A Securities Finance Times publication

RMA Securities Finance & Collateral Management Conference Daily

DAY 2

Wednesday, October 11

Transcend: unlocking the value of scale in optimisation platforms

Day two agenda inside

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Tax regulation: a 'labyrinth' creating collaborative opportunities

Tax regulation is a 'labyrinth' that is constantly changing, and is an entity that plays a prominent role in securities finance, according to panellists at the Risk Management Association's (RMA's) 38th Securities Finance and Collateral Management Conference.

Attendees of the event were welcomed with an introduction of the RMA by its co-chairs Nehal Udeshi, head of securities finance at BNY Mellon, and Christopher Galli, US head of trading services operations at J.P. Morgan.

Speakers on the first panel also included RMA's Securities Lending Council chair Mark Whipple, alongside State Street's global head of automation, analytics and platform services Nick Delikaris and global head of tax for securities finance George Rapalje, as well as BBH's senior counsel Ranada Fergerson.

For firms operating global programmes across multiple jurisdictions, tax regulation is a challenge that requires a dedication of resources.

The panel found that issues regarding tax regulation have inspired new opportunities for the RMA to collaborate with other industry groups. Reinforcing the need for committees such as RMA's LTR Tax Subcommittee, it has become a challenge impacting all market participants.

Some firms have identified a 'manifestation' of tax rules and changes in tax practices from authorities; attendees of the panel heard that these changes are 'having a real impact on the market' as record data activity is 'now curtailed in significant markets'.

The industry faces a time of immense regulatory and technology change, which will present a number of challenges and opportunities for the market, a panellist indicated.

Closely monitoring impending regulation, the RMA proceeds to review the US Securities and Exchange Commission's (SEC's) reporting rule 10c-1. The Commission is hosting an open meeting on Friday 13 October to discuss the regulation, as well as short selling rules.

In addition, the RMA will monitor Treasury clearing rules, in particular, the bilateral clearing of repo transactions in regards to the SEC's clearing proposal, which was announced in 2022.

The RMA team is also preparing for the adoption of the anticipated shorter settlement cycle T+1 — which will go into effect come May 2024 in the US, Canada and Mexico. Association representatives said the group is working diligently to ensure securities lending is not 'harmed' in the process.

Among the regulatory landscape, the SEC's Form N-PX remains a key topic for the RMA's committees as the Association intends to clarify and simplify the language that is received by investors regarding recalls of proxy votes.

On 2 November 2022, the US Securities and Exchange Commission (SEC) adopted amendments to Form N-PX designed to enhance the reporting of proxy votes by registered funds and the reporting of executive compensation ('say-on-pay') votes by institutional investment managers.

Form N-PX was introduced two decades ago and its basic principle was to inform investors how funds voted shares held on their behalf, also known as voting proxies. The changes have come as a result of investors' concerns surrounding the lack of readily usable information.

The RMA faces its own internal changes as it works to merge with Chicago-based group Bank Administration Institute (BAI). Discussing the move, the Association assured attendees that it will continue to remain fully committed to securities lending.

Attracting 520 attendees this year, the RMA hopes to continue to extend its communication channels to all players within this niche industry as it identifies key regulatory focuses for members.

US Treasury clearing proposal and T+1 recall deadlines cause confusion

The regulatory trajectory signifies a busy future for the industry, which is currently engaged in an altering landscape that is preparing for the adoption of T+1 in the US and Canada, Basel III Endgame and the US Securities and Exchange Commission's 10c-1 rule.

The Future Market and Regulatory Impacts on Securities Finance panel heard from Tamela Merriweather, associate general counsel at The Northern Trust Company, Laura Klimpel, general manager of DTCC's Fixed Income Clearing Corporation (FICC), and Greg Lyons, partner at Debevoise & Plimpton.

Speakers of the session also included KPMG's Michael Martinen, managing director of Customer and Operations Financial Services, and Brown Brothers Harriman's Anthony Camarota, global head of securities lending operations.

Conversations regarding the stability and the resiliency of the Treasury market, and the interest of having more activity in the Treasury market be centrally cleared, has been ongoing for years. Recent periods of extreme volatility in the Treasury market, particularly in December 2019 and March 2020, has driven this conversation.

Also driving discussions for further centrally cleared transactions in the Treasury market, one panellist said, is an indication from studies that a 'vast majority of bilateral repo activity is done with zero haircut'. Regulators are therefore concerned about the lack of margin associated with these transactions.

An SEC proposal from September 2022 intended to further strengthen the resilience of the US Treasury market by expanding the use of central clearing.

The proposal aims to provide market-wide benefits such as standardised risk management, reduced settlement risk, centralised default management and increased transparency.

To be subject for clearing, one of the two counterparties involved in the repo transaction needs to be a netting member of the government securities division of the Fixed Income Clearing Corporation (FICC).

While triparty repo and DVP repo are in scope for this proposal, there is an open question regarding whether treasury lending should be in scope for the requirement, a panellist said. The concern with Treasury lending is whether these structures could be used as a way to evade clearing requirements, one panellist indicated.

