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**Issue 286** 14 September 2021


# Navigating the trade reporting landscape

A conversation with DTCC's Val Wotton on operating a leading trade repository


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# TOP 6 WAYS TO ENSURE SUCCESSFUL FAILS PREVENTION AND AVOID CSDR PENALTIES

The upcoming Central Securities Depositories Regulation's (CSDR) Settlement Discipline Regime (SDR) will impose new measures to prevent settlement failure such as cash penalties for failing and/or late matching trades, and mandatory buy-ins. Given these new, potentially large, impacts of a failed trade — the time is now to maximize your current investments in Institutional Trade Processing's suite of services and to focus efforts on the prevention of failure.

## PRE-TRADE ENRICHMENT

1 **Utilize the ALERT® platform,** the industry's largest and most compliant central database of standing settlement and account instructions (SSIs) and provide automatic enrichment of those SSIs on a matched trade when used in conjunction with CTM™.

2 **Take advantage of ALERT's Global Custodian Direct (GCD) workflow,** a fully custodian or prime broker managed workflow ensuring SSIs in the system come directly from and are maintained by source data providers.

3 **Upgrade your traditional ALERT enrichment capabilities by accessing our ALERT Key Auto Select (AKAS) functionality,** a seamless (and free) rules-based enrichment of CTM trades eliminating the need to provide ALERT Keys (Country, Method, Security) as part of the trade information.

### ALERT

**10.7M+**
SSIs

**1,800+**
Investment Managers

**1,300+**
Brokers

### ALERT GCD

**9**
Global Custodians Live

**3**
Regional Custodians & Trust Banks Live

**54%**
GCD has helped sell-side firms realize up to a 54% reduction in SSI related fails*

**0%**
Buy-side firms have driven their SSI related fails down to almost 0% by using GCD*

**A Roadmap to SSI Automation: How an SSI Utility Benefits All Participants*

## TRADE DATE AGREEMENT

4 **Achieve straight through processing via CTM,** the industry's standard for central matching, by agreeing to the economics, place of settlement (PSET) and associated SSIs on trade date, allowing you to resolve any trade exceptions in a timely fashion.

## SETTLEMENT & EXCEPTION MANAGEMENT

5 **Prevent penalties under CSDR through centralized trade exception management with DTCC Exception Manager,** quickly resolving exceptions and reducing delays in settlement.

## DATA & ANALYTICS

6 **Gain a better understanding of who your higher risk counterparties are by leveraging ITP Data Analytics,** allowing you to identify potential missed trade affirmations in order to prevent fails.

### CTM

**165.8M**
Trades Processed in 2020

**95%**
Average Same Day Matching Rate

**1,562**
Investment Managers

**1,239**
Brokers

### DTCC EXCEPTION MANAGER

**28**
Organizations (brokers, prime brokers and custodians) submitting accurate data directly to the platform

**212**
Counterparty Pairings

Community includes investment managers, brokers, custodians, prime brokers, and outsourcers

### ITP DATA ANALYTICS

**100%**
CTM client coverage

**93.54%**
Average same day match agreement for European trades in March 2021

**€ 524B**
Notional delta between what was entered on trade date but not affirmed on trade date in March 2021

**WANT TO LEARN MORE? VISIT DTCC.COM/CSDR**
See how DTCC's ITP suite of services can reduce your risk of trade fails, minimizing the impact of CSDR.

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# State Street to acquire BBH

State Street is to acquire Brown Brothers Harriman Investor Services.

Following the transaction, State Street will take over BBH's Investor Services business, including its securities lending, custody, accounting, fund administration, global markets and technology services, for US $3.5 billion.

BBH will continue to independently own and operate its separate private banking and investment management businesses.

The acquisition is expected to be complete by the end of 2021.

The senior management team will transition to State Street in executive leadership roles, and Seán Páircéir, currently partner and global head of investor services at BBH, will join State Street's management committee.

Ron O'Hanley, chairman and CEO of State Street, says: "The investment servicing industry enjoys strong fundamentals as worldwide growth in financial assets drives industry revenues. This combination with BBH Investor Services helps us consolidate our position as the industry innovator and leader."

He adds: "We are enhancing our leadership position across a range of services, augmenting our position in a number of key markets, growing relationships with many of the leading global asset managers and owners, and increasing our capabilities and scale. Additionally, BBH Investor Services brings us strong talent, including industry leading service excellence and quality execution."

Bill Tyree, managing partner of BBH adds: "We made this decision after careful consideration of the current and future landscape of the global securities servicing industry, including how best to support and innovate for the growing breadth and complexity of our clients' servicing requirements. State Street is the ideal partner – a firm that shares our core values of unmatched client service, integrity, trust, and a long-term commitment to sustainability."

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# RETURNS

You need complexity made simple. Uncertainty made clear.
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[1] *Global Investor* ISF Survey 2020 – Securities Finance Agency Lending named Most Innovative Lender

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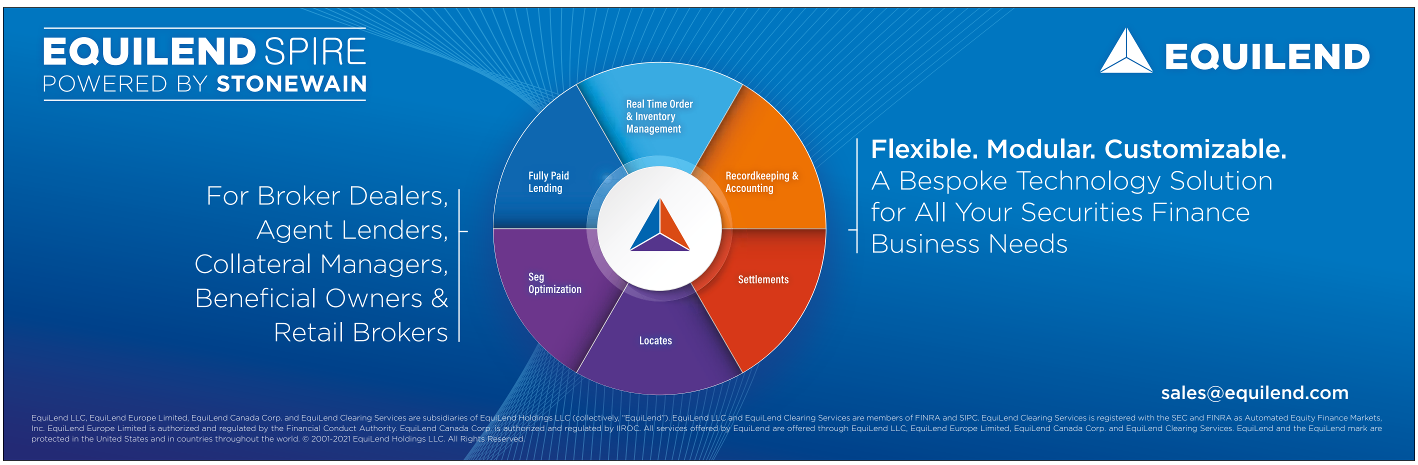

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## SIX to acquire 50% stake in REGIS-TR

SIX will acquire a 50 per cent stake in REGIS-TR during the first half of 2022, from joint venture partner Clearstream.

The acquisition allows for the full consolidation and integration of the European trade repository REGIS-TR, within Zurich-based financial infrastructure operator SIX.

Javier Hernani, head securities services and member of executive board, SIX, says: “We are very happy to now fully integrate the REGIS-TR business, which has already been an integral part of BME’s business portfolio. We look forward to taking the business into its next phase of development within SIX.”

Thomas Steimann, CEO of REGIS-TR, adds: “With the acquisition, REGIS-TR will continue to leverage on the strong operational connections with SIX. We will take advantage of a very experienced and seasoned management team with a deep knowledge of the trade repository environment and continue with our dedication to service our customers.”

The joint venture between BME’s Iberclear — which was acquired by SIX in June 2020 — and Deutsche Börse’s Clearstream was established in 2010. This European trade repository processed more than 3.2 billion trade messages during 2020.

## Banca del Ceresio adopts deltaconX platform

Swiss based Banca del Ceresio has chosen deltaconX’s regulatory platform to fulfil its reporting obligations under FinfraG — a transaction reporting obligation put into effect by the Swiss Financial Market Infrastructure Act.

