

## AI in securities finance: A practical approach

EquiLend's Nick Delikaris provides  
insight into how the firm is thinking  
about artificial intelligence



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## Preparing for a changing world

Bringing attendees back for day three of the ISLA 33rd Annual Securities Finance & Collateral Management Conference, the ‘Leaders’ Perspectives & Predictions’ panel provided a candid look at how the industry’s players are reviewing their operating models and trading strategies and where the market stands.

Opening the panel with their thoughts on the market, panellists noted that the industry is well-functioning, resilient, and its ability to absorb the amount of market activity that has been seen this year is “impressive”.

In addition, one panellist summed up the market with one word: converging. Structurally, they anticipated that the market was heading to an outcome-led financing market. The risk is complexity, because the

industry is more connected, customised, and sophisticated.

Complexity could become the price of that progress unless the infrastructure keeps up with the pace of the level of customisation that is being seen across products, they warned.

Reviewing the market, it was noted that this current period of expansion is unlike what has been seen before. Struggling to not be too complacent or overconfident with what the market is witnessing across every segment and region, they noted that this period of growth has further to go and engagement is on the rise.

The panel shared visuals to help attendees understand the level of performance being

seen in the securities finance market, the summary was “everything is going up”. The equity ball continues to roll, and what has been seen in segments such as AI infrastructure and semiconductors “has been huge”.

The run-up to this transformation has been something “we haven’t seen for almost a generation of people in this business”, one panellist stated. It was noted that macroeconomic headwinds have not held back asset prices from rising.

Moving the discussion forward, it was noted that there are a number of emerging markets and markets where intrinsic value lending has been significant and a big market driver. These factors led to the question: what does it take to build scale in new markets?

One panellist advised that patience is required for entrants to new markets, because it takes time. In terms of scale and liquidity, participants must identify the friction points early and address them as part of the development as opposed to doing so once already live.

Friction could appear within the legal and regulatory framework. From an agent lender perspective, the priority is to align as much as possible with international standards. In addition, friction can appear from an operational standpoint, and this is where scalability can be lost. To solve this, automation and thinking ahead on what the

operating model will look like is key.

Collateral development was also flagged in the discussion. The key collateral questions participants need to ask themselves are: do you have confidence in your security interests and your ability to liquidate the collateral in the event of a default?

Viewing the regulatory landscape, it appears that the current environment seems much more solutions-focused than ever. There are many opportunities arising and participants are thinking about how they can capitalise on those opportunities.

When considering regulation, the panel said that the industry has adapted to the current frameworks that sit around capital structure, there is a general optimism around the finalisation of capital rules. However, the industry is entering an environment where, depending on the region, there could be some tailwinds in terms of how the regulatory framework enables firms to do business.

There are some big market structure regulatory changes coming in, whether that be T+1 in Europe, extended trading hours in the US, or revision to new securities lending rules. A panellist said that new and upcoming regulation should help firms to do more business, as a financial industry, to support the growth of capital markets.

Concluding the panel, the speakers provided their final thoughts and predictions for the market. One panellist highlighted the convergence of traditional and digital markets, and predicted that over the next two years, firms will have a scalable model that will support both tokenised securities and TradFi securities.

Another prediction related to the headlines around the implementations of AI, tokenisation, and digital assets. This will start to come from the horizon and into a closer view over the next 12 months, and will be talked about as part of the business.

## Tokenised collateral moves towards scale

Tokenisation is moving from experimentation towards commercial adoption, but market participants must still resolve challenges around interoperability, regulation, risk management, and collateral mobility, according to speakers on the second day of the conference.

Opening the discussion, the panel considered whether tokenisation could become one of the key inflection points for securities finance in 2026. Speakers agreed that the technology has advanced significantly, but suggested the more important development has been the emergence of clearer policy and regulatory frameworks in the US, UK, and Europe.

One speaker noted that Europe has had frameworks to support tokenisation for some time, including experimental regimes and the distributed ledger technology (DLT) pilot. However, recent US regulatory clarity has helped shift the global conversation from testing technology to considering how it can change markets at scale.

Digital securities depositories were highlighted as part of this evolution. One panellist said the concept represents a move beyond digital bond issuance towards full digital securities infrastructure, including settlement, custody, asset servicing, collateral facilities, financing, and cash flows.

The panel also discussed the importance of cash settlement for tokenised markets. Speakers noted that possible settlement assets include regulated stablecoins, tokenised bank deposits, wholesale central bank money, and other forms of onchain cash.

