

A complex network diagram in the background, consisting of numerous nodes of varying sizes (some solid dark teal, some hollow light teal) connected by thin lines. Some nodes are grouped together by dashed circles, suggesting clusters or communities within the network.

THE NEXT ECONOMY

How the Blockchain is
Unlocking & Expanding
Alternative Asset Classes



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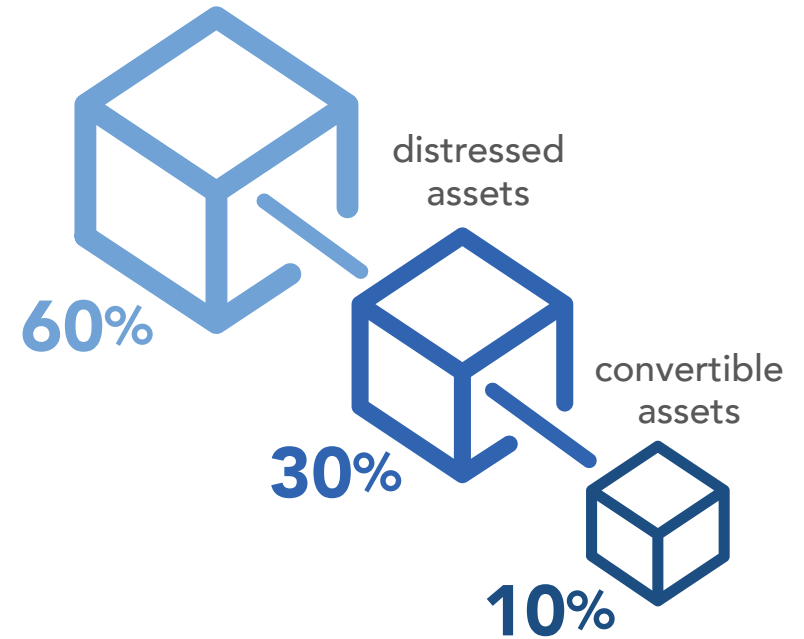
Unlocking new asset Alpha.

We see the **blockchain** as an opportunity to evolve resource creation while encouraging the (re)distribution of alternative assets in order to expand economic prosperity. The blockchain can also help create a huge amount of access to, and transparency around, alternative asset classes which will ultimately **mobilize trillions of investment dollars around the globe.**

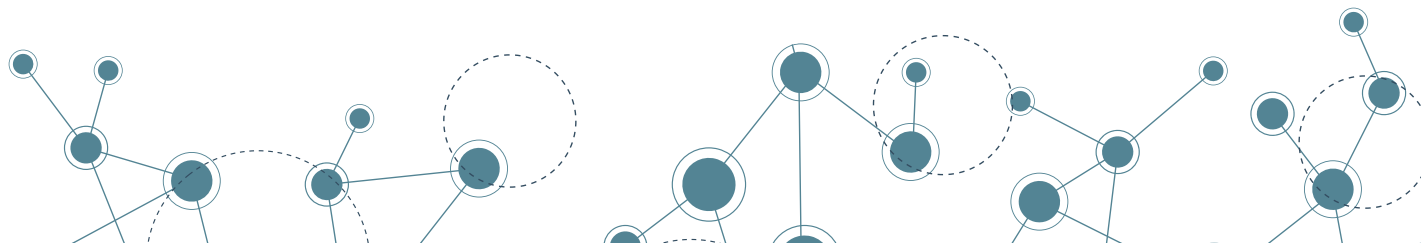
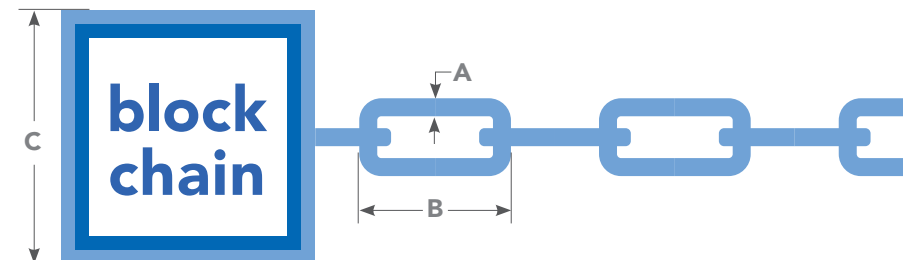
Pension funds, mutual funds and other institutional vehicles comprise so little of **alternative investments**. Granted, alternative assets can be very difficult to track and price, but this is a relatively minor challenge given the large potential returns offered by this asset class. The truth is, we have barely scratched the surface of what's possible in terms of moving liquidity into blockchain-driven investments, which represent **the future of economic prosperity.**

