MAMBU

Predictions **Report**

2026

Leaders across the Mambu ecosystem share their insights and predictions

Welcome

As the year draws to a close and we look ahead to the opportunities that 2026 holds, I am filled with optimism for the future of financial services.

This year has been marked by purposeful progress in our industry, moving beyond simple enablement to truly empowering people.

Financial services are being radically rewritten. Digital-first behaviours are driving demand for instant, personalised experiences that empower people to take greater control over their financial lives. Rapid technological advancement is setting a new standard for agility and resilience, empowering institutions to deliver meaningful, human-centred outcomes for the people they serve.

As Mambu approaches its 15th birthday, we celebrate more than just a milestone for our composable technology. We celebrate the partnerships and achievements it has enabled. Over the past decade and a half, our focus has been on making more possible in people's lives by enabling simple and easy access to financial services.

Each year, our Predictions Report continues this mission. Drawing on insights from our global ecosystem, it offers a lens into the shifts, opportunities and ideas shaping the next phase of financial services. From the rise of agentic AI to the growth of Islamic finance and the evolving expectations of Gen Z and Gen Alpha, these insights reflect the conversations driving our industry forward. They serve as both a guide and an invitation to collaborate in shaping what comes next.

I would like to thank our contributors for sharing their expertise, and our community of readers for engaging with this report. I truly believe this can be the blueprint for a successful and collaborative 2026.

I wish you all the best of success for the year ahead.

Fernando Zandona
CEO, Mambu

Contents

Finance is being rewritten by technology, by people, by purpose.

Our experts predict across seven topics that will define the next chapter of financial services in 2026.

Contributor key:

Partner contributions

Customer contributions

AI and the financial revolution

Artificial intelligence has reached a new frontier of capability.

Once a support tool, it now learns, decides and operates autonomously. For financial institutions, this marks a new era where intelligence becomes part of the organisation itself.

Agentic and Generative AI (GenAI) are transforming decision-making, risk management and customer engagement, blurring the boundaries between human and machine capability. They bring extraordinary opportunity, but also new questions of trust, ethics and control.

Leaders across the industry share how intelligent systems are redefining performance, trust and innovation in finance.

The next phase of banking transformation is driven by the rapid rise of Generative AI and agentic solutions.

Adrian Congiu
VP, Product Management
Mambu

These tools are designed to boost banker productivity and strengthen client relationships while delivering on measurable ROI.

The relationship banker of the future will work hand in hand with Agentic AI. These autonomous systems can automate time-consuming tasks such as collecting documents or analysing data, and surface key insights like credit risks, fraud alerts or cross-sell opportunities. This shift allows human talent to focus on what matters most: personalised service and meaningful relationships.

For banks, partner selection will be critical. They will favour trusted vendors who embed risk management into every layer of their products, including robust data protection, privacy, transparency of decision-making, and bias prevention through human oversight. Only vendors who skillfully balance technological innovation with rigorous risk and compliance standards will lead this competitive transformation.

Agentic AI will power frontier financial institutions in 2026.

Tiffany Carpenter
Senior Industry Advisor – Financial Services
Microsoft

By 2026, financial services will enter an era of Agentic AI, where autonomous AI agents collaborate to deliver outcomes without constant human intervention.

Frontier organisations – those pushing the boundaries of digital transformation – will lead this shift, embedding AI as the core operating model rather than a bolt-on tool. These institutions will deploy multi-agent systems to orchestrate real-time personalisation, proactive risk management, and instant fraud detection across global networks.

Generative AI co-pilots will become standard for advisors and operations, while compliance frameworks like the EU AI Act will drive transparent, explainable AI adoption.

Expect AI to underpin Embedded Finance and real-time payments, creating ecosystems where speed, trust, and personalisation converge. For customers, this means financial experiences that feel intuitive and predictive; for institutions, it means unlocking new revenue streams and efficiency gains that redefine competitiveness.

Microsoft

microsoft.com

By 2026, software development in financial services will be transformed by AI-driven engineering.

Large language models, agentic coding assistants, and self-healing test frameworks will reduce build times from months to weeks.

Financial institutions will increasingly assemble capabilities from composable, cloud-native components, accelerating delivery while ensuring resilience.

The key shift will be as much cultural as technical. Developers will spend less time writing boilerplate code and more time designing for security, scalability, and customer outcomes. Banking platforms will evolve like living organisms, continuously adapting through AI-driven optimisation.

For banks, this democratisation of software development means technology will no longer be a bottleneck but a catalyst. The winners will be those that combine speed with discipline – leveraging AI to accelerate delivery while embedding compliance, resilience, and ethical guardrails at every stage of the build lifecycle.

Anandha Ponnampalam
Technology Director
OSB Group

osb.co.uk

Agentic AI presents an opportunity for leaders to uplevel their thinking.

Leaders can do this by focusing not just on how AI can support the business, but how traditionally siloed business units and processes in FSI can be redesigned to thrive in an AI-driven world.

