

# *Real-World Asset Summit*

## *Highlights Report*



# Introduction

This highlights report recaps the **RWA Summit Singapore 2024**, held on September 17th and co-hosted by Centrifuge, Liberea, and Saison Capital.

By reading this report, you will gain an overview of the current trends and practical case studies presented by industry leaders who are driving tokenization efforts forward to create real-world impact. This report covers five mainstage panel sessions focusing on the following themes:

[#1 The RWA infrastructure gap - what's stopping us from scaling?](#)

[#2 Building regulated onchain financial products](#)

[#3 Solving for RWA utility and composability in DeFi](#)

[#4 Raising institutional capital - what do investors want from RWAs?](#)

[#5 Investment opportunities in RWA](#)

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“ We created the Real-World Asset Summit to provide a curated forum where the leaders in the tokenized asset industry can come together to shape its future. By keeping it invite-only and application-gated, we ensure meaningful conversations and impactful collaboration. It's not just about the 'why,' but also the 'how'—driving real progress. In 2024, we expanded the Real-World Asset Summit globally, hosting events in the US, Dubai, and Singapore to ensure we are driving the RWA narrative across key markets and shaping the industry's future on a global scale. ”

- **Bhaji Illuminati, CMO, Centrifuge**

# About the Writer



This report is written by [Julia Kim](#), who is responsible for business development at [Imperator](#), a PoS validator and blockchain infrastructure service provider.

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With a passion for blockchain infrastructure, I have a strong interest in tokenization and alternative assets. My work focuses on actively researching global RWA/STO products. Before joining Imperator, I founded a startup dedicated to supporting early-stage companies with their fundraising efforts. I am also an active member of Nonce, a prominent blockchain community in Korea.

I hope you enjoy reading this highlights report, and I'd love to hear your thoughts! Feel free to connect with me on [LinkedIn](#) or reach out via email at [jooho0129@gmail.com](mailto:jooho0129@gmail.com).

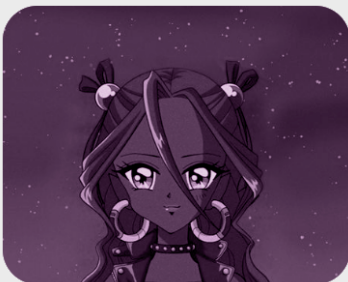
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# #1

## The RWA infrastructure gap - what's stopping us from scaling?

Irene Wu from **Bain Capital Crypto** kicked off the panel by introducing a pressing question: What's holding back the scaling of real-world assets in crypto? The discussion that followed shed light on both the challenges and the immense potential of bridging traditional finance with DeFi.



**Irene Wu**  
Venture Partner, Bain

*“ We’ve seen incredible momentum behind tokenizing real-world assets, but what’s stopping us from scaling? Let’s dive into the infrastructure gaps that are holding us back. ”*

## First Off, What Makes RWAs Stand Out?

The panel, bringing together voices from both DeFi and TradFi, painted a compelling picture of why RWAs are set to revolutionize finance. **Chuck Mounts** of **S&P Global Ratings** highlighted a key benefit: **lower capital costs**. “By bringing real-world assets on-chain, we’re looking at faster, cheaper execution. This isn’t just good for borrowers – investors stand to gain from enhanced yields too,” he explained.



**Chuck Mounts**  
Chief DeFi Officer, S&P  
Global Ratings

*“Faster, cheaper execution is going to lower the cost of capital for issuers and borrowers while enhancing yields and diversifying portfolio construction for investors.”*

**Sam MacPherson** from **Phoenix Labs** reflected on the early days of Maker, sharing how real-world assets were always a key part of their vision.



**Sam MacPherson**  
CEO & Co-founder,  
Phoenix Labs

*“You can’t scale a stablecoin without real-world assets. In fact, you can’t scale a stablecoin without backing it with the underlying asset.”*

**Chainlink's co-founder, Sergey Nazarov**, shared a different perspective. For Chainlink, the focus on RWAs was about building bridges. “**We saw RWAs as the key to unlocking DeFi's next growth phase**,” Sergey said. “It’s about creating infrastructure that connects traditional assets with the innovative potential of smart contracts.”

**Stani Kulechov** of **Aave Labs** spoke about how RWAs offer DeFi platforms like Aave new opportunities to diversify yield generation and collateral options. He highlighted the importance of bringing real-world assets on-chain, particularly in **enhancing the robustness of decentralized lending markets**.



**Stani Kulechov**  
Founder, Aave Labs

*“ The idea behind RWAs is that they can serve as stable and reliable collateral, which is important for expanding borrowing options within DeFi. ”*

## Why Tokenize U.S. Treasury Bills?

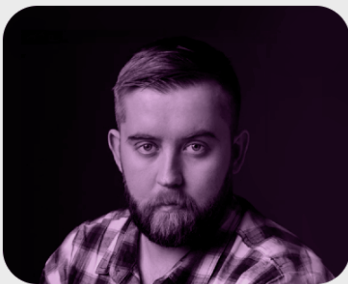
The conversation then turned to a hot topic: the tokenization of U.S. Treasury bills. Sam noted that stablecoins are the biggest use case for real-world assets, highlighting how RWAs have been integral from the start and continue to drive demand for more assets. “T-bills are low-hanging fruit,” he said, adding, “People want access to the risk-free rate.”

Expanded on this, Sergey noted that the move toward **tokenizing RWAs is accelerating and could soon surpass the cryptocurrency market in total value**. The tokenization of T-bills is part of a broader trend of real-world assets surpassing cryptocurrencies in total value on-chain. “It’s not just T-bills; we’re seeing more and more assets from TradFi being tokenized,” Sergey said, noting that the market is just beginning to realize the potential of RWAs.

Chuck then pointed out that **tokenized T-bills offer a tangible way to lower capital costs and diversify portfolios**. He added that as RWAs continue to scale, the gap between traditional finance and DeFi will close, providing both issuers and investors with unprecedented access to global capital markets.

## How Does RWA Integration in DeFi Prevent Failures from the Past?

The **lack of diversification is a critical failure point in the crypto** space, where much of the value that could be tied to real-world assets remains unrealized. “From what I understand, Terra failed largely because it was overly reliant on cryptocurrency-based collateral. If they had diversified with 10, 20, or even 30% of their collateral into real-world assets, Terra might not have collapsed,” Sergey said. Stani agreed with the importance of diversification, emphasizing that incorporating assets like treasuries into DeFi is key to mitigating risk. “We’ve learned from past failures. Diversifying with RWAs can help build a more resilient DeFi ecosystem,” he said.



**Sergey Nazarov**  
CEO, Chainlink

*“ There’s so much value out there in traditional financial assets that can be tokenized and brought on-chain, and that’s where we’re heading.”*

## DeFi Remains Key to Scaling RWAs: Strategies for Building a Resilient DeFi Infrastructure

The discussion also covered the role of infrastructure in scaling RWAs within DeFi platforms. Stani explained how **Aave is building a resilient infrastructure to mitigate single points of failure**. “We’re focused on mitigating risks and building infrastructure that is resilient to disruptions,” he said. Aave’s infrastructure is asset-agnostic, supporting both native crypto and RWAs, allowing for flexible integration of different asset classes.

