

DECODING CRYPTO (WAVE 6)

May 2023 Global Consumer Opinion Report Across 19 Markets

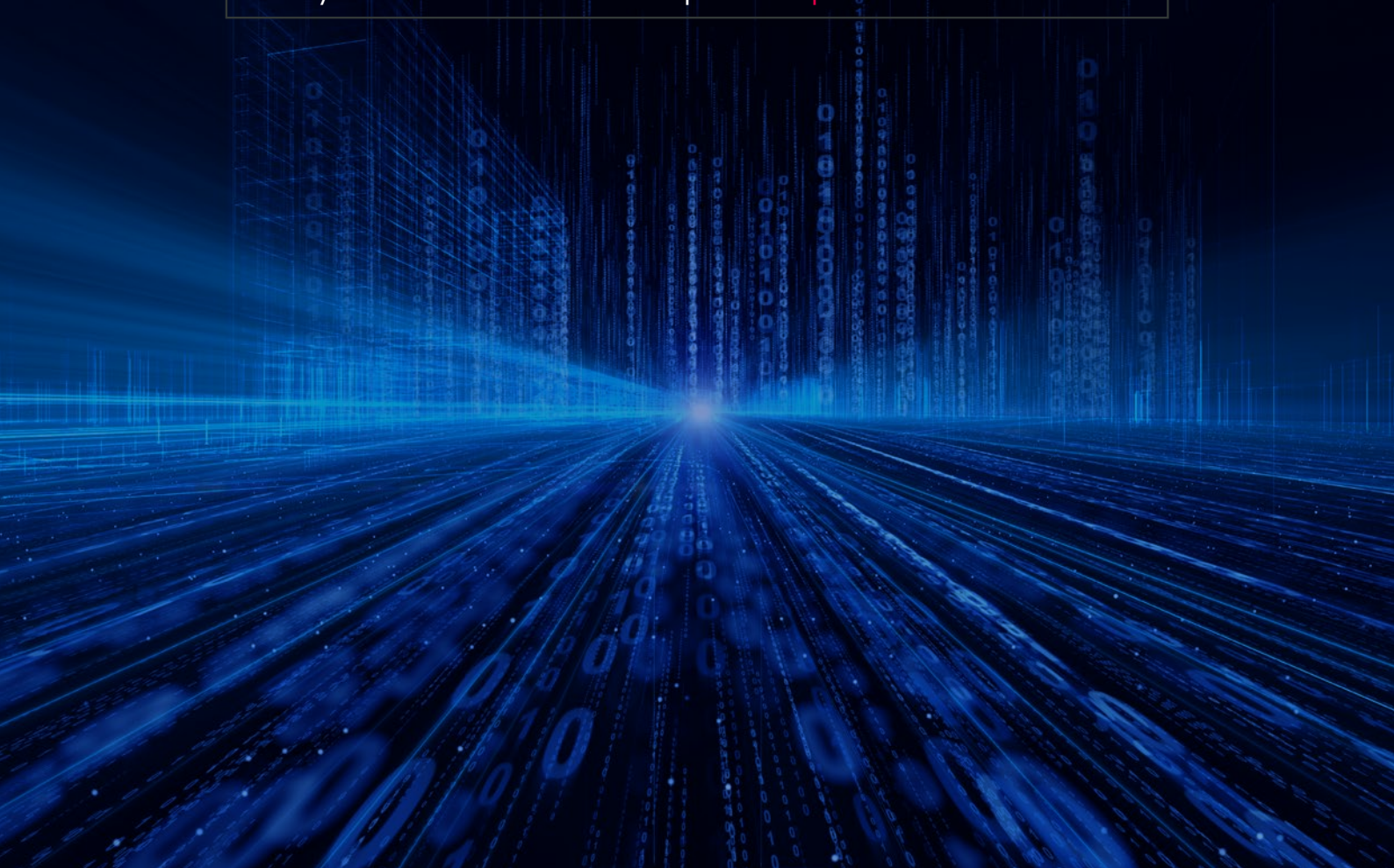


TABLE OF CONTENTS

Study Background	2
Key Takeaways	7
Key Findings	11
Closing	35

STUDY BACKGROUND

STUDY BACKGROUND

The growing interest in cryptocurrency throughout the past decade is beginning to find footholds in our daily lives. With mainstream platforms (such as PayPal and Mastercard)^{1,2} beginning to accept payments in digital currency, and even governmental institutions (such as El Salvador) set to cement themselves as key players for cryptocurrency-related businesses, the popularity of cryptocurrency does not seem to be dwindling anytime soon.

In December of 2021, Toluna conducted the first wave of a wide-scale tracking study that spanned across global markets to understand consumers' investment habits, perceptions, and future purchase intent with regard to crypto. Since then, Toluna has conducted subsequent waves every quarter to build a continuous understanding of the market outlook.

The findings give us a head start in understanding the future of digital currency and how financial institutions can play a relevant role in this ever-changing digital landscape.

1. Irrera, A. (2021, March 30). Exclusive: PayPal launches crypto checkout service. U.S. <https://www.reuters.com/article/us-crypto-currency-paypal-exclusive-idUSKBN2BM10N>
2. Shen, M. U. T. (2021, October 25). Get your credit card points in Bitcoin: Mastercard to integrate crypto into its platforms. USA TODAY. <https://www.reuters.com/technology/mastercard-seeks-expand-crypto-card-tie-ups-2023-04-28/>
3. Chanjareon, C. (2021, Nov 2). Singapore Has Grand Ambitions to Become a Global Crypto Hub. Bloomberg. <https://www.bloomberg.com/news/articles/2021-11-01/singapore-has-grand-ambitions-to-become-a-global-crypto-hub>



OUR ONLINE SURVEY INCLUDED RESPONDENTS FROM ACROSS THE GLOBE

To ensure representativeness across each market, we set quotas for national representation of consumers aged 18 – 64 years, SES ABCD, Urban population.

4
REGIONS

19
MARKETS

10,500
RESPONDENTS

NA



United States

LATAM



Brazil

EMEA



Germany



Spain



France



Italy



United Kingdom



United Arab Emirates



Saudi Arabia

ADDED IN WAVE 2

APAC



Singapore



Indonesia



Philippines



India



Thailand



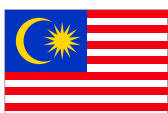
Hong Kong



Australia



Vietnam



Malaysia



ADDED IN WAVE 2

MARKET DEFINITION

EMERGING VS DEVELOPED MARKETS

EMERGING

LATAM

(n=500)



Brazil

APAC

(n=3500)



India



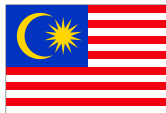
Philippines



Indonesia



Thailand



Malaysia



Vietnam

DEVELOPED

APAC

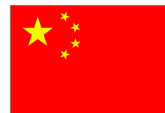
(n=2500)



Singapore



Hong Kong



China



Australia

EMEA

(n=3500)



Germany



Spain



France



Italy



United Kingdom



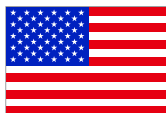
United Arab Emirates



Saudi Arabia

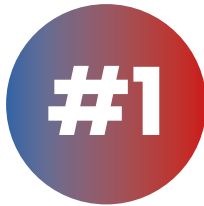
NA

(n=500)



United States

KEY TAKEAWAYS



SENTIMENTS WEAKENED IN LATAM, FLOURISHED IN APAC, NA, AND EMEA

Global perceptions of crypto remain at an all-time low. In **LATAM**, specifically, perceptions of security (-0.6 vs Feb '23) and trust (-0.7 vs Feb '23) have further declined in Q2 '23. Even worse, their optimism (-9% vs Feb '23) and excitement (-6% vs Feb '23) have waned while uncertainty has continued to brew (+7% vs Feb '23).

In **Emerging APAC, NA, and EMEA**, consumers have recently perceived greater risk with crypto, but sentiments have grown more positive in Q2 '23. Investors in these markets are more optimistic (+4 to 5% vs Feb '23), excited (+4 to 5% vs Feb '23), and inspired (+8% vs Feb '23).





CRYPTO PENETRATION IS BLOOMING IN BEARISH TIMES

In addition to the positive trends in consumer sentiment, there has been a three-percent increase in global investors vs Q1 '23. This is led by **Emerging APAC** (+5% vs Feb '23) and **EMEA** (+3% vs Feb '23).

Crypto investors in **Emerging APAC** (+6% vs Feb '23), **EMEA** (+3% vs Feb '23) and **NA** (+10% vs Feb '23) have increased the proportion of their investible assets into crypto.

The opposite is true for **LATAM** (-2% vs Feb '23) & **Developed APAC** (-3% vs Feb '23), where investors have instead downsized their crypto portfolios.