In expanding **alternative asset classes** domestically and internationally, blockchain innovations, decentralized approaches and cryptocurrencies represent just the very beginning of a shift towards **monetary diversity and financial freedom** for more and more people. Imagine that money now has multiple forms of value, to include securitized behavioral data and reputational attributes tied to the people using it in a network, or across networks. Now imagine a new level of access and transparency to this important asset class unlocking trillions of liquidity - you end up with a unique and unseen capital shift.

assets nearing or reaching thresholds



* a current breakdown of investible assets across funds worldwide *

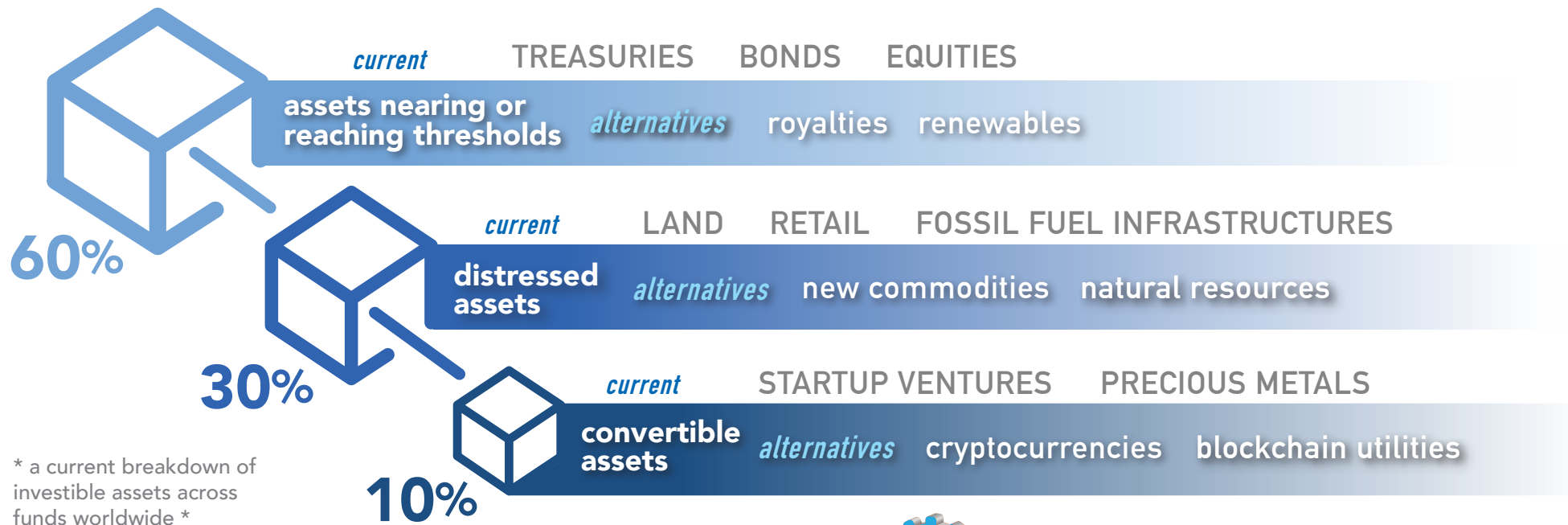


Current asset investment distribution vs. the alternatives.

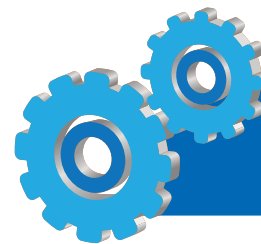
“The alternatives industry is also undergoing tremendous change. Three trends, in particular, stand out for their ability to shape the structure of the industry. The first is driven by **regulation**, which either affects alternative investment firms directly or changes the way they engage with the broader financial industry. The second is **institutionalization**, which is structurally changing how

many capital providers invest in alternatives. Third, **retailization** has the potential to redefine and broaden the pool of investors in alternatives.” —OCED

