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Transcend's connected approach

Paul Wilson explores collateral connectivity and moving beyond reactive processes

Thailand seeks public feedback on new proposals

The Securities and Exchange Commission of Thailand (SEC) has proposed revisions to regulations governing short selling, as well as securities borrowing and lending services provided by securities firms.

Looking to improve the appropriateness and efficiency of these services, the SEC also aims to enhance regulatory oversight in line with the current capital market conditions.

The SEC has solicited public feedback on the proposed revisions and has consulted with the business sector and relevant agencies.

Incorporating feedback from stakeholders, the SEC says that most agree with the overall principles, as well as suggestions to review and improve the regulations further.

The goal is to ensure they are appropriate, consistent with the practices of securities firms, and reduce unnecessary burdens on businesses.

The key aspects of the revisions are three fold: to clearly define the meaning of a short selling transaction; provide short selling services according to customer orders — such as getting to know inter-broker customers, efficient short selling order processing; and require customers to certify that securities are being borrowed or provided before placing a sell order, including the cancellation of the recourse agreement requirement.

The SEC has clarified the SBL service guidelines, emphasising that securities firms must have an effective risk management system and can only lend or confirm the availability of securities for lending if they have sufficient securities available, in order to prevent the risk of lending or confirming lending beyond the amount of securities held.

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Marex joins PASLA

Marex Financial has joined the Pan Asia Securities Lending Association (PASLA) as a Prime member.

The firm provides essential liquidity, market access, and infrastructure services to clients in the global financial and commodity markets.

Marex offers specialised, independent, and full-service trade execution, financing, and clearing for global financial products, with services across equities, rates, credit, FX, prime, and digital assets within its capital markets division.

It has a leading franchise in many major metals, energy, and agricultural products and provides access to the world's major commodity markets, covering a broad range of clients that include some of the largest commodity producers, consumers, trade houses, banks, hedge funds, and asset managers.

John Overy, head of EMEA securities finance at Marex, states: "We are delighted to become a member of PASLA and look forward to working with its members as the Marex franchise in APAC continues to grow."

The PASLA Prime membership is tailored for investment banks, securities houses, participating dealers, and physical and synthetic prime brokers operating across the APAC region.

DTCC receives approval for new agent clearing service

The Depository Trust & Clearing Corporation (DTCC) has received approval to launch its new Agent Clearing (ACS) Triparty Service on BNY's Global Collateral Platform.

Approval from the US Securities and Exchange Commission (SEC) enables the firm to offer the service within its existing Fixed Income Clearing Corporation's (FICC's) ACS offering.

The news comes shortly after the FICC submitted its proposal for the service in September 2025, and follows the recent launch of its Collateral-in-Lieu service which will also be available via BNY's Global Collateral Platform.

With this SEC approval, FICC can now offer cleared triparty repo capabilities to agent clearing members and their executing firm customers.

Specifically, FICC's agent clearing members will be able to submit for clearing eligible triparty repo transactions executed between their executing firm customers and either the agent clearing member itself (done-with), or another Government Securities Division (GSD) Netting Member or its client (done-away).

BNY's Global Collateral infrastructure will work to support both done-with and done-away cleared triparty repo trades for the new service.

According to the DTCC, the new offering was developed to enable greater access to central clearing as the industry prepares for the SEC's expanded US Treasury clearing rules, which take effect in December 2026 for cash and June 2027 for repo transactions.

The service will provide benefits to agent clearing members, including the potential for enhanced margin efficiency, reduced capital requirements, and balance sheet relief.

FICC also announced that its GSD reached a new overall peak volume of US$13.2 trillion on 1 December 2025, and on 31 December 2025, reached a new peak volume in buy side activity of US$3.1 trillion across its Sponsored and Agent Clearing Services.

Euroclear's CREST to support same-day settlement for SLRs

Euroclear has confirmed that stock loan returns (SLRs) for lending and collateral will be eligible for same-day settlement within the firm's settlement system, CREST.

The move, which comes into effect on 15 June 2026, reflects current market developments and supports the UK's transition to a T+1 settlement cycle in 2027.

SLRs can be settled on the same business day as the original stock loan, removing the prior requirement to defer settlement until the following business day.

This change looks to not only benefit the settlement of underlying trades but also collateral movements.

To support these changes, new control measures have been implemented, including

lender approvals — for a same day SLR to settle, the lender must explicitly accept the return by raising the settlement priority in the CREST system.

This ensures that same day returns only occur with bilateral agreement, giving lenders full control over the process.

In terms of measures relating to operational note — if the lender does not approve the same day return, the SLR will be available on the next business day as per current practice.

The International Securities Lending Association (ISLA) is supportive of these changes and has actively engaged with Euroclear through ISLA Working Groups and the UK AST T+1 working group to ensure that the solution aligns with ISLA member consensus and operational readiness.

Commenting on the news, Chris Elms, Euroclear UK and International CEO, says: “Following extensive engagement with the UK stock lending market and in partnership with the T+1 Accelerated Settlement Taskforce and ISLA, we are very pleased to be introducing a milestone for the UK securities finance market with same-day settlement for stock loan returns in CREST.

“This enhancement supports the UK’s transition to T+1 in 2027, improving liquidity, strengthening risk management, and increasing operational flexibility for both securities lending and collateral management.”

Eurex Repo trading volumes rise 45% YoY

Trading volumes on Eurex Repo have increased 45 per cent year-on-year (YoY) to €411.3 billion for December, in average daily term-adjusted volume (TAV).

