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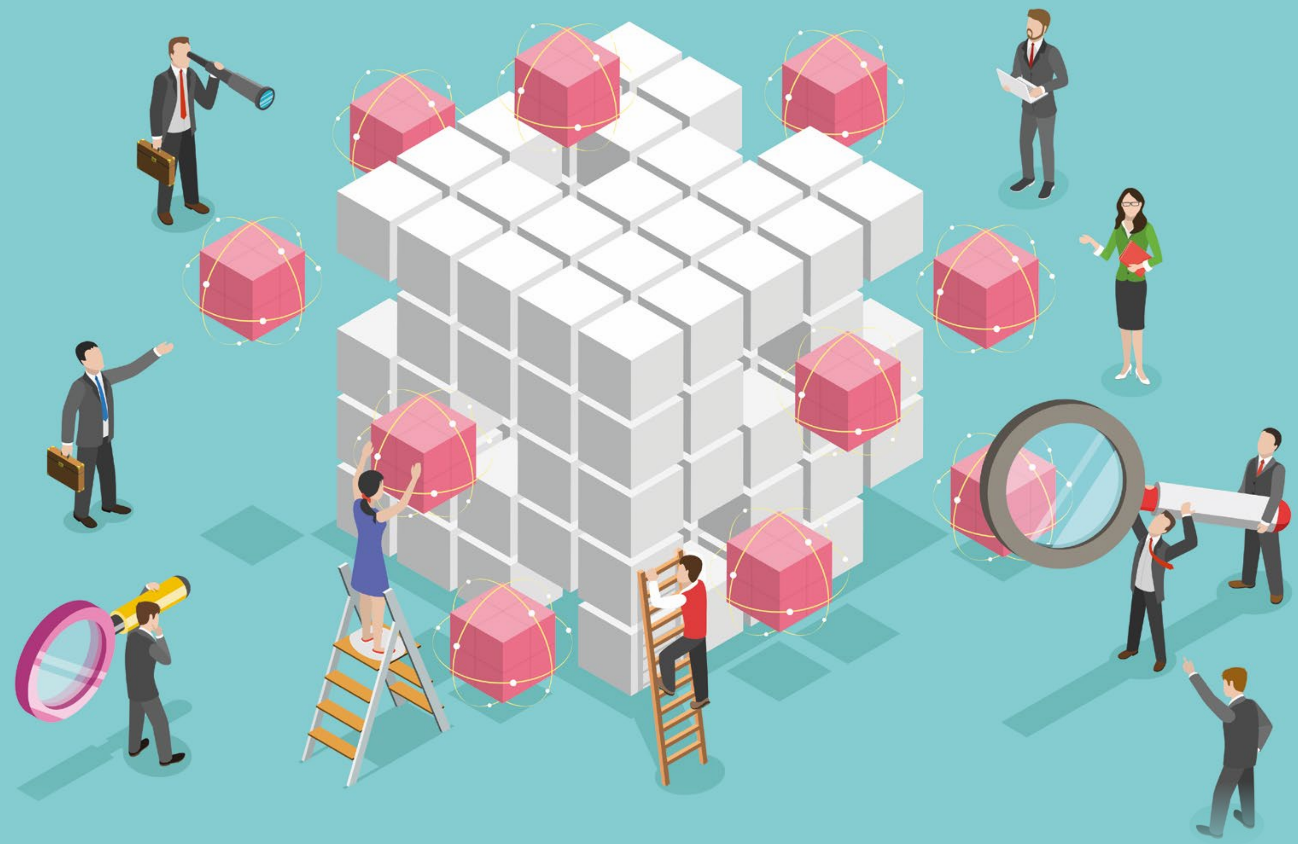
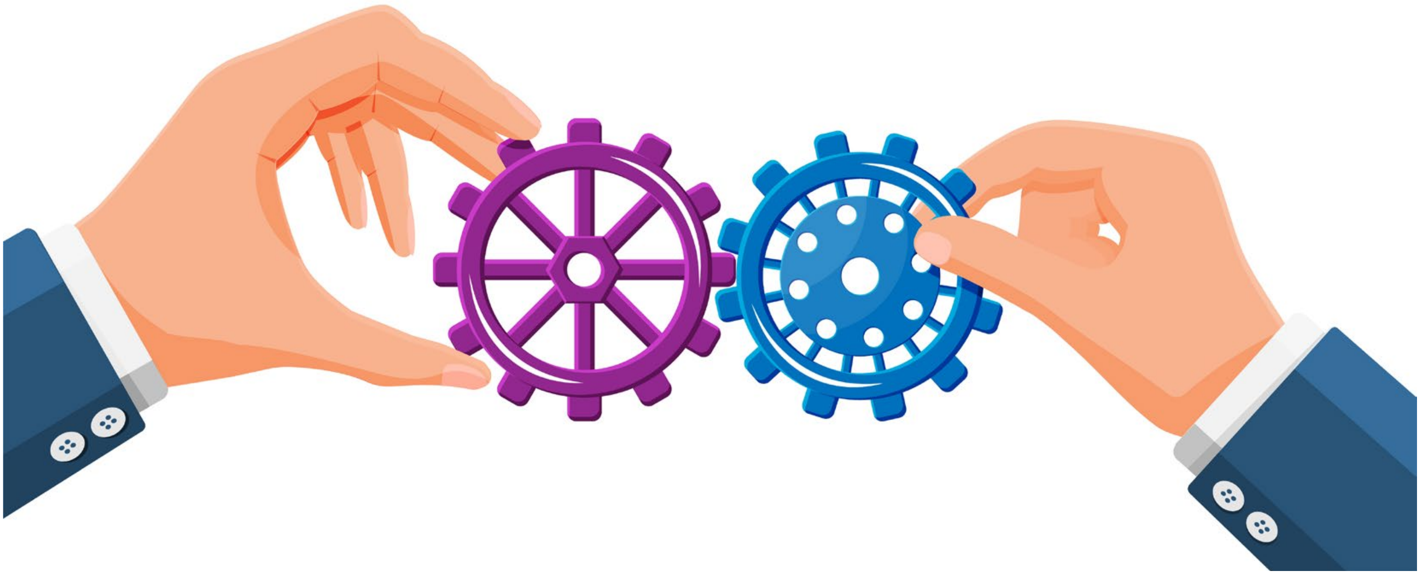


Backing data-driven decisions

EquiLend's Nancy Allen and Paul Lynch discuss the launch of the company's Data and Analytics division and opportunities this will create to apply data-driven intelligence



DNB partners with Trading Apps for trading and collateral technology

Trading Apps has announced its partnership with Norway's largest financial services group DNB, which has gone live with Trading Apps' automated trading technology.