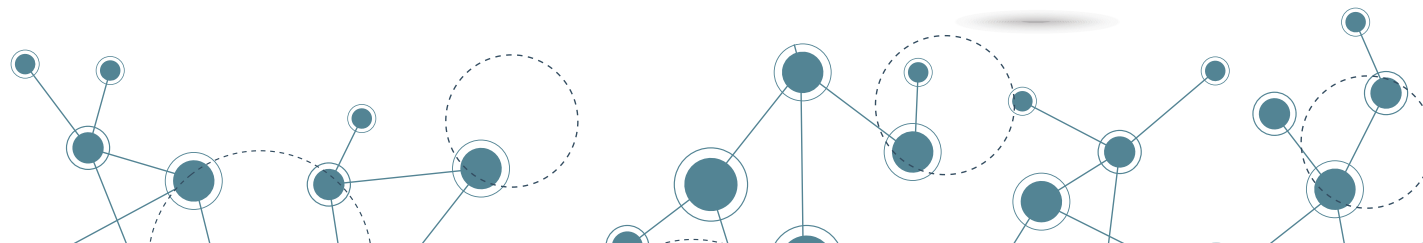
These trends will be significantly enhanced by blockchain-driven technology, creating explosive growth across alternative marketplaces.



\$100t | current global equities market cap
\$100t | current global bond market cap
\$8t | current global alternatives market cap



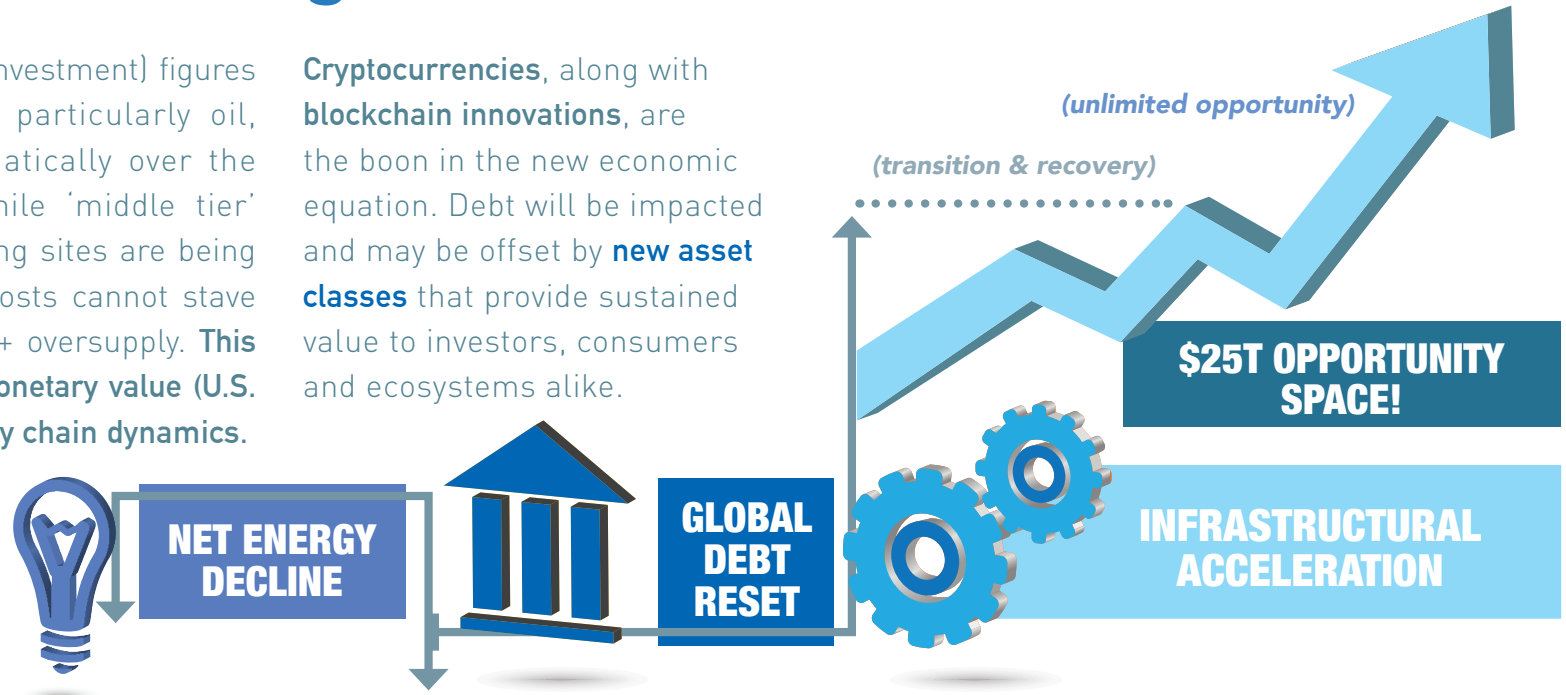
alternative assets will reach a global **market cap of \$25t by 2023**



Capitalizing on the big shift.

