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Welcome to a new episode of BFRR, our Bitcoin Fiat and Rock and Roll podcast that explores the intersection of traditional finance, digital assets and digital money and helps you understand how digital assets and money will evolve in the future. I'm co-host Jonas and today I'm joined again by our guest host Jonathan Knoll. Hi, Jonathan. Great to have you with us today again. Hi, Jonas. Great to be here. I'm excited for another episode of our digital money interview series.

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Indeed. Today we will focus once more on stable coins and discuss how stable coins can overcome current challenges in cross border payments. So we do an interesting deep dive and invited, think, a very interesting person who also has a very interesting company in the stablecoin space. Yeah, absolutely. I'm super excited about this episode. So we all know stable coins are hot. It's not just a crypto story. It was a few years ago. Now it's becoming used more and more and actually moving fiat, particularly across borders.

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But anybody who's worked in payments uh knows, it's kind of a saying within payments, payments is hard. Because it's not just the tech. Tech's kind of the easy part in a weird way. Not that it's easy, but it's everything else. It's the plumbing, it's the interaction between all the institutions. It's the ever-changing regulation. Most people go and pay for something, swipe their card and say, well, that was easy. And they don't realize there's six or eight or 10 companies actually behind that transaction.

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That's why I'm super excited to be joined by Milind Sanghavi, co-founder and CEO of Exweave. And I'm so excited because Milind brings real live experience doing payment infrastructure at scale at places like PayPal, Visa. OCBC Bank might not be known for people in Europe, but it's a very, very large, old trusted bank in Singapore. Metta, I think a lot of people are always surprised at just the sheer.

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volume of payments that Meta does with all their platforms. And Milind was right in the middle of building all of that. And so he's now breaking out and has built something really interesting. I'll let him talk more in detail about it, but basically using blockchain technology to facilitate cross border transactions without things like pre-funding requirements, making it basically better, faster, cheaper, and using really interesting digital assets like stable coins. But again, we'll dive into that.

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deeply in just a moment. So we'll talk about uh Milind's journey about global payments, what works, what doesn't work, uh and sort of what's going to take for institutions to really adopt them. So with that as an intro, Milind, great to have you on our show. Welcome. Jonathan. Thanks Jonas. uh Super excited about this conversation. It's always great to sit and chat with people and bring reality of the shine of the ball as they like to call it. I think the thing about payments is

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The other part about payments, right, Jonathan, like what you were saying is boring is good. Boring's always been kind of very effective in payments. And, and I think, you know, very looking forward to this conversation and the back and forth. I've seen some of the questions, so this should be a fun, fun, uh hopefully spicy chat. Yeah, I think so. I know you well enough to know it will be spicy. And I love the fact that I don't think I've ever talked to a startup that has pitched themselves as being we're doing something really boring, but that's not the usual.

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VC pitch, but I love it. But we'll unpack that in just a minute. But let's step back a little bit. Talk to, I mean, we know each other. We've had the same bosses in the past, right? Our paths have crossed. But talk to us just a little bit about your experiences at PayPal, Visa, Meta, as I mentioned early on. And how did your career journey kind of lead you to what you're doing right now? Yeah.

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You know, I think for me, I've been in payments or some version of payments for the last like 25 years, you know, started on the issuing side and joined the Earthwild PayPal, Jonathan, which I think you're very familiar with in 2009 and payment gateway and, you know, did a bank after that, built a digital wallet at a bank, worked at a network, understood how the four party network system works, worked at Meta, which is probably at least in Asia, top five large merchant.

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So, you know, I think when you look at payments, think for the outside in it just like, oh, it's payments, it's quote unquote FinTech. But the reality is there's so many different versions of like issuing, acquiring point of sale wallet, whatever it is. And the reality of it is it doesn't matter, right? Like somebody wants to pay, somebody wants to get paid. They both want to do it like the cheapest they can for each other. They want to do it fast. And they want to make sure that the money shows up and it doesn't get stuck because some regulatory thing, right. And

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For me, after Meta, I was very lucky to kind of start bouncing some ideas off some very significantly smarter people than me. And it was very clear, right? Like cross border needed something to be different. You know, the way cross border works even today for the majority of flows is you have to put money into what's called a Nostro or a Vostro or a pre-funding account. You know, money sometimes shows up two or three days later.