The initial phase of DNB's project involved the integration of Trading Apps' Inventory App and Trade Apps with DNB's books and records system.

This stage of the project saw the installation of Trading Apps' Benchmark App, which aims to absorb the major external market rate data sources. By incorporating DNB's own data into Benchmark, a customisable rule base instructs the rates applied to different trades, adapting to changes in the market and saving time for traders.

The second phase brought in the Trading Apps Lender App and the firm's Equilend Gateway product. The Lender App replaces manual processes, consuming external messaging types, which aims to give DNB 'full and immediate' access to the market.

The Lender App "gets more loans on the books at the right rates", providing an "increase in revenue" for the institutions utilising it.

DNB has also integrated the Push Lists App into the trading suite, which publishes the availability of securities, tailored to specific counterparties, incorporating the rules specified by the trading desk.

Trading Apps' rules-based automation enables DNB to auto-fulfil incoming borrow requests against their own tailored pricing engine, with straight-through processing (STP) to their books and records system.

With these developments, Trading Apps explains that "traders are now managing the rules engine to automate the majority of trades, which leaves more time for them to focus on specialist trades".

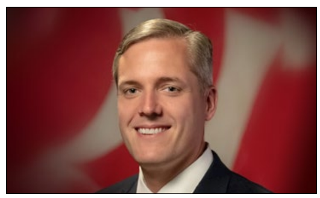
The aim is to enable DNB to support significant growth in trading volumes with minimum human involvement.

DNB's next project with Trading Apps involves the integration of the Collateral Exposure App to manage their trade exposures in real-time across different collateral types.

In a shared statement, the two firms report that DNB went live with Trading Apps automated trading technology within five months of finalising the contract. This rapid adoption was possible now that Trading Apps offers a hosted service, rather than supplying products for on-premise implementation.

Trading Apps supports their hosted products in real-time, which means they resolve and enhance their technology for DNB with limited requirement from the bank's own IT departments.

Inside this issue



Global securities lending revenues rise 20 per cent YoY for April

The global securities finance industry delivered US$828 million in lending revenue in April 2022, a 20 per cent increase on April 2021, according to data from DataLend.

Month-on-month, this represents a small dip from the US$836 million in revenue for lenders generated during March 2022.

Global broker-to-broker transactions, where broker-dealers lend and borrow from each other, contributed a further US$229 million in revenue during April, a 16 per cent rise on April 2021.

The rise in lender-to-broker revenue during 2021 was powered largely by equity lending, where the average fee increased by 18 per cent, according to DataLend, the market data arm of securities finance trading, data and post-trade specialist EquiLend.

Average fee rates for North American equities rose by 39 per cent for April 2022 compared with April 2021.

The top five revenue-generating securities for April 2022 were Rivian Automotive (RIVN), iShares iBoxx $ High Yield Corporate Bond ETF (HYG), Sweetgreen (SG), Beyond Meat (BYND) and GameStop (GME). These five securities generated more than US$53 million in lending revenue during the month.

DTCC evaluates risks presented by “interconnectedness” in global finance

DTCC has published a white paper outlining the dangers of interlinkage between systemic risks confronting the global finance industry and the threat of contagion that this “interconnectedness” may present.

The paper highlights a series of risks that have become prominent in global financial services and must be under constant scrutiny from risk managers. This includes increased risk of cross-border financial exposures that make countries that are dependent on foreign capital more exposed to systemic shocks. Although by no means a new trend, DTCC indicates that the risk teams must monitor the evolving nature of this threat.

DTCC also identifies vulnerabilities presented by the adoption of new fintech innovations, including distributed ledger technology and the growth of cryptocurrencies, which are increasingly interlinked with other elements of the financial ecosystem.

Additionally, DTCC highlights the rising importance of non-bank financial intermediation

(NBFI) as a potential channel of risk transmission, a theme that has attracted close attention in recent times from the Financial Stability Board and other bodies monitoring risk concentrations in the global financial system.

As a fourth factor, the white paper focuses on the industry's greater reliance on use of third-party service vendors, alongside risks presented by the increase in volume and sophistication of cyberattacks.

This paper, Interconnectedness Revisited, builds on themes addressed in DTCC's 2015 white paper, Understanding Interconnectedness Risks, which shines a spotlight on dangers of contagion and interconnectedness within the global financial system, highlighting that the failure of a large financial entity could trigger financial instability worldwide.

Inevitably, these risk threats have important implications for global financial infrastructure providers. DTCC outlines a series of steps it is taking as a major global post-trade infrastructure specialist to mitigate these concerns. This includes implementing agreements between DTCC clearing entities and other financial market infrastructure to limit the risk connected with the insolvency of a common member. It also includes developing a rigorous and comprehensive framework to identify and manage risks associated with the interconnectedness of clearing entities, trading venues and financial market utilities.

Reflecting on these issues, DTCC managing director and chief systemic risk officer, Michael Leibrock says: "An interconnected system is both beneficial and challenging. While interconnectedness can provide firms [with] operational inefficiencies and other benefits, it is important to recognise that they may also pose certain risks.