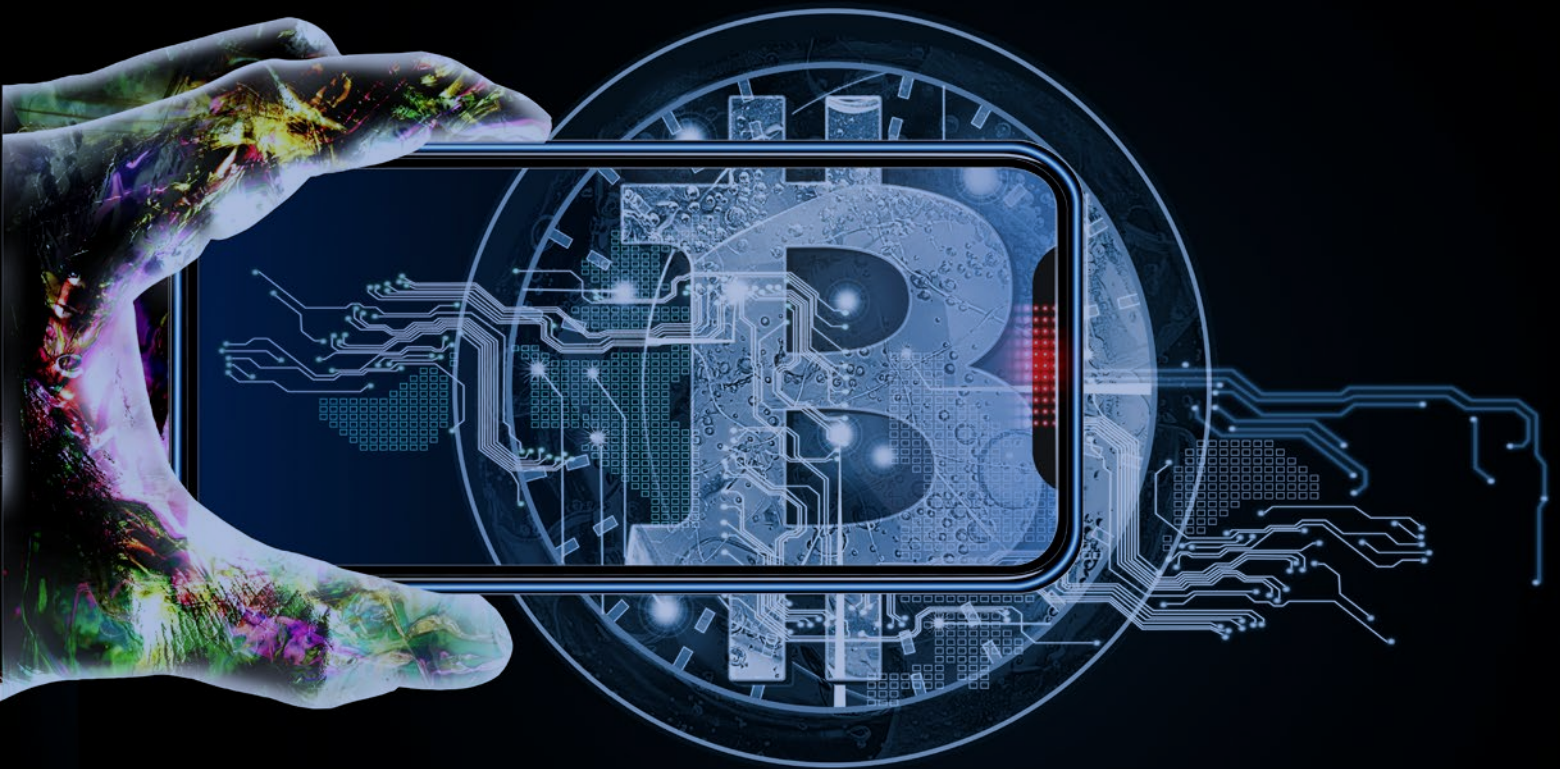
HOPE PERSEVERES DESPITE VALUE EROSION

Most investors predict that crypto winter will stretch out through the remainder of 2023, but they remain cautiously optimistic about a potential resurgence in value beyond 2023.

As such, many current investors are twice as likely to allocate more assets into crypto investments (38%) than to reduce assets (18%) over the next six months. The market also expects to see an influx of new investors in the near future.



KEY FINDINGS



HOW HAVE CRYPTO PERCEPTIONS & SENTIMENTS SHIFTED IN Q2 2023?

CRYPTO REMAINS AMONG THE MOST POPULAR FORMS OF INVESTMENT, BUT ITS AWARENESS HAS LONG SINCE PLATEAUED...

AWARENESS % (AUG'22)

Stocks 63%

Cryptocurrencies 57%

Bonds 48%

Fixed deposit 48%

Mutual Funds/ETFs 38%

Commodities 34%

Collectibles 27%

Futures 26%

Annuities 26%

Unit trust 25%

Crypto derivatives 23%

Hedge funds 20%

Options 19%

Derivatives 17%

AWARENESS % (OCT'22)

Stocks 68%

Cryptocurrencies 56%

Fixed deposit 51%

Bonds 50%

Mutual Funds/ETFs 35%

Commodities 34%

Unit trust 28%

Collectibles 26%

Annuities 26%

Futures 25%

Crypto derivatives 21%

Hedge funds 18%

Options 17%

Derivatives 16%

AWARENESS % (FEB'23)

Stocks 72%

Cryptocurrencies 60%

Fixed deposit 56%

Bonds 54%

Mutual Funds/ETFs 40%

Commodities 38%

Unit trust 30%

Annuities 30%

Collectibles 29%

Futures 27%

Crypto derivatives 24%

Hedge funds 22%

Options 20%

Derivatives 19%

AWARENESS % (FEB'23)

Stocks 68%

Cryptocurrencies 60%

Fixed deposit 53%

Bonds 51%

Mutual Funds/ETFs 38%

Commodities 35%

Unit trust 29%

Collectibles 27%

Futures 26%

Annuities 26%

Crypto derivatives 25%

Hedge funds 19%

Options 18%

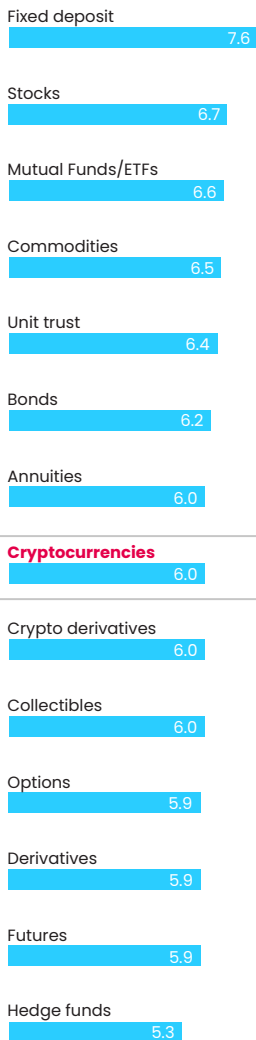
Derivatives 17%

Base: May'23 (n= 10,500) Feb'23 (n= 10,500), Oct'22 (n=10,500), Aug'22 (n=10,500)

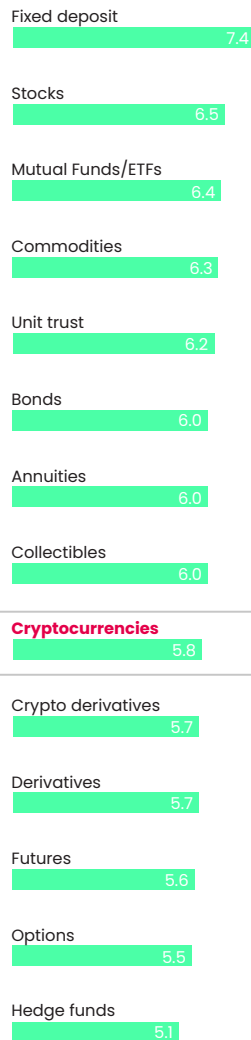
*Crypto options & questions not applicable to China.
C01. Which of the below financial products are you aware of? (MA)

... WHILE PEOPLE'S FAMILIARITY WITH CRYPTO HAS ALSO SEEN LITTLE TO NO PROGRESS

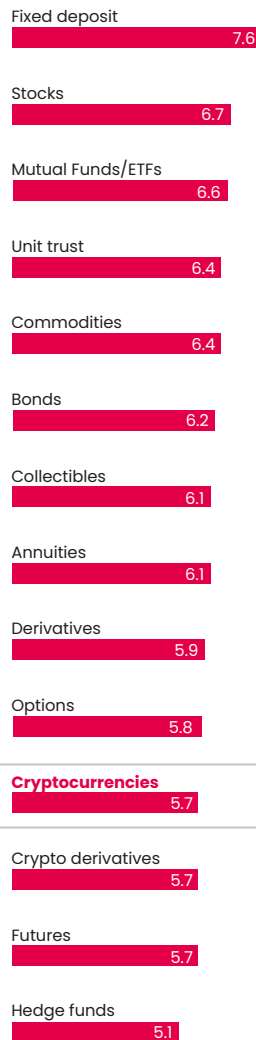
FAMILIARITY AVG (AUG'22)



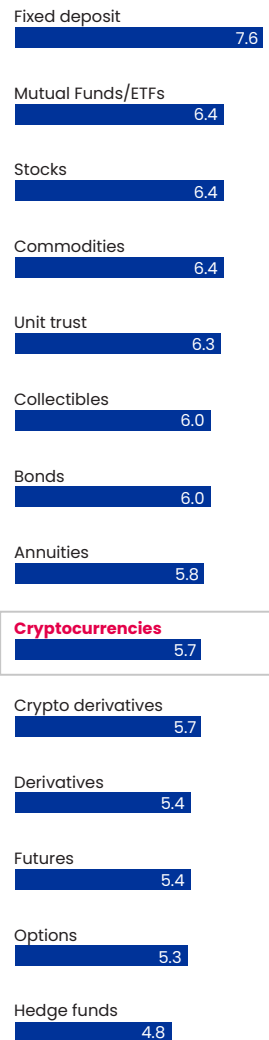
FAMILIARITY AVG (OCT'22)



FAMILIARITY AVG (FEB'23)



FAMILIARITY AVG (MAY'23)