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And by this point in this conversation, there's somebody listening to the saying, no, no, no, it shows up instantly. Like it's all instant. But the reality is it's instant for certain currencies. It's instant for certain countries. It's instant for certain corridors. But when you start looking outside of the G7 pairs, there is a lot of inefficiency there. to be very honest, it was just like me noodling around on an idea that said like, look, this thing needs to be worked differently.

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And I ran into Prady, who you know, Jonathan at TMSEC. And we started kind of bouncing some ideas about, what do we, what should we go build? Like, how do we do this? And to be very honest, we stumbled on the stablecoins, right? And some of it was, look, there was this idea at Meta called Libra or DM, whatever, so many different names it's gone through or Novi as a wallet, right? um But the concept was very, very strong, right? Which is if you could move money,

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using the blockchain, could do it instantly, know, atomic settlement, right, which is a very important term in the blockchain world. But you could do it without any regulatory arbitrage. There was a very large opportunity to go hunt down. And the use cases are many, right? You can do remittances, you can do kind of treasury flows, you can do micro payouts. It was never the use case wasn't the problem. It's like, hey, how can we move money across borders using this stable coin thing, but do it.

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so that there's no, for lack of a better word, arbitrage around the regulatory aspects of money movement. And so that's really how we ended up on this idea. And maybe really diving directly into what you said, Willem, like on cross border payments, because you often hear, you know, it's so inefficient, it's so costly, it takes so much time. But if we go

into this a little bit deeper, like what is exactly the problems of cross border payments that from your perspective, also solutions like stable coins, so blockchain based infrastructures can ultimately also solve.

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Yeah, think Jonas, like that's a great point you kind of had in there, like slip in a point, right? Which is ultimately solved. I think that's a very important thing to remember. I think some of the problems are being solved or can solve today, but over time, more and more of these things will get standardized, I would say, for lack of a better word and therefore get more accepted. I'll give you a real life example on this, right? So one of our clients moves money and we are a B2B product, right? So we never really...

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see the end customer, essentially we go after the people who use MoneyGram Western Union banks, whatever it is, right? Or the fintechs of the world. In some cases, those fintechs become our customers as well. So we have a treasury client, that's a company that's headquartered in Singapore, that had to move money from the Philippines to Singapore. The way that process worked was essentially the CFO sent a Viber message.

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to their account manager at a large Philippine bank. The account manager responded back four hours later with an FX rate. There was a little bit of like, oh, can it be a slightly cheaper, slightly better, whatever it is. They shook hands on Viber and I put that in quotes. And then the money disappeared from this guy's account, right? Then what happened was maybe two days later, maybe next day, but if it was a Friday and there was a weekend and a public holiday, it showed up after that.

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And he didn't know how much the fees were going to be all of that. Right. So there's a lot of like, I would say lack of transparency. And when we brought them onto our client, who's our partner, who's licensed in the Philippines, basically we made that entire move for them in under four minutes. And to the point where the CFO called me the first time he's like, man, like, I think something's wrong. Like I see this in, I see the funds in my account and I'm like, yeah, absolutely. Right. Yeah. Absolutely. Right. And by the way, right.

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Yeah. I love that. Yeah. And look, if you're doing USD, Euro, right, it settles very tightly. It settles five times, six times a day and it's super efficient. And I'll still put it in quotes. I think when you start looking at some of the EM emerging market currencies, there's a lot of obfuscation, right? There's a lot of like, nobody knows what's actually going to happen. And this happened with us too. Like there was one of our investors when we raised our round, sent us money.

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And it came \$40 short, right? Because there was \$40 of fees. They forgot to click some button, whatever it is. Guess what? They had to send the \$40 to us. To send another \$40 to us cost them another \$40. So it's, and the point isn't about fees. Look, fees exist everywhere. Uh, as I say, like everybody's got to live it, make a living. Can you make a living cheaper? Right. That's the way I'll think of it.

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And I think what stable coins really do, especially in some of the R markets that we're focused on in Asia and Middle East, the regulators now actually believe that there is a very specific use case that you can use stable coins or digital assets for, right? Maybe that's tokenized deposits in some version, maybe that's stable coins. I think the future certainly lies with some other tokenized assets that may exist around money markets, tokenized money market funds, tokenized gold, all of that.

