

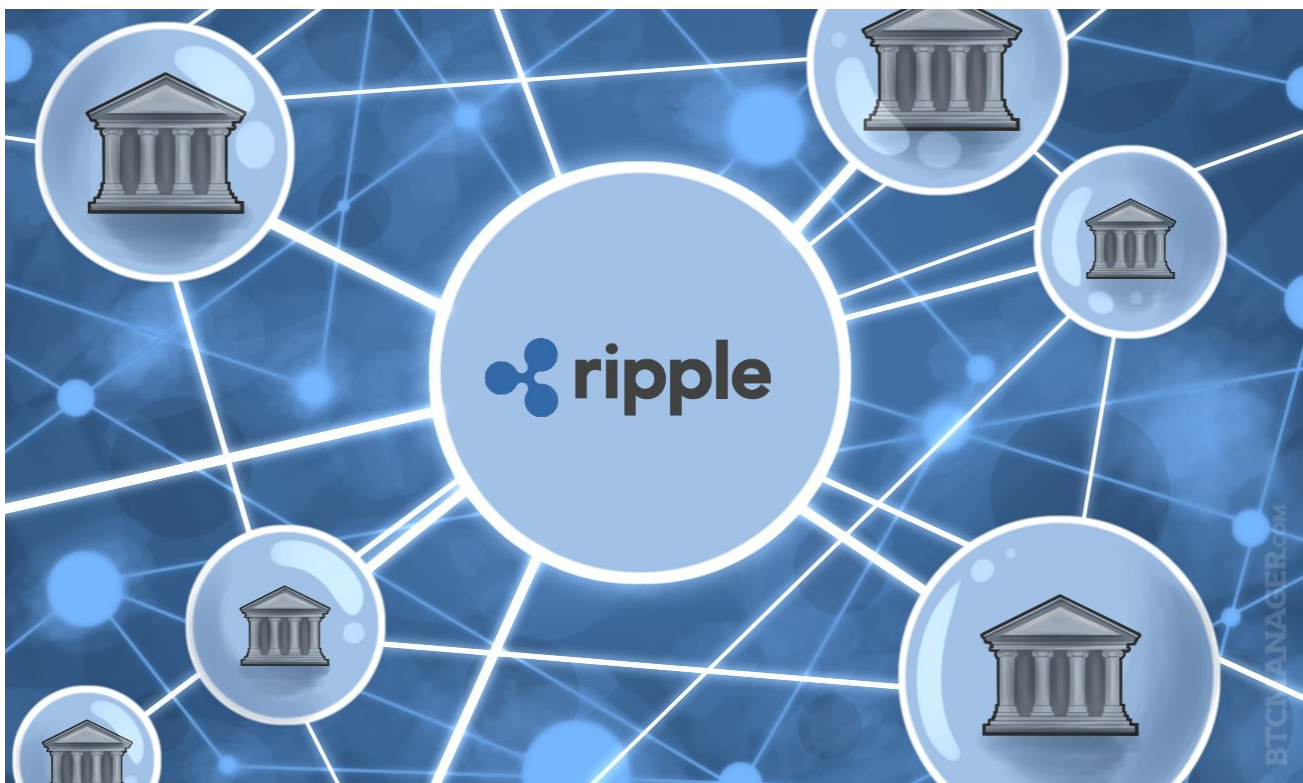


Opinion: Ripple's Price With Visa or Mastercard Integration



CrowdConscious

Dec 24, 2017 · 9 min read



Ripple (payment network) has been at the centerpiece of the overarching Cryptocurrencies market for about a year now and currently sits at number 4 behind Bitcoin Cash (BCH) (Bcash)—not far behind either. Ripple is aiming to bridge the remittance cost-gap between institutions across the globe—Financial Institutions. something that **has torn the cryptocurrency community due to the decentralized nature /ideals of the markets.**

All ▾	Coins ▾	Tokens ▾	USD ▾		← Back to Top 100				
#	Name	Symbol	Market Cap	Price	Circulating Supply	Volume (24h)	% 1h	% 24h	% 7d
1	Bitcoin	BTC	\$219,946,743,811	\$13,122.60	16,760,912	\$11,514,400,000	-2.64%	-13.62%	-32.41%