The platform will also assist Banca del Ceresio with meeting its European Market Infrastructure Regulation (EMIR) requirements.

Michele Montalbetti, head of IT development and director at Banca del Ceresio, comments: “We decided to use the deltaconX solution because its multi-regulatory platform is robust, intuitive to use and easy to implement to streamline and automate our reporting processes.”

Thomas Buk, managing director of deltaconX, says: “We are delighted that Banca del Ceresio has chosen our deltaconX regulatory platform to fulfil its FinfraG and EMIR EU reporting obligation.


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J.P. Morgan was the top lender globally (unweighted) and #1 third-party lender (weighted and unweighted) in the Global Investor/ISF Beneficial Owners Survey published in February 2020.

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"Especially in these difficult times, we are convinced that our private cloud based and highly flexible deltaconX regulatory platform will help Banca del Ceresio SA to fulfil its reporting requirements efficiently."

## DTCC's FICC launches sponsored GC service

The Fixed Income Clearing Corporation, the US clearing entity owned by the Depository Trust & Clearing Corporation (DTCC), has gone live with a sponsored general collateral (GC) solution.

Initial trades through this GC service have been executed by BNY Mellon (as tri-party), J.P. Morgan Securities (as sponsoring member) and Federated Hermes (as buy-side sponsored member).

This service will provide access to BNY Mellon's tri-party repo (TPR) platform, enabling users to settle cleared repo transactions in a manner similar to how tri-party repo trades are handled outside of CCP clearing.

This enables sponsoring members and their clients (ie sponsored members) to submit TPR transactions in central clearing against an expanded range of collateral, including U.S. treasuries, agency mortgage-backed securities (agency MBS) and agency debentures.

BNY Mellon explains that, previously, sponsored members utilising cash in sponsored repo at FICC could only access U.S. treasuries as collateral. With this development, sponsored members in the bank's sponsored member programme can now also accept agency MBS as collateral, extending an US$11 trillion agency MBS market to repo clearing.

This service has been launched by DTCC in collaboration with BNY Mellon and with support from Broadridge.

DTCC head of clearing agency services Murray Pozmanter says: "FICC's sponsored service has become an integral part of the U.S. repo market and the new sponsored GC service will enable us to [offer] broader access to central clearing".

Andrea Pfenning, president and COO of BNY Mellon's government securities services corporation, says that: "In addition to our existing settlement role for FICC's sponsored service, where trades settle bilaterally, BNY Mellon will now provide settlement for FICC-sponsored GC service transactions via tri-party."

Broadridge head of North American fixed income John Garahan says: "We have worked closely with DTCC and BNY Mellon over the past few years to bring DTCC's recent enhancements to the sponsored service to life by helping to connect Broadridge users with FICC".

Currently, 29 sponsored members and more than 1800 clients are using FICC's sponsored service, accounting for $240bn to $300bn in daily trade volumes.

## Global PSSL launch revised principles with 17 opening signatories

The Global Principles for Sustainable Securities Lending (Global PSSL) has launched its updated principles, with 17 opening signatories.

Standard Chartered, Sharegain, Sumitomo Mitsui Trust Bank and eSecLending are among several firms that have signed off on the newly released principles, that aim to promote and embed Environmental,

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Social and Governance (ESG) matters and Sustainable Development Goals (SDG), in securities lending activities.

The nine new principles include sustainable finance alignment and development, stakeholder involvement, inclusion and diversity, transparency and interconnected sustainable finance collateral.

Dr Radek Stech, founder and CEO of Global PSSL says: “I’m delighted to welcome these opening signatories who commit to advancing ESG in the whole securities lending value chain through the principle-based approach.

“It enables market leaders to combine their industry know-how with cutting edge sustainable finance thinking, to devise ways in which business can increase success while walking an ethical path. This latest issue of the principles is a further demonstration of this positive collaboration.”

Despite welcoming the new principles, Stech admits there is much work to be done in relation to the principles’ implementation, updates and the wider future uptake.

Professor Julia Black, of the London School of Economics and Political Science, adds: “Global PSSL is an important initiative which aims to introduce ESG principles into the practice of securities lending.

“The result of research and collaboration by leading academic and market participants is part of the wider drive towards sustainable finance and the integration of ESG considerations into every corner of financial markets.”

The principles are a continuation of a research and implementation programme, which commenced with beneficial owners in 2018. Global PSSL has since received feedback from pension funds, asset managers and ESG experts alike.

## Tradeweb reports August rise in repo trading activity

Tradeweb, a global operator of electronic marketplaces for rates, credit, equities, and money markets, has reported a rise in repo trading activity for August.

Repo average daily volume (ADV) was US$316.6 billion, representing a 28.8 per cent increase for the month of August compared to August 2020.

The uptick is due to the continued addition of new clients on the platform. However, the retail money markets activity remained pressured by the low-interest-rate environment.

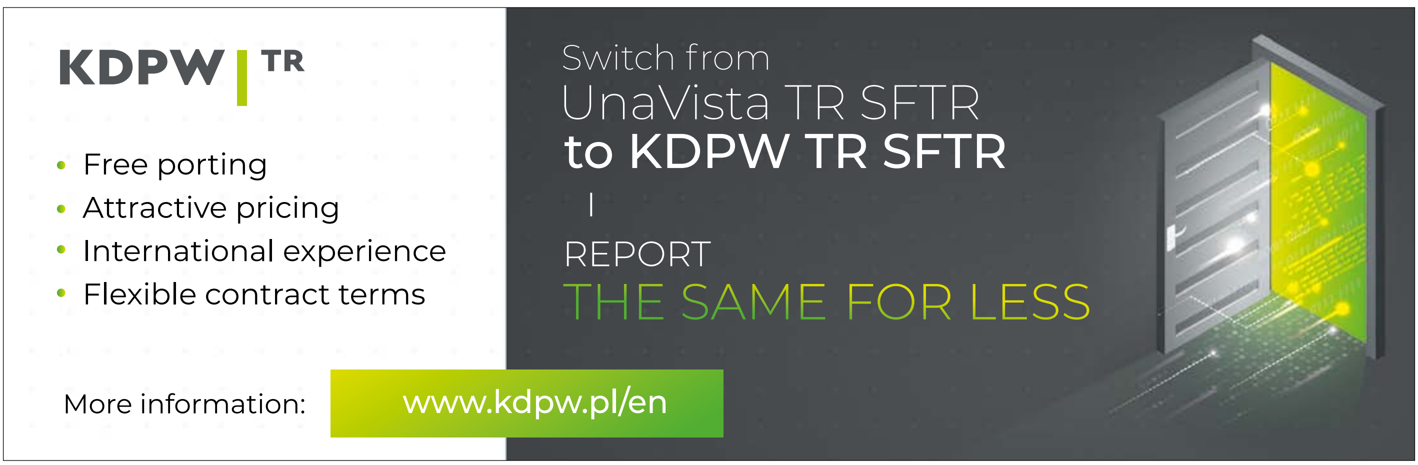
The addition of liquidity providers, along with client growth and adoption drove volumes in the US exchange-traded fund (ETF) ADV up 24.7 per cent YoY to US$3.6 billion. European ETF ADV was also up by 16.6 per cent YoY to US$1.6 billion on Tradeweb.

The total trading volume for August was US$19.8 trillion and ADV across all trading products increased 20.6 per cent YoY to US$900.4 billion.

In US credit trading, client use of Tradeweb AllTrade continued to reach new highs in TRACE share across high grade and high yield. ADV was up 16.4 per cent YoY to US$4.7 billion, for the month of August.

Lee Olesky, Tradeweb CEO, says: “While markets were relatively quiet in August, Tradeweb continued its trend of year-over-year growth in monthly ADV with a diverse portfolio of products.

“One area of strategic focus for Tradeweb

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has been credit, and we were pleased to see steady growth in our market share over the course of the summer.”

## OCC securities lending up 84 per cent YoY

Average daily loan value for securities lending through the Options Clearing Corporation has risen 84 per cent YoY to $126 trillion for August 2021. Securities lending central counterparty activity increased 60 per cent in new loans YoY to 170,026 transactions. OCC’s August 2021 total cleared contract volume was 806m contracts, up 31 per cent compared to August 2020, making this the strongest August on record.