EROI (Energy Return on Investment) figures show that fossil fuels, particularly oil, are downtrending dramatically over the next 24-36 months. While 'middle tier' infrastructures like drilling sites are being built, lower production costs cannot stave off less overall demand + oversupply. **This affects everything from monetary value (U.S. petrodollar, Euro) to supply chain dynamics.**

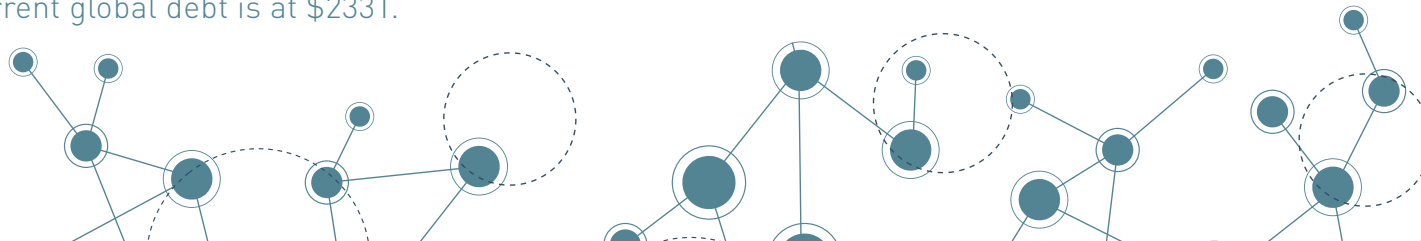
Cryptocurrencies, along with **blockchain innovations**, are the boon in the new economic equation. Debt will be impacted and may be offset by **new asset classes** that provide sustained value to investors, consumers and ecosystems alike.



As the biggest fund managers and market analysts have stated, there is a ton of cash 'sitting on the sidelines'. This means there is an inordinate amount of liquidity not being allocated towards durable investments, especially those which could have substantial, immediate impacts on the economy. Across impact funds worldwide, a very small percentage of capital is currently being deployed. When more is invested it will put **a major dent in the debt-to-GDP** ratios of the two largest industrialized nations. Current global debt is at \$233T.

Returns on normative or speculative assets (equities, fossil fuels, etc.) overall will continue to wane and reach thresholds, while currencies adjust to changing market conditions and overcorrections. Low returns will encourage investors to move away from debt markets, while private banks and institutions pivot toward the support of new asset classes, as well as (re)investment in **alternative infrastructures.**

The more we build right now, in decentralized and distributed capacities, the more value is created, and the more **valuable** organizations and markets dedicated to building alternatives become. This includes corporations, all way down to non-profits, small businesses and, of course, **startups.**



What the whales are saying.



RAY DALIO

Founder of investment firm Bridgewater Associates, one of the world's largest hedge funds.

"If you're holding cash, you're going to feel pretty stupid."



LARRY FINK

Chairman and CEO of BlackRock, an American multinational investment management corporation.

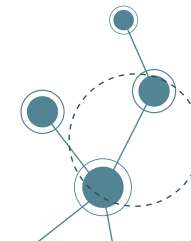
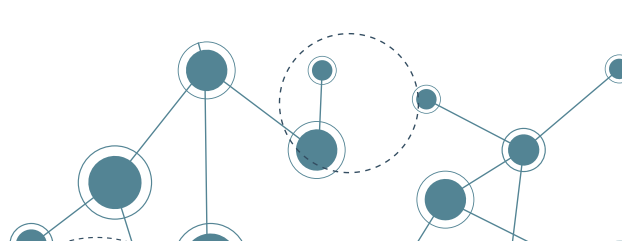
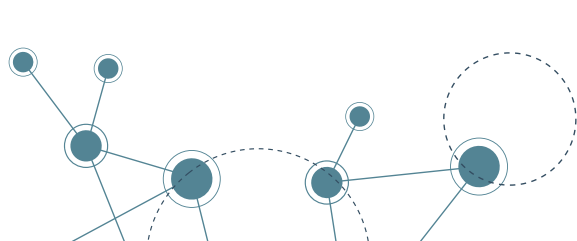
"To prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society."



NICK HANAUER

American entrepreneur and venture capitalist. Founder, Second Avenue Partners.