"Given the increasing complexity of the global financial system, it is more crucial than ever that firms continue to evolve their approach to managing risk, ensuring they are taking a holistic, comprehensive view of all the relevant factors."

DTCC systemic risk executive Adrien Vanderlinden adds: "Staying on top of emerging threats requires constant vigilance. Firms should adopt a multidisciplinary approach that leverages insights from a diverse group of subject matter experts while ensuring close coordination between stakeholders."

"In support of this, we invite clients, market participants, and members of the industry to share comments and feedback with us to foster collaboration and information sharing, which are critical in a complex risk environment," says Vanderlinden.

SmartStream launches Eligibility API for collateral optimisation

SmartStream Technologies has launched a new solution for faster collateral management optimisation.

Eligibility API is a platform for clients to receive eligibility information contained within collateral agreements like credit support annex, global master repurchase agreements and overseas securities lenders' agreements, for both pre- and post-trade collateral optimisation.

With the Eligibility API solution, SmartStream will provide firms with a way to publish eligible collateral for each legal agreement, which can then be consumed by their optimisation engines.

SmartStream's new application programming interface (API) allows fast and easy access to collateral, including the ability to upgrade. In addition, the new solution allows the sourcing of eligibility information in real-time.

With the impending Uncleared Margin Rules (UMR) phase 6 regulatory regime being implemented in September 2022, volumes of margin calls are expected to increase and there will be an inevitable squeeze on assets being pledged as collateral, says SmartStream.

This will result in a rise in demand for High Quality Liquid Assets (HQLA), it adds.

In addition, with interest rates forecast to rise, firms are looking at pre- and post-trade optimisation to support efficient use of scarce HQLA and cash.

Jason Ang, programme manager, collateral management at SmartStream, says: "We realise the UMR deadline is fast approaching,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CSDR
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Margin reform
Optimisation
Future Tech
Collateral Management
RegTech
Blockchain
UMR
Optimisation
Liquidity Chain
Digital Markets

and we have made it easy for clients to deploy our new solution, and to manage future versions without the need for lengthy implementation projects.

"Having a public API strategy lowers the cost-of-ownership of the collateral solution. The demand for this new API is high and we are having conversations with the major banks on how they can use our eligibility to optimise their collateral in preparation for the future."

Eurex Repo records strong repo market expansion for April

Eurex Repo's average daily term-adjusted volume has risen 47 per cent YoY for April, climbing to €200.0 billion, according to the Frankfurt-based platform.

Repo transactions are up 75 per cent to €145.3 billion for April 2022 compared to April 2021, with GC Polling activity rising 4 per cent to €54.8 billion.

Eurex Clearing reports that outstanding notional volumes in over-the-counter (OTC) clearing continued to grow, rising 19 per cent to €27,422 billion for April 2022 compared with April 2021.

Interest rate swaps (IRS) grew by 30 per cent YoY for April to €12,251 billion in notional outstanding, with overnight index swaps up 134 per cent to €1,920 billion.

In terms of average daily cleared volume, Eurex Clearing recorded 40 per cent growth over April 2021, with volumes rising to €233 billion.

Cleared ADV for IRS fell 6 per cent YoY to €23 billion for April. However, overnight index swaps were up 49 per cent YoY for April to €8 billion.

SWIFT to establish public cloud connectivity to its network during 2022

SWIFT has declared that it will allow users to connect to its messaging network and applications through public cloud service

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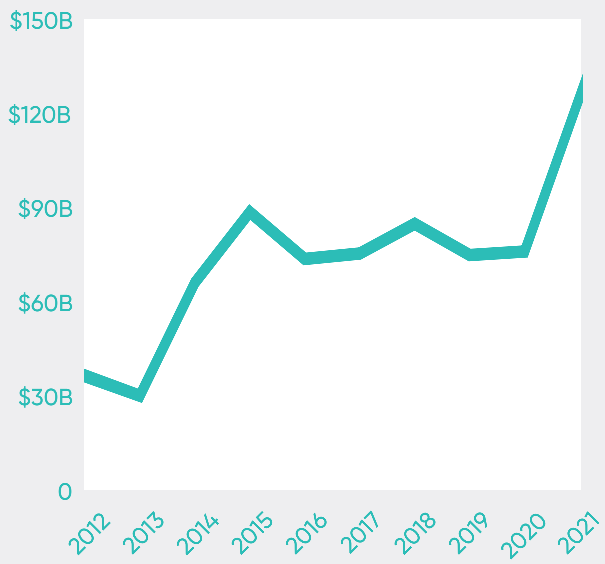
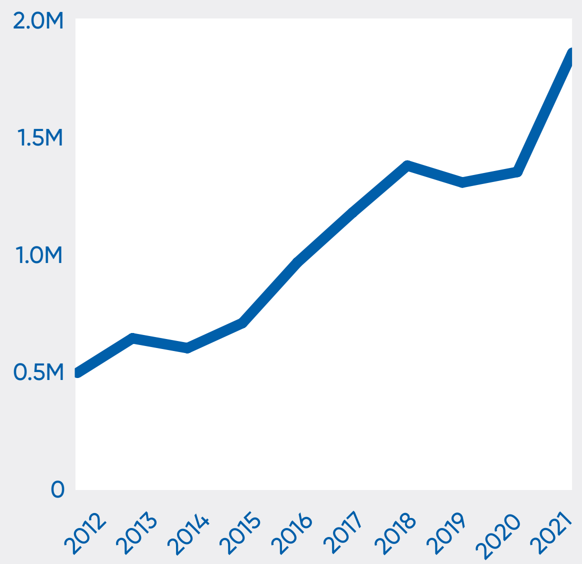
79
HEDGE LOAN PROGRAM MEMBERS

125B
AVERAGE DAILY LOAN VALUE AT YEAR END 2021

Annual Notional Value of Loans



Annual New Loan Transactions



For more information about OCC Stock Loan Programs, visit theocc.com

providers including Amazon Web Services, Google Cloud and Microsoft Azure.