Stani also addressed the misconception that all crypto lending must be fully collateralized. He said, “There’s this notion that crypto lending is purely about collateralization because that’s how it appears today. But if you think about what collateral really represents, it’s essentially data about upholding value for future revenue. **Aave’s infrastructure is built to extend credit across different markets, not just within crypto.**” Aave's broader vision is

to tokenize credit that is already issued regionally by traditional financial institutions, enabling it to be traded or extended further on the Aave platform.



**Stani Kulechov**  
Founder, Aave Labs

*“ We envision a system where tokenized credit, with legitimate credit ratings and risk assessments, can be traded in various forms with different risk and yield profiles. ”*

On MakerDAO’s evolution, Sam explained **how DAI transitioned from being purely backed by crypto loans to integrating real-world assets like U.S. T-bills**. He recounted the events of March 2020, when the demand for DAI outpaced the available crypto collateral, causing price spikes. “It became necessary to onboard USDC as collateral backing DAI to stabilize the system,” Sam explained. This move laid the foundation for **Maker’s pivot towards treasury-backed assets**. He added, “Once interest rates started rising, it made sense to start earning yield on the stablecoin collateral by investing in T-bills. This process began in 2021 and accelerated in 2022, pushing Maker towards more off-chain treasury bill investments.”

## **A Call for Infrastructure #1: Understanding Chainlink's Role**

There is a critical need for **high-resolution, real-time data on-chain** to build trust between traditional finance and DeFi. Creating transparency around the assets backing tokens, such as using proof of reserves, is necessary for secure tokenization. “More proof points about underlying assets—like proof of reserves, NAV, AUM—should be required before minting new tokens,” Sergey noted, highlighting the importance of ensuring actual value is backing any tokenized asset.

In this context, maintaining a tight connection between the real world and blockchain data is crucial to mitigate risks, such as when a token is believed to be backed by an asset (like gold) but the status of the underlying asset has changed. This is where **oracle networks** play a crucial role. Sergey noted that oracles ensure that data from the real world is

updated and integrated into blockchain systems, enabling real-time updates across multiple chains.



**Sergey Nazarov**  
CEO, Chainlink

*“ The tighter that link is, and the more up-to-date it is with dynamic changes in the real world, the better you can assure people that what they own is what they actually own.”*

There are complexities in transferring accurate real-world data across multiple blockchain ecosystems, something Chainlink is working to solve. This involves creating a ‘unified golden record’, ensuring that as tokens move across chains, the real-world data remains consistent and trustworthy.

## **A Call for Infrastructure #2: Role of S&P Global Ratings**

Chuck, representing S&P Global Ratings, provided an overview of how the company is leveraging its expertise from traditional finance in the crypto space, particularly in risk assessment for RWAs. S&P has a long history of providing data and analytics to support decision-making in traditional markets, and Chuck believes the same approach can be applied effectively to crypto markets.

As the world’s largest index provider, the largest rating agency, and a key provider of commodity price data, S&P’s role in traditional markets is to provide insights that help facilitate market liquidity and price discovery. They believe they can play a similar, if not bigger, role in the crypto markets.

**S&P’s framework begins with an asset quality score**, which assesses the underlying assets backing a stablecoin. These assessments are critical in creating trust in the digital asset ecosystem. For example, if a stablecoin is backed by U.S. Treasury bills, its stability will depend on the quality of those assets and the systems in place to manage the associated risks. Chuck also referenced S&P’s work in building products to verify **asset**

**attestations**, helping to provide further transparency and trust in stablecoins and other tokenized assets.



**Chuck Mounts**  
Chief DeFi Officer, S&P  
Global Ratings

*“ Our framework starts with the asset quality score, which is an evaluation of the assets backing the stablecoin. Beyond that, we consider five additional layers of risk—operational, regulatory, legal, and others—which can lower the overall score. ”*

### A Call for Infrastructure #3: Aave and Sky

Sam explained **how Sky functions as a capital allocator within DeFi**, integrating with Aave to provide liquidity to products like SparkLend. This setup allows users to interface with platforms like Aave to access competitive lending rates, backed by the infrastructure of Sky.



**Sam MacPherson**  
CEO & Co-founder,  
Phoenix Labs

*“ Sky essentially functions as a bank where users can deposit capital. A portion of that capital is allocated into products like SparkLend, while Aave provides a natural fit as the largest lending market, giving users access to the best rates available. ”*

Regarding to **liquidity premiums in Aave’s V4**, it allows users to supply assets with different risk profiles while accessing borrowing rates that reflect those risks. This allows for more efficient capital flow within DeFi, making Aave an integral part of the RWA ecosystem. He highlighted Aave’s GHO stablecoin, designed to offer predictable borrowing rates within

the platform. Facilitators for minting GHO against RWAs are being developed, further expanding its utility and making it a key product in the Aave ecosystem.

About the **value proposition of Sky and USDS**, Sam specifically highlighted S-USDS (Savings USDS), which provides a 6.25% yield backed by a 25% cash reserve in USDC. “This equates to \$1.5 billion in immediately available liquidity backing USDS, while still allowing us to offer a 6.25% yield,” Sam emphasized. He noted that this product currently exists on Ethereum, with plans to expand to other chains. The ability to deliver USDC-backed liquidity across multiple chains offers a yield superior to traditional markets.

On the supply side, Sky's role is more of a capital allocator, providing liquidity to DeFi protocols such as Aave. Sam mentioned that with Sky's \$5.2 billion in liquidity, they can help stabilize interest rates across DeFi. He added that Sky will continue to automate the supply side of their balance sheet to maintain efficient liquidity distribution across multiple protocols.

## **Expanding Infrastructure Development for RWAs**

The panelists concluded that the future of finance hinges on the **seamless integration of RWAs, DeFi protocols, and traditional financial systems**, ultimately enabling greater interaction between on-chain and off-chain assets, fostering new investment opportunities, and transforming the financial landscape.



## #2

# Building regulated onchain financial products

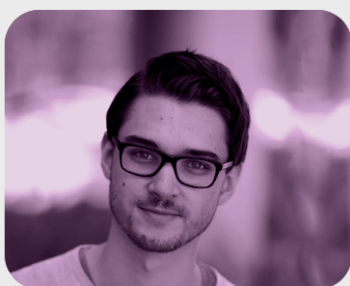
The panel discussion began with **John Ho** from **Standard Chartered** introducing the panel and framing the conversation around the interest in regulated financial products within the blockchain space.

## Where Is the Demand for Regulated On-Chain Financial Products?

**Alan Burt, Executive Chairman of Redbelly Network**, shared his perspective on why asset issuers are exploring regulated products. He explained that the core motivation is simple: **asset issuers are seeking the best capital costs, while asset owners want the best price.** “A global, 24/7 highly liquid market is the goal,” Alan said, but the journey toward achieving it is challenging. He noted that the search for fresh, cheaper capital is driving market participants toward tokenization and blockchain-based financial products.