Collateral mobility was identified as one of the clearest commercial opportunities for tokenisation, particularly because of the scale and volume of securities finance activity. The panel said central banks are beginning to clarify the eligibility and treatment of tokenised collateral, which could support wider adoption.

Interoperability was another major theme. Speakers warned that many distributed

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ledger projects have historically fallen into one of two categories: isolated walled gardens with limited utility, or fully open networks lacking the privacy, governance, and control required by institutional markets.

One panellist said the market is now approaching an inflection point, quoting Ernest Hemingway, saying: “Everything happens slowly and then all at once.”

Atomic settlement was also discussed, with speakers warning against confusing atomic settlement with instant settlement. One panellist noting that atomic settlement should be treated as a technical feature rather than a requirement, and that market participants must retain the ability to control, pause, or sequence transactions where necessary.

Cross-border collateral mobilisation was identified as one of the most important use cases. Speakers said tokenisation could help firms move assets across jurisdictions and time zones more efficiently, but only if common standards and interoperable infrastructure are developed.

The panel warned that token standards, data consistency, and platform connectivity will be critical. If each market participant creates tokenised securities data differently, the benefits of mobility could be lost.

A speaker said the goal should be infrastructure that is neutral and interoperable,

regardless of the underlying blockchain, token agent, or market participant involved.

Regulatory fragmentation remains a challenge. Speakers noted that even within Europe, differences in tax law, property law, corporate law, and settlement processes continue to create barriers. Tokenisation may help bridge some of those gaps, but the panel cautioned that technology alone will not solve legal and regulatory fragmentation.

The panel also contrasted different policy approaches to digital money. Speakers noted that the US is more supportive of stablecoins, while Europe remains more focused on central bank digital currency and central bank money. These divergent approaches could shape how tokenised settlement and liquidity models develop across jurisdictions.

Risk management formed the final part of the discussion. Panellists considered whether a future market structure based on automated margin calls, AI agents, and real-time collateral movement could create new vulnerabilities.

The panel agreed that automation should support operational processes, but that human oversight remains essential during periods of stress. One speaker said that, in a crisis, firms want automation for routine tasks, but not for final judgment calls.

“There have to be safety breakers,” one panellist said. “A human being with authority and judgment needs to have a giant red button.”

The panel concluded that tokenised collateral has moved beyond theory, but that successful adoption will depend on building interoperable infrastructure, preserving robust controls, and ensuring that digital market structures enhance — rather than undermine — the resilience of securities finance.

## From Endgame to preparing for the long game

The industry is at a critical inflection point, according to ‘The Capital Efficiency Mandate: Pledge, Clearing, & the New Basel Reality’ panel. Education, knowledge, and agility are going to be required to be able to optimise capital in a new world.

It has been 13 years since the Bank of International Settlements compiled the Basel Committee on Banking Supervision, following the global financial crisis.

The original objectives for the committee included the need to improve the banking sector’s ability to absorb shocks; increase transparency to ensure that regulated banks maintain comprehensive disclosures regarding their underlying risk exposures; strengthen risk management; enhance

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capital requirements; reduce leverage; and address liquidity risks. These core objectives were designed to foster a structured, resilient banking sector and materially reduce the likelihood of future systemic crises.

“It has been quite some journey,” one panellist stated, noting that the panel sat on the eve of the closing of the Basel III Endgame public consultation period in America.

In the plethora of reforms post-crisis, this is about counterparty risk and how banks measure their counterparty risks, a panellist said. The industry was built with banks being able to grade their counterparties, translating that into a counterparty risk weight that reflects the loan risk of the counterparty on the securities lending side.

Post-crisis, regulators wanted to introduce standardised approaches that limited the benefit that banks can get from those models. The industry needs to be able to manage capital usage under those standardised approaches, the panel heard.

We are entering a completely new paradigm, where there is a recalibration of what has been happening in the past 12 years. SLR in the US used to be a five per cent minimum Tier-1 leverage ratio, it has now been modified and most, if not all, of G-SIBs adopted this on 1 January 2026.

According to one of the panellists, a lot of this is aligned in the backdrop of a massive AI technology boom, and a very accommodative, fiscal, and monetary administration. Deregulation created the capacity for balance sheet growth.

There is an attempt being made to have some of the standardised calculations more closely reflect “risk reality” by adding, for example, correlations back into the rules, from a standardised perspective. The panellist added that “the hand that giveth, taketh away” — meaning that firms can no longer look at those more advanced risk models that they have been able to rely upon internally.

