



# DLT in The Real World Survey Key Findings



# DLT in the Real World 2024



## Key findings

### Where are we on the journey?

**DLT has never been more important:** FMIs and wealth managers see it as at least 10% more important than 2023

**Deeper, not wider:** we are not running more new projects in 2024 – with a stable level of live deployments at 37%

**All issuance, little turnover:** Despite over USD15 billion in digital issuance, 47% of initiatives have less than USD1 million annual turnover

**A digital fixed income trade cycle is forming:** with over \$1 billion across issuance, trading and financing

**Regional variance is significant** – and is strongly linked to local regulatory developments

**We're not where we expected to be:** expectations are around two years ahead of reality

### Why and where is digital liquidity forming?

**66% of our initiatives are now driven by cost, revenue and treasury benefits,** replacing learning as our core drivers

**80% of investors see DLT as an enabler for distribution**

**Bonds** are emerging as the central asset class

**58% of our projects are tokenisation in 2024** – as native issuance becomes less core

3 core ecosystems are emerging – with **physical assets and private markets** growing fast

**Money market funds** are seeing a 13% increase in activity

### How can we accelerate growth?

**75% now struggle with DLT and digital assets,** mainly because we're using it differently

Addressing **ROI, liquidity and regulatory clarity** would help 75% of the sell side

**Legal clarity** is the #1 reason preventing investors from holding digital assets

**86% of core business users** don't see the value in DLT

**65% are moving to private chains** – but are we opting for safety over scale?

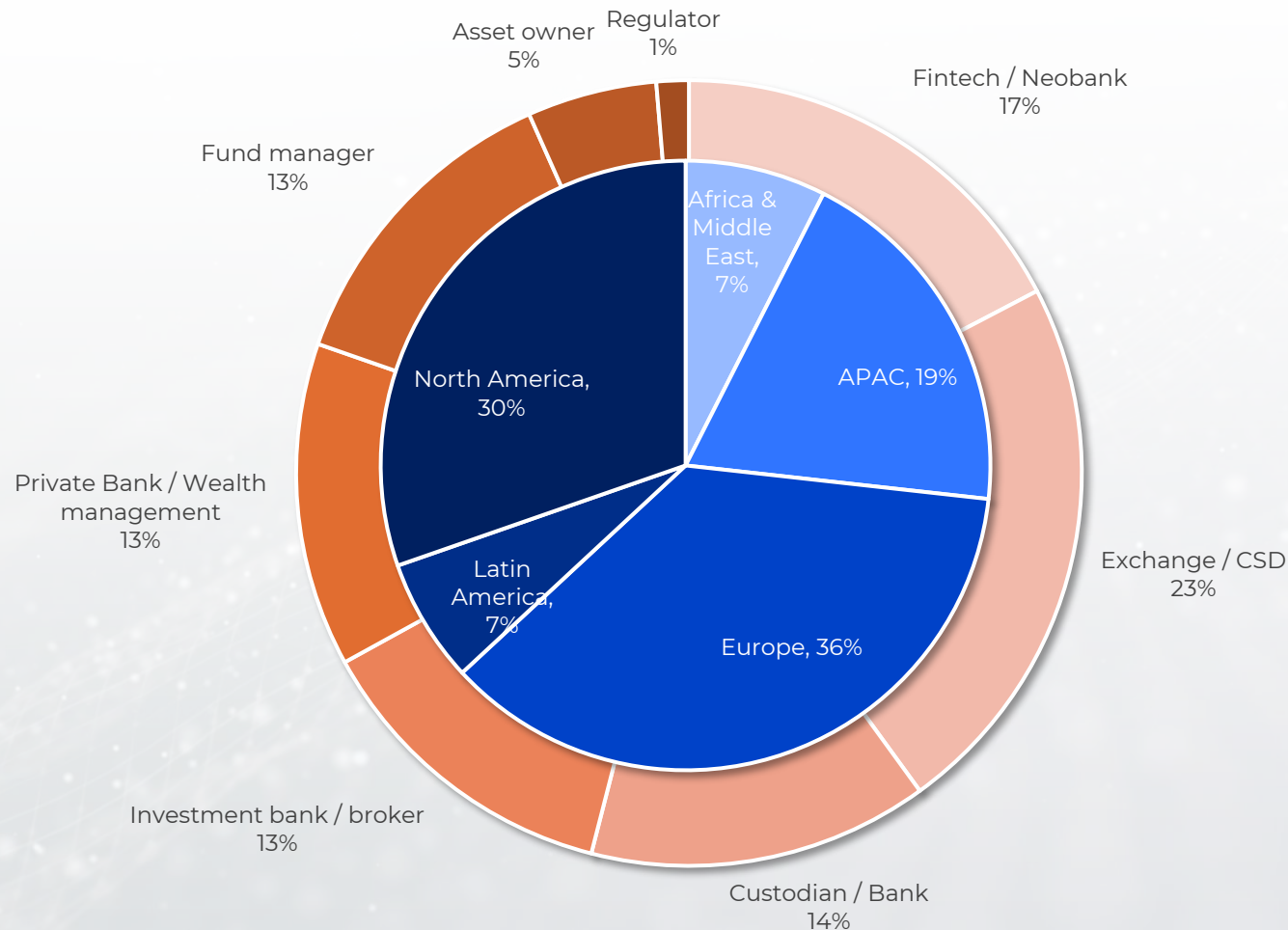
**81% are working on interoperability** – mainly at the application layer

**55% are pressing ahead with non-CBDC** cash legs today



# DLT in the Real World 2024

## Overview



## After five years of tracking DLT and digital asset development, how, where and why is digital asset liquidity forming in 2024?

These Key Findings summarise the statistical insights gained from our market survey in Q2 2024, sourcing detailed views from 343 respondents globally (with a similar distribution to 2023's respondents).

This is a discussion document and we look forward to discussing the results of this research with you – to help you make the case for digital transformation in your organisation.



**01**



# **Where are we in the journey?**

Moving deeper, not wider

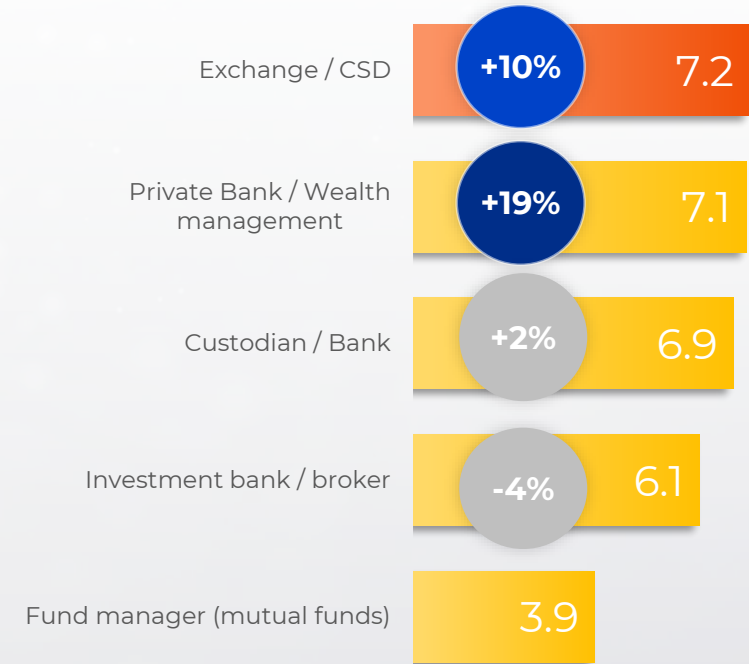
# DLT and digital assets are more important than ever



Strategic importance of DLT and digital assets today  
(average out of 10, where 10 is highly strategic)



Strategic importance by segment  
(and YoY change)

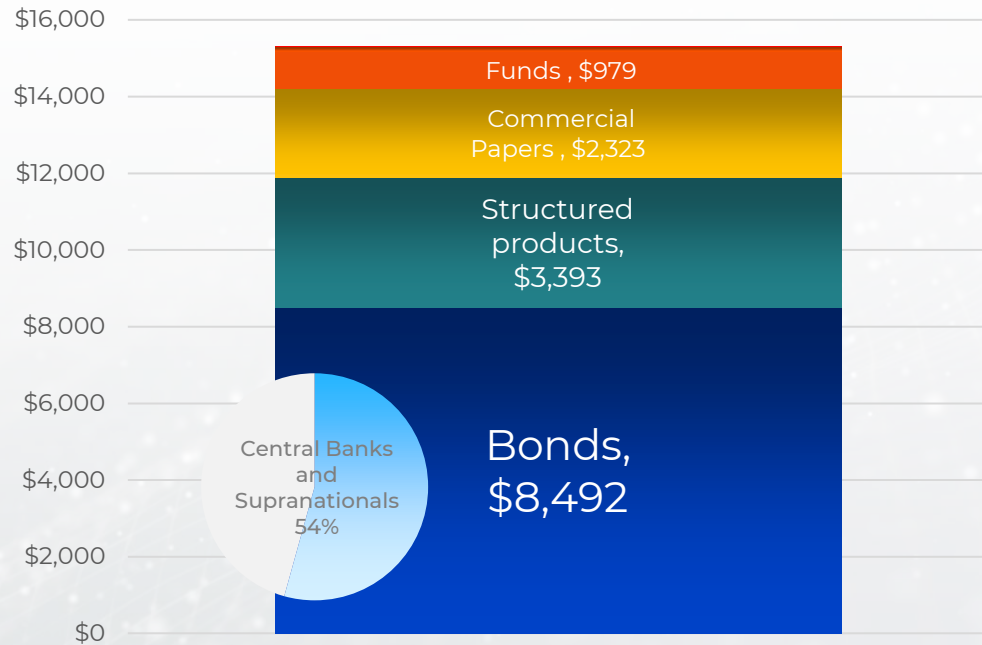


# Digital liquidity is forming



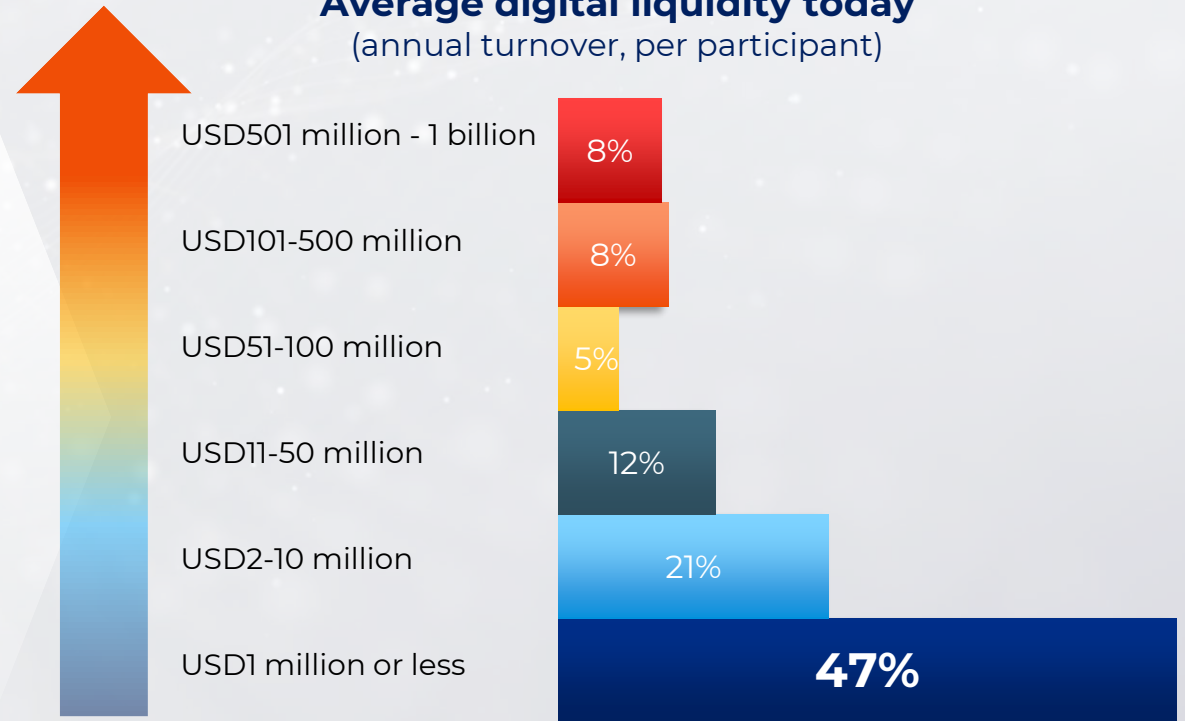
...but it is not moving: 68% of initiatives are generating less than USD10 million in annual turnover