This was driven by a 47 per cent YoY rise in GC Pooling average daily TAV to €196.2 billion, and a 43 per cent YoY increase in special repo average daily TAV to €215.1 billion.

For OTC derivatives clearing, notional outstanding volumes have increased 31 per cent YoY for the month, to €43,668 billion.

Growth in this area can be credited to YoY increases in notional outstanding volumes for interest rate swaps (28 per cent, €19,991 billion) and overnight index swap clearing (61 per cent, €6,815 billion).

Average daily cleared volumes through Eurex Clearing have risen 16 per cent YoY for December to €187 billion.

This features a 44 per cent YoY rise in average daily cleared volume for interest rate swaps to €40 billion, and a 70 per cent YoY jump in overnight index swaps average daily cleared volume to €55 billion.

For 2025, Eurex Repo trading volumes increased 20 per cent YoY to €406.1 billion TAV, led by a 36 per cent increase in GC Pooling average daily TAV to €209 billion, and an 8 per cent YoY rise in special repo average daily TAV to €197.1 billion for the year.

OCC average daily loan value rises 11.3% YoY

The Options Clearing Corporation (OCC) has reported an 11.3 per cent year-on-year (YoY) increase in average daily loan value for securities lending trades, generating US$185 billion for 2025.

The firm also reports a 13.8 per cent YoY increase in average daily loan value for December securities lending trades to US$203 billion.

Total securities lending transactions cleared on the OCC platform for the same month increased 26.4 per cent YoY to 350,081.

In terms of all futures and options cleared through the organisation, the total volume was up 17.8 per cent YoY to 1.29 billion contracts for December.

OCC also experienced a 3.8 per cent YoY increase in equity options contracts for the month to 634.5 million, and a 31.9 per cent YoY rise in index options contracts to 113 million.

ETF options volumes increased 36.6 per cent YoY to 546.8 million, while cleared futures contracts fell by 12.4 per cent YoY to 3.9 million.

IDClear activates bilateral repo on Megara

IDClear, Indonesia's central counterparty (CCP), has activated the bilateral repo business line on Vermeg's Megara platform, expanding the region's clearing landscape.

The deployment of the bilateral repo capability marks a key step in IDClear's strategic development programme to strengthen the country's financial market infrastructure while deepening liquidity in the money market.

By integrating bilateral repo processing into its Megara setup, IDClear is now able to enhance collateral efficiency and mobilisation; expand the range of CCP services offered to members; support broader money-market development; and reinforce overall financial resilience.

Iding Pardi, president director of IDClear, states: "The go-live of the bilateral repo business line on Megara marks a significant milestone in IDClear's transformation.

"Building on the initial deployment of cross-asset collateral management, this extension allows us to offer a broader set of services to our members and strengthen liquidity in Indonesia's money market.


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

"We are committed to advancing this successful collaboration with Vermeg to introduce additional innovative services for the Indonesian marketplace."

This extension builds on the initial Megara deployment performed by Vermeg in collaboration with Bank Indonesia, and eight major local banks.

Megara serves as a unified, scalable backbone for Indonesia's post-trade ecosystem, enabling progressive service expansion across markets and asset classes, says Vermeg.

Megara is designed to meet the needs of modern market infrastructures, combining robustness, high configurability, and regulatory alignment.

The platform offers: cloud-native, API-first architecture, unified workflows, market-specific flexibility, and scalability for future service expansion and innovation.

For Indonesia, Megara delivers an extensible foundation capable of supporting additional market segments and regulatory evolutions as the country's financial system continues to mature.

IIFM and ICMA get greenlight for shariah-compliant repo project

The International Islamic Financial Market (IIFM) has granted the green light to commence its global shariah-compliant repo standardisation documentation project.

The decision marks a definitive step toward resolving long-standing liquidity management challenges within the Islamic finance industry.

In partnership with the International Capital Market Association (ICMA), the project aims to provide a robust, standardised, legal, and operational framework for shari'ah-compliant repo, often referred to as I'aadat Al Shira'a or collateralised liquidity tools.

By replacing fragmented, jurisdiction-specific practices with a unified global standard, IIFM aims to enhance market liquidity by providing Islamic financial institutions with reliable tools to manage short-term funding needs more efficiently.

Further, IIFM plans to lower operational costs by reducing the legal and administrative burden of bespoke documentation through industry existing templates.

In addition, the project aims to strengthen financial stability. IIFM says it will ensure transparency and cross-border compatibility in collateralised transactions, aligning with evolving global regulatory requirements.

Standardisation is the bedrock of innovation, and this "vital repo project is poised to be a game-changer for the secondary market", says IIFM.

IIFM is a global standard-setting body of the Islamic Financial Services Industry (IFSI) focusing on standardisation of shari'ah-compliant financial contracts and product templates.

Repo ADV climbs 15.6%

Repo average daily volume (ADV) traded on the Tradeweb platform climbed 15.6 per cent year-on-year (YoY) to US$787.7 billion for December.

According to Tradeweb, record global repo trading activity was supported by increased client participation across the platform.

Additionally, balances in the Fed's reverse repo facility (RRP) remained close to zero for the majority of the month.