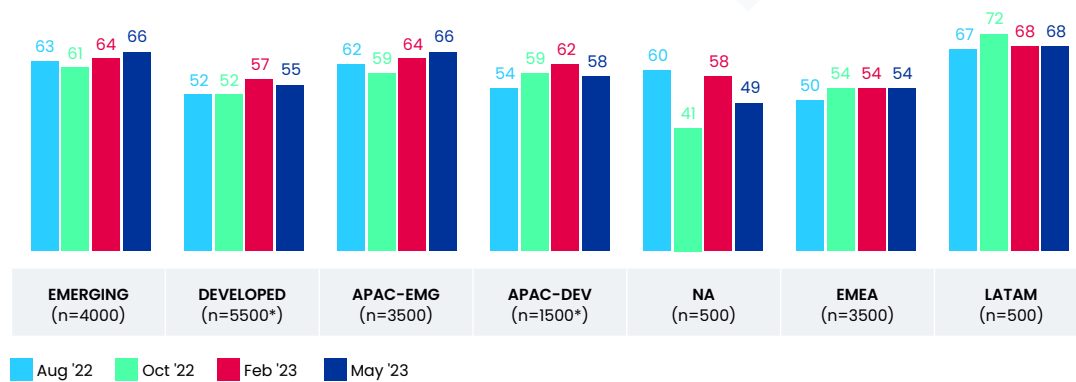
Base: May'23 (n= 10,500) Feb'23 (n= 10,500), Oct'22 (n=10,500), Aug'22 (n=10,500)

*Crypto options & questions not applicable to China. C05. Please rate your familiarity with these financial products. (SA)

THIS STAGNATION IN AWARENESS & FAMILIARITY IS TRUE ACROSS THE GLOBE

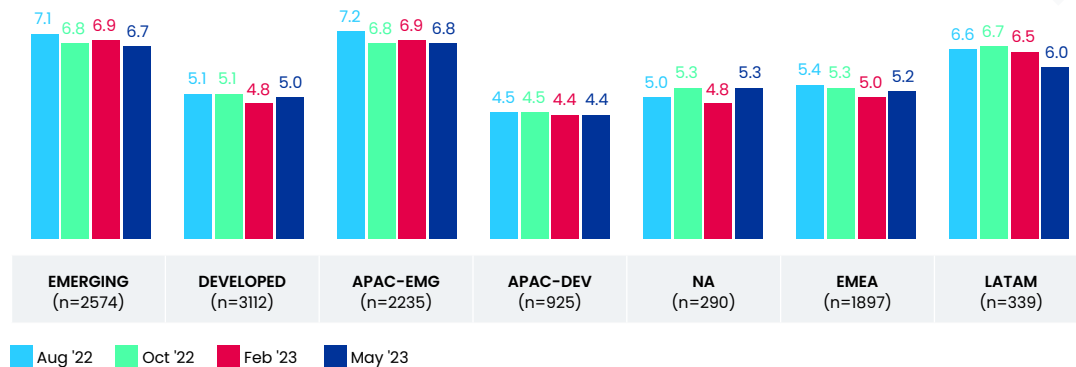
AWARENESS OF CRYPTO (%)

-9%
vs Feb'23



FAMILIARITY WITH CRYPTO (AVERAGE FROM 0-10)

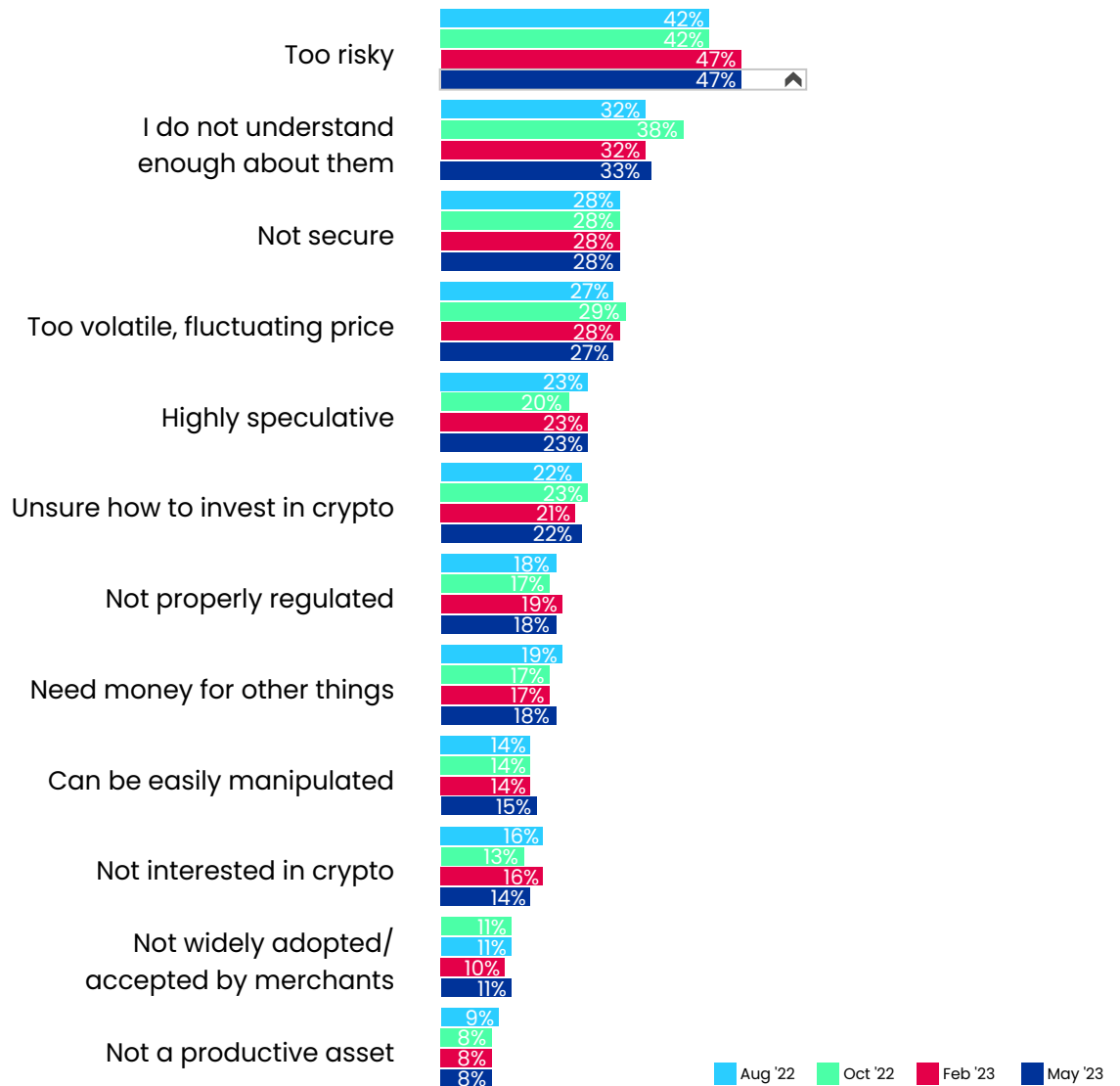
-0.5%
vs Feb'23



*Crypto options & questions not applicable to China.
C01. Which of the below financial products are you aware of? (MA)
C05. Please rate your familiarity with these financial products. (SA)

RESERVATIONS ABOUT CRYPTO ARE WIDESPREAD

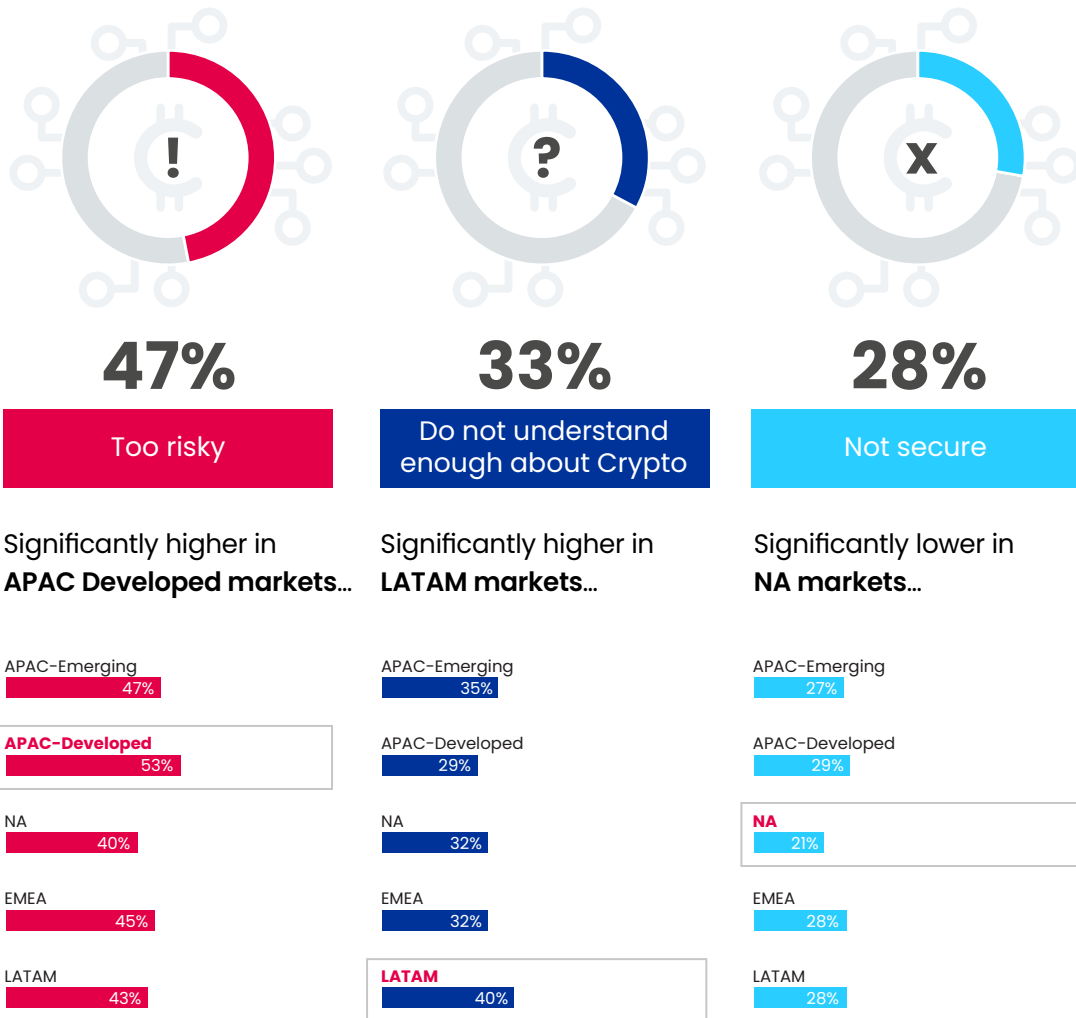
Many potential investors feel that crypto remains too risky, unsecure, and difficult to grasp.



