



Welcome to my wallet, digital money!

Credit cards, mobile payments and QR codes will be obsolete one day, just like what is happening with physical money today. Tomorrow's money is digital and tokenised.

HOW DOES IT WORK, WHAT TECHNOLOGY IS IT BASED ON AND WHAT WILL IT BE USEFUL FOR?

THE MONEY OF THE FUTURE

The digital representation of assets has existed since last century.

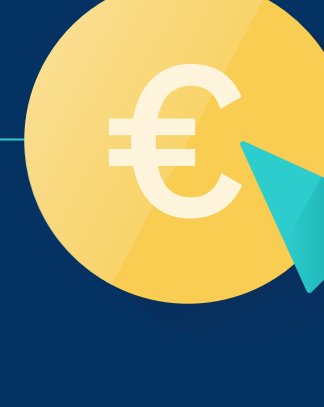
A digital asset is any type of resource that represents:

- A digitised real asset, for example, a monetary value or property.
- An asset that has been created digitally, for example:



Cryptocurrencies, decentralised virtual currencies based on blockchain.

Bitcoin o ethereum



Official digital currencies issued centrally and backed by central banks.

The digital euro in Europe and the digital yuan in China

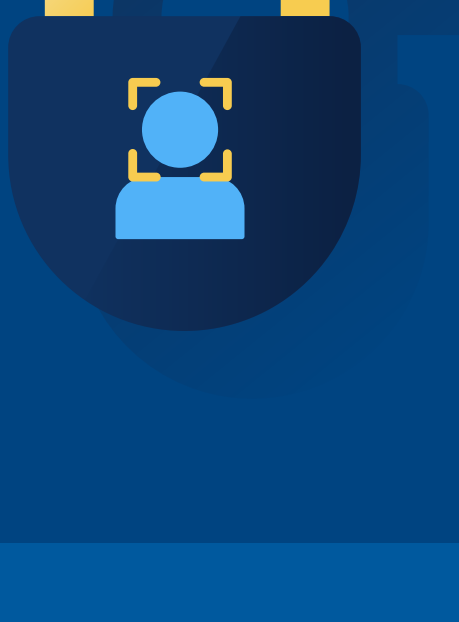


Other digital currencies backed by regulated corporations.

Diem by Facebook

"Digital assets have great potential to transform the way in which value and information are exchanged through blockchain technology"

Alicia Pertusa, Head of Customer Solutions Strategy at BBVA



THE CONTRADICTION OF VOLATILE SECURITY

Blockchain can:



Increase security



Ensure traceability



Decentralise control of actions

How is money transferred via blockchain?



Money is represented by a block.



The block is transmitted to other network users, who validate it.



It is added to the chain of blocks and is registered in a transparent way.



The money arrives at the destination and encryption technology guarantees a secure process.



Tokenisation: a blockchain process to replace a digital asset with a cryptographic code and obtain a token.



The tokenisation of digital assets offers security and transparency.



Managing these assets is more efficient and improves the user experience.

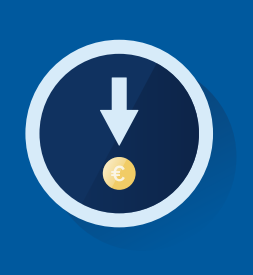


Cryptocurrencies such as bitcoin may be at risk of volatility.

"Cryptocurrencies that are native to decentralised and non-permissive networks are not anchored to the value of a currency that is legal tender, but instead are subject to the price set by supply and demand"

Natalia Español, BBVA economist

IF YOU'RE IN BUSINESS, IT WILL INTEREST YOU BECAUSE IT OFFERS:



Immediate financing



Increased investment and transparency



Purpose and sustainability-oriented investment.

"Tokenised money could help to improve the fight against money laundering and the financing of terrorism"

Carlos Kuchkovsky, Global Head of Research and Patents at BBVA

PROJECTS THAT ARE MOVING FAST, BUT WITH CAUTION

European Central Bank

Exploring the digital euro over the next few years.

Swiss subsidiary of BBVA

One of the first banks handling transactions and deposits in bitcoins.

United Kingdom

Tokenised bonds in the regulatory sandbox, a safe testing environment.

DBS Bank of Singapore

Developing an exchange for tokenised digital assets.

USA

Fintech companies like Securitize are already issuing tokenised assets.

China

Digital wallets like Alipay and WeChat Pay are already trialling the digital yuan.



"The technology is there: we need to create the market and ecosystems, generate supply and demand, and generalise their use. Once there are regulations in place it will be much easier to move forward"

Francisco Maroto, Blockchain Discipline Leader at BBVA