They will link to the SWIFT network via Alliance Control Virtual, a connectivity option allowing users to employ SWIFT virtual private network (VPN) connections with these selected public cloud providers, rather than needing to host hardware on premises in their own data centres.

The Brussels-headquartered messaging specialist says that this move will improve access to its messaging network, facilitating new innovation to promote resilience and security.

SWIFT indicates that moving to the public cloud will enable financial institutions to reduce costs, improve automation and enhance their compliance procedures without detriment to business security or flexibility.

With these goals in mind, SWIFT has been working with selected public cloud providers to ensure compliance with its Customer Security Programme (CSP), which is designed to strengthen protection for financial institutions against cyberattacks and to protect the integrity of the wider financial network.

SWIFT has been refining the new Alliance Connect Virtual service with a range of early adopters, including financial institutions and new digital banks, and is now in the final stages of testing. It expects to release the service by the end of 2022.

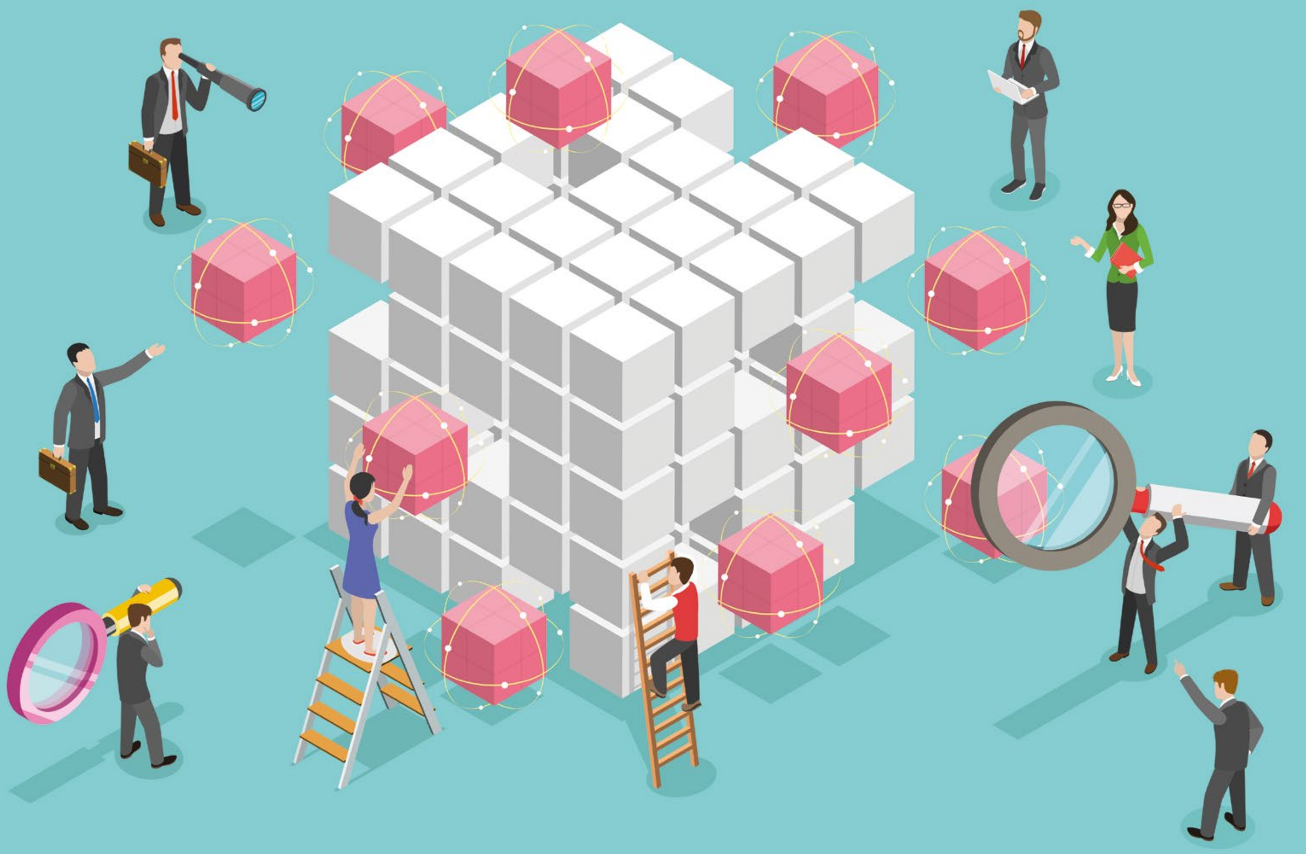
Commenting on the development, SWIFT chief product officer Stephen Gilderdale says: "Cloud technology has been game changing for the financial industry over the past decade and will be a key enabler of future forms and flows of money.

"We are proud to build upon our existing success with cloud strategies to help our community securely access the SWIFT network across the globe with ease and to benefit from the power of the public cloud."









Backing data-driven decisions

EquiLend's Nancy Allen and Paul Lynch speak to Bob Currie about the launch of the company's Data and Analytics division and opportunities this will create to apply data-driven intelligence to access liquidity and optimise return from securities financing transactions

EquiLend has established a new market data division, EquiLend Data & Analytics, formed in early 2022. The ambition for the New York-based company is to bring together previously disparate data capabilities for different components of the securities finance market into one single solution, delivering what it says is a unique and comprehensive data and analysis service for securities finance and beyond.

Data services and analytics are nothing new for EquiLend. In 2013, it formed its securities finance market data business, DataLend, and this has delivered trading analytics, real-time data access through Premium Pulse and its buy-side market data platform Orbisa, along with a range of performance reporting tools, customised analytics and consulting solutions crafted to clients' bespoke needs.