Base: May'23 (n=3,454), Feb'23 (n=3,737), Oct'22 (n=3,458), Aug'22 (n=3,328)

*Crypto options & questions not applicable to China.
C16. What are the top 3 reasons you have not invested in crypto? (MA, MAX 3)

ASSOCIATED RISK AND LACK OF UNDERSTANDING REMAIN THE TOP BARRIERS TO ENTRY ACROSS MARKETS

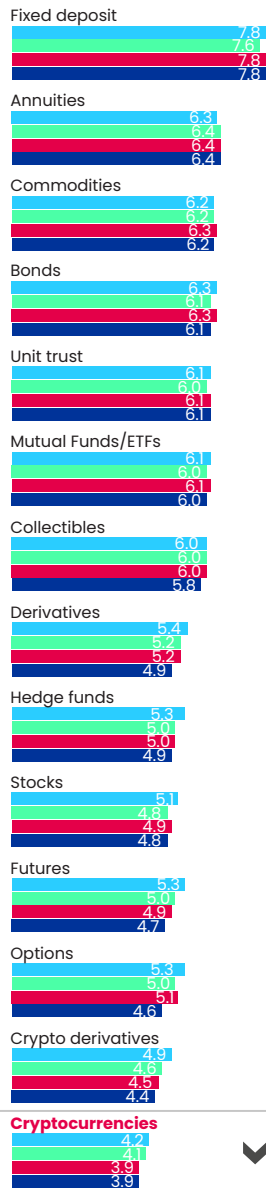


Base: May'23 (n=3,454), Feb'23 (n=3,737), Oct'22 (n=3,458), Aug'22 (n=3,328)

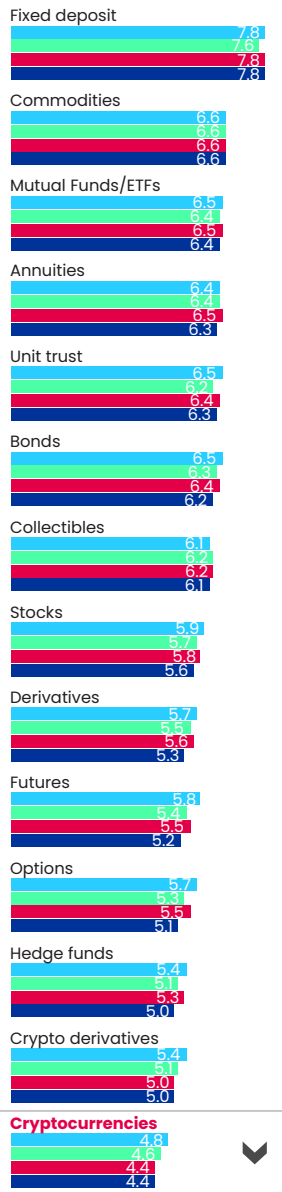
*Crypto options & questions not applicable to China.
C16. What are the top 3 reasons you have not invested in crypto? (MA, MAX 3)

CRYPTO PERCEPTIONS HAVE YET TO RECOVER FROM Q1 '23 DECLINE

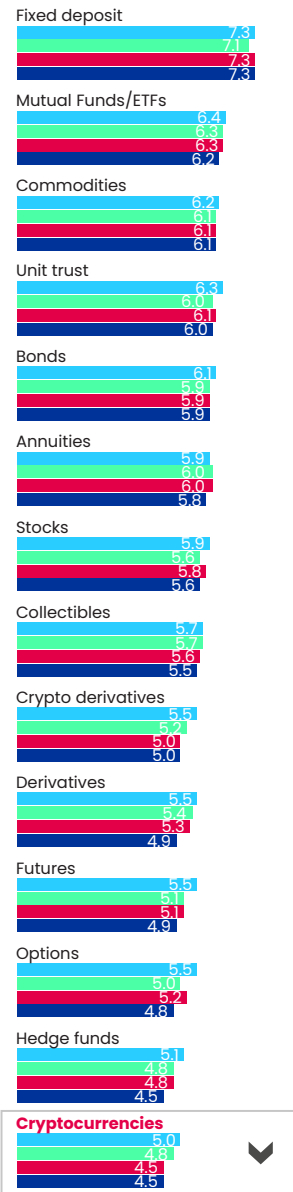
SECURITY LEVEL (AVG FROM 0-10)



TRUST LEVEL (AVG FROM 0-10)



WOULD RECOMMEND (AVG FROM 0-10)



Aug '22 Oct '22 Feb '23 May '23

Base: Feb'23 (n=10,500), Oct'22 (n=10,500), Aug'22 (n=10,500), Jun'22 (n= 10,500)

*Crypto options & questions not applicable to China.

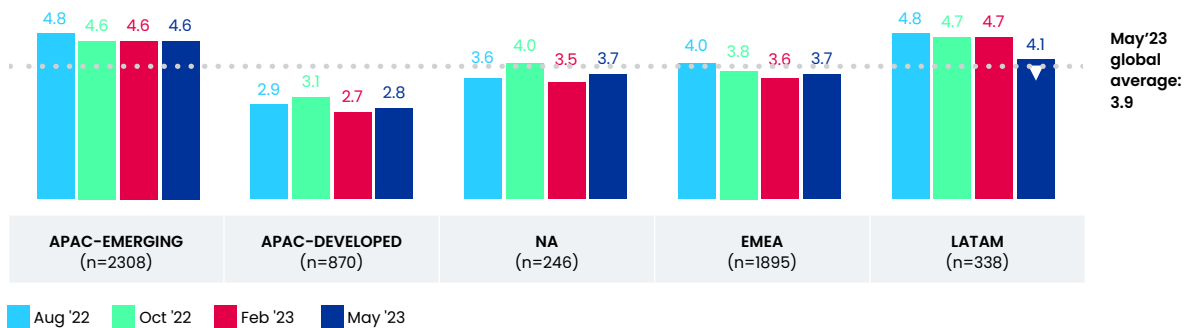
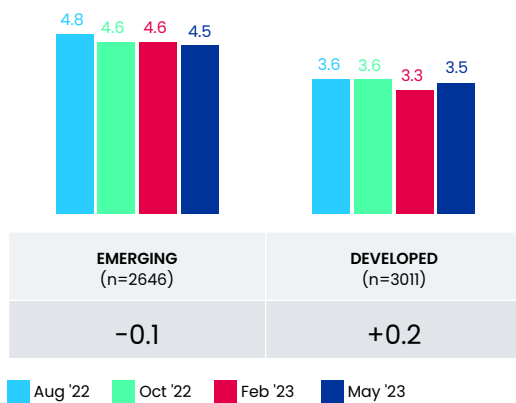
C06. How would you rate the risk level of the following financial products? (SA)

C07. To what extent do you trust each of the following financial products? (SA)

C08. How likely would you recommend each of the following financial products to your friends or colleagues? (SA)

LATAM IS MORE LIKELY TO VIEW CRYPTO AS RISKY NOW...

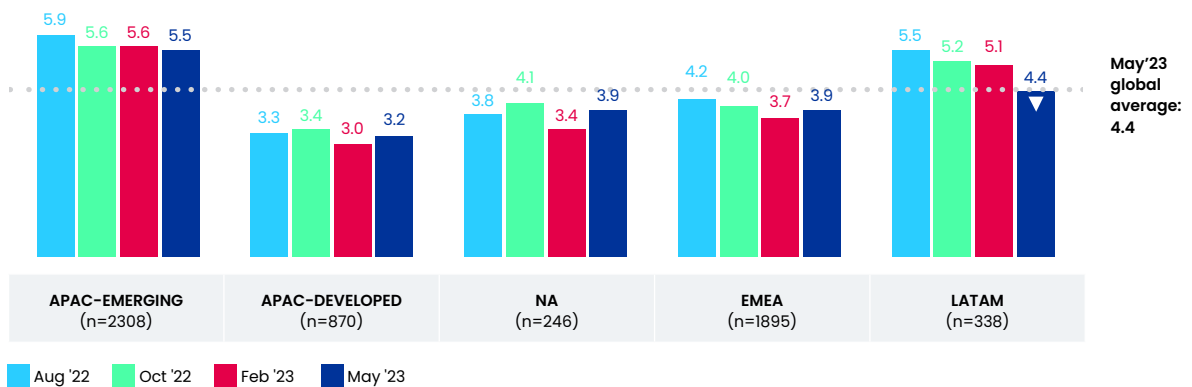
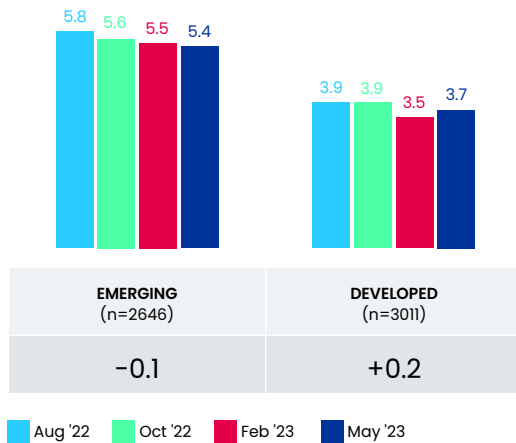
SECURITY LEVEL



*Crypto options & questions not applicable to China.
C06. How would you rate the risk level of the following financial products? (SA)

...NEGATIVELY IMPACTING THEIR OVERALL TRUST OF CRYPTO...