By 2026, I anticipate the financial industry will continue its evolution from AI assistants toward more autonomous agents. A key aspect of this transformation is moving beyond the operational, and focusing on embedding compliance and risk management within the AI's core logic. This also needs to go hand in hand with the continued evolution of AI governance, and necessitates a dynamic, supervisory partnership with regulators.

Maxim Afanasyev
Financial Services Industry Lead, JAPAC Strategic Industries

Google Cloud

By 2026, financial inclusion will evolve into hyper-personalised credit ecosystems powered by responsible Generative AI.

Outdated `one-size-fits-all´ models will give way to dynamic risk tools that merge real-time alternative data from payment flows and behavioural patterns with adaptive AI engines. This evolution will create affordable, adaptable products crafted with depth and precision around the real needs, pain points, and life moments of people long excluded from control over their financial paths. Countries like Brazil, where PIX has transformed everyday transactions, will show how GenAI can turn payment data into transparent, fair, and personalised credit journeys.

The differentiator will no longer be speed or data access, but how responsibly we leverage AI, ensuring explainability, ethical safeguards, and customer well-being. When done right, GenAI will unlock inclusion at scale, proving that social impact and sustainable growth are two sides of the same coin.

Alex Franco
CTO & CRO
Jeitto

jeitto.com.br

The future of banking is being written now.

The question isn´t whether to adopt AI, but whether you´ll shape it to amplify your competitive advantage or let it commoditise your operations. 2026 is about turning your AI vision into operational reality, helping you build not just the next generation of software, but the next generation of your bank.

Banking is experiencing a shift comparable to cloud technology´s arrival. AI is no longer emerging; it´s here, and the gap between leaders and followers is widening. Success won´t come from generic AI tools that promise efficiency while delivering commoditisation. Banks need AI that amplifies their unique vision, freeing experts to be strategists who master the art of the deal, while AI handles the science of risk.

From 2026 onwards, imagine AI assistants tailored to each role, whether a relationship manager, credit analyst, or compliance officer. These intelligent colleagues will understand workflows, and augment human expertise, rather than replace it.

Sergio Segura
VP – Global Ecosystem, Sales Excellence and Growth
nCino

ncino.com

Even as true Artificial General Intelligence (AGI) remains on the horizon, GenAI has already evolved far beyond a simple assistant.

Diego Pereira
Head of Core Banking
NaranjaX

In 2026, financial institutions will seek to transition from an automated business to what Gartner terms an autonomous business model, re-engineering processes to reduce manual intervention and enable real-time, data-driven decision-making.

Reaching this stage requires more than adopting new technology. It calls for the strategic elevation of GenAI into decision-making functions and a clear approach to Embedded Finance and as-a-service delivery.

Organisations that modernise their architectures, strengthen data strategies, and implement responsible AI governance will be positioned to lead in this new era.

Those that hesitate risk being left behind, as the industry shifts towards intelligent, self-sustaining operations. The opportunity is clear: autonomy will define the next frontier of financial innovation.

NaranjaX

naranjax.com

In 2026, intelligence in banking will stop assisting and start acting.

Agentic AI will move beyond pilots to take on live operational roles, such as initiating payments, reconciling transactions, optimising liquidity, and testing compliance scenarios in real time.

Agents won't replace people - they'll extend human capability. Embedded within core platforms, they'll interpret context, anticipate outcomes, and act autonomously, while detecting anomalies before they become risks and adapting instantly as conditions shift.

For banks, this marks a structural shift: decision-making and execution begin to merge. Human oversight evolves from process control to defining intent, ethics, and trust. Delivering this future responsibly demands an enterprise-wide governance framework, that aligns AI outcomes with business value, embeds ethical and regulatory safeguards, secures data and access, and ensures lifecycle transparency through continuous monitoring and improvement.

It's about turning strategy into action: building modular, observable architectures, enforcing zero-trust principles, and measuring performance in real time, so that every intelligent agent operates with accountability, compliance, and measurable ROI.

Simon Farmilo
Global Banking Partnerships Director

GFT Technologies

GFT TECHNOLOGIES

gft.com

Compliance, regulation and cybersecurity

As innovation accelerates, trust has become one of the most valuable assets in financial services.

Institutions now operate in an environment where technology moves faster than regulation, and where resilience, compliance and security must evolve alongside innovation.

Compliance and creativity are no longer in contention. When designed together, they strengthen one another and create systems that are secure, transparent and ethically grounded by design.

This section explores how financial institutions are redefining credibility for the digital era, building trust into the very foundation of innovation.

Trust has always been the most valuable currency in financial services.

Ivneet Kaur
Chief Product & Technology Officer
Mambu

When I talk about trust, I mean the confidence financial institutions place in their technology partners, the belief that providers like Mambu will ensure they remain compliant, keep information secure, and deliver on their promises. In today's environment, where innovation is accelerating at an unprecedented pace, that trust matters more than ever.

Looking ahead to 2026, as innovation accelerates and regulation struggles to keep pace, the real leaders will be those who combine speed and creativity with resilience, compliance and security. When used correctly, innovation can strengthen compliance and security. I don't see it as a trade-off but instead I see it as an opportunity.