The formation of EquiLend Data & Analytics aims to bring together this broad set of data services under a single product umbrella, supported by a unified team structure and providing a centre for innovation as the company develops new data insights and analytics from these underlying data sets.

New direction

The service will be fronted by Nancy Allen, who has been global head of DataLend since 2016 and becomes global head of the new EquiLend Data and Analytics division. Allen explains that, through the Data & Analytics group, EquiLend is looking beyond traditional securities finance data to create a full package of market information, analytics, performance reporting and consulting services. "The aim is to not only help beneficial owners, broker-dealers, agency lenders and hedge funds to manage their securities lending and financing activities more effectively, but also to bring new insights to the broader marketplace," she says.

This new division draws on a wider range of data points across the full range of EquiLend's products and services. "The result is a stronger offering and more actionable insights for users across the EquiLend ecosystem," she says.

Allen anticipates that 2022 will be a transformational year for the Data and Analytics division. Building on volatility and momentum scores introduced in 2021, EquiLend will extend its portfolio of analytics services, including a new dynamic trading analytics solution that will enable clients to interface more efficiently with trading counterparties over NGT. It will also offer access to a deeper data pool, including the extension of post-trade, swaptimization and collateral services into the EquiLend analytics suite.

Responding to user demand for robust ESG data to support their sustainable lending and financing objectives, EquiLend introduced a new ESG product suite during 2022 which includes data validation and opportunity cost analysis. "We recognise that the needs of our clients are ever changing and we strive to provide them with the tools to make data-driven decisions," says Allen.

Data velocity

For Paul Lynch, EquiLend's global head of products, a priority during 2022 will be to increase the speed that EquiLend can deliver data to clients, particularly in cases where data provides time-sensitive insights to guide their forthcoming business decisions. The focus, notes Lynch, is on activity data in addition to executed data. "Clients want to move beyond rate comparison," he says. "They want to create models that forecast a rate needed to execute a trade. We want to provide our clients with the data points to create liquidity."

The company set this strategy in motion during 2021, when it extended its focus beyond performance analytics and anonymous league table performance comparisons to reinforcing clients' access to analytics linked to trading scenarios — "in other words, evaluating 'what you did versus what you could have done'," says Lynch.

During 2022, EquiLend will begin to roll out NGT Competitive Bid, with its Trading Analytics product to follow, offering analysis of clients' trading performance relative to the market. "EquiLend Data & Analytics is delivering insights to clients so they can optimise their opportunities," says Lynch.

Regulatory drivers

The new division will also play a key role in helping EquiLend clients to manage their regulatory adoption and reporting obligations. If enacted, the Securities and Exchange Commission's 10c-1 rule will require lenders of securities to report the material terms of securities lending transactions to a registered national securities association (RNSA). Allen notes that, although still relatively early in the design and consultation phase of SEC 10c-1, this regulation is likely to have a significant impact on EquiLend's client base and will potentially deliver a higher level of transparency to securities lending markets. EquiLend has two entities that are SEC-regulated and are members of the Financial Industry Regulatory Authority (FINRA), the one organisation that has so far been approved by the SEC as an RNSA. Consequently, EquiLend believes it will be well placed to act as a reporting agent should the proposed rule come into effect.

> *"EquiLend is looking beyond traditional securities finance data to create a full package of market information, analytics, performance reporting and consulting services"*

"Through our suite of trading, data, post-trade and books and records services, EquiLend has the technology to support intraday, end of day or T+1 reporting, leveraging our technology, which is already utilised by many participants in the securities lending market," says Allen.

"As a leading provider of data and analytics in the market, we also welcome the opportunity to incorporate the data to be made public through the proposed rule into our product suite," she adds.

In closing, Nancy Allen reports that the level of interaction and dialogue that EquiLend has had with its global clients has been increasing year after year. As more data becomes available, the company aims to create analytics which will help the market to manage their securities finance business more effectively based on data-driven decisions.

"We are working with the broader community to provide valuable insights used by portfolio managers and quantitative analysts to create strategies and identify trading signals," concludes Allen. "Our clients continue to use our data to identify and unlock opportunities to optimise returns." ■

Paul Lynch
Global Head of Products
EquiLend

Nancy Allen
Head of Data and Analytics
EquiLend

A search for liquidity

Industry specialists reflect on challenges confronting buy-side firms in accessing repo markets, particularly under conditions of market stress, and what we can learn from recent experience. Carmella Haswell reports

The repo market has become a primary means through which liquidity is sourced, priced and circulated. This integral part of the securities finance sector has been utilised for investing cash for money market funds, collateral management and for liquidity management purposes. Accessing this tool has proven difficult for some buy-side firms and the industry is now working to provide solutions for these hurdle-jump challenges.

A roundtable discussion from the International Capital Market Association's (ICMA's) annual general meeting reflected on the challenges that banks face in ensuring efficient use of capital and balance sheet. It noted that intermediation has many weak spots and that significant investments are required to keep the repo market working effectively.

Vanaja Indra, market and regulatory reform director at Insight Investment, emphasises the role of repo in today's market. She says: "The repo market is important for both cash investors such as money market funds and those that may utilise repo to help manage their liquidity for purposes such as margin calls. The repo market plays a pivotal role in 'oiling the system' and ensuring liquidity is passed on from those who have cash to those who need it, particularly in stressed market conditions."

Speaking from a pension fund perspective, PGGM investment manager Roelof van der Struik adds: "The repo market is one of the major tools we use for managing liquidity for our clients. When the sun is shining and the world is a nice place to be, nobody wants cash. But when the fertiliser hits the air conditioning, suddenly everyone wants cash."

Accessing the market

There is no level playing field when it comes to accessing the repo market. According to Charlie Badran, head of AXA financing at AXA Investment Managers, it is dependent on the size of the financial institutions, whether it be a Tier 1 or 2 buy-side firm for example, and "how you are considered by your broker-dealer".