The key aspect to consider as the market looks to the future, is how we bring some of these objectives more closely together. In terms of transparency — such as the data being provided for SFTR — how does that further inform additional changes to the regulation so that regulators can continue to ensure that the way in which banks hold liquidity and capital charges, more closely reflects risk reality.

Moving forward, the panel discussed the tools in the capital management toolkit, which are: central counterparties; buy side/ Fund Credit Ratings (CRA/ECAI/Internal); pledge (title-transfer alternative); netting and legal (CPMA Cross-Product Solution).

Historically, the view has been that these

tools are competing with each other, but they do not need to be. For one panellist, ‘the smart money’ is looking at these as complementary solutions that you can dial into or out of depending on market conditions and client need.

Another panellist highlighted the significance for all lenders and beneficial owners to understand these tools and why they are important, noting that “the playing field has changed and it’s not fair”.

Looking into how this toolkit could play into a future world where pan capital market buy side funds might want to align their credit worthiness with the risk and capital.

Credit ratings are perhaps “the most natural” solution, a panellist stated. They go on to inform the audience that for non-US banks, credit ratings determining the risk weight is written into the standardised approach. There are questions around if it will be a user pays model, as well as questions around scalability and cost effectiveness.

They noted that credit ratings are very effective because they address SFT capital usage and fits with what the US banks will need, which is the validation of the investment grade assessment to obtain a 65 per cent risk weight.

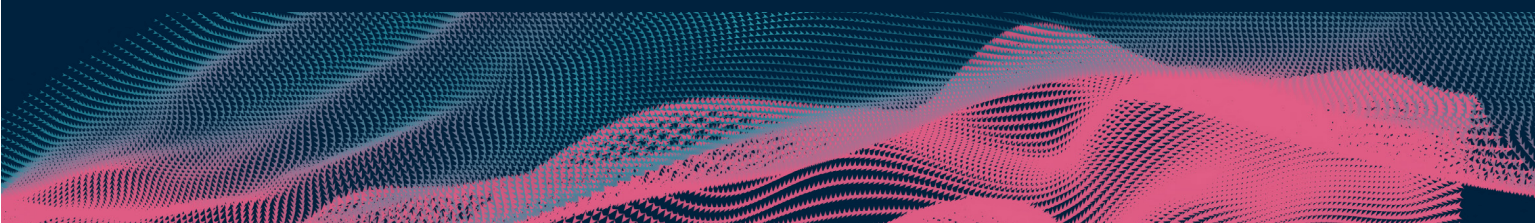
Concluding the discussion, panellists hoped to see a final rule for Basel by the end of the year. ■



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## AI in securities finance: A practical approach

EquiLend's Nick Delikaris, chief product officer, provides insight into how the firm is thinking about artificial intelligence, how it should be applied, and next steps

In securities finance, the AI conversation has moved past 'whether' and into 'how,' and it has moved fast. For firms that operate core market infrastructure, the answer carries real weight, in what you build and, just as much, in what you deliberately leave alone.

At EquiLend, we have organised our approach around three priorities.

The first is internal transformation. We are evolving toward a product engineering model, with product and engineering fused together in nimble teams making prototyping faster and AI embedded in the

build cycle itself. The results are already concrete: AI now generates more than 20 per cent of our new code, with throughput and quality benchmarks improving in parallel. The firms that can move quickly and safely from idea to working product will hold a structural advantage, and that starts with how the people doing the work are equipped.

The second is open architecture. Rather than delivering AI as a closed feature set, we are building model context protocol (MCP) connectivity across our product suites, with prototype connectors already running against Spire and our data products. Clients can bring their own AI

tools and integrate them with EquiLend platforms directly, without bespoke work for each use case. The goal is to be a building block, not a black box.

The third is embedded AI at the product level. Our Gen-AI chatbot is live for licensed data clients across DataLend and Orbisa, and our Predictive Short Interest model, built on an internally developed AI/machine learning (ML) framework, is already in clients' hands with strong early feedback. EquiLend holds the core platforms and the critical control points, where regulatory compliance, data integrity, and operational resilience are non-negotiable. Clients use those as a foundation to build the lightweight, specific workflows that make their own operations faster and smarter.

