

# Insights Unwrapped

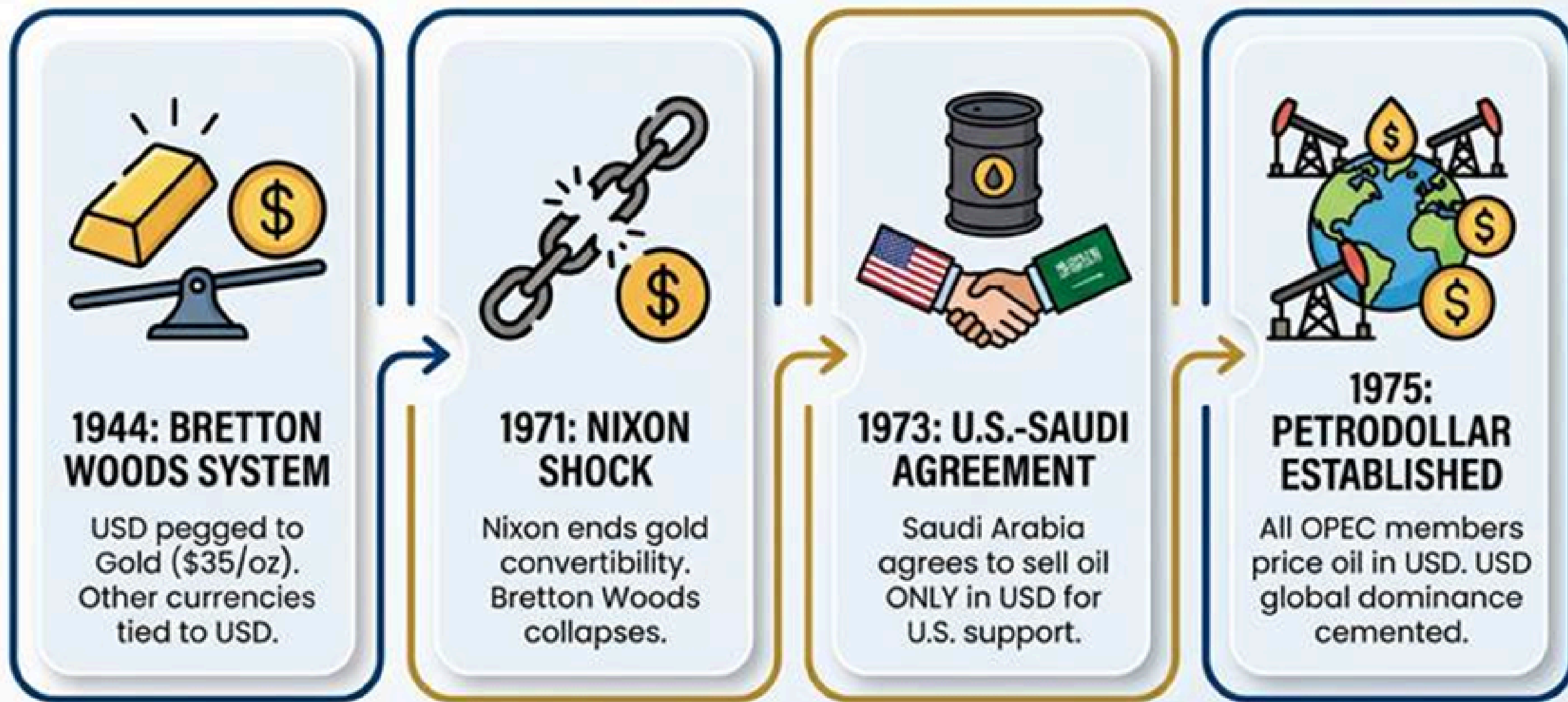
*Is the World Ready to Move Beyond the US Dollar?*



21st March 2026

[www.sproutresearch.in](http://www.sproutresearch.in)

# History of the Petrodollar System



*Oil is mostly traded in U.S. dollars, which sustains global demand for the currency and reinforces U.S. economic influence.*