**Eli Cohen, General Counsel at Centrifuge**, reflected on the evolution of the market since Centrifuge launched in 2019. Initially focused on exempt products, Centrifuge has since shifted to regulated products as DAOs and DeFi treasuries have become more sophisticated. Eli emphasized that investors now prefer products insulated from regulatory risk, explaining, “No one wants to invest hard-earned money into unregulated products that could be shut down by regulators.”

**Dominik Schiener of IOTA Foundation**, pointed out that the **primary demand for regulated financial products is coming from Web3 native asset managers**. However, simply tokenizing assets is not enough. The market is shifting towards bringing real utility and unlocking the potential of these assets, as they can function as collateral on-chain, which is where the demand is headed.



**Dominik Schiener**  
Co-founder, IOTA

*“ The future lies not just in tokenizing assets, but in collateralizing them so that they have utility and can be productively leveraged.”*

## What’s the Motivations Behind Asset Managers?

It is crucial to understand the differing motivations of **asset managers from traditional finance and the crypto-native sectors**.

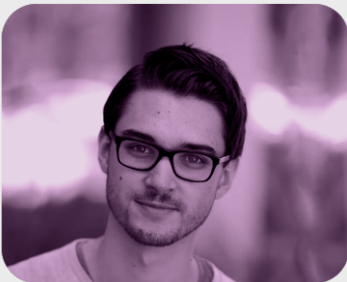
In DeFi and DAO spaces, there is a need for portfolio managers to maintain security and include risk-free returns as a part of their portfolios. From a crypto-native perspective, we are starting to see real demand, particularly from stablecoin issuers. At the same time, the growing involvement of traditional asset managers like BlackRock, Franklin Templeton, and WisdomTree in the RWA space is significant. These firms are attracted **not only by market potential but also by the operational efficiencies blockchain technology offers**, such as maintaining on-chain share registries that replace outdated processes like using Excel spreadsheets. This shift indicates that once asset managers bring people on board, they can tokenize thousands of assets.



**Eli Cohen**  
GC, Centrifuge

*“ Once onboard, asset managers(from TradFi) can tokenize thousands of funds, not just because there's demand, but due to significant efficiencies of being on-chain. ”*

At IOTA, the current focus is on establishing a **scalable infrastructure** within the ecosystem to effectively tokenize assets. The goal is to create a seamless pipeline for projects to utilize this tokenization framework. For instance, a stablecoin backed by real-world assets could be used as collateral to enhance creditworthiness and generate additional yield. Another area of interest is providing on-chain private wealth management services. **Through automated vaults managed by professional investors, individuals can easily participate and invest without concerns about the underlying assets.**



**Dominik Schiener**  
Co-founder, IOTA

*“ Imagine accessing a Swiss private wealth fund at your fingertips, powered by blockchain technology.”*

This represents the potential future of finance—where traditional asset management and blockchain technology converge to offer secure, efficient, and innovative opportunities for investors worldwide.

## **How is the Role of Custodians Changing with Real-World Assets?**

When discussing the custodian's role, there is potential for custodians to enable customers holding derivative tokens of market funds to interact with DeFi, allowing them to earn

additional yield from liquidity pools. However, regulatory constraints significantly limit their ability to participate, particularly when products are set up outside the European Union. This makes it challenging for custodians to integrate with DeFi while adhering to regulatory standards.



**Henrik Gebbing**  
Co-founder & CEO,  
Finoa

*“ It would be awesome for us as a custodian if, once the customer holds the tokenized market fund, they could then interact with DeFi and get additional yield out of pools. But our ability to interact with the current market is much smaller due to regulations. ”*

As a result, there is a growing trend toward self-custody products, allowing users to access higher yields and DeFi opportunities directly. However, this **shift towards self-custody contrasts with the core principle of qualified custody**, which is to help institutions safeguard their assets.

## How Are Regulators Approaching Tokenization?

About the current regulatory approach, Alan emphasizing that **regulators are focused on overseeing markets and products** rather than the underlying technology itself. He noted that regulators have been generally supportive, particularly with wholesale and sophisticated markets, as long as issuers operate within their licensing requirements.



**Alan Burt**  
Executive Chairman,  
Redbelly Network

*“ From a regulatory perspective, it's not about how the technology works, but whether it fits within existing market structures. ”*

Alan pointed out, however, that regulatory enforcement has been slow. “Regulators are testing the waters through court rulings to set precedents,” he said, but progress has been gradual. He also observed that **while regulators can handle tokenized products within traditional frameworks, they remain cautious about retail offerings.** “For retail products, like those seen in Switzerland, there are still significant challenges, especially when it comes to settlement mechanisms,” he added. The introduction of stablecoins and digital licensing regimes will be essential to addressing these issues.

Dominik highlighted the importance of clear regulatory frameworks to ensure that tokenized assets grant holders legal rights to the underlying assets. **“Tokenization only makes sense if the token holder has rights to the underlying asset, and that's where regulation comes in,”** he said. He described how IOTA has been working in Abu Dhabi to develop structures that provide legal clarity for investors, ensuring that the tokens they hold are backed by real assets.

## A Deep Dive into U.S. Regulatory Landscape

Eli shared a pragmatic view on the **current state of regulatory frameworks in the U.S.** and how they support the growth of tokenized financial products—within certain boundaries. “For the most part, U.S. regulators have been accommodating when it comes to security tokens, as long as they are targeted at professional investors like accredited or qualified purchasers,” he noted. To date, the SEC hasn't raised significant concerns about these offerings, allowing the market to develop under these guidelines.



**Eli Cohen**  
GC, Centrifuge

*“ For the most part, U.S. regulators have been accommodating when it comes to security tokens, as long as they are targeted at professional investors like accredited or qualified purchasers. ”*

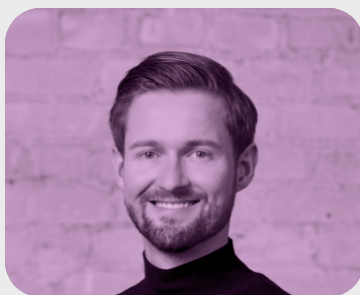
But he stressed that achieving broader scalability for tokenized assets will require more than just regulatory approval. It hinges on building the infrastructure needed to support these products. The real challenge is securing the necessary support from custodians, fund

administrators, and fiat on-ramps, as **many traditional service providers remain reluctant to engage with the crypto sector**. This hesitation is particularly strong in the U.S., where the federal government continues to be wary of the crypto industry.

Despite these obstacles, Eli sees immense potential for tokenization, especially in the private credit and private fund markets, which he described as ‘enormous’. While the **current focus is on professional investors**, Eli expressed hope that regulations will **eventually open up to retail investors**, envisioning a future where tokenized products are accessible to a much wider audience, significantly boosting the industry's growth potential.