Furthering the discussion on the hot topics of the regulatory landscape, one panellist reviewed the current position of the US, Canada and Mexico as the three regions transition to T+1.

Canada is a 'little behind' in terms of industry testing, indicated one panellist. In the US, industry testing has already begun, with firms 'up and running' in terms of their connectivity to the Depository Trust and Clearing Corporation (DTCC), internal systems and workflows.

In Canada, industry testing is anticipated to begin in January 2024. Although Mexico currently has no testing time frame, panellists expect the region to begin testing in January 2024 also.

The US and Canada will transition to a T+1 settlement next year, with the US moving to the shortened settlement cycle on 28 May 2024 and Canada and Mexico adopting the settlement on 27 May 2024. The rule change will see the settlement cycle for most broker-dealer transitions in securities shorten from two business days after the trade date to one.

The final rule is designed to benefit investors and reduce the credit, market and liquidity risks in securities transactions faced by market participants. It has proven to be a topic of much discussion as firms prepare for system, operational and behavioural changes.

Although no date has been set, panellists indicated that Europe is aiming for a transition to T+1 in 2026, though it seems, from the attitude of one panellist, that the likelihood of this 'goal post' date remains unknown.

In recent news, the European Securities and Markets Authority (ESMA) annouced a call for evidence on the benefits and costs of transitioning to a shortened settlement cycle.

One panellist indicated that the most asked question in this transition is: what is the recall deadline?

There remains 'a lot of confusion' on the topic, said one panellist. The panellist believed that 3pm was 'likely' to be the deadline for recall issuance in the US.

Market participants were advised to look at the contractual agreements with their counterparties. This is to identify where the liability lies in terms of the deadlines participants set for underlying beneficial owners to transmit sell notifications, and also deadlines that firms set for their borrowing counterparties.

Enterprise collateral optimisation: unlocking the value of scale

There is a lot of money on the table, but will regulators tolerate antiquated technology or processes, asks BJ Marcoullier, global head of sales and business development at Transcend, who reviews the complexities facing scalable optimisation platforms

Transcend recently celebrated its 10-year anniversary. How do you view the securities finance market with respect to collateral optimisation?

Collateral would not have been a topic discussed at the RMA several years ago. Optimisation is an abused word. Generically, it means squeezing the most value out of a business, platform or

process. Several vendors attack different optimisation points in the capital markets ecosystem quite well. Transcend views it through a post-trade lens.

Securities finance (equity and fixed income), derivatives (OTC and cleared) and funding desks are all required to post collateral to support their activities. But can these businesses collectively determine the exact collateral allocations and seamlessly deliver that collateral to maximally reduce funding, capital, liquidity or operational costs? And, at the same time, position their business to scale and adapt as their clients, market or regulatory landscapes change. Not getting the allocations and mobilisation correct can leave a lot of money on the table. As a result, market participants from the smallest sell-side firms to the largest asset managers are now aggressively developing strategies to capture these savings.

How do you see the state of play in the market regarding optimisation capabilities?

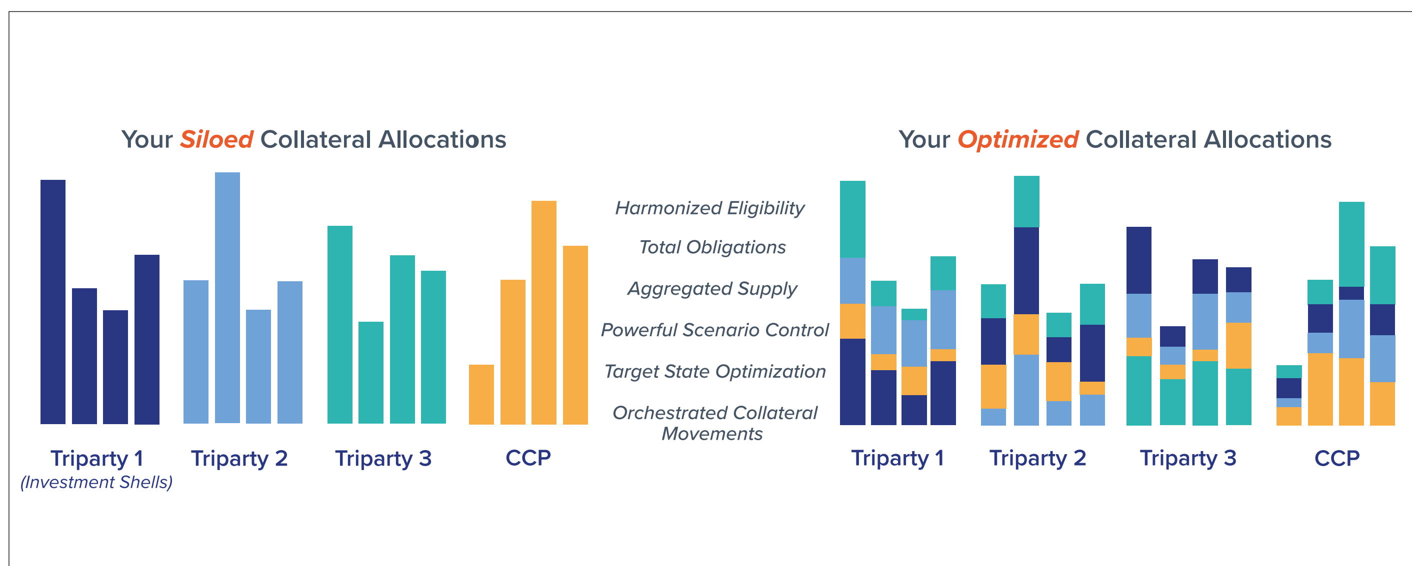
The technology and strategy of every firm vary substantially. At a high level, there are three states of play regarding optimisation capabilities and the need for them. Phase one is to be unaware of the opportunity or need for new technology — this is a small and shrinking population. Phase two is to be aware, but cannot or do not want to do anything about it. And Phase three is to be aware and have started the journey to strategically implement optimisation solutions.

