

**How a new global crypto
economy will impact
consumers across Africa**



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What is Bitcoin?

Bitcoin is a new way of moving and storing money.



BLOCKCHAIN

Bitcoin is the world's most established **cryptocurrency**

No intermediary is needed to facilitate transactions, making it a fully **peer to peer** system

A record of all bitcoin transactions is stored on a bitcoin **ledger**, otherwise known as a **blockchain**

The bitcoin blockchain is **immutable** and **decentralised**

The Natural Evolution



The existing financial system was built for a non-digital age - ignoring the needs of the modern individual and is quickly becoming redundant

- Money has always evolved
- Landlines to Mobile phones / post to email - money to catch up with other information revolutions

Why is this happening now?



collective mindset
change

Why is this happening now?



collective mindset
change



inherent consumer
needs

Why is this happening now?



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technology available
to support this change

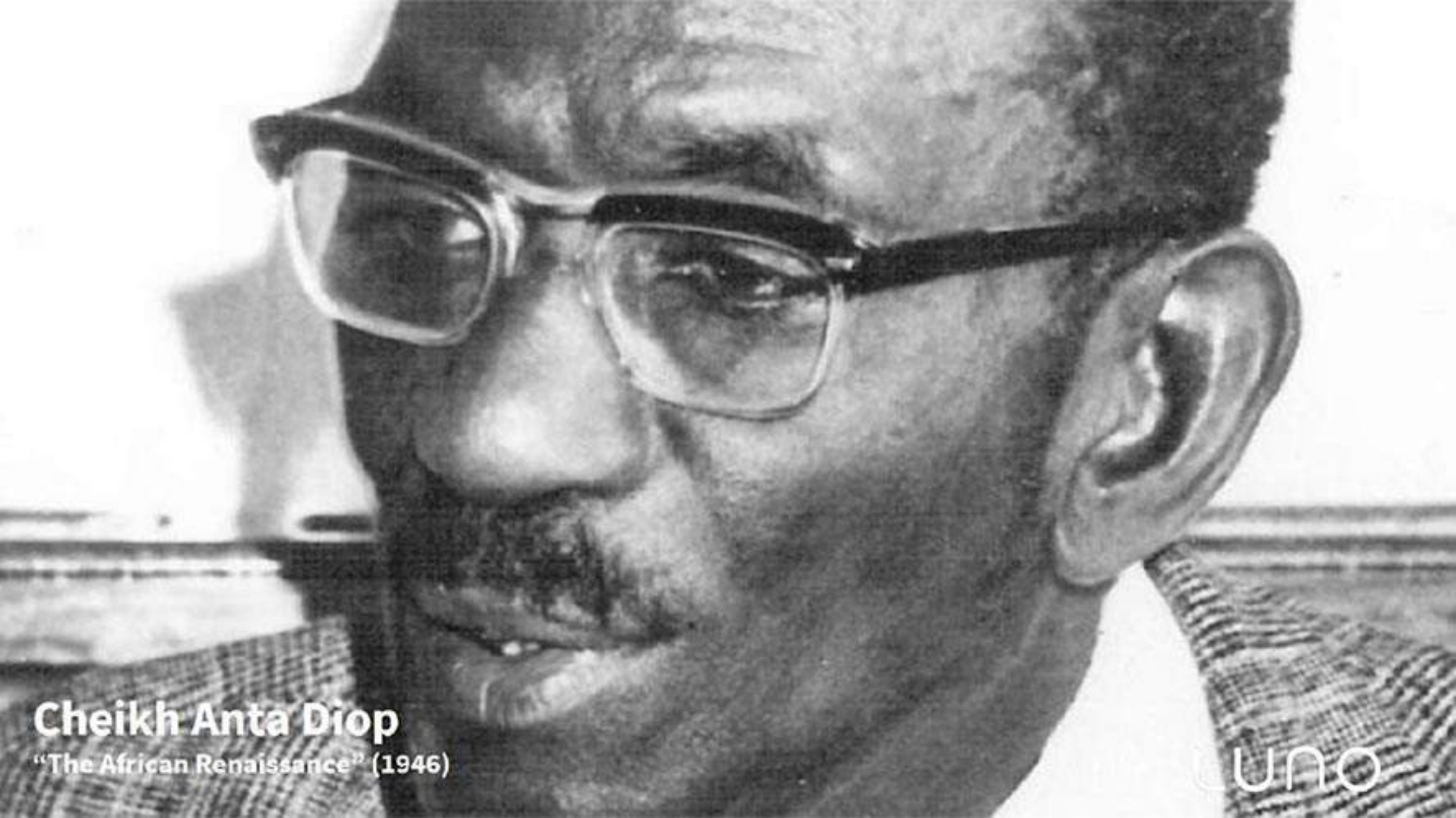
1996

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A black and white close-up portrait of Thabo Mbeki, an older man with a grey beard and mustache, looking slightly upwards and to the left with a gentle smile. He is wearing a dark suit jacket over a white shirt. The background is out of focus, showing vertical lines.