*Oil-exporting countries earn dollars and reinvest them—often in U.S. Treasury bonds—through “petrodollar recycling,” sending capital back to the U.S. and helping keep interest rates low.*

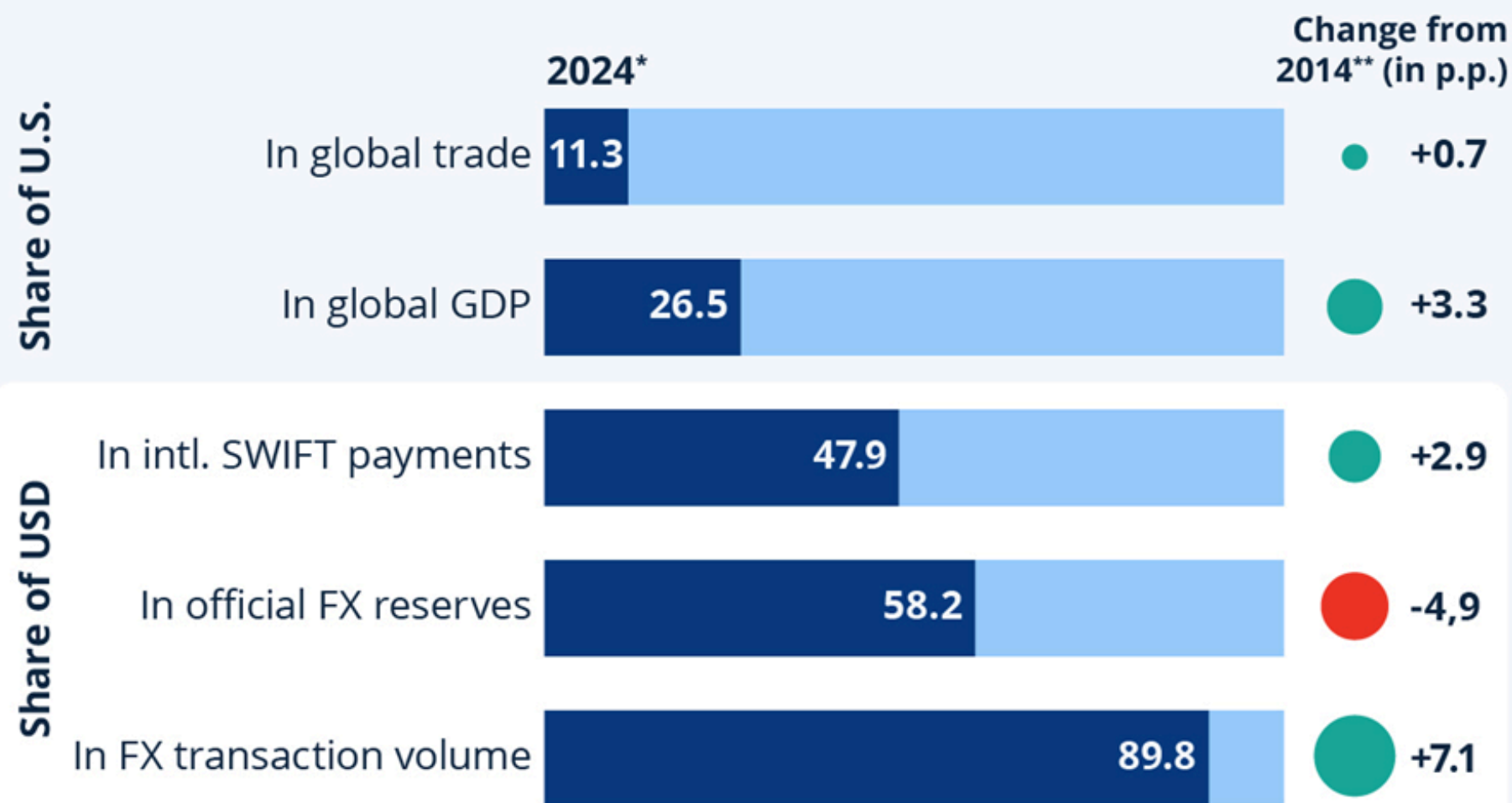
Source: <https://arongroups.co/technical-analyze/petrodollars-system>

