

# Nigeria's CowryWise launches digital savings platform

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Nigerian fintech startup CowryWise has launched its savings platform, focused on making personal savings, asset and wealth management services available to everyone.



CowryWise

Work began on [CowryWise](#) in the middle of last year, with the startup completing official registration and licensing – and therefore launching to the public, this June. The startup's objective is to democratise asset and wealth management services and make them available to everyone.

"These financial services are currently only available to the wealthy. We believe an average man on the street should have unfettered access to these services as he needs them the most to ensure a better financial life," CowryWise co-founder and chief executive officer (CEO), Razaq Ahmed, told *Disrupt Africa*.

The startup has started off by offering a high-yield, automated savings platform, allowing users to deposit their money with CowryWise and offering rates of better than twice that of Nigerian banks.

"The goal here is to enable users cultivate a consistent savings – and investment – habit, while the platform gives them access to high yield returns," Ahmed said.

“Financial inclusion goes beyond opening a bank account. An average person should have access to credit as much as he should have access to other financial services such as asset and wealth management.”

Developments in modern payment infrastructure and the penetration of mobile phones and internet have made such a scenario more possible, hence the launch of CowryWise. Ahmed said the startup is looking to raise funds by the end of the year having been bootstrapped thus far.

“Our focus at this point is the market and aggressive user acquisition having crossed private beta stage and regulatory requirements,” he said.

## Trust

“Trust is one of the challenges new entrants into the financial services space have to earn.”

In a bid to ensure they do just that, CowryWise in June closed a deal with Meristem Trustees, one of the foremost trust service providers registered with the Securities and Exchange Commission (SEC) in Nigeria. Meristem Trustees has a fiduciary responsibility as a Trust to ensure all CowryWise’s users’ savings are adequately covered by the invested assets.

“We have also launched Sisi, an AI-powered chatbot to allow our users have access to their savings and investments on the go. We decided to build this on the Facebook Messenger platform to provide easy saving access to the over 18 million Nigerians on that platform,” Ahmed said.

He said adoption of the service has been impressive, with the startup further emboldened by the feedback it has received so far to enrich product features.

“Our assets under management have been growing steadily over the last few months. We believe we are still scratching the surface and it is our objective to place the service to the notice of as many users as possible,” Ahmed said.

At the moment, CowryWise’s focus market is Nigeria, but it has a two-phased pan-African expansion plan.

“First, beyond providing millions of Nigerians easy access to high-yield saving products, we are developing CowryWise to enable Nigerians have access to investment opportunities in other part of Africa and the world through various investment instruments,” said Ahmed.

“Second, it is a natural progression to enable other African countries have same opportunity to do same.”

The startup operates a simple business model, earning spread generated from financial intermediation. “We aggregate savings, invest in risk-free instruments and retain a spread above the promised returns to savers. We have plans for other asset classes as well,” Ahmed said.

“Currently, all savings are invested in risk-free government instruments which fundamentally is a better rated instrument over certificate of deposits with banks, and ironically gives better returns. These types of anomalies exist in the financial markets. It is our duty to ensure an average saver benefit from such anomalies without going through the rigour of studying complex financial instruments. That simplicity is what CowryWise brings to an average person. Save easily and earn decent return. We do the hard lifting.”