The firms we are speaking with are in phase three, or are trying to move from phase two to three. Over the past five to 10 years, firms have put a number of resources towards establishing their capital and funding policies and, consequently, analysing ways where they can improve against these metrics. Most firms are now aware that there is a lot of money sitting on the table and that regulators are not going to tolerate antiquated technology or processes.

Early on, a number of firms put waterfall type procedures in place, or simple operational rules to grab the lower hanging fruit of retaining as much high-quality liquid assets (HQLA) as they could, or they tried to minimise haircuts. The question at hand is how to best implement technology to take this to the next level; to elevate decision making to incorporate higher order of capital, regulatory constraints, liquidity and client preferences. It is not easy to achieve this within a business and is especially difficult across businesses.

What are the key drivers in this process?

We are seeing an increased amount of new energy focused on this problem. This is not exclusive to the biggest, more complex firms. We are seeing interest from the buy and sell side, regional banks, industry utilities, hedge fund administrators and custody banks. The drivers of this activity stem from the fact that firms have finally gotten their commercial case established.



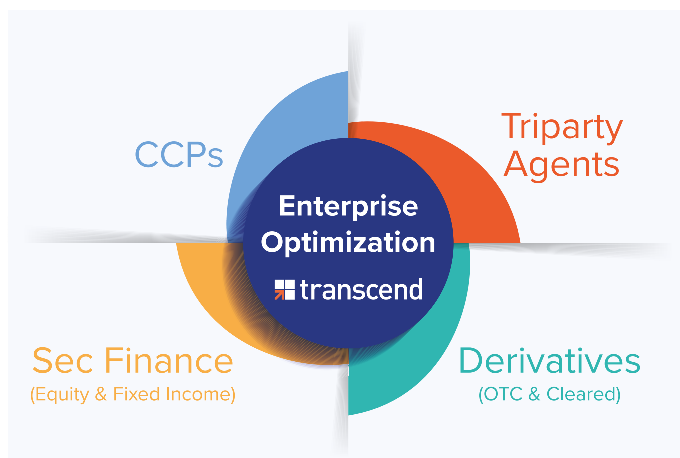
Other drivers include higher rates coupled with exogenous events, such as the Silicon Valley Bank collapse and less tolerant regulators. Generically speaking, the entire collateralised marketplace is moving into execution mode. Think about every US$5 million of cash left as extra collateral or buffer somewhere. On an annual basis, it is now equivalent to a full headcount from a lost interest income perspective. Eighteen months or so ago, this cost would have been significantly less. This economic case is real and it does not factor in higher capital or liquidity costs for an enterprise.

What are firms learning on this journey?

The low hanging fruit is easiest to pick, of course, but the juiciest bites are very high up in the tree.

Historically, operational processes, business technology, legal agreements, API structures and data taxonomies were all designed with a specific business unit or purpose in mind. For example, derivatives margin teams did not build technology platforms with the securities finance funding business in mind. At the time, this made sense. Client demands, regulatory requirements and business goals were different, time to market was faster and each solution was solving a very specific business use case.

Each of these businesses became very efficient on a stand-alone basis. However, the frameworks of the past effectively created technical moats around each business that made coordination of activities very difficult. Now, if you change the perspective from a business centric view to an enterprise view, and analyse capital, funding and liquidity usage efficiency, there are a lot of cross-business benefits to capture. However, realising the gains is challenging because of all the technical debt.



You frequently refer to the money on the table, how much money is on the table exactly?

For some of the larger firms, we have heard numerous estimates in the hundreds of millions of dollars — I have even heard one quote in the billions of potential savings. In practice, we have seen numerous examples in the tens of millions in savings for a single regional business. This can be realised in months not years.

However, the benefits of a scalable platform are more than just financial resource savings. It also means improved operational stability and resiliency. Spreadsheets do not scale well. Fingers hitting a keyboard does not scale well either.

That is a compelling incentive for businesses to get an optimisation platform in place. Why doesn't everyone have it?

Most are trying, but I would say that they are not there yet because it is a challenging problem to solve. The difficulty is not on the modelling side, it is on the execution side. This is where to make progress. The theory has to shake hands with engineering — and, in large part, this is an engineering problem. To perform centralised and complex decision making, firms need a platform that aggregates and harmonises data structures from both internal and external locations and can process rich sets of attributes on this data.