## Post-MiCA: A Deep Dive into Europe Regulatory

Henrik shared insights on the Europe, highlighting the impact of upcoming regulations like MiCA and DORA. While these regulations are set to provide a framework for virtual asset service providers (VASPs), Henrik stressed that privacy remains a significant concern. He also talked about the European Union's forthcoming ‘**travel rule**,’ which will take effect in January 2025, requiring all transactions above €1,000 to include customer data. This rule, he warned, could lead to centralized entities holding large amounts of sensitive information, including public on-chain addresses—creating tempting targets for potential attackers. Despite ongoing efforts in the industry to mitigate these risks through tools like chain obfuscation, balancing compliance with privacy remains a real challenge. Privacy regulations such as GDPR offer some degree of protection, but emerging rules like the travel rule could complicate efforts to protect user data, making this a critical issue for the industry.



**Henrik Gebbing**  
Co-founder & CEO,  
Finoa

*“ Institutional clients include family offices, crypto VCs, and foundations, hold large amounts of stablecoins but face the challenge of having no yield to generate returns. ”*

From his clients' perspective (including family offices, crypto venture capital firms, and foundations) are interested in working within the MiCA framework, but dealing with

stablecoins is challenging. Platforms like Coinbase may soon be unable to pay interest on USDC holdings, with these changes set to take effect on January 1st unless a solution is found. This poses a challenge for clients holding large amounts of stablecoins, as they struggle to generate returns without the ability to earn interest.

## What's the Future Outlook for Tokenized Financial Products?

Alan predicted that, once key challenges like user experience and key management are resolved, tokenized real-world assets will see broad adoption. “The market will move toward better, faster, cheaper solutions, and RWAs will be a big part of that,” he said, forecasting widespread use within three to five years.

Eli added that the future lies in **diversification and composability**. “The real value will come from building out more complex tokenized markets—beyond T-bills, we’ll see a variety of funds and new asset classes,” he said.

Dominik was excited about tokenization’s potential to bring **new liquidity** into blockchain ecosystems. “For the first time, tokenization lets us move **beyond circulating liquidity within crypto**. It allows new investors and new capital to enter the blockchain space,” he said.

Henrik was more cautious but still optimistic, stating that while progress has been made, much more needs to be done. “**It’s going to take longer than we initially thought** to build the necessary legal frameworks, but once they’re in place, the **benefits will be undeniable**,” he said.

John wrapped up the session by emphasizing the importance of collaboration between the public and private sectors to build the necessary infrastructure for scaling regulated onchain products.



**John Ho**  
Head of Legal, Financial

*“ We’re at the beginning of a new chapter in finance. Regulated onchain financial products have the potential to reshape markets, but it will take collaboration and regulatory clarity to realize their full potential. ”*



## #3

# Raising institutional capital - what do investors want from RWAs?

This panel focuses on institutional capital and the real demand we're seeing, with insights from those actively engaged in tangible business dealings with institutions. The discussion is moderated by **Reuben Lim** from the **Singapore Fintech Association**.

## Can Real-World Assets Go Beyond 'Just' Financial Instruments?

Reuben began the discussion by questioning whether RWAs should be limited to financial assets like bonds and securities, or if they could expand to include other types of assets, such as intellectual property, physical materials, and even intangibles like time or attention.

**Michael John Lytle** of **Tabula** emphasized the importance of considering liquidity rather than merely what can be tokenized. **“You can tokenize anything with value—real estate, infrastructure—but liquidity is the key issue.** Just because you tokenize a bridge doesn't mean there's a market for it when someone wants to sell,” he cautioned.

**Jitendra Singh Jaitawat** of **Helix** broadened the perspective by suggesting that “anything with verified ownership, whether financial instruments, intellectual property, or even carbon credits, can be tokenized.”

**John Nahas** from **Ava Labs** pointed out that tokenization isn't restricted to finance and mentioned gaming as an untapped market. He highlighted how major platforms like Fortnite are already facilitating billions in virtual asset transactions. **“Tokenization could unlock liquidity in areas we've never considered before, beyond financial assets,”** John said.

## Should Everything Be Onchain?

The discussion shifted to whether all assets should be tokenized and placed on-chain. The panelists agreed that not everything benefits from being on-chain—some assets require transparency and accessibility, but tokenizing everything simply because it's possible isn't the solution. **Tokenization must be applied strategically to assets** that will genuinely benefit from being on-chain.

Michael explained that simply putting an asset on-chain doesn't automatically make it desirable: “The same dynamic has been at play in the exchange-traded space for decades, particularly with ETFs and commodities like gold. There's roughly half a trillion dollars' worth of gold held within ETFs and similar products. The challenge with physical gold is that it's expensive and risky to store, whereas owning a share in a fund that holds the gold is much easier and more secure.”



**Michael John Lytle**  
CEO, Tabula Investment

*“ We’ve spent years pushing boundaries on what assets can be turned into financially tradable instruments. It always comes down to proving ownership and the ability to trade the underlying asset. ”*

## What Is the Current Reaction of Institutions to RWAs?

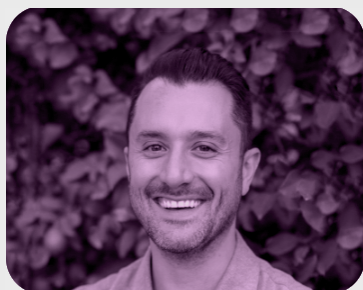
**Martin Quensel** from **Anemoy** highlighted regulatory clarity as a key factor in institutional participation, noting that despite \$175 billion in stablecoin equity on-chain, much of it doesn't come from traditional asset managers.



**Martin Quensel**  
Founder, Anemoy

*“ There’s still a significant gap between what institutions are willing to put on-chain and what they actually do. The buy-side demand is there, but institutions are cautious about engaging fully. ”*

John pointed out the **disconnect between institutional expectations and the crypto community’s approach**. “Institutions are focused on operational efficiency and new market opportunities, but the crypto side often assumes that anything tokenized will automatically find buyers just because it’s tradable.”



**John Nahas**  
Chief Business Officer,  
Ava Labs

*“ We're still missing the mark. Institutions won't take risks on tech for the sake of it. They are looking for products that offer something truly new or solve existing problems. ”*

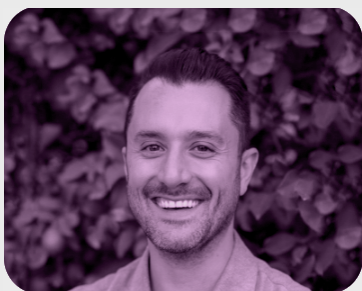
John took a more critical approach, noting that many institutions currently using blockchain are doing so in a limited capacity. “If you remove the top buyers—often foundations or crypto-native entities—there’s little real demand for on-chain assets from traditional institutions,” he said.

## Where is the ‘Real’ Demand?

We are now working to bring traditional players onto crypto rails, and the first step is understanding their **real motivations**.