Thabo Mbeki
“I am an African” (1996)

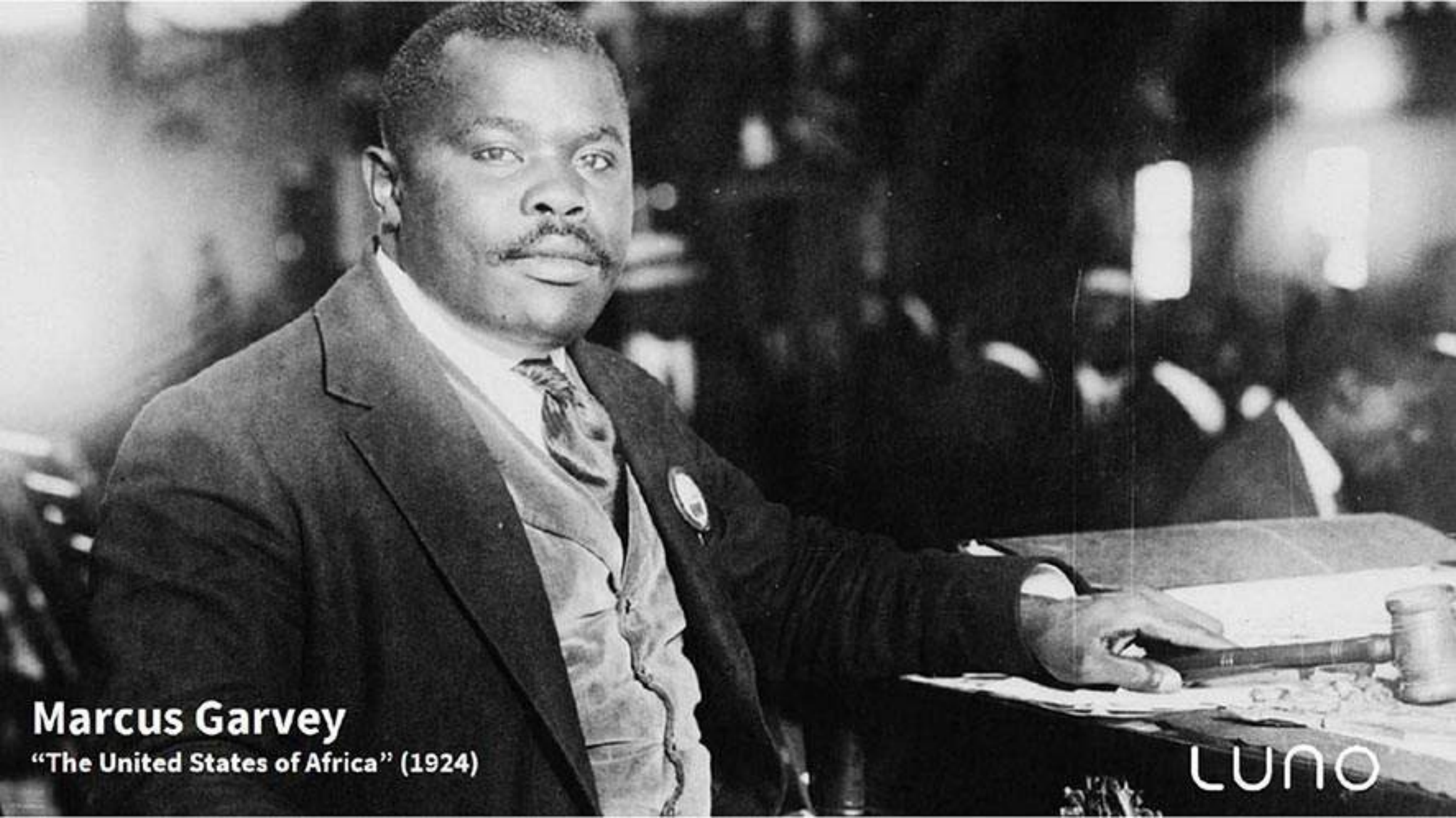
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Cheikh Anta Diop

"The African Renaissance" (1946)

