

THE DAILY PULSE

by Jagdeep Dayal

PAYMENTS • BANKING • LENDING



📅 WEDNESDAY, OCTOBER 7, 2026

COVERAGE WINDOW: SEPTEMBER 30 – OCTOBER 7, 2026

THIS WEEK IN BRIEF



A regulation-heavy week: the Fed unveiled its biggest supervisory overhaul since 2023 and community banks sued the OCC over crypto trust charters, while Stripe and Western Union pushed payments M&A. Stablecoins kept pressing into card rails even as Washington redrew the digital-asset rulebook.

💬 PAYMENTS & STABLECOINS

[Western Union Intermex deal hits yet another roadblock](#)

American Banker · Oct 5

American Banker reported that Western Union's roughly \$500 million acquisition of International Money Express (Intermex) hit a fresh obstacle when the parties' Hart-Scott-Rodino antitrust clearance expired at midnight on October 6, 2026, forcing a refiling and a new 30-day waiting period. The companies said they do not expect California's Department of Financial Protection and Innovation to reinstate its approval before that date. KBW analyst Vasundhara Govil said the development "puts additional pressure on the path to deal closure" as the parties near the November 10, 2026 long-stop date, after which either side can exit without penalty.

📍 WHY IT MATTERS

Consolidation among money-transfer firms is partly a defensive response to digital and stablecoin competition eating into cash-based cross-border volume. The repeated regulatory delays show how even defensive payments consolidation is running into tougher state-licensing and antitrust scrutiny.

💬 PAYMENTS & STABLECOINS

[Visa stablecoin card payments jump 200% in a year](#)

crypto.news · Oct 4

crypto.news reported that stablecoin-linked card payment volume grew nearly 200% year over year across Visa's network, while Visa's stablecoin settlement volume surpassed a \$20 billion annualized run rate and rose more than 15-fold year over year. Visa said more than 160 stablecoin-linked card programs now operate worldwide, with business and commercial programs generating about 17% of that card volume in fiscal 2026 to date. Citing Allium data, the article said stablecoin payment volume reached between \$401 billion and \$527 billion in the first eight months of 2026, with B2B the largest category at \$137 billion to \$153 billion.

📍 WHY IT MATTERS

Stablecoins are migrating from crypto trading onto mainstream card rails, and Visa is positioning itself as the settlement layer rather than a bystander. The heavy B2B and cross-border share suggests the first real disruption lands in corporate and remittance flows, not consumer checkout.

BANKING & REGULATION

[Fed's Bowman unveils major overhaul of its bank supervision](#)

American Banker · Oct 6

American Banker reported that Federal Reserve Vice Chair for Supervision Michelle Bowman unveiled a restructuring of bank supervision into five regional divisions aligned with state lines rather than Fed districts, each with a single leader accountable for supervisory activity. Bowman also said the Fed plans to raise fixed-dollar asset thresholds for inflation and growth every five years and to broaden the definition of a community bank beyond the current under-\$10 billion standard. She criticized existing supervisory committees, saying they "became a source for plausible deniability and a disincentive for examiners to take prompt and decisive action," and tied the reforms to lessons from the 2023 regional banking crisis.

WHY IT MATTERS

This is the most consequential supervisory redesign since the post-2023 reforms, easing the burden on large regionals by lifting the dollar thresholds that trigger stricter oversight. Banks near the \$100 billion and \$250 billion lines would gain runway to grow, and to pursue M&A, before heavier rules bite.

BANKING & REGULATION

[Modern Treasury applies for OCC national trust bank charter](#)

FinTech Futures · Oct 6

FinTech Futures reported that payments-infrastructure fintech Modern Treasury applied to the OCC to establish Modern Treasury National Trust Bank, which would pair its payments and settlement capabilities with digital-asset custody so customers can custody and transfer stablecoins and fiat through one solution. The proposed bank "would not make loans or issue stablecoins," and the company, whose clients include BMO and Goldman Sachs, said it will keep operating with existing bank and stablecoin partners during review. CEO Matt Marcus called the application the firm's "first step" with the OCC.

WHY IT MATTERS

The filing adds Modern Treasury to a line of fintechs, including Block, Zerohash and Rain, seeking national trust charters to custody digital assets under federal supervision. It lands squarely amid the ICBA's lawsuit against exactly this kind of charter, sharpening a live fight over whether payments and crypto firms should hold federal charters.

BANKING & REGULATION

[TowneBank Enhances North Carolina Presence Through Agreement To Acquire blueharbor bank](#)

GlobeNewswire · Oct 6

In an October 6 announcement, TowneBank, with \$22.6 billion in assets, agreed to acquire North Carolina's blueharbor bank in a cash-and-stock deal valued at about \$154 million, or an implied \$50.78 per share. blueharbor holders would receive \$12.70 in cash plus 1.0534 TowneBank shares each; as of June 30, 2026, blueharbor held roughly \$628 million in assets, \$537 million in loans and \$551 million in deposits across five

offices in the I-77 corridor. Executive Chairman G. Robert Aston Jr. said "blueharbor has a long history of stellar performance" and framed the deal as part of TowneBank's effort "to attract experienced banking talent." The transaction is expected to close in the first quarter of 2027.

WHY IT MATTERS

Community-bank M&A continues, as smaller institutions seek scale to absorb technology and compliance costs, the dynamic Bowman cited in pushing to ease merger review. Deposit-rich targets in growth corridors remain the prize, and \$150 million-range deals show mid-cap acquirers are active even with rates elevated.

LENDING & CREDIT

[Pagaya closes \\$600M personal loan securitization](#)

Auto Finance News · Oct 5

Auto Finance News reported that Pagaya closed a \$600 million personal-loan securitization that earned a AAA rating from KBRA and drew 47 unique investors, three of them new to Pagaya's ABS platform. The deal "demonstrated stronger execution on spreads" than recent transactions, and the company's 2026 issuance across all products has exceeded \$9 billion.

WHY IT MATTERS

Tightening spreads and a deeper investor roster signal the consumer-ABS market remains open and risk appetite for consumer credit is holding up — a positive funding read for non-bank lenders that keeps fintech originators lending even as some banks tighten.



WHAT TO WATCH

[CFTC Moves to Build Federal Rulebook for Crypto Exchanges After Clarity Act Fails](#)

PYMNTS · Oct 6

Stay ahead of what's moving markets, regulation, and the business of banking.
