



RELEASING THE FLOW OF MONEY

Hitting the tipping point of adoption

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INFORMATION OVERLOAD...

...Confusing and harmful...

...perils of an “always on” environment...

Conrad Gessner, a respected Swiss scientist

Telephone



"It could make you deaf, and the electric current might kill you"

Radio



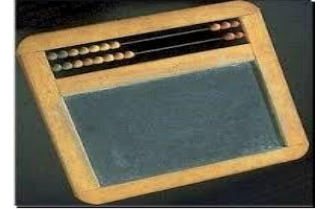
"disturbing the balance of children's excitable minds"

Television



"might hurt radio, conversation, reading, and the patterns of family living and result in further vulgarization of American culture"

Schools



"exhaust the children's brains and nervous systems with complex and multiple studies, and ruin their bodies by protracted imprisonment."

Citi-Imperial Digital money index reveals counter intuitive results

2016 Citi-Imperial College Digital Money Index

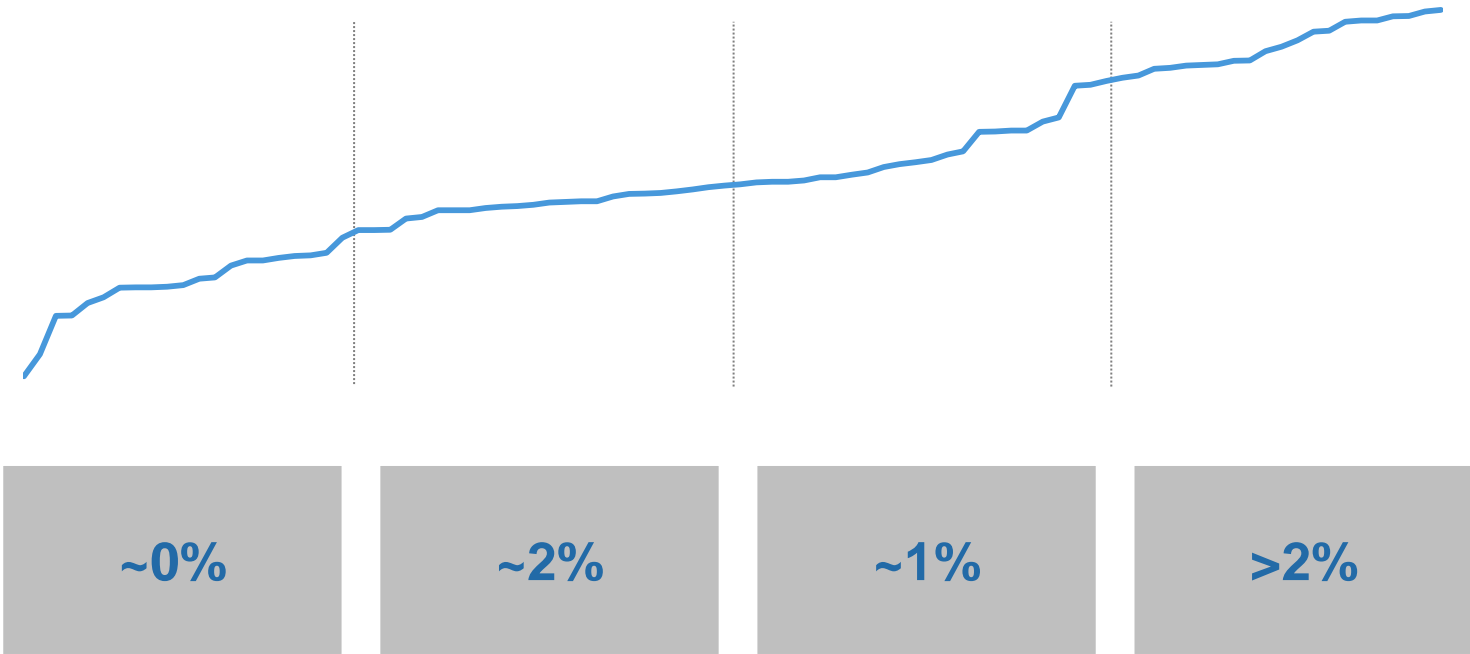
Incipient

Emerging

In-transition

Materially Ready

Shift over
from 2014 to 2016
across 90 countries



Shift over
from
2014 to 2016
by quartile

~0%

~2%

~1%

>2%

Almost no movement at the bottom, but grass shoots offer hope



Ethiopia

46%

increase in
score¹



High Focus on financial inclusion by the government allowing Mobile money services – M-Birr and HelloCash – to work with Banks and Micro Finance Institutions