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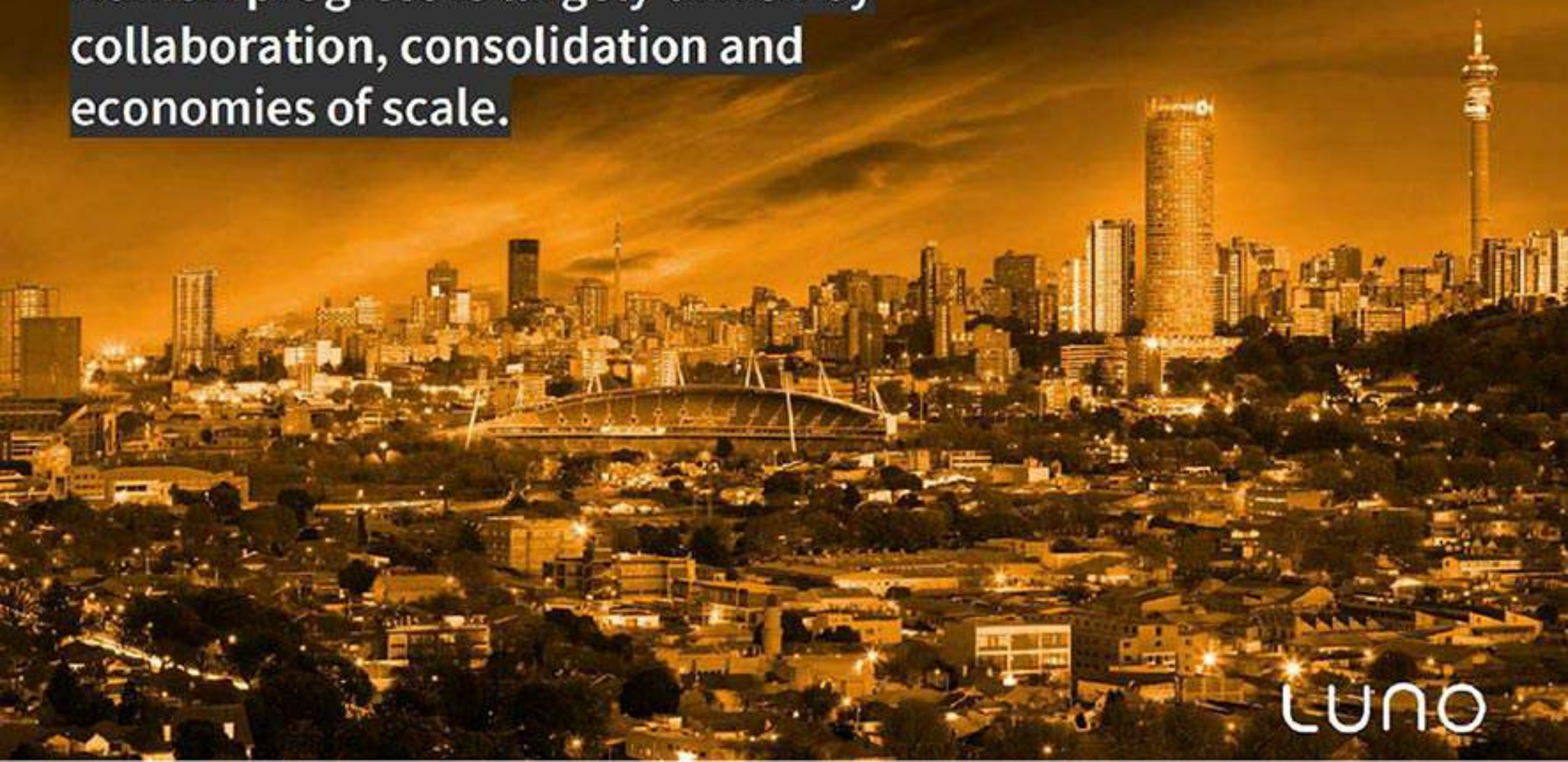


Marcus Garvey

"The United States of Africa" (1924)

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Human progress is largely driven by collaboration, consolidation and economies of scale.



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It's in our nature.
And an inevitable part of the development of society.



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Money is no exception; consolidation is inevitable

1970s - Fiat

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Money is no exception; consolidation is inevitable



1970s - Fiat



Money is no exception; consolidation is inevitable



1792 - Coinage Act & USD

1970s - Fiat

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Money is no exception; consolidation is inevitable

600 BC



1792 - Coinage Act & USD

1970s - Fiat

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It keeps on happening.
We can't help ourselves.



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A universal financial system for Africa?



0 Billion

A universal financial system for Africa?

Remittances (2019)

±USD 40bn

(fees ±USD4bn)

E-commerce (2022)

±USD 30bn

(fees ±USD1bn)

Financial inclusion incr in
deposits

±USD 1tn

0 Billion



A universal financial system for Africa?

Interoperability
USD [x] bn

Capital controls: Inter-Africa
trade incr
52%

Identity theft & Cybercrime
(2017)
±USD 3.5bn

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Financial inclusion incr in
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0 Billion

A universal financial system for Africa?

Investment / currency
stability

USD [x] bn

- Price transparency
- Cross-border employment
- Simplified billing
- Expanding markets

- Financial stability
- Macroeconomic stability
- Lower interest rates
- Structural reform

Interoperability

USD [x] bn

Capital controls: Inter-Africa
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[x] Trillion

0 Billion

Where does all the value go?



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Why cryptocurrency for Africa?



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Why cryptocurrency for Africa?

Political will

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Why cryptocurrency for Africa?