The year-to-date average daily cleared contract volume was 38.8m contracts, up 36 per cent YoY.

The average daily volume for options and all contracts is up nearly 37 per cent. Total exchange-listed options cleared contract volume was 802m, up 31 per cent YoY and equity options cleared contract volume was 762m contracts, up 31 per cent YoY. This includes ETF options cleared contract volume of 199m, a 5 per cent increase compared to August 2020.

Index options volume was 39.6m, up 35 per cent YoY. OCC’s year-to-date average daily cleared options volume is 38.6m contracts. Total futures cleared contract volume was 4.1m, a 1 per cent decrease YoY. OCC’s year-to-date average daily cleared futures volume is 299,135 contracts.

## Abu Dhabi exchange to launch derivatives market

The Abu Dhabi Securities Exchange (ASX) has signed an agreement with Nasdaq that moves it closer to launching a derivatives market.

This will include the launch of single-stock futures and index futures from Q4 2021, with a wider range of derivatives products expected to follow in a bid to diversify investment options and to enable traders to hedge their risk exposure.


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The exchange will also launch a central counterparty to support clearing efficiency and stability for the derivatives market.

ADX's commercial relationship with Nasdaq dates from 2000 and will include matching, real-time clearing and settlement technology solutions in the current project.

ADX chairman H.E. Mohammed Ali Al Shorafa Al Hammada, says: "ADX is on a journey to enhance liquidity and expand market capitalisation through the 'ADX One' strategy, which provides a roadmap for the development of a vibrant exchange." The ADX One strategy, which began in early 2021, aims to deliver an expanded range of trading products and services to exchange customers.

Nasdaq head of market technology Lars Ottersgård says: "ADX continues to be an industry leader in innovating and evolving the Middle East's capital market ecosystem. By leveraging Nasdaq's robust and flexible technology solutions, ADX can further evolve its endeavours to expand into a leading derivatives market and one of the large multi-asset marketplaces in the Middle East."

ADX indicates that it is expanding asset classes traded on the exchange and developing new trading products for regional and international investors.

It notes that the ADX General Index has climbed 52 per cent year-to-date, making it one of the best-performing stock market indices globally for this period.

## RBL Bank chooses Adenza's Calypso Treasury solution for repo operations

RBL Bank, the India-based private sector bank, has chosen the Calypso Treasury solution for its repo operations, FX, fixed income, money market, equity and mutual funds.

Calypso was merged with AxiomSL to form Adenza in July.


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However, RBL Bank's first implementation of Calypso's front-to-back treasury solution for derivatives took place before the merger.

Since then, the bank has gone live with additional modules of the Calypso platform for cash and fixed income products in an effort to enhance its real-time position monitoring and automated settlement, while also reducing operational risk.

According to RBL Bank, the solution will increase RBL Bank's productivity achieved through real-time position monitoring, automated settlement, reduced operational risk and faster turnaround time through straight-through processing (STP) and automated workflows.

Sankarson Banerjee, chief information officer at RBL Bank, says: "We have been at the forefront of embracing new-age technologies to transform our business verticals. The continued partnership with Adenza will further help us meet that objective and expand our scale."

## ISLA releases adoption guide for its Clause Library and Taxonomy

The International Securities Lending Association (ISLA) will be launching its ISLA Clause Library and Taxonomy during September.

In advance of the launch, the association has released an adoption guide instructing users how to integrate the Clause Library and Taxonomy into their daily working practices, including tools to support the Global Master Securities Lending Agreements (GMSLA) contact lifecycle.

The Clause Library and Taxonomy has grown from feedback provided by ISLA members in last year's ISLA members' survey. It provides a collection of clause variants for standard business outcomes for GMSLA 2000, GMSLA 2010 and GMSLA 2018, along with specification of required variables and standard wording.

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*Val Wotton*
*Managing Director*
*DTCC*

# The Rapidly Evolving Trade Reporting Landscape

*Securities Finance Times spoke with Val Wotton, DTCC's managing director, product development and strategy of repository and derivatives services, to learn more about how DTCC helps firms with trade reporting obligations, especially as many firms are now in need of a new trade repository for SFTR reporting*

It's been over a year since the first wave of Securities Financing Transactions Regulation (SFTR) went live and today the trade reporting landscape continues to evolve at a rapid pace. In August, UnaVista announced it will discontinue its trade repository (TR) services for SFTR, effective from 31 January 2022.

It's no secret that the process of porting TR data to a new service provider can be challenging. DTCC, who operate the leading trade repositories for both securities finance and derivatives transactions, is working closely with UnaVista to ensure a smooth transition for firms who opt to leverage DTCC's EU or UK trade repository for their SFTR reporting needs.

"We are no strangers to helping firms seamlessly navigate the move from another TR to DTCC's Global Trade Repository service (GTR)," shares Wotton. "Nearly a year ago, many firms transitioned to GTR as CME decommissioned its European and Australian trade repositories. I recall one client personally thanking me for how easy the transition was for his firm. It's testimonials like this that make me proud to be a part of the DTCC community, where we put client satisfaction at the very top of the priority list."

## Easy Onboarding and Comprehensive Client Service

"As the trade reporting landscape continues to change and evolve, we are committed to continuously improve, innovate, and reimagine how to best serve our clients in helping to comply with the various regulations that continue to challenge reporting firms' operations," says Wotton.

DTCC's award-winning SFTR service processes approximately 85 per cent of all SFTR trade reporting volume across the UK and Europe, processing over 115 million messages a month for over 800 clients. "I believe that a key reason we have predominant market share is because of our simplified onboarding programme and robust client service. These are critical contributors to a superior client experience," he continues.

The SFTR service leverages the GTR infrastructure, the industry's trade reporting solution of choice for OTC and exchange-traded derivatives, serving approximately 80 per cent of the global market. GTR operates locally registered or licensed trade repositories across the globe, supporting reporting regimes in Australia, Europe, Hong Kong, Switzerland, Japan, Canada, Singapore, the UK and the US.

## Addressing Pre and Post-Reporting Needs

For the past decade, financial firms have experienced waves of new and revised regulations around transaction reporting. And more changes will be rolling in over the next few years as nearly all jurisdictional rules for derivatives trade reporting undergo rewrites to adopt industry-recommended standards.

Launched in early 2020, and expanded in December 2020 with DTCC's acquisition of the Compliance Management Reporting System platform (CMRS) from Publicis Sapient, DTCC Report Hub enables firms to manage their global derivatives, Markets in Financial Instruments Directive II (MiFID II) and Securities Financing Transactions Regulation (SFTR) pre and post-trade reporting requirements with a single vendor solution.

## Compliance Challenges

Among the regulations resulting from the 2008 financial crisis were reporting mandates for derivatives transactions. Jurisdictions rolled out their respective rules at different times and without close coordination. The result: many differences in reporting formats, trade data elements and other parameters, which are now triggering a new round of rule revisions designed to increase standardisation across jurisdictions. “This post-crisis global regulatory surge and ongoing failure to harmonise rules from one reporting regime to another has necessitated continual modifications to firms’ technology platforms,” says Wotton. “After a decade of patches to accommodate one new rule or update after another, the trade processing and reporting infrastructure in most firms today is duplicative and inefficient.”

For firms that have developed their own pre and post-reporting capabilities, the upcoming rewrites of derivatives rules – which will include adoption of Common Data Elements (CDE) and Unique Product Identifiers (UPI) for reporting – will spur yet more updates to their infrastructure and further burden already-stressed capacity and functionality.

Evolving regulatory provisions will also necessitate ongoing refinements to firms’ data management and messaging processes. For example, if, as expected, regulators adopt the ISO 20022 message scheme for derivatives CDE, trade data will need to be normalised to meet this new standard – tedious work that many firms are likely to need help in completing.

“The strain on internal staff, processes and platforms caused by ever changing regulations have led some firms to turn to one or more third-party solutions providers to deliver discrete pre and post-reporting functionality,” describes Wotton. “But the result can be a patchwork of solutions that are not integrated with one another and require multiple connections,” he continues.

