

FINANCIAL MARKETS

THE RISE OF RIPPLE



BLACKWELL
GLOBAL

THE BLACKWELL ADVANTAGE

BLACKWELL GLOBAL

Blackwell Global is a global brokerage, aiming to be the most trusted financial service provider. We are committed to transparency, integrity and service excellence.

Founded in 2010, we now have global presence in over 90 countries, with main offices in the separately regulated markets of Australia, Cyprus, New Zealand and the United Kingdom.

We believe that sound investment and trading decisions begin with a strong grounding in financial education. Our goal is to make this available to everyone - and this free eBook is part of that commitment.

To find out more about Blackwell Global, please visit:
www.blackwellglobal.com

RIPPLE: AHEAD OF THE CURVE?

FOREWORD

Since 2016, we have seen the rise, fall and resurrection of cryptocurrencies.

We have all heard of Bitcoin. But there are other exciting cryptocurrencies that you can find on the market.

In this eBook, we'll look at Ripple. We'll explore what it is and what makes it so different from its competitors.

With constant fluctuating markets, it is important to assess how the digital currency could gain or lose momentum in the markets.

Patrick Latchford
CEO, Blackwell Global Investments (UK) Limited

THE ORIGINS OF RIPPLE

WHAT IS RIPPLE?

The cryptocurrency Ripple, known in the markets as XRP, was initially released back in 2012. Ripple is also a financial tech company that offers a payment service to banks and other financial institutions worldwide.

The software creates a network for money and value to be shifted quickly, securely, cheaply and globally.

In fact, [Ripple technology](#) takes less than four seconds. This is compared to Ethereum which takes over two minutes and Bitcoin which takes over an hour. It can also currently handle 1,500 transactions per second all day, every day.

One key thing to remember about Ripple is that its primary focus is enterprises and financial institutions rather than person-to-person buying.

Though traders can purchase XRP, the Ripple network is more valuable than the token itself. This is due to its ability to move assets around the globe in extremely short periods of times.

The Ripple network also allows users to transfer and store value. This includes currencies such as USD, Bitcoin, the Euro and many more. On the other hand, native XRP can only be used as a way to pay for native transaction fees.

Unlike Bitcoin and most other cryptocurrencies, Ripple does not need to be mined. Instead, the two founders, Jed McCaleb and Chris Larsen, decided to create a capped supply of 100 billion XRP.

This is held and distributed by the company to the public. Out of this supply, McCaleb and Larsen made the decision to give themselves 20 billion of the 100 billion each, leaving 60 billion left to be administered.

Some say this choice was unfair and caused some doubts over the success of this cryptocurrency.

This hasn't been the only criticism.

Ripple is the most centralised crypto-asset. They own 60% of all current XRP. This gives them room to manipulate the market - an idea some aren't comfortable with.

As well as this, once transactions are over the fees that are paid in XRP become 'burned'. Eventually, the supply will begin to shrink - and given the somewhat limited supply, the question of its sustainability does arise.

RIPPLE'S DEVELOPMENT

Due to the desire to focus on Ripple technology, XRP was initially meant to be phased out.

This was until the [huge cryptocurrency surge in 2016](#). There is no denying that Bitcoin played a large part in Ripple's popularity growth. It was undoubtedly Bitcoin that amplified the crypto movement.

As mentioned before, Ripple's main aim is to target banks and other financial institutions. As the name surfaced, banks started to become interested in the way that Ripple allowed money to be moved globally between different currencies extremely easily.

So far, Ripple has signed themselves with over 100 banks and other financial organisations. These include some big names including American Express and Google Ventures.

For these establishments, the Ripple system had better prices and security compared to its competitors. Its technology allows the sending, receiving and holding of any currency in a very decentralised way. This showed that Ripple had more to offer than most cryptocurrencies; enhancing its popularity.