At Mambu, we're building technology that makes trust a design choice, not an afterthought. That means designing systems that are compliant and reliable by default. In a world defined by constant change, the institutions that engineer trust into every product, process and decision will be the ones shaping the future of finance.

In the coming years, regulation will emerge as the key differentiator in financial innovation.

The freewheeling phase of unregulated fintech is nearing its end, giving way to a new era where licensed institutions thrive. Whether in fiat or digital assets, those that combine regulatory credibility with balance-sheet strength will rise to prominence - demonstrating that sustainable growth and trust are the true drivers of long-term success in digital finance.

Rachel Freeman
Chief Growth Officer

Tyme Group

tyme group

tyme.com

The increasing sophistication of AI-powered attacks and growing regulatory scrutiny of digital evidence will redefine cybersecurity strategies in 2026 and beyond.

Operational resilience has become a top priority, with investments accelerating in biometric verification, continuous threat detection, and zero-trust architectures.

We see AI-driven monitoring and a clear roadmap toward full DORA compliance by mid-2026 as essential steps. Strengthening resilience is not only a regulatory obligation but also a strategic safeguard to ensure uptime and trust during periods of volatility.

With cybersecurity budgets, we expect this to grow by approximately 20%, with a focus on collaborative threat intelligence initiatives to address Nordic-specific risks such as supply chain attacks.

Jan Georg Lehmann
Chief Commercial Officer

Knowit

knowit

knowit.eu

Islamic finance

A principles-led model of finance is taking shape in the digital-first world.

Islamic finance is merging timeless principles with modern technology to create systems that are transparent, inclusive and accountable by design.

Shari'ah principles are woven into products and processes, ensuring integrity and trust at every step. This movement is also resonating with younger generations. For many Gen Z consumers, values-led finance reflects a growing demand for purpose and authenticity.

Industry voices share how Islamic finance is uniting ethics and innovation, shaping a more inclusive global banking model.

Looking ahead to 2026, I believe Islamic banking will reach a defining moment where Shari´ah compliance and digital innovation finally converge.

Ingrida Tarbūnė
Product Manager, Islamic Banking
Mambu

For years, compliance has been seen as a barrier to agility, slowed by manual processes and legacy systems. But that's changing quickly.

The next generation of Islamic banking will embed Shari'ah principles directly into every product and process, automating compliance at the core. Imagine Mudarabah (profit-sharing) investment accounts where profit distribution is calculated and executed in real time, or Murabaha (cost-plus) financing that digitally enforces each step of asset possession and transfer. This evolution will enable institutions to innovate faster, with full transparency, governance and confidence.

Composable, cloud-native platforms will drive this transformation, allowing banks to design, launch and scale compliant products in days, adapt instantly to evolving regulations, and integrate seamlessly with fintech ecosystems.

By 2026, Islamic finance will no longer be seen as a niche alternative but as a blueprint for ethical, inclusive and technology-driven banking worldwide.

For the end user, this will translate into a frictionless and transparent experience. They will move from simply trusting their bank is compliant to seeing it through real-time dashboards and personalised products that genuinely reflect their values.

By 2026, Islamic digital banking will evolve into hyper-personalised, values-driven ecosystems that go far beyond transactions.

Globally, more than 3.6 billion people were already using digital banking in 2025*, signalling a rapid shift in consumer expectations.

Within this momentum, Malaysia is uniquely positioned to lead with Shari'ah compliant innovation, building on its strong Islamic finance legacy.

Customers will experience frictionless digital onboarding, AI-powered financial guidance and Embedded Finance seamlessly integrated into lifestyle platforms. At the same time, Islamic digital banks will embed zakat, waqf, halal investments and micro-savings into daily financial journeys, expanding access for underserved communities.

Collaboration with fintechs and regulators will accelerate modular open banking, while blockchain enhances transparency and trust in contracts. Guided by value-based intermediation, growth will be defined not only by profitability but also by measurable impact on sustainability and community wellbeing.

*Data point ('3.6 billion digital banking users in 2025') extracted from [LiveBank24, Key Digital Banking Statistics 2025].

Hazrizal Hassan
Head, Digital Banking Department

Bank Muamalat Malaysia Berhad

muamalat.com.my

Transformation in banking

Banking is no longer defined by balance sheets and branches, but by the technology that connects them.

As institutions shift from legacy systems to cloud-native platforms built for agility and scale, a new model of value creation is emerging.

Banks that once controlled every part of the value chain are becoming orchestrators, as composable technology drives seamless value exchange across ecosystems of banks, fintechs and partners.

Industry experts share how technology-first thinking is redefining what it means to build, scale and connect as a modern bank.

The financial industry faces a pivotal moment in its transformation journey.

Paula Neira
Director, Market Sales
Mambu

Institutions are navigating rapid digitalisation, accelerated cloud adoption, and the growing use of AI for hyper-personalisation, digital payments and cybersecurity. Each of these areas is essential to building more secure, accessible and inclusive financial services.

