

# Cryptocurrency: An Opportunity for Traditional Banking?

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**Abstract:** *The emergence of cryptocurrency has prompted concerns regarding its potential threat to traditional banking systems. However, on closer examination, cryptocurrency could prove to be a new opportunity for traditional banks to improve their services and respond to the changing face of finance. Cryptocurrencies have had a great following recently, with major financial institutions and government entities recognizing their possible effect on monetary policy, payment systems, and financial innovation. Research suggests that crypto could raise systemic risk to mature markets. Still, this impact, however likely, is not yet profound, and crypto may present opportunities for traditional banks to enhance their operations and offerings. This paper analyzes and tries to identify whether cryptocurrency can become dangerous for the banking industry or, the other way around, the financial institutions can make cryptocurrency less reliable and dangerous.*

**Keywords:** Cryptocurrency, Banking, Financial Innovation, Systemic Risk