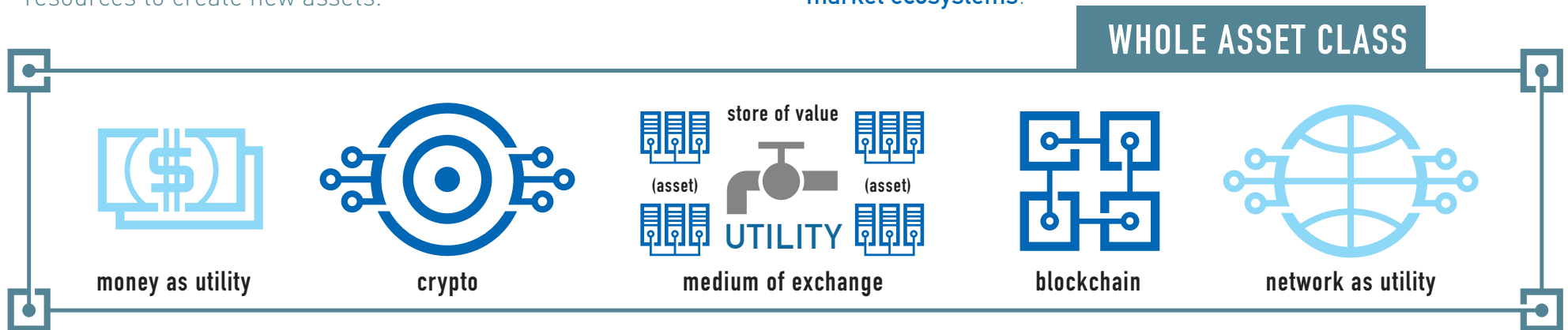
"A thriving middle class is the source of growth and prosperity in capitalist economies."



New asset value creation.

A **blockchain** is essentially a distributed ledger in which any number of digital servers in a network can 'talk to each other.' The innovation and economic potential in this means that third parties can be disintermediated. It also means that on-and offline **networks** can be integrated by way of their data, their reputations and their resources to create new assets.

We describe assets as utilities that can be used, and reused, by numerous stakeholders to regenerate **value + returns**. Encrypted technologies have existed for decades. 'Blockchain' development actually began about 35 years ago. What matters now is how we create and apply solutions as utilities to **empower entire market ecosystems**.

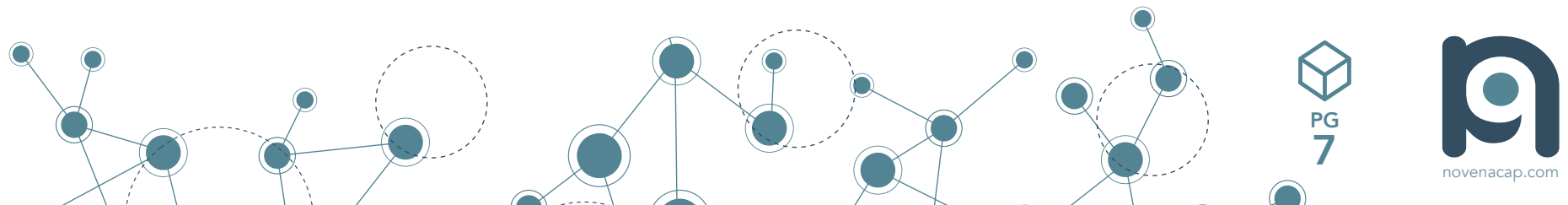


This is where cryptocurrencies play a vital role in revitalizing the global economy. We see cryptos - **cryptos** that have real, *discernible value* - as those which have stores of value in terms of viable mediums of exchange. Contrary to what many crypto-enthusiasts think, **stores of value and mediums of exchange are not mutually exclusive**.

Case in point: Comparing Bitcoin to gold. Bitcoin is not ubiquitous. Gold is difficult to store and can't be consumed. In other words, hyperspeculative trading and massive arbitrage mask the real potential value of cryptos.

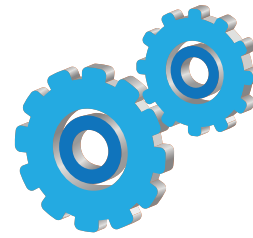
Currently, cryptos such as Bitcoin are predominantly being used to move large amounts of fiat liquidity around, or, to sit on 'crypto assets' The problem with this, of course, is that this does not provide **equitable mechanisms for investment**. Nor does it revitalize capital markets on the whole. How can it - *especially if we are not embedded in a post-monetary system?*

Mostly large financial players and HODLr's (people holding onto big crypto positions) benefit from trades. Similar to the early credit and mercantile exchanges (Monti di Pieta, et al), we see cryptos backing, or being backed by, new assets as utilities.