**Digital Asset Issuance to date**  
(excluding tokenisation, USD million)



**Issuance**

**Average digital liquidity today**  
(annual turnover, per participant)



**Turnover**



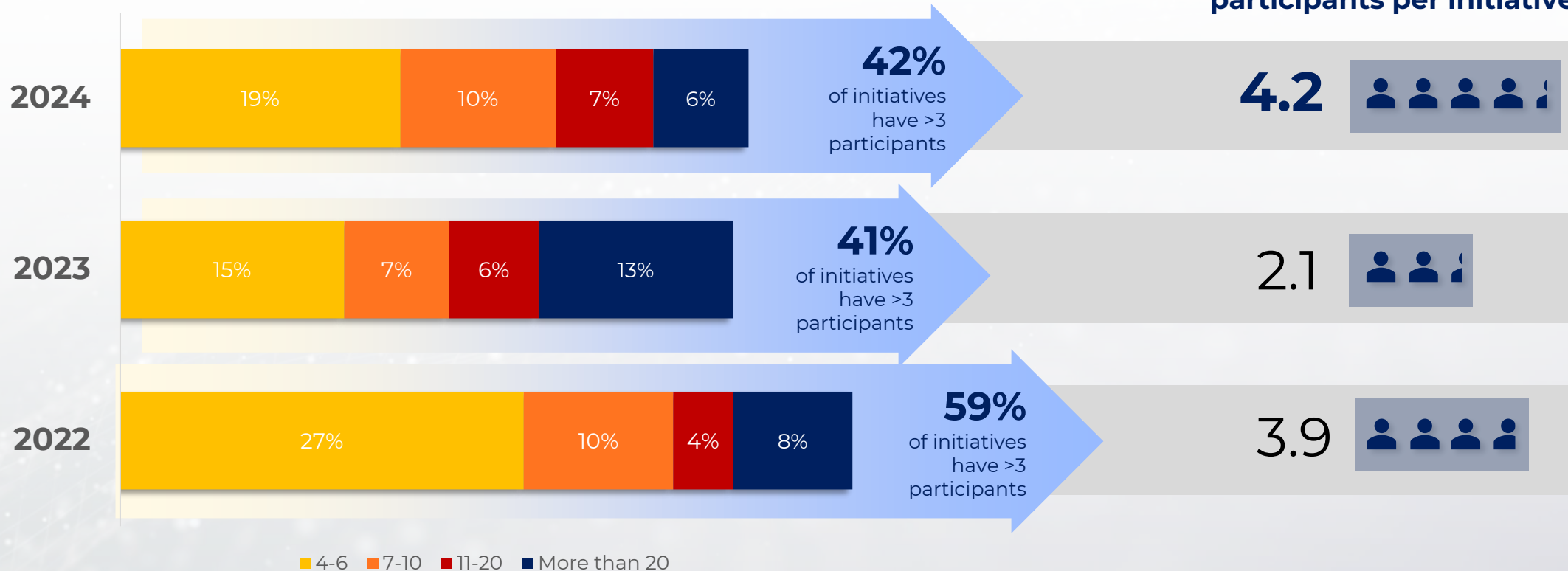
# Ecosystems are growing again



42% of our initiatives are credibly multi-lateral today

% of digital asset initiatives with more than 3 participants

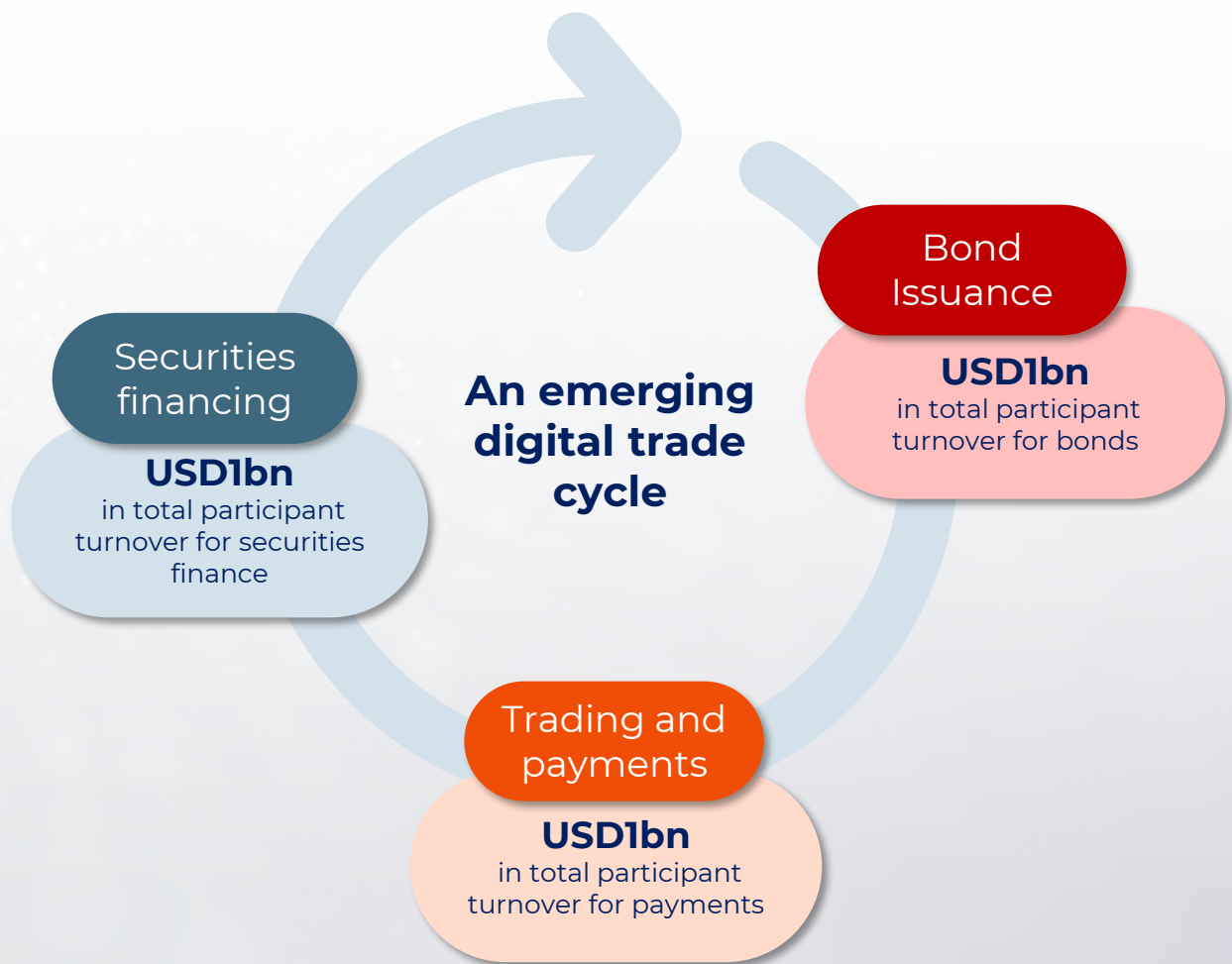
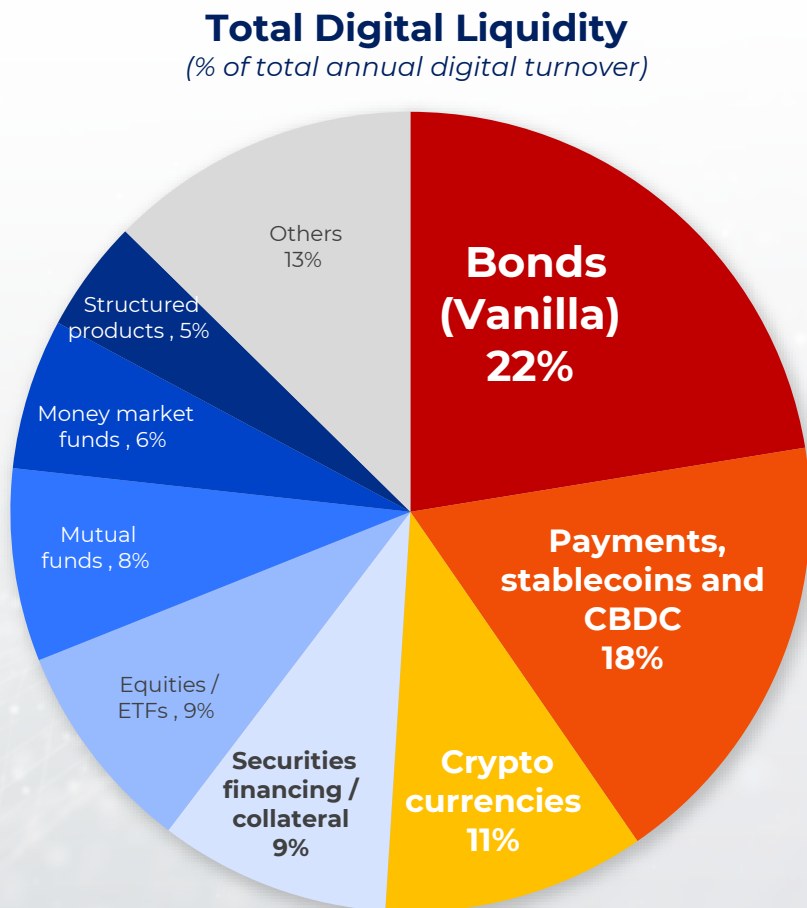
Average number of participants per initiative