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But the point is, if you can figure out a way to do zero regulatory arbitrage, work with licensed entities to move assets that are completely clean and the regulators in both countries like them, you can actually settle it in under 15 seconds. And because if these assets would be liquid, you can actually get fiat delivered. I love the name of this podcast, right? If the fiat delivers, it's instant. Yeah. So it's really about if I kind of try to paraphrase you and please correct me if I got this right.

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So you're saying current challenges are really about like transparencies of fees, about manual processes, like not a high rate of automation, a long settlement cycles until the money is really there and rather high fees. Like, is this the four kind of, you know, let's say, challenges, friction points that you think, you know, that the current cross border payments have in the stablecoins can address? Did I forget something? ah I would say actually the crypto world would look at this conversation and say, no, we solve all of those problems really well.

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I think the piece that's missing or sometimes missing from the crypto side is the regulatory aspect, right? Which is if licensed parties want to move money on behalf of their clients, nobody wants to put their licenses at risk, right? So how do you take away regulatory arbitrage while bringing technology into the space? And you know, Jonas, like this is what I was saying, like we're not considered a web three company. We're certainly not a web two company. And I think of us as web 2.5.

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There are inherent strengths in the web two world around like compliance, AML, regulatory, clarity, the ability where there's a ton of flow already there. And then there's tons of advantages on the web three and the, you know, I'd say blockchain powered side and how do you bring them together to solve a problem? Right. So it's, why is it expensive? Some of it is there's inherent costs. Some of it is, I don't know, people think there's a revenue pool to go after. So all of that is me needs to be attacked in some format.

12:15

Okay, I think that helps very, very well. thanks for the example. It was very good to understand where the pain points are because as I said, also fast Western-ness here, right? You always, you read about this cross-border payments stuff being so inefficient, but mostly I haven't realized it, right? Because we are just in our Euro bubble. So maybe Euro, US dollars, works very well. But what we shouldn't forget is the emerging economies where there is a problem to be solved here. And when you maybe, before we talk about X with Millen, it's like,

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When you talk now to people about stable coins, because, when you explain this to me, I totally get that, right? What do these people say? So are they ready for stable coins? You know, are they, you know, rather skeptical? Like, do they see the value propositions already? How early are we? You know, a lot of questions, but you know, I guess you can judge pretty well. Look, I think at the end of the day, like most of our clients don't care whether it's stable coins or not. Right. What they want is, Hey, are you sure my money is going to show up in the other place?

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Let's call it really what it is. Like, is my money going to get stuck? Oh, this crypto got hacked. Will this get hacked? You know, all of those kind of questions. know, Jonas, like to this day, when we go to pitch to clients, we kind of start by drawing a circle and we say you have Bitcoin, we have BTC, which is one thing. You have the other cryptos that are kind of, you know, more volatile and then you have stable coins. But I think the main question people get is what does stable coins actually solve?

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Right. what it's the question, right? Yeah. And it's, and look, it's, it's, this is the thing, right? If I'm moving money on behalf of my clients, one is I obviously wanted to be cheaper. Um, and I wanted to be faster, but if I told you it be cheaper or faster, but there's a small percentage chance it gets stuck. You wouldn't take cheaper or faster, right? You would be like, look, I'll take more expensive. I'll show it later. I'll just educate my client on it, but it cannot get stuck.

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ah And I think that is where the art lies in the science, I would say, which is, hey, what do stable coins actually do? It's like, okay, you don't have to pre-fund, right? You don't have to block your funds, mostly in an emerging market currency that's depreciating a certain amount per day. You know, one of the treasury, big treasury companies that we work with, that's a fintech, like a global fintech, they count their daily pre-funding costs as probably around one and a half bit, right? Which is pretty expensive, so 0.015%.

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And if you can solve that and you show it three days earlier or two days earlier, that's actually savings, right? That's their treasury being much more efficient than it was yesterday. But again, with the same point of please don't risk my money. Please don't make, please make sure that my regulators not coming after me. Look, like Ripple tried this with XRP and ODL, right? And it's not like people haven't tried this. It's existed as a concept and then players like MoonPay and all of these guys have been doing P2P all over the place. I think.

