

Tokenization

New Finance Initiative

Connor Justin Wiseman (CEO – Director)

The introduction of blockchain technology to the world economy brings forward innovation in areas of finance that produces ways to manifest greater investment opportunity for the financial markets and its participants.

This thread aims to provide information towards the innovation of tokenization with blockchain technology.

Blockchain technology allows for the implementation of new financial assets in digital form, in a way that can be applied to nearly every asset on the planet.

This innovation is called tokenization and produces digitally based assets that can represent anything in the markets.

Tokenization can be applied to nearly every area of the financial market that offers assets to trade and exchange with between other participants.

There is trillions in wealth that can be unlocked with tokenization and the opportunity to distribute the world's wealth is at hands of innovation and the way that the approach to a new financial system is developed.

There have already been steps made in the crypto industry towards implementing tokenization in multiple developments and there has been produced multiple applications that service tokenization on the market.

Let's take a look at some use cases for tokenization below.

- financial debt - energy - media rights - real estate

All of the above use cases innovate in areas of finance and the world economy in a way that can distribute wealth and help with the application of investment diversity and more economic growth through the support of more investment opportunities.

Tokenization is beneficial in more areas than listed above and in general some of the most important aspects to consider for innovation with tokenization in the world economy are;

1: tokenization brings more liquidity to the financial markets

2: tokenization allows for more investment opportunities.

3: tokenization brings more effectiveness to transaction executions

4: tokenization helps produce new financial products

5: tokenization fundamentally offers more financial inclusion. - these are just some of the benefits of tokenization in the world economy.

Now let's dive into the list above and how the benefits of tokenization can help each one innovate within the financial markets.

1: Financial Debt

Debt based financial instruments that are on the blockchain and serviced through smart contracts with token derivatives helps create new financial products that can be consumed via debt based markets and helps implement a system where stakeholder capital can work with the commercial industry because of the property of blockchain technology.

Debt can begin to be serviced through a more granular approach that is distributed across the economy to those with the capital possible to service deals.

With blockchain technology and a decentralised system that is implemented to support working stakeholder capital, the debt markets can open up to more investors.

Fundamentally the ability to fund capital resources through blockchain with a decentralised approach can service the debt markets with a more inclusive approach for stakeholders and market participants who have capital and want to invest in debt.

2: Energy

Tokenizing energy can produce industrial scale innovation through the financial markets and economy. In particular energy tokenization provides innovation to the ability to exchange and collect energy in a modern fashion and also it produces more decentralisation in the markets for the distribution of energy resources across the economy. The introduction of tokens to the energy markets can also make for more precise pricing of energy and more accurate readings for usage. There can also be an implementation of energy tokens that can be used for payments for other goods and services and can in respect provide more financial inclusion in the economy. One of the main benefits of tokenizing energy is that microgrids can begin to manifest and that reliance on energy companies can become less needed.

3: Media Rights

The media monopoly can also be serviced through tokenization with blockchain technology, tokens can apply a more democratized architecture to the structure of media companies and the rights to media that is in the world, by allowing more participation in the ownership of media that is produced and the companies that execute the producing. Media rights can

become a global market, where across the world individuals from different nations can own the same media and support the same productions. As media rights would be tokens on the blockchain, they also could be used for payments and become tradable assets on the financial markets. This is a huge innovation and can help creators have greater controls over the work they produce and how they sell to the market with tokenization.

4: Real Estate

The multi-trillion dollar market that can revolutionise financial markets in the most radical way is tokenizing real estate and creating new financial products based on the financing of capital through real estate derivatives. This is another huge innovation that has the potential to completely reshape the way economies function and how people use finance to purchase home ownership and deal with mortgages and other financial products and investments. The tokenization of real estate plays huge advantage for being able to purchase home ownership and get on the property ladder from the application of being able to distribute home ownership across the financial markets to groups of different investors.

There is potential with tokenization to produce innovation in nearly every area of the economy with blockchain technology and smart contracts and financial markets can become more decentralised through offering more inclusion through the application of tokenization to investors.