2	Ethereum	ETH	\$62,500,903,290	\$651.58	98,543,987	\$2,294,850,000	-1.95%	-12.4%	
3	Bitcoin Cash	BCH	\$45,723,588,575	\$3,709.25	14,873,700	\$1,750,236,000	-2.32%	-18.4%	

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6	Cardano	ADA	\$9,463,562,236	\$0.365007	25,927,070,538 *	\$68,037,800	-2.29%	-15.52%	-27.79%
7	IOTA	MIOTA	\$9,044,869,494	\$3.25	2,779,530,283 *	\$257,682,000	-2.80%	-17.84%	-12.57%
8	Dash	DASH	\$8,752,687,222	\$1,126.08	7,772,705	\$225,851,000	-2.08%	-14.47%	2.39%

Why has Ripple been such a major topic in the cryptocurrency community?

Well, take a look at the image below. I don't have a clue when this picture was created, but Bitcoin fees and Credit Card Processing fees continue to take center-stage topic **as more and more retail consumers enroll in the markets**. *Why fees?* I thought the **magic of Bitcoin** was in it's Decentralised Organisational Structure? It is, still. Bitcoin will not be regulated by any government and cannot be shut down unless governments in every country across the globe shutdown electricity to every individual supporting the network via Bitcoin Mining. **More below.**

XRP: Fees Near Nil

XRP enables payments of any size for the lowest possible cost.

\$0.0007 *



XRP Fee

\$1.43 *



Bitcoin Fee

\$2.00



Visa Fee

*Trailing 90-day historical average as of May 5, 2017



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The reason Bitcoin still has such high-fees is because the network is currently developing different technological solutions to solve this problem, allowing Bitcoin to scale. Instead of staying patient, a faction of the original Bitcoin community **led by Roger Ver and Jihan Wu** decided to continue supporting the old fork which, today, is known as Bcash (short for Bitcoin Cash), in an effort to expedite the process of Bitcoin becoming a tool for payment processing and Remittances.

Bitcoin: A Peer-to-Peer Electronic Cash System

Satoshi Nakamoto
satoshin@gmx.com
www.bitcoin.org

Abstract. A purely peer-to-peer version of electronic cash would allow online payments to be sent directly from one party to another without going through a financial institution. Digital signatures provide part of the solution, but the main benefits are lost if a trusted third party is still required to prevent double-spending. We propose a solution to the double-spending problem using a peer-to-peer network. The network timestamps transactions by hashing them into an ongoing chain of hash-based proof-of-work, forming a record that cannot be changed without redoing the proof-of-work. The longest chain not only serves as proof of the sequence of events witnessed, but proof that it came from the largest pool of CPU power. As long as a majority of CPU power is controlled by nodes that are not cooperating to attack the network, they'll generate the longest chain and outpace attackers. The network itself requires minimal structure. Messages are broadcast on a best effort basis and nodes can leave and rejoin the network at will, accepting the longest

Looking above at the original Bitcoin white paper by Satoshi Nakamoto, we can see the title clearly states:

‘Bitcoin: A **Peer-to-Peer** Electronic Cash System’

Key-word = Peer-to-Peer. While Bitcoin Cash is still a decentralized Blockchain (database), it is very, very heavily influenced by a centralized force of commercial Bitcoin miners. This takes away the original peer-to-peer ideals out of the BCash network because it is so centralized—the miners are controlled by a couple people which gives a major threat to 51% attacks on the **Proof Of Work (POW)** Bitcoin Network.



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remittance system for institutions who will ultimately allow their customers to make low-cost remittances through the Ripple payment network.

Now that we know the difference between Bitcoin and Bitcoin Cash when it comes to the nature of the blockchain, **we can look at Ripple through a similar lens that we look at Bitcoin Cash through**—a company using blockchain technology strategically to increase the quality of service for companies using their service, *but in a centralized manner*.



For the purpose of this article, it's important to know the difference between a truly decentralized blockchain network and one that is centralized, but using blockchain technology to power the network. The hurry to become a payment processing network will likely impede BCash's growth progress because security is far, far more important than being first-to-market. Look at the recent Equifax Data Leak (September 2017). This is one of, if not THE, world's biggest Credit Rating Agencies in the world—the WORLD.