The next frontier for this infrastructure is agentic AI. As AI systems evolve from answering questions to acting on them, connecting directly to markets, managing collateral, and interacting with digital asset wallets, the infrastructure underneath has to be ready. Through our partnership with Digital Prime Technologies and their Tokenet

platform, EquiLend is extending that foundation to digital assets, so that AI-driven workflows can operate across traditional and tokenised assets within a single book and a single risk framework.

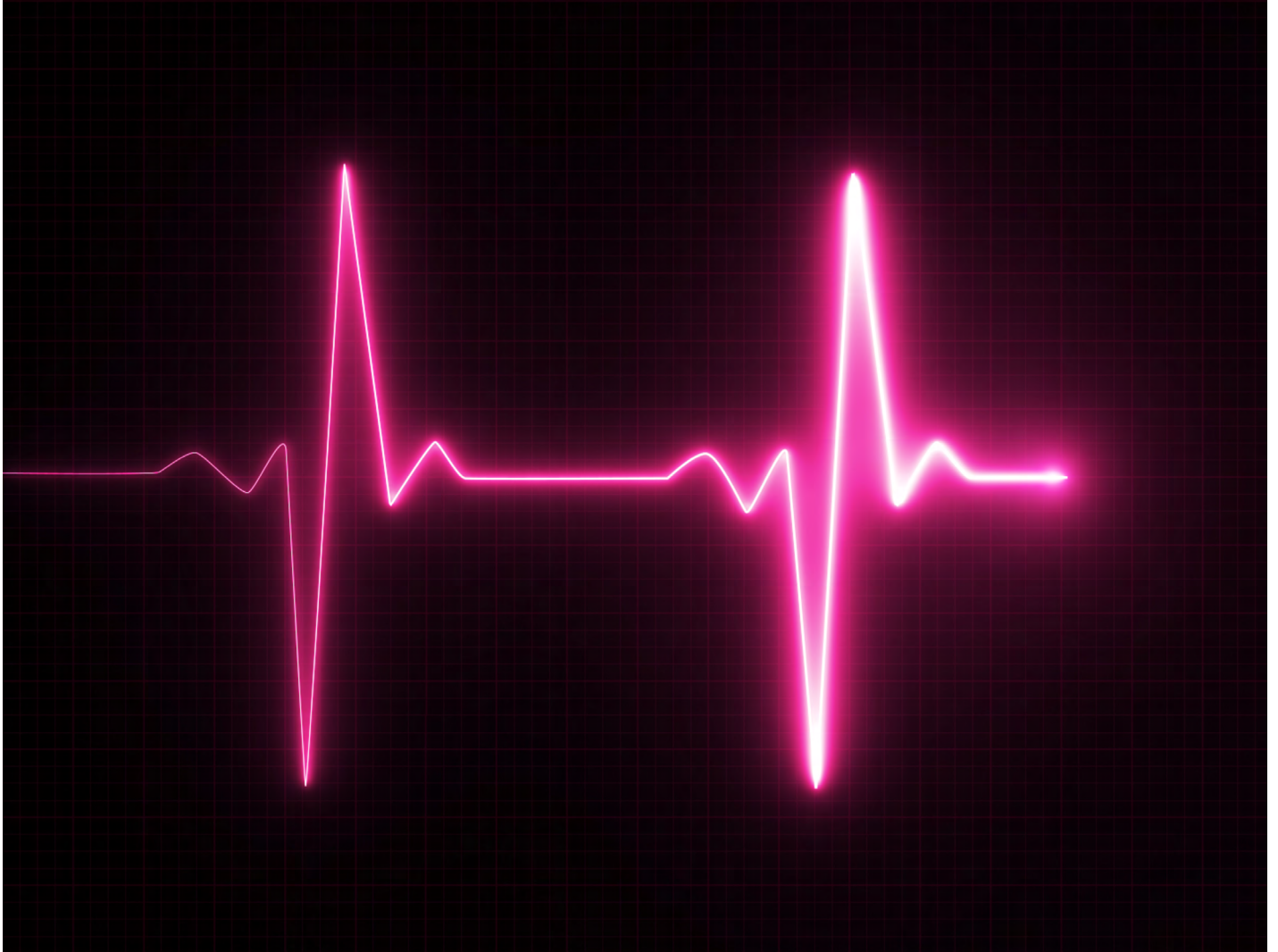
It is worth being clear about why this is a position of strength rather than exposure. AI pressure falls hardest on businesses built on human labor, simple automation, or per-seat licensing. Securities finance infrastructure sits elsewhere. Its value comes from network effects, US\$122 billion in daily notional across more than 130 counterparties in 30 markets; from proprietary data measured in years rather than months; from deep workflow integration; and from the auditability and trust that a regulated environment demands. AI does not weaken those foundations. Applied well, it compounds them.