The following are a few of the complexities that need to be solved for a scalable optimisation platform to work:

- harmonising various data taxonomies
- diverse collateral schedule structures
- real time versus batch processing
- incorporating internally projected positions with externally actually held positions
- assigning and analysing supply attributes in real-time
- updating collateral obligations in real time
- solving for the cheapest to deliver target state allocation set incorporating multiple binding constraints
- mobilising collateral across multiple systems

Of the complexities, are there any standout elements that need to be expanded upon?

This is just a small list of the complexities that need to be addressed.

Drilling deeper into a specific example, such as mobilisation — firms all have talented people who can figure out the optimal allocation of collateral given a set of obligations, but mobilising that collateral and getting it to the correct place day in and day out is challenging. In our view, this is probably the most underestimated facet of achieving collateral optimisation. The operations side of the problem statement is very complex and is the intersection of many systems and competing interests.

There are dozens, if not hundreds, of global CCPs, numerous triparty agents and several different vendors, all of which leverage different models, technologies and taxonomies. Is enterprise optimisation a pipe dream?

In my view, the answer is yes and no. Yes, it is a pipe dream if you expect actual interoperability among all of these different players to come along one day. As a market, we overuse the term interoperability. Deep down we all know that the self-interest of many of the parties involved is going to be a limiting factor. This is not meant to sound nefarious — it is hard to coordinate priorities and align resources across a number of stakeholders.

However, through collaboration and the entrance of new technologies, the market can achieve the benefits of an "interoperable-like" ecosystem faster and more efficiently without having to be tightly coupled technologically. In a practical sense, this means that the end strategy and execution must be owned by the individual bank or broker with them driving collaboration across all of their market partners. They already have access to the data needed to make optimal decisions. However, a powerful framework is required to structure and connect their ecosystems into a harmonised place, inclusive of all their CCP, triparty and derivatives margin activity. The banks and brokers are the only ones with all the data needed to make it a profitable reality.

Why would the industry want to collaborate on this? Would it potentially be dilutive to certain business models?

"Rising tides lift all boats." Whether you are a CCP, triparty provider, custody bank, margin vendor or technology platform, we should all want healthier clients. Healthier clients mean a more robust risk appetite, an improved credit profile and a willingness to innovate and expand business opportunities. Ultimately, this leads to a larger, more profitable and safer industry for everyone.

To perform centralised and complex decision making, firms need a platform that aggregates and harmonises data structures from both internal and external locations and can process rich sets of attributes on this data.

BJ Marcoullier
Global head of sales and business development
Transcend

Meeting the challenges of intraday liquidity management

Simon Squire, global head of product management Clearance and Collateral Management at BNY Mellon, breaks down the significance of intraday liquidity, the market factors driving demand in this area and the release of intraday repo on the platform

Managing intraday liquidity is a top priority for financial firms and corporate treasurers. The consequences of mismanagement can lead to liquidity shortfalls or substantial financial costs. Regulators in the financial services industry are focused on how banks and other firms under their purview manage liquidity, including intraday, given that market disruptions could arise at any time from missteps or erroneous calculations.

After all, managing intraday liquidity is more than just an accounting exercise involving debits and credits. Cash inflows and outflows represent real transactions and the sequence, timing and shaping of those transactions throughout the day have a real-world impact on an institution's liquidity profile and the cost to the business. External variables such as ever-changing economic and market conditions need to be considered. All of these factors have resulted in the need for increasingly flexible tools and infrastructure for market participants to manage intraday liquidity as efficiently as possible.

Defining intraday liquidity

Intraday liquidity in the context of financial firms and banks such as BNY Mellon can be defined as resources that can be used to fulfil payment, clearing and settlement obligations — sometimes referred to as 'sources' and 'uses'.

Sources of intraday liquidity include opening cash balances, incoming cash wires, unencumbered securities, securities delivered versus payment (DVP) and access to intraday operational credit — whether committed or uncommitted — from Financial Market Infrastructure and Financial Market Utilities such as CCPs and agent banks.

Uses of intraday liquidity include outgoing cash wires, cash or securities collateral allocated to meet Financial Market Infrastructure or regulatory requirements, and securities received versus payment (RVP). Intraday liquidity is "the lifeblood of the financial system" for the smooth functioning of financial markets. Every source and use of intraday liquidity sends a signal that helps us to understand how the overall financial system is functioning.

Importance of intraday liquidity management

It is difficult to overstate the importance of managing intraday liquidity effectively. Firms across the financial industry need to have the right amount of liquidity available, and in the right currency, to meet obligations in a timely manner — not only in the normal course of business but also under adverse conditions. Many banks are required to account for intraday liquidity needs and stress-scenario requirements as part of their living recovery and resolution plans, which are updated annually.

Moreover, with intraday liquidity requirements being significant and growing, several firms are required to demonstrate their access to liquidity, including the ability to cover peak demand. Stress in the banking industry in March 2023 emphasised the criticality for banks to have access to additional sources of liquidity. A steady stream of new and evolving regulations has banks and broker-dealers placing further emphasis on their treasuries' financial resource management and balance-sheet allocation across different lines of business and varying market conditions.