To stay ahead, financial institutions need to think and act like technology companies by adopting AI capabilities, leveraging API-driven technologies, and building on open, composable platforms that enable collaboration and faster innovation.

Composable architecture allows financial institutions to refresh products, integrate new capabilities, and launch services in weeks rather than years. This approach not only streamlines transformation but also empowers banks to tailor experiences around their customers, scale with agility, and remain ready for whatever comes next.

It's how the most forward-thinking players are redefining what banking can be.

The convergence of ecosystems with agentic capabilities creates intent-based banking experiences for customers that will transition from `show me how´ to `do it for me.´

Charith Mendis
Head of Worldwide Banking Industry
Amazon Web Services (AWS)

While banks have successfully delivered digital services for years, customers increasingly expect banking to be predictive and embedded in their daily activities.

We're now at a pivotal point where banks can leverage technology to move beyond reactive services to anticipate and autonomously fulfill customer intentions. Our banking customers are increasingly focusing on two key approaches to achieving this - ecosystems and agentic capabilities.

Banks are already building ecosystems to support customers' true intentions and needs; whether that's homeownership or better managing their small business. This first step focused on simplified integration with partners, and secure and consent-driven data sharing.

The banks that have built ecosystems are now developing agentic capabilities to deliver assisted and autonomous outcomes for consumers. These solutions range from booking a holiday to helping optimise free cash flow for small to medium business owners. This second step requires banks to build agents and integrate them from partners through marketplaces.

aws.amazon.com

The banking industry is undergoing a profound transformation, driven by rapid technological advancement, evolving customer expectations, and the rise of intelligent, agentic systems.

To remain relevant and competitive, banks must go beyond the boundaries of traditional financial services and embrace the mindset of technology leaders.

This requires more than modernising legacy systems or launching digital channels. It demands a cultural shift towards innovation, agility, and continuous learning. Data must become actionable insight, silos must give way to connected ecosystems, and customer experience must be the ultimate measure of success. Central to this transformation is the creation of digital factories: dedicated environments where multidisciplinary teams, agile ways of working, AI-driven intelligence, and agentic capabilities converge to rapidly design, build, and scale innovative solutions.

Digital factories thrive on openness and connectivity. By adopting this mindset, banks can unlock new sources of growth, strengthen trust, and lead the evolution of financial services.

Miguel Cunha Amaro
Partner
Deloitte

Deloitte.

Deloitte + Mambu alliance

It's no secret that the banking industry is suffering with the pain of legacy technologies that now constrain their ability to grow or simply meet the expectations of customers.

Meanwhile, neo-banks have been able to build the technology foundations to out-compete incumbents but are struggling to build the balance sheets and risk management controls to be sustainable.

Both groups need to move to a place which pairs modern technology with deep banking strength.

This is a difficult journey, but we believe that those that embark on it will emerge as dominant players in the future. Our core system replacement has brought together both our balance sheet strength and our 150-year legacy; while safely delivering a technology platform that's on a par with a fintech bank.

Rob Howse
Chief Operating Officer

Leeds Building Society

Leeds Building Society

leedsbuildingsociety.co.uk

Mobile-first customers won’t wait for banks to catch up.

Across East Africa, people are increasingly reluctant to visit branches. Instead, they expect to transact, borrow, and invest seamlessly on their phones.

This shift is more than convenience, it has become the new standard for loyalty. To remain relevant, banks must transform into digital-first platforms, powered by APIs, cloud technology, and partnerships with fintechs and telcos. Those that cling to branch-led models risk losing customers to more agile competitors.

In the coming years, we’ll see significant advances in digital systems that automate customer-facing processes and set a higher bar for banking across the region.

Riffat Manji-Gidoomal
CEO
Kitsilano Technologies Ltd

KITSILANO TECHNOLOGIES LTD

kitstek.com

Financial institutions need to urgently transform core banking technologies if they are to enhance operational flexibility, improve customer engagement and reduce costs.

Dave Woolnough
Partner, UK Banking Technology
Ernst & Young LLP

A recent EY survey* revealed that, as of October 2025, 92% of UK institutions have initiated core banking platform modernisation, with half targeting completion within the next three to five years.

A significant trend identified in the research was the 'hollow the core' strategy, which enables firms to progressively offload and implement processes to realise value during ongoing transformation.

Despite progress, challenges remain, including competition from agile smaller banks, a decline in legacy technology expertise, and the need for a robust yet focused modernisation strategy. The firms that do best will be those allocating ongoing investment to modernise systems and focusing on providing exceptional customer experiences. This will avoid stagnation, escalating costs, and diminished returns on investment.

EY: Core banking technology modernisation

Banks must think like tech giants to build lasting connections and lead the next era of finance.

Traditional banks face increasing pressure from digital-native players that are reshaping value and expectations. To keep pace, they must move away from legacy systems and adopt technology that enables real-time operations, intelligent automation, and engaging digital channels.