That is the practical view from where we sit. The complexity of this market, deep data, intricate counterparty relationships, and a regulatory regime that demands traceability, does not disappear under AI. But handled with intent, it becomes more manageable, and that is the work we are focused on. ■

*“The complexity of this market, deep data, intricate counterparty relationships, and a regulatory regime that demands traceability, does not disappear under AI”*

**Nick Delikaris**  
Chief product officer  
**EquiLend**





## Revenues reveal signs of recovery amid evolving demand dynamics

**Matt Chessum, executive director, equity and analytic products at S&P Global Market Intelligence, evaluates the underlying trends in EMEA's securities lending market and the region's move into a more 'constructive phase'**

Over the past 12 months, securities lending activity across the EMEA region has shown early indications of recovery, supported by gradually improving macro conditions, rising utilisation, and a noticeable increase in special balances.

While the backdrop has remained complex, characterised by geopolitical tensions, evolving central bank policy, and uneven economic growth, the data suggests a potentially more constructive environment for revenues, particularly in early 2026.

More importantly, this improvement has not been uniform. Instead, it appears to have been influenced by pockets of stronger activity across peripheral markets and an increase in higher-fee special lending, both of which have contributed meaningfully to overall returns.

### **A strong start to 2026 points to improved conditions**

The first quarter of 2026 may mark an inflection point for EMEA equity lending. Revenues reached US\$337 million, up 63 per cent year-on-year (YoY), supported by a 43 per cent increase in average balances to US\$265 billion and a 14 per cent rise in fees to 50 basis points.

These changes are consistent with a combination of higher demand and a more supportive fee environment. Utilisation increased to 4.3 per cent, up 16 per cent YoY, reinforcing the view that a greater proportion of inventory is being actively deployed.

This trend builds on broader developments in the region. Lendable supply expanded significantly, rising 26 per cent YoY to US\$4.9 trillion, which may reflect stronger asset growth and increased participation from beneficial owners. At the same time, rising utilisation points to borrowers becoming more active, with demand beginning to move closer to available supply. Taken together, these dynamics represent conditions that have historically been associated with revenue recovery following softer periods such as 2024.

From a macro perspective, this trend appears broadly aligned with stabilising economic conditions across Europe. Growth has remained modest but resilient, supported by consumer spending and public investment, while central banks have taken steps toward easing. Lower financing costs and improved liquidity conditions are factors that have historically been associated with increased risk activity, which may increasingly be feeding through into securities lending demand.

### **Peripheral markets contributing disproportionately to growth**

A notable feature of the past year has been the outsized contribution from peripheral EMEA markets. Countries such as Greece, Portugal, Poland, Spain, and Turkey have delivered some of the strongest growth rates in the region during Q1 2026, across both revenues and fees.

- Poland recorded a 408 per cent increase in revenues, alongside a 338 per cent increase in fees, with average fees reaching 2.32 per cent, indicating a meaningful level of special activity.
- Greece saw revenues rise 409 per cent YoY, with fees climbing to 8.73 per cent, consistent with a more constrained supply backdrop and elevated borrow demand.
- Portugal revenues increased 403 per cent, driven by a 442 per cent rise in fees, again highlighting the importance of special balances.
- Turkey revenues grew 114 per cent, supported by fees of 1.92 per cent and utilisation of 18 per cent, the highest across EMEA.
- Spain delivered 108 per cent revenue growth, alongside a 41 per cent increase in fees.

These markets tend to share several structural features, including smaller lendable pools, more concentrated ownership, and sensitivity to local macro and political developments. This combination can lead to supply-demand imbalances, which are often reflected in higher fees and a greater proportion of special activity.

These dynamics may also be supported by broader economic trends. Southern European economies, including Spain, Greece, and Portugal, have seen relatively stronger growth contributions in recent periods, supported by domestic demand and fiscal programmes.

At the same time, markets such as Turkey and Poland have experienced greater volatility linked to inflation, currency movements, and policy developments, conditions that have historically been

associated with increased trading activity and short demand. Greece was also recently readmitted into the MSCI developed markets index which is reflective of these broader trends and often a catalyst for stronger securities lending demand.