# The US Dollar Didn't Blink

## U.S. Dollar Defends Role As Global Currency



Share of the United States/ the U.S. dollar in the global economy and global financial transactions (in percent)



\* Latest available (full year, latest quarter/month) \*\* Corresponding time period

Sources: IMF, SWIFT, WTO, New York Fed

Source: Statista

*As per the latest data-*

*(a) The US Dollar dominates SWIFT payments, accounting for 49.7% in Jan 2026, up from 42.9% a decade ago.*

*(Source: <https://en.macromicro>)*

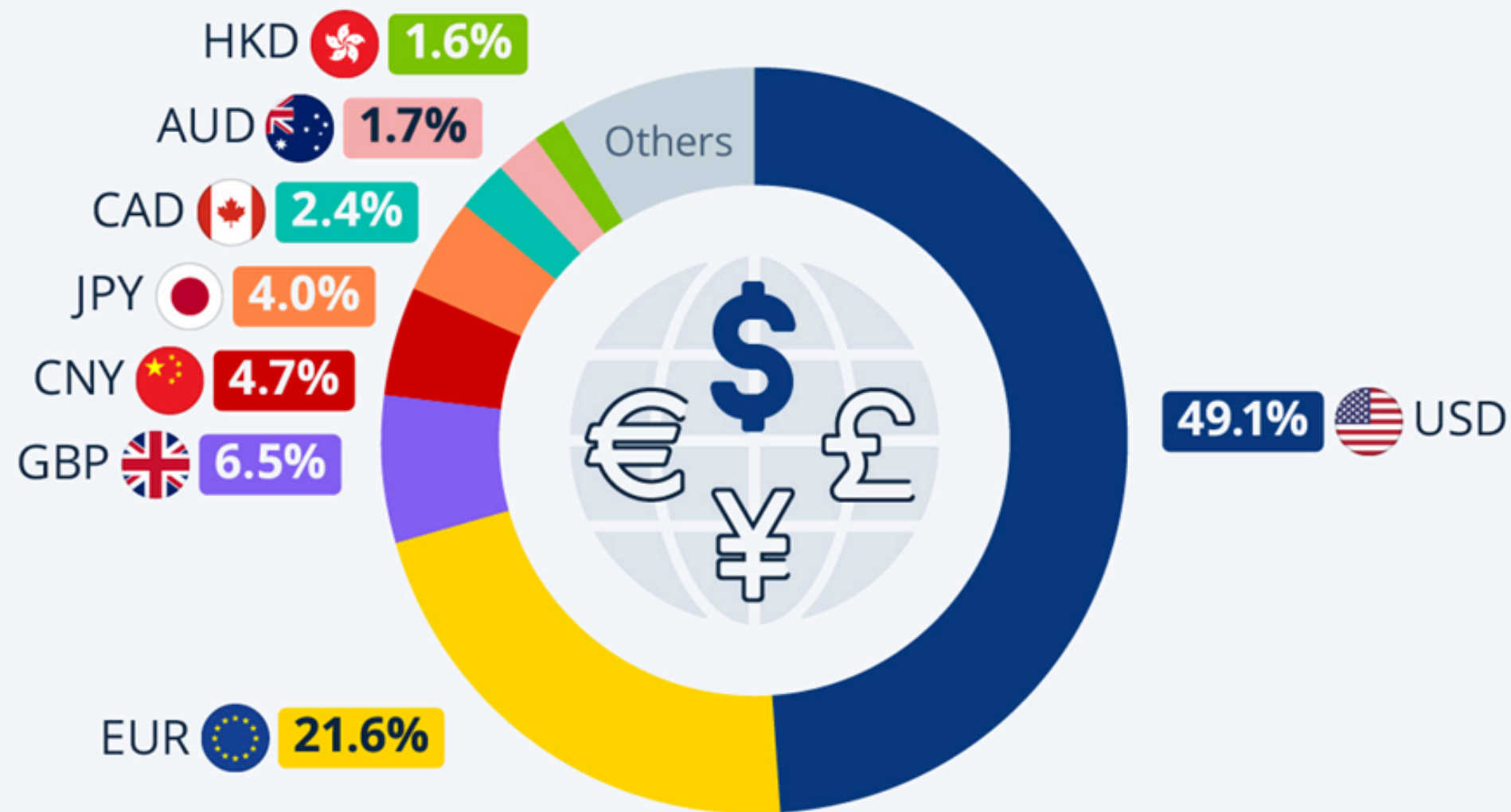
*(b) The USD also remains the top global reserve currency, though its share has declined over the past decade due to central bank diversification.*