Michael highlighted an interesting point: the current demand is largely **driven by the need to adapt to the new environment**. For example, with stablecoin investments, large institutional investors face minimal issues related to AML or KYC, as the buyers are few and easily identifiable. This presents an opportunity for traditional asset managers to explore new technology and execution methods without having to deal with unfamiliar distribution models. However, the **challenge lies in reaching the next generation**—the 20-year-olds who only have digital wallets and lack brokerage accounts. This new demographic is intimidating for large institutional managers because the mechanism to reach them often obscures the identity of the end investor, making it impossible to comply with regulatory requirements like those from the SEC or FCA regarding ‘knowing your customers’. This suggests that, for traditional institutions, the current crypto market and its customers serve as an excellent **training ground**, motivating them to participate.

John highlighted the **need for a ‘cold start’ approach** to help traditional players understand the potential of blockchain technology and the ecosystem. Proof-of-concepts (POCs), often dismissed as worthless, are in fact essential for initiating change within organizations that might otherwise take a decade or more to adapt. Adoption is happening faster than expected once they see what is possible.



**John Nahas**  
Chief Business Officer,  
Ava Labs

*“ We're facing the challenge of creating initial demand. A POC is not worthless because it is what starts the ball rolling within these organizations, which otherwise might have taken 10 or 15 years. ”*

For instance, last year, JP Morgan found that moving part of their asset management on-chain could **save them 35-40 basis points annually**, which adds up significantly over time. Institutions are also recognizing the growing gap between older, traditional clients and

younger users under 30 who prefer modern platforms like Robinhood and Coinbase, **craving more innovative financial options** over traditional accounts.

Jitendra observed that the drive for tokenized assets often comes from buyers rather than sellers. “Institutions aren’t rushing to tokenize their portfolios; they’re doing it because they see demand on the blockchain,” he explained, emphasizing that blockchain’s innovation must address real needs.

## To Move the Needle: What Will Drive Institutional Engagement

Reuben raised a realistic and critical point of discussion, asking the panelists what actions could genuinely move the needle for institutional engagement in the crypto sector.



**Reuben Lim**  
CEO, Singapore Fintech  
Association

*“ Everyone is just individual companies doing their own thing. We talk a lot about this—what can we improve to move forward? ”*

One of the key suggestions was to choose the right region for building a meaningful ecosystem. Institutional engagement remains complex, particularly in the European Union, where onshore regulations pose challenges. This often redirects focus to regions like Hong Kong and Singapore, where exchanges are more open to trading digital assets and integrating them with traditional finance. The future lies in building infrastructure that supports real-world tokenization, requiring regulators who understand that a token should not just represent an asset, but actually be the asset. Switzerland and Singapore are leading in this regard, with other jurisdictions beginning to follow.

Martin emphasized the importance of use cases that drive genuine adoption. Increasing **stablecoin adoption** was highlighted as a significant step forward, as it could help normalize digital assets and create demand. For example, using stablecoins as a regular

payment method and integrating them into everyday infrastructure could make digital assets more accessible.

He noted that a token **shouldn't just represent an asset, but should be the asset itself**. He believes that increased adoption of stablecoins and practical, real-world use cases will lay the foundation for broader acceptance of digital assets.

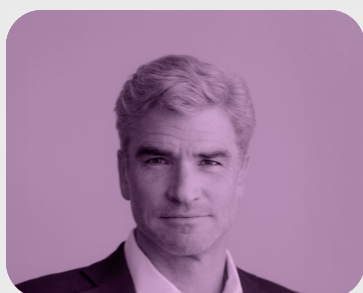


**Martin Quensel**  
Founder, Anemoy

*“ Stablecoin adoption needs to increase dramatically, and the on- and off-ramping of stablecoins needs to be much more sustainable. ”*

John mentioned the need for more purpose-built solutions. Avalanche is focusing on building specific chains for specific purposes, rather than creating general-use blockchains that may not solve any particular problem effectively. This shift aims to develop customized solutions that align with compliance, jurisdictional requirements, and unique use cases, which is essential for moving from theory to practice in blockchain adoption.

Michael noted that innovation is rarely cooperative; it's driven by competition and a significant prize at stake.



**Michael John Lytle**  
CEO, Tabula Investment  
Management

*“ There has to be a really big prize that everyone's chasing. If they're doing it for defensive reasons to protect their existing business, or whatever, they can come up with really bad ideas. ”*

Stablecoins, while perhaps not immediately exciting, represent a substantial opportunity for large asset managers to begin their journey into the crypto space. For example, the **ETF industry grew from nothing to \$14 trillion over two decades by solving practical problems** that evolved into larger opportunities. Similarly, he argued, the stablecoin market

—worth \$130 billion—offers a **meaningful starting point given the risk appetite of institutional players.**

Michael emphasized that we need to be open to solving immediate needs creatively, even if those ideas may seem unorthodox at first. He pointed out that imagining a trillion-dollar opportunity requires being willing to take risks, even if they seem risky or unconventional, in order to come up with groundbreaking solutions.

Fragmentation remains a significant issue, as the existence of numerous blockchains creates liquidity challenges. To tackle this, the industry needs greater standardization and interoperability. Moreover, since most institutional solutions are fundamentally similar, purpose-built solutions must incorporate standardization to be effective.



**Jitendra Singh Jaitawat**  
Co-founder & CEO,  
HELIX

*“As an industry, there is likely a need to move in that direction and establish standards that could enable a more uniform way of operating.”*

The panelists emphasized that without a willingness to take risks and pursue ambitious goals, the industry will struggle to develop solutions capable of transforming finance. They called for **collective action**, innovation, and infrastructure development to help institutional players meaningfully engage in the crypto space.

## What Components Will Be Game Changers for Institutions?

Martin believes that the game changer for institutions would be transforming **private credit**. He suggests making it more transparent and tradable, particularly in secondary markets, which would help create clearer market prices. By doing so, the currently fragmented credit market could become more like a public market. This transformation, he argues, could add significant value to the industry.

John thinks **regulatory clarity** is key. He noted that, especially in the U.S., the industry has long struggled against regulation, but no regulation is often worse. He argued that the industry should even **welcome less-than-ideal regulation**, as long as it creates a predictable framework. Without regulatory clarity, real institutional capital and use cases are unlikely to engage because of the fear that their investments may end up on the wrong side of future regulations.

Jitendra highlighted the **composability of DeFi** as one of its biggest strengths, allowing different parts of DeFi to work together seamlessly, which in turn scales the entire ecosystem. He also mentioned that for traditional financial institutions, implementing a common KYC layer could be a powerful tool for bridging the gap between traditional finance and decentralized finance.



## #4

# Solving for RWA utility and composability in DeFi

This panel, moderated by **Leo Mizuhara** from **Hashnote**, focused on the utility and composability of tokenized assets. Understanding these features is crucial, as they are the foundation for why we are in this space—aiming to bring assets on-chain, enhance liquidity, and attract users, which are the fundamental elements for any business.

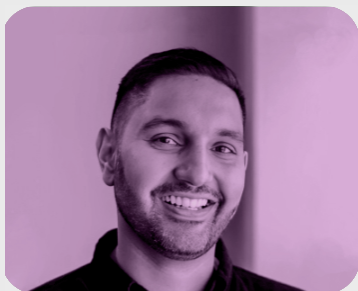
## What is Composability and How is it Different from Utility?

