

The Future of Money

Mark Carney

Governor of the Bank of England

*2018 Scottish Economics Conference
Delivered at Bloomberg HQ, London*



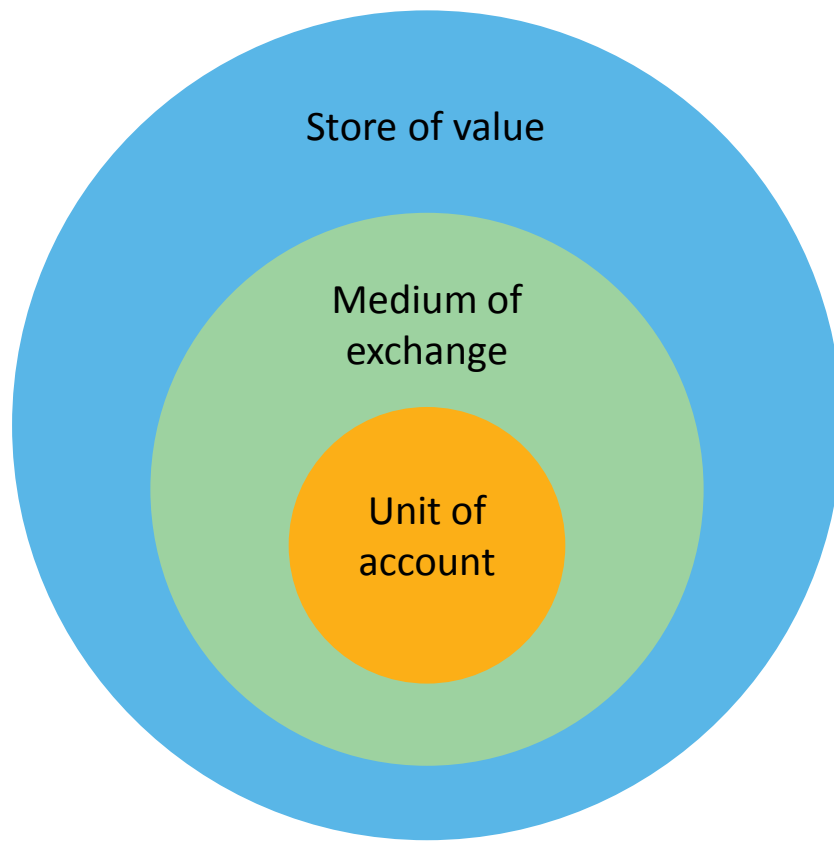
BANK OF ENGLAND



the great increase in the quantity of work that results



The three functions of money



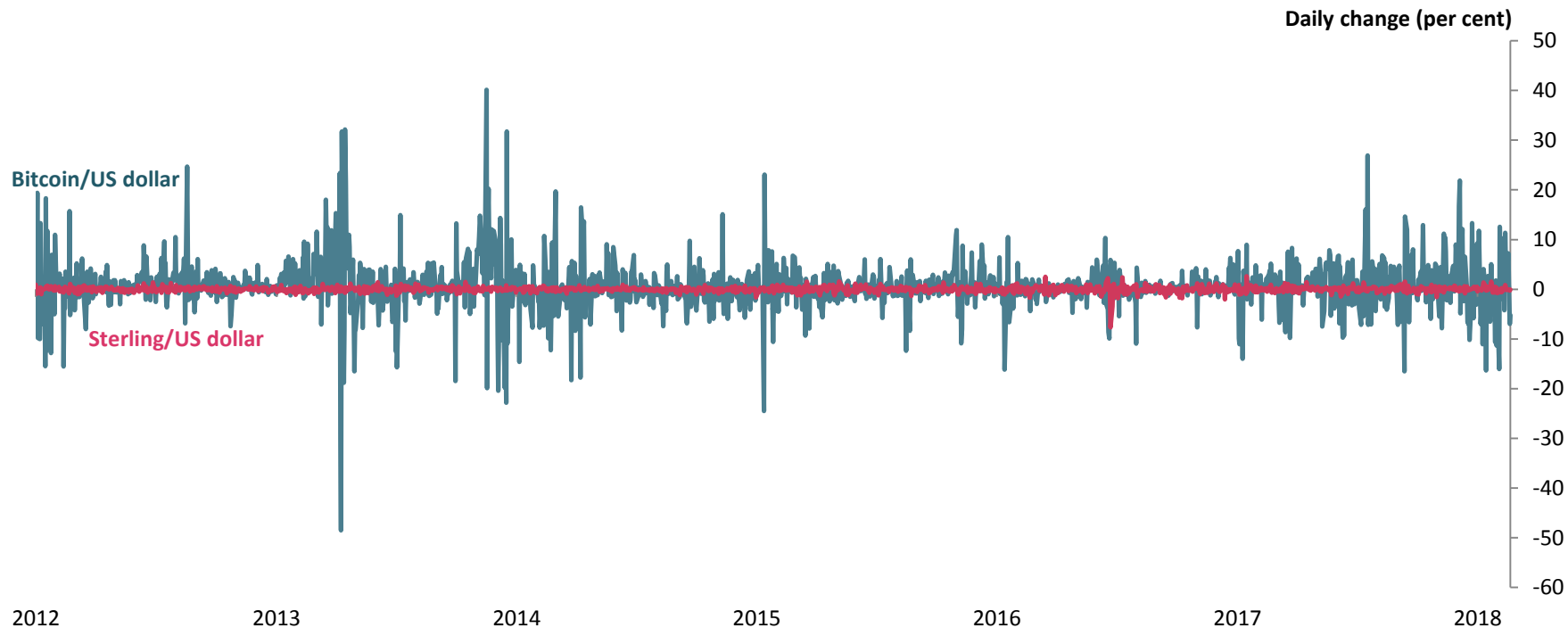


Chancellor on brink of second bailout for banks

The Times, 3 Jan 2009



The volatility of Bitcoin



Sources: The BitStamp exchange, via: <http://httpbitcoincharts.com> and Sterling/US Dollar calculated using the 'GBPUSD Currency' Bloomberg Ticker