You can look into the statistics yourself, but over 150 million customer's information was stolen—yours, mine, your parents, etc. This is an issue Blockchain Technology aims to solve by using Public-key Cryptography to thwart hackers' ability to steal mass amounts of data in one fowl swoop. As soon as the Lightning Network is established and Atomic Swaps become more stable, the Bitcoin Economy will be easily integrated into other blockchain networks as it continues to become more efficient.



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Anyway, let's dive into Ripple and how this centralized blockchain network may have the ability to garner Visa, MasterCard's, or any other Credit Card Processing company's business, and what type of price movement this could create for the Ripple (payment network).

One of the pictures above displays that Ripple already has a much, much lower fee than the distributed Bitcoin network and Visa's current fee schedule. Even Bitcoin's currently inefficient network beats Visa's payment processing fees. Ripple has a highly-dedicated team of Finance and experienced technology professionals fueling their growth and they are either aiming to integrate with credit card processors like Visa OR simply take their market-share. **Either way, it should be interesting to watch Ripple's price in the process!**

Statistical Overview

Visa Inc. is one of the world's largest retail electronic payments network, with US\$8.9 trillion transacted on our payment products over the four quarters ended December 31, 2016. Figures are rounded and include the Europe region.

The sheer statistical figures below give us some interesting potential scenarios that I will have fun projecting below in this article!

Visa Inc. operates one of the world's largest retail electronic payments network *

16,600 Financial institution clients (as of Dec 31, 2016)

44.0 million Merchant locations (as of Sept 30, 2016)

3.1 billion Visa cards (as of Dec 31, 2016)

US\$8.9 trillion Total volume** (as of Dec 31, 2016)

US\$6.3 trillion Payments volume (as of Dec 31, 2016)

2.6 million ATMs*** (As of June 30, 2016)

141.0 billion Total transactions**** (as of Dec 31, 2016)

65,000 Transaction messages per second (capacity as of Aug 2016)



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single stat? I don't think so...we all know Visa owns a significant portion of the market so let's have fun diving into potential Ripple projections!



Ripple (XRP)

\$1.02 USD (-13.22%)

0.00007829 BTC (0.25%)

Market Cap	Volume (24h)	Circulating Supply	Total Supply
\$39,537,558,622 USD 3,032,868 BTC	\$782,004,000 USD 59,986 BTC	38,739,144,847 XRP	99,993,093,880 XRP
			Max Supply
			100,000,000,000 XRP

According to [CoinMarketCap's Ripple profile](#), there are **currently 38,739,144,847 XRP in circulation** with a **total of 100 billion XRP in max supply**, held by Ripple leadership and a fund of XRP used to ease the price growth of XRP as the company increases the volume and attention on their products. I will keep all figures the same as they are now in the projections below:

38,739,144,847 XRP.

\$8,900,000,000,000 is Visa's yearly total payment processing volume.

Now, keep in mind that Ripple will be used for **payment PROCESSING**. Meaning, **Ripple will not always be held for the entire time it is being used to send value**, right? **For example**, you or I might send U.S. Dollar to somebody in Europe where the USD is instantly converted into XRP, sent to the final destination at a bank in Europe, and then settled in Euro (currency) or the proper tender in the country sent to. However, Visa will not be the only provider that would use Ripple, it would be major financial institutions like Goldman Sachs or JP Morgan and other behemoths.

Since Ripple is a Digital Currency/Virtual Currencies, financial institutions and especially Assets Under Management institutions can add it as an Asset



Diversification strategy in their client Portfolios. So we don't know how much volume will be transacted in XRP by these institutions, so let's have some fun!

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= \$229.742 XRP.

Kind of cool to think about, heh? The equation above is **IF** Ripple's XRP captured **ALL** of the value of the Visa payment network, something unlikely to occur. However, as mentioned, Visa isn't the only company Ripple can serve. **What about Mastercard?**

MasterCard current processing statistics:

- Processes 1.9 Billion Master Cards Issued World Wide
- Processing in 210 Countries and Territories, in 150 currencies, and in 56 languages
- MasterCard is accepted at 35.9 Million locations Worldwide
- MasterCard processed \$3.5 Trillion in 2013
- MasterCard processes on average 65k transactions per minute
- 130 Mille-seconds to process transaction which is 2x faster than largest competition

Interestingly, I could not find a single number that made sense to include in this article because one source says that Mastercard was processing \$5.5 trillion in transactions as of 2003 and another source (image above) says 10-years later, in 2013, Mastercard is processing \$3.5 trillion—companies do not usually shrink over time, but maybe Visa or other payment processors took some Mastercard volume? I don't know, but let's use the \$3.5 trillion figure from the image above.