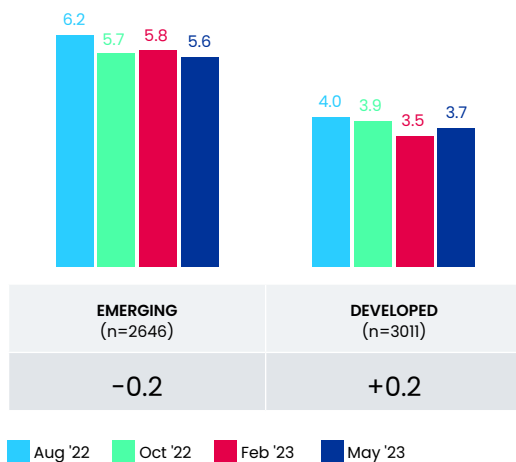
TRUST LEVEL



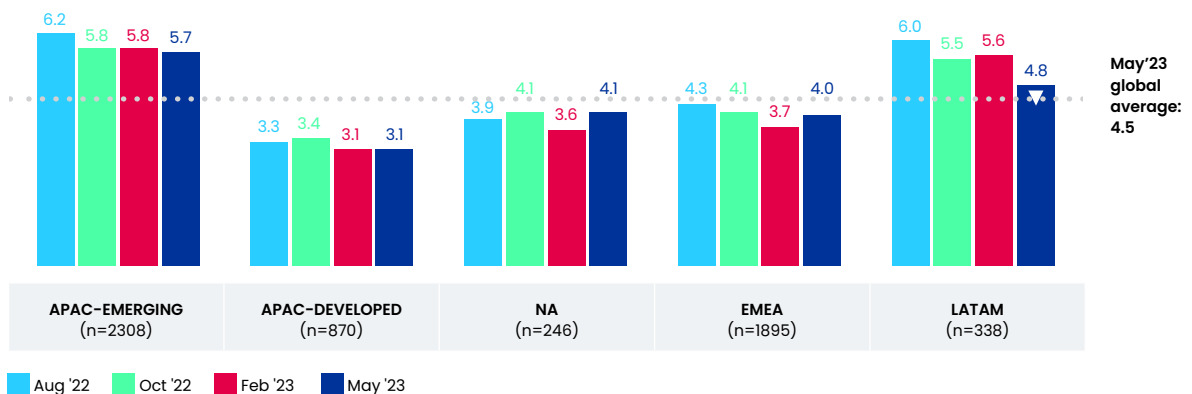
*Crypto options & questions not applicable to China.
C07. To what extent do you trust each of the following financial products? (SA)

...AS WELL AS THEIR LIKELIHOOD TO RECOMMEND OTHERS INVEST IN IT

WOULD RECOMMEND

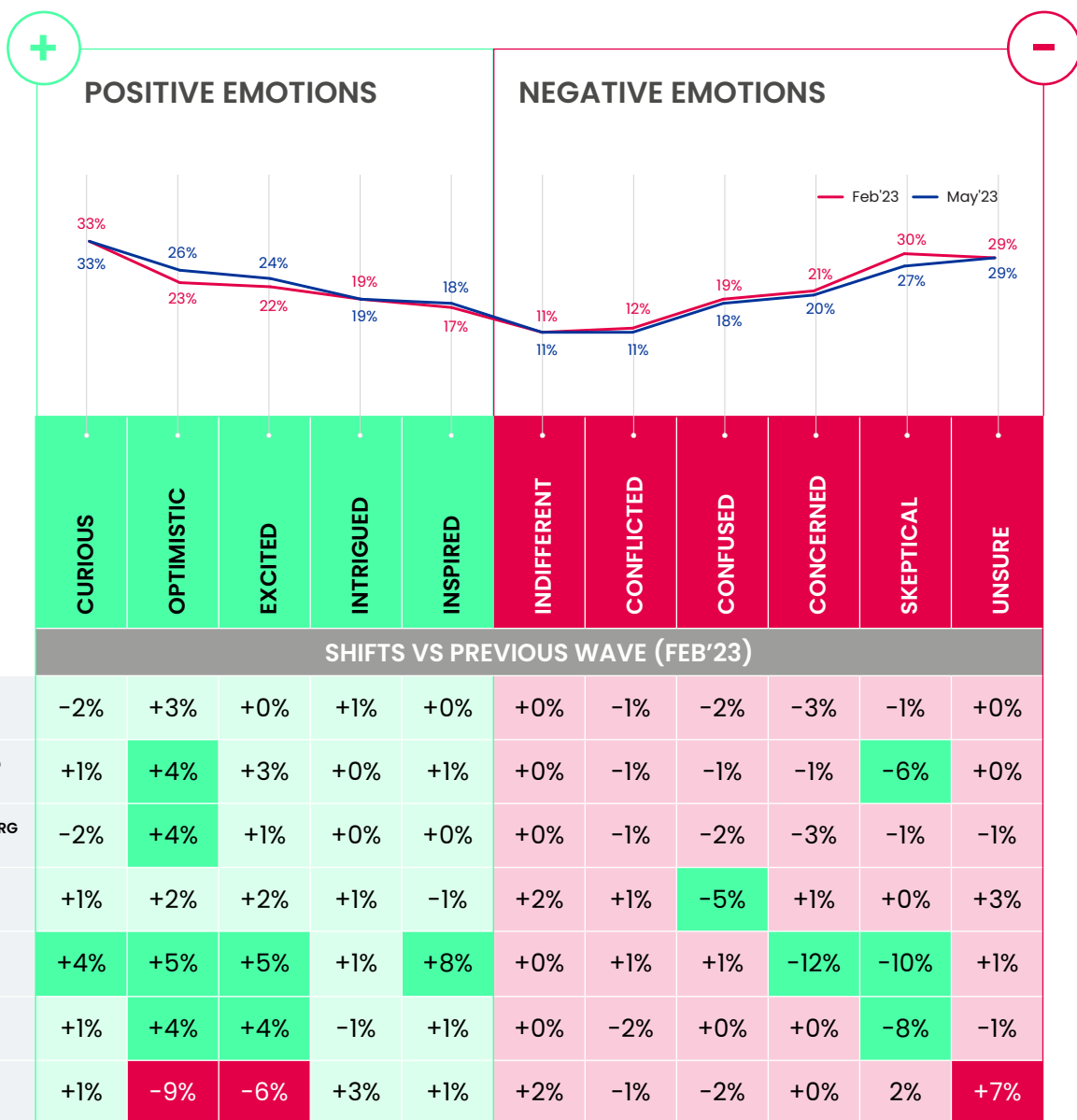


Aug '22 Oct '22 Feb '23 May '23



*Crypto options & questions not applicable to China.
C08. How likely would you recommend each of the following financial products to your friends or colleagues? (SA)

LATAM IS FEELING LESS OPTIMISTIC, EXCITED & MORE UNCERTAIN ABOUT CRYPTO. ON THE OTHER HAND, POSITIVE SENTIMENTS ARE GROWING IN EMERGING APAC, NA & EMEA.