We believe that the foundation of this evolution lies in agile, cloud-native core banking platforms that are designed for new business models and mature enough to support complex, high-volume, multi-country organisations.

By embedding intelligence, connectivity, and scalability across their operations, banks can evolve into digital ecosystems where innovation, trust, and collaboration drive growth.

This is the moment to accelerate change and shape a financial future powered by technology and human insight.

Francesco Nespola
Chief Sales Officer
BKN301

BKN301

BKN301.com

Technology plays a crucial role in the ongoing transformation of the financial sector.

How technology enables systems and services to integrate quickly, seamlessly and securely at scale will become a defining competitive factor, setting the next standard of advantage in banking. This evolution will pave the way for Embedded Finance, allowing companies to embed payment functionalities directly within their customer journey.

Across the industry, financial institutions are moving toward cloud-native, composable architectures built on modular components, scalable APIs and secure protocols. These foundations will reduce complexity and enable faster integration, making it easier to launch new solutions such as digital wallets, branded cards and embedded payment journeys. The focus will shift from maintaining systems to creating better experiences, new revenue streams, smarter use of data, and optimised costs.

As AI agents emerge, this interoperability will become even more critical, forming the foundation of intelligent, connected financial ecosystems that deliver simplicity, speed and value at every interaction.

Marco Segato
Chief Technology Officer
Flowe

flowe
REGENERATIVE PAYMENTS

flowe.com

Payment innovation and Embedded Finance

Payments are disappearing into the background of daily life.

What was once a conscious act is becoming an invisible, integrated experience that's built into apps, platforms and every digital interaction.

As Embedded Finance expands and technology matures, payments are evolving from simple transactions into digital moments of connection between people, businesses and ecosystems. The focus is shifting from how money moves to how silently woven it is into everyday life.

Our experts explore how innovation, data and AI are transforming payments into an invisible layer of global commerce.

Looking ahead to 2026, I believe the payments landscape will reach a true inflection point.

Édouard Mandon
VP, Payments
Mambu

Real-time payments will finally become the norm, even across regions like the US and the EU that have traditionally lagged behind. Regulation and innovation will work hand in hand, with regulations and schemes like Verification of Payee and Request-to-Pay accelerating adoption and strengthening trust in every transaction.

At the same time, ISO 20022 will establish itself as the universal standard for cross-border payments, enabling rich, structured data, faster transaction processing and strengthened compliance.

Stablecoins will evolve from crypto experiments into regulated payment instruments, as fintechs, commercial banks, and central banks explore hybrid models that bridge traditional fiat infrastructure and tokenised money.

We're moving toward a world where payments are instant and intelligent, and where technology and regulation converge to create a more connected and resilient global ecosystem.

By 2026, payments will evolve from a visible function into an invisible experience, embedded seamlessly within every digital journey.

We foresee the Payment Service Hub (PSH) model extending beyond banks to power Embedded Finance ecosystems across e-commerce, ERP, and government platforms. APIs will no longer just connect systems, they will orchestrate value flows between buyers, suppliers, and fintechs in real time.

As AI and data-driven personalisation mature, payments will anticipate intent rather than react to it, enabling context-aware cross-border transactions with instant settlement and transparent compliance.

The next frontier is hyper-embedded infrastructure, where domestic RTGS, IPS, SWIFT, and digital-wallet networks converge into a single programmable layer.

Banks that open their rails, fintechs that embed trust, and governments that enable interoperability will together define the `invisible economy' - a world where payments simply happen.

Osama Ben Saleh Bukhari
CEO
AlFaris International Group

AlFaris International Group

alfarisinfo.com

In 2026 we expect next-generation, API-based banks to become the standard for embedded account and payments services.

This innovation allows companies to create seamless experiences that deepen engagement, increases customer loyalty and drives new revenue streams. Firms looking to deliver embedded services have historically faced a compromise – work with a BaaS provider offering innovation and agility, or an incumbent bank with proven governance and control frameworks but lacking the real-time APIs they need.

By building on top of a regulated bank's proven infrastructure, businesses can deliver competitive and compliant services and features, such as FSCS protection on eligible deposits, without incurring the substantial cost of obtaining a banking licence. It also means brands don't need to compromise the quality of their services and maintain a customer experience consistent with their brand.

As Embedded Finance evolves, brands adopting these solutions will set themselves apart, delivering frictionless, secure, and personalised financial experiences that meet the demands of tomorrow's customers.

Andrew Crocombe
Head of Embedded Banking Propositions
ClearBank

Clear.Bank

clear.bank

Crypto and blockchain

Blockchain has moved beyond experimentation to become part of modern finance's digital infrastructure.

Once seen as purely disruptive, it's evolving into the foundation that enables value to move securely and efficiently across global networks.

From tokenised assets to faster cross-border settlements, distributed ledger technology is simplifying complexity, connecting markets and increasing transparency. The question is no longer if it will transform finance, but how it will reshape trust and ownership.

Our thought leaders explore how blockchain is moving from potential to practical, shaping programmable, connected finance.

