



Financial use cases

Crypto as a Store of Value

The problem - Lack of trust. Monetary systems today require individuals to trust centralized institutions to both manage their money safely, and ensure that the value of that money does not diminish over time. This has led to a system where hyperinflation runs rampant in many countries, and in certain scenarios, governments seize funds that rightly belong to individuals.

The solution - Crypto as the trustless system. Crypto provides an alternative, allowing individuals to custody their own funds without relying on an intermediary, either with an asset pegged to existing fiat with less deflationary risk (e.g., USDC), or to an asset completely distinct from fiat currencies (e.g., Bitcoin).

The outcome - Economic freedom for those that need it most. Not being able to trust an intermediary to provide a fair store of value or maintain a currency's value disproportionately impacts the poorest populations in the world. These populations are [increasingly turning to crypto](#) to solve this problem.

“Even though cryptocurrencies have lost value, many Argentines see them as a less risky choice than their own currency, whose worth has plunged as inflation has soared.” ([NYTimes](#))

Crypto and the Transfer of Value: Remittances

The problem - Costs and delays. The traditional process of sending money to friends and family abroad is complex and costly. Payment networks are slow, complicated, and dominated by large banks and money transfer operators. The [World Bank](#) in 2023 found that the costs of sending money cross-border continued to be too high, averaging 6.2 percent for a \$200 transfer.

The solution - Cheaper, faster, more secure. Crypto can be transferred around the world seamlessly peer-to-peer, without the need for inter-bank accounts or overnight payment processing. Fees are minimal or nonexistent. And assets stored in crypto wallets, such as dollar-denominated stablecoins, preserve value against local currency inflation and let recipients participate in staking or other yield-producing services.

The outcome - More money to recipients. A Coinbase Institute analysis estimates that sending remittances using crypto can save between 2-8 percent in fees. For a \$200 payment, that means friends and family receive up to \$16 more to save, stake, or spend on necessities. (Source: [Crypto and Remittances](#), June 2022).

“Imagine, with each intermediary taking their fee in the transaction, if suddenly you can reduce the number and directly transact, you don't have to wait. It reduces the cost.” – Jean Pesme, World Bank Global Director of Finance, Competitiveness & Innovation ([World Bank podcast](#), Dec. 2021).

Crypto and Tokenized Assets

The problem - An outdated system. Traditional investment opportunities have high barriers to entry and are limited both geographically and to those who can afford an entire asset. Further, transactions and settlement often take days and require costly fees.

The solution - Tokenization converts ownership rights in an asset into a digital token on a blockchain. Almost any asset can be tokenized, from financial instruments like equities and bonds to tangible assets such as real estate and precious metals. And the use of smart contracts helps automate transactions, saving time and money. These efforts face regulatory hurdles, however, as a number of key jurisdictions lack clear legal frameworks for tokenization.

Real world examples

- **Greater access to markets.** Fund managers are partnering with token providers like [Securitize](#) to tokenize billion-dollar funds, giving individuals access to private equity assets that are typically limited to institutional investors.
- **Customized portfolios.** Investors can customize portfolios around their specific interests, such as “tokenized royalty streams from their favorite musical artists.” (Source: [Coindesk](#))

Tokenizing assets can “unlock potential innovations in areas including custody, collateral management, cash and liquidity, fund administration, accounting and payments.” – [BNY Mellon report](#), 2021

Crypto and Humanitarian Support

The problem - The traditional financial system makes it too slow and difficult to transfer value.

The solution - Crypto offers “innovative solutions to meet increasingly complex humanitarian emergencies,” from natural disasters to armed conflict. Crypto operates 24/7, with near-instant settlement globally, and donations have already provided key support to those in need in Venezuela, Kenya, Ecuador, and elsewhere. (Source: [CARE Crypto Fund for Humanitarian Aid](#))

Real world examples

- **Support for Ukraine.** Ukraine legalized digital assets in March 2022, allowing it to raise over \$180M in crypto donations. These included funds from crypto-native decentralized autonomous organizations (DAOs) and NFT sales; UkraineDAO auctioned an NFT of the Ukrainian flag for \$6.5M in ETH, with proceeds donated to a foundation that supports the Ukraine armed forces. ([CNBC](#), 2022).
- **Building blocks.** The [UN World Food Program](#) has developed a blockchain-based app that “enables the tracking and delivery of multiple types of assistance,” from cash to medicine. This network lets users around the world collaborate, transact, and share information, securely and in real time.

“In a situation like this where the national bank is not really operating, crypto is helping to perform fast transfers, to make it very quick and get results almost immediately.”

– Ukrainian Deputy Minister Alex Bornyakov (Source: [Decrypt](#), March 2022).