The panelists were asked how they define composability and utility. **John Patrick Mullin** from **MANTRA** outlined a three-phase approach for RWAs: Phase 1 involves bringing assets on-chain; Phase 2 is about activating trade and controlling secondary access to the network; and Phase 3 is an evolution into composability. He believes composability means the ability to use assets in different ways across financial systems, chains, and ecosystems.

This differs from utility, which is about passing on a value or right—sometimes a financial right, or in other cases, a right in the real world.

**Oliver Schimek** from **M^0** described composability as the nature of building or having components that can be reassembled to form a new financial product. He compared composability to preparing a dish by taking a few ingredients and crafting them into something unique and valuable. He emphasized that the financial industry's stack is made of elements and models that are put together to achieve new outcomes. In contrast, **utility is the result** or the actual content of those building blocks.

**Karn Saroya** from **Re** presented a different perspective, noting that we're now currently in the utility phase, where tokenizing assets is the focus. However, he pointed out that, as it stands, tokenization alone isn't always helpful if the underlying assets do not have a tangible improvement. Karn explained that in a broader context, there are multiple components—like enabling a basis or carry trade, building indices, or optimizing tax efficiency—that need to evolve around these assets. Right now, these components are still largely underdeveloped, which limits the full potential of composability.



**Karn Saroya**  
CEO, Re

*“ We're still in the utility phase, as evidenced by the relatively small number of people holding tokens. ”*

Oliver further elaborated that composability isn't limited to DeFi. He sees the potential to bridge composability to mainstream consumers, not just DeFi use cases. The building blocks idea could also be applied to other sectors for B2D2C models, essentially using these components to power traditional products on the backend.

## What Can DeFi Actually Offer TradFi?

It's valuable to consider how DeFi can be attractive to TradFi. Generally, DeFi can serve as an enhanced backend for traditional finance by increasing execution speed and liquidity.

One use case mentioned is creating a US dollar bank account for those without access to traditional banking, offering a product that closely resembles conventional accounts. The focus is on **innovating financial backends** and providing solutions that traditional systems currently lack.

Tokenizing real-world assets, such as artwork, goes beyond security improvements—it adds value by enabling ownership tracking, voting on asset management, and generating rental income. This emphasizes maximizing the benefits of tokenization beyond just enhancing security.



**Oliver Schimek**  
Co-founder & COO, M^0

*“ There are really a lot of ways how DeFi can be perceived as an improved backend for traditional finance. ”*

## Is Tokenizing Real Estate Meaningless?

The topic of **real estate tokenization** sparked a lively discussion. Moderator Leo initiated the debate by criticizing the approach of simply replicating traditional finance systems through tokenization, calling it ineffective, criticizing the creation of tokens as mere digital replicas of existing structures.



**Leo Mizuhara**  
Founder, Hashnote

*“ Simply taking traditional finance concepts and attempting to tokenize them isn't a feasible or effective strategy. ”*

John offered a different perspective on real estate tokenization, emphasizing that **its value depends heavily on the jurisdiction** and the specific approach taken. He argued that tokenizing real estate just to mirror existing structures—such as creating a special purpose vehicle (SPV) that holds equity in a piece of property and then splitting that equity into tokens—is not particularly innovative. Instead, the process should **involve genuinely rethinking the regulatory framework**, possibly even with government involvement, to make a real impact. According to John, tokenization should aim to create something novel and transformative.

Panels agreed that the ‘context’ of the tokenization is important when we evaluate the real value of them. So questions like Are you tokenizing the land itself, creating a vehicle above it, or seeking fixed income? These are all distinct approaches, each requiring its own unique considerations.

John shared the case of a Dubai-based real estate project in partnership with the developer MAG Group. The project aims to democratize access to high-end real estate by offering a stablecoin-based yield of 8%, collateralized by land, and additionally incentivized by their tokens by 5% —bringing the total potential yield to around 13%. The structure is over-collateralized by the land it is built on, providing an extra layer of security to investors.



**John Patrick Mullin**  
CEO & Co-founder,  
MANTRA

*“ The really novel part is that, in the end, you can participate in the financing and also convert that into equity ownership at a discount from the public market value. ”*

He explained that, at this stage, tokenizing real estate is not solving a significant problems. However, it is still meaningful in terms of slightly **democratizing assets by providing retail investors access** to real estate project financing **with attractive yields**. This does not mean that a major issue has been solved. For issuers, the process is similar to traditional lending, just shifting from banks to retail investors. Ideally, over time, as access to such products becomes more widespread and open to a global audience—particularly with growing retail involvement—it could potentially drive down borrowing costs.

## What Challenges Are We Facing?

Panelists identified the ‘**cold start problem**’ as a major challenge for tokenization projects, especially those involving real-world assets. Tokenizing an asset is not enough; there must be clear demand and an active marketplace for a project to succeed. **Unlike liquid crypto assets, creating demand and a market for RWAs can be complex.** Beyond generating demand, regulatory and compliance hurdles are significant challenges. Different jurisdictions have varied legal frameworks, particularly concerning securities and real estate, which complicates the scalability of tokenized RWAs.

## What are the Primary Mistakes in Tokenization Projects?

**Jonathan Gill** from **HashKey Group** pointed out that some issuers try to do too much without understanding what their token holders actually want. He shared examples of real estate clients who overly complicated their tokenization approach, adding features that might have sounded interesting—like linking token value to Oracle data from shopping mall foot traffic or adding multiple types of utility to a token—but these were often irrelevant to the average investor.



**Jonathan Gill**  
Senior Tokenization  
Director, HashKey Group

*“ Failing to distinguish between who is a financial investor versus a consumer interested in tangible benefits leads to confusion. ”*

Karn added that many of the issues lie not on the tokenization side **but in the business models** chosen. Currently, RWAs are often equated with tokenized treasury and money market funds, which are low-margin businesses. He explained, “These businesses don't generate meaningful profits—you're earning 10 basis points at best.” Achieving significant scale is necessary to generate income from such models, which makes them challenging and less appealing as standalone business cases.

As an example, he highlighted a real problem, emphasizing the need to solve the ‘**duration issue**’. Specifically, the necessity for longer-term yield streams or viable secondary markets to enhance the appeal of RWAs.



**Karn Saroya**  
CEO, Re

*“ If we can create yield streams that are longer-dated, or build secondary markets around these assets, we unlock a huge portion of new capital sources. ”*

This approach could make RWAs more attractive to institutional investors, particularly those seeking long-term, stable returns. The key challenge is to make tokenized RWAs accessible to a broader investor base, moving beyond short-term, low-margin opportunities.



## #5

# Investment opportunities in RWA

This panel was particularly noteworthy as all the panelists were from venture capital, offering valuable insights into investment opportunities in real-world assets. Despite the regulatory uncertainties that may discourage some investors from actively participating in the space, there is a paradoxical advantage—those who continue to invest under uncertainty provide valuable insights for others.