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What has changed significantly? And Jonathan, you've been a part of our journey since like, think we were a PowerPoint, right? But when, when, when Tumasa connected us to you and um you know, a lot of people honestly laughed at us in, 2023, because the, what I think of as the, the, the tipping point moment of when Stripe bought Bridge, where stable coins became hard, everybody thought that stable coins were just like a nice to have, right? Maybe there were three, and even today,

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Jonas and Jonathan, there's only, again, I'm going to get heckled for this one, but there's realistically only two global stable coins and they're both happened to be US dollar stables, right? But if we look at our world today, you have a US dollar, you have a Euro, you have so many other currencies. So, you know, we think that there's a massive opportunity on non-US dollar stables clearing uh and drawing commerce into it. Yeah, that's a perfect end. I so love that you gave.

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very specific examples of how your customers are using uh exweave to actually save. that's what's often missing when we talk to folks about they have sort of imagine a world someday and everybody's, but actually the world we live in is the world we live in, right? And uh saving a few bips here, a few bips there actually at scale uh means quite a bit.

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So you've already kind of jumped into, I want the next section to talk a little bit more and double click on X-weave and this quote unquote boring thing that you're building. And I think you've covered a lot of that ground already, but talk even a little bit, maybe another layer down. So how does a customer actually interact with X-weave, right? Is it a solution they implement? Is it a platform? Is it a network with network effects? Is it kind of a combination of all those things? m

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Talk us through a little bit about that and then we'll kind of go deeper from there. Yeah, I think you know We we always kind of try to simplify this really or and we and we sometimes we hit the bullseye and sometimes we don't so I'll give it a shot but I think the way we look at it is there are life there are people who are licensed to move fiat across borders They'll call the MSB licenses the money services or MTL which is the money transfer or whatever that is or some cases the banks have all of them together in a package

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What's also additionally is that now there are these new licenses being given out by the regulators that essentially allow stable coins to get minted. You take fiat and you convert it into a stable coin and you can potentially throw it across the border, right? Or throw it into a different wallet, wherever that is. And we are at xweave are trying to take all of these different pieces, these blocks of the universe.

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The MTLs and the MSPs and the guys and the fintechs who are moving money today are one of those blocks. And I think somewhere in between are the blocks that basically take that fiat, turn it into a stable coin. You throw it across the border, they take the stable coin, turn it back into the fiat. And then you have somebody who's licensed to move money across domestically, across all the bank accounts and wallets in the world. And the reality is, and I think Jonas, you said this a little bit, right? CEPA works.

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And by the way, Swift works too. So the money moves today, it shows up, it can be more efficient. That's a whole, it's like Pandora's box, right? How deep do you want to open Pandora's box? what we've found in a lot of the emerging market pairs is certain markets, the local payment rails, the RTGSs or whatever you want to call it, right? The real-time payment systems work really well. Where they start breaking down is when you start trying to throw it across borders.

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Because the domestic networks are very strong, but the interconnectivity always goes through a correspondent banking universe or whatever it is, all the different hops that happen. And for XV, what we're trying to do is basically say, look, how can you do this real time, settle within three minutes, whatever the amount is and ensure it shows up instantly. I think, Jonathan, you asked this question, like, our clients are people who are moving money today on behalf of their clients, their businesses or their

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people in case of remittance houses. Technically, no customer will ever see exweave's name. Not too dissimilar to nobody ever sees Swift, right? Maybe you have to have a Swift code or whatever it is. But exweave, we are infrastructure and we're absolutely very happy being infrastructure that moves money efficiently across borders, primarily in Asia and the Middle East. And we do it where we know these markets really, really well. Like as a team, we've been building.

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for the last like almost, I would say 15, 16 years in these markets. And there's a reason why our team is set up where all the business guys all came from old web two side and all of our engineering came from the web three side. And I think that is where the best of both worlds comes together. But you shouldn't really see X3 ever. And you know, we're doing the hard work of all the integrations and understanding how those pipes work and lifting the hard miles. That's great. And so talk to me about the corridors a little bit, because I know you're doing a lot out of

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I mean, if you think of a send and receive, of the way you typically would think about remittances, right? You've got UAE and you've got Singapore is for traditionally more send

countries. You've got, I think you're in the Philippines and Indonesia, which are more traditionally receive countries. Talk a little bit about that and maybe where else you're going. We'll get to that maybe a little bit later as well, because I think that's interesting. Also just the scope of the market. think a lot of folks in the US and Europe,

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You may just realize how large this is. mean, just the population of Indonesia and the Philippines is approaching Europe's population, just those two markets. So tell us a little bit about that and why you started there. I guess it's because of the team you have, I assume, and with Tomasic's great support. eh maybe just add some background to that a little bit. Yeah, I mean, we started Singapore to Philippines because it is a very large remittance corridor. I think when we started off, we started off primarily being a remittance

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infrastructure provider. think what we've noticed as we can, know, textbook startups, pseudo-pilots, semi-pivot, whatever you want to call it, what we realized is P2P or C2C moves on one corridor, but on the same corridor on the reverse side is where treasury and supplier payments kind of come in. So people may be sending person to person one pipe, that same pipe can actually take inbound for another use case, like maybe a treasury or whatever it is.