From many perspectives including analysts, experts and crypto market enthusiasts, the crypto market will emerge more focused on utility, infrastructure and institutional adoption.

Leon Stevens
VP, EMEA
Mambu

Likewise, the tokenisation of real–world assets, such as real estate, equities and bonds on blockchain is expected to grow.

Blockchain has moved from concept to cornerstone in banking. What once seemed experimental is now driving efficiency, transparency and innovation across payments, trade finance and asset tokenisation.

In 2026, the focus is on scale and integration. Institutions are no longer testing blockchain in isolation but embedding it into core systems to enable faster settlements, lower costs and new models of value exchange. According to Gartner, by 2026 the business value added by blockchain technology could exceed US $360 billion.

Beyond technology, this shift is transforming the very idea of trust in finance. Verification, transparency and security are increasingly delivered through code and consensus rather than intermediaries. This redefinition is forcing banks to reimagine their role in an ecosystem where data and assets move seamlessly across borders.

The leaders will be those who recognise blockchain as a long-term strategic foundation for growth and inclusion, not just a tool for innovation. Those who act decisively today will shape the financial architecture of tomorrow.

By 2026, payments built on distributed ledger technology (DLT) will soon dominate global finance.

Core payment and settlement systems will shift to DLT, enabling instant, cross-border settlements for both fiat and digital currencies. This evolution will drastically cut settlement times, reduce risk, and lower costs - especially in international trade. Meanwhile, tokenised assets will become mainstream.

Digital tokens representing equity, debt, or real estate will unlock fractional ownership, boost liquidity, and streamline transactions. These tokenised instruments will likely form a major share of global asset volume, opening investment opportunities to a wider audience and enhancing capital efficiency.

Finally, user experience will define adoption. With stable tokens and tokenised assets operating behind the scenes, users will experience seamless, intuitive, and universal transactions. The ultimate goal is instant value transfer, regardless of geography or currency, where DLT's complexity disappears, leaving users with only simplicity and speed in the user's hands.

Armin Ranjbaryan
Chief Technology Officer
BCB Group

bcbgroup.com

In 2026, stablecoins will accelerate sharply in adoption, driven by consumer demand for faster, cheaper, and always-on payments.

With the current stablecoin market valued around US$250 billion and projected to reach US$400 billion in 2026, their role as a trusted medium for digital settlement is rapidly expanding.

Rather than displacing banks, these innovations will redefine them as custodians of digital value. The momentum will be led by large financial institutions, which are setting new standards for trust and scale.

Under the new US GENIUS Act, only authorised issuers can issue stablecoins backed by either US dollars (1:1 cash) or short-term treasury securities. This framework brings greater credibility and legitimacy to the market, paving the way for significant institutional investment.

Opportunities are expected to emerge for companies that meet the requirements to become licensed payment stablecoin issuers. In parallel, the compliance sector is set to expand, with growing demand for auditing and AML/KYC services.

Rolf Deppe
Technical Lead
Synthesis Software Solutions

synthesis.co.za

Gen Z, Gen Alpha and the future of finance

Every generation reshapes how people live, connect and create value.

Gen Z has already transformed how we think about money, and Gen Alpha will take that change even further.

Raised in a borderless, digital-first era, they expect financial experiences that are instant, personal and purposeful. Finance for them is fluid and participatory, where identity, lifestyle and money converge in real time.

Our contributors examine how these digital-native generations are redefining financial empowerment and how institutions can evolve to stay relevant in their world.