# A digital ecosystem is forming



49% of digital turnover is in 3 key ecosystems that span the trade cycle

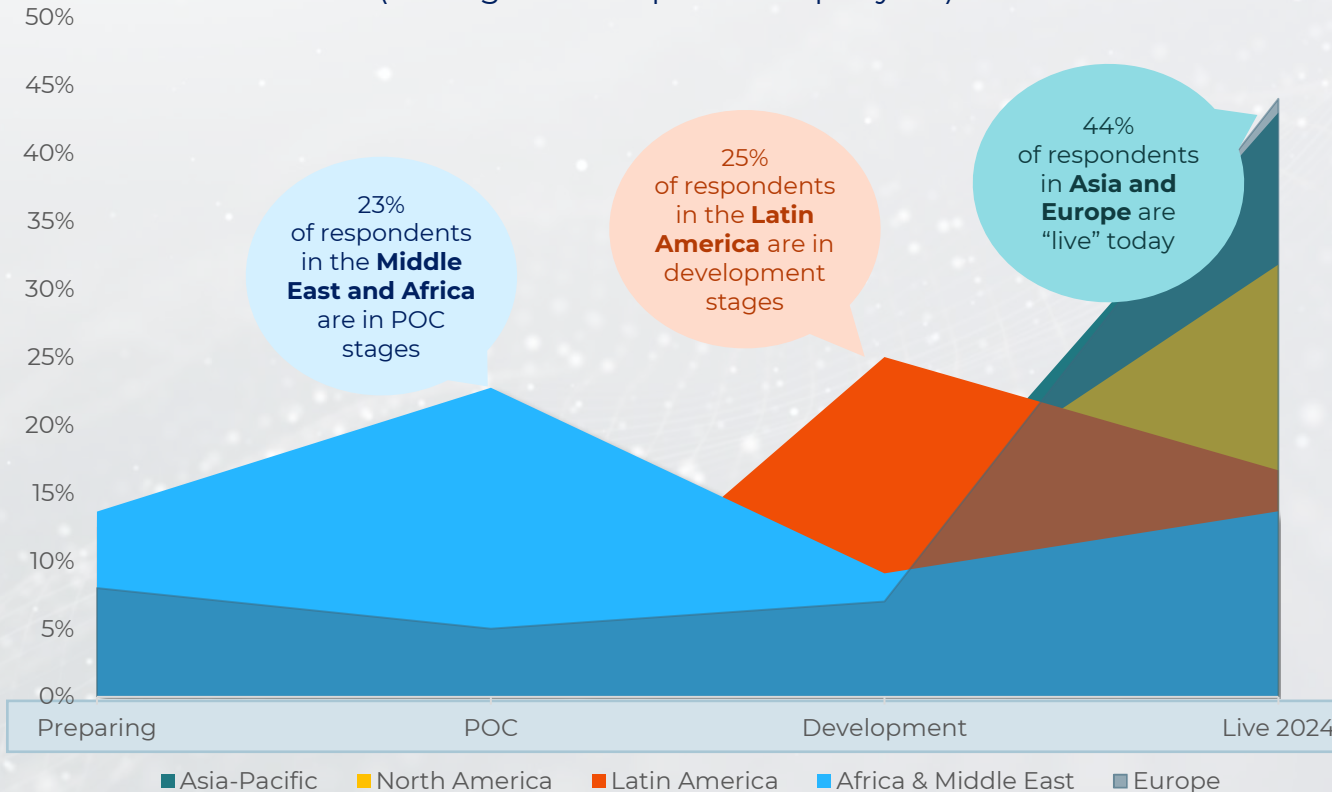




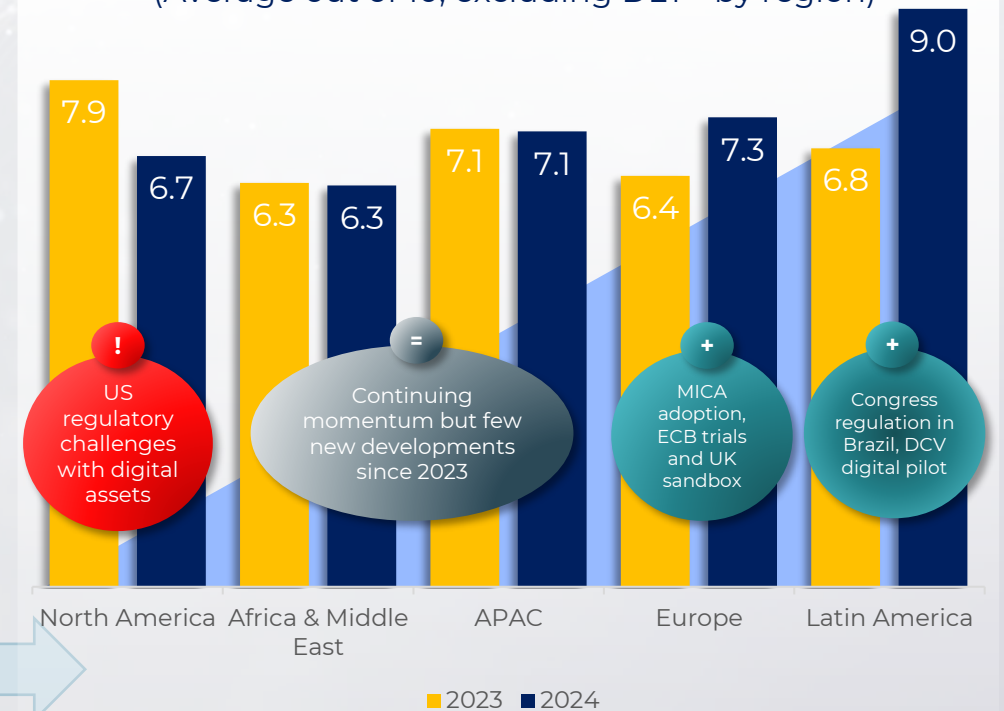
# Regional variance is significant

Each region is in its own stage of development – with digital asset views strongly driven by regulatory developments

**DLT / digital asset activity by stage**  
(Average % of respondents per year)



**Strategic importance of digital assets**  
(Average out of 10, excluding DLT - by region)

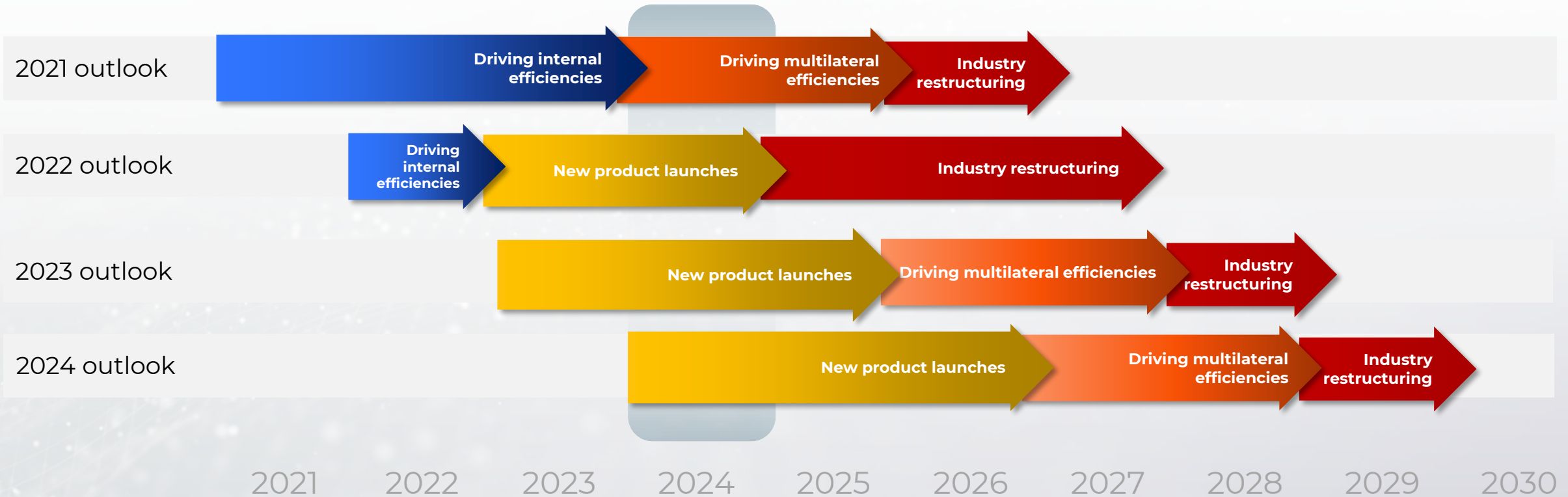


# We're not where we expected to be



## We are still two years away from industry-level transformation

How do you see the role of DLT in your industry and over which time horizon?  
(#1 impact of DLT and digital assets per year, including a 5 year outlook)



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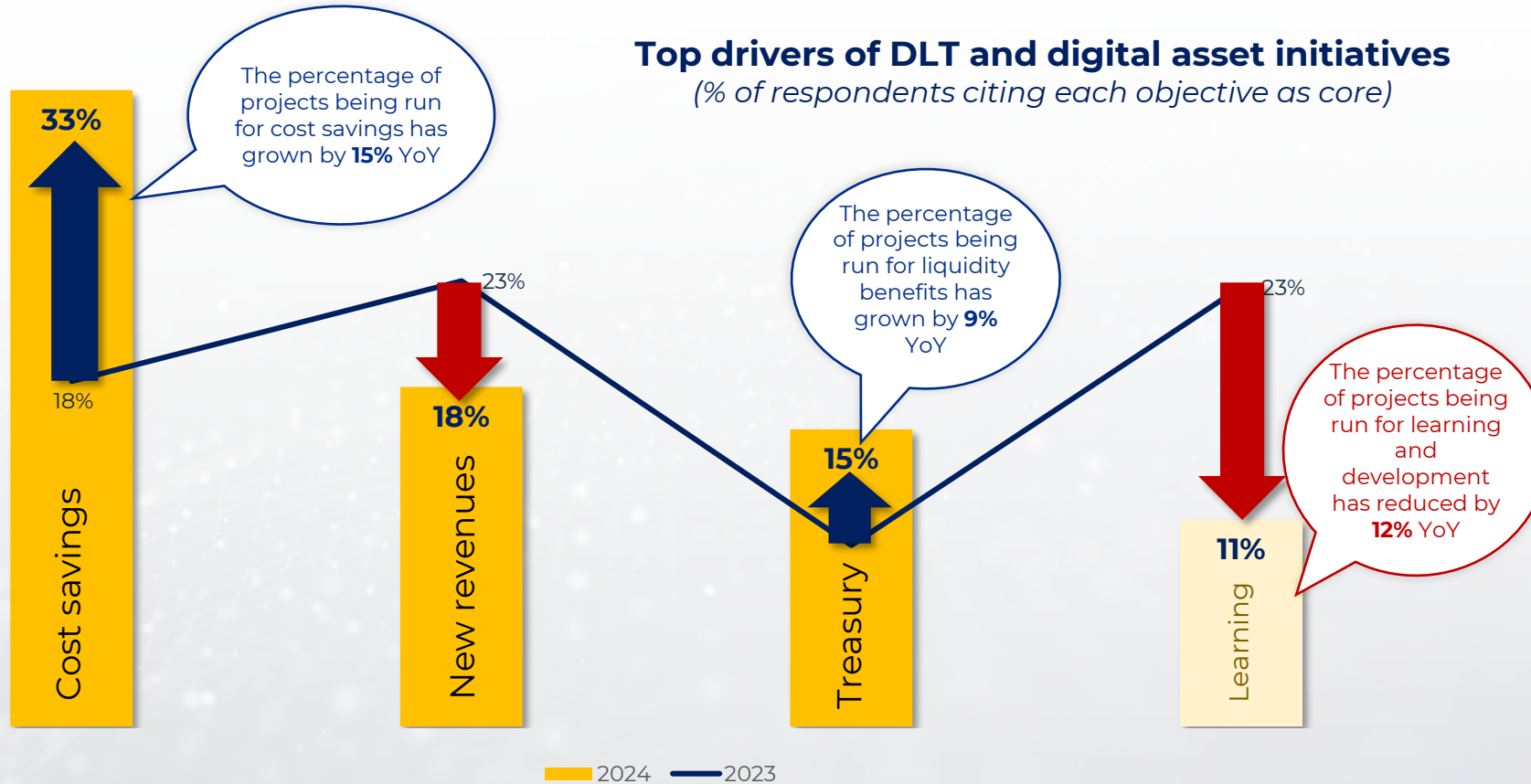
**Moving beyond  
issuance:  
Where is digital  
liquidity forming?**



# Why is digital liquidity forming?

## Costs, revenues and liquidity replace learning as drivers

### Top drivers of DLT and digital asset initiatives (% of respondents citing each objective as core)



Which assets are we using for these objectives?

