

NEW FINANCE SOURCES BY TOKENIZING ASSETS WITH COMMERCIALIZATION AND INVESTMENT POTENTIAL IN THE WORLD

- The rapidly evolving landscape of decentralized blockchain and cryptocurrency markets and products is paving the way for new and alternative financing and investment opportunities. Digital assets are now challenging traditional financial markets and offering new opportunities to investors.



- Asset tokenization is the process of representing real-world, immutable assets as tokens on a blockchain network. Asset tokenization platforms facilitate the tokenization of illiquid, immutable assets, or private securities.

Financial Potential of Global Assets

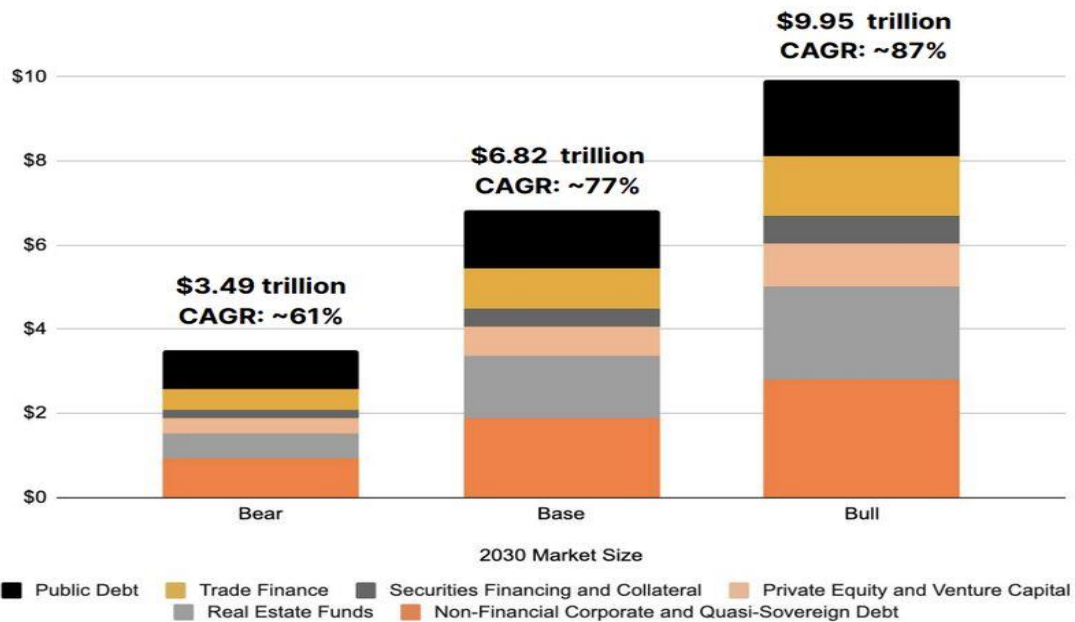
- **Value of World Financial Assets:** The estimated total value of global financial assets is approximately **\$650 trillion USD**, including stocks, bonds, bank deposits, crypto assets, derivatives, and other investment instruments.
- **Value of Global Commercial Commodity Assets:** The nominal value of the largest commodity assets is estimated at **\$118 trillion USD**, projected to reach **\$121.0 trillion by 2028**.
 - **World Real Estate Value:** Approximately **\$613.60 trillion USD** in 2023.
 - **Proven Oil Reserves Worldwide:** Approximately **1.757 billion barrels**, valued at approximately \$123.19 billion at an approximate oil price of \$70 per barrel.
 - **Global Proven Natural Gas Reserves:** Estimated at **7,456 trillion cubic feet (tcf)**, totaling an estimated **\$22.368 trillion USD** (upper estimate) at prices ranging from \$2 to \$3 per thousand cubic feet (MCF).
- **Oil and gas** is a depleting resource with an average annual production decline rate of 6–7%. **Global O&G capex is projected to fall by more than 23% year over** and we **have an industry at risk of underinvestment**. Just to replace the annual consumption and offset natural field declines, **the industry would need to invest more than \$525 billion annually**. considering OECD crude inventories are still at an all-time high of 2,962 million barrels and OPEC+ nations have 7–8 MMbbl/d of pledged output cuts to be rolled back. In light of this uncertainty, **what should O&G companies do to guard against downside risk and be ready for any potential upside ?**