Market factors driving demand

The market environment is another factor that underscores the importance of managing intraday liquidity well. The cost of intraday liquidity has increased steadily as the Federal Reserve has raised interest rates from near zero to combat inflation. Gone are the days when intraday liquidity was extended at little to no cost. Quantitative tightening is also contributing to higher liquidity costs for banks. For example, as the Federal Reserve's balance sheet shrinks, many commercial banks have begun to raise deposit rates exponentially to maintain their deposit base and liquidity levels.

If the Fed's Overnight Reverse Repo facility (ON RRP) remains at elevated levels, it could pressure banks to defend liquidity levels more aggressively so they can cover liquidity for daily obligations. Changes in market structure are also driving the need for real-time liquidity management, including the movement to shorter settlement times — such as T+1 — and near real-time settlement of securities and payments using new tools and technologies.

A market for short-term liquidity consists of a borrower — an entity that needs to raise liquidity on a given day for a specific period of time — and a lender — a financial institution that has access to liquidity and the ability to lend it to other market participants.

Both parties benefit in different ways. For example, the borrower benefits by sourcing the liquidity needed, and the lender benefits by potentially creating revenue from excess liquidity which may have otherwise remained idle. A number of large depository institutions have excess cash on their balance sheets as do buy-side institutions, such as money market funds and hedge funds.

The transaction typically unfolds as an overnight repurchase agreement

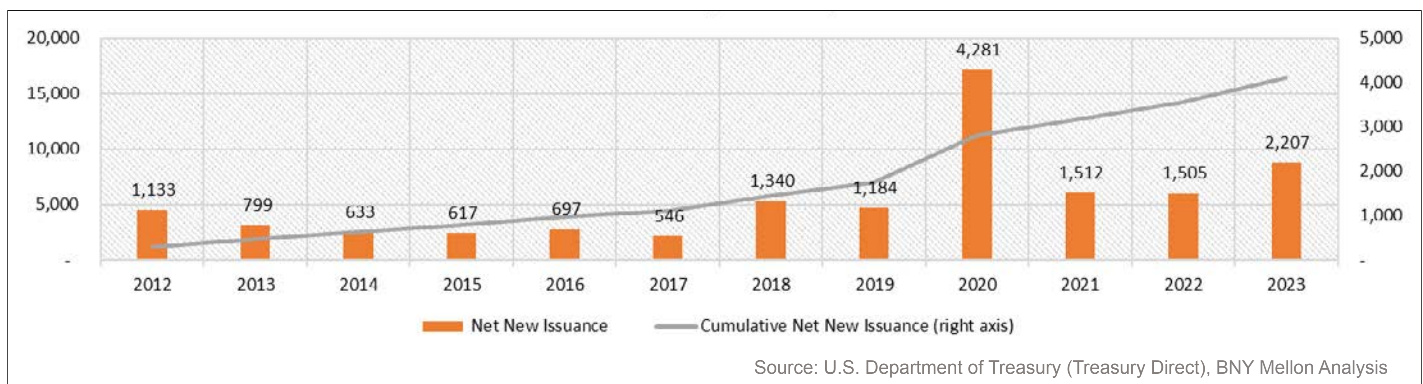
Case study: primary dealers, clearing banks and the US Treasury market

The US Treasury market is the deepest and the most liquid government securities market in the world. Its successful functioning depends on the daily clearing and settlement of hundreds of thousands of transactions. It relies on broker dealers, including primary dealers that serve as counterparties of the Federal Reserve Bank of New York; clearing banks, firms that clear and settle book-entry securities including US Treasury and agency securities; and the Fixed Income Clearing Corporation (FICC), which serves as a central counterparty to a number of Treasury market transactions.

Substantial growth in clearing volumes in recent years reflects a combination of increases in both issuance and trading volumes of US debt, as well as increased market volatility and uncertainty around monetary policy. Intraday liquidity, which is provided by clearing banks in the form of secured credit, is an integral part of the clearing process. Clearing banks may require margin to cover and collateralise extensions of intraday credit and can also apply incremental surcharges for its use. Such charges can incentivise borrowers to prefund trades or implement operational efficiencies to reduce reliance on clearing bank credit.