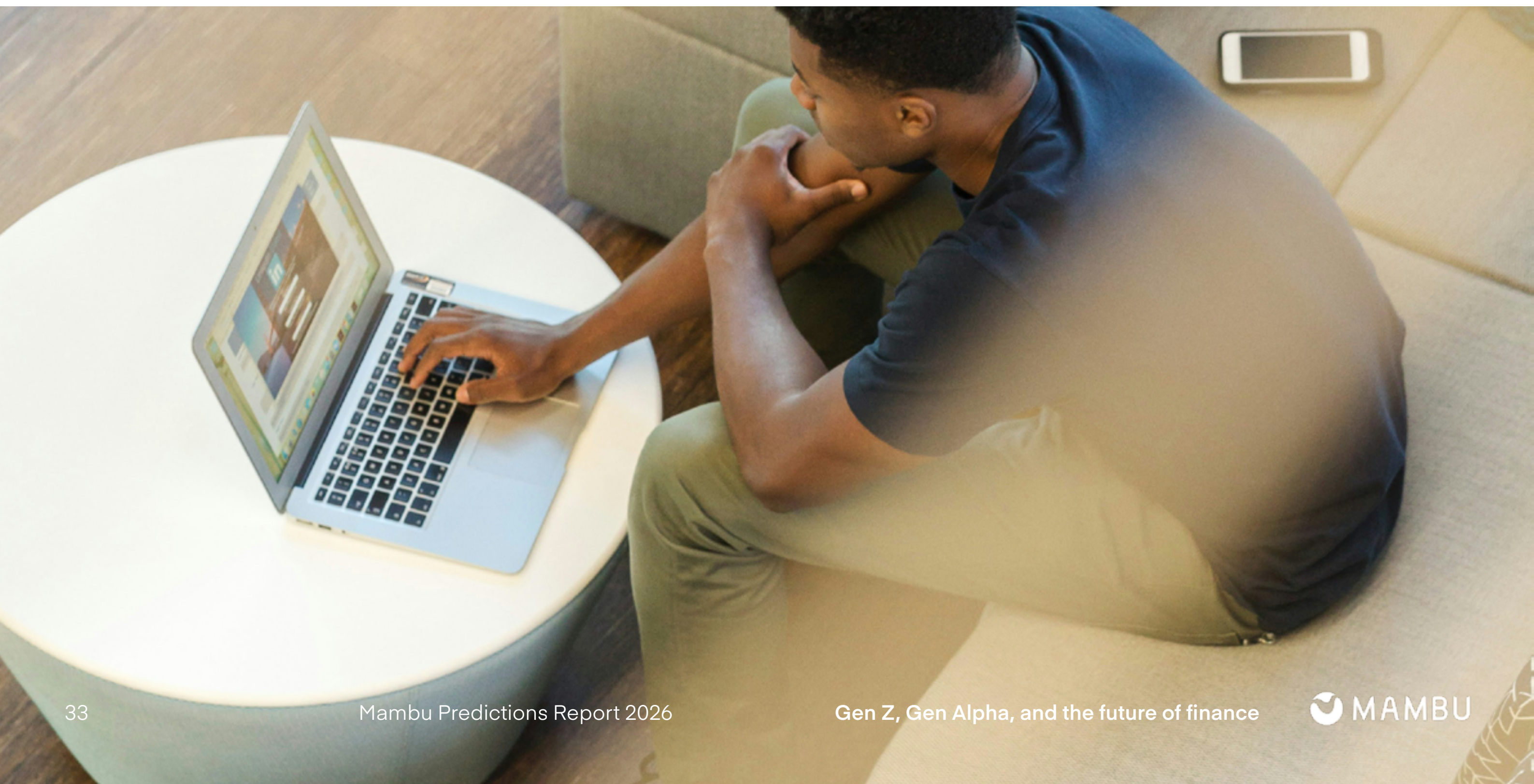
Gen Z and Gen Alpha are fundamentally reshaping financial services through their digital fluency, values-driven choices, and a growing distrust of traditional institutions.

Amber Harsin
VP, Credit Unions
Mambu

For these generations, money is more than a tool for wealth; it's a reflection of their identity, values, and community.

They turn to social platforms for financial advice, prioritise spending on ethical and sustainable brands, and begin investing earlier than previous generations, often in alternative assets such as crypto and digital collectibles. Their expectation for instant, 24/7 access to funds and frictionless transactions continues to challenge legacy banking infrastructure.

For financial institutions, survival means shifting from institution-led to member-driven engagement like embedding purpose, transparency, and flexibility into products. Trust will be earned through authenticity, digital-native experiences, and personalised guidance rather than traditional authority. Those that embrace Embedded Finance, community-led education, flexible investment, and payment models will remain relevant and become trusted partners in shaping the future of money.



With Gen Z and Gen Alpha customers coming of (financial) age, traditional banks will face challenges adapting their offerings to suit the needs of these customer groups.

Their expectations of how to interact with institutions like their bank, but also their relationship to finance, has been defined mostly or entirely in the digital age.

Banks will have to adapt their offering to serve these customers who, thanks to apps like Netflix, Uber and TikTok, have grown accustomed to having personalised experiences and instant, digital access to what they want.

Responding to these changing demands will require significant investment in adapting, as well as great agility, since these needs are changing more frequently than in the past. If traditional banks can't adapt their offerings, they risk losing ground to neobanks, which don't face the same investment challenges and benefit from having more modern, flexible infrastructure.

Max van Dongen
Head of Architecture
BUUT

buut.com

Gen Z and Gen Alpha are rewriting the rules of money.

The more I interact with my children, the more obvious it becomes that bricks and mortar are dead. The traditional payment rails are also dying, apart from tax-related tethers to your supervisory government.

It is time to embrace a cloud crypto, hybrid architectural renaissance, with pivotal components being a robust core, KYC/AML and seamless SSO API integrations. Specifically, wallets or digital arm, for the ease of P2P payments and crypto/fiat conversion on ledger.

Gen Z and Alpha generations are fiercely passionate about social causes, not necessarily geo-specific but ideologically specific to their digital community. The Ethos of Credit Union rebirth is ready and necessary. These independent digital collectives will now be provided with financial backbones and self-curated social impact, fulfilling to their mission, traceable on ledger to share with their community. The future is hyper personalised, currency fluid, and mission focused.

Ryan Stankovic
Credit Union Shared Services Curator
Mitchell, Stankovic & Associates

mitchellstankovic.com

Across the banking landscape, personalisation is becoming the new baseline.