**Cost savings**

- Bonds (Vanilla)
- Equities / ETFs
- Securities financing / collateral
- Payments / FX (including CBDC)
- Bonds (Green Finance)

**New revenues**

- Bonds (Vanilla)
- Equities / ETFs
- Securities financing / collateral
- Payments / FX (including CBDC)
- Bonds (Green Finance)
- Private Equity

**Treasury benefits**

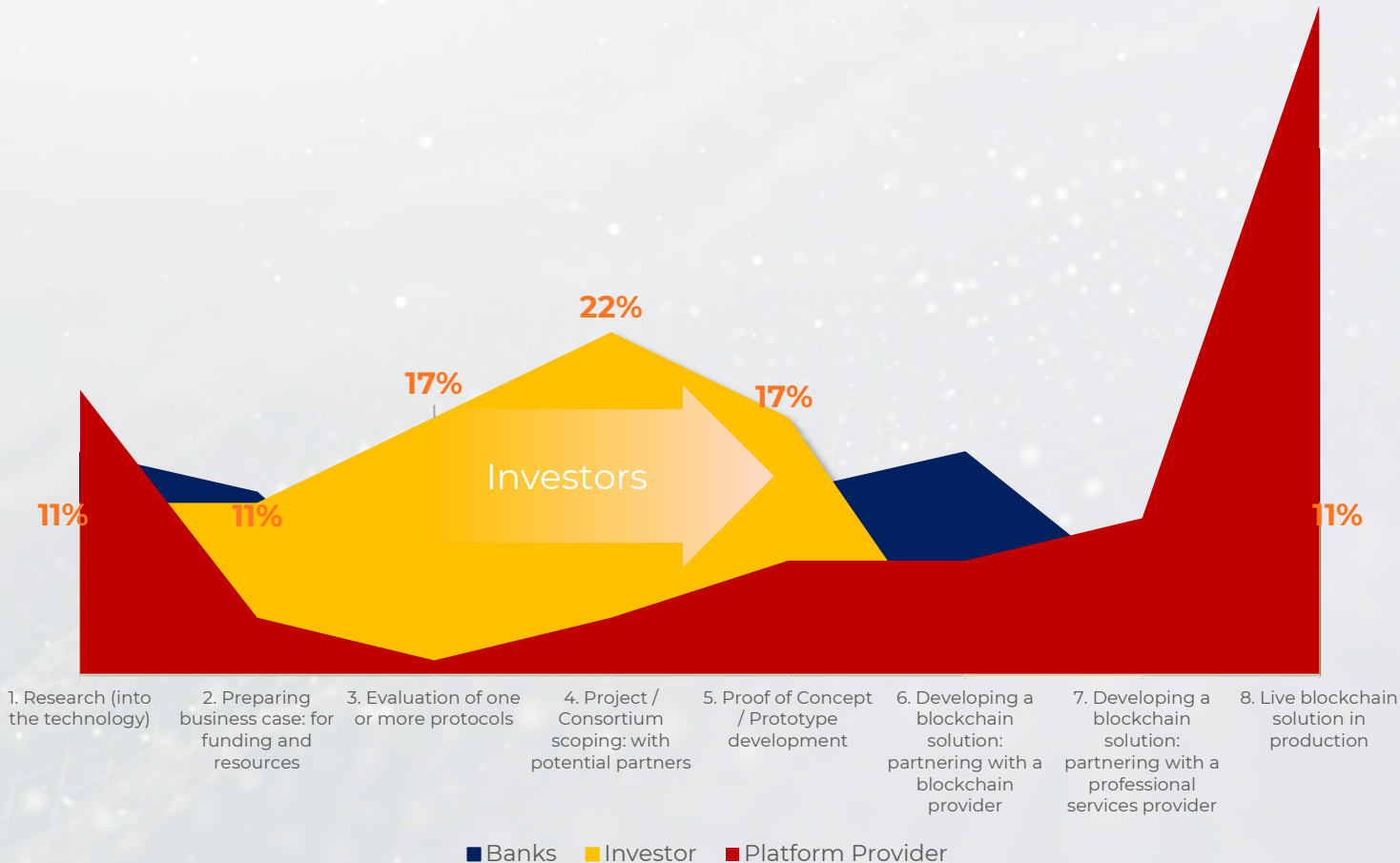
- Bonds (Vanilla)
- Payments / FX (including CBDC)
- Securities financing / collateral
- Stablecoins / digital cash
- Private Debt (including loans)
- Money Market Funds



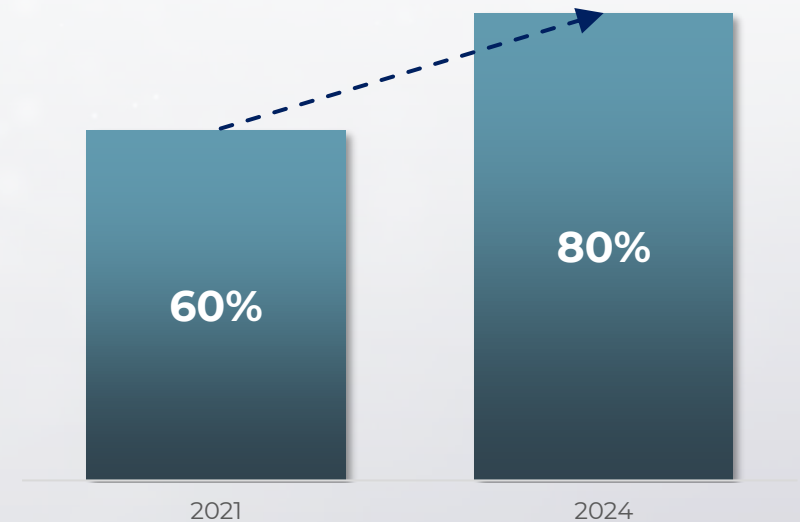
# Investors see huge value in DLT for distribution



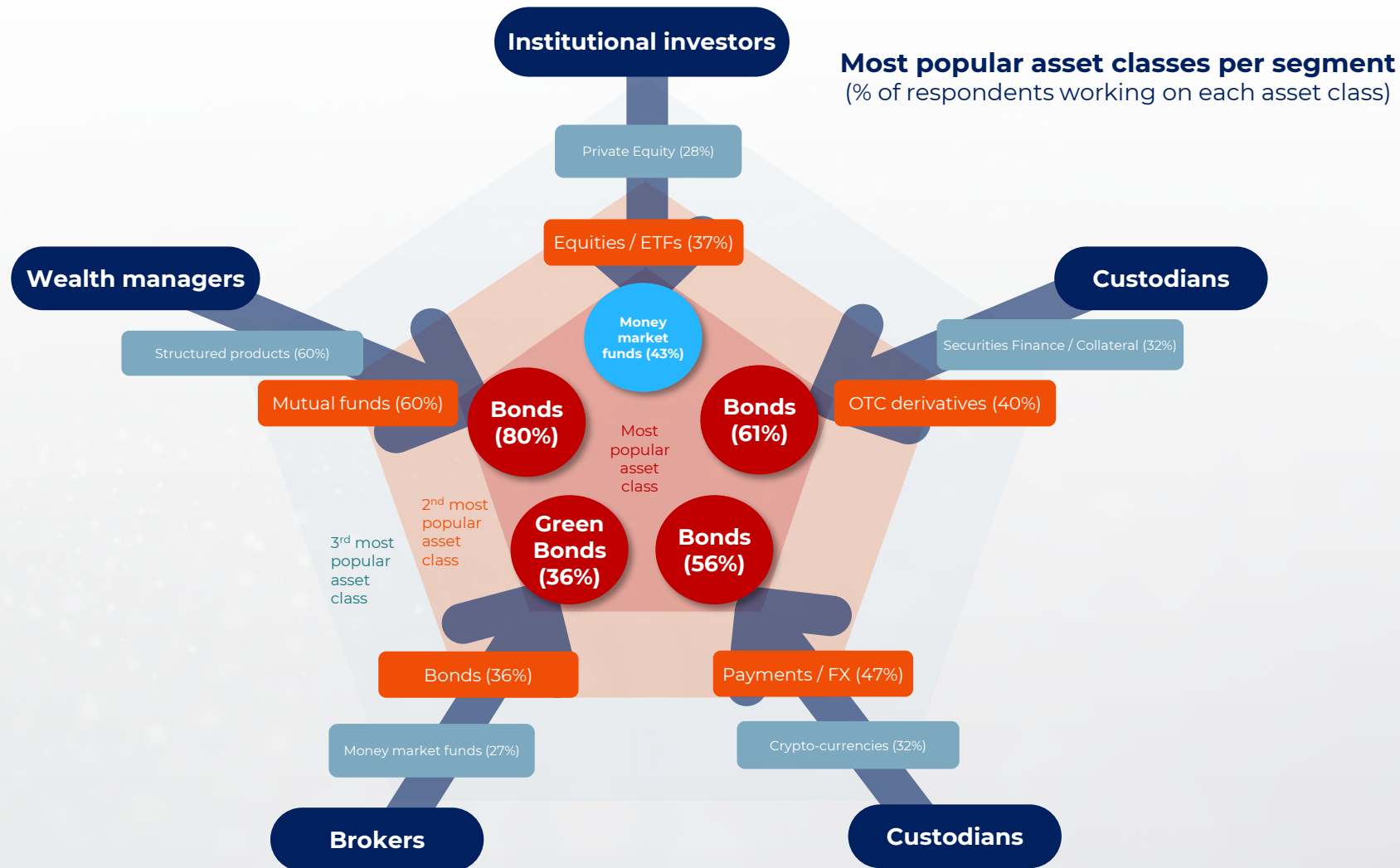
Investors are engaging but not for operational benefits



Investors see the role of DLT as enabling distribution  
 (% of investors citing new product opportunities as the key driver for DLT)



# Bonds are emerging as the core digital asset class

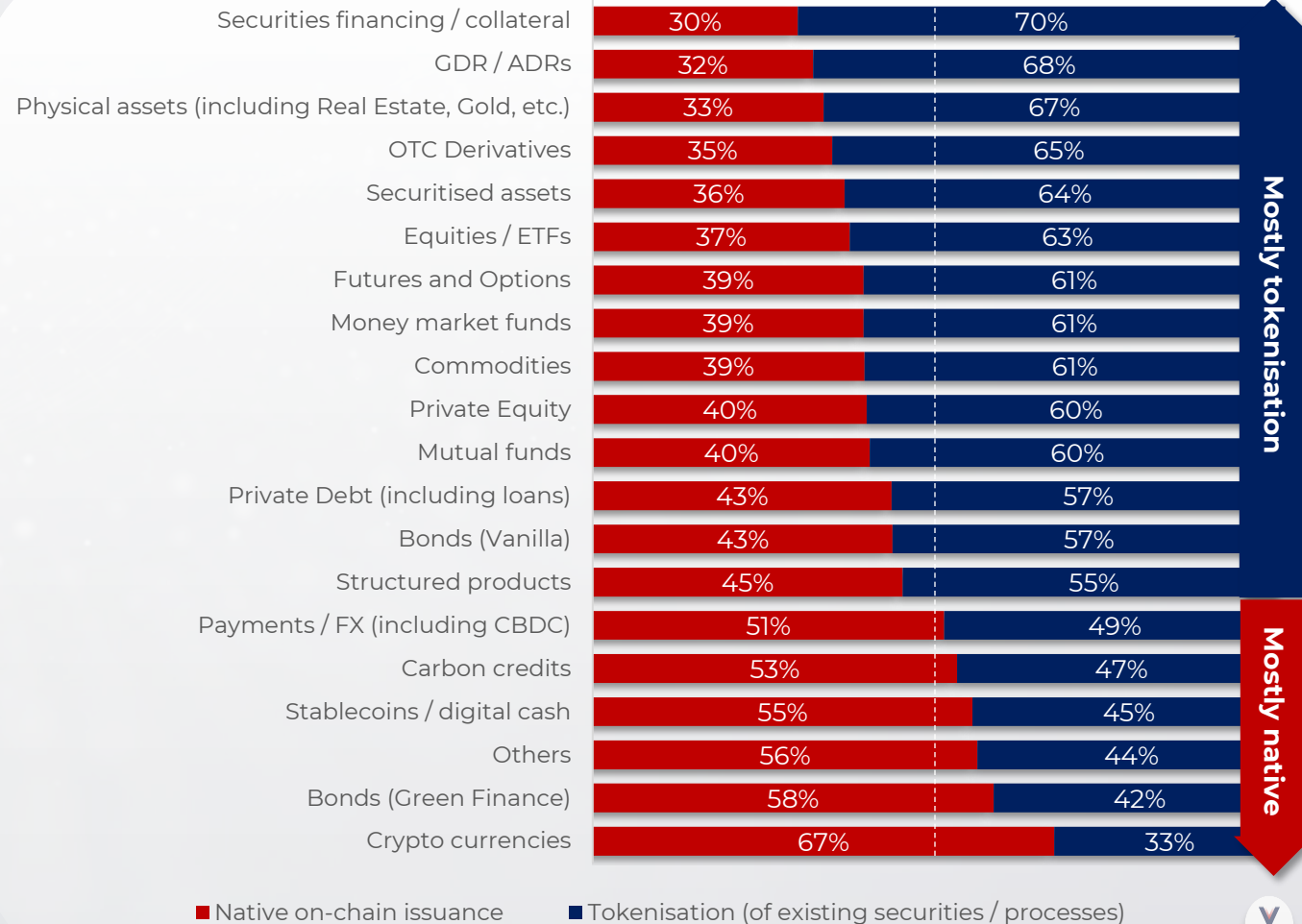
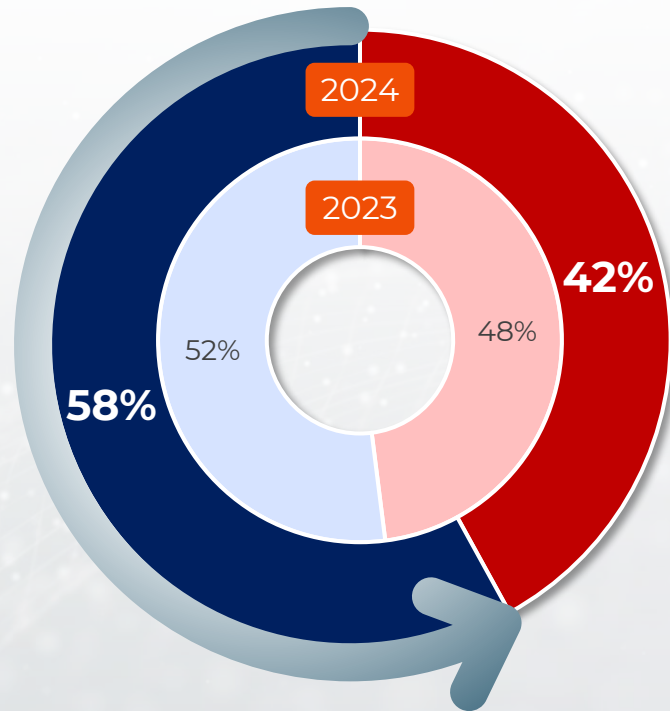