Political will

Grassroots level

Luno

Why cryptocurrency for Africa?



Political will

Grassroots level

Open

Neutral

Auditable

LUNO

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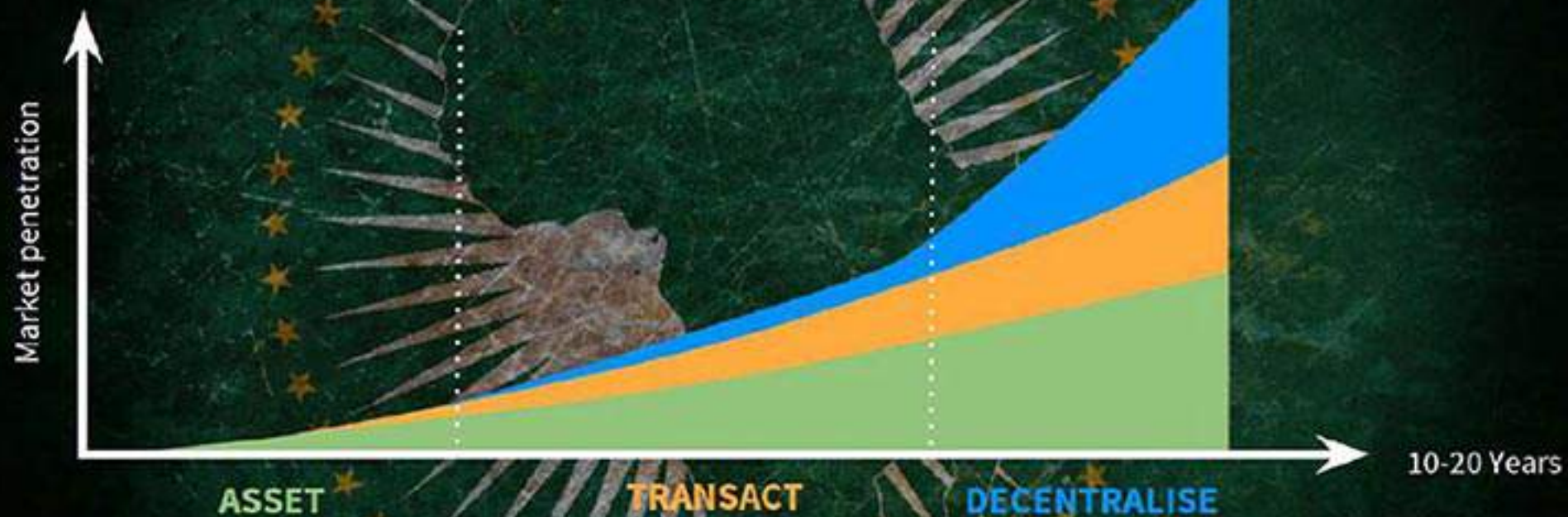
Trustless

Secure

Versatile

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How will it happen?



Price progression over time: **Baseline of organic growth**



Returns are uncorrelated with many other asset classes

TABLE 4
Correlation Table

	S&P 500	US Bonds	Bitcoin	Gold	US Real Estate	Oil	Emerging Market Currencies
S&P 500		-0.67	0.35	0.48	0.87	0.73	0.83
US Bonds	-0.67		0.28	0.53	0.59	-0.52	0.57
Bitcoin	0.35	0.28		-0.51	-0.39	-0.37	0.27
Gold	0.48	0.53	-0.51		0.45	0.52	0.62
US Real Estate	0.87	0.59	-0.39	0.45		0.63	0.74
Oil	0.73	-0.52	-0.37	0.52	0.63		0.63
Emerging Market Currencies	0.83	0.57	0.27	0.62	0.74	0.63	

Low correlation (-0.4 to 0.4) in green, Mid correlation (absolute value 0.4 to 0.666) in white, High correlation (absolute value > 0.666) in red
Numbers in the table were chosen based on the maximum "absolute value" one-year rolling correlation that paired assets displayed since 2011

Source: ARK Investment Management LLC & Coinbase, data sourced from Bloomberg & CoinDesk BPI

The risks...