One of the more notable advantages of Ripple that will have enhanced its development is the price of transactions and XRP itself. Individual XRP is much more affordable than other cryptocurrencies. This made it very attractive to crypto speculators.

According to [PYMNTS](#), Ripple transactions cost on average

81% less than competing banking networks in terms of global payments. Similarly to XRP, this is extremely appealing to investors. For banks, the liquidity that Ripple offered combined with its other useful aspects, would make them seem extremely alluring.

As well as being cheap from the onset, Ripple also helps banks to save on overseas remittances. The banks that do choose to use Ripple technology could potentially double their overall savings.

Another appealing aspect of Ripple has been its cash-flow. Currently, it still holds a large amount of XRP that is ready to gradually be released into the market.

People have started to trust in Ripple. XRP already has a stable track record from the last five years. It has proven to maintain good technology and good governance.

RIPPLE: MILESTONES & FUTURE

MILESTONES

[October 2017](#) - Ripple signed up 100 banks to its blockchain technology. Its big win came in November when American Express came on board.

[December 2017](#) - XRP had its biggest jump by more than 7,000%. The overall market cap grew by 7,700%.

[April 2018](#) - After several years of collaboration, Santander Group used Ripple's blockchain technology within an app to facilitate international payments.

[June 2018](#) - Ryan Zagone was elected onto the Federal Reserve's Faster Payments Task Force Steering Committee. This has given Ripple the chance to get involved with more large-scale organisations.

WHAT DOES THE FUTURE HOLD FOR RIPPLE?

The impressive progress of both Ripple technology and the cryptocurrency should give investors and traders optimism.

Ripple has managed to develop in a high volatility market, meaning it has the ability to withstand pressure. Any progress that it makes should increase its value.

Ripple itself is full of finance, technology and Fintech experts. They believe that by focusing on acquiring and developing partnerships and achieving customer acquisition they can find success in emerging technologies.

READ OUR FREE TRADING GUIDES

TAKE ME THERE



WHY BLACKWELL GLOBAL?

We can't pretend that it is easy to become a successful trader. But we are here to help and support you as you make your trading journey, providing dedicated resources such as our demo trading accounts and regularly published research materials.

Founded in 2010, Blackwell Global was established to offer brokerage solutions for private and institutional clients. Blackwell Global is a Straight Through Processing or STP broker who provide their clients with superior liquidity and price feeds from top international banks. These are offered alongside 24-hour technical support, market research tools, educational materials, professional partnership programmes and fully integrated trading platforms.

We offer access to multiple asset classes including more than 60 currency pairs, precious metals and other contracts for differences. As a global broker, we are always striving to achieve excellence in our customer service, as well as developing innovative technology to support our customers needs.

Today, the Blackwell Global group of companies has a presence in over 90 countries, with its main offices situated in the individually regulated markets of Australia, Cyprus, New Zealand and the United Kingdom.

To find out more about Blackwell Global please go to:

www.blackwellglobal.com

Or contact Customer Support:

Tel: +44 (0)203 695 0898

Email: cs@blackwellglobal.com

Risk Warning: Trading Foreign Exchange (FX) and Contract for Differences (CFD) on margin is highly speculative, it carries a high level of risk, and may not be suitable for all investors, so please consider your investment objectives, level of experience, financial resources, risk appetite and other relevant circumstances carefully. FX and CFDs are leveraged products and you may lose your initial deposit as well as substantial amounts of your investment. The high degree of leverage can work against you as well as for you. Seek independent advice if necessary. Please read and understand the risk disclosure policy before entering any transaction with Blackwell Global Investments (UK) Limited.

Disclaimer: The report provided by Blackwell Global Investments (UK) Ltd is meant for informative reading and should not be relied upon as a substitute for extensive independent research and is no guarantee of a successful trading outcomes. The opinions expressed in this eBook are do not take into account any particular individual's investment objectives, financial situation, or needs, and should not be interpreted as financial advice nor an encouragement to trade any investment product.