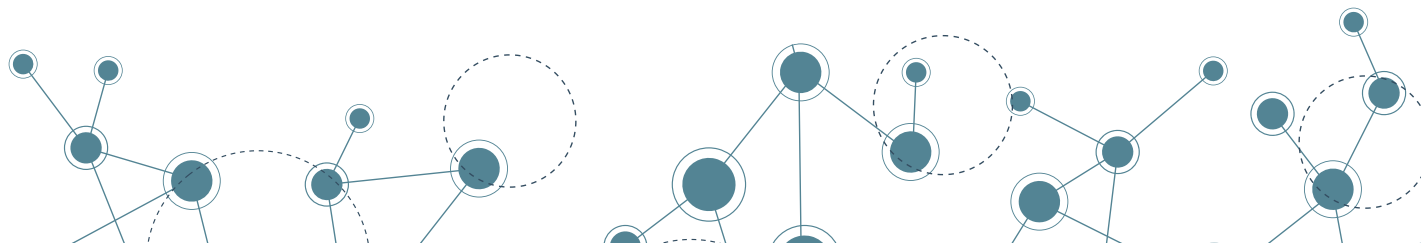
Beyond bubbledom.

We look at economics + finance as an **applied process** in which new asset creation is expansive, diverse, as well as high value-driven.



This new economic + financial approach, what we call **regenerative**, has the trajectory to capture a **global median market capitalization of \$25t.**

	trickle-down 	new deal 	regenerative 
 ASSETS	capped	tax-focused	value-driven ✓
 CLASSES	constricted	limited	diverse ✓
 UTILITIES	indebted	pegged	expansive ✓



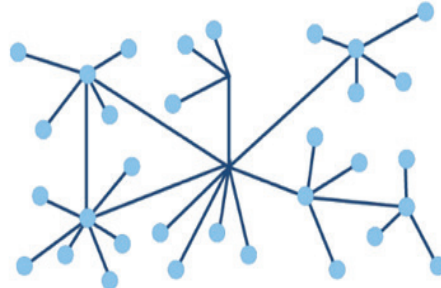
Yeah, it's an industrial revolution, alright.

Every known industry is being disrupted, if not entirely transformed, by blockchain technologies. As a result, **verticals are now going horizontal**, sharing resources and streamlining efficiencies across supply chains. This has profound effects not only on supply and demand dynamics but on how we invest. **McKinsey describes this as an ecosystem marketplace with tens of trillions in market capitalization.**

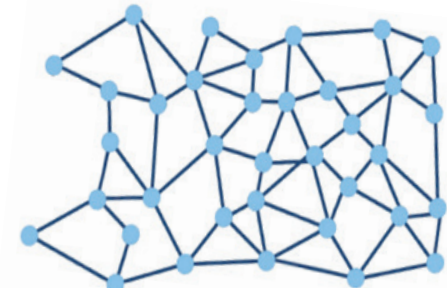
Alternative investments are emerging through the creation of new assets and new asset classes. These new asset classes provide short- and long-term returns, especially as many current asset classes experience significant saturation, nearing their asset thresholds. Expanding into new Alpha - what we call the **unlocking of alternative assets** - is the shift we must embrace heading into a very opportunistic global scale-out of infrastructures, utilities and platforms designed to revitalize the global economy.