Venezuela

15%

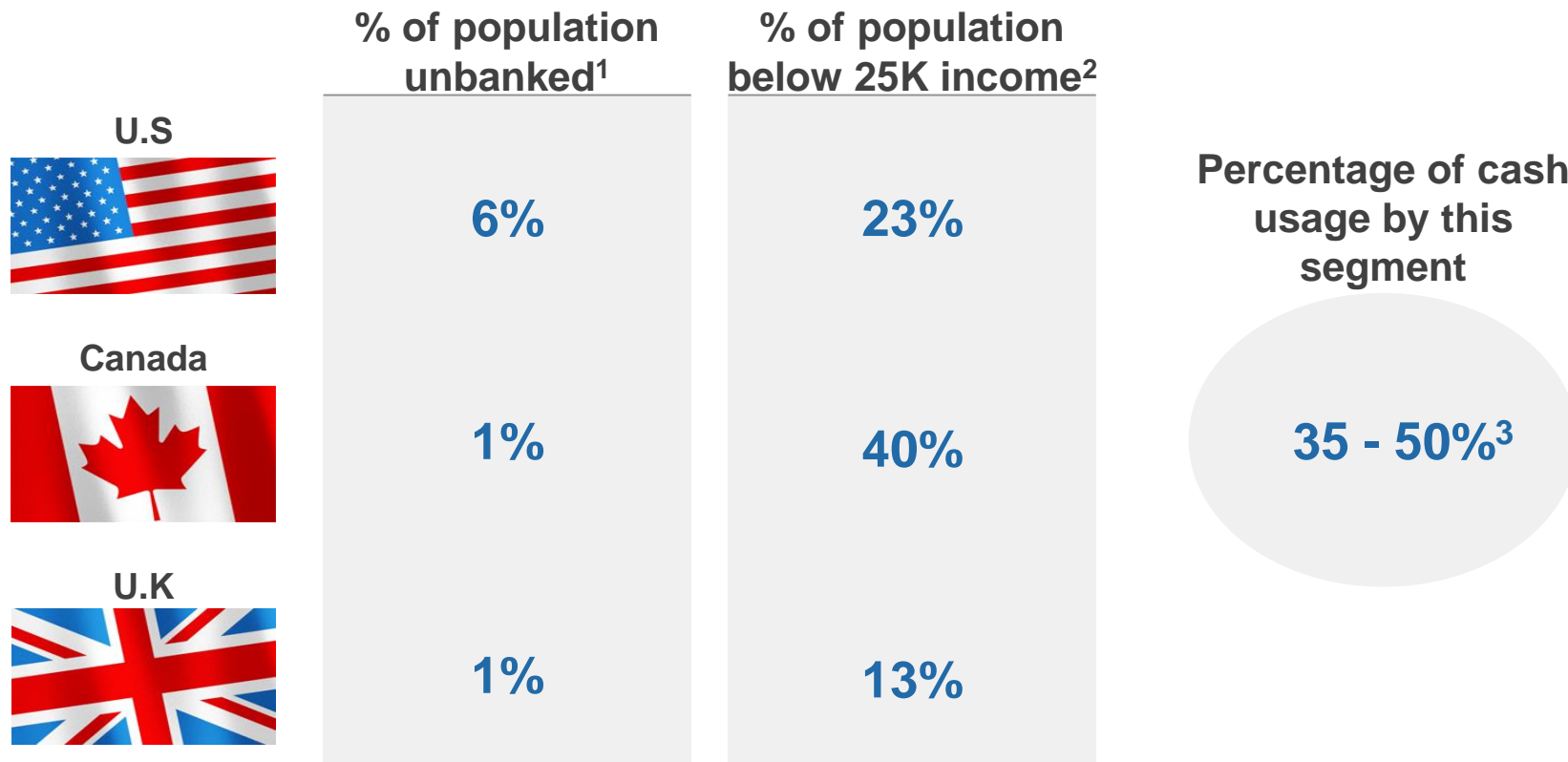
increase in
score¹



Banking Correspondents expanded the reach of banking services resulting in banking penetration of over 57% of the adult population in 2014 compared to 32% in 2005

