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The Future of Money

TARA L. WATERS
ASHURST LLP



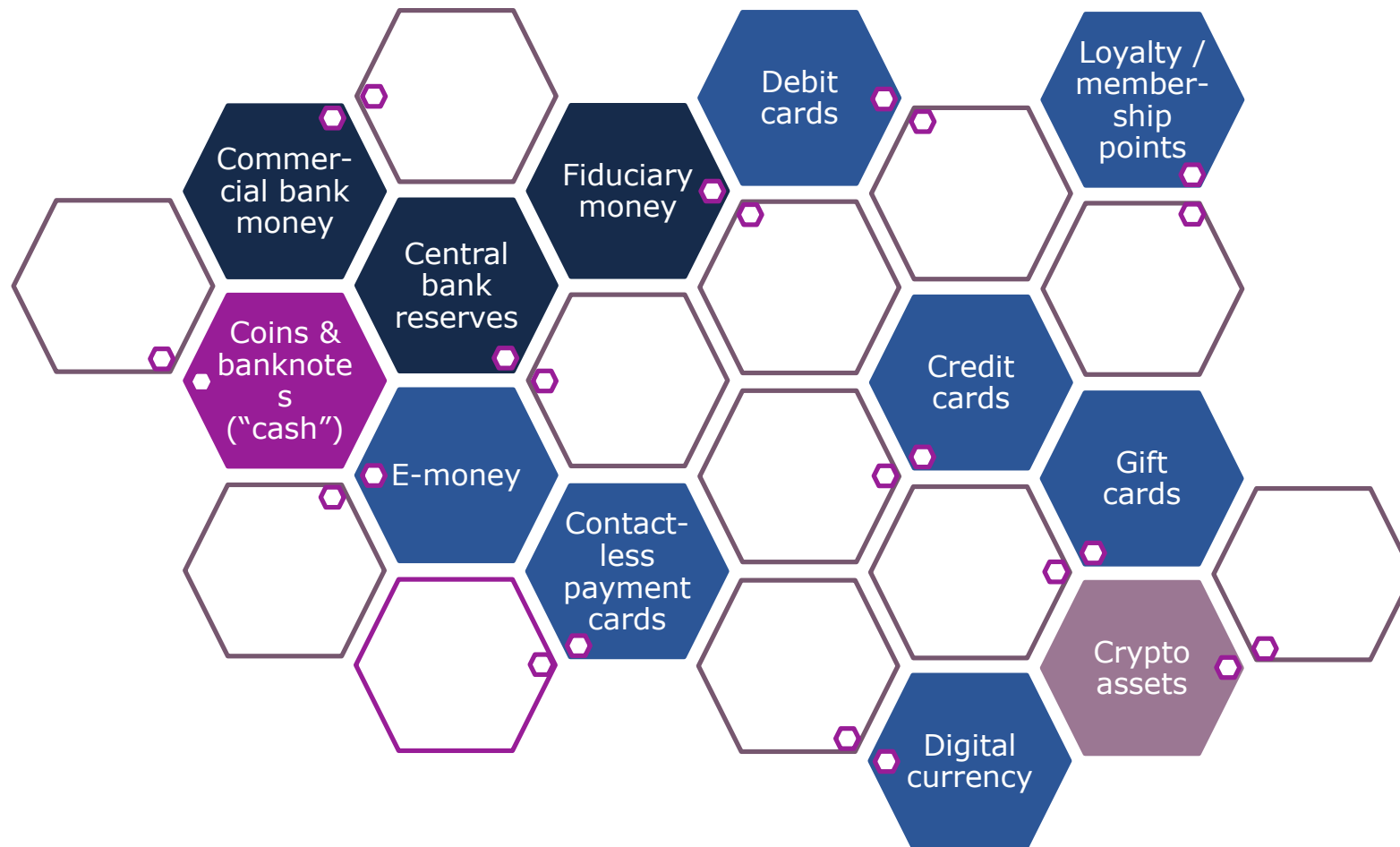
What is money?