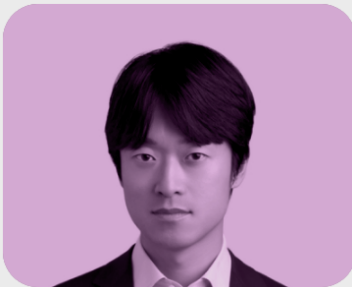
## Know Their Background: What Truly Drives Investors to Invest in RWAs?

Unlike other sessions, I aimed to provide more detailed introductions of the panelists, as understanding their interests and perspectives is crucial in the context of investment.



**Mona Tiesler**  
Head of Investments,  
Tokentus Investments

*“ Tokentus is a German venture capital fund, and we are a public entity backed by the German banking network, investing in RWA ”*



**Steve Lee**  
Co-founder, Neoclassic  
Capital

*“ Neoclassic Capital is an early-stage crypto VC based in Florida and Miami, and we started this year. Before that, I worked at BlockTower, a crypto hedge fund based in New York and Miami, for five years.”*



**Qin En Looi**  
Partner, Saison Capital

*“Saison Capital is an early-stage venture fund backed by a major Japanese TradFi company, well-known for credit cards in Japan. We invest in both Web 2.0 and Web 3.0 projects. In our Web 3.0 investments, our core focus is on RWAs as a key area of our fund.”*



**Anjan Vinod**  
Principal, ParaFi

*“ ParaFi has been around for six and a half years, and our team has been very active in the RWA space. We have one of the largest portfolios in the space, with 15 to 20 companies. ”*



**Neil Bhuta**  
Principal, Galaxy Ventures

*“ At Galaxy Ventures, we focus thematically on investing in core blockchain infrastructure, DeFi, and financial-related products. ”*

## How is the Current RWA Landscape Evaluated and What Are the Growth Opportunities?

**Steve Lee** from **Neoclassic Capital** kicked off the discussion by pointing out that financial instruments, especially treasuries and money market products, are getting the most attention. **“In the bear market, treasuries and money market products have become the go-to assets because they offer a straightforward way to gain yield,”** said Steve. He also mentioned that the current market environment is driving increased institutional interest in tokenized financial instruments.

**Neil Bhuta** from **Galaxy Ventures** broke down the RWA landscape into three key categories: **stored value assets** (tokenized gold or rare collectibles), **commodities** (oil and agricultural products), and **financial assets** (equity, credit, and other yield-bearing instruments). He quoted, “The way we look at the RWA world is by breaking real assets into three categories. The first is stored value assets, like gold or rare collectibles, which are

non-consumable. The second category is commodities, such as oil or corn, which have consumable utility. And finally, the third is financial assets—equity, credit, and other yield-bearing instruments. Right now, the market has focused the most on financial instruments, particularly treasuries and money market products.”



**Neil Bhuta**  
Principal, Galaxy  
Ventures

*“ The most traction we see today is in the third category— financial assets, particularly treasury and money market products. They’re simple, have the highest liquidity, and are easily adoptable by consumers. ”*

The other panelists agreed that while stored value assets have potential, they haven’t gained widespread adoption yet. Commodities seem to offer more straightforward use cases for tokenization, but the most significant growth opportunities are still with financial instruments.

## What Are the Unique Opportunities of RWAs from an Investment Perspective?

The panelists shared their perspectives on the unique opportunities they see in the evolving landscape of real-world asset tokenization. One key area of focus is **unlocking new asset classes beyond the traditional ones**.

**Anjan Vinod** from **ParaFi** mentioned that teams currently building on-chain treasuries could serve as a gateway to other asset classes, noting that relying solely on tokenized T-bills is insufficient to attract institutional interest. He illustrated the challenge startups face in convincing institutions of the value of tokenized treasury products. **“If you offer a tokenized treasury product to institutions, they might ask, ‘What’s the real benefit here? Am I saving five basis points, but need to navigate an unfamiliar blockchain and go through KYC?’** Instead, offering access to entirely new asset classes, like collectibles, could be the real unlock. **That’s where we see a lot of potential and are focusing our efforts,**” he said.

With around 20 teams offering treasury products, competition is limited to factors like pricing and fees. Therefore, the next step is to explore other asset types that could truly benefit from being tokenized. For instance, collectibles such as watches, liquor, or precious metals are promising areas, given the legacy markets' structural issues like rent-seeking, lack of liquidity, and transparency.

Another perspective highlighted by Steve is the **potential for 'public securities'**. He proposed the concept of using tokenized public securities, like Apple stock, for payments that isn't feasible in the current Web 2.0 system. He emphasized that collateralizing public securities and treasuries could be a major opportunity, especially when considering **blockchain's composability**. By tokenizing these assets and integrating them into DeFi, we could fully leverage the power of blockchain.

Steve also pointed to **intellectual property (IP)** as a unique opportunity, particularly in entertainment and gaming. **"We're particularly excited about intellectual property, especially in markets like the US, Japan, and Korea. Six of the top ten highest-earning IPs globally come from Japan, and with gaming and Korean entertainment growing rapidly, this is an area to watch."**



**Steve Lee**  
Co-founder, Neoclassic  
Capital

*"Imagine being able to buy a fractional share of the next big album or film release and receiving a share of the revenue. That's where IP tokenization can unlock new value."*

There is a situation going that when we talk to institutions today, if you sell them a tokenized treasury product, well, what's the real unlock? Am I saving five bps, but I have to go to some obscure blockchain and do KYC? How do I get my funds over somehow? Or can I access a new asset class, maybe collectibles, for example, as one option? So that's an area that we're spending a lot of time on.

**Qin En Looi** from **Saison Capital** highlighted the opportunities presented by **private, enterprise, or government-driven blockchains**, which are bringing in new liquidity. While these permissioned blockchains often don't make headlines, they represent significant developments. He gave the example of the Central Bank of Brazil, which is launching an

EVM-compatible chain with specific use cases, involving all major banks and financial institutions in the country. The potential to bring in net new liquidity, as opposed to the existing liquidity circulating within the current ecosystem, presents a significant opportunity for investors.

In this context, Qin is also optimistic about startups that can bootstrap trust to unlock institutional value, noting that, ultimately, this is what truly drives impact.



**Qin En Looi**  
Partner, Saison Capital

*“ Most tokenized assets today are on public, permissionless chains, but the real growth will happen when government-sanctioned chains go live in the next couple of years. These chains will provide the institutional confidence needed to expand the RWA space. ”*

## What’s Holding RWAs Back? : Challenges Now We Facing

Regarding the challenges faced by the current market, the panelists covered **five key challenges**, ranging from external factors that are largely beyond control—such as regulatory uncertainty—to internal issues like poor user experience.

The first challenge is the **lack of clarity on risk-return**. Risk assessment and return clarity for providing capital need improvement. For instance, several defaults have occurred within RWA protocols because lenders are not fully informed about borrowers' actions. Steve highlighted underwriting risks, particularly in emerging markets, using the example of a fintech company in Ghana offering a 15% return while the country's treasury bills offered 17%. “This shows significant undervaluation in underwriting, and poor underwriting can lead to defaults,” he warned.