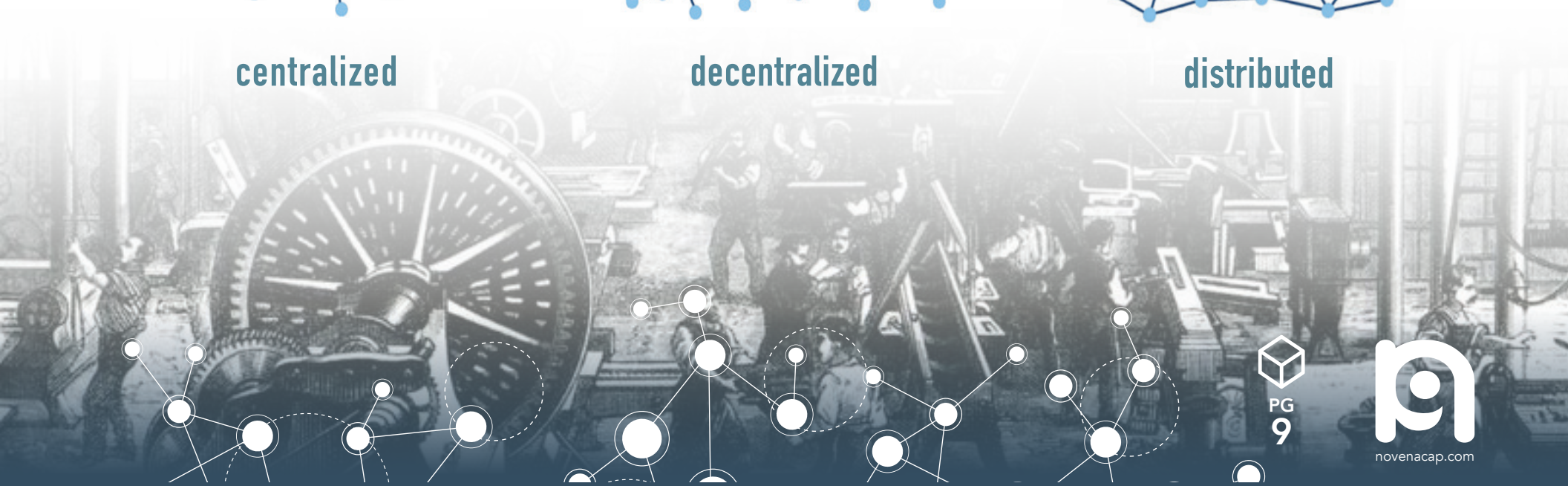
centralized






decentralized

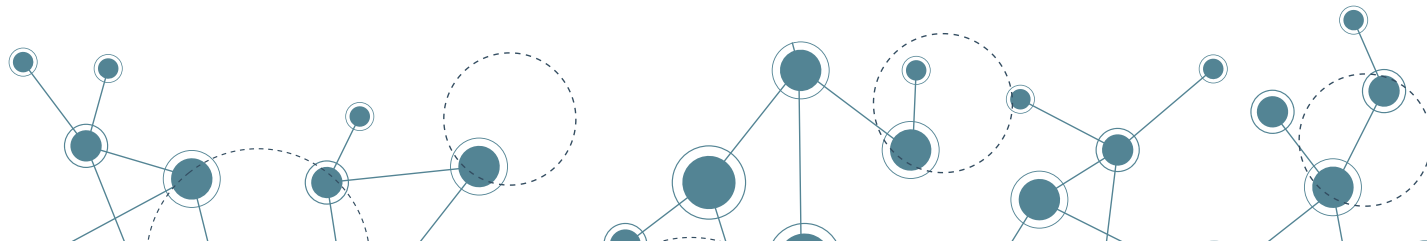
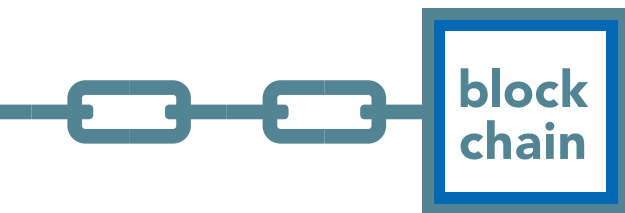


distributed



9 OF THE TOP INDUSTRIES BEING BLOCKCHAINED

INDUSTRY 	DISRUPTION 	OPPORTUNITY 
healthcare	new insurance types	reimbursements
financial services	payment systems	microtransactions
government	voting reform	open repositories
retail	drone delivery	tokens as credit
energy	microgrids	shared utilities
agriculture	vertical hubs	food surpluses
real estate	appraisal resets	property exchanges
logistics	route optimization	driver-led hubs
education	learning centers	new skills programs



Our vision for the next economy boils down to 3 fundamental things:

1. **Alternative asset expansion** to create new assets & new asset classes in the form of vital resources (food, land, energy, water, money, etc.)
2. Rapid development of said resources into **viable civic + commercial utilities** (regenerative energy units, reformation of distressed land bases, microgrid variations, etc.)
3. **The scalable (re)distribution of utilities** at the local level, then horizontally scaling outward to regional, national and global integrations. This creates many more jobs, new vocational skills & healthier, more stable and highly investible markets

... all of which is blockchain-enabled.





our assets.

SERVING INSTITUTIONAL & DEVELOPMENT PARTNERS



a next-generation blockchain architecture focusing on new asset class creation



a platform for exchanging valuable assets while mitigating market risk



an advanced analytics system for measuring & optimizing asset value

our vetting.

ASSESSING BLOCKCHAIN OPPORTUNITIES WITHIN EMERGING MARKETS



what kind of social and/or ecological value does it provide?