$\$3,500,000,000,000 \div 38,739,144,847 \text{ XRP}$

*

= \$90.35 XRP

If, *somehow*, Ripple was able to capture all of the value of both Mastercard and Visa processing volume, XRP price might look something like below:

$\$3,500,000,000,000 + \$8,900,000,000,000$

= $12,400,000,000,000 \div 38,739,144,847 \text{ XRP}$

= \$320.09 XRP



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\$12.4 trillion in annual volume, that's just a drop in the bucket compared to the large and separate **\$71 trillion AUM market**.

What if, say, all major asset funds used the '5% rule' to diversify into 5 different major currencies, one of them being Ripple's XRP? This assumption means that 1% of the overarching \$71 trillion AUM market share would go to Ripple's XRP.

★

$$0.01 \times \$71,000,000,000,000$$

$$= \$710,000,000,000 \text{ ($710 billion)}$$

Just the \$710 billion would increase the \$320.90 XRP price by:

$$\$710,000,000,000 \div 38,739,144,847 \text{ XRP}$$

$$= \$18.33 \text{ XRP}$$

$$\$320.90 + 18.33$$

$$= \$339.23 \text{ XRP}$$

Remember, PwC projects the AUM market to reach \$101 trillion by 2020, just 2-years away. What might this \$18.33 price increase be if it were 1% of a \$101 trillion market?

$$0.01 \times \$101,000,000,000,000$$

$$= \$1,010,000,000,000 \div 38,739,144,847 \text{ XRP}$$

$$= 26.07 \text{ XRP}$$

$$\$320.90 + 26.07$$

$$= 346.97 \text{ XRP}$$

These are some pretty 'brave' and potentially over-zealous projections to make for Ripple's XRP price and is *not meant to be taken as a forecast of what will happen or advice for that matter*. You, me, nor anybody else truly knows what will happen in the



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If you're interested in trading Ripple's XRP, you can find it at the following exchanges:

- [Binance](#) Exchange
- [CEX](#) Exchange
- [EXMO](#) Exchange
- [Bittrex](#)
- [Bitfinex](#)
- [Kraken](#)
- [Huobi](#)
- [Poloniex](#)

Please clap for this article and follow my blog as I continue to write about various thought-provoking topics in the cryptocurrency market! Let's grow our cryptocurrency community :)

. . .

Below are some resources for beginning cryptocurrency enthusiasts or others interested in something new:

- [Cryptoversity by Chris Coney](#)—The Online School That Pays You To Learn About Bitcoin, Crypto-currencies and Blockchains
- [HitBTC Exchange](#)—major exchange, access ICOs and multi-currencies.
- [CoinTracking](#)—Your personal Profit / Loss Portfolio Monitor and Tax Tracker for all Digital Coins
- [Changelly](#)—as easy as purchasing cryptocurrency gets—watch the exchange rate.
- [CoinMate.io](#)—Bitcoin arbitrage made easy.



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crypto-PayPal.

- **CoinMama**—purchase Bitcoin and Ethereum w/ credit/debit cards & using **cash** through WesternUnion on their platform.
- **Ledger Nano S**—multi-cryptocurrency cold hardware wallet supporting Bitcoin forks. Keep your coins safe and offline.
- **Kucoin**—new exchange with its own token used to split exchange fees with holders, daily. Only exchange with NEO trading pairs too.
- **Binance**—150+ cryptocurrencies with its own token used to pay exchange fees on the platform and give perks to traders on their platform.

This is not meant to be Investment Advice and is just a fun display at speculation/forecasting what could happen with this revolutionary new cryptocurrency that aims to disrupt the payment processing space. Do your own Due Diligence before making an Investment Decisions.