*(c) Its strongest and most stable presence is in foreign exchange markets, where nearly 90% of transactions involved the USD as of April 2025 (Source: Bank for International Settlements)*

# US Dollar Dominates SWIFT

## U.S. Dollar Dominates Global Payment Network SWIFT

Share of global payments processed on SWIFT in August 2024, by currency (based on transaction value)\*



\* Includes customer-initiated and institutional payments

Source: SWIFT

*The US Dollar dominates SWIFT (Society for Worldwide Interbank Financial Telecommunication) payments as the primary global currency, accounting for nearly 50% of international transactions. The Euro ranks second, supported by the large, integrated Eurozone economies.*

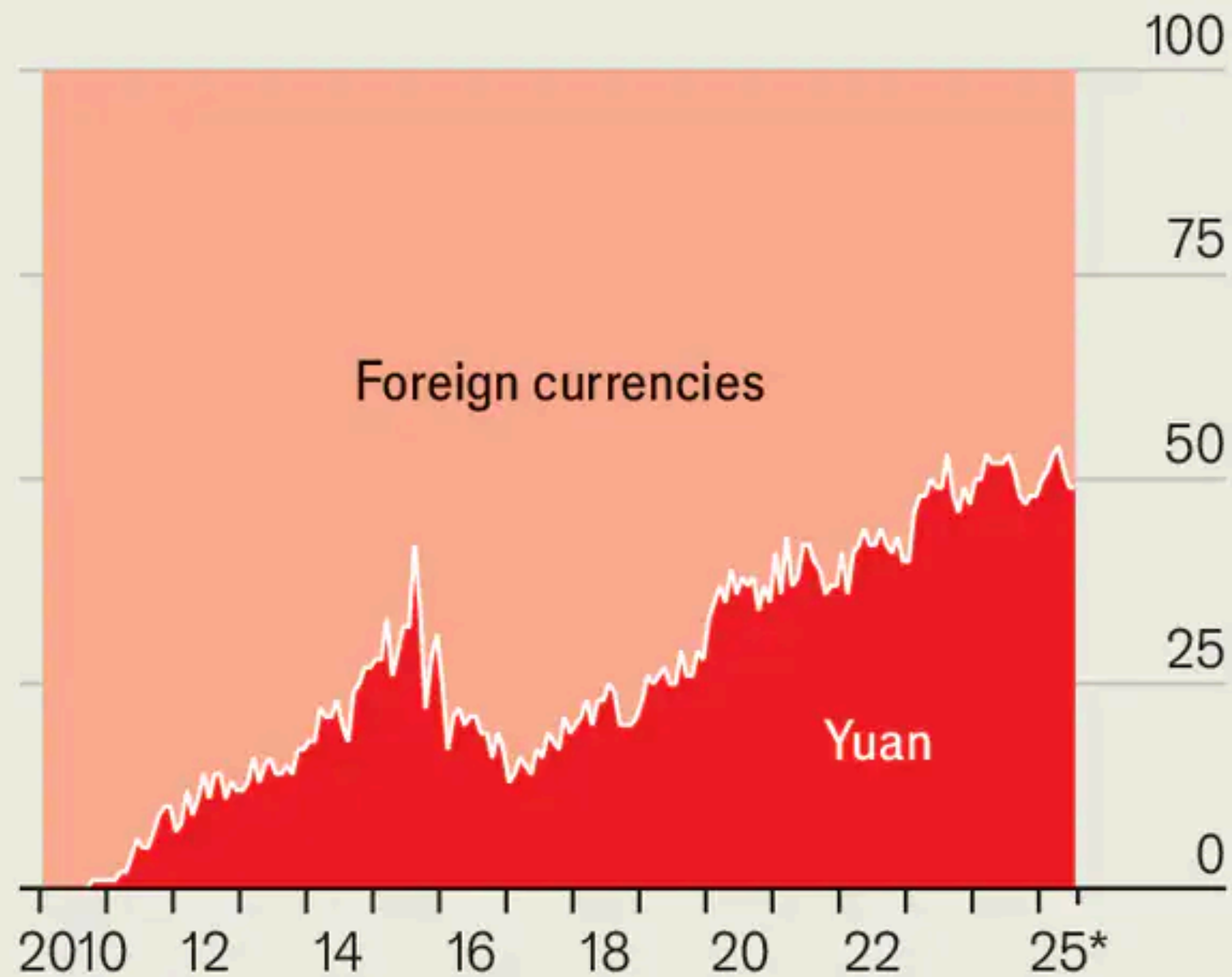
*The Chinese Yuan (CNY) held a 3.13% share as of January 2026—down from its 2024 peak but significantly higher than the 1.5–2% range a decade ago. (Source: <https://en.macromicro.me/>)*