PGGM's Struik highlights challenges facing buy-side firms that are attempting to access the repo market, noting that the lead up to year-end and quarter-end reporting can create havoc in the market. During this period, the market simply "is not there", he notes, and, as a result, firms will need to access liquidity through other channels.

Significantly, the buy-side is also faced with significant investments, for example in straight-through processing (STP), transaction settlement and admin, to ensure they can participate efficiently in repo markets. "It only really works if it is done through STP, especially with regards to the Securities Financing Transactions Regulation (SFTR) and Central Securities Depositories Regulation (CSDR). The list of regulations to comply with is a burden for companies including PGGM, who find regulation to be a large expenditure," Struik explains.

However, one of the biggest challenges facing buy-side firms has been in managing their reliance on banks as intermediaries in providing repo market access. According to Insight Investment's Indra, the key challenge is that the buy-side are at the mercy of the banks' balance sheets and risk-weighted assets constraints. "We see the banks as playing a critical role in providing liquidity to the wider market, even in stressed conditions, because they are the only entities that intermediate between central banks and the rest of the market," says Indra. She explains that banks are constrained by banking rules and capital adequacy requirements — and during periods of stress, banks will be more inward looking to protect their balance sheet, pulling back from some of the services that they provide.

Since the first quarter of 2020, the market has faced stress conditions resulting from the impact of the COVID-19 pandemic. Discussing the stress period of March 2020, the ICMA roundtable pinpointed some of the main takeaways from this time. For example, there was greater demand for cash from clients to meet margin calls and other liquidity needs, while at the same time these firms wished to avoid selling out of their asset holdings as these "tanked" in price. This prompted these firms to look to the repo markets to meet their liquidity requirements.

Turning his thoughts back to the events of March 2020, AXA Investment Managers' Badran explains: "We have seen some divergence between the banks. The larger banks were increasing their balance sheet, but on the short tenor, they were not providing liquidity as usual. In times of stress, we need more liquidity and the banks should be present to provide the liquidity required not only by Tier 1 banks, but also by other buy-side institutions."

Fortunately, intervention from the European Central Bank (ECB) in the European market offered some relief to the situation by providing "a timely reprieve for the market and temporary relief in the Leverage Ratio calculation," says Badran. He explains: "This provided more capacity for banks, with balance sheets being relatively unconstrained, and enabled better market functioning, especially over reporting dates."

Finding a solution

There is much that the banks and buy-side institutions can do to provide smoother access to the repo market and to be confident that banks will be able to provide a much needed service to the industry in stress conditions.

To facilitate this, AXA Investment's Badran says clearing houses and banks are taking steps to connect the buy-side through the sponsor model, with repo clearing available from clearing houses including LCH and Eurex. "This will help the banking community to net their transactions," explains Badran. "By netting the buy-side transaction through the CCP, it will provide more capacity to the Street, especially to the buy-side. If you are looking for collateral today and investing the cash, central clearing is a tool that buy-side institutions need to have, because good collateral in the bilateral market is really hard to find."

The group, moderated by ICMA senior director Andy Hall, explored other possible solutions for buy-side firms struggling to access the market. During this discussion, Indra highlights three pivotal steps. She emphasises the importance of the sponsored clearing repo models and encouraged the banks and all market participants to support this service. The number of clearing members supporting this model is currently well short of where it needs to be, Indra believes.

For clearing entities, she indicates that it is important over time that these can amend their rules to make it permissible for medium-sized clients to participate in this repo clearing model. Indra comments: "We would like money market funds to be able to trade cleared repos, as that could be a helpful stabilising force in stressed conditions where money market funds can be a cash provider when the rest of the market may be needing liquidity. Unfortunately, for UK central counterparties that is not permitted post-Brexit owing to an anomaly in EU regulation."

Additionally, Indra indicates that there is some work to be done relating to the intermediary role performed by banks. She says that it would be helpful if the banking community could take greater ownership of this issue, as a provider of a very important service to the market. "It would be good if ICMA and the banking community would collaborate to identify the minimum tweaks needed in existing bank capital rules, so that banks could confidently provide liquidity to the buy-side in stressed conditions. This would help the buy-side's conversations with relevant policymakers on this issue," she says.

The ICMA-organised roundtable reflected on these initiatives, presenting mixed reviews on whether CCPs would have improved the situation for the buy-side during the stresses of March 2020, and whether the benefits would justify the resultant costs.

Investment manager at PGGM Roelof van der Struik highlights the importance of extending access to repo trading platforms, underlining the value of a transparent and open marketplace where the buy-side can transact with multiple banks. Adding to this, AXA Investment's Badran explains that in terms of an electronic platform, there are multiple vendors that are already acting within the fixed income market, within the cash market, and some vendors that are connected in the repo interbanking market. "Each buy-side or repo desk has its own demand. The trading platform should have the main functionalities, but should also widen the scope in terms of optionality like open repo, evergreen repo, multiple tenor RFQ," he adds.

Similarly, Insight Investment's Indra comments: "Electronic platforms can be helpful for increasing standardisation. We would expect a cleared repo model, if integrated with an electronic trading platform, to increase accessibility to, and participation in, the repo market by the buy-side. We believe this would further help participants to access liquidity when it is needed, particularly in stressed market conditions."

Pushing the discussion forward, the panel encouraged the buy-side community to analyse the steps it should be taking to improve its access to the repo market. Once again highlighting the importance of supporting the sponsored clearing repo models through adoption, Indra believes standardisation will be key to increasing liquidity. However, Indra comments that embracing standardisation may be challenging for some buy-side firms.