Furthermore, use of solutions from different providers can deprive firms of the comprehensive, cross-jurisdictional regulatory coverage they need to manage pre and post-reporting activities for all reporting regimes, each of which has varying rules. Without a unified solution, firms could face increased compliance risk and cost.

## Unified solution for Pre and Post-Reporting Workflows

Given the trade reporting challenges ahead – including the continuing, regime-specific changes to derivatives mandates, the complexity of SFTR reporting and the sheer difficulty of managing trade reporting across multiple asset classes and jurisdictions – a unified, single-vendor suite of services like DTCC Report Hub can help firms mitigate risk, enhance operational efficiencies and reduce costs associated with regulatory reporting compliance.

For firms that have solutions developed in-house, a move to DTCC Report Hub frees up staggering amounts of staff time and internal resources. DTCC Report Hub’s single-vendor model provides the consistent, streamlined functionality that is generally missing when firms utilise multiple vendors.

Wotton explains that “The DTCC Report Hub platform is a game changer for pre and post-trade reporting services. By delivering a unified, single-vendor pre and post-reporting platform, firms can consolidate reporting activities for multiple jurisdictions – US, UK, Europe, Canada, Israel, Singapore, Australia, and Hong Kong – and be prepared for forthcoming rule additions and changes.” This breadth of coverage can help firms maximise their operational efficiencies and compliance-risk mitigation, reduce costs and free-up staff to focus on other priorities.

With its extensive suite of pre-reporting services, DTCC Report Hub streamlines the complex workflows required to prepare trade data for submission to TRs or ARMs. Starting with data normalisation and transformation – including to accommodate the ISO 20022 messaging scheme – this suite provides data enrichment, jurisdictional eligibility analysis, a customisable rules engine and advanced exception management and reprocessing.

## Closing the Reporting Loop

In addition to interfacing with TRs and ARMs to facilitate trade submissions, DTCC Report Hub also delivers the post-reporting functionality. Its reconciliation tool applies reporting completeness and accuracy checks on TR end-of-day reports against a client’s internal systems. DTCC Report Hub can also provide extensive data analytics to help firms better manage reporting completeness, accuracy, and timeliness.

Even with a solution like DTCC Report Hub, firms will still need to keep pace with global regulatory output by having up-to-date reporting processes, controls, systems, and governance. Firms that have repeatedly modified their infrastructure in response to new and revised mandates may need a top-to-bottom overhaul if they are to manage regulatory reporting risk in a cost-efficient manner. DTCC Consulting Services experts can help firms analyse their infrastructure performance and data quality and assist them in evaluating whether certain enhancements or redesigns are warranted.


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# The changing of tides

*Carmella Haswell reports*

*UnaVista brought about a big change in the way it operates with the closing of its SFTR repository service. The July announcement allows clients six months to migrate to another platform before the new SFTR reporting rules come into effect*

UnaVista, the regulatory reporting platform owned by the London Stock Exchange Group, announced it will close its Securities Financing Transactions Regulation (SFTR) trade repository service. UnaVista Ltd, operating in the UK, and UnaVista TRADEcho B.V., in the European Union, will cease to offer regulatory reporting and associated services from its rules engine on 31 January 2022.

The firm says that the move will allow it to relocate its resources to better support its core Markets in Financial Instruments Regulation (MiFIR), European Market Infrastructure Regulation (EMIR) and G20 services, as well as to conduct preparatory work for the EMIR refit.

The SFTR mandates reporting of all securities finance transactions (SFT) to trade repositories (TR) in order to maintain transparency in the market and, as of the new year, it will welcome new SFTR Validation Rules and XML Schemas.

Speaking to SFT, Tom Wieczorek, head of product management at UnaVista, says: "When we originally entered SFTR reporting, we were hoping for a much larger market share than we ended up with. We just didn't think it was commercially viable for us and regulators expect regulated entities to be running at a certain level of profitability. This would have involved us passing on increased costs to customers, so we felt it best to enable a smooth transition for them through an orderly exit."

According to Wieczorek, there is a lot more overhead in running a regulated service, as opposed to being a technology provider in the regulation technology space. Firms will need to prove that they have all of the security risk, business compliance oversight policies, procedures and processes in place, alongside reporting obligations and transparency.

John Kernan, CEO and head of product management and business development at Regis-TR, responds to UnaVista's decision to close its SFTR trade repository service. He says: "We're sympathetic to UnaVista's predicament. When SFTR was launching, market participants themselves found it difficult to predict their own reporting volumes. So, when you're launching something like this, inevitably there is an element of educated guesswork.

"For SFTR, the whole market seems to have anticipated much greater reporting volumes than actually transpired. This might require pricing recalibration in the medium term to remain cost-related, as required under the terms of the TR licence."

## The impact

As the news broke of UnaVista's decision to close its SFTR service, clients were needing to hunt for a new home before the six month deadline ended. It is now down to UnaVista to aid service users in their search for a new platform before the new SFTR regulations are enforced.

Wieczorek says UnaVista has a documentation pack, including polling materials, that is being shared with clients and it is also holding regularly scheduled working groups to announce updates and answer questions.

He adds: "The vast majority of the firms use us for other reporting services, so we want to make it as easy as possible for them to find a new service to meet their SFTR requirements. We are working with other trade repositories to collate information and provide this to clients and to make sure that they have all the information they need to make the best choice."

Other firms, including the Depository trust and Clearing Corporation (DTCC) have been in talks with UnaVista clients, offering them alternative services amid the change.

A spokesperson for DTCC says: "DTCC's Global Trade Repository (GTR) service continues to support new and existing clients with their trade reporting needs, including ongoing support for SFTR.  We are working closely with UnaVista to ensure a smooth transition for those firms who opt to leverage DTCC's EU or UK repository for their SFTR reporting needs.  DTCC operates the largest trade repository for SFTR reporting, processing over 115 million messages a month for over 800 clients."

The Central Securities Depository of Poland (KDPW) has also been aiding UnaVista clients with the transition. Speaking to SFT, KDPW's CEO Maciej Trybuchowski says: "Given our solid operational relations with the UnaVista trade repository, we can together complete the migration of prospective clients and provide all the necessary support to existing UnaVista clients reporting under EU SFTR.

"We not only ensure successful porting, which is a one-time operation, but we also support on-boarding and reporting, which is a continuous process subject to change in view of regulatory requirements."

As clients begin to find their way, they may discover that they do not have many places to turn. Ronen Kertis, head of global regulatory reporting solutions at IHS Markit, says there are fewer trade repositories supporting SFTR as it is a smaller regime in terms of the number of firms required to comply with it. The industry could see a trend of firms looking to outsource their reporting.

Kertis says: "With UnaVista exiting the space, there are only three TRs left (DTCC, Regis and KDPW). Of those, only DTCC is a regulated TR in the UK for SFTR reporting and, thus, those firms that are regulated in the UK have only one option to choose from." He believes there is potential for further consolidation, but cannot see any real signs or move towards that currently.

IHS Markit offers global regulatory reporting solutions and indicates that it currently services hundreds of firms. This scale, it says, provides advantages when building and investing in a product over an individual firm that is building the product internally.

Kertis adds: "Specifically, for SFTR, our clients benefit from the platform for this regime, with many using our SFTR insights platform to gain insights derived from their SFTR data. For our clients who report to UnaVista, we will transition these clients seamlessly to a new TR of their choice at no additional cost."

Reflecting on the likelihood that the market will see a rise in outsourcing of regulatory reporting, Clearstream's Kernan says: "You might already be systemically embedded with one of these intermediaries, because you're using a trading platform or reconciliation platform, so they already have a significant amount of your data that you yourselves need to submit to the trade repository.

"If a client chooses to use an intermediary, then it helps to insulate them against further incremental changes to the reporting framework because the intermediary can help mitigate those changes and the cost of development."

However, Kernan emphasises that market participants will legally be liable for the data that is submitted to the TR, and then to the regulators, regardless of whether this is outsourced. "Even if the reporting is outsourced, the firm still needs to

# Your natural choice of TR

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demonstrate to the regulator that they have a robust oversight process in place," says Kernan.