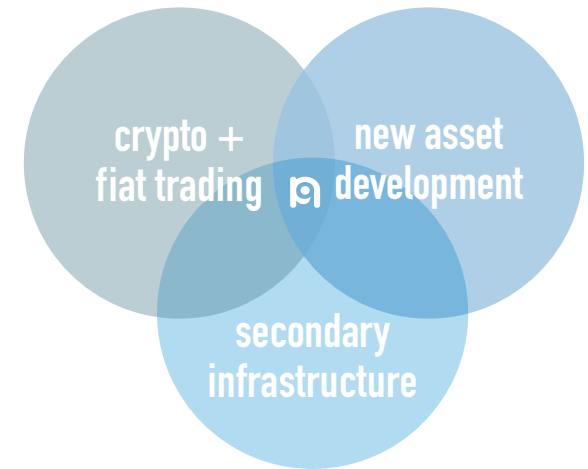
can it be turned into a scalable utility or a public good?



can it regenerate returns indefinitely?

our fund.

STRATEGIC OPPORTUNISTIC INVESTMENT + SOUND LIQUIDITY VEHICLES

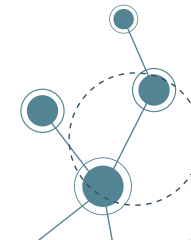
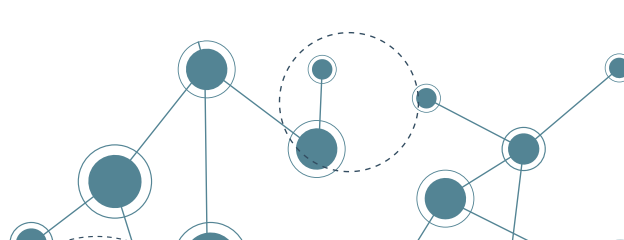
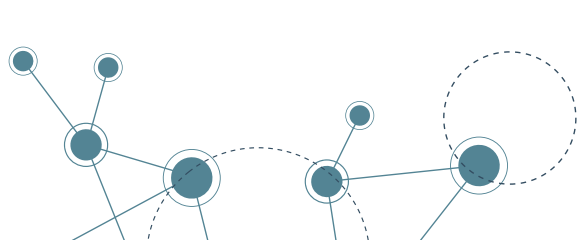


professionally managed by seasoned experts in the crypto & traditional markets

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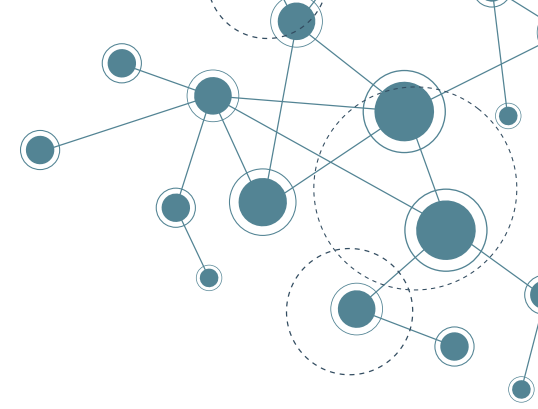
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novenacap.com

About the founders.

Ed and **Gunther** believe the nexus of blockchain innovation lies in applied economic uses for asset-backed currencies, to include multiple forms of data, civic utilities, and adaptive governance systems. **Novena Capital's** investment portfolio is being built on these principles.



Gunther Sonnenfeld



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Gunther is a seasoned technologist + global strategist. He is a former partner at K5 Ventures, and has served in senior innovation roles at multinationals such as Omnicom Group. He has had a direct hand in the development of over 50 ventures and is the recipient of a Forrester Groundswell Award for pioneering analytics work with Adobe. Gunther helped launch the world's first Bitcoin POS platform, Coin of Sale, in 14 international markets; he has also designed leading-edge blockchain systems. Gunther was more recently a part of the Presscoin ICO, which raised nearly \$25m in the world's largest independent media crowdsale. Gunther is also featured in "Handbook of Digital Currency - Bitcoin, Innovation, Financial Instruments & Big Data" by Prof. David Lee Kuo Chuen.

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Ed is a seasoned investment banker + FinTech strategist, having built the world's first online bond trading platform for middle market institutions. Ed was the founding partner of Fairbridge Capital and Finacorp Securities, which handled multiple billions in transactions during a 22-year period. Ed has set up two highly successful broker-dealers, and is an expert in cross-border regulation, having managed operations in territories such as Puerto Rico. Ed is a fully licensed trader, with series 7, 24, 28, 63 and 79 qualifications. Ed also has an extensive compliance background, including deep relationships with regulatory bodies such as FINRA and the SEC. Ed's insights have been quoted in Barron's, Business Week, Bloomberg and the Financial Times.



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