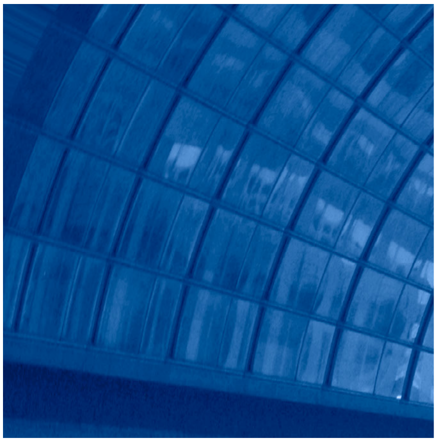
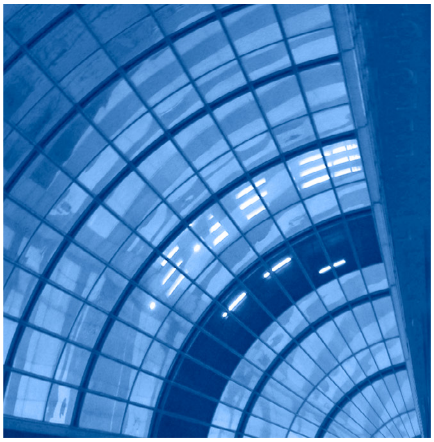
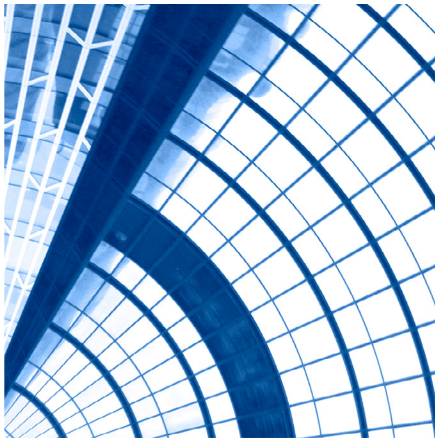
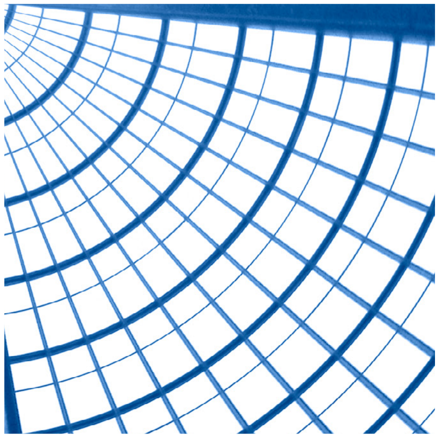
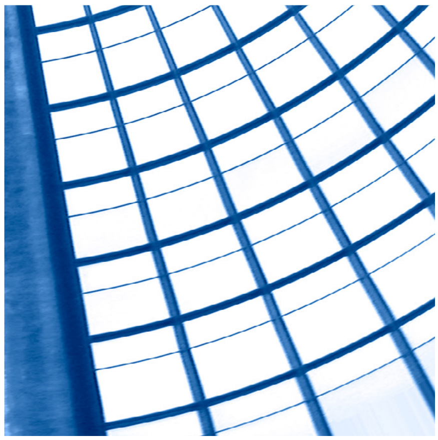
In Europe, strong activity was driven primarily by dealers actively managing balance sheet and regulatory constraints into year-end, with funding levels remaining orderly.

The global operator of electronic marketplaces for rates, credit, equities, and money markets reports that ADV across all asset classes for the month of December reached US$2.8 trillion, up 27.5 per cent YoY.

US government bond ADV was up 5.7 per cent YoY to US$222.1 billion. European government bond ADV was up 46.5 per cent YoY to US$53.4 billion.

For swaps and swaptions, ADV was up 39.5 per cent YoY for the month to US$572.4 billion. Total rates derivatives ADV also increased, rising 64.5 per cent YoY to US$1.1 trillion.

In credit markets, fully electronic US credit ADV was up 8.1 per cent YoY to US$7.5 billion, while European credit ADV jumped 16.6 per cent YoY to US$2.1 billion. ■

Enterprise collateral optimisation: Transcend's connected approach

As markets grow more complex and regulatory expectations continue to rise, collateral can no longer be managed in silos or optimised in isolation, says Transcend's European sales director Paul Wilson, who explores moving beyond reactive processes

For capital markets firms, collateral is no longer simply an operational requirement — it is a critical driver of balance sheet efficiency, liquidity resilience, and competitive advantage. As regulatory standards continue to tighten and trading and funding strategies grow more complex, the ability to deploy collateral intelligently across the enterprise has become a core strategic capability.

Despite this shift, many institutions still operate with legacy technology, manual workflows, and siloed decision-making across desks and regions. These constraints restrict visibility and limit collateral mobility, driving higher funding costs and eroding P&L. In effect, valuable assets sit idle or are deployed inefficiently, not because of market conditions, but because firms lack the infrastructure to see and move them effectively.

Collateral optimisation directly addresses these challenges by aligning asset usage with enterprise objectives — whether that means reducing funding costs, meeting regulatory requirements more efficiently, or maximising utilisation of scarce balance sheet resources. However, optimisation alone is not enough. Its effectiveness is fundamentally dependent on connectivity.

Collateral connectivity — the seamless integration of data, systems, legal entities, and market venues — enables real-time insight and action. It ensures that the right assets are available, eligible, and optimally positioned at precisely the right time. Transcend's approach is differentiated by delivering both optimisation intelligence and the deep connectivity required to operationalise it across the global collateral ecosystem.

By combining configurable optimisation scenarios with direct connectivity to the world's major venues, Transcend enables decision making to execution of enterprise-wide collateral optimisation. The following case studies illustrate how two global institutions leveraged Transcend to modernise their collateral strategy, delivering meaningful improvements in funding efficiency as well as better operational and risk control.