Sources:

- [Mastercard Fourth-Quarter & Full-Year 2016 Financial Results](#)
- <https://usa.visa.com/dam/VCOM/global/about-visa/documents/visa-facts-figures-jan-2017.pdf>
- <https://www.pwc.com/gx/en/asset-management/publications/pdfs/pwc-asset-management-2020-a-brave-new-world-final.pdf>
- <https://bitcoin.org/bitcoin.pdf>
- [Assets Under Management—AUM](#)
- [Do You Know the 5% Rule of Investing?](#)

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[Rahul Sharma](#)

Dec 29, 2017 · 1 min read

\$8,900,000,000,000 is yearly transaction volume of VISA. That does not mean that this value divided by ripple will set the price of ripple to 229 USD. They can transact this volume even when ripple price is 1 or 2 USD. So I think there is a big flaw in your calculation. 229 USD per ripple means a market cap of nearly 9 trillion dollars only by...

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2 responses



[CrowdConscious](#)

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One more point —

“More and more countries are curbing/banning the trade of cryptocurrencies and for ripple itself to be 5% of world trading volume is not possible. If this happens, I would quit trading in cryptocurrencies.”

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Conversation between [Stephen Carbaugh](#) and [CrowdConscious](#).



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different titles and meanings for a reason. A single \$1 bill can be traded enough times that the total volume would equal \$8 trillion and beyond, that doesn't mean the value is \$8 trillion...the value is \$1...it was just traded \$8 trillion times to equal a volume of \$8 trillion. I have a...

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1 response



CrowdConscious

Jan 1, 2018 · 1 min read

The major difference between processing payments in the USD and the XRP is that we are unsure what the market supply for the USD looks like, but have an exact number of XRP that will be put into existence.

When you're looking at the macro picture and big numbers like Visa or Mastercard's payment processing volume, you need...

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1



Conversation with CrowdConscious.



Rebel42MDx

Jan 1, 2018

This article is junk. I'm a believer in Ripple—don't get me wrong—but there's no logic in dividing "total transaction volume" by number of Ripple outstanding to come up with a price for Ripple. Besides the obvious flaw the rest of the article is incoherent as well.



1 response



CrowdConscious

Jan 1, 2018 · 2 min read



The difference between volume in processing USD vs XRP is that there are a finite amount of XRP, but we aren't sure what the market supply truly

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Conversation between [Rahul Sharma](#) and [CrowdConscious](#).



[Rahul Sharma](#)

\$8,900,000,000,000 is yearly transaction volume of VISA.



[CrowdConscious](#)

Dec 29, 2017 · 2 min read

You may not have thoroughly read the article because I made sure to preface the [Ripple](#) price with this:

*“Now, keep in mind that Ripple will be used for **payment PROCESSING**. Meaning, **Ripple will not always be held for the entire time it is being used to send value, right? For example, you or I might send U.S. Dollar to...***

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Dec 29, 2017

IF Ripple's XRP captured ALL

This is a huge 'if' and is unlikely to happen—that's why I prefaced these calculations and continued to remind the reader through the article: 'this really may not happen.'

However, these are the types of macro-forces that will effect [Ripple's](#) XRP price as the company expands.



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Benjamin Cavallaro

Jan 3, 2018

Ripple is centralized. Bitcoin cash is not centralized. I can't tell if you're shilling for ripple or for core. I guess both. Either way, all the comments are on point—you're wrong about just about everything in this post. Thumbs down from me!



1

1 response



CrowdConscious

Jan 3, 2018 · 1 min read

You know, I'm not too surprised by the negative comments this article is getting. I think you're the first to mention my potential 'shilling' of a specific coin which is funny because I don't 'shill' coins. Matter of fact, I **don't even like Ripple...really? Really.** If you've read any of my other 'crap articles,' you'd see that I'm not much a fan of...

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1 response



CrowdConscious

Dec 29, 2017 · 1 min read

Now, keep in mind that Ripple will be used for payment PROCESSING. Meaning, Ripple will not always be held for the entire time it is being used to send value, right? For example, you...

I bring this up because payment processing is very specifically about transferring value, not storing it. However, Ripple's XRP is also a cryptocurrency which can be used as a store of value AND medium of value transfer.



This can be seen with Bitcoin—it's primarily used as a store of value right now until the Lightning...

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