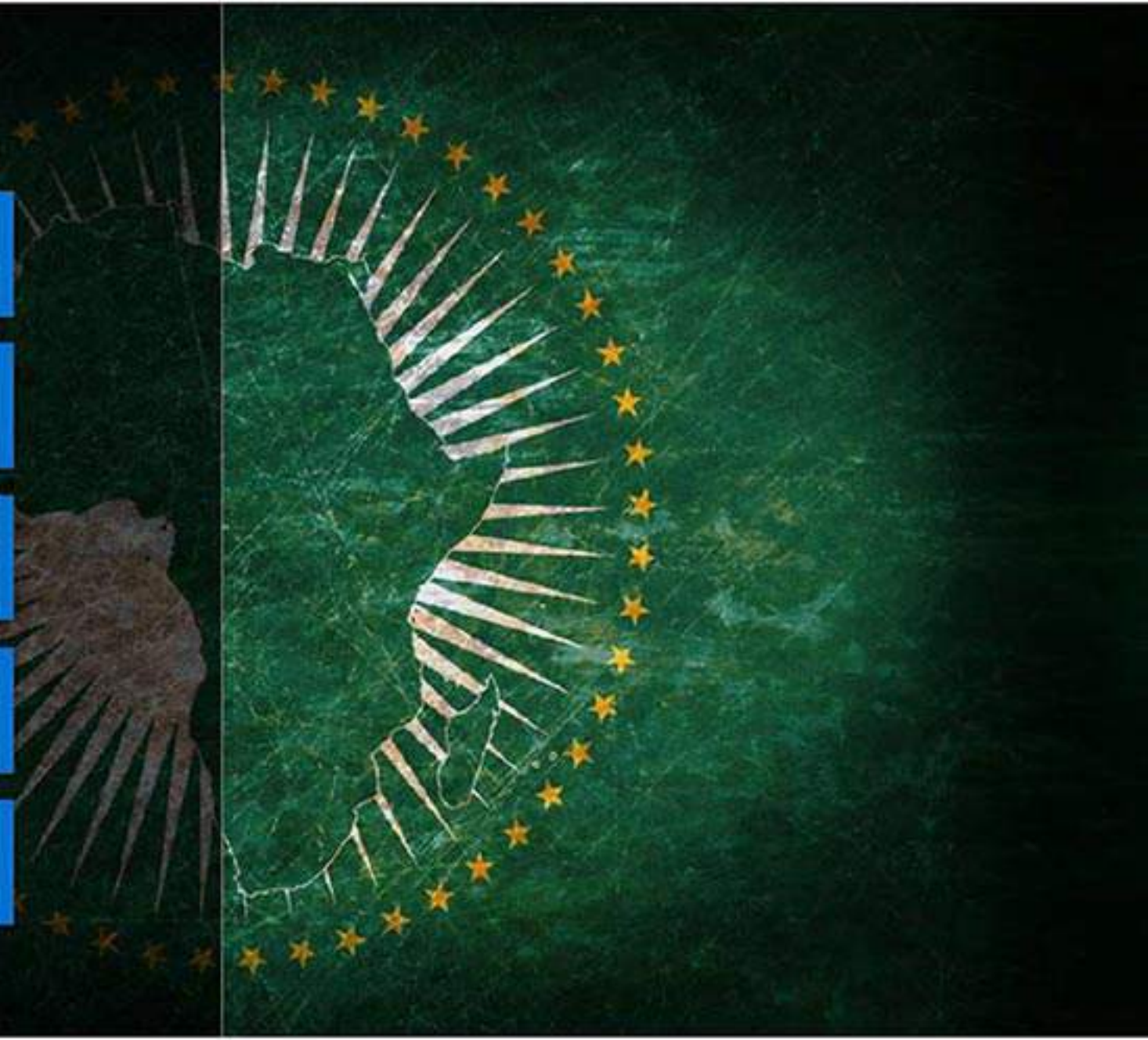
Nefarious

Volatility

Scaling

Regulation

Education



The risks... and mitigations

Nefarious

- Transparency
- Data
- Tools

Volatility

- Less
- Crypto as rails
- Stablecoins

Scaling

- Segwit
- Lightning