### **Specials activity continues to play an increasing role**

A key contributor to the improvement in revenues has been the increase in special lending activity, which rose by approximately 23 per cent YoY in 2025. Specials, typically defined as securities commanding fees above 500 basis points, tend to make a disproportionate contribution to revenues despite representing a smaller share of balances.

The data provides several indicators of this trend:

- Material fee expansion across multiple markets, including Poland, Greece, Portugal, and Turkey.
- Rising utilisation across both core and peripheral regions.
- Greater dispersion in returns across countries, suggesting more targeted rather than broad-based borrowing demand.

From an industry perspective, this pattern is consistent with broader securities lending trends. Periods of macro volatility, geopolitical uncertainty, and policy shifts are often associated with more directional positioning and concentrated borrowing demand. Episodes such as trade-related market shocks or geopolitical developments have historically coincided with elevated short interest and increased specials activity.

This backdrop tends to favour lenders with more flexible programmes and access to harder-to-borrow inventory. It may also indicate a gradual shift away from a predominantly general collateral market toward one where incremental revenue is more closely linked to the ability to capture specials.

### **Core markets remain important anchors**

While peripheral markets have contributed meaningfully to growth, core European markets continue to provide scale and stability. In Q1 2026:

- Sweden generated US\$64 million in revenue (+68 per cent YoY), with utilisation rising to 9.3 per cent.
- Germany delivered US\$42 million (+59 per cent), supported by higher fees and balances.
- France and the UK each contributed around US\$40 million, with both markets seeing steady improvements.

These markets benefit from deeper and more liquid equity universes, which support consistent general collateral activity. However, fee increases in these regions, Germany (+28 per cent), France (+25 per cent), UK (+18 per cent), suggest that even core markets may be benefiting from tighter supply-demand conditions.

### **EMEA ETF lending activity tracking broader market trends**

ETF lending activity in EMEA has also shown signs of recovery, broadly in line with the expansion of the underlying ETF market. Q1 2026 ETF lending revenues reached US\$36.5 million, up 56.5 per cent YoY, with balances rising 59 per cent and utilisation increasing 26 per cent.

ETF lending continues to exhibit structurally higher fees than equities, with average fees of 1.49 per cent in Q1 2026, reflecting consistent demand for liquidity and hedging tools. Utilisation has increased to 4.6 per cent, indicating that ETF inventory is being actively utilised.

The role of ETFs in facilitating liquidity during periods of market stress has been widely observed, with trading volumes often increasing during volatility. In a securities lending context, this dynamic has historically translated into increased borrowing demand for both directional positioning and hedging strategies.

### **Linking revenue trends to macro developments**

Changes in EMEA securities lending revenues are typically influenced by the broader macro environment. Several factors appear to have played a role over the past year:

- Easing monetary policy, stable economic growth, and fiscal support have contributed to improved financing conditions and risk activity but stable economic growth, underpinned by consumption and fiscal support.
- Geopolitical developments and trade uncertainty, often associated with increased volatility and positioning activity.
- Investor rotation across asset classes and regions, which can drive hedging and relative value demand.

Collectively, these factors represent conditions that have historically been associated with more active securities lending environments, characterised by dispersion, volatility, and increased trading activity.

### **Outlook: Gradual improvement underway**

Looking ahead, the data suggests that the EMEA securities lending market appears to be entering a more constructive phase, although this remains subject to broader market conditions. The combination of rising balances, higher utilisation, and increasing

*“While uncertainties remain, particularly around global trade and economic growth, the underlying trends across EMEA securities lending appear more supportive than in recent periods”*

**Matt Chessum**

Executive director, equity and analytic products  
**S&P Global Market Intelligence**

specials activity may provide a foundation for continued improvement in revenues.

Key themes that may persist include:

- Continued contribution from peripheral markets, where supply-demand imbalances may remain evident.
- Ongoing importance of specials as a contributor to incremental revenue.
- Growth in ETF lending, supported by structural expansion of the ETF market.
- Sensitivity to macro developments, including interest rates, inflation, and geopolitical events.