Case study one: Enterprise optimisation across equities and fixed income

The challenge

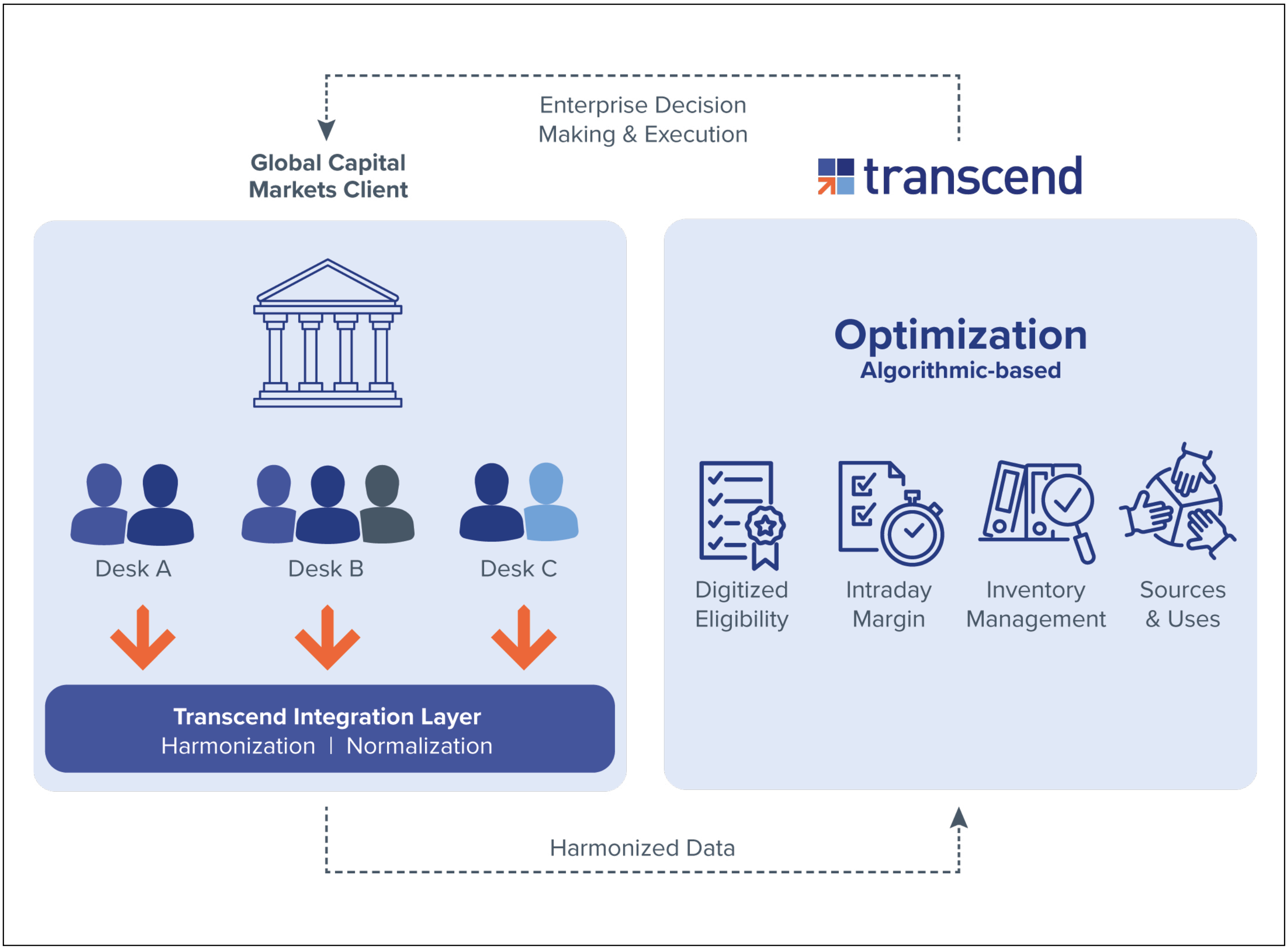
A global bank set out to unlock collateral savings — across net stable funding ratio (NSFR), liquidity coverage ratio (LCR), and related balance sheet metrics — at an enterprise level. Achieving this required optimising collateral across both global equities and fixed income financing desks, each operating with distinct requirements, technology stacks, and historically siloed operations.

Key challenges included:

- **A highly complex constraint environment.** Optimisation needed to account for asset types, haircuts, LCR treatment, tenor, maturity, operational movements, and bespoke firm and client-driven attributes.
- **Fragmented infrastructure.** Limited integration across venues and business units constrained asset mobility and obscured optimisation opportunities.
- **Eligibility evaluation.** Without systematic eligibility insight, teams relied on assumptions rather than analytics, leading to failed placements and unnecessary costs.
- **Limited tagging and allocation precision.** Inability to allocate assets at the shell level reduced the effectiveness of triparty optimisation (just allocating to the box does not get you there).
- **Record-date risk.** Assets were frequently stranded in suboptimal locations around record dates, diminishing usable liquidity.