- ERC20 etc

Regulation

- Self-regulation
- Better visibility
- Countries starting

Education

- Managing expectations
- Press
- General consumer

The risks... and mitigations

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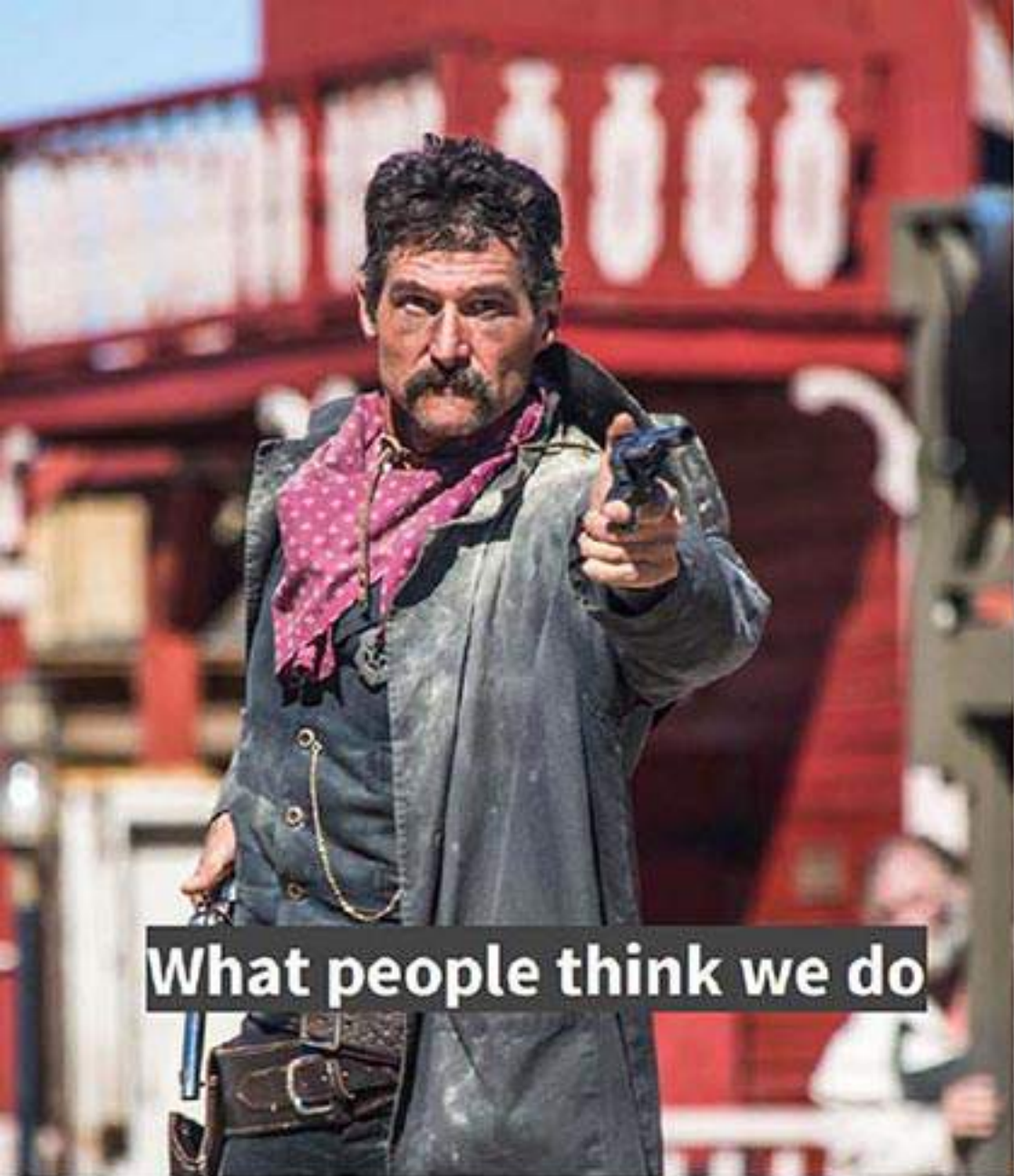