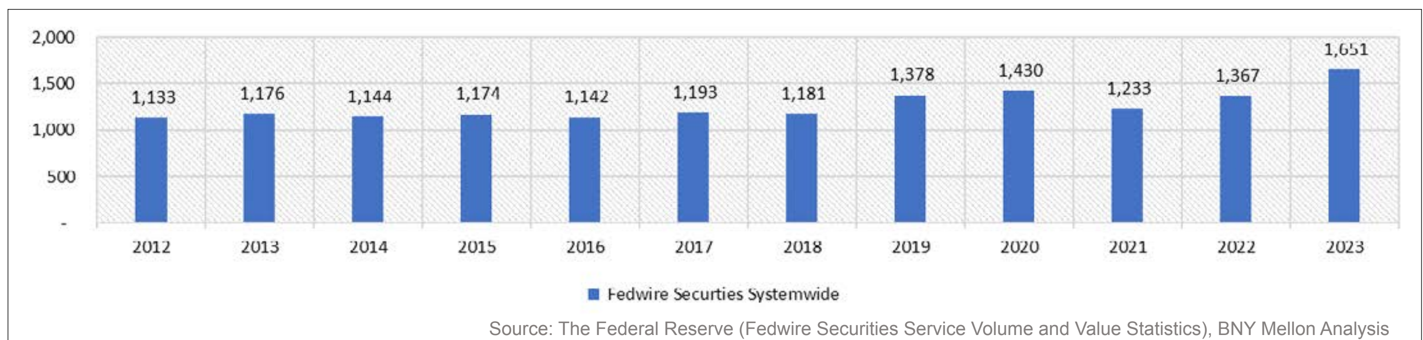
To raise liquidity to cover purchases of government securities, dealers can resort to bilateral or triparty repo for financing. While triparty repo can offer an operationally efficient way to finance securities, dealers may still have funding gaps during the business day. When such gaps arise, dealers could resort to intraday credit from clearing banks or other sources of liquidity, which can be costly. A market for intraday repo may be a more economical solution for this temporary liquidity need. Generally speaking, the need for cash or relatively rapid and efficient access to it seems likely to increase as excess reserves in the US banking system decline.

Net New Issuance by Year 2012-2023 (in $ billions)



Source: U.S. Department of Treasury (Treasury Direct), BNY Mellon Analysis

Daily Systemwide Fedwire Securities Value by Year 2012-2023 (in $ billions)



Source: The Federal Reserve (Fedwire Securities Service Volume and Value Statistics), BNY Mellon Analysis

(repo) in which the borrower sources liquidity in exchange for collateral, while simultaneously agreeing to buy back the securities the next day at a specified financing rate.

How BNY Mellon is helping clients

A drawback of the vanilla repo is that its term is usually overnight, at a minimum, whereas the liquidity may only be required for a short period of time during the day. For example, several borrowers may choose to enter into repo agreements on an overnight basis to cover payment or other cash outflows for just an hour or even minutes during the morning. Overnight repo also limits the flexibility of the lender to have cash returned in periods shorter than a 24-hour timeframe.

Enter the intraday repo. BNY Mellon's Clearance and Collateral Management business is introducing the ability to source liquidity for precise periods of time through intraday repo on its triparty platform. Intraday repo will allow borrowers to specify the amount of time they need liquidity, without having to borrow for a full 24-hour period. It also opens the door to lending excess cash on an intraday basis.

BNY Mellon will launch intraday repo starting in Q4 2023. Participants will be able to access intraday repo via BNY Mellon's existing triparty infrastructure, using a process that is similar to overnight repos, using their existing legal framework. The functionality will enable clients to instruct a same-day repo with specified start and end times using existing instruction channels.

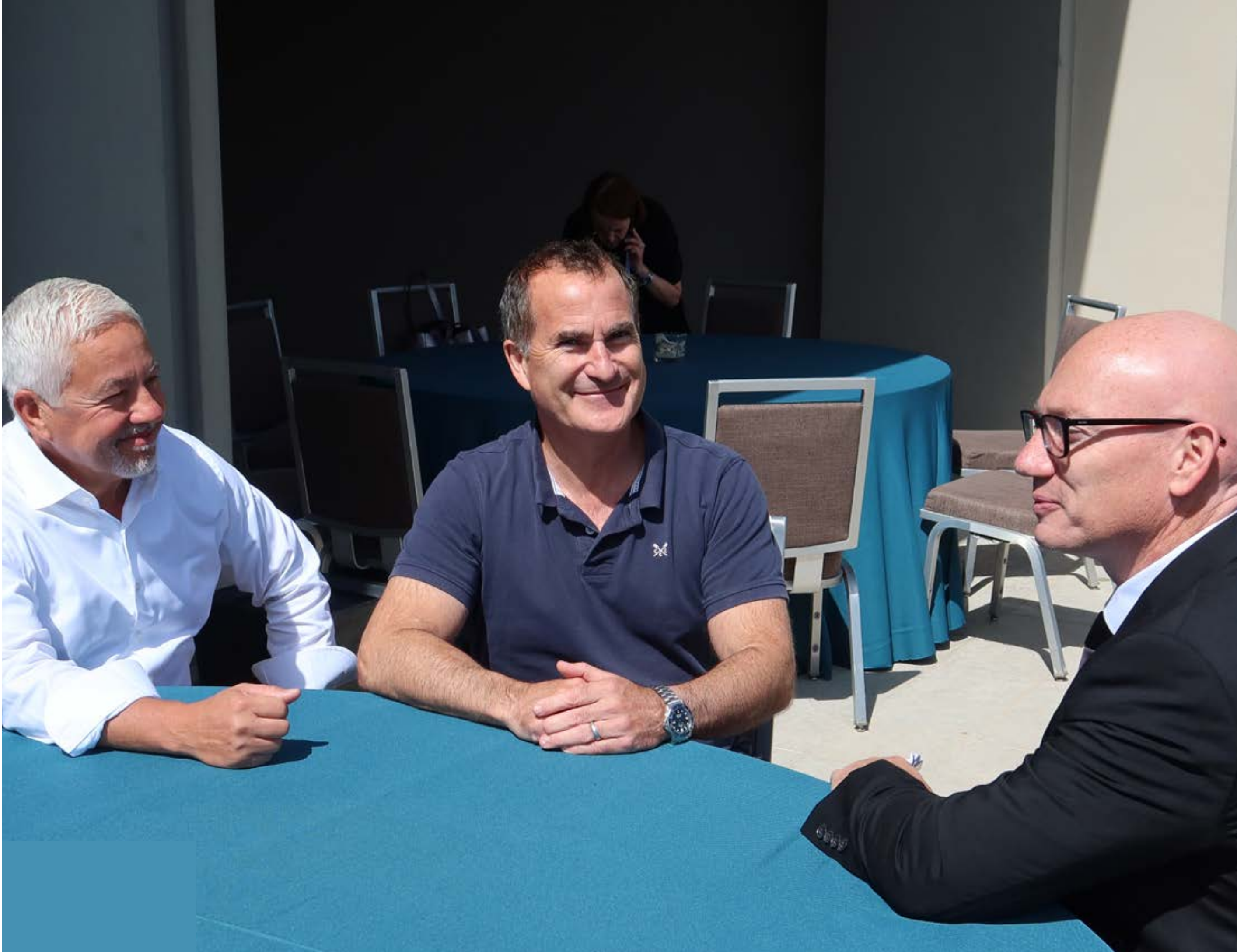
The platform will reflect the trade as intraday, as opposed to overnight, open or term, and then will use the standard collateral and cash settlement infrastructure, whereby the allocation and return of eligible collateral settles intraday against payment. The trade will mature based on the agreed end-time and will automatically unwind under standard triparty arrangements. The triparty platform will calculate interest each minute based on the agreed rate, accruing from the time the trade is collateralised and funded until the agreed end time.