A LAWYER'S VIEW



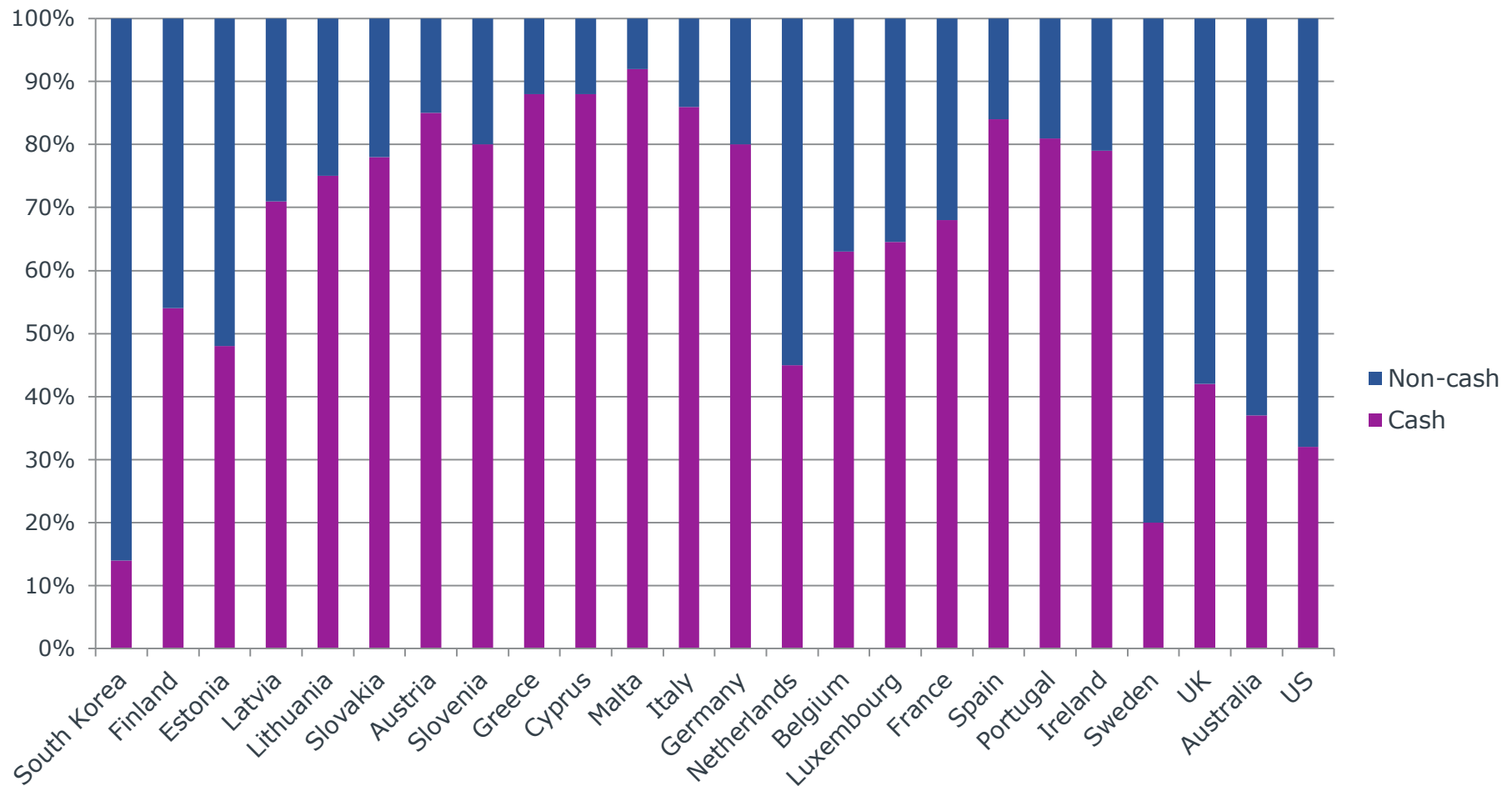
Forms of money

THE MONEY SUPPLY



Cash is king

USAGE OF MONEY



Source: G4S World Cash Report 2018

Cash vs. non-cash vs. crypto assets

KEY BENEFITS



Cash

- Legal tender status
- Easily accessible
- Convenient
- Direct
- Anonymous

- Regulated



Non-cash

- Convenient
- Can be used remotely
- Able to transact in higher values
- Efficient

- Regulated



Crypto assets

- Direct
- Pseudonymous
- Can be used remotely
- Able to transact in higher values
- Able to transact in micro values
- Secure
- Unregulated*

* Mostly; subject to change

Cash vs. non-cash vs. crypto assets

KEY RISKS



Cash

- Expensive to manage
- Vulnerable to theft and loss
- Easily used to evade the law



Non-cash

- Complicated to manage
- Vulnerable to theft and loss
- Reliant on payment systems
- System transaction fees
- Slower settlement times



Crypto assets

- Complicated to manage
- Vulnerable to code flaws
- Easily used to evade the law
- Reliant on private sector DLT systems
- System transaction fees
- Techno-literacy requirements
- Value volatility

Bridging the risk-benefit gap

TWO OPTIONS

- Privately-issued decentralised stablecoins



Source: Researchly

- Central bank-issued digital currency

MAS, R3 and Financial Institutions experimenting with Blockchain Technology

Time for a Blockchain Digital Currency, Says Indian Central Bank's Research Arm

Bank of Thailand Developing Central Bank Digital Currency

SPAIN'S CENTRAL BANK: CRYPTOCURRENCY COULD IMPROVE MONETARY POLICY

Central Bank of Curacao and Sint Maarten (CBCS)'s Partner For Issuance of Their Own Token

Project Jasper

Project Jasper is an initiative with R3, Bank of Canada (the central bank), Payments Canada (clearing and settlement infrastructure), CIBC, TD

Bank of England Governor: Open to the Idea of a Central Bank Digital Currency Bank of Montreal, Royal Bank of Canada and HSBC.

