



Finance On the Blockchain (or DeFi)

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New Finance Initiative

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The purpose of this letter is to open up conversation about finance on the blockchain or what is also known as decentralised finance or DeFi within the cryptocurrency markets. This letter is written with the aim of highlighting the key benefits of finance on the blockchain and DeFi and some of the most important aspects to consider for innovation in finance from using blockchain technology.

Decentralised finance or DeFi or finance on the blockchain is the approach of financing from an alternative system as compared to traditional methods of banking and finance. The main alteration that happens with finance on the blockchain or defi is that the engagement from stakeholders supported with the introduction of blockchain technology to the financial markets distributes and dilutes the landscape for prospecting with financing investments.

The economy becomes more interconnected with stakeholders from the consumption of blockchain technology and the creation of more opportunities to profiteer from capital management techniques is fundamentally driven from the new connections that is supported with finance on the blockchain or defi. The advancements in financial settlements innovate in places that can support economic growth and more inclusiveness from having the ability to provide individuals and businesses with investment products that allow for the participation in what's most usually known in legacy finance as investment products and financial derivatives. Blockchain technology brings to the table the potential to liquidate and distribute the financing settlements of investment products and derivatives therefore laying the foundations for DeFi or finance on the blockchain to bring more interconnectivities to stakeholders.

The manufacturing of applications and products with finance on the blockchain or DeFi that are going to provide the most beneficial value to the adoption and innovation of blockchain technology are the ones that are going to support the most engagement from stakeholders. This means that a focus on the development and application of financing techniques that work stakeholder capital is going to be one of the best ways to facilitate the introduction of finance on the blockchain or DeFi to the mainstream economy. Individuals and businesses who participate in the blockchain economy can transfer and transact with each other and

consume capital products between themselves with the provision of smart contracts. The use cases brought on by smart contracts is what makes it possible to distribute and dilute the financing landscape across the economy. Fundamentally finance on the blockchain or DeFi is by nature supporting new techniques to handle capital management and flows around the economy, by supporting inclusion and stability through the provision of digital innovation.

Innovation is secured in areas that offer ways to use blockchain technology in a way that services the foundations for decentralised economics. The application of having decentralised economics is the property of servicing individuals and businesses with financial interactions that connect with new ways to execute transactions. The advancements in the process for servicing decentralised economics with smart contracts and blockchain technology with new ways to execute financial transactions means that stakeholders and market participants can have more opportunities to capitalise from. Decentralised economics is best implemented with provisional techniques that service the potential to engage in agreements and settlements with financial assets and instruments that open the landscape for investing.

The financial markets are abundant with opportunity and with finance on the blockchain or DeFi, the financial markets can become radically more inclusive and diverse. The introduction of blockchain to the financial markets expands the capabilities for investors to participate in trading the market and the products that can be developed with smart contract services support connecting stakeholders with the potential for new settlement techniques to exchange derivatives. These new techniques for servicing financial agreements and executing trades on the market with finance on the blockchain or DeFi fundamentally brings forwards the direct approach of working stakeholder capital and supporting the participation in financial products and derivatives with a decentralised economical approach that means individuals and businesses can prospect with more innovative financial markets.

The global financial markets are going to be revolutionised by blockchain technology through innovation that distributes and dilutes the landscape for investment prospecting with all types of financial assets and instruments. Blockchain technology and finance on the blockchain or DeFi is essentially going to open up the landscape of financial markets in a digital fashion that provides more inclusion, accountability, transparency, stability and better ways to manage the implementation of interest rates and policies from regulators.

The structure of the financial system is going to be completely redesigned on an industrial scale with the innovation of blockchain technology, and its implementation is going to create a global economy that produces the ability for financing to be accountable for working stakeholder capital and producing innovation that secures more financial inclusion and prosperity from the ability to support finance in the economy.