What we're seeing is a shift from standardised, one-size-fits-all products to hyper-personalised ecosystems designed around individual needs.

Naturally, there are big differences in customer preferences across segments. But the real complexity lies within them. Younger, digital-native customers refuse to be boxed into rigid categories. Traditional rewards like miles or cashback no longer define loyalty. They expect the freedom to choose and the flexibility to change their minds in real time.

The banks that will lead aren't those that push products, but those that design customer-centric experiences and deliver loyalty moments that feel uniquely crafted for each customer. The best banking products are built on choice and flexibility because real engagement starts when customers feel genuinely understood.

The future of banking isn't static. It's adaptive, intuitive, and deeply personal.

Alexander Kling
Managing Director
Synpulse

synpulse.com

The API Generation: Gen Z is powering the shift to modular, tech-driven banking.

Abhishek Bhattacharya
Group Vice President Technology
Publicis Sapient

Traditional banks face their Blockbuster moment. Just as streaming unbundled DVDs from stores, Gen Z unbundled money from banks and branches.

The monolithic institution is obsolete, replaced by a financial reality Gen Z built for itself. This generation started using the relevant services from whoever offers the most convenient and integrated solutions such as wallets, payment apps, BNPL and micro-investing. Their loyalty is to the convenience, not the institutions.

They don't want a traditional full-service bank and it shows. Around 60% of the underbanked are Gen Z; what they want instead are the financial building blocks to build their own experience.

For banks, this is an existential imperative. To remain relevant, they must move from legacy monoliths to composable banking, powered by a modern core, which enables personalisation that allows the bank to stay relevant as the orchestrator of the user's fragmented financial life.

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Wealth takes time to accumulate - and for Gen Z and Gen Alpha, time has not yet done its work.

Their banking choices are largely defined by immediacy: sleek mobile interfaces, frictionless payments, and minimal fees. At a certain point, a moment of financial maturity will come.and priorities will shift from ´which bank has the best app?´ to ´which bank do I trust to protect and grow my wealth?´ The key difference is that, unlike their predecessors, these generations will not need to accept a trade-off between trust and technology. For the first time, both will be possible.

Neobanks are bridging their deficit of trust by pursuing banking licences, governance structures, and risk frameworks. Private banks have been slower to modernise.

For established institutions, this presents a rare opportunity. Those who've internalised this and acted accordingly will be best positioned to deliver the dual promise of heritage and innovation - securing the loyalty of a generation that values both.

Schuyler Weiss
Chief Executive Officer

Light Frame

lightframe.tech

Gen Z spending power is projected to grow to an estimated $12tn USD by 2030.

More than half of this generation already use digital banks or fintech apps. By 2026, global digital banking revenues are expected to surpass $1.5tn USD, fueled by digital wallets, instant payments, and Embedded Finance.

Gen Z and Gen Alpha are revolutionising banking, with demand for hyper-personalised financial tools that fit their lifestyles. Real-time systems are essential for monitoring balances, avoiding overdrafts, and instantly reacting to spending; these features are crucial for younger users managing tight budgets. These generations expect transparent fee structures and immediate expense updates.

As social media ´finfluencers´ shape their financial decisions, banks must provide credible, accessible education through gamified and family-focused products. Embedded Finance and super-apps are now vital, merging banking with e-commerce, gaming, and social platforms.

To succeed, banks must innovate rapidly and engage meaningfully, aligning with the digital-first expectations of these tech-savvy consumers.

Karan Maini
Corporate Vice President

Head – Banking & Financial Technology Solutions

Persistent Systems

persistent.com

2026 Takeaways

The future of financial services is unfolding in real time, guided by innovators with clarity and purpose, and fuelled by consumer expectations for smarter, faster, more personalised experiences.

This year's predictions reveal an industry where intelligence is embedded in every process. AI is moving beyond experimentation to take on operational roles, driving real-time personalisation, proactive risk management and trust across modern financial ecosystems.

Payments are becoming invisible, and financial networks are evolving into open, modular and adaptive systems.

Gen Z and Gen Alpha continue to set expectations for fluid, intuitive financial experiences. Islamic finance is demonstrating that innovation and ethics can advance together. And from cybersecurity to composable banking, trust is being rebuilt not as a feature, but as a foundation for sustainable growth.

In this landscape, confidence becomes currency. The ability to integrate, evolve, and innovate at speed will separate leaders from followers. Banks that modernise their core and embrace composable models will be best placed to keep pace with agile, digitally native competitors.

At Mambu, we're fortunate to witness this future in motion every day through the creativity of our partners, the ambitions of our customers, and the momentum of a global ecosystem rewriting the script of modern finance.

This next chapter is currently being written, and we each have a role to play in improving the financial lives of people in every corner of the world.

Let's step into tomorrow together.

MAMBU

If this report sparked ideas, questions,
or inspiration, we invite you to keep exploring.

Browse through our **partner ecosystem**
to see the power of collective innovation.

Discover **customer stories** that turn
ambition into meaningful impact.

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