While uncertainties remain, particularly around global trade and economic growth, the underlying trends across EMEA securities lending appear more supportive than in recent periods. Revenues are becoming less reliant solely on balance growth and increasingly influenced by the composition and quality of lending activity, representing a potentially evolving opportunity set for market participants. ■





## Evolving securities finance and collateral for the markets of tomorrow

**Greig Ramsay, senior director, international client coverage, Global Collateral and Global Clearing at BNY, discusses innovation across the ecosystem and applying the correct market structure**

Securities finance is approaching a defining moment. For decades, the market has operated within defined settlement windows, predictable funding cycles, and liquidity models designed for an end-of-day environment. That framework is now being reshaped by three converging forces: the acceleration of T+1 settlement, the emergence of tokenised assets, and the transition toward more continuous, 24/7 market structures which support access to liquidity and collateral beyond traditional market hours. BNY is already seeing this shift redefine how liquidity is accessed and mobilised across global markets.

These developments are often treated separately. In practice, they reflect the same structural shift: from static, overnight optimisation to a more dynamic, always-on market. At its core, this is an infrastructure question — not whether liquidity exists, but whether firms can access and mobilise it when and where it is needed across increasingly compressed and connected markets.

This is becoming one of the defining challenges for the market. For BNY, it is where infrastructure matters most: helping clients access, mobilise, and deploy liquidity more effectively, as settlement cycles

shorten and market structures evolve. As an established global leader with US\$7.8 trillion (source: BNY, as of Q1 2026) in collateral managed, we aim to combine scale and network connectivity with a resilient platform, while continuing to extend the platform towards a more integrated, always-on global collateral model.

T+1 brings that shift into particularly sharp focus. Following the move in the US, Canada, and Mexico, and with Europe targeting October 2027, T+1 is fast becoming the global standard. Its benefits are well understood — reduced counterparty risk, faster reuse of cash and securities, and improved market efficiency. But in securities finance and collateral markets, the implications run deeper than settling one day earlier, reinforcing the need for infrastructure that can operate at scale in compressed markets.

T+1 compresses the full post-trade chain, such as allocations, confirmations, recalls, substitutions, financing, and collateral movements. It shifts the market's focus from overnight processing to intraday resilience. Firms have far less tolerance for manual intervention, delayed instructions, or fragmented workflows. The risks are familiar — tighter recall windows, higher fail risk, and less room for manual workarounds. However, under T+1 they become far more visible.

Liquidity is not just something to have; it must be available at the right moment and in the right place. This is why BNY is focused on intraday liquidity and has recently expanded its intraday repo offering to pound sterling in addition to US dollar, designed to help clients access funding in real time within shorter settlement cycles. By the end of 2026, BNY aims to add euro as the next currency.

This challenge is particularly acute in cross-border markets. Time-zone mismatches can leave firms reliant on inventory or cash that becomes available only after local funding and collateral needs have already arisen. Under shorter settlement cycles, those timing gaps become more consequential. The issue is often not a shortage of liquidity, but the inability to access it efficiently. In Asia Pacific,

for example, extending settlement windows can unlock standard US Treasury (UST) settlement across US and APAC time zones — addressing a practical challenge for global clients as liquidity needs become more continuous.

That is why T+1 should be seen not only as a settlement reform, but as a test of infrastructure and operating model readiness. It is accelerating a broader need for automation, earlier instruction flows, improved inventory visibility, and stronger ecosystem coordination. Delivering this consistently requires

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***“For BNY, it is where infrastructure matters most: helping clients access, mobilise, and deploy liquidity more effectively as settlement cycles shorten and market structures evolve”***

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infrastructure that can operate at scale, with the resilience and connectivity to support intraday liquidity and collateral movement across global markets.

Alongside shorter settlement windows, tokenisation is beginning to show where it can add practical value.

For securities finance, the most relevant use cases are not about replacing traditional infrastructure but enhancing it. Tokenised Treasuries, for example, are digital representations of traditional securities, while the underlying instruments remain held within existing custody infrastructures. This model matters, because it combines innovation with the control, resilience, and market acceptance of established rails.

The benefits are clear — greater programmability, improved transparency, faster and more predictable settlement finality, and better support for intraday liquidity access across time zones. In collateral markets, tokenisation can improve how assets are mobilised, tracked, and reused, helping firms respond more quickly to funding needs and deploying balance sheet more efficiently.

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***“Innovation matters, but in market infrastructure, innovation only becomes meaningful when it can be delivered with resilience, control, and scale”***

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The same principle applies to the shift toward 24/7 markets: the opportunity lies not in creating entirely new market structures, but in making the existing infrastructure more responsive to continuous global liquidity, collateral, and financing needs. Without that responsiveness, firms could face trapped collateral, higher prefunding requirements, and unnecessary balance sheet inefficiencies. The opportunity, however, will depend on integrating these capabilities into trusted operating models rather than treating them as standalone innovations.