# We are moving towards tokenisation



As native issuance remains core only for new asset classes

% of Project activity by digital asset type

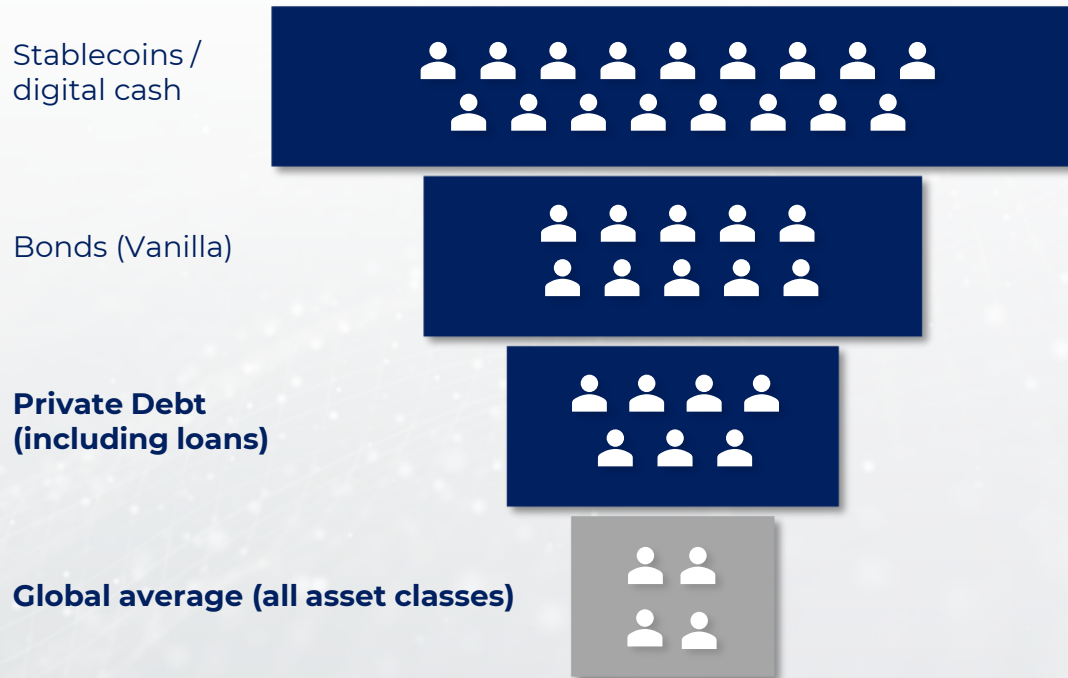


# Where is liquidity forming?

3 key ecosystems are forming – with private and physical assets growing fast

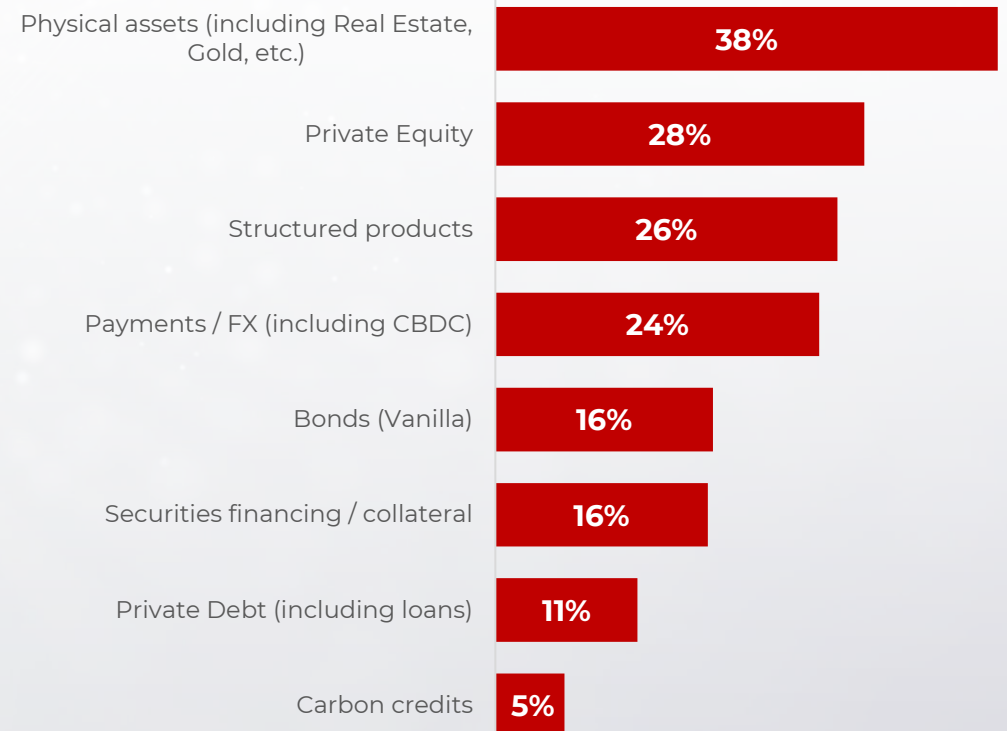
## Largest ecosystems today

(Average # of ecosystem participants per initiative)



## Fastest growing ecosystems

(Average growth rate of ecosystem participants, 2023-2024)





# Where are we building the next wave of initiatives?

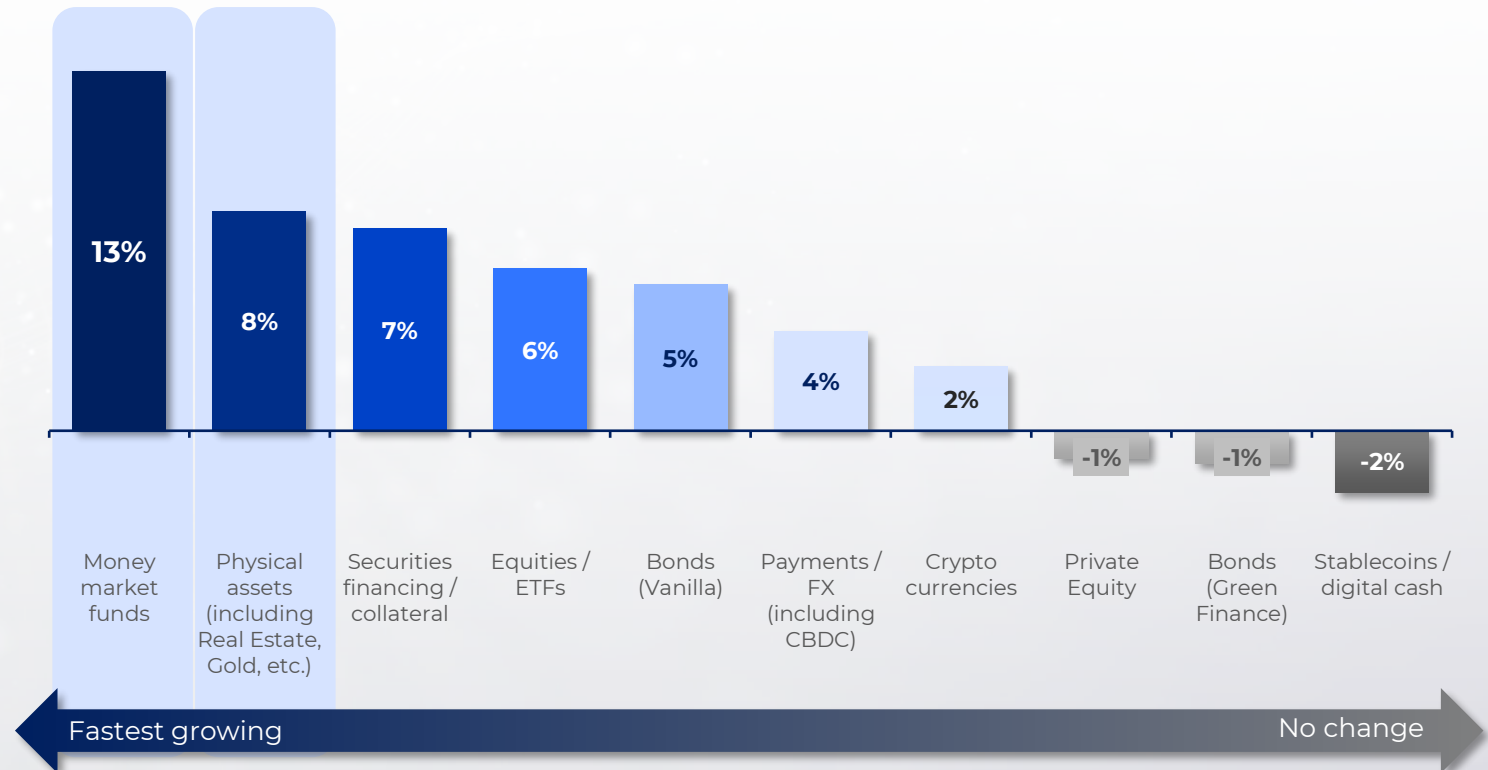


## Money market funds and private markets have the momentum in 2024

Levels of industry activity per asset class (2024)



% Change in levels of industry activity per asset class (2023-2024)



