand for machine-initiated payments, recurring settlement, wallet automation, and agent-driven transaction flows.
Diligence marker	Active workflows, routed transactions, wallet integrations, retained AI users, and recurring payment intents.

Application surface to monitor

Payments	BlipPay can make stablecoin movement the first user-visible Quai behavior.	Monitor payment volume, repeat users, merchant acceptance, and stablecoin route depth.
AI workflows	Entropic can connect Quai to autonomous agents, account actions, and AI-mediated commerce.	Monitor workflow creation, transaction intents, paid automation, and retained usage.
Settlement	The ecosystem can translate Quai's proof of work security and fast execution into recurring payment demand.	Monitor transactions per active user, Qi usage, stablecoin settlement, and dApp-level retention.
Distribution	Wallet, payment, AI, exchange, and mining channels create more than one path for user acquisition.	Monitor app installs, active addresses, referral loops, routing integrations, and exchange-to-wallet conversion.

Ecosystem read

BlipPay and Entropic give Quai two non-mining narratives that are easy for the market to understand: stablecoin payments and AI-native value transfer. Both are early, but they create concrete adoption paths where Quai's speed, proof of work security, Qi payments, and SOAP economics can become user-facing.

Section VII

Conclusion

Quai's Q2 state is best understood as a move from thesis risk toward measurable execution risk. The network now has a live SOAP demand mechanism, a completed Singularity supply reset, public exchange access, broader wallet distribution, and multi-algo mining paths that can be tracked with daily data.

For liquid-token investors, the important distinction is that Quai is not asking the market to underwrite only future application revenue. SOAP routes external proof of work rewards into QUAI accumulation, with burned or locked tokens creating a visible demand and supply-offset surface. That gives diligence a practical dashboard: SOAP revenue, burn-address inflows, processed blocks, hashrate, pool distribution, and access rails.

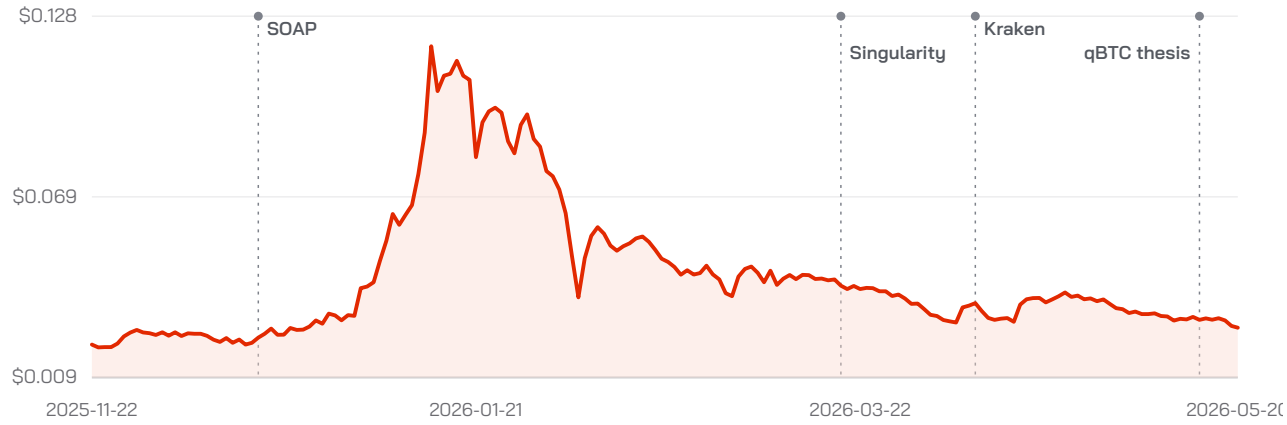
From here, Quai can compete with larger networks on narrative and catalyst density, not scale alone. The AI cycle is pushing attention toward autonomous payments, low-friction settlement, privacy-aware value transfer, and verifiable economic rails. Quai's expanding footprint across SOAP, qBTC, Qi, Blip, Symbiosis, Kraken, and multi-algo mining gives the market several ways to underwrite the next phase.

Closing takeaway: Quai is a sovereign proof of work monetary network with EVM execution, native Qi payment privacy, a lower post-Singularity supply overhang, and a working external-demand loop through SOAP.

Q2 catalyst context

Fig. 14

QUAI price history with protocol and access catalysts marked above the series.



Source: CoinGecko market_chart API and Kraken OHLC API, 19 May 2026.