The crypto challenge

HURDLES TO ADOPTION

- Uncertain regulatory environment
- Perceived and actual risks
- Knowledge gap amongst consumer base & key participants
- Cost of implementation/integration
- Current focus on movement to overall “non-cash” over crypto

Thank you!

PLEASE GET IN TOUCH



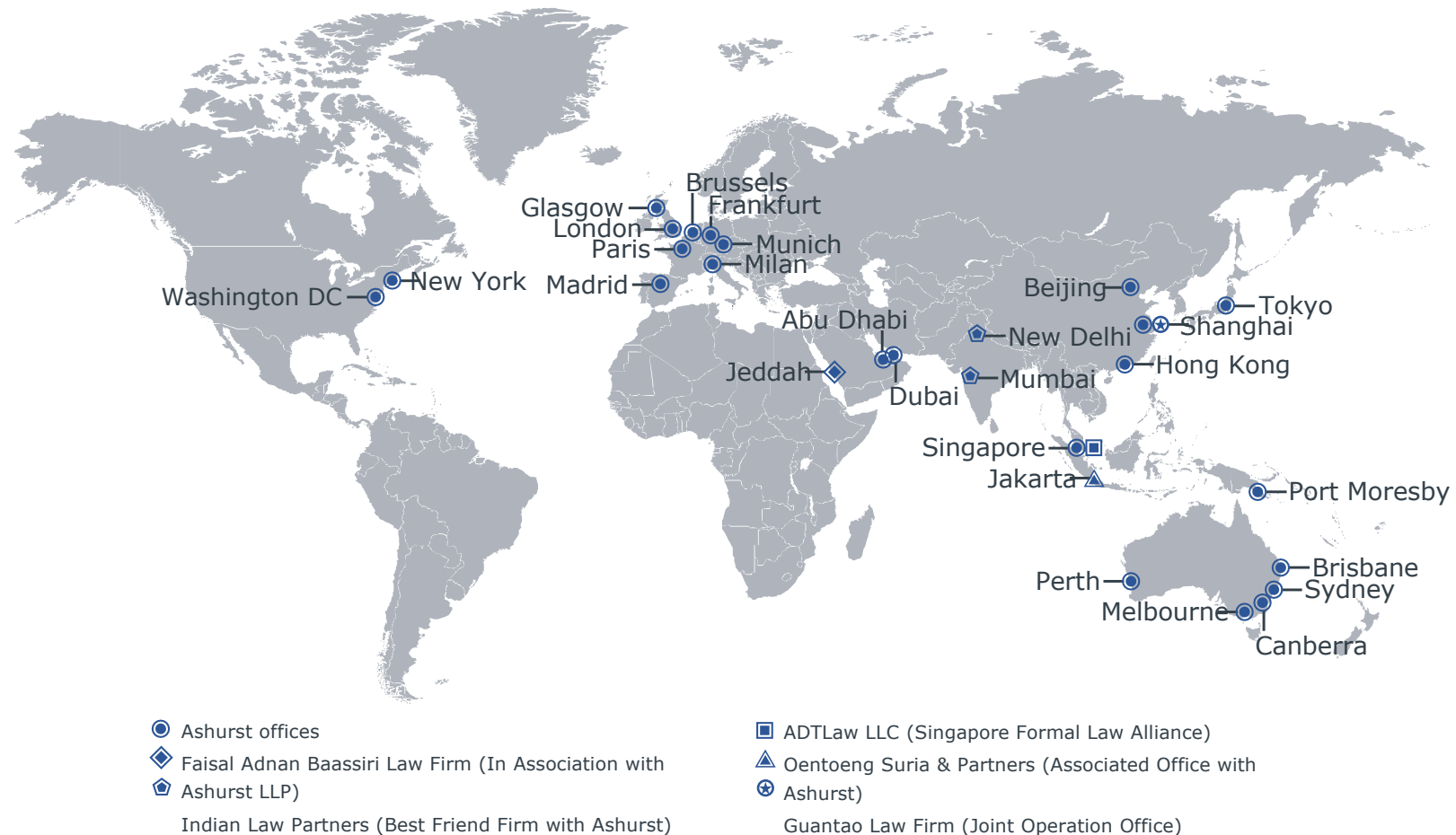
Tara Waters
Ashurst LLP
tara.waters@ashurst.com
+44 (0)20 7859 2755




About Ashurst

GLOBAL REACH

With 25 offices in 15 countries and a number of referral relationships covering 10 time zones, Ashurst offers the reach and insight of a global network, combined with the knowledge and understanding of local markets.





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