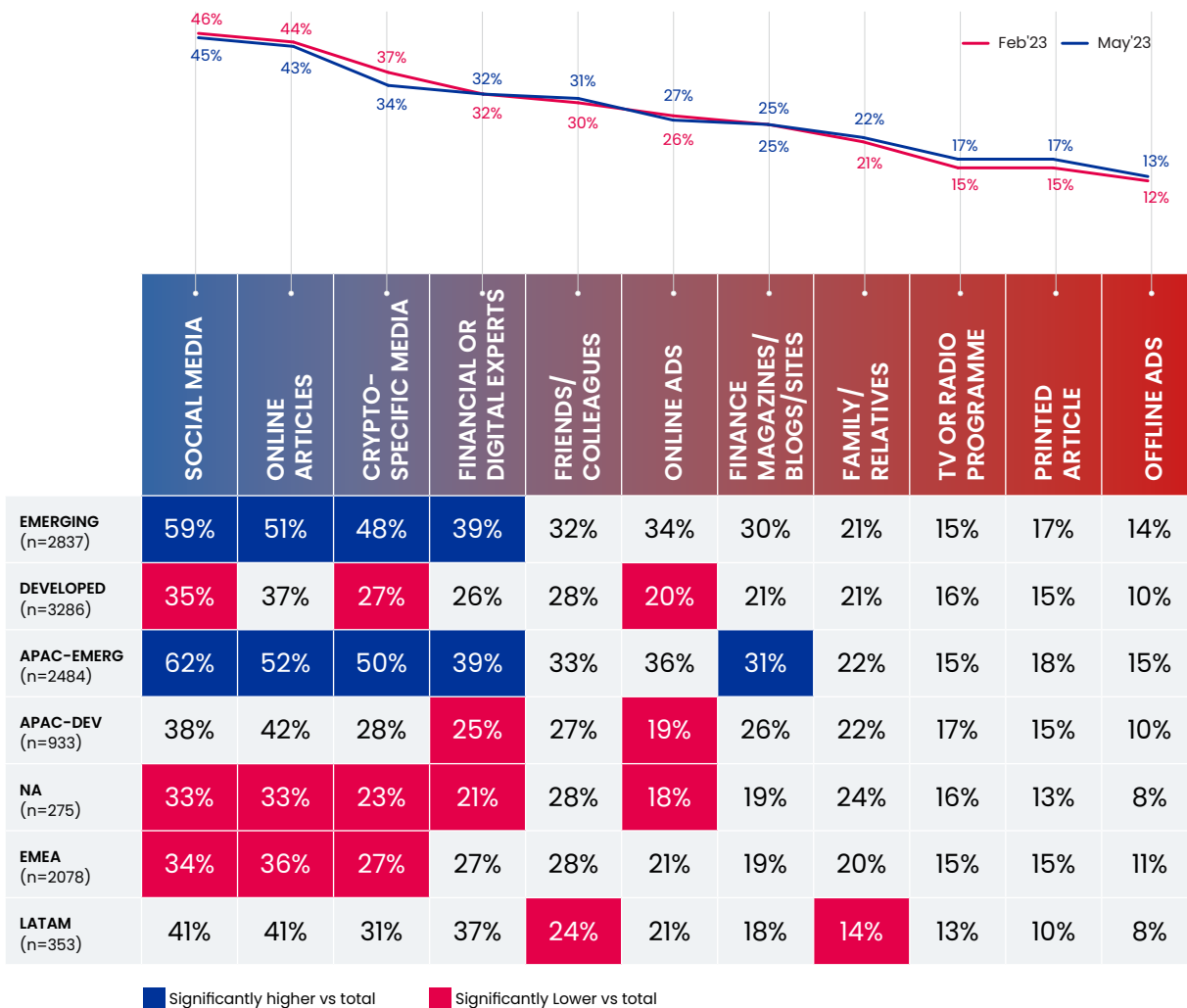


■ Shift towards positivity (e.g. +% on positive emotions)

■ Shift towards negativity (e.g. +% on negative emotions)

*Crypto options & questions not applicable to China.
C14. How do you feel about cryptocurrency? Please select all that apply. (MA)

SOCIAL MEDIA, ONLINE ARTICLES & CRYPTO-SPECIFIC MEDIA ARE STILL THE KEY PLAYERS IN SHAPING PUBLIC SENTIMENT



*Crypto options & questions not applicable to China.
TT04. Which of the following sources do you use to get information about cryptocurrency? (MA)

DID PERCEPTIONS & SENTIMENTS IMPACT CRYPTO INVESTMENTS?

GLOBALLY, POSITIVE SENTIMENTS PLAYED A ROLE IN PROPPING UP CRYPTO PENETRATION

CURRENT INVESTED IN % (AUG'22)

Stocks 28%

Fixed deposit 24%

Cryptocurrencies 20%

Mutual Funds/ETFs 14%

Bonds 12%

Commodities 8%

Unit trust 8%

Collectibles 5%

Futures 5%

Crypto derivatives 5%

Annuities 4%

Hedge funds 3%

Options 3%

Derivatives 3%

CURRENT INVESTED IN % (OCT'22)

Stocks 29%

Fixed deposit 24%

Cryptocurrencies 17%

Mutual Funds/ETFs 12%

Bonds 11%

Commodities 8%

Unit trust 8%

Collectibles 5%

Futures 4%

Annuities 4%

Crypto derivatives 3%

Hedge funds 2%

Options 2%

Derivatives 2%

CURRENT INVESTED IN % (FEB'23)

Stocks 32%

Fixed deposit 28%

Cryptocurrencies 18%

Mutual Funds/ETFs 15%

Bonds 13%

Unit trust 9%

Commodities 8%

Annuities 5%

Collectibles 5%

Crypto derivatives 4%

Futures 3%

Options 3%

Derivatives 3%

Hedge funds 2%

CURRENT INVESTED IN % (MAY'23)

Stocks 30%

Fixed deposit 27%

Cryptocurrencies 21%

Mutual Funds/ETFs 14%

Bonds 13%

Unit trust 8%

Commodities 8%

Collectibles 5%

Futures 4%

Annuities 4%

Crypto derivatives 4%

Options 3%

Derivatives 2%

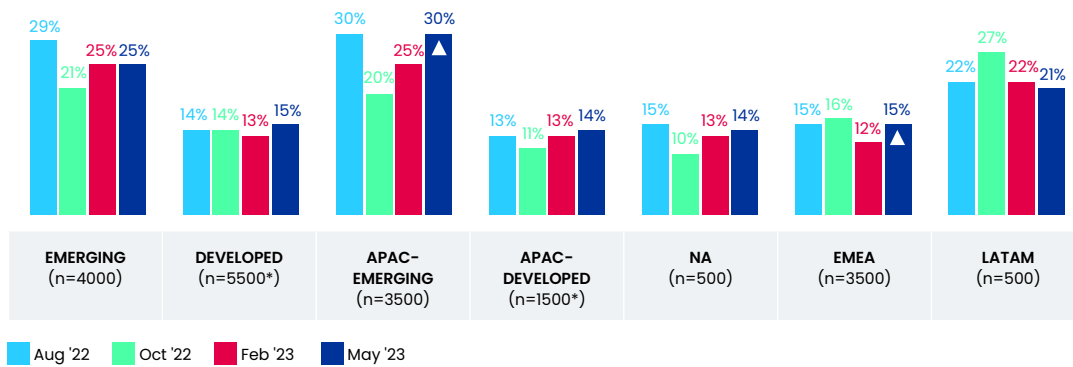
Hedge funds 2%

Base: May'23 (n=10,500), Feb'23 (n=10,500), Oct'22 (n=10,500), Aug'22 (n=10,500)

*Crypto options & questions not applicable to China.
C03. Which of the below financial products are you currently investing in? (MA)

REGIONALLY, EMERGING APAC & EMEA RECORDED A SURGE IN CRYPTO PENETRATION

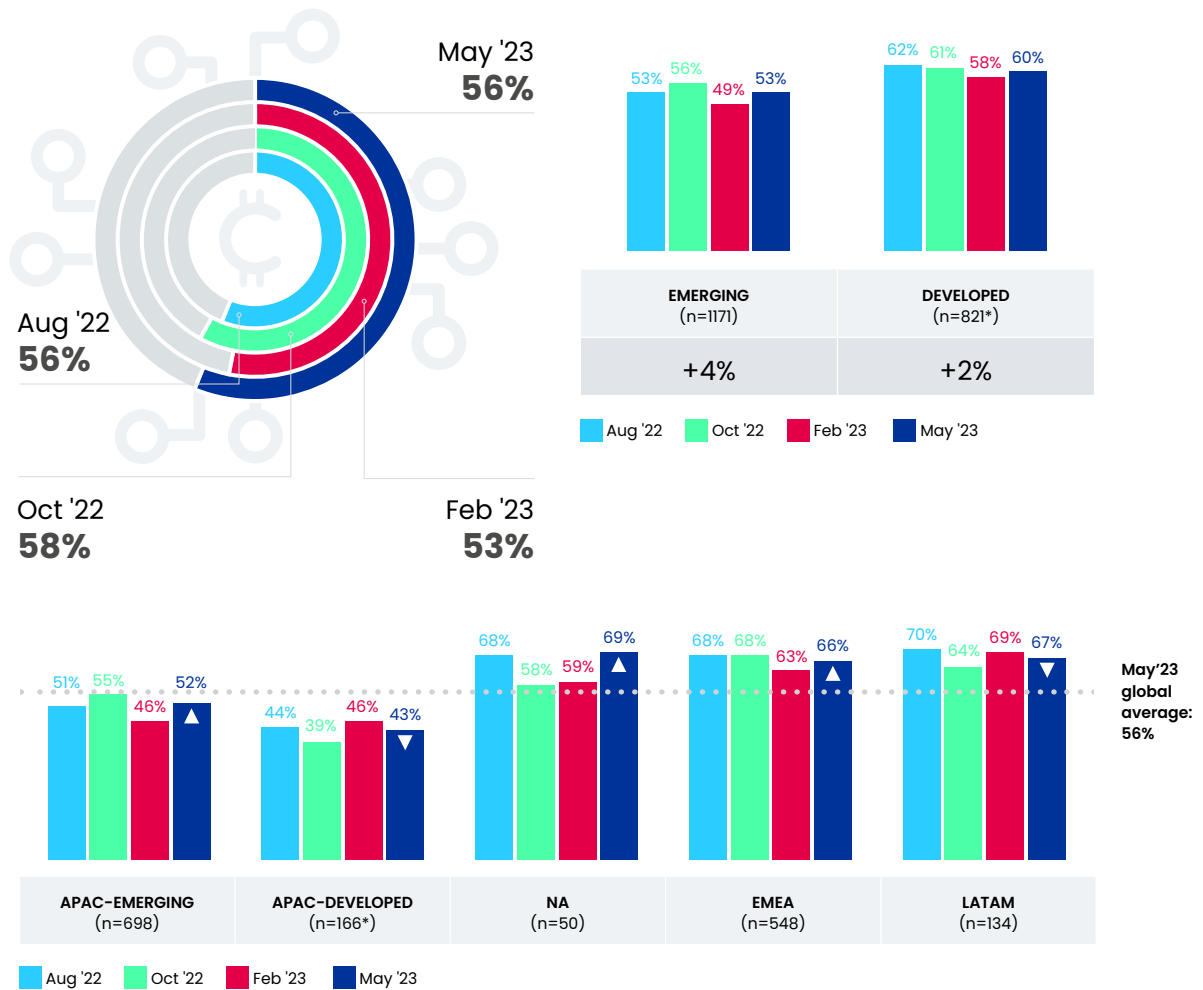
CURRENTLY INVESTED IN CRYPTO (%)