The importance of liquidity management, and more specifically intraday liquidity, will continue to be a key focus for the industry. BNY Mellon is actively exploring additional ways to unlock intraday liquidity using its triparty infrastructure along with other innovative solutions. In the current environment, secured intraday liquidity management capabilities may prove to be a valuable solution to the limitations of overnight repo for both borrowers and lenders.

It is difficult to overstate the importance of managing intraday liquidity effectively. Firms across the financial industry need to have the right amount of liquidity available, and in the right currency, to meet obligations in a timely manner.

Simon Squire
Global head of product management Clearance and Collateral Management
BNY Mellon

Should you wish to further explore BNY Mellon's Intraday Liquidity offering, reach out to Simon Squire who will be at the BNY Mellon Client Lounge at the 2023 Risk Management Association Securities Finance and Collateral Management Conference, or otherwise please contact your relationship manager.



The Alternative Connection

SFT's publisher Justin Lawson sat down at the RMA Securities Finance & Collateral Management Conference with Matthew Harrison, CEO of Trading Apps, and Bobby Colon head of sales for North America, to discuss their latest trading option

Could you tell us about TA.Link?

At Trading Apps, we are always working on new and innovative ideas to deliver to market. We feel we have some of the smartest brains in the industry and TA.Link is the latest we are bringing to market. TA.Link is an alternative way to communicate trading activity between securities finance participants.

In what ways does TA.Link deliver significant savings compared to existing messaging services for instructing trades?

TA.Link has a single monthly cost payable when the service is available to use, so there is no initial minimum set-up cost and no per trade or volume costs. TA are not party to

how existing services charge, but it has been indicated to us that we would be approximately 10 per cent of the current average cost.

Can you elaborate on the cost structure of TA.Link? Specifically, how is the low fixed monthly cost per participant determined and are there any additional costs that participants may incur?

It is a fixed monthly cost which is the same for all participants.

TA.Link provides an alternative connection to mitigate the risk of relying on a single messaging service. Could you elaborate on how TA.Link addresses this risk and ensures a more secure communication environment?

We mitigate the risk to a participant of relying on a single messaging service by offering an alternative. TA.Link messages are fully end-to-end encrypted using industry leading technology and, as such, are far more secure than email. Using AWS cloud-based services, TA.Link runs on multiple servers located around the world with instant failover in a disaster recovery situation.

How does the connectivity process work for TA.Link?

Like other messaging services, we provide an API to send and receive messages and this allows a participant to build an interface to this API from their own systems. We also provide a secure web-based GUI for participants to enter and receive requests through a screen with a download option to then input completed trades into their own systems. We provide some ‘out of the box’ gateways directly into the most commonly used systems. And, finally, if the participant has any Trading Apps tools, then these seamlessly integrate with TA.Link without any changes required.

Could you provide details on how TA.Link compares to existing messaging services and what advantages it brings to market participants?

It’s faster, easier to connect to, more cost efficient and, with the plans to build out lifecycle events, it will offer richer functionality that serves the whole global market across equity and fixed income.

Can you elaborate on the interaction between lenders and borrowers using TA.Link and how specific lifecycle events are facilitated by TA.Link?

Link.Trade, which is the first phase of TA.Link, allows a lender to publish loan availability, either via the API or displayed on the GUI.