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Also, like it's not just the masak, right? We've got jungle, jungle venture, which is an investor. We've got great investors like DCG and fabric and white star and light shift. know, it's, we've been very lucky to get a set of investors who give us a very global mindset. And we're also very clear that we don't want to be a company where we say, we're in 140 countries or 90 countries, whatever it is, where you're hopping through somebody else's rail and somebody else's rail.

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And as I like to say this, like when something goes wrong, like which Ghostbuster are you going to call? Right. And I think for us, it's really important that we try to kind of do the hard integrations directly with our partners so that, you know, we haven't seen anything go wrong, but if something goes wrong, we know exactly when we understand what is going wrong. We can understand what the message back and why it's stuck. The marketing piece writes itself, Melinda. I want to see you in a Ghostbuster outfit. Who are you going to call?

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Yeah, I'll be Dan Akroyd. Sure. But I think the way we look at it is these are the markets we started and we follow our clients. Like initially we had a client who wanted Singapore to Philippines. Eventually we got a client who was like, hey, I've got Philippines to Singapore. Would you like to do it? We had a partner already we were using there. We kind of started moving pipes the other way. Then the same customer came to us and said, man, we really like this. We really like what's going on in Singapore to Philippines.

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We'd love to do Indonesia. Like, can you go figure it out? So we went and figured it out. you know, these aren't easy markets to be unpacked. But I think we're very lucky with our set of investors and the set of team that we've built. We think we have the ability to go understand and kind of, you know, everybody's like one WhatsApp away, right? Or one messenger away. And it was the same with the UAE. We're in the process of launching the UAE Hong Kong. As you guys know, as we were talking before we got started, I was in Japan last week and

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We've got a pretty decent kind of pulse of what that solution is going to look like. And we hope to launch that solution in Japan and Thailand next. Like I said, what we've also realized is, you know, we, if we do these markets really well, we will actually have the ability

to work with somebody in Africa who has a need to land money or, you know, vice versa, extract money from Asia. We know how these pipes work.

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Right. And then I always say this, like, you know, what we do technically is called a stable coin sandwich, right. Which is a very commonly used term now, but there's so many nuances to that stable coin sandwich. Will you end it in a stable coin? Will you end it in, will you start it in a stable coin? Will you end it in local currency? Will you end it in US dollar? And so we just constantly keep building into these use cases that our clients want. And it's a lot of fun. There's enough time where you're banging your head on the wall.

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But there's a lot more fun there too. You spend a lot of time in airplanes, I bet. But that's a whole other topic. one last question just to go one layer deeper on what you're building. It seemed to me that intelligent routing engine, I think that's the right term, is kind of the heart of what you do in a lot of ways. It's like smart order routing kind of conceptually.

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Talk a little bit about that. How does it find the best path? How does it find the best cost? How does it work? That's, I think, a really interesting idea, maybe how that fits into this idea of no pre-funding. Thanks for that question, Jonathan. I think so the way we do this is we integrate, like I said, into an exchanges. We're essentially creating a network of exchanges that were integrated into crypto exchanges. And what happens is every one of these exchanges goes to all of these Web2 clients, in some cases Web3 clients, and says, we're the cheapest.

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Which is probably true, you know, Pareto wise, right? You're true 70 % of the time. In some cases, if you're a great sales guy, you're true. You're the only the cheapest 30 % of the time. And what we've built is an optimizer, which in the web tour was a payment processor or whatever you want, orchestrator you want to call it. And then we essentially integrated into these exchanges to figure out at that second for that exact transaction, which is the route that is the cheapest, which exchange is the cheapest, which

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you know, which FX is the cheapest in between all these exchanges, which is the last mile that is cheapest. But our optimizer doesn't do just cheap, right? It also, because we've done north of 10,000 transactions now with live money, we can actually figure out which exchanges are actually what's called slippage, right? Which is they quote you one price and it executes on another price. We now know we have built it into our kind of brain.