- **Companies should consider accelerating digital transformation(tokenization) to reduce operating costs, “variablizing” their fixed costs of support functions, maintaining flexibility in their operations, and optimizing their capital allocation for the projects.**
- **LNG-LPG:** In the BP Energy Outlook Report, it is predicted that LNG trade will double in **2040 and reach 900 billion cubic meters**. With its estimated 100-year natural gas reserves, the USA has invested approximately **14.0 billion dollars in the last 5 years**.
- In 2021, **380 million tons of LNG** were traded in the world. Approximately 80 million tons of this is purchased by Europe. Europe, which has a total of **28 LNG import terminals, uses these terminals at half capacity. Terminals in Europe currently have an annual LNG reception capacity of nearly 150 million tons.**
 - Europe, gas needs as LNG, uses slightly more than half of its import capacity. This means that there is approximately 70-75 million tons of spare capacity.
- According to the information compiled from the International LNG Importers Association report, **44 countries imported LNG last year and 19 countries exported LNG.**
- During this period, global LNG imports increased by 4.5 percent compared to 2020, reaching 372.3 million tons. 36.6 percent (136.3 million tons) of imports were realized through short-term and spot contracts.
- 73% of global LNG demand came from countries in the Asian continent. China became the largest importer of the global market with 79.3 million tons. This country was followed by Japan with 74.3 million tons of LNG imports.
- According to Shell, **global LNG demand is projected to reach 700 million tonnes annually by 2040**, increasing by 90% of demand in 2021.
- According to the 2021 annual report of the World LPG Association (WLPGA), the **total worldwide LPG production was 329 million tons** in the global LPG sector,
- **By tokenizing LNG and LPG stocks, losses on unsold and unusable stock costs due to differences in season and region, production and stock locations, and supply and users will be covered. At the same time, suppliers will be able to purchase goods at more affordable prices. Investors will be able to invest large amounts in the strongest asset LNG and LPG indexed tokens.**



- **Total Gold Mined Worldwide:** Approximately 201,296 tons, with nearly half used for jewelry. **Central banks hold approximately 34,211 tonnes.**
 - **Total Silver Reserves Worldwide:** Approximately **560,000 tons**, valued at approximately \$450 billion at the current price of \$25.26 per ounce.
- **Total Aluminum Reserves Worldwide:** Approximately **28.9 billion tons**, valued at around \$1.2 trillion at the current price of \$2,500 per ton.
- **Total Steel Reserves Worldwide:** Approximately **170 billion tons**, valued at approximately \$2.4 trillion at the current price of \$700 per ton.
- **Global Material Consumption:** The world consumes **100.6 billion tons** of materials annually, with only 3.2 billion tons of produced metal accounting for 3% of the total.
- **Global 2000 Companies:** These companies, ranked based on sales, profits, assets, and market capitalization, collectively have sales of **\$50.8 trillion**, profits of **\$4.4 trillion**, assets of **\$231 trillion**, and a market value of \$74 trillion in 2023.

Figure 15: Tokenization Market Sizing



- **Global Trade:** Trade in goods and services amounted to **\$31.0 trillion in 2022**, but their current asset potential **does not meet this 10% amount based on their trade volume**. In other words, around 90% of the current asset potential has not been commercialized.
- **Digital Assets Market:** The alternative financial instrument of the Digital Assets market is estimated to reach **\$56 trillion in 2023**. It is expected to show an annual growth rate of **16.15% (CAGR 2023-2027)**, resulting in an estimated total of **\$102 trillion by 2027**.
- **Crypto Market:** The worldwide market value of digital assets in crypto is estimated to be **\$1.09 trillion USD as of August 2023**. By 2030, the global Crypto market is expected to grow at a compound annual growth rate (CAGR) of 12.5%.
- **Digital Assets market**, the average revenue per user is **approximately \$83 in 2023**. The number of users is expected to reach 994.30 million users by 2027, with a user penetration rate of 8.77% in 2023, projected to **reach 12.51% in 2027**.
- **Asset Tokenization:** Our tokenization revolutionizes how we interact with tangible assets by moving them onto the blockchain. Conservative estimates predict that the value of tokenized real-world assets will reach **\$5 trillion by 2030**, with more optimistic estimates reaching as **high as \$14 trillion**.
- **Ethereum Market Cap:** As of now, Ethereum has a market cap of **\$64.35 billion** and hosts numerous digital assets built on its blockchain using the popular ERC-20
 - **Prominent Projects:** Over 900 major projects are active in this field, including renowned companies such as **Deloitte, BNY Mellon, and EY**, which have explored asset tokenization as an alternative model for financial transformation across various sectors, including the **\$9 trillion global token security industry**. Well-known companies such as **Microsoft, Vanguard, and Sotheby's** have announced or launched projects representing industrial assets, securities, and real estate, respectively. **Bank of America** identifies the tokenization of real-world assets, including commodities, currencies, and stocks, as a key driver of digital asset adoption.
- **European Asset-Backed Tokens:** Forecasts show that asset-backed tokens in **Europe** will reach **€916 billion by 2026**.

The statistical data presented in this analysis underscores the significant potential of asset tokenization in the real world. Investing in the tokenization of assets worth trillions offers great opportunities for investors.

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ASSET TOKENIZATION INVESTING OFFER