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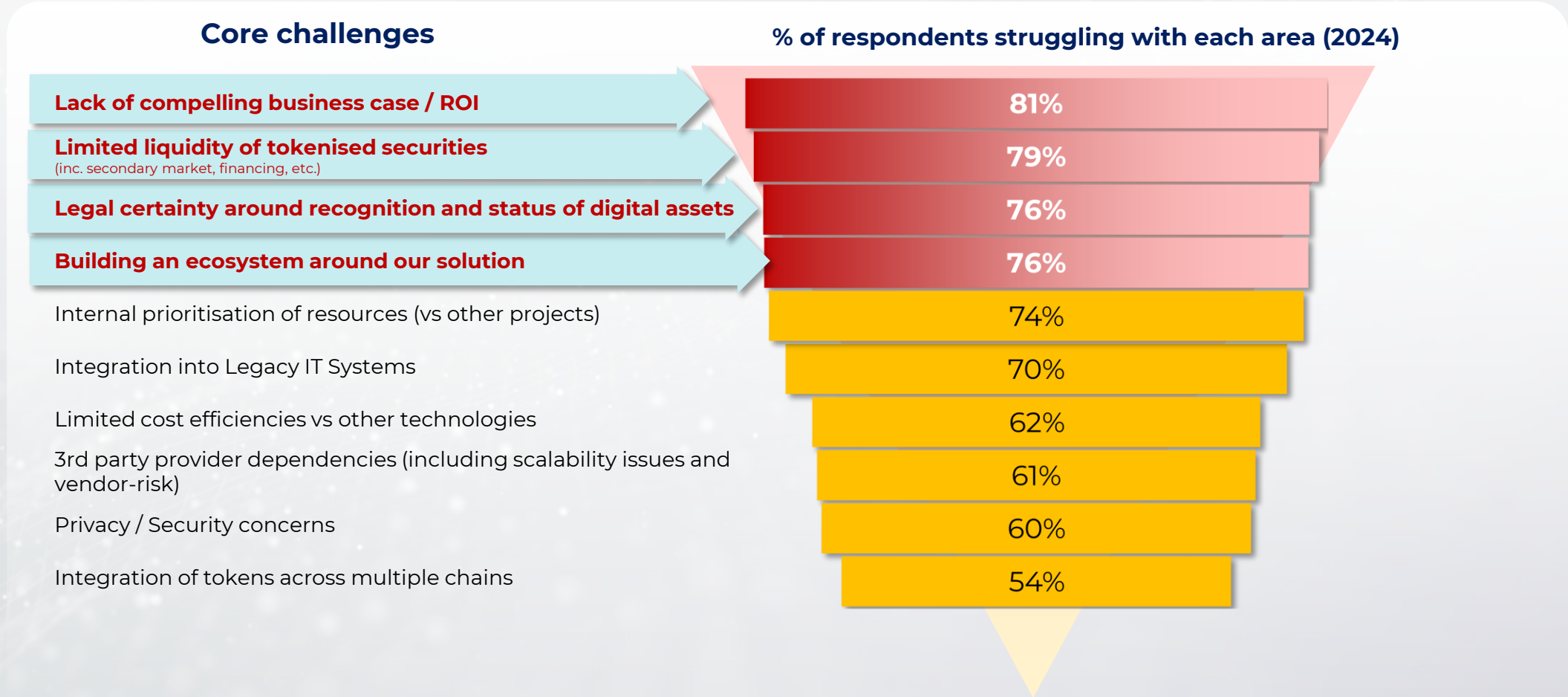
**How can we  
accelerate growth?**



# What would accelerate growth?



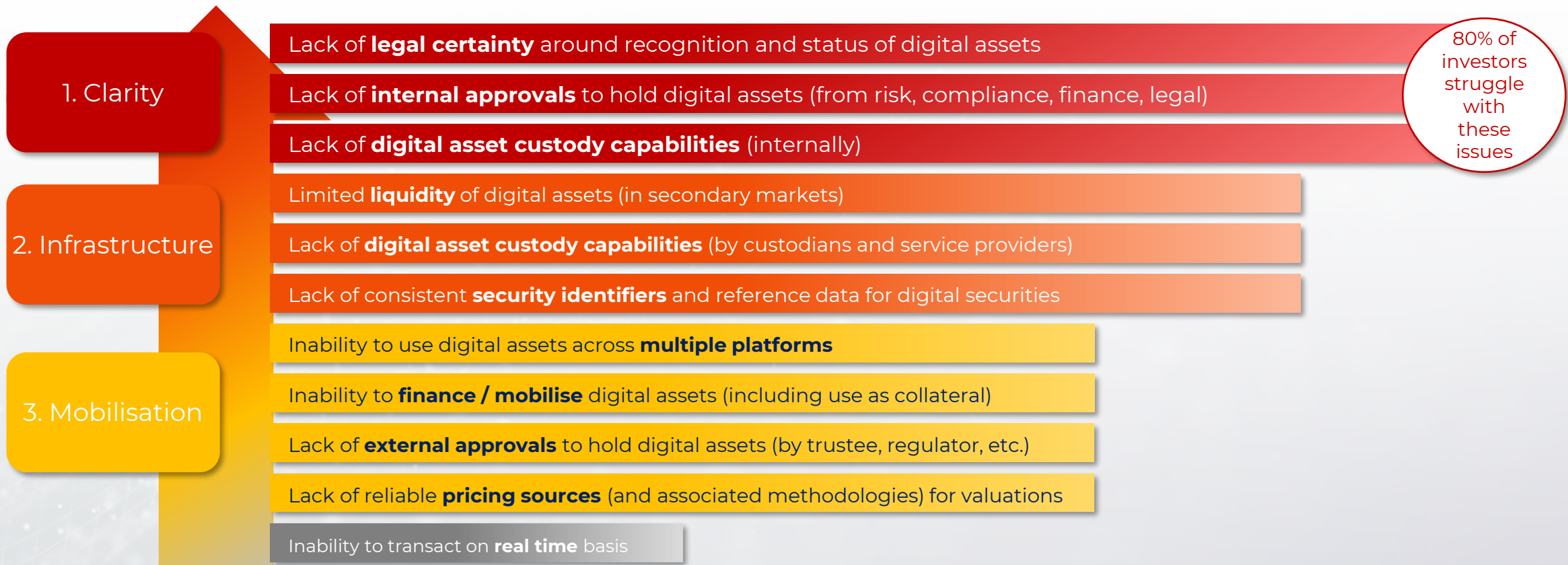
Addressing ROI, liquidity and regulatory clarity would help more than 75% of the sell side



# Clarity is a key blockage for investors



Lack of legal clarity is blocking 80% of investors from holding digital assets in their portfolios



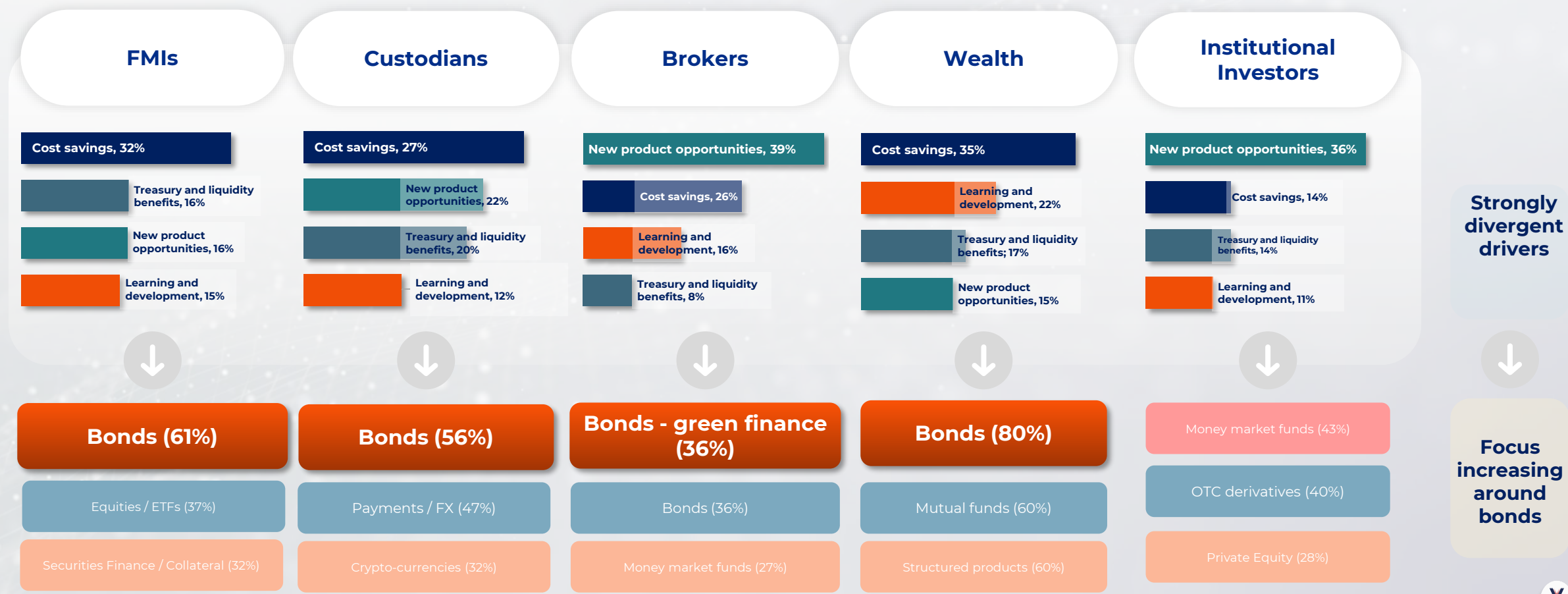
# The case for convergence



With few common objectives and lots of different asset classes, there is no single, industry business case for DLT

Drivers

Core asset classes  
(% of total activity)



# People and the business case



Our three intended beneficiaries are the last people in the room – and 86% of them struggle to understand the case for DLT

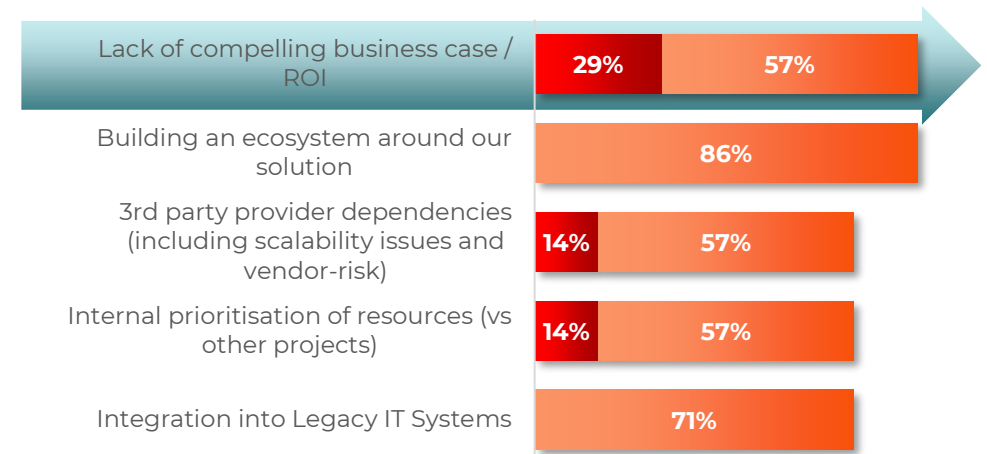
## Who is leading our DLT and digital asset initiatives today?

(Average leadership score out of 5)



## Why dedicate control function resource to DLT?

% of Compliance, Finance and Operations staff struggling with ROI and the case for DLT