The solution and impact

Transcend's Cross Triparty Optimization solution delivered a



centralised, intelligence-driven platform for enterprise collateral decision-making and execution:

- **Comprehensive venue visibility.** Daily insight into eligibility, positions, trades, and utilisation across multiple triparty agents enabled early, optimal asset positioning for end-of-day allocation.
- **Configurable optimisation logic.** The firm tailored optimisation rules to desk-level and cross-desk priorities — minimising haircuts, preserving liquidity, reducing buffers, managing movement costs, or incorporating counterparty-specific constraints.
- **Systemic execution.** Optimisation outputs flowed directly into internal systems and triparty agents, improving accuracy while reducing manual effort.
- **Shell-level control.** Precise shell-level preferences allowed the firm to target both economic and operational outcomes.
- **Unified enterprise view.** By consolidating visibility across desks and venues, Transcend broke down silos and enabled holistic optimisation.

The result was true enterprise-wide collateral control — delivering tens of millions of dollars in P&L savings, materially reduced operational risk, and significant efficiency gains across teams.

Case study two: Equities collateral optimisation across the US and UK

The challenge

A second global bank sought to optimise collateral across regionally siloed equities finance desks in the US and UK. However, several structural barriers stood in the way:

- **Manual workflows**. Siloed operations teams relied heavily on manual collateral selection and substitution.
- **Limited automation and mobility.** Lack of cross-region automation inhibits dynamic response to intraday funding needs.
- **Collateral recall complexity.** Re-use by counterparties made it difficult to redeploy pledged assets.
- **Incomplete agreement data.** Terms were not digitised, reducing eligibility evaluation precision.
- **No cross-triparty coordination.** The firm could not generate target state allocations across multiple venues or mobilise assets across venues systematically to achieve shell level precision.
- **No scenario modeling.** Teams lacked the ability to run 'what-if' analyses to inform strategy and forecast outcomes.

Transcend's solution and impact

With Transcend Optimization in place, the firm transformed its equities collateral operations:

- **Automated shell-level optimisation**. Allocation decisions were optimised and automated across venues, reflecting asset quality, haircut, and usage constraints.
- **Straight-through processing to triparty agents**. STP booking eliminated manual steps, reduced operational risk, and expanded the usable collateral pool.
- **Enhanced inventory transparency.** Real-time visibility into positions and movements enabled proactive sourcing and better trading decisions.
- **Scenario analysis capabilities.** Teams modeled hypothetical strategies — such as onboarding new client assets or adjusting funding mixes — to identify the most cost-effective outcomes.
- **Quantifiable results**. Optimisation uncovered an opportunity to increase funding capacity by approximately US$500 million using less-liquid assets.

This marked a step-change in how the firm managed equities collateral, empowering teams with coordinated, data-driven decision-making on a global scale.

The power of collateral connectivity

Collateral connectivity is the real-time orchestration of data, systems, legal entities, and asset movements across the entire collateral lifecycle. These case studies reinforce a central principle: optimisation without connectivity is limited in impact.

Transcend's strength lies in unlocking the full value of a connected ecosystem. Through prebuilt integrations with all major global triparty agents, internal platforms, leading vendors, more than 40 custodians, over 45 CCPs, SWIFT, Fedwire, central securities depositories, and other critical market infrastructure, Transcend delivers connectivity at scale.

This foundation — built over more than a decade — enables:

- Real-time visibility into granular asset data, obligations, and eligibility constraints.
- Enterprise-wide optimisation aligned to firm-specific objectives.
- Automated collateral allocation and substitution through STP workflows.
- Rich dashboards offering a 360-degree view of inventory, usage, and opportunity.
- Scenario analysis to evaluate funding strategies and balance sheet impacts.
- Precise data tagging and booking orchestration to reduce reconciliation risk.
- Coordinated movements across desks, regions, and business functions.
- Proactive response to market, regulatory, and liquidity-driven change.

Without connectivity, optimisation remains theoretical. With it, optimisation becomes a measurable driver of business value.

Utilising optimisation to create a strategic advantage

As markets grow more complex and regulatory expectations continue to rise, collateral can no longer be managed in silos or optimised in isolation. True enterprise collateral optimisation requires intelligence, automation, and — most critical — connectivity.

Transcend equips financial institutions with the technology, data, and infrastructure needed to move beyond reactive processes and unlock the full strategic value of their collateral. Whether the objective is reducing funding costs, improving balance sheet efficiency, or modernising legacy operations, Transcend enables firms to turn collateral into a competitive advantage.

To learn more about Transcend collateral optimisation, liquidity, and funding capabilities, visit www.transcendstreet.com or contact sales@transcendstreet.com to start the conversation.

"Whether the objective is reducing funding costs, improving balance sheet efficiency, or modernising legacy operations, Transcend enables firms to turn collateral into a competitive advantage"

Paul Wilson, European sales director
Transcend


Analyze.
Monitor.
Understand.
The global leader in securities finance solutions.
Enhance investment decisions. Optimize performance. Improve transparency.
Global Securities Lending Market Coverage
Covering corporate actions, ETF collateral lists, liquidity scores. Data delivered on an end of day and intraday basis.
A Range of Diverse Signals
Data to identify short squeezes, capture alpha, and refine risk management.
Onboarding Accelerator
Online platform to accelerate approvals between lenders and borrowers.
Repo Data Analytics
Proprietary and independent database providing transparency on global daily repo volumes and rates.
Performance Measurement Tools
Only data provider to fully adhere to and exceed the SLPM industry standards.
Oversight Management Solutions
Independent performance and risk management governance tools.
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Anthony Woolley, Chief Client Officer, **Ownera**

Jordan Cobb, Secured Financing Head of Clearing and Execution Services, **State Street Markets**

Bring to bear: How markets looks to strengthen repo infrastructure

Industry experts discuss the underlying plumbing required to support the repo market, the broader use and acceptance of digital assets, and regional initiatives leading to an inflection point for institutional repo

How do you assess the performance of the repo market over the past 12 months? Can you explore the key trends, drivers, and core lessons learned during this period?