1. % increase in raw scores between 2014 - 2016

The underbanked, a critical segment

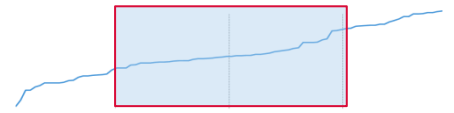


























1. World bank financial inclusion data 2014

2. US census, Statistics Canada, Office for national statistics UK – numbers adjusted for PPP

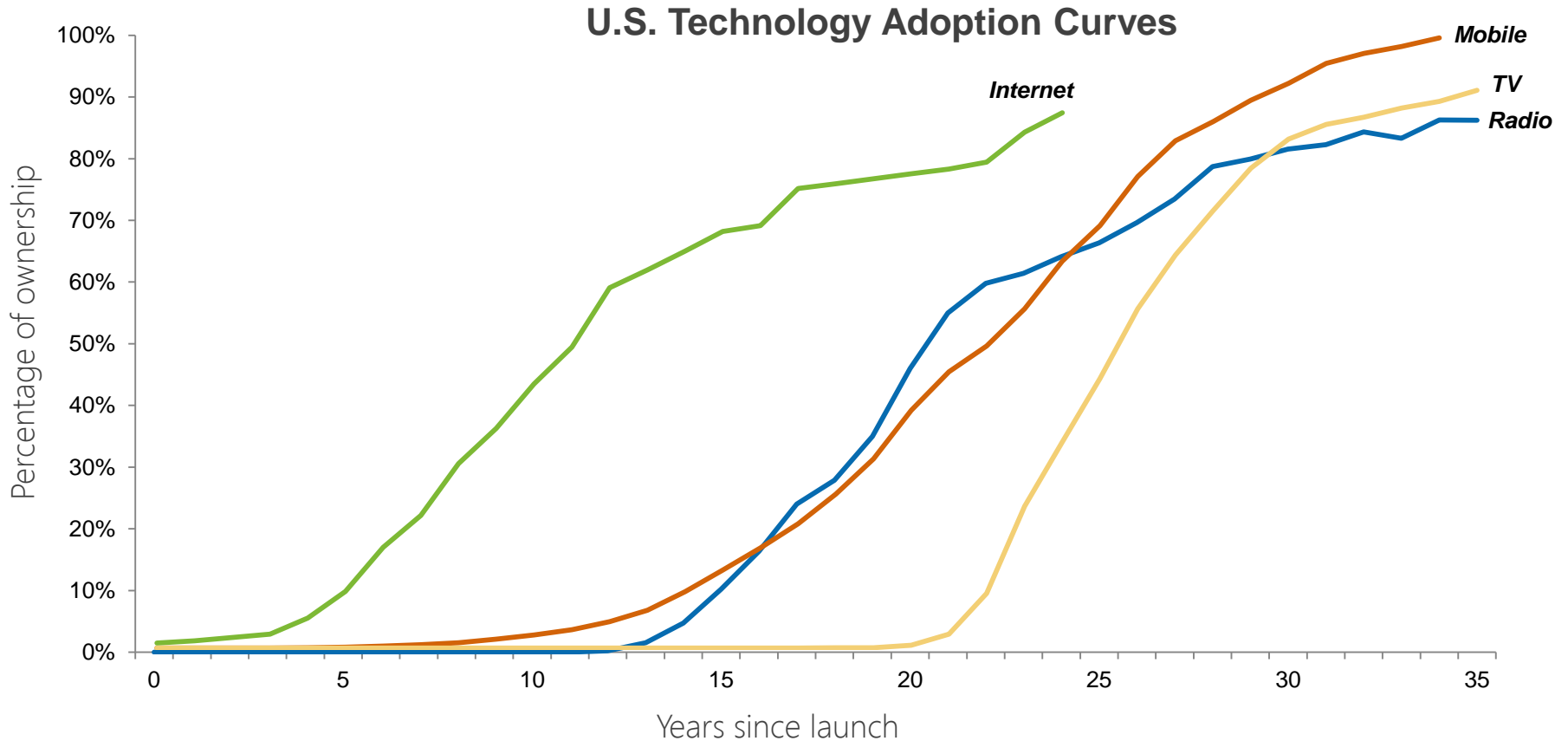
3. Federal Reserve Bank of San Francisco – consumer payment choice 2014

Tailored digital money solutions necessary... but not sufficient



	Kuwait 	Namibia 	Peru 	Russia 	Honduras 	Mongolia 
Change in Digital Money Solutions Score						
Change in Consumer Propensity to Adopt						
Change in Rank						