■ Blocking obstacle ■ Limiting progress

Core users

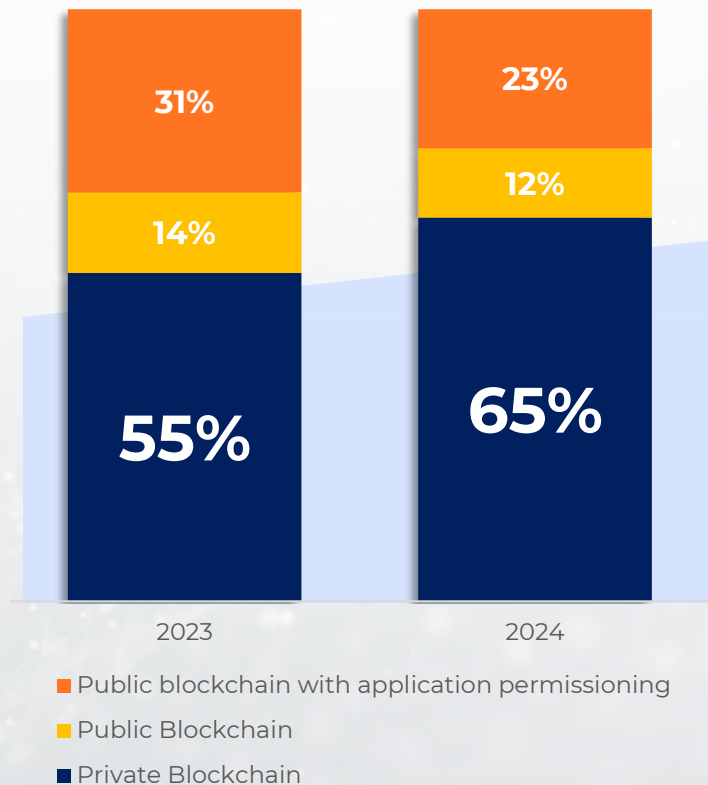


# A move to private networks risks blocking scale



We are going private in almost every asset class

% of respondents using each type of blockchain



% change in private blockchain usage 2023/2024

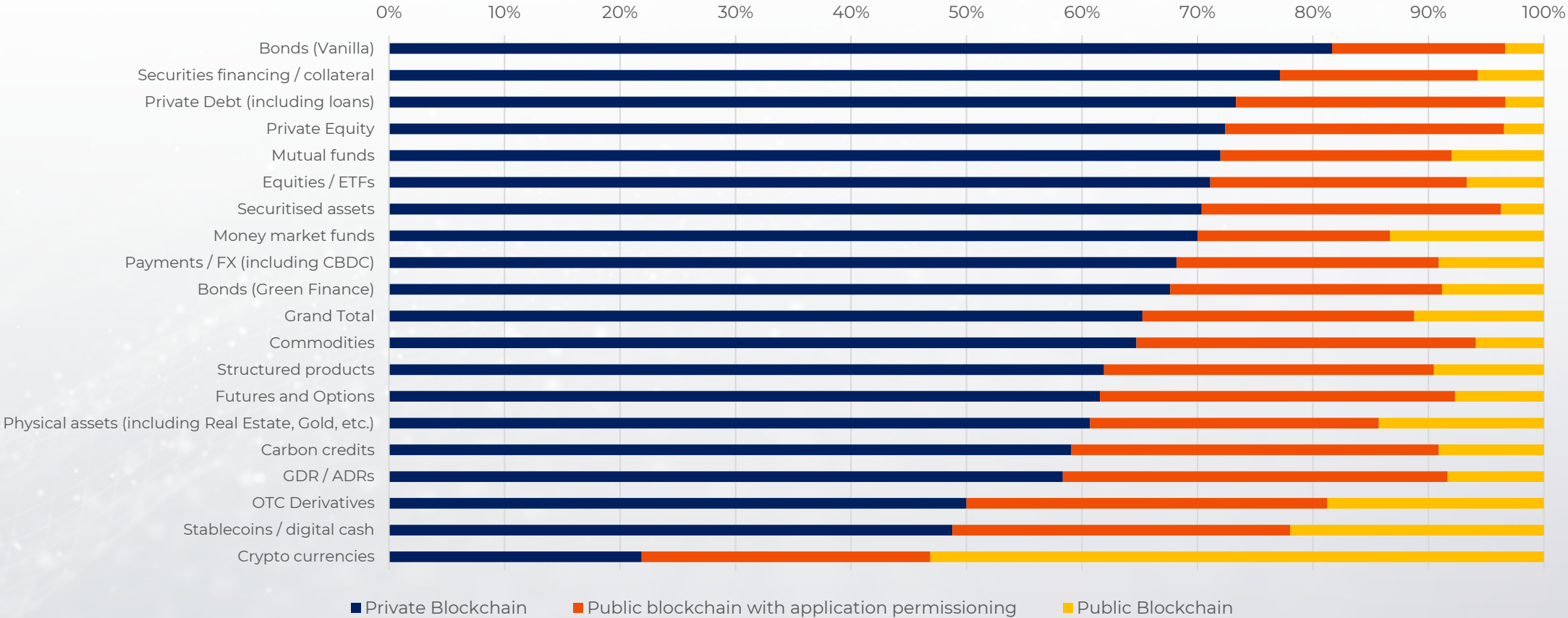


# A move to private networks risks blocking scale



## Almost every asset class is now more private than public

**Almost every asset class is now more private than public**  
*(% of respondents using different types of network, per asset class in 2024)*





# Building interoperability



A core responsibility for application providers – more than network or wallet managers

% of respondents who are building live / commercial propositions, who are focusing on interoperability today



What are the roles and responsibilities for interoperability?  
 (% of respondents working on interoperability at each stage and level)

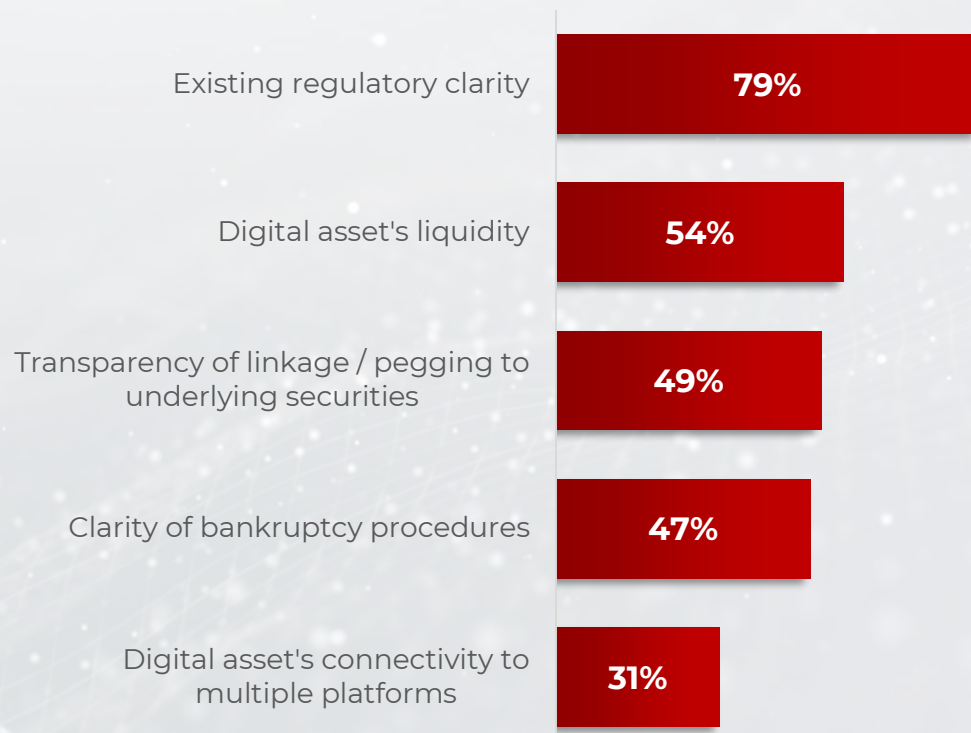
	Issuer level (i.e. Investment banks)	Network level (i.e. Blockchain operators)	Application level (i.e. platform providers)	Wallet level (i.e. digital wallet providers)
Data models (security data, etc.)	25%	33%	38%	5%
Technical processing of transfers	7%	33%	42%	19%
Legal validity of transfers	14%	44%	31%	11%



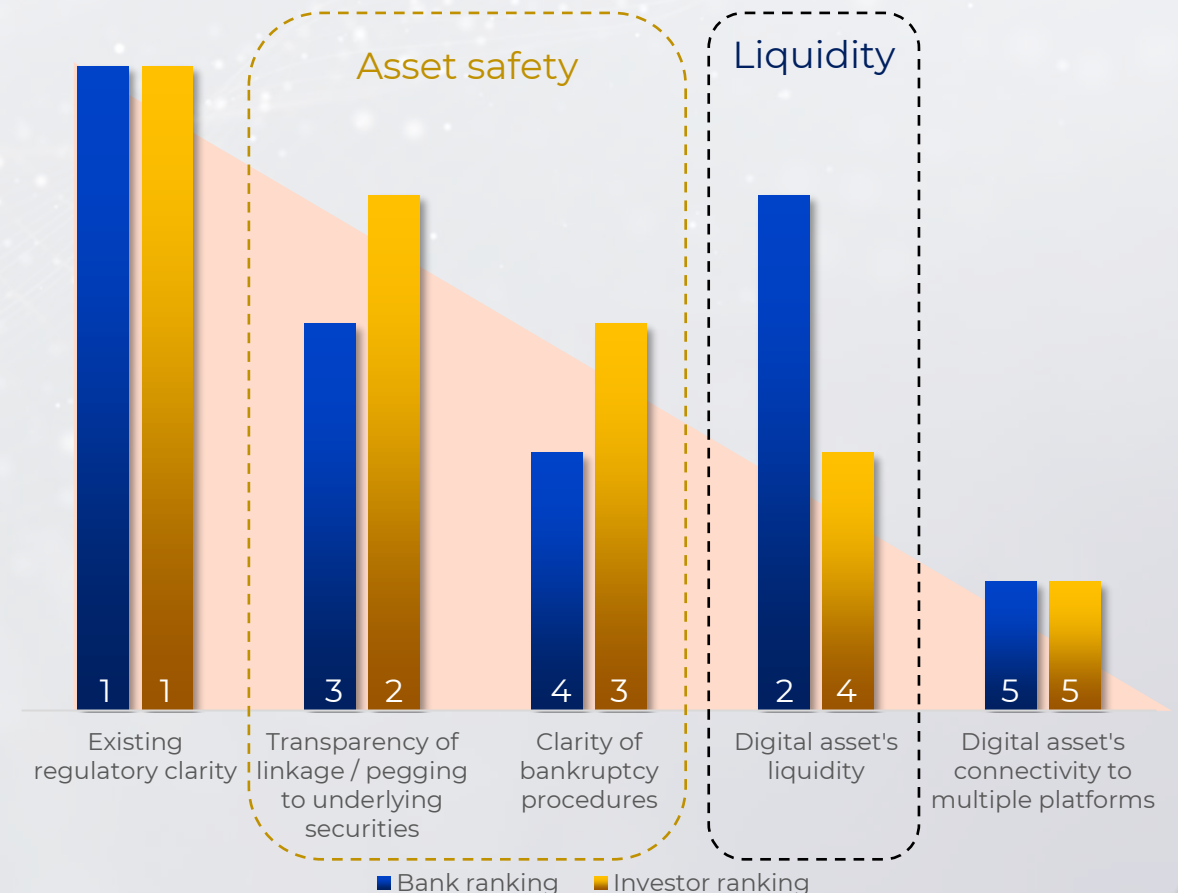
# The Cash leg: what do we need?