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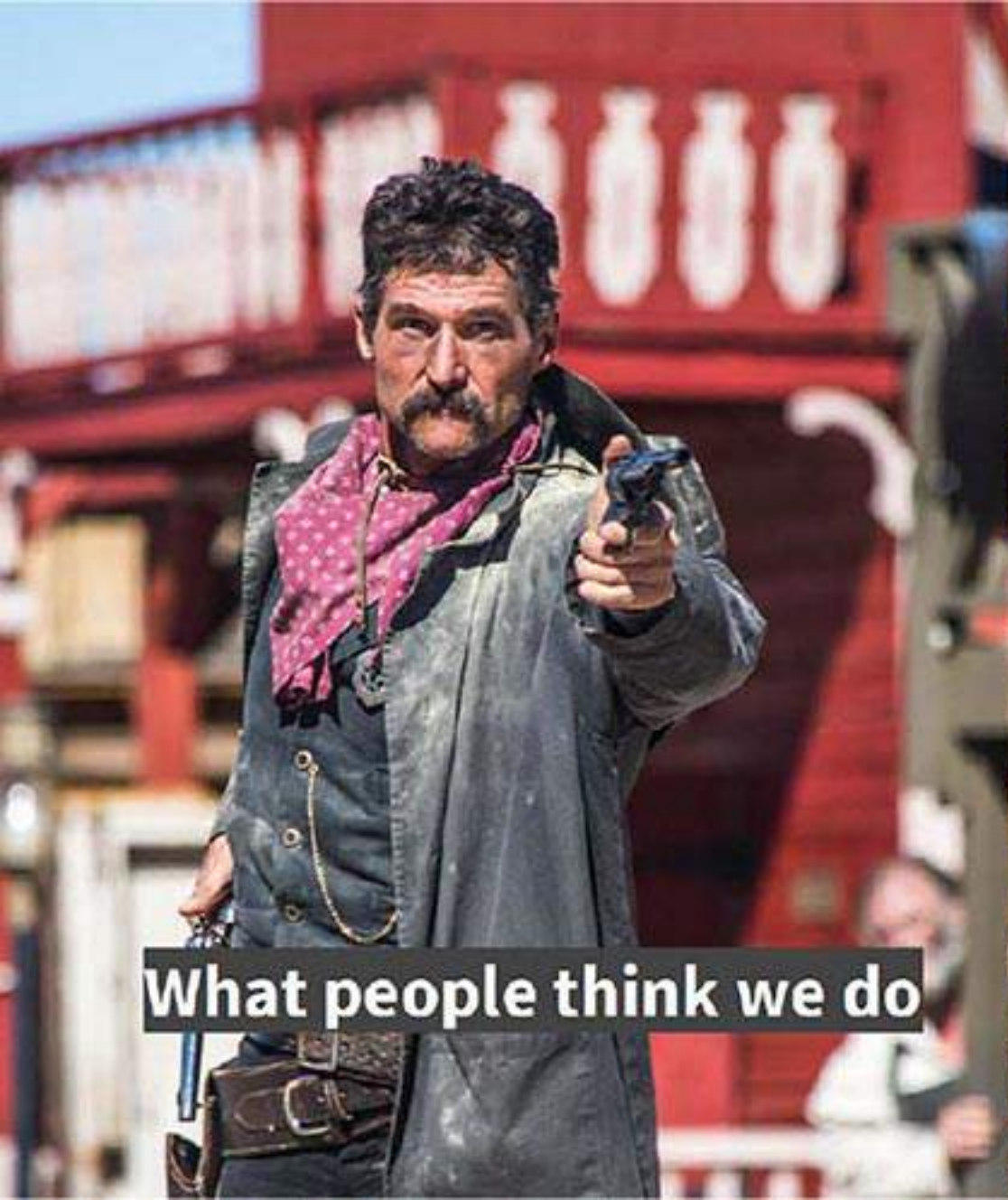
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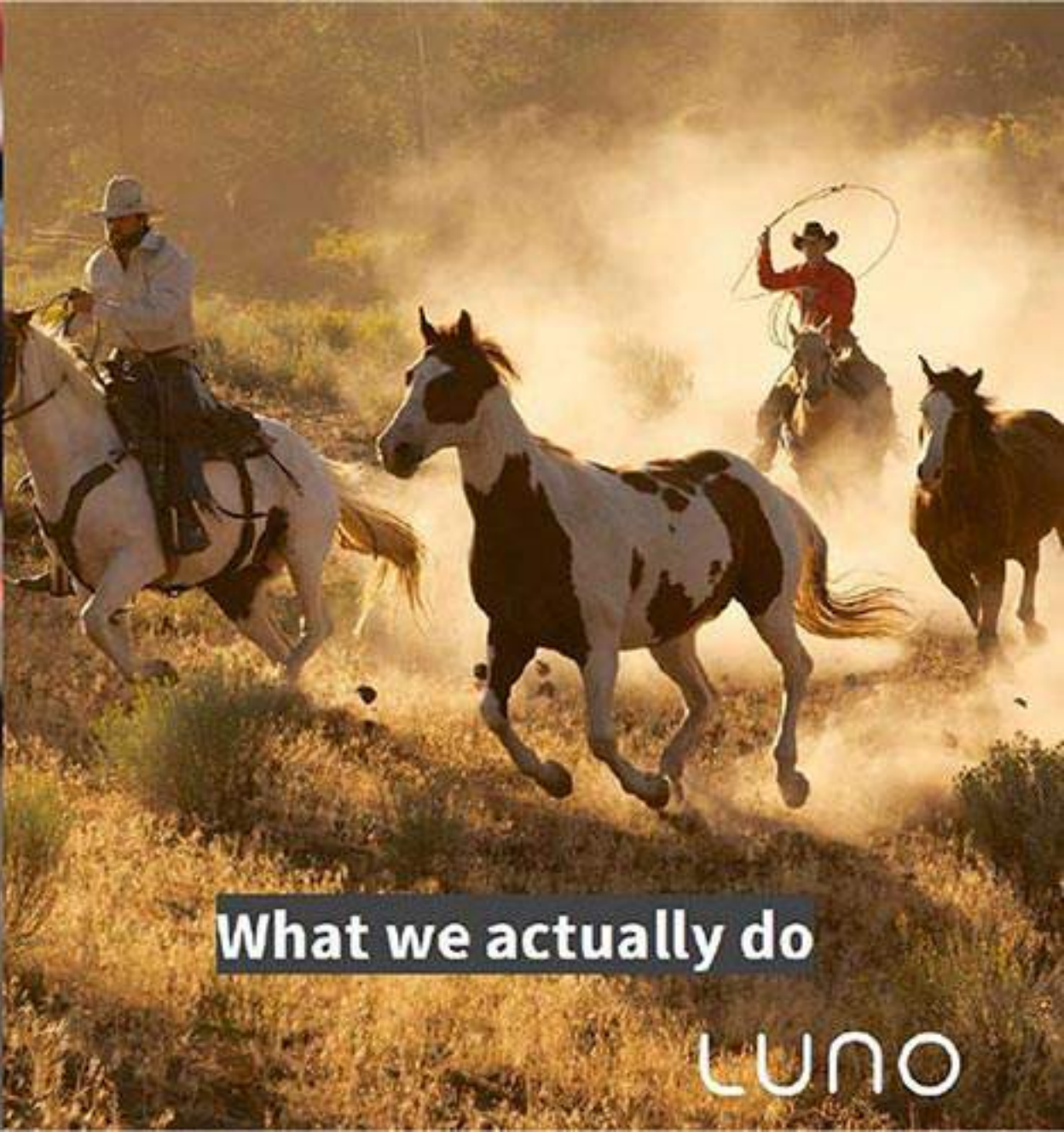
It's been only ± 5 years