## On the horizon

Given the economic challenges of running an SFTR repository service, SFT explored with UnaVista the possibility that other firms may follow suit and close their services. Wieczorek predicts possible changes on the horizon. "My personal opinion is that SFTR will be steady until the next significant change," he says. "That could be a radical change to the regulation, or perhaps a technological change that could disrupt the industry, and the market will have to respond and catch up."

According to KDPW's Trybuchowski, two principal changes on the TR scene have affected competition in the market — with UnaVista's decision only enhancing this. He says: "One was Brexit and the decision of ICE TR to pull out from the EU market. The other involves the decisions of some TRs to phase out a particular service, including CME's EMIR reporting service and, more recently, UnaVista's SFTR reporting service."

Despite limiting the SFTR TR pool, UnaVista's decision has opened up space for stronger competition and, potentially, higher quality services. The price list for TRs has changed dramatically and similar developments are expected to take place now UnaVista has terminated its SFTR reporting service, says Trybuchowski.

He adds: "We expect that UnaVista's decision will not cause the regulator to change the terms and conditions of TR services. The potential creation of a single EU trade repository has been raised in public debate.

"In our opinion, to concentrate a service within a single global provider would hinder supervision in the absence of other alternatives while substantially inflating the cost paid by reporting entities. A monopoly provider could charge high fees hardly affordable to smaller firms or entities in less affluent EU regions."

The recent move by UnaVista to close its SFTR TR service aligns with the wider trend seen, in terms of consolidation, in the European Union TR landscape, says Clearstream's Kernan.

He adds: "Over the last few years, we've seen Bloomberg acquire a TR licence, and then they ceased to operate with the licence. We saw NEX Abide being acquired by CME and then, subsequently, we've seen CME and NEX Abide close that business.

"The TR business is a scale business, I think particularly with SFTR the reporting volumes that TRs are receiving are considerably lower than anyone anticipated. It makes it very difficult, on one hand, to be cost related, but at the same time have a fee tariff that is still viable and competitive to the market participants."

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*Slawomir Zajac*
*Director*
*KDPW Trade Repository*

# KDPW Trade Repository: Why you should join us

*Slawomir Zajac, director of the KDPW Trade Repository (TR) and board member of ANNA, speaks to SFT about why small is often beautiful in the TR space, bringing surety, technical innovation and a strong commitment to global standards*

KDPW is fully authorised by the European Securities and Markets Authority (ESMA) as an EU trade repository under the European Market Infrastructure Regulation (EMIR) and the Securities Financing Transactions Regulation (SFTR). It is also authorised by the Polish Financial Supervision Authority as an approved reporting mechanism (ARM) under the second Markets in Financial Infrastructure Directive and its corresponding regulation (MiFID2/MiFIR). KDPW provides a full range of post-trade services within the KDPW Group, including clearing operated by KDPW_CCP, securities settlement, custody and safekeeping offered by KDPW, and regulatory reporting services under MiFID (as an ARM), EMIR and SFTR (as a trade repository).

We are a stable, public trust organisation with 27 years of experience and a focus on the entire capital market. We know that many entities choose KDPW TR owing to the quality of our service, the trust we enjoy, and our advanced technology. We are committed to continuous development.

## Customer support: small is beautiful… and safe

While we have attracted many large clients established outside Poland and increased our market share in the last year, we remain the EU's smallest TR. This has upsides — in fact, nothing but upsides — for our clients. We are responsive to reporting entities that we support in meeting reporting obligations, aligning with regulatory requirements and managing relationships with local supervisors when necessary. We help clients to identify new technology solutions which facilitate and support communication with the TR and improve the quality of our service. We have demonstrated our ability to scale up our operating capacity quickly, as demonstrated after CME's decision to terminate their reporting service in 2020. Our capacity spans both the EMIR and the SFTR reporting services.

## Client on-boarding and training

Our customer service strategy not only includes porting, which is a one-time operation, but also supports client on-boarding and reporting, which is a continuous process subject to change in line with regulatory requirements. Our solutions are simple. We focus on providing reliable and accessible customer service which ensures that clients can meet their timely reporting obligations. Our key strengths include a free-of-charge test environment and continuous expert support for account managers. This support continues throughout the duration of live reporting, subject to time priorities which are even more stringent than in the educational environment.

Customer relationship managers present and clarify business terms of the service and maintain long-term customer relations, including notification of upcoming regulatory amendments. All resulting modifications to the system are first implemented in the free-of-charge test environment which is available to clients. Expert account managers ensure smooth harmonisation with these modifications.

## Data transfers

Our key strengths include our track record. We have taken over some of CME's large clients, which we migrated smoothly over a single weekend. This shows that a small TR can be attractive to large reporting entities. By comparison, other providers were porting to new TRs over multiple weekends. As the operator of an EMIR Trade Repository, we have considerable experience in porting across different TRs, including KDPW and UV. As SFTR porting follows the same guidelines, we have established the necessary procedures and systemic solutions.

Given our solid operational relations with the UV Trade Repository, we can jointly complete the migration of prospective clients and provide all necessary support and coordination to existing UV clients. Importantly, porting is offered free of charge, which means that transfers of reporting entities to KDPW encounter no financial barriers.

## Attractive pricing

Given that we do not provide a global service that is oriented exclusively towards profit, we are able to offer attractive prices compared to other

TRs by maintaining a low cost base combined with top-quality service from professional experts and advanced technology based on the long-term experience that we have within the KDPW Group.

## Technology and standardisation: experience with ISO and XML standards

KDPW TR has always supported reporting in XML format based on the experience that we have within KDPW Group. In our opinion, a single standard and format is necessary to ensure top data quality and regulatory compliance. For many years, we have offered what will soon be a legal obligation under EMIR and has already become a requirement under SFTR. This has enabled reporting entities to automate their processes, while enhancing the quality of their reporting.

KDPW is a strong supporter of standardisation and the application of global standards, including International Securities Identification Number (ISIN), Classification of Financial Instruments (CFI), Financial Instrument Short Name (FISN), Legal Entity Identifier (LEI), Unique Product Identifier (UPI) and Unique Transaction Identifier (UTI). Applying standards, including ISO standards, is the only way to cut the costs for the entire financial market. As a member of the Association of National Numbering Agencies (ANNA) since 1996, KDPW is familiar with the effort it takes to implement standards across the board.

However, more often than not, the key challenge is not so much the cost of standard implementation as the dedication necessary to convince the decision makers. KDPW has always used ISIN and CFI codes in its settlement system and was among the first operators globally to introduce FISN and require all clients, including issuers, to hold an LEI. Meanwhile, we have developed a database of ISIN codes linked to issuer LEIs. In this regard, and when it comes to the broad application of XML messages, we are EU leaders, which is our key competitive advantage. Even if this approach is not commonly shared, I trust that we will achieve our goals, as we have so far, in the standardisation of our solutions.