Julien Berge: Over the past year, the European repo market has operated in a broadly stable environment, supported by still-high levels of liquidity and a restrictive European Central Bank (ECB) monetary policy in terms of rates. Repo rates have remained largely aligned with the euro short-term rate (€STR), with limited variations, reflecting their anchoring to the deposit facility rate (DFR) level and the persistent excess liquidity. Observed tensions have been essentially sporadic and technical, linked to episodes of stress on certain core or non-core debt like Italy's, or to quarter-end effects associated with balance sheet constraints.

In the medium term, the main challenge lies in the pace of liquidity reduction by the Eurosystem: as long as it remains sufficient, repo conditions should stay stable; a more pronounced contraction, however, could lead to a more constrained regime, with repo rates moving closer to the refinancing rate and increased differentiation between collateral.

Jordan Cobb: The repo market in 2025 demonstrated resilience and adaptability when assessing performance. Despite a mixed set of macro forces — ranging from the expected, such as shifting Federal Reserve policies, to the unexpected, like tariff-driven inflation concerns — liquidity largely remained robust.

Money market funds (MMFs) consistently allocated record cash to repo, peaking at 44 per cent in the second quarter, according to data from Crane Data, before rebalancing toward outright Treasuries as issuance surged later in the year. Some key trends from 2024 carried momentum into 2025. Fixed Income Clearing Corporation (FICC) sponsored repo volumes reached nearly US$3 trillion, almost 50 per cent above their 2024 highs. Conversely, Fed Reverse Repo balances fell back to early 2021 levels due to overall liquidity tightening.

With increased Treasury issuance supply and accompanying financing demand, repo rates have risen; since 1 September, secured overnight financing rate (SOFR) has exceeded the Fed Funds Target Upper limit 17 times — a sharp contrast to its previous stability below that threshold.

Funding markets thrive on stability and consistency, and the cleared market continues to demonstrate both. The flexibility in adopting clearing access models and operational readiness may not be a new lesson for some, but firms hoping for more clearing mandate delays and underestimating industry-level efforts, risk playing catch-up in 2026.

Anthony Woolley: Over the past 12 months, the repo market has shown remarkable resilience, even as long-standing structural issues continue to surface at stress points. Volatility in funding costs, particularly around quarter and year-end dates, has again highlighted inefficiencies in collateral mobility and uneven market access.

Key trends include the continued concentration of repo activity among a relatively small number of dealers, persistent demand for high-quality liquid assets (HQLA) as collateral, and heightened regulatory scrutiny following previous market stress events. Interest rate volatility through 2024–25 has reinforced the importance of robust, efficient funding mechanisms and the need for infrastructure that can cope with rapid shifts in liquidity conditions.

> ***"The main challenges facing the repo market today stem from interest rate volatility, which reduces visibility on funding costs and exacerbates tensions on liquidity and collateral management"***
>
> Julien Berge, Head of Fixed income and Repo, **CACEIS**

The core lesson is clear: the repo market's underlying 'plumbing' needs modernisation. Traditional settlement infrastructure creates friction that limits efficiency and restricts access for smaller participants. It also concentrates operational and counterparty risk, particularly in cross-border activity where fragmented systems add unnecessary complexity.

What are the current challenges facing the repo market and is the industry doing enough to combat barriers? How is your firm working to support clients in this environment?

Andrew Lazar: The major challenges are ensuring that the changes related to mandatory cleared repo from an execution, operational, and regulatory standpoint are affected efficiently. In addition, the US Treasury market size is constantly growing, and this trend is likely to remain in place; this suggests that continual improvement regarding intermediation will remain the standard. Working with the industry and regulators to that virtuous end is critical. At Buckler Securities, we will be offering US repo clearing utilising the ACM model to help facilitate client access and market liquidity.

Woolley: Today's repo market faces several interconnected challenges: settlement risk and delays, collateral immobility, operational complexity, limited access for some categories of participants, and uneven transparency. While these issues are widely acknowledged, most industry responses so far have been incremental rather than transformational, leaving many of the underlying frictions in place.

At Ownera, these pain points are the primary focus of the Intraday Repo SuperApp, which enables the precision exchange and settlement of cash and collateral, eliminating principal risk and materially reducing settlement risk. All of our SuperApps run on software routers managed by market participants, connected to one another using the open peer-to-peer protocol called FinP2P. This privacy-by-design architecture enables institutions to transact bilaterally while maintaining the confidentiality they require, without broadcasting sensitive positions or prices on public ledgers, yet still supporting the auditability and reporting regulators expect.

Crucially, our infrastructure allows institutions to retain their existing custodial relationships and operational frameworks while gaining access to broader, more efficient repo markets. Rather than asking firms to move assets to new custodians or rebuild workflows, we provide a network layer that connects and orchestrates existing systems, substantially reducing the friction and risk that currently limit market efficiency and market access.

Berge: The main challenges facing the repo market today stem from interest rate volatility, which reduces visibility on funding costs and exacerbates tensions on liquidity and collateral management. Added to this are strengthening regulatory constraints and persistent fragmentation of markets and infrastructures, particularly in Europe, which limits the overall efficiency of the market and complicates access to funding for some players.