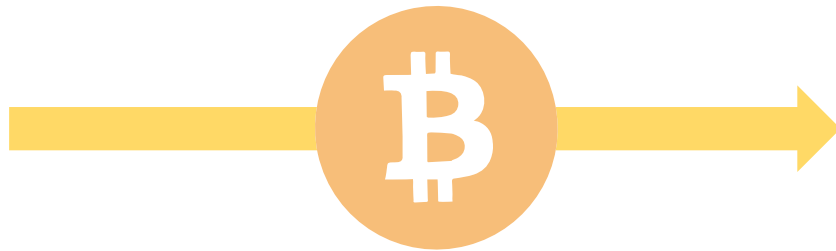


The volatility of Bitcoin

December 2017



£1,000



Today

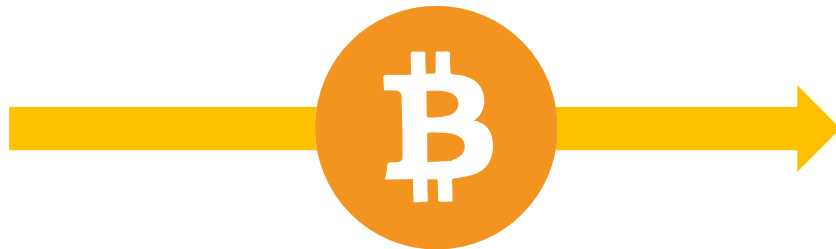


£500

September 2017



£1,000



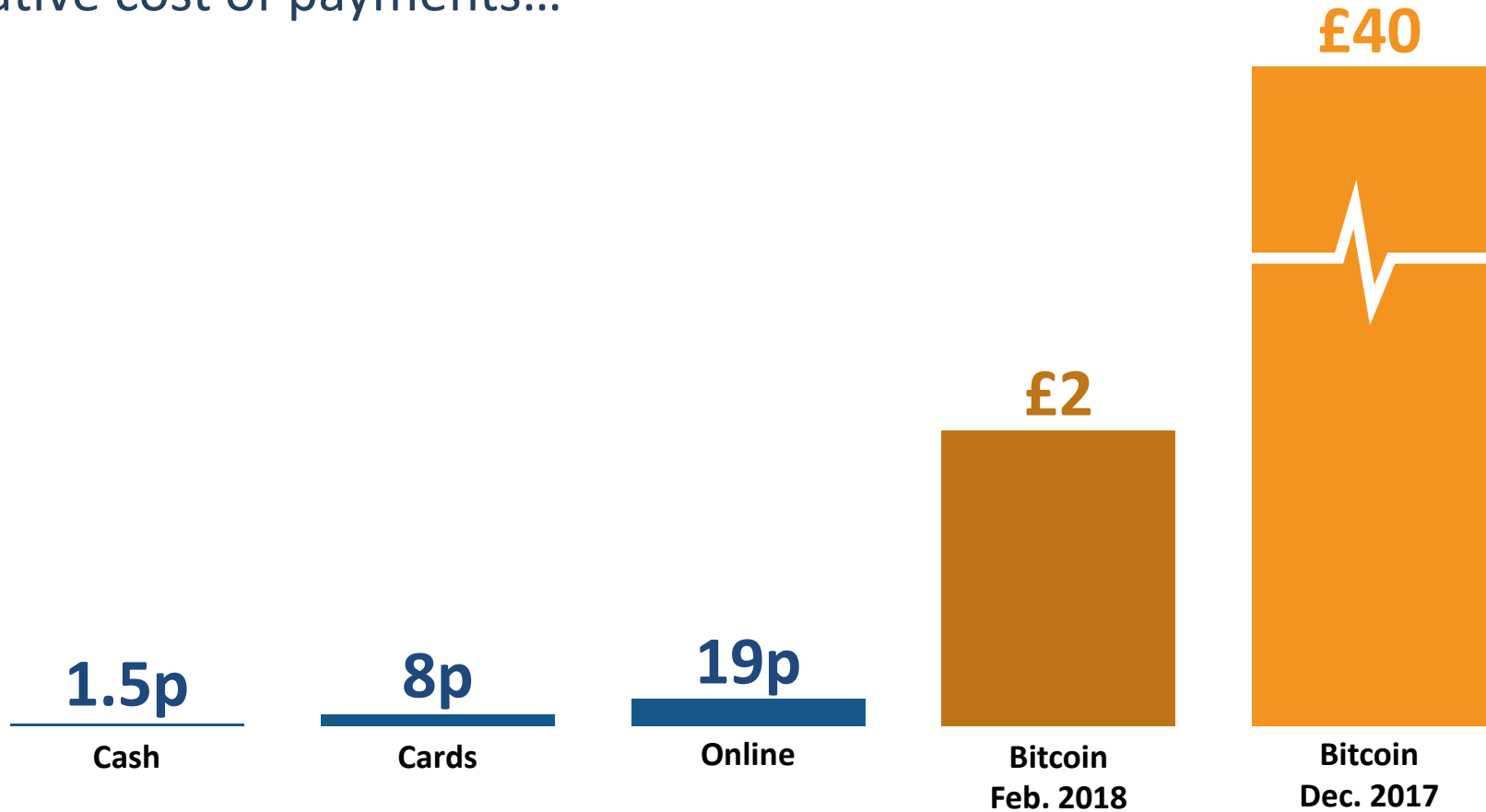
Today



£3,000



Relative cost of payments...



Pointing to the Future

- Money and payments adjusting to decentralised peer-to-peer interactions
- Possibilities for technologies to transform the efficiency, reliability and flexibility of payments
- Questions on central bank digital currencies



NEW RTGS

Non-bank PSPs access RTGS

Payment services

Electronic peer-to-peer transactions

Better payments messaging, richer data collection

Customer relationship

Innovation in personal and business offerings

Improved interoperability cross-border

Retail and commercial banking

Faster, safer, cheaper cross-border payments

New forms of securities settlement

Wholesale banking, markets

Improved accuracy, efficiency and security of processes

RTGS renewal

Wholesale payments, clearing and settlement infrastructure

Improved foundation for all UK payments



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