*Crypto options & questions not applicable to China.
 C03. Which of the below financial products are you currently investing in? (MA)

CURRENT CRYPTO INVESTORS IN EMERGING APAC, NA & EMEA UPSIZED THEIR CRYPTO PORTFOLIOS, WHILE THOSE IN LATAM & DEVELOPED APAC DOWNSIZED

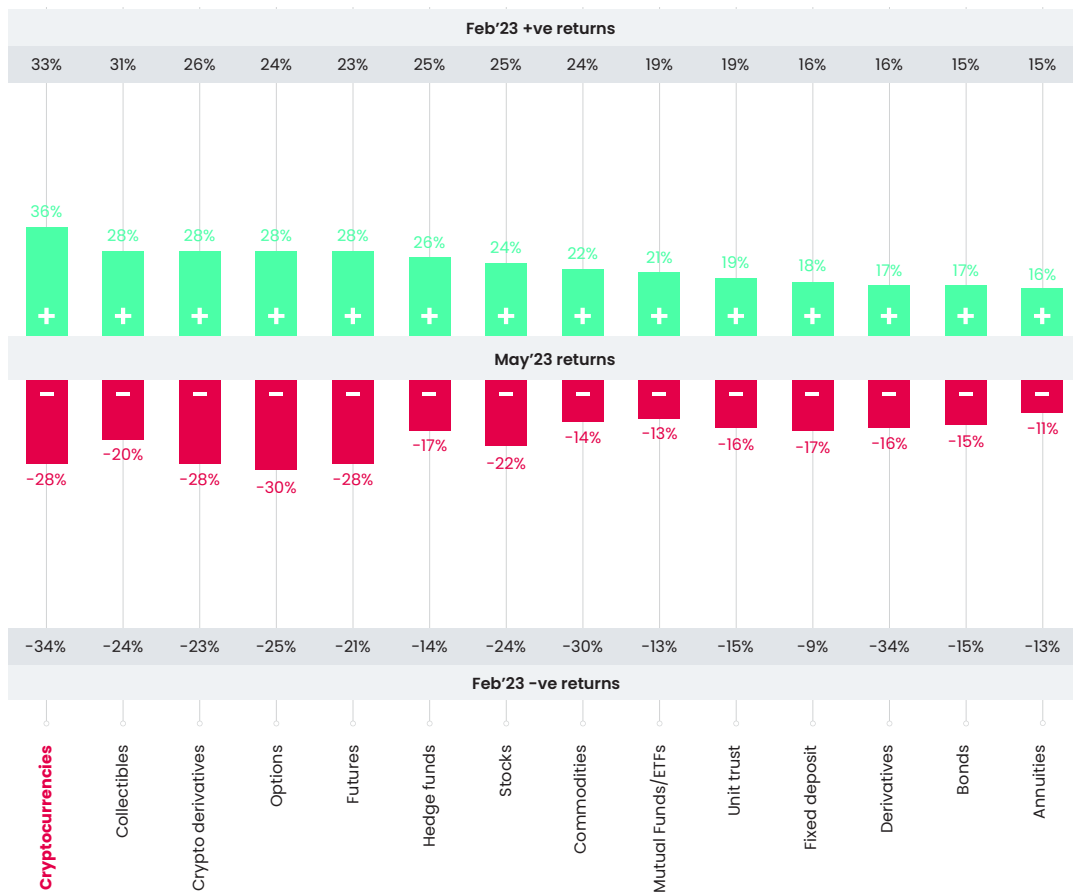
AVG % INVESTIBLE ASSETS IN CRYPTO



*Crypto options & questions not applicable to China.
C10. What is the proportion (in percentage) for each of your current investing assets? (NUMERIC)

CRYPTO CONTINUES TO REEL IN THE HIGHEST POSITIVE RETURNS FOR INVESTORS, BUT NOT WITHOUT RELATIVELY HIGHER RISK.

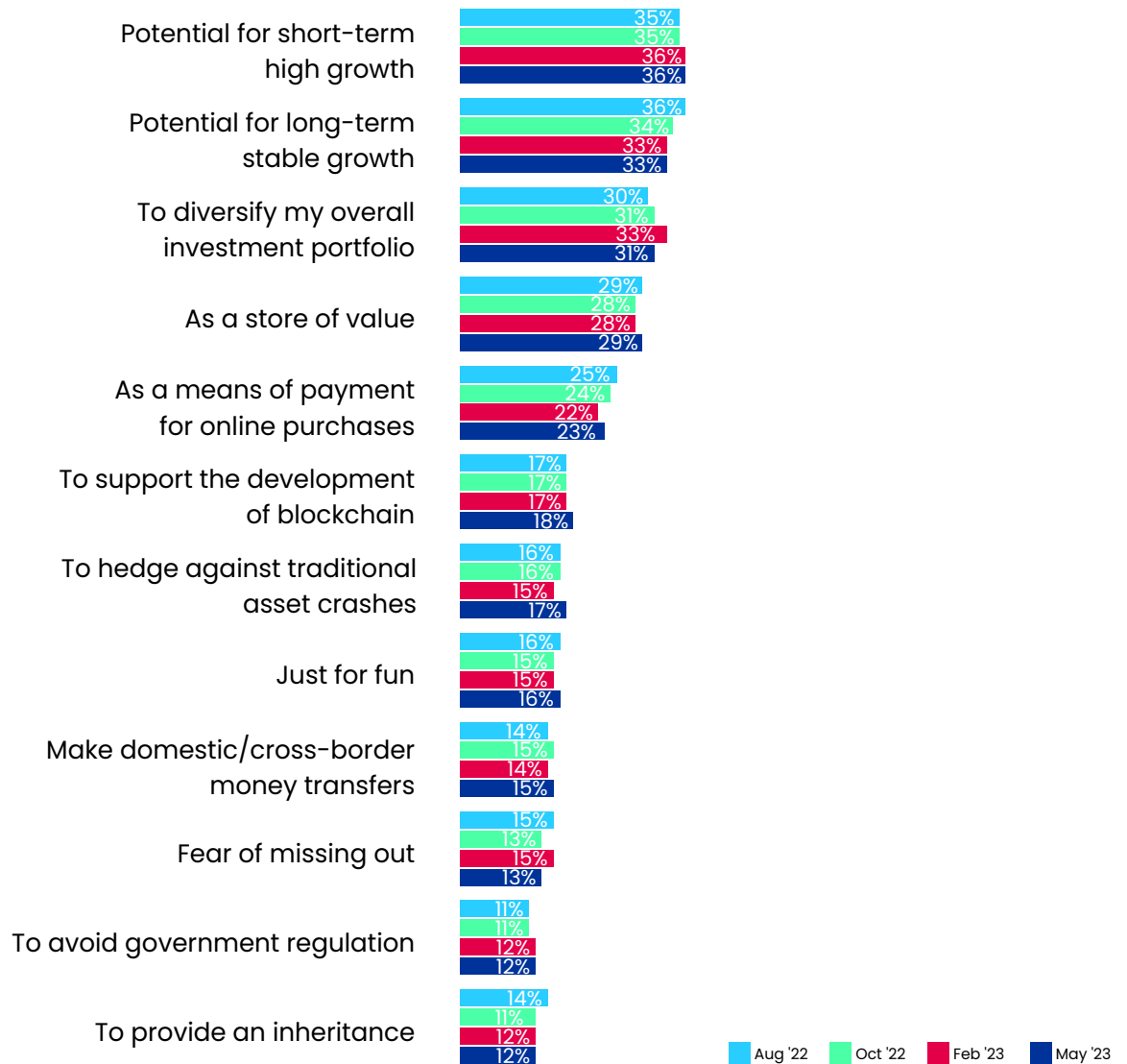
CURRENT RATE OF RETURN (ON AVERAGE) FOR EACH INVESTMENT ASSET



*Crypto options & questions not applicable to China.
 C09. What is the current or final rate of return (positive or negative) have you made on all the financial products you have ever invested in? (NUMERIC)

WHY STILL INVEST IN CRYPTO?

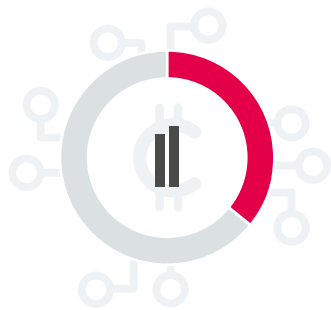
Investors continue to hold on to crypto's potential for growth and see its value in portfolio diversification.



Base: May'23 (n=4,564), Feb'23 (n=4,245), Oct'22 (n=4,159), Aug'22 (n=4,401)

*Crypto options & questions not applicable to China.
C15. What are the top 3 reasons you invested/want to invest in crypto? (MA, MAX 3)

INVESTORS ACROSS MARKETS ARE UNITED IN THEIR RATIONALE FOR CONTINUING TO INVEST IN CRYPTO



36%

Potential for short-term high growth

Consistent across markets...