Source: Statista

# China's Dramatic Rise

## Betting on red

China, cross-border inbound payments, % of total



Source: State Administration of Foreign Exchange

\*To July

Chart: The Economist, Source: Livemint

- *China settles more than 50% of its total cross-border receipts (including financial flows) in Chinese Yuan, up from less than 1% in 2010.*
- *Despite its rise, the yuan accounts for only ~3% of SWIFT payments and ~2% of global reserves.*
- *Yuan is strong within China's ecosystem but remains limited in global financial dominance.*

*On paper, the Chinese Yuan looks strong; in reality... anyone volunteering to replace their US Dollar?*

# DISCLAIMER

This report has been prepared by Research Analyst and is solely for information of the recipient only. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite or the particular circumstances of an individual investor; readers are requested to take professional advice before investing. Nothing in this document should be construed as investment advice.

Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in securities of the companies referred to in this document (including merits and risks) and should consult their own advisors to determine merits and risks of such investment.

The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete. Research Analyst is not obliged to update this report for such changes. Research Analyst has the right to make changes and modifications at any time.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject Research Analyst or its affiliates to any registration or licensing requirement within such jurisdiction. If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.

It should not be considered to be taken as an offer to sell or a solicitation to buy any security. This document is not, and should not, be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report should not be construed as an invitation or solicitation to do business with Research Analyst.

Research Analyst do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report.

**Shikha Kapur Proprietor of Sprout Research**

**Trade Name: SPROUT RESEARCH**

**Registration No.: INH000019169**

**Registered office Address: A-35 FF CR Park, New Delhi 110019**

**Contact No: 9811744587 Email Id: shikhaa.kapur@gmail.com**

**Compliance Officer: Shikha Kapur Contact No: 9811744587 Email Id: shikhaa.kapur@gmail.com**

**Grievance Officer: Shikha Kapur Contact No: 9811744587**

**Email ID: shikhaa.kapur@gmail.com**

**Standard Warning**

“Investment in securities market are subject to market risks. Read all the related documents carefully before investing.”

**Disclaimers**

“Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors”



**Sign up for our weekly insights:**

<https://www.sproutresearch.in/Insights>