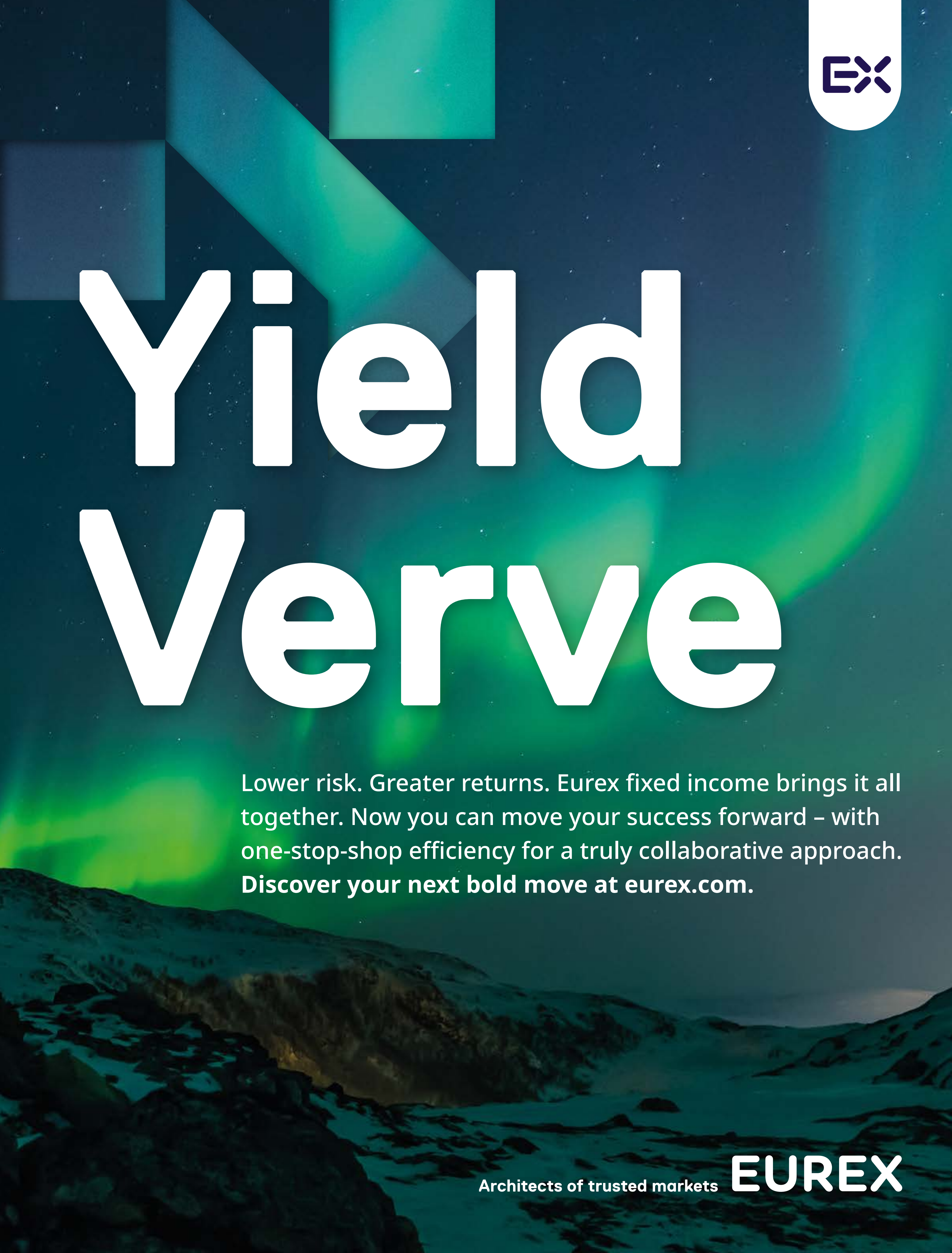
## Simple solutions: Pure TR

We design our solutions with a focus on rapid and easy communication. Our solutions are simple and free from any risk of modification of the contents of reports. We focus on the top priorities of a fast and reliable service. We validate all reports in real time. We respond within seconds with potential error codes and descriptions if required. We offer A2A data exchange to larger clients and provide a simple graphic user interface (GUI) to all clients, featuring access to the report database and message history. Our applications and solutions are complemented by professional customer service. We are positive that our offer is attractive to prospective clients.

> ***"KDPW has always used ISIN and CFI codes in its settlement system and was among the first operators globally to introduce FISN and require all clients, including issuers, to hold an LEI."***

## A one-stop shop for multiple services

KDPW continues to expand its service portfolio. Our top priority is to meet the needs of our long-time clients and to ensure customer satisfaction. To provide these customers with continuous support, we are constantly adding services to our portfolio. New services attract new clients and new market segments, while we gain valuable experience and acquire valuable business relations.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# GLMX: meeting the unique needs of money markets

*GLMX chief executive Glenn Havlicek explains that when new technology provides a better, cost-effective way to execute critical activities, its adoption is assured*

There is a locally famous "Person on the Street" interview from Park Avenue in New York City dating from the late 1980s. In the interview, a TV reporter asks a well-dressed Wall Streeter for his opinion on then-new cell phone technology. The man responds by saying that cell phones may have a place but "you'll never see anybody walking down Park Avenue talking on one of them".

The first moral of the story is that public acceptance of new technologies almost always takes a while.

The second is that, when a new technology genuinely proves to be a better way, it will be adopted – naysayers and all.

The trick to building successful new technology is first to identify the underlying pain point for prospective clients. A current case study in such a situation is the Money Market Mutual Fund (MMF) business, where two pain points, which almost certainly would be near the top of the current list, are return and liquidity.

Return is the less controllable of the two, driven by macroeconomic and political reality. Quantitative easing (QE), the ample reserves regime and modern monetary theory (MMT), which are common in today's market environment, would have been considered economic heresy until the start of the financial crisis.

Demand for cash from traditional borrowers is no match for the sheer magnitude of excess reserves in the money markets of 2021. While the Federal Reserve's recent rate tweak of their reverse repo programme reflects at least an acknowledgment of the criticality of the MMF business to the smooth functioning of numerous other US and global financial markets, it does little to assuage the market's current thirst for return. Unfortunately, as a result of the Fed's massive influence on short term markets, little can be done to change the course of those returns without the Fed taking the lead.

While liquidity is theoretically "merely a matter of price", it is continually buffeted by the winds of regulation, imperfect price transmission and liquidity pool opacity.

The combination of paltry returns, aversion to negative rates and stringent capital and liquidity requirements renders the historically fluid money market landscape economically infertile.

With the nature and source of the pain identified, the question is how a critically, systemically important business like MMFs can improve the efficiency of their market activities in order to survive, as intact as possible, the ongoing yield drought of the last several years.

## Ground-up repo

When we started GLMX in Palo Alto, California in 2010, we envisioned a single, comprehensive, purpose-built digital interface, providing easy and efficient access to liquidity across the range of global money market instruments, with straight-through processing to a wide array of mid and back-office processing systems and to a variety of clearing venues. Our client 'template' was Money Market Mutual Funds.

In the years intervening 2010 and 2021, GLMX has built its market-leading repo technology on precisely that foundation. We quickly (but sometimes painfully) realised that the simple concept of repo belies the complexity of the underlying transaction and that the product demanded a ground-up repo system. We initially built the system in 2012 and completed a comprehensive re-build in 2018 – specifically to that end.

All along, we anticipated extending our purpose-built approach to the larger money market instrument set. Our ongoing, underlying mantra is that the "front end" of fixed income markets is a unique and distinct ecosystem and that technology built for other securities markets fails to capture the integrated decision making – across instruments – in use by participants in the MMF space.

GLMX today reflects that same ambition from 2010 – to provide market-leading digital capabilities which closely align with the unique needs of the money markets. When expansion beyond repo is complete, GLMX technology will provide unparalleled, real-time access to liquidity pools across instruments and geographies, will greatly simplify the search for yield across instruments, will provide relative-value decision support within customised credit, concentration, sector and ratings parameters, and will introduce seamlessness in both trading and processing. These qualities will provide a super-efficient marketplace which will help the MMF complex compete in even the most challenging macroeconomic circumstances.

To bring full circle the idea above – that when technology genuinely provides a better, cost-effective way to execute critical activities, its adoption is assured – several MMF complexes already are working with GLMX to bring to life the enormous value of a comprehensive money market ecosystem. And, as always, we at GLMX welcome the opportunity to serve our clients more broadly and to mutual benefit in coming months and years.

# Self-imposed scarcity of collateral

*Collateral re-use dropped off dramatically after the financial crisis of 2008, but has been recovering since 2016. FIS' David Lewis explores the implications*

It is rarely a good idea to use the same analogy twice, but where collateral chains are being discussed, the re-use of an analogy to illustrate a point seems more than appropriate. When describing the frenzy around scarce securities (in the prior case, the focus was more around short selling concentration on a few hot securities) the sight of my young son and his teammates traversing the rugby pitch like a frenzy of bees all tightly packed around the ball seemed fitting. There was little structure and the unnecessary competition created resulted in very poor outcomes for all those involved, including those watching.

While trying not to stretch the analogy to breaking point, the scarcity of the desired asset – in this case the ball – is somewhat representative of collateral in the global financial machine. Perhaps more specifically, it should be defined as acceptable collateral, as few would argue that there is an overall shortage of collateral on the markets. The level of availability will correlate directly with the counterparty's specific definition of acceptability. Gone are the days when clients of a custodian's lending programme formed a homogenous group accepting the standard collateral schedule set by their agent. Like many aspects of commercial life, clients are taking much greater interest and exerting much greater influence on the processes and strategies employed by their providers.