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ah I think this is where I'm supposed to slip in some AI terminology, but the reality is, look, we can see it. We can see what's happening. We can see who's missing most of the time. And then we actually optimize on that. for us, there are three things that our optimizer works on. One is what is the cheapest exchange, the cheapest crypto exchange, or the most best crypto exchange? What's the best asset, right? Which is in some markets where USDT exists and the regulators allow it.

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It'll be USDC versus USDT. I think the third least known fact is there is a decent amount of actually liquidity arbitrage even on the networks, right? A Polygon or a Matic versus an Ethereum. If we had video on this, I would show you like there are players who say they're the cheapest and every single time that anybody says they're the cheapest, it's a hundred percent not true a hundred percent of the time. We want to be able to deliver those value ads on behalf of our clients.

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without them having to sit into all these complicated integrations with every exchange. So if I make this very, very simplified, Melind, it's basically some kind of an orchestration layer that you can easily integrate. Is this like in very easy terms? I get that? Yeah, no, absolutely. I think I'm going to borrow that from you. So yeah, you integrate into one single API and then we orchestrate all the different markets for you with that same API with real time pricing and real time settlement.

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and obviously with no pre-funding. Okay, okay, cool. Very interesting. And I also really like the approach I have to say that you start really in specific corridors, right? Where there is a problem to solve because so often, and John and I, discussed around this in other episodes as well, so often there's cool crypto tech. And you said before, you're not the Web3 bro, but more the payments person, the payments bro, if there is a term like that, I don't know.

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because often it's great innovation ongoing, but you're not solving a problem. So in the end, it doesn't help because it doesn't solve anything. But here, if you have one corridor or a few corridors, you can really expand step by step because you know the logic, you know the players and everything, even if I guess the markets are different. So if you move from Asia to Africa or Latam, probably there's a difference. But maybe also, maybe you can talk us through a little, if we look a little bit to the outlook. Like for X-Wave now, you said you're active a few thousand transactions and everything.

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What's your goal? Like where are you heading for the next, you know, let's say a year or two. So, you know, what can we expect? What's on the roadmap? You know, maybe new markets to launch. Like I guess a lot of time on the plane, but what's in there in between? I think, look, like the reality of the time on the plane, right? Like what we were talking about is more about understanding what's the noise to reality ratio in these markets. You know, I think these PR engines are fantastic and they have great news behind it. But it's also like when you start

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looking at what's inside the sausage making, would say, for lack of a better word. But for us, it's very clear we will go crack hard markets. We've done, Philippines is probably not the hardest market. It was a great start market. So Singapore, I think Indonesia is a lot more complicated. We've done a fantastic job of cracking it with great partners who are very scalable. We're now figuring out Hong Kong, Japan, Thailand, and the UAE.

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And we expect to launch all of these in the next like three to four months. The way we build our network is it's always double-sided, right? Which is you want to originate from Hong Kong, we have a set of partners who can do it, right? You want to originate from Singapore into Hong Kong, we have a same set of partners who can receive it, right? In some cases, it may be different partners, but we don't expect, like I said, like we have a, for lack of a better word, an unnatural advantage in these markets because of our

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knowledge base, our investors, our network. You I can't ever understand Germany and the German market or even the Europe market as good as you and JK do, right Jonas? So the point is, hey, how do we figure out these unnatural advantages to create a set of pipes that can give us a leg up? And you know, it's very interesting, right? Like Fabric is an investor in us and Anil came from PayPal and the Web2 side of it.

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But it's really cool, like what they've done, which is like they have us in Asia, there's somebody else in Africa, there's somebody else in Latam, there's somebody in the UK. The

reason is because payments at the end of the day is always, always market specific. You know, I think sometimes the Web3 world loses sight of that, right? They're like, oh yeah, there's a crypto wallet, like just send it to the crypto wallet, we're okay. But the reality is, okay, so how is fiat gonna show up, right? Maybe the world exists in a few years.

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where we're all paying in stables or some digital asset, but till then there is still a need today to pay in fiat. And so we think of it as how do you change the way money moves today, but bring newer technology? And some of that exists certainly in our markets, right? Like Taiwan is one place. But Ruk, I think you haven't asked this question, but I'll say this, right? There are markets we don't do.