APAC-Emerging 37%

APAC-Developed 38%

NA 32%

EMEA 32%

LATAM 36%



33%

Potential for long-term stable growth

Consistent across markets...

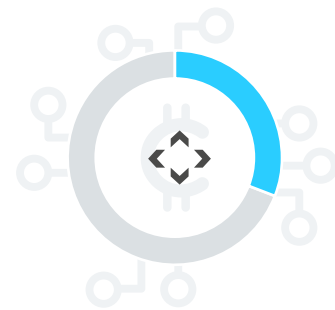
APAC-Emerging 36%

APAC-Developed 28%

NA 30%

EMEA 31%

LATAM 33%



31%

To diversify my overall investment portfolio

Consistent across markets...

APAC-Emerging 33%

APAC-Developed 36%

NA 29%

EMEA 26%

LATAM 31%

Base: May'23 (n=4,564)

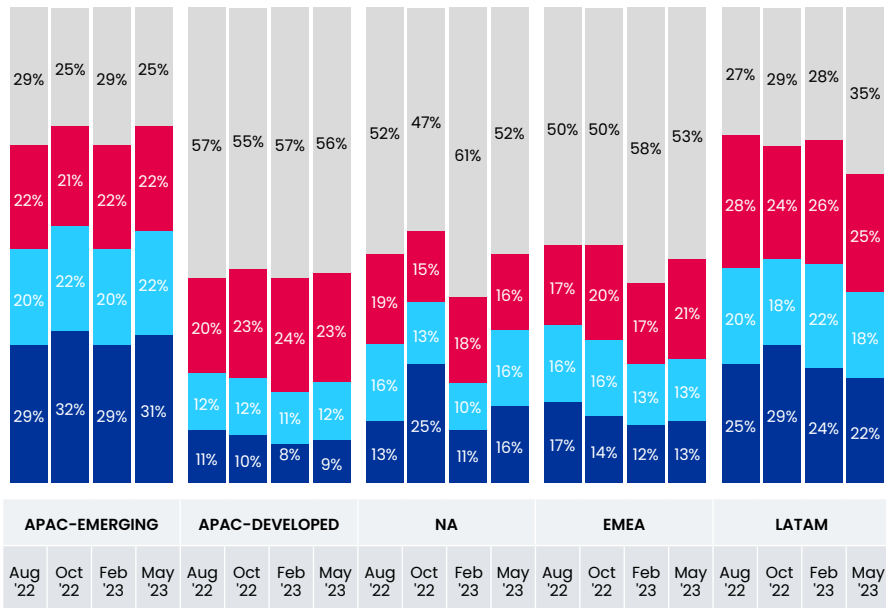
*Crypto options & questions not applicable to China.
C15. What are the top 3 reasons you invested/want to invest in crypto? (MA, MAX 3)

WHAT IS THE OUTLOOK FOR CRYPTO IN H2 OF 2023?

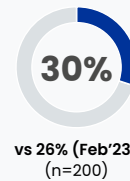
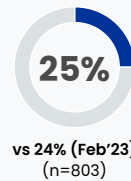
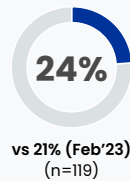
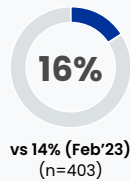
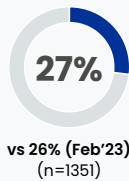
THERE'S A GROWING AMOUNT OF POTENTIAL INVESTORS WHO EXPECT TO INVEST IN THE NEXT SIX MONTHS, ESPECIALLY IN NA

Intend to invest in cryptocurrency in the next...

- No intention
- >12 months
- 9-12 months
- 3-6 months



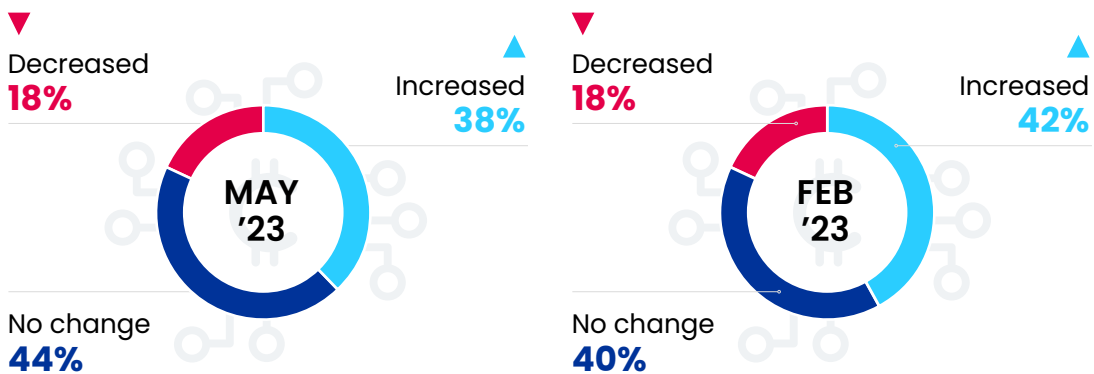
Portion of assets plan to invest in Cryptocurrency (%)



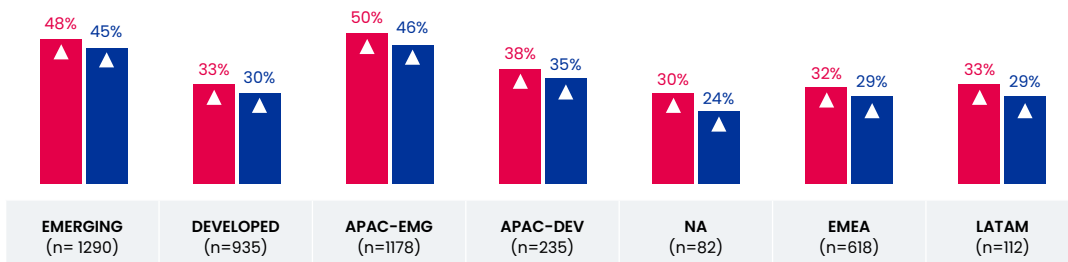
*Crypto options & questions not applicable to China.
C04. Which of the following best applies to each of the following financial products? (SA)
C13. You mentioned that you intend to invest in crypto, what percentage of your investible assets do you plan to set aside for crypto? (NUMERIC)

CURRENT INVESTORS ARE STILL TWO TIMES MORE LIKELY TO ALLOCATE MORE ASSETS IN CRYPTO THAN TO REDUCE CRYPTO ASSETS WITHIN THE NEXT SIX MONTHS

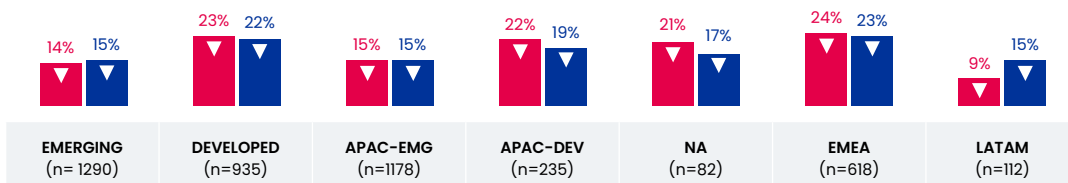
INCREASE/DECREASE % OF INVESTIBLE ASSET IN CRYPTO IN 6 MONTHS?



▲ INCREASE % BY REGION



▼ DECREASE % BY REGION



■ Feb '23 ■ May '23

Base: Those invested in crypto (n=1,876)

*Crypto options & questions not applicable to China.

CI1. Thinking about the next 6 months, will you increase or decrease the percentage of your investible assets in crypto? (SA)

OVERALL, MOST PREDICT THAT CRYPTO WINTER WILL STRETCH THROUGH THE REST OF THE YEAR, BUT MANY REMAIN CAUTIOUSLY OPTIMISTIC ABOUT POTENTIAL GROWTH IN THE NEAR FUTURE

WHAT ARE INVESTORS' PREDICTIONS/OUTLOOK FOR CRYPTO IN 2023?

“

Crypto prices will reach again it's new time high record in just couple of months.

“

Remain volatile but on a lower trajectory.

“

Crypto now is currently down in value but I expect it to increase in the next six months.

“

It would go down and current market is going down.

“

The market is trying to go high but it won't come to pre covid level.

“

I think it will fall a bit more this year, before some growth towards the backend of next year.

“

It will continue to grow with slight downturns as the market corrects itself. It is a long-term investment not a get rich quick scheme.

“

Not so much compared during year 2021 when Bitcoin reach highest price but overall timing when buying or buying from the deep prices will give us high return when crypto prices increases.

“

Poor but holding hope there will be a short- term surge so I can sell.

“

It seems that Bitcoin could fall to \$5,000 levels in 2023. Experts believe that the rising interest rates and tighter monetary policy will not allow Bitcoin to rebound sharply in the near future..

Base: Crypto investors (n=2,225)

*Crypto options & questions not applicable to China.
C29. What are your predictions or overall outlook for the crypto market in 2023? (OE)



**INTERESTED TO
FIND OUT MORE?**



LEARN MORE

Contact us so we can walk you and/or your team through the report and discuss how we can customize a study based on your needs and requirements. Following the discussion, we will submit a detailed proposal with quotations for your consideration.

CHRISTINE TAN
SENIOR DIRECTOR



Christine.tan@toluna.com



+65 9126 3874

PROPOSAL & QUOTATION SUBMISSION

Following the discussion, we will submit a detailed proposal with quotations.

THANK YOU

toluna*