The industry has made significant effort to address these issues, notably through process automation, the development of triparty, increased use of clearing, and the gradual evolution of market infrastructures. These initiatives are moving in the right direction, but they remain partial, as a lack of harmonisation and fragmentation continue to hinder their large-scale adoption.

In this environment, our role is to support our clients by offering them robust and tailored operational solutions, enabling them to access liquidity more efficiently and predictably. This involves automating processing chains, optimising collateral management, and utilising triparty and, where relevant, clearing, to reduce operational friction, improve balance sheet efficiency, and strengthen resilience during periods of volatility.

Cobb: Challenges persist around period-end episodic volatility, collateral supply fluctuations, and the operational complexity of regulatory change. The US Securities and Exchange Commission's (SEC's) Treasury clearing mandate — even with compliance dates now extended — requires significant legal, operational and technological preparation. While the industry continues to make steady progress, as previously noted in the key trends, harmonising clearing access with trade execution infrastructure and documentation remains a work in progress.

At State Street, we remain committed to advancing adoption of diverse access models and clearing structures that can enable us to service cleared repo markets efficiently.

From a regulatory perspective, which initiatives are impacting the global repo market, and how are these movements shaping your firm's development strategy and internal systems?

Cobb: Among regulatory initiatives, the SEC's upcoming Treasury clearing mandate has far-reaching implications for the world's largest debt market, with indications that it could set a precedent for future jurisdictions to follow.

Basel III Endgame proposals are also significant, especially around leverage ratio and the treatment of sovereigns and repo, which will ultimately shape dealer capacity and repo pricing.

The regulatory and clearing house landscape aligns with our core strategy of servicing our clients in the cleared repo space. Reviewing access models and working with clients has enabled us to enhance our capabilities and improve balance sheet efficiencies, resulting in greater liquidity and access for all clients. Building on this foundation, we have expanded our services to include done-away transactions and entry into the triparty space with our Collateral-in-Lieu offering that differentiates us from traditional triparty collateral servicers. These strategic shifts create new opportunities to deliver greater value for our clients.

"The regulatory initiatives currently underway are intended to improve market transparency and resilience. Compliance with these changing initiatives requires significant technology investment"

Andrew Lazar, Managing Director, Head of Sales, **BUCKLER Securities**

To support these advancements, we have implemented robust system upgrades to match the scale of innovation. We remain committed to delivering resilience and efficiency, enabling clients to confidently embrace these new capabilities.

Lazar: The regulatory initiatives currently underway are intended to improve market transparency and resilience. Compliance with these changing initiatives requires significant technology investment that we are committed to implementing. Leverage and liquidity coverage ratio (LCR) changes can help improve balance sheet intermediation and increase the surety of capital preservation.

Berge: Regulation has profoundly transformed the repo market, making it more structured and transparent, sometimes at the cost of some rigidity. The LCR and net stable funding ratio (NSFR) ratios, at the heart of Basel III/IV, limit banks' capacity to play their intermediary role, forcing them to rethink their balance sheet allocation. In parallel, the Securities Financing Transactions Regulation (SFTR) has enhanced transparency and fostered the emergence of centralised platforms, accelerating process automation.

> ***"The SEC's approval of DTCC's tokenisation service is a watershed for market infrastructure, signalling that tokenisation can be suitable for core post-trade functions within existing regulatory frameworks"***
>
> Anthony Woolley, Chief Client Officer, **Ownera**

In response to these developments, CACEIS has adapted its strategy by investing in technological solutions to automate regulatory reporting and optimise collateral management. These innovations allow us to meet regulatory requirements while improving our operational efficiency.

Woolley: Several regulatory developments are creating meaningful tailwinds for institutional tokenisation in repo markets. The SEC's approval of the Depository Trust & Clearing Corporation's (DTCC's) tokenisation service is a watershed for market infrastructure, signalling that tokenisation can be suitable for core post-trade functions within existing regulatory frameworks. At the same time, the Commodity Futures Trading Commission's (CFTC's) pilot programme allowing specified digital assets to be used as margin collateral in regulated derivatives markets, underscores the direction of travel toward broader acceptance of digital assets as collateral.

In Europe, the EU DLT Pilot Regime provides a structured sandbox for trading and settlement of tokenised securities, including repo, while the UK's Financial Services and Markets Act (FSMA) incorporates measures supportive of digital securities infrastructure. Collectively, these frameworks indicate that regulators see well-designed, permissioned blockchain-based infrastructure as a way to enhance market efficiency, resilience, and transparency, provided it respects institutional compliance requirements.

These developments directly reinforce Ownera's long-standing design choices. From inception, FinP2P and the Repo SuperApp have been architected for institutional compliance: privacy-by-design for confidentiality, precision settlement aligned with finality and risk-reduction goals, and native integration paths into existing regulatory reporting workflows. This design philosophy has positioned us to support institutions as they move from pilots to production at scale.

What investments and adaptations to technology and working practices have you made during 2025 to advance the use of repo? In particular, what key uses of modern technology are pushing the repo market forward?

Berge: As mentioned previously, we have invested heavily in automation to handle increasing volumes and meet growing regulatory constraints. In this respect, triparty plays a key role by automating collateral management and significantly reducing operational friction.

In a repo market that is still very fragmented, these developments have become essential to absorb growing complexity. The gradual development of cleared repo follows this same logic, contributing to the standardisation of practices, reduction of counterparty risk, and more efficient use of the balance sheet.

In this context, our investments in 2025 have primarily focused on automating processing chains to gain operational efficiency and support market growth.