31:31

And we don't foresee to do at least in the next four to six months or at least in more regulatory clarity, which is India. don't, the Indian regulator, yeah, it's a humongous market. We have clients who really want us to figure it out, but we will not go into a market that's a regulatory gray area. We will stay away from it till there's regulation, right? And we talk to regulators all the time. I spoke to regulators. You know, I'd say every week I've been speaking to some regulator in some market.

31:59

And for us, the clarity on the regulatory stuff is very important. Primarily, not because we're these utopian world startup, right? It's more about our clients do not want to risk their licenses and their funds. And so if we do anything that is even quote unquote edgy, their own funds come at risk. So our goal is to figure out what are the right ways to create value for our clients by

32:28

figuring out the regulation and figuring out how to work with it in all these, you know, primarily like I said, Asia and Middle East markets. And before we round this up, Mellon, maybe a last question on the outlook. Let me now play a little bit like the devil's advocate perspective, because I mean, I'm not in the payment space as long as you guys are. But I mean, I have heard for 10 years that cross border payments is broken, that something will change. When is this tipping coin coming? You know, are we still so early? Like often you say the early days of the internet, are we in between?

32:57

a complete evolution? it a revolution? Like, what do you think? I think that's the hardest thing to sell, right? I mean, the number of times we've all sat back, right? There was one company that was supposed to change the cross border and then another company came. I think my having been in payments for 25 years, would say like blockchain powered payments with real time settlement. There's something there. I think I'd be wrong in saying that this is the only way to do it. I think this is the best way to do it. I'm confident this is a very scalable.

33:26

way primarily because regulations are improving and being very clear very quickly. But there are people who are touching the money all over the place who think their path is real. I think what's true is these digital assets will power change, right? Whether that's tokenized deposits that the banks are doing, in some cases, tokenized assets the banks are issuing, right? Which we haven't talked about at all.

33:51

I think for X-Wave, what we think very clearly is more and more digital assets are coming into play. More and more of these assets are going to be regulatory clean and put under very clean regulation. And there is a way to switch around between all of these and create interoperability by just creating demand and supply across the chain. And so I think it's

really hard to understand that is this the only future? Right. Like, I mean, like you said, like everybody's been saying, oh, this is all going to change.

34:20

But the point is like, I think we're sitting on something because the regulators are now waking up, right? Like we are at X-ray, we are extremely proud of the fact that the MAS has this program called Bloom, B-L-O-O-M. We're the only startup in Bloom, right? I mean, there's probably one more significantly larger startup, but we're the youngest startup in there. And it's because we believe that interoperability and then creating a network of networks without any regulatory arbitrage is the game changer.

34:49

But yeah, mean, I think the number of digital assets that are going to come, I mean, if you look at also a lot of the markets we're going into Hong Kong, Japan, UAE, Singapore, even Indonesia, they're all looking at their own locally denominated stable coins, which means more assets keep coming into play, more our orchestrator gets more powerful, our optimizer works much better, and we still deliver the same value for our customers. Wow.

35:14

Perfect. A great way, I think, to end the podcast, just because of time, we could go on for, I think, hours and hours. But, Mylin, this was a great conversation. It's exactly what we're hoping to get an outside-in perspective, right, a non-European perspective, which I think really, really helps a lot of our listeners. Particularly, though, super appreciative of being able to talk to somebody like yourself, who's really been doing this, a payments guy.

35:42

who also is embracing some of the Web3 technologies. And I just really appreciate all the learnings and insights that we gathered from you today. And also really excited to hear what you're doing with xWeave. So love to have you back on the show, maybe in another six months or 12 months and kind of see what other corridors you have, what other countries you're in. But thanks again so much for taking the time. For anyone listening, we will definitely include links to...

36:09

both Exway but also Milind's work in Show Notes, so you can definitely follow along. And just really thank you so much for taking the time today. Great to have you. Thanks, guys. Really enjoyed the chat. And thank you for your time. Thanks for including me. Yeah, thanks, Melin. It was really a pleasure. Thanks for sharing everything. And of course, also, dear listeners, thanks for making it to the end, to listening to the podcast, if you like the podcast. As always, feel free to subscribe and recommend us to your friends, your family, whoever you think is or should be interested in the future of money.

36:39

We will discuss another very interesting topic just in one week as you know. So with this in mind, have a great day and see you next time. Thank you.