There are few areas where that effect is being more acutely felt than the rise of client expectations around environmental, social and governance (ESG) principles. The rise of the caring and environmentally conscious corporation has been astonishing to observe over recent years, with almost every organisation touting their care for their clients and the environment, and even offering services and support that appear, to the casual observer, to be beyond their core purpose. What does that really mean for the investment community and the wider financial industry, including securities lending and collateral management?

It has long been an accepted rule that no lending fund should accept a security as collateral that it would not be permitted to invest in directly. The purpose of collateral is to secure the lender's ability to repurchase the lent security should the counterparty fail to return it, for whatever reason. While it would be rare for a securities lender to keep the collateral for any extended period instead of selling it quickly to recover the asset lent, it will become that investor's property for that time. As such, it cannot be something the fund is not permitted to own.

The challenges such restrictions create have a multiplying effect when the investment objectives and rules of the fund, whether self-imposed or based on enforceable regulations, restrict the types of assets they can invest into a narrow or scarce band. As has been discussed in this publication at length, ESG-compliant assets are relatively few, although the definition of what constitutes an ESG-compliant asset can vary enormously. When the definition is too broad, there have been accusations of greenwashing thrown around the market, a suggestion that the application of policies may not be all that they seem. Where the definition is too narrow, the potential asset pool becomes very shallow.

With an evolving set of standards, there are always going to be different levels of interpretation and application. Enter the Sustainable Finance Disclosure Regulation (SFDR). New articles for adoption into SFDR are in draft form only at present, but give a good view of what will be handed down by regulators when they come into force, potentially as early as January 2022. As currently drafted, they include terms that are certainly open to interpretation such as "promotes environmental or social characteristics" or the higher bar of "incorporate good governance into its investment strategy".

How investment managers interpret these guidelines will impact the range of securities that they can invest in, hold as collateral and, of course, restrict from lending so that they can vote on key issues affecting the issuer's green strategy, for example. Every time a restriction is applied, the field of choice is narrowed and this may impact the diversification of funds and their ability to outperform a given benchmark.

## Collateral velocity

When considering the collateral management aspect, the situation may be even more complex. Collateral velocity is a key measure monitored by the International Monetary Fund (IMF) and, in particular, the collateral expert Manmohan Singh. The length of collateral chains and the level of re-use give a direct indicator of international market liquidity. Increasing amounts of collateral are needed as more and more regulations demand collateral to back financial transactions, with a leaning toward collateral that is not already committed or sourced from outside the organisation.

The shorter the chain, arguably the easier the collateral asset is to recover and the more stable the underlying market. In 2008, chains became significantly shorter as those receiving the collateral shunned re-use and those pledging it feared that they would not get it back. This effectively reduced the availability of credit in the market. Collateral re-use had been estimated to be around three times prior to the financial crisis but dropped to less than two times up to 2016. At the end of 2020, when the last data on this was made available, velocity had recovered to 2.5 but remains stubbornly below pre-crisis levels. Availability of collateral, particularly high-quality assets that are pristine (i.e., not those at the end of a long chain of pledging and lending) may be challenged by debt issuance limits being set by the US Federal Reserve and others, together with asset purchase schemes that remain in force. Does this mean the market might be facing a collateral squeeze?

Figure 1 shows that US Treasury lending remains high at over 475 billion bonds (units of treasury, not USD value), which is around 20 per cent higher than 12 months ago but below the 516 billion units seen at the peak which occurred in the first quarter of 2021. Utilisation rose in line with volumes borrowed, but began to narrow in the first quarter of 2021 as volume and demand peaked, falling back to a net rise of just one per cent over the last 12 months, suggesting a significant uptick in lendable supply. With utilisation at less than 30 per cent, this would also suggest that there is a significant amount of untapped US Treasury collateral still available, although some of that is likely to be beyond maturity boundaries and concentration in popular issues may cause localised problems.

Scarcity of collateral will create potential issues across the financial markets way beyond the securities lending and collateral industry. Regulators must be careful when looking to influence the criteria upon which investment funds can invest, provide or receive collateral, but investors and investment managers must also be aware of the effect self-imposed restrictions can bring. Otherwise, we may all end up chasing that one ball around the field which will ruin the game for everyone.

**Figure 1: U.S. Treasury borrowing volume and utilisation for the 12 months to August 2021**

# Banco Santander, Leonteq and Margin Reform latest hires

**Sharegain has appointed Alex Panaite Fornari as its general counsel at its headquarters in London.**

With a career spanning more than 10 years, Panaite Fornari most recently worked as a senior associate for Latham & Watkins, as part of its structured finance and derivatives department, where she primarily focused on derivatives, capital markets and corporate governance.

Panaite Fornari also worked on secondment with various multinational organisations, including as general counsel, international markets at Aviva, at Credit Suisse's office of general counsel, equities legal, and with the Bank of America Merrill Lynch as a member of its structured equity finance and trading team.

Commenting on Panaite Fornari's appointment, Boaz Yaari, CEO at Sharegain, says: "We are thrilled to have Alex onboard to further develop and lead our legal team. Alex is an experienced derivatives lawyer with broad experience in capital markets."

**Euroclear Settlement of Euronext-zone Securities (ESES) CSDs has appointed Guillaume Eliet as CEO.**

Eliet will replace Brigitte Daurelle who will now be responsible for overseeing the integration of the fund distribution platform MFEX, which Euroclear recently agreed to acquire.

Since 2017, Eliet has been head of

## David Brown joins Margin Reform

David Brown has joined Margin Reform as the head of business development. Brown will be based in London but will have a global remit.

Margin Reform helps clients operating in the financial sector to provide strategy, insight and delivery across derivatives, repo and securities lending for the margin, collateral and legal domains.

In his new role, Brown will cultivate and deepen relations with existing clients and develop new relationships in the collateral, legal and margin domains across derivatives, repo and securities lending.

Additionally, Brown will work on enhancing the strategic alliances and partnerships to better service clients. He will report to Margin Reform's CEO, Shaun Murray.

During his career, Brown has gained 20 years of experience in roles from custody to front office sales and comes with a wealth of international knowledge having worked in New York, London, Hong Kong and Singapore for UBS, J.P. Morgan and BNY Mellon.

Most recently, he was a director at Standard Chartered bank.

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# Accelerating Collateral Mobility

## Frictionless ownership transfers of assets

At precise moments in time

Without cross custodian settlement movements

Delivery vs. Delivery ("DvD")

Capital cost savings

MARKETPLACE — EUREX

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(BNY Mellon Triparty, BNP Paribas Securities Services, Citi - Custodian connecting in 2021)

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regulatory, compliance and public affairs for Euroclear.

Prior to joining Euroclear, Guillaume Eliet worked at Authorité des Marchés Financiers (AMF, the French Stock Market Authority) where he was deputy general secretary, heading the regulation policy and international affairs division.

Before that, he was head of the asset management division within the AMF in Paris.

Isabelle Delorme, chief business officer of ESES, will assume the role of deputy CEO, reporting to Eliet.

Commenting on his appointment, Eliet says: "I look forward to building upon our current successes and maintaining our continued diligent focus on stability, resilience and driving innovation and growth. ESES occupies a unique and well respected position in the market, and I am proud to be part of the team."

### Leonteq hires Guillaume do Rego as securities finance and repo trader at its Zurich headquarters.

Guillaume do Rego has more than three years of experience in trading securities finance, previously working for Ecobank Transnational as trader assistant, before moving to ACE GLOBAL Depository as CFO assistant.

Based in West Africa, do Rego acted as junior analyst in private equity and impact for Investisseurs and Partenaires. He was also a securities finance trader assistant at Natixis Paris, before he moved to CACEIS Luxembourg and worked as a securities finance and repo trader on the securities Finance Desk.

### Tradeweb has appointed Sara Furber as CFO.

Furber succeeds Robert Warshaw who has held the position since 2009.

Based in New York, Furber will report to CEO Lee Olesky and will also become a member of Tradeweb's executive leadership team.