We mitigate the risk to a participant of relying on a single messaging service by offering an alternative.

The borrower can then respond directly to this availability to request a borrow, or they can enter a needs list directly.
The borrower can either request an availability check from the lender or a firm request, where the lender can accept and book the trade if the borrow request is accepted. The key lifecycle events are re-rates, recalls and returns, which are the next phases of TA.Link. This will allow full automation of these events, which are often overlooked and usually sent by email, despite them having an element of trader negotiation (especially re-rates).

TA.Link is provided as a cloud-based SaaS subscription offering. Could you explain the benefits of this delivery model?

TA uses AWS as its cloud service provider, which offers world-class security and scalability at an affordable price, allowing this affordable price to be passed onto participants. Cloud-based SaaS allows participants to join easily, without a complicated set-up. They pay monthly, so there is no upfront commitment, and they can be confident that the service will scale as the number of participants and transactions increase.

Don't mind the gap

Our repo markets bridge liquidity gaps. More than 160 European financial institutions are currently active on our Repo, GC Pooling, HQLA^x and eTriParty markets. They benefit from trading opportunities with fully integrated clearing and settlement.

Architects of trusted markets EUREX

EQUILEND
ENSURE T+1
READINESS
WITH

rma
2023 RMA Securities Finance &
Collateral Management Conferen
Registration Desk
J.P.Morgan

HELIX
Financial Systems
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FINANCE SOLUTION
FOR ALL YOUR POST-TRADE MULTI-ASSET NEEDS

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Day two

Keynote 1: Global Market Trends to 2030 and Beyond with Mauro Guillén

Wednesday, October 11, 2023 8:45 AM to 9:45 AM

Mauro Guillén, Professor of Management and Vice-Dean at the Wharton School and former Director and Dean of the Cambridge University Judge Business School, is an expert on global market trends. He combines his training as a sociologist at Yale and as a business economist in his native Spain to methodically identify and quantify the most promising opportunities at the intersection of demographic, economic, and technological developments. His 2020 book entitled 2030: How Today's Biggest Trends Will Collide and Reshape the Future of Everything was an instant Wall Street Journal bestseller and a Financial Times Book of the Year. Mauro will share insights from his latest book, released in August 2023, The Perennials: The Megatrends Creating a Postgenerational Society.

Keynote speaker

Mauro Guillén
Wharton School

Your equity financing, centrally cleared

With the world's largest U.S. equities lending counterparty

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30 YEARS

85 HEDGE LOAN PROGRAM MEMBERS*

$126B AVERAGE DAILY LOAN VALUE*

THE FOUNDATION FOR SECURE MARKETS®

*At year end 2022

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Challenges and Economic Considerations in Cash Collateral, Fixed Income, and Repo

Wednesday, October 11, 2023 9:45 AM to 10:30 AM

Cash collateral, fixed income securities, and repurchase agreements (repo) play a crucial role in securities finance, enabling market participants to finance and secure their positions. Our panel will engage in a comprehensive analysis of the challenges faced by market participants including the outlook for interest rates, credit risk, regulatory constraints, and market volatility.

Moderator

Karyn Corridan
State Street Global Advisors

Speakers

Michael Evan
BNY Mellon

Ripal Tilara
Invesco

Mark Cabana
BofA Securities

Eric Hiatt
BlackRock

Basel III Endgame Part 1: Institutional Impact

Wednesday, October 11, 2023 11:15 AM to 12:00 PM

Basel III regulations have significant implications for the securities finance industry, raising concerns for beneficial owners, banks, and broker dealers.

Moderator

Michael McAuley
BNY Mellon

Speakers

Chen Xu
Debevoise & Plimpton LLP

Joseph Hwang
Goldman Sachs

Glenn Horner
State Street

Keynote 2: Geopolitics and the Macroeconomy

Wednesday, October 11, 2023 12:00 PM to 1:00 PM

While the world grapples with lingering uncertainties around the war in Ukraine, a strained US-China relationship and the increasing political divides, what can we takeaway as potential impacts to our industry?

Keynote speaker: **Charles Myers,** Signum Global Advisors

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T+1

ENSURE T+1 READINESS WITH EQUILEND

EquiLend offers a complete T+1 solution to connect, automate, simplify and expedite all elements of the trade lifecycle leveraging existing EquiLend connectivity.

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Building a Cohesive Collateral Ecosystem Shouldn't be a Complicated Decision

We know the problem you face:

Implementing a collateral strategy that scales across complex constraints and business lines is hard.

We also know the impact it's having...

The opportunity costs of inefficient capital, funding and liquidity usage are rising.

We have the solution

Transcend's Enterprise-wide Optimization unifies the pillars of ***Eligibility***, ***Supply***, ***Obligations*** and ***Mobilization*** into a true end-to-end solution. We deliver financial savings, operational resiliency, risk mitigation, and strategic scalability. The technology is here and it's time to use it.

To learn more about Transcend's Enterprise Optimization solution or our other innovative products for enhancing liquidity, funding and collateral decisions visit us at www.transcendstreet.com or contact us at sales@transcendstreet.com

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