On this note, PGGM's Struik concludes that buy-side firms should be prepared to invest — as PGGM has been doing "quite vigorously", despite the barriers of attaining the budget. He adds: "We should try to resist temptation, in the sense that if the regulator is saying 'we do not like shadow banking, we want you to go to CCPs', then maybe we should not invest in peer-to-peer solutions." ■

Robinhood confirms release of “fully paid” securities lending service

California-based trading platform announces the roll out of a lending service that will be available to “all customers” by the end of May, while Q1 transaction-based revenues contract 48 per cent YoY. SFT reports

Robinhood has confirmed the launch of its fully-paid securities lending product to what it describes as “a small set of customers”.

The online trading company indicates that this step will provide opportunity for retail customers to “generate extra income on the stocks they already own” [i.e. fully paid for], thereby adding a new source of passive income to their investment portfolios.

In a statement on 4 May, the company says that stock lending is currently rolling out to customers and is expected to be available to all customers by the end of May.

Through this principal-based programme, securities lending is offered to customers through Robinhood Financial LLC, with securities being lent to Robinhood Securities LLC.

According to the firm, this service will complement securities lending services that the trading platform offers for securities bought on margin.

In extending this facility, Robinhood indicates that “unlike at other companies”, it will not require customers to have hundreds of thousands of dollars in their account to participate.

“We are making fully paid securities lending, and the opportunity for passive recurring income that comes with it, available to customers who traditionally have not had access to it. It’s the Robinhood way,” it says in the statement.

“Our version of stock lending empowers customers to put their investments to work while keeping it simple,” said Steve Quirk, chief brokerage officer at Robinhood. “Robinhood does the work of finding borrowers and managing transactions while customers can add a potential source of passive recurring income to their portfolio.”

“We are excited to break down yet another barrier and democratise a product that has been historically preserved for the wealthy with high barriers to entry,” he adds.

The company warns that stock lending is not appropriate for every customer. “There are operational risks associated with securities lending that could affect, for example, whether or when your securities are loaned or recalled, collateral is collected, or payments are made,” it says. “There is a risk that Robinhood Securities could default on its obligations to you under the stock lending programme and fail to return the securities it has borrowed. If Robinhood Securities defaults and is unable to return loaned securities, you will not be able to trade such securities as usual.”

The release of this service was flagged in Robinhood Markets’ Q4 2021 and Full Year 2021 results, where it indicated that it was continuing to discuss the launch of a fully paid securities lending service with regulators and that it hoped to launch this programme during H1 2022.

Robinhood Markets has taken this step to expand and diversify revenue opportunities available through its trading platform at a time when first quarter total net revenue has fallen 43 per cent YoY to US$299 million.

Transaction-based revenues have slumped 48 per cent to US$218 million for Q1 2022 compared with Q1 2021. This was fuelled by a 73 per cent YoY slide in equity trading revenue to US$36 million. Transaction-based revenue from options contracted 36 per cent to US$127 million, with revenue from cryptocurrencies also substantially down, falling 39 per cent to US$54 million.

This contributed to a net loss of US$392 million, or US$0.45 per diluted share, for Robinhood Markets during Q1 2022 — albeit a reduction on the net loss of US$1.4 billion, or US$6.26 per diluted share, that it sustained in Q1 2021.

Robinhood Markets’ senior management cast a positive light on the longer term outlook and the company’s development strategy.

Jason Warnick, CFO of Robinhood Markets, says: “We are seeing our customers affected by the macroeconomic environment which reflected our results this quarter. At the same time, we have also made progress on our long-term plans and continue to pursue them aggressively.”

Vlad Tenev, CEO and co-founder of Robinhood Markets, comments: "This quarter saw our product development engine gain velocity with the rollout of some of our most requested features and capabilities.

“With the introduction of the Robinhood Cash Card, the release of crypto wallets to all customers, the addition of new coins to our platform, and our agreement to acquire [UK-based cryptoasset and electronic money institution] Ziglu Limited, we have made huge strides against our roadmap.”

Latest industry appointments at OCC, Clear Street, EquiLend and Wematch

Knapp joins OCC as executive director

The Options Clearing Corporation (OCC) has announced the hire of Oberon Knapp to its securities lending team, where he will take on the role of executive director of participant solutions.

Based in Boston, Knapp will report to OCC's managing director of participant services and solutions, Pat Hickey.

Knapp will play a vital role in developing the strategy and vision for the future of the OCC's securities lending function.

Bringing 25 years of experience across capital markets to the position, Knapp was previously global head of product and investment operations at Brown Brothers Harriman. As global head, Knapp provided a modular and interoperable operating environment for asset owners and asset managers. Previously, Knapp was responsible for the global product and algorithmic trading development for BBH's securities lending franchise.

Prior to joining the OCC, he served as managing director at eSecLending for six years, where he led corporate and product strategy.

Notably, Knapp held several senior roles during his eight years at State Street including vice president and co-head of global account management group.

The Options Clearing Corporation (OCC) has announced the re-election of Craig Donohue as executive director of its Board of Directors.

The annual stockholder meeting was held on 29 April, where a vote took place to unanimously elect two class III member directors and two class I public directors to the Board.

During the firm's 2022 meeting, Stuart Bourne, managing director and global head of prime services at the Bank of America, and Kurt Eckert, partner and head of market structure at Wolverine Trading, were elected class III member directors to the OCC Board.

Bourne joined the OCC Board in 2019, while Eckert has been a part of the Board since 2017.

The meeting also highlighted the election of former financial executive Susan Lester, who joined the Board in 2016, and advisor Mark Dehnert, who has joined the Board for the first time, as class I public directors.

Dehnert was previously the managing director of execution and clearing for Goldman Sachs and has extensive experience in financial engineering, quantitative trading and modelling, and equity markets.

He will assume the position of chair of the Risk Committee, while Lester will continue to chair the Audit Committee.

Speaking on the announcement, Donohue comments: "As we fulfil our mission to serve as the foundation for secure markets, we continue to greatly benefit from the council and leadership of these four industry experts.