Furber joins Tradeweb from US equity exchange operator IEX Group, where she was CFO for three years.

At IEX Group, Furber led the company's finance function and also oversaw its new business portfolio, including technology businesses such as data platform IEX Cloud.

Prior to joining IEX in 2016, Furber was a managing director and a member of Morgan Stanley's management committee.

Before Morgan Stanley, Furber was COO of global corporate and investment banking at Bank of America Merrill Lynch, after leading investor relations for the company during the global financial crisis and through its merger with Bank of America.

Commenting on Furber's appointment, Olesky commented: "Sara Furber brings to Tradeweb a wealth of experience including diverse senior roles in financial markets, banking, investor relations, technology and electronic trading. Sara is uniquely suited to lead our finance team and help Tradeweb navigate its next phase of growth and development."

He adds: "I would like to thank Bob Warshaw for his many important contributions to Tradeweb since joining us in 2009."

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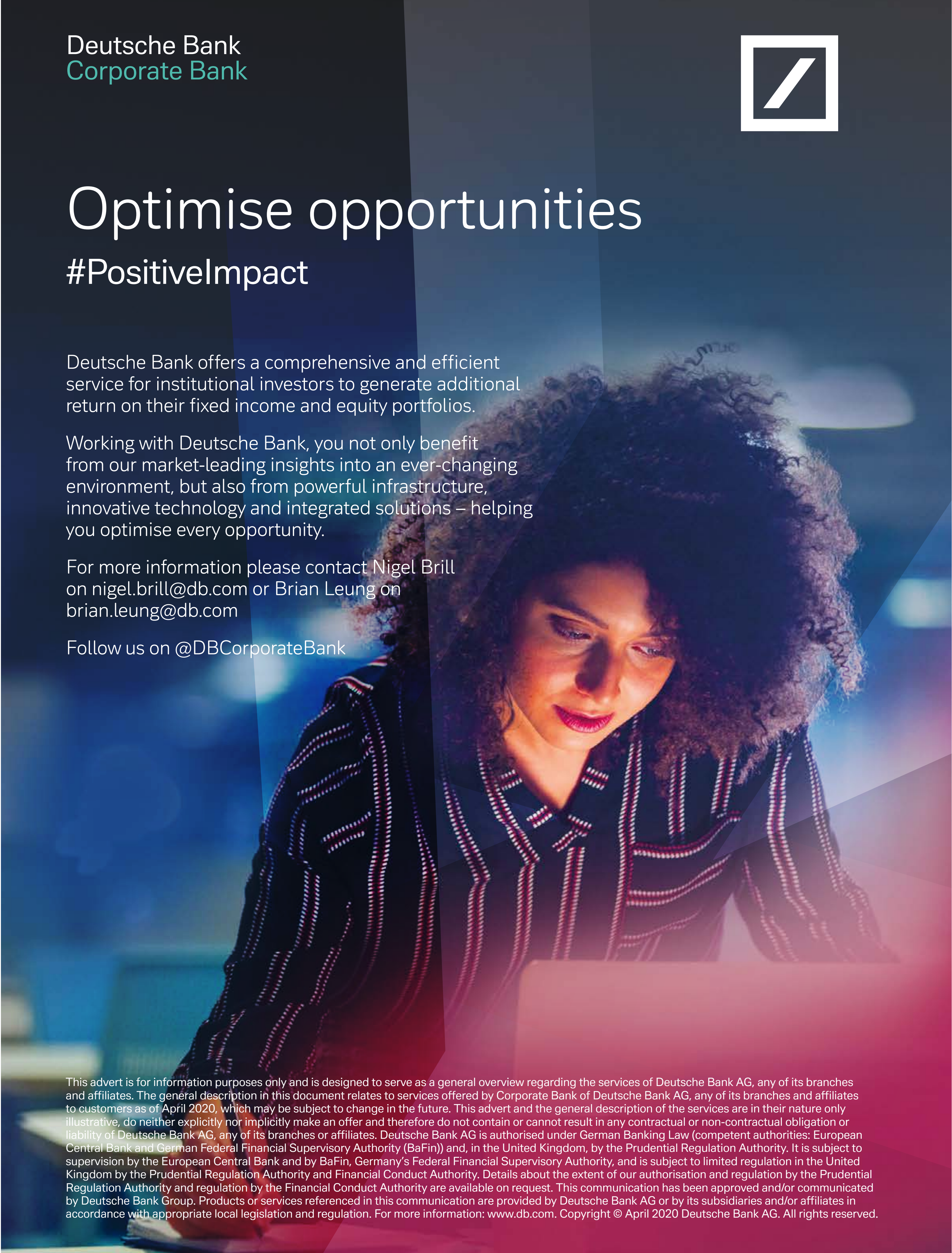
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## Banco Santander bolsters securities finance team

Simon Picton has joined Banco Santander as head of securities finance UK, based in its London office.

He holds responsibility for secured funding relationships, securities lending and hedge fund financing.

Picton will report to Javier Gozalo de la Cruz, head of Institutional sales UK, Banco Santander London Branch.

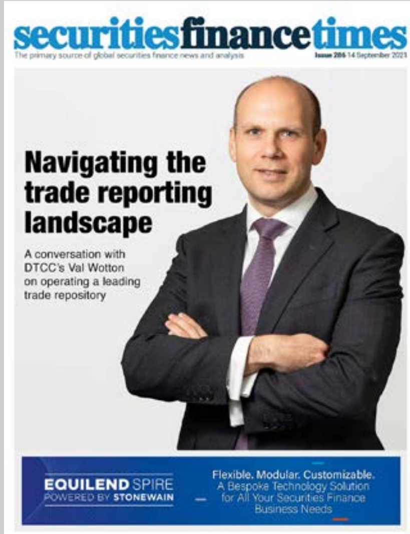
Picton left Morgan Stanley in December 2019 as part of restructuring initiatives by the US bank across its secured funding desk.

He joined Morgan Stanley from Euromoney Institutional Investor in 2013 as part of its secured funding and bank resource management team.

Commenting on the appointment of Picton, Cruz tells Securities Finance Times: "We are very pleased that Simon has joined the team. He will bring his more than 12 years of experience in the securities finance industry to help further our efforts in offering best in class service to our clients and counterparties."

Cruz continues: "He has extensive experience in secured funding strategy, client financing and securities lending."

"Banco Santander continues to view securities financing as a key business line to enhance our partnership with both bank and buy side clients, and the hiring of Simon Picton is a direct investment into expanding both the scope of products and clients we cover from our London branch," adds Cruz.




**Publisher:** Justin Lawson
justinlawson@securitiesfinancetimes.com
+44 (0) 208 075 0929

**Group editor:** Bob Currie
bobcurrie@securitiesfinancetimes.com
+44 (0) 208 075 0928

**Senior reporter:** Maddie Saghir
maddiesaghir@blackknightmedialtd.com
+44 (0) 208 075 0925

**Senior reporter:** Jenna Lomax
jennalomax@blackknightmedialtd.com
+44 (0) 208 075 0925

**Reporter:** Carmella Haswell
carmellahaswell@blackknightmedialtd.com
+44 (0) 208 075 0925

**Reporter:** Rebecca Delaney
rebeccadelaney@blackknightmedialtd.com +44 (0)208 075 0923

**Accounts:** Chelsea Bowles
+44 (0) 208 075 0930
accounts@securitiesfinancetimes.com

**Designer:** James Hickman
jameshickman@blackknightmedialtd.com
+44 (0)208 075 0923

**Marketing director:** Steven Lafferty
design@securitiesfinancetimes.com

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# Upcoming Securities Finance Training

## Non-Cash Collateral Fundamentals

**Date:** 12 October 2021
**Location:** Online
**Provider:** Consolo

This live on-demand training course is designed for new entrants to the industry who require an overview of the securities lending transaction and process involved in execution.

## SFTR Analysis

**Date:** 15 October 2021
**Location:** Online
**Provider:** Consolo

SFTR is undoubtedly the most significant regulatory change to impact securities lending for over a decade. As the reporting requirement deadline begins to loom, this one day course provides an opportunity to hear how the market is preparing itself and what challenges remain unanswered.


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