At BNY, we are pursuing enhanced triparty and collateral capabilities to support both traditional and tokenised assets on a single platform. Our ambition is to extend this further toward a more integrated 24/7 model, connecting collateral, financing and clearing capabilities across the firm. Innovation should be delivered from a position of scale and resilience, rather than as a standalone capability.

Many of these benefits can be unlocked through the evolution of existing capabilities. That is why the future is unlikely to be defined by a binary choice between traditional and digital rails. The more credible

path is integration, combining the scale and certainty of existing market infrastructures with the additional flexibility and programmability that tokenisation can provide over time.

The future of securities finance will depend on platforms that can connect settlement, custody, financing, and collateral management across markets, time zones, and asset types. As a global market infrastructure provider, BNY's focus is on scaling established capabilities — bringing assets into a more connected, always-on liquidity ecosystem therefore enabling more efficient liquidity and collateral mobility across evolving global market environments, rather than forcing clients to choose between parallel models. Our aim is to help shape a more connected market structure in which assets and liquidity can move more seamlessly and reliably.

This is why the convergence of T+1, tokenisation, and 24/7 capability matters. T+1 increases the need for intraday liquidity. Broader operating models improve the market's ability to access that liquidity when it is needed. Tokenisation can further enhance how collateral is represented, transferred, and reused. Together, these developments point toward a more synchronised global funding and collateral ecosystem.

For market participants, the implications are strategic. Competitive advantage in securities finance will increasingly come from infrastructure: the ability to connect liquidity pools, reduce timing friction, automate workflows, and support clients in an environment that no longer pauses at the end of the trading day. That requires both investment and collaboration: infrastructure providers, dealers, lenders, custodians, and clients building together towards models that are standardised, scalable, and operationally robust.

As the industry prepares for Europe's move to T+1, the firms that lead will be those that can deliver innovation across the ecosystem. BNY is well positioned to play that role, aiming to bring the scale, resilience, and connectivity the market will need. ■

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# ISLA IN PHOTOS





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yesterdays Issue?

**ISLA Daily** **2**  
33rd Annual Securities Finance and Collateral Management Conference **Wednesday, 17 June**



SCAN TO FIND  
OUT MORE

**AI-Driven Intelligence**  
**for Securities Finance**

FRONT-TO-BACK SECURITIES FINANCE AUTOMATION





**09:30 – 09:45**

### **Welcome Remarks & Recap**

**Speaker**

Keren Halperin, Deputy CEO & Chief of Staff, [Sharegain](#)

**09:45 – 10:30**

### **New Players, Different Game?**

**Speakers**

Johanne Armita Vara, Managing Director, Head of the EMEA Institutional Sales Trading Team, Prime Brokerage, [Goldman Sachs](#)

Thomas Hoang, Director, Securities Finance, Global Head of Client – Product Solutions Delivery, [Citi](#)

Alex Panaite Fornari, General Counsel, [Sharegain](#)

Sharon Terry, Securities Lending Specialist, [L&G Asset Management](#)



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**EUREX**

**10:30 – 11:15**

## **Unlocking Liquidity: The Evolving Landscape of Securities Finance in MENAT & LATAM**

### **Moderator**

Cassie Von Sprecher, Managing Director, Head of Agency Securities Lending Sales, [Deutsche Bank](#)

### **Speakers**

Adam Chaput, Executive Director, EMEA Head of Securities Lending Trading, [Morgan Stanley](#)

Curtis Dutton, Global Head of Trading, [HSBC](#)

Jalal Faruki, Head of Securities Division, [SNB Capital](#)

Patrick Morrissey, Head of Product Development for Securities Lending, [The Vanguard Group](#)

**12:00 – 12:45**

## **Agentic Workflow & Accountability: Navigating Opportunity & Risk in the Securities Finance AI Evolution**

### **Moderator**

Fiona Adams, Head of Agency Securities Finance Product Management, [BNY](#)

### **Speakers**

Ernst Dolce, CEO & Co-Founder, [Banqora](#)

Pierre Khemdoudi, CEO & Co-Founder, [Gentek AI](#)

Thomas Martin, Director, [Hg](#)

Michael Stead, Legal Director, AI Practice Group, [DLA Piper](#)

**12:45 – 13:00**

## **Closing Remarks**

### **Speaker**

Alessandro Cozzani, ISLA Board Chair, Head of Equity Funding, [Bank of America](#)



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