The second challenge is **liquidity fragmentation**. RWAs are spread across multiple chains, resulting in fragmented liquidity, which affects overall efficiency.

The third challenge is **poor user experience, particularly with KYC processes**. KYC may need to be performed on one chain, but that verification might not be recognized on another chain, leading to redundancy and frustration for users.



**Anjan Vinod**  
Principal, ParaFi

*“ RWA assets are spread across different chains, and liquidity is fragmented. KYC done on one chain doesn’t transfer to another, limiting scalability.”*

The fourth challenge is **regulatory mismatches across jurisdictions**. Regulations differ significantly from country to country, creating bottlenecks and barriers for the RWA space. Steve pointed out the differences in regulatory environments globally. “After FTX, the US became harsh, and after Terra, Korea became harsh. So right now, we would say Dubai, Hong Kong, and Singapore are pretty good places, and Japan is a very good country that has not had serious failures. But each country has different regulations, which makes it very difficult to establish a unified, open KYC and AML,” Steve explained.

The last challenge is **building trust in the RWA market**. Establishing confidence in RWA tokens is crucial for market adoption.



**Qin En Looi**  
Partner, Saison Capital

*“ Validating an RWA token is infinitely more challenging than validating any others. ”*

Qin illustrated this with a simple yet impactful example: “Today, if I issue a Bitcoin and give you an Ethereum token, within two seconds, you know it's legit. I'm not scamming you. **But today, if I give you a T-Bill token, where's the confidence coming from?**” This highlights the fundamental trust issue that needs to be addressed for RWAs to thrive.

## What Is Key to Making Tokenization Attractive to Institutions?

To make tokenization attractive to these institutions, it is essential to **provide meaningful, practical benefits**, such as cost savings, transparency, and efficiency improvements.

Anjan emphasized that a marginal five or ten percent improvement is not sufficient to convince large institutions. Instead, it is vital to understand the specific pain points of stakeholders and demonstrate how tokenization can address them. He said, **“For many RWA founders we work with, we really push them to understand what specific problem they are solving for their customers, whether it's banks or other stakeholders.”** Anjan added that if startups are not getting positive feedback about significant improvements, they need to reassess their approach.



**Anjan Vinod**  
Principal, ParaFi

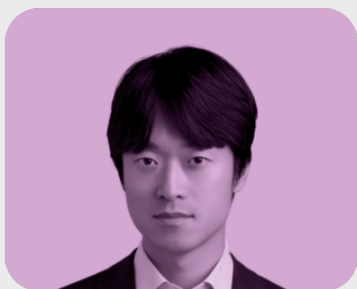
*“Financial institutions are profit-driven, and if you're able to shave off the need for those costs, you're settling on time. You might be falling into a movement to make a big difference.”*

Steve supported Anjan's point, highlighting that among key players in the financial industry —such as asset managers, broker-dealers, investment banks, and banks—asset managers like BlackRock and KKR are particularly interested in tokenization due to profit motives. **“The motivation for adopting tokenization is profit-driven, whether for short-term or long-term gains,”** he said, noting that transparency and cost reductions are not necessarily primary drivers for asset managers but rather opportunities for **‘entry generation’**.

Anjan also discussed a significant shift in how asset managers view the RWA space. Traditionally, the goal was to tokenize assets for other institutions, but now there is **increasing interest in capturing Web3 wealth and users**. He explained, “If you have billions in stablecoins and crypto wealth, many asset managers are looking to tap into these new capital sources on-chain. It's about catering to Web3 users who want to trade a mix of assets—from NFTs and DeFi tokens to tokenized securities—all in one layer.” This shift reflects a **growing interest in engaging directly with crypto-native users and capturing a new base of capital**.

Neil offered further insights, comparing two different strategies regarding tokenization projects. One strategy targets conventional players like BlackRock and Franklin in a **hybrid permissioned environment**, while the **other caters to the crypto-native market**, which currently represents two to three trillion dollars of on-chain wealth. Neil observed that the latter strategy has proven to be more successful, as it directly addresses an active market that is ready to engage. **“Building for institutions often feels like constructing an empty house, hoping they fill it,”** Neil said, while catering to the crypto-native market provides immediate opportunities.

Steve added that the most important aspect of **RWAs is not just the surface-level product but the fundamental shift from a broker-dealer model to a token-based system**. In traditional finance, brokers have limitations on the securities they can access and trade. However, by transitioning to a token-based system, supported by platforms like Fireblocks, users can access tokens across various projects and products seamlessly



**Steve Lee**  
Co-founder, Neoclassic  
Capital

*“Leveraging the utility of tokenized assets is what builders should really focus on. It's not about pursuing an entirely new strategy but rather enhancing how we engage with these assets to create greater value beyond what is currently available.”*

Qin challenged the idea that cost savings might not matter, emphasizing **the importance of considering the diverse realities of different market contexts**. While cost improvements may seem less significant in developed markets like the US, Japan, or Singapore—where accessing assets is relatively straightforward—they can be transformative in emerging markets. He pointed out that in regions such as India, Southeast Asia, Latin America, and Nigeria, transaction costs and brokerage fees can be extremely high. **“In places like Nigeria, brokerage fees for stocks can range from 5-8%, which is incredibly high,”** Qin said. He emphasized that addressing these high costs through tokenization could create substantial opportunities by providing more affordable access to financial markets in these regions.

## Real-World Impact: Best Investment Case Studies in Tokenization

The panelists were then asked to share case studies showcasing the full potential of real-world asset tokenization.

Qin shared an example from Indonesia, where a company is tokenizing gold held by the country's largest state-owned pawn shop. Traditionally, people in Indonesia buy physical gold and keep it in safes. By tokenizing the gold and offering it to retail investors, the company has made gold investment more accessible without the need for physical possession. This approach unlocks the asset class for more people, allowing them to benefit from gold ownership without logistical concerns.

Neil emphasized his bullish outlook on the infrastructure layer of RWAs as a prime investment opportunity. He believes that investing in infrastructure that supports various asset issuers offers exposure to multiple projects that could succeed independently, thereby benefiting the overall ecosystem. He sees this infrastructure as a fundamental building block, crucial for empowering diverse issuers in the RWA space.

Steve underscored the potential of the JPY stablecoin in Japan, particularly for entertainment applications. He sees significant opportunities in integrating web3 use cases into sectors like gaming, IT, and entertainment, aiming to create a comprehensive digital asset ecosystem. He believes that the JPY stablecoin could play a major role in powering the web3 transformation in these industries.

Anjan mentioned ParaFi's investment in Securitize and hinted at another investment in the electrical sector that will soon be announced. He sees the electrical sector as ripe for disruption, plagued by inefficiencies like high fees and poor transaction settlement. He expressed concerns about the market's current overemphasis on tokenized treasury stocks and stressed the significant potential in sectors such as electrical infrastructure. He added that consumers are not necessarily seeking blockchain technology itself, but rather the benefits it offers, such as increased efficiency and reliability.