"Together, we are committed to the ongoing improvement of OCC's operations, services and offerings to ensure we continue to meet the needs of all market participants and work to move the industry forward."

Clear Street has appointed Aldo Mannino as director of repo sales and trading for its new fixed-income repo platform.

Based in New York, Mannino brings more than 25 years of experience in developing and operating a multitude of sales and trading strategies. He will report to Joseph DiMartino, managing director of repo trading at Clear Street.

He joins the firm from Mizuho Securities USA, where he spent 12 years at the firm's New York office. Most recently, Mannino was executive director for Mizuho Securities.

Prior to this, Mannino was a repo trader at UBS' Connecticut office for 10 years.

Speaking on the announcement, Mannino comments: "I am excited to join a modern, energetic and growing firm. There has been a severe reduction in repo capacity among players across the Street, Clear Street is moving in the opposite direction and actively growing in the repo sector.

"I am eager to help build out our repo business, offer clients new opportunities, and make Clear Street a household name for years to come."

Commenting on the new platform, DiMartino says: "Over the next six months, we plan to scale our business and grow our client-base among institutional managers. We have ambitious goals for the business, but I am confident we will achieve them thanks to the expertise of our dedicated team.

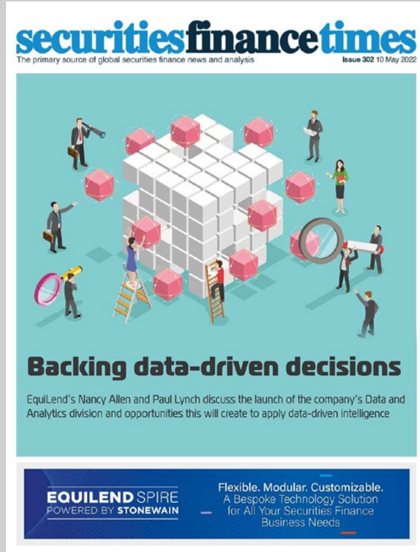
"It's a great time to be launching this business as there is vast potential in today's market. Entering the repo market today presents a unique opportunity to meet rapidly growing customer demand. We are seeing strong interest in repo from institutional clients, ranging from municipal pension funds to corporates."

EquiLend welcomes new hire Bobby Colon as vice president of sales for its New York office.

Colon joins EquiLend from Trading Apps, where he was head of business development for the Americas between 2020 and 2022.

He follows Laura Allen, who made the move from Trading Apps as managing director, to EquiLend's product team in February 2022.

Prior to Trading Apps, Colon was managing director and head of US securities finance at RBC Capital Markets, during his 10 years with the company.



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WeMatch expands securities finance and derivatives platforms with new hires

WeMatch has announced the expansion of its London office with five appointments that it expects to accelerate the growth of the company's securities finance and derivatives platforms.

Nora Assad-Russo has joined the company as head of product on equity derivatives. Previously working for Morgan Stanley, Assad-Russo spent six years on the equities trading floor managing cross-functional projects for front-office risk.

With 12 years of experience in securities finance, Brendon Johns has been appointed product manager of securities finance at WeMatch. He has held various positions during his career to date, including managing the total return swap (TRS), repo and securities lending book for Macquarie in South Africa.

Additionally, Johns had previously served on the executive committee of the South African Securities Lending Association (SASLA).

WeMatch has also welcomed two sales traders for its equity derivatives division, Myriam Laroqua and Michael Dryden.

Laroqua has joined the multi-asset securities finance platform from Commerzbank, where she ran the equity derivatives flow and Delta1 sales desk for Europe, the Middle East and Africa (EMEA). Prior to her position as senior sales trader for WeMatch, Laroqua worked for BNP Paribas' Paris office, where she covered client types from hedge funds and private banks to pension funds.

Dryden has been welcomed to the WeMatch team as a sales trader after spending five years at Citigroup's equity derivatives sales desk. In this role, Dryden was exposed to a range of flow products while covering institutional clients in the UK, Switzerland and the US.

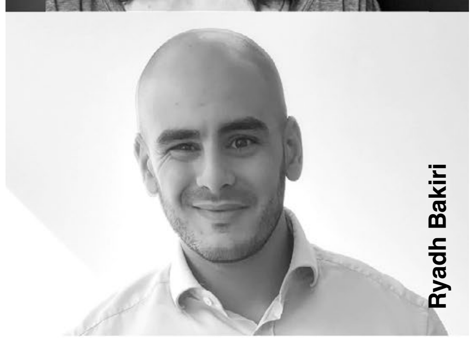
Supporting the securities financing division, Ryadh Bakiri has also moved to WeMatch as sales trader. He joins from CACEIS, where he worked on the securities finance and repo desk at the firm's Luxembourg office.

Within front-office sales, Bakiri covered clients from regulated funds to institutional clients located in France, Luxembourg, Belgium and Netherlands.

Commenting on the announcement, David Raccat, head of securities financing and head of EMEA, says: "The growth of the existing business and the additional product needs requested by our banking partners are requiring increasing expertise and need for talents in our London office. Good luck to all of them in those new roles."

Michael Sabbah, head of equity derivatives, adds: "We are about to deliver a unique product to the equity derivatives industry, where automation and data will help traders scale up their executions, monitor their risk, and reach a level of understanding of market structure never attained before.

"It is with great pleasure that I will be working again with Nora on this task. With Myriam and Michael, we are already building a team of experienced flow sales to help us have a powerful impact from launch. It is great to welcome such talented individuals as Ryadh and Brendon to push the financing's success even further, very exciting times ahead for WeMatch."




Don't mind the gap
Our repo markets bridge liquidity gaps. More than 160 European financial institutions are currently active on our Repo, GC Pooling, HQLA^x and eTriParty markets. They benefit from trading opportunities with fully integrated clearing and settlement.
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