## What do we need from the cash leg: liquidity or asset safety first?

### % of respondents citing each area as a critical dependency for digital cash



### Ranking of core requirements for Cash legs – by segment



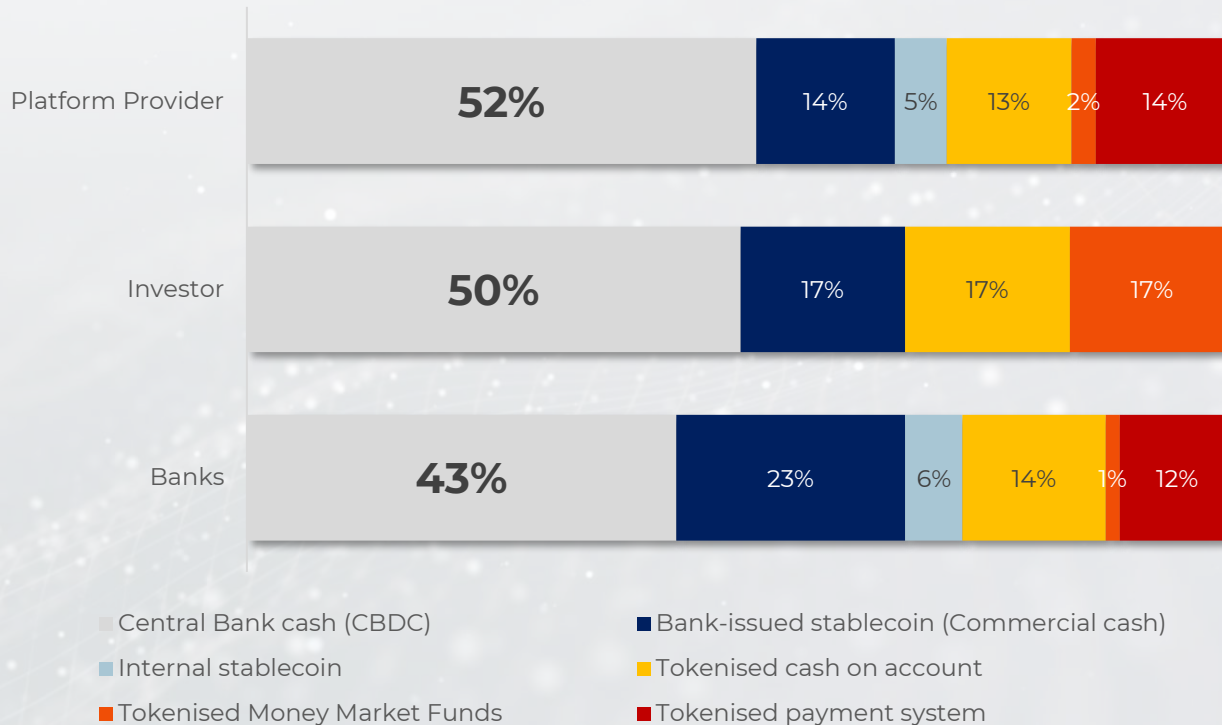
# The cash leg: pressing on



Less than 50% of banks are blocked by CBDCs today

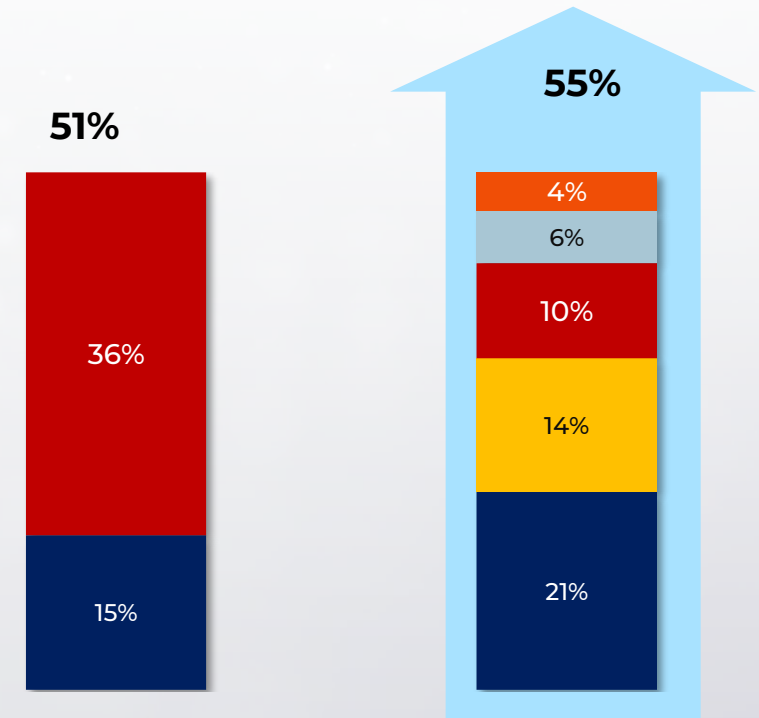
## We're not waiting for CBDCs

(% of respondents using each form of digital cash)



## Significant increase in adoption of viable options today

(% of respondents using each form of digital cash, excluding CBDCs)

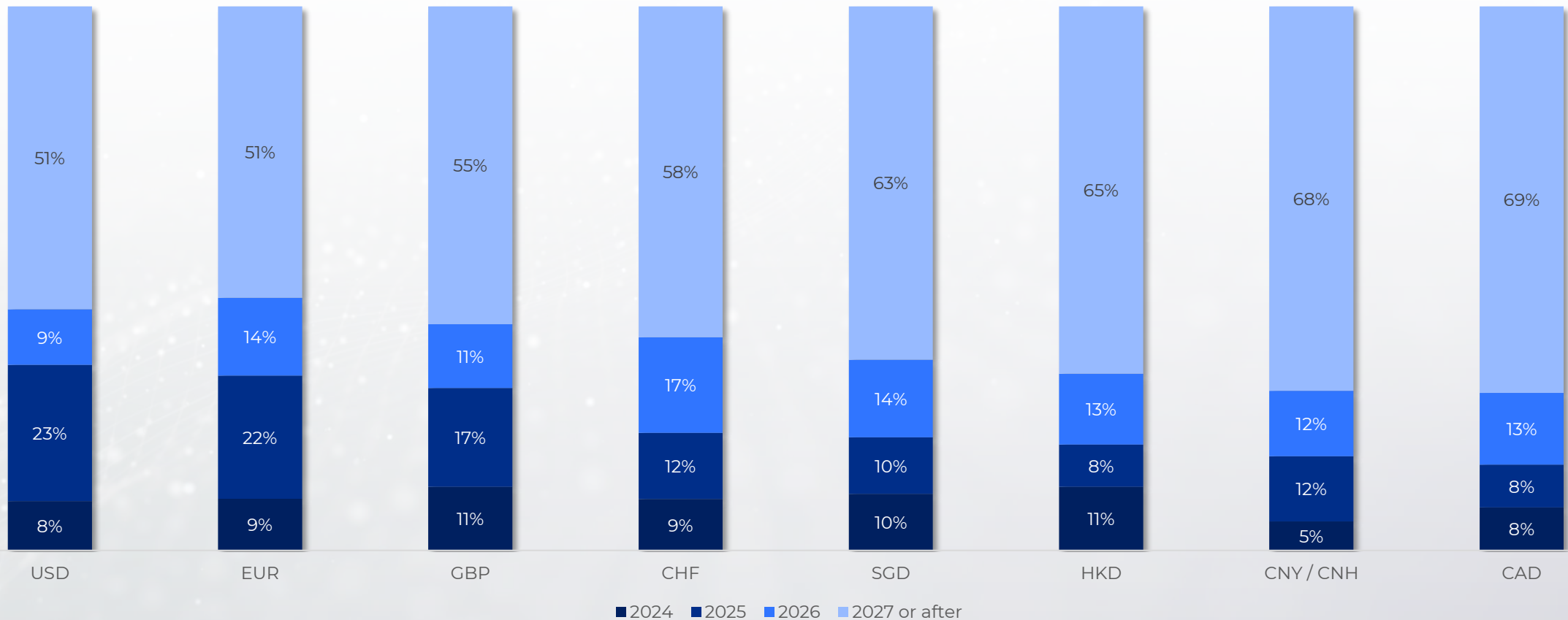


# Waiting for CBDCs



We still have at least three years before we can use CBDCs

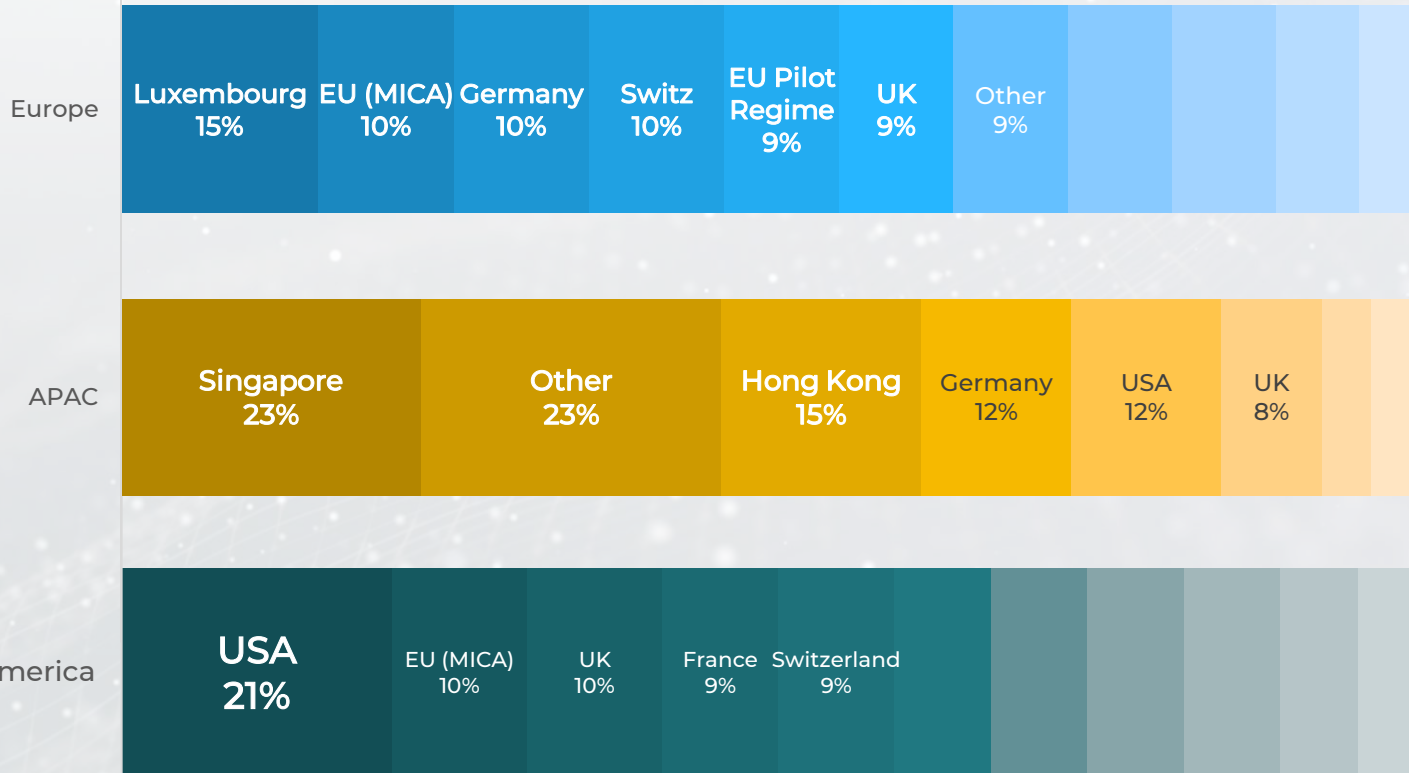
Expected availability date for CBDCs



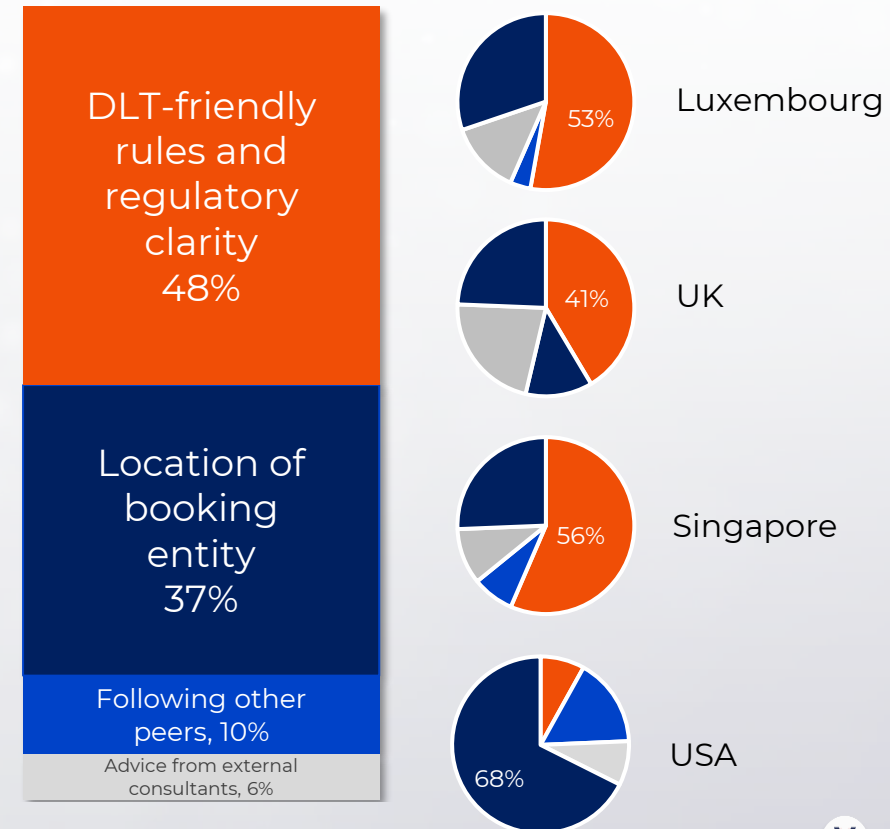
# Regulatory clarity as a competitive edge

Activity is concentrating amongst regimes that can offer regulatory clarity

Distribution of “live” initiatives by booking centre  
(% of total, 2024)



Core drivers of choice of regime  
(% of respondents, 2024)



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# Thank you!

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