Getting to the “tipping point”



Source: ITU, World Bank, US Census

Focus on “flows” (use-cases) with “reach” and high “frequency”

Population reach



over 50%

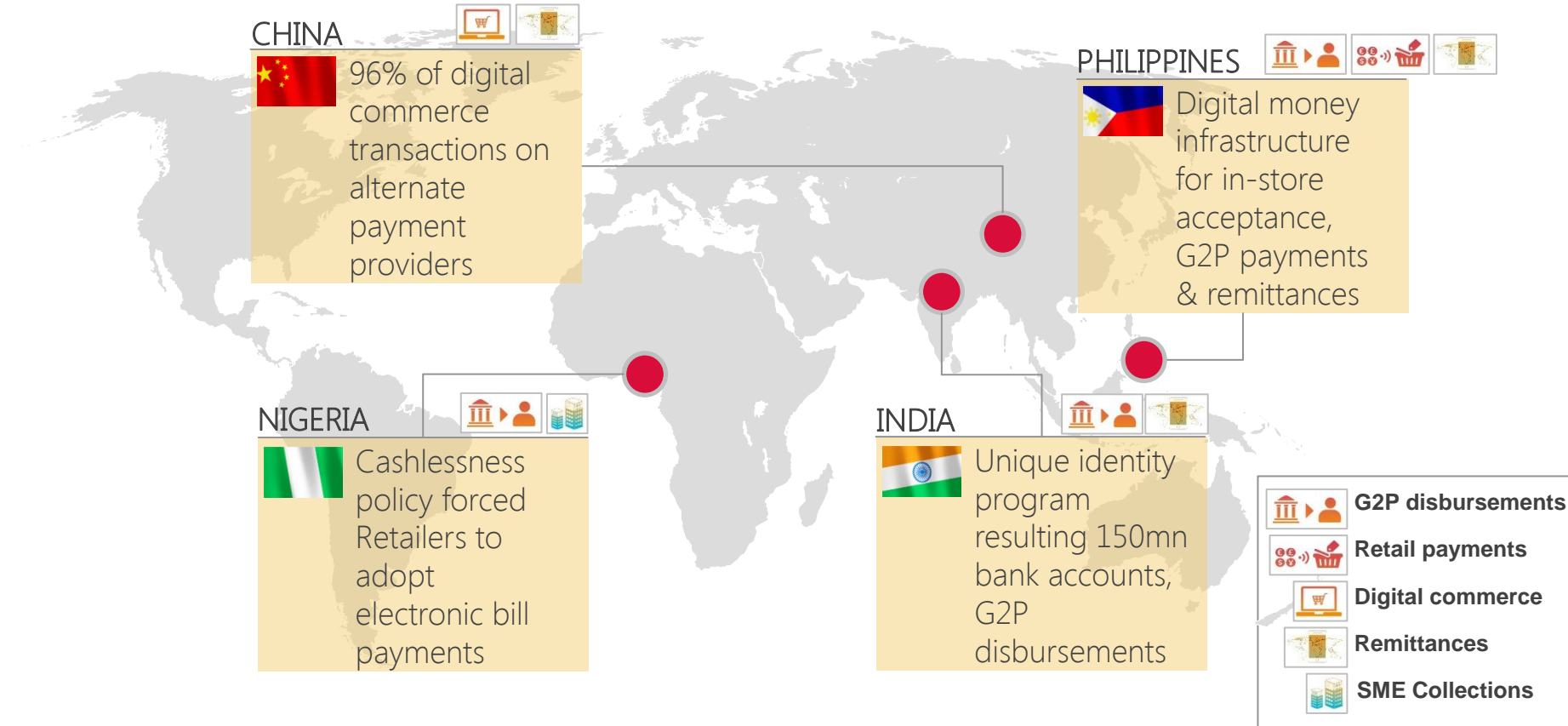
25%-50%

under 25%

* All dollar values are annual



Connect flows for uninterrupted digital transactions



Potential to unlock ~\$400 billion in annual benefits from digitizing only a quarter of these transactions

G2P Disbursements



\$150bn

in benefits for
Governments

Retail Payments



\$150bn

in benefits for
Retailers

Digital Commerce



20%

Higher
profitability per
order by
replacing cash
on delivery

Cross-Border Remittance



50%

Less cost of
receiving
remittances

SME Collections



\$80bn

In potential
savings for
corporate
collections

In search of the elusive **TIPPING POINT...**

