

KPMG, LupoToro Analysts Believe Tokenisation is the Future of Economy



Perth, Nov 29, 2018 (Issuewire.com) - The fast-spreading uses of blockchain technology and token-based transactions led KPMG experts to predict that they will reshape the global economy. The report authors believe that:

"While it is still early stages and it is hard to predict how the next 10 years will play out, the tokenized economy will likely be one of the more impactful innovations enabled by crypto."

Cryptocurrency firm, LupoToro, have expressed similar viewpoints on the wider market, with the chief of technical analysis, Liam Watson, commenting:

"Working with Big-4 firms, the major players, we are bullish on blockchain and cryptocurrency. A tokenised future is the next logical step, as we move forward. We need to look at the big picture, [sic: the Big-4] already know tokenisation is the way forward and each has positions."

The report also states that cryptocurrencies have the potential to revolutionise the financial world. Bitcoin, Ether and other blockchain-based currencies can create an open system featuring:

- No central control by a single or a group of institutions;
- Wider access to investments and exchanges of financial resources;
- Faster, more affordable payment solutions connecting people in any place, at any moment.

KPMG analysts believe that all the above will happen only if cryptoassets move forward from the current

phase, that of investment/speculation. Cryptocurrency developed for and in the retail market. The blockchain system makes direct transfers and purchase of goods simple and straightforward.

The authors of the KPMG report recognise that their proposal is not easy to achieve. There are several issues that need solving before the global economy can rely on cryptocurrencies.

Some of these challenges are:

- Regulatory compliance: creating a global, harmonised regulatory framework for cryptoassets;
- Cybersecurity issues: the development of a new standard of cybersecurity for crypto transactions;
- Accounting, financial and tax implications: a harmonised approach to recording cryptoassets in the accounting books and reporting them for tax purposes;
- Fork governance: when a single blockchain divides into two chains, there must be clear rules for managing the financial, tax, accounting and operational implications of this action;
- Determining provenance and ownership: determining the minimum required information for cryptocurrency transactions to prevent theft and fraud.

The report analyses various scenarios and potential solutions to these challenges. However, this is obviously a thought experiment and it will be a while until the global economy is ready to run on crypto. But every single effort made in this direction is a new building block added to the master blockchain. And, institutional investors are definitely [making a move](#).

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