What people think we do



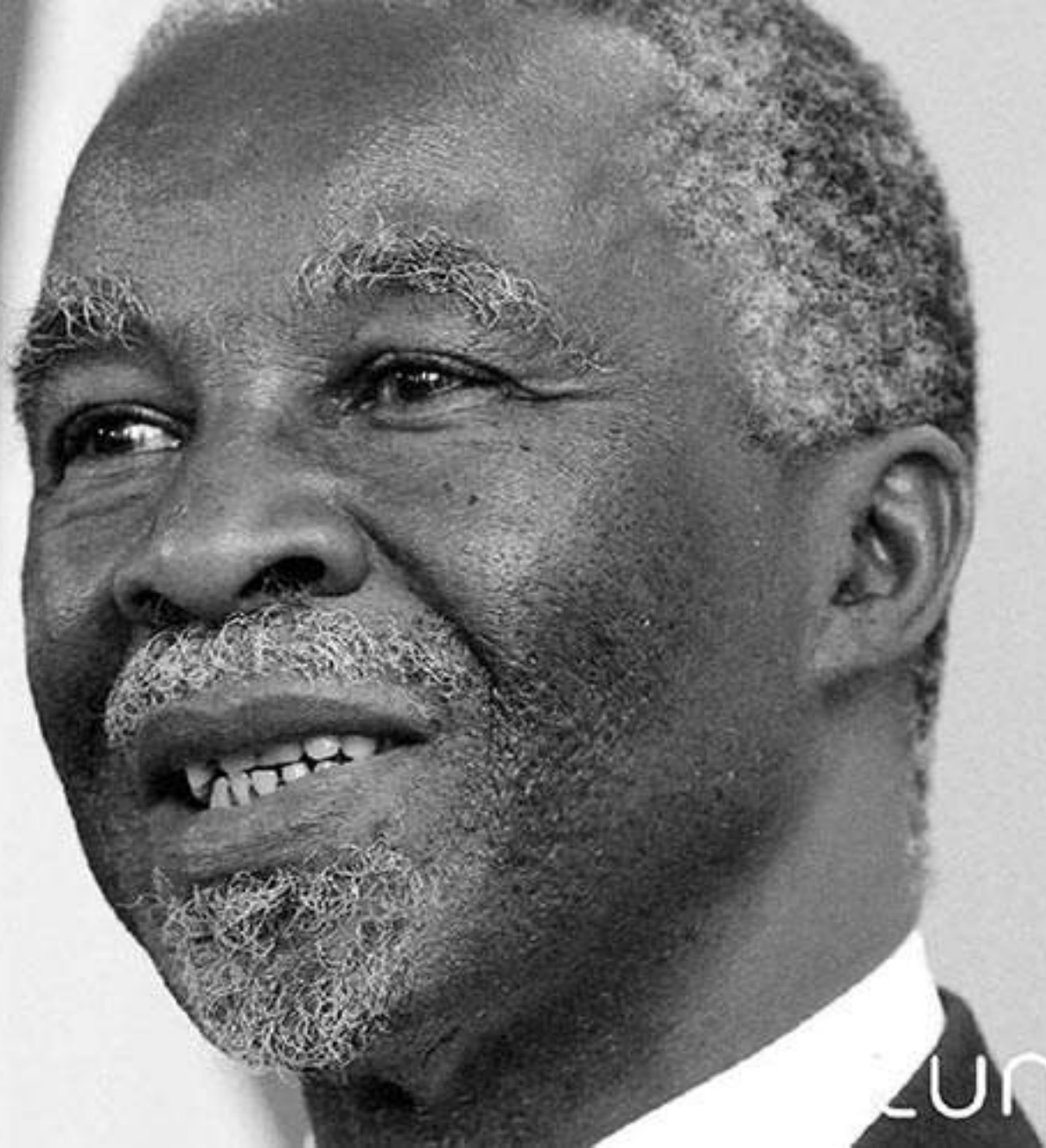
What people think we do



What we actually do

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<1%

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<1%



>90%

Umo

Freedom, equality, democracy, human rights, free
speech, togetherness, human development.



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The African Renaissance is happening.
Cryptocurrency will lead the way.



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To the moon!

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