In parallel, CACEIS has participated in a tokenisation initiative on the operational side, enabling access to a money market fund via both traditional channels and in the form of tokenised units on the public Ethereum blockchain. This initiative improves the traceability and transparency of transactions and opens up prospects for collateral mobility in repo operations.

Ultimately, these developments — automation, triparty, clearing, and targeted distributed ledger technology (DLT) initiatives – could foster more continuous modes of operation and pave the way for the gradual integration of new settlement means, such as stablecoins or central bank digital currencies, thereby contributing to the sustainable modernisation of the repo market.

Cobb: Throughout 2025 and into this year, we have made substantial investments in technology and process innovation. Initially, we enhanced our cleared repo platform to support new indirect access models. Following extensive modernisation of our back-end infrastructure, we are now leveraging real-time risk management. As we work to strengthen our analytics and dashboarding tools to enable scalable, risk conscious growth, we will share these insights with our clients – empowering informed decision-making and greater transparency.

Key technologies driving this transformation include API-based integration for trade capture and settlement, real-time collateral optimisation, and advanced data analytics for liquidity and risk management. These innovations not only strengthen efficiency, transparency, and resilience across the repo market but also form the foundation for continued product evolution, particularly as we expand into new ventures like our triparty collateral management services.

Woolley: In the first half of 2025 we launched our intraday repo solution into production with J.P. Morgan and HQLA^{X}. This was two years in the making, solving the technological, legal, and regulatory challenges required for banks to safely and securely settle large repo transactions intraday. It transacted over US$5 billion notional in the first month and yet was just the first phase of scaling the platform across the market.

The business benefits of precision intraday repo settlement cannot be underestimated — it converts end-of-day funding into real-time liquidity — sourced exactly when required rather than in anticipation. It can reduce large liquidity buffers that sit idle under LCR/NSFR constraints; unlock trapped liquidity; shorten exposure windows and return cash to manage margin spikes and unexpected short-term mismatches.

We are now actively involved with multiple projects expected to go live in 2026 that extend these intraday settlement capabilities to major trading platforms connected to different sources of collateral and forms of digital cash.

"We see strong growth opportunities as global repo markets modernise – both for our bank balance sheet funding management as well as repo intermediation"

Jordan Cobb, Secured Financing Head of Clearing and Execution Services, **State Street Markets**

In late 2025, we soft-launched the Ownera SuperApps Platform, a major evolution in how institutions can access and deploy tokenisation capabilities for repo and broader securities financing use cases. Instead of building bespoke blockchain applications, firms can now consume ready-to-deploy applications that plug into their existing systems while leveraging the FinP2P network's connectivity and liquidity.

Several modern technologies are now pushing repo forward in practical ways:

- Precision settlement, which removes principal risk and sharply reduces settlement and counterparty exposure.
- Privacy-preserving, permissioned architectures that reconcile

confidentiality with regulatory auditability.

- Interoperability frameworks that link diverse custody, settlement, and collateral-management systems without wholesale replacement of infrastructure.
- Smart-contract-driven automation of collateral management, margining, and lifecycle events, reducing manual workloads and operational error.

We have also invested heavily in developer tooling and institutional onboarding so that these capabilities integrate smoothly into existing workflows, risk systems, and governance processes.

Lazar: Our client partners have come to expect best in class service provision. To that end, we are constantly and prospectively working with our technology partners to improve our overall client experience. Central clearing is of course the dominant change and requires its due attention. Partnering with other intermediation platforms and new service providers to deliver more efficiently is always top of mind. We are engaged with several to evolve our service provision.

Regions such as the UK, Australia, US, and Mexico are taking steps to improve repo markets. How are you positioning yourself to capture new opportunities for growth, and which markets are you focused on?

Cobb: We see strong growth opportunities as global repo markets modernise — both for our bank balance sheet funding management as well as repo intermediation. In the US, we are deepening our leadership in centrally-cleared repo and supporting clients through the transition to the SEC mandate. In Europe, we are investing in infrastructure and partnerships to support the expansion of cleared repo access, using our US experience to help clients effectively navigate the global regulatory landscape.

Outside of cleared repo, we take a thoughtful and innovative approach to servicing markets. We continue to enhance our peer-to-peer guaranteed repo offering through our expansion into the UK and European markets, aiming to deliver increased pricing efficiency for our clients. In the UK, growing interest in agented trade execution services has enabled us to use our repo expertise to facilitate agency-based access to repo markets.

Woolley: Regional initiatives underway in markets such as the UK, Australia, the US, and Mexico represent a significant inflection point for institutional repo. In the UK, efforts to reinforce London's role as a global financial centre include a strong focus on digitising and modernising market infrastructure, while Australia has been particularly forward-leaning in exploring tokenisation for securities financing, including securities lending and repo.

The US continues to dominate global repo volumes but faces well-documented efficiency and transparency challenges, and jurisdictions such as Mexico are deepening their capital markets and considering new approaches to market infrastructure that could open additional opportunities. Our strategy is to prioritise jurisdictions where regulatory clarity on digital assets intersects with strong institutional appetite for operational improvement, often in partnership with Tier 1 financial institutions investing in tokenisation.

Rather than pursuing a geography-first expansion model, we follow the global footprints of our institutional clients: once a major bank implements the Repo SuperApp, those capabilities can be extended across its worldwide operations, subject to local regulatory requirements. This network-effect dynamic is central to our growth model — each additional participant enhances the utility and liquidity potential for all existing participants on the network. Production deployments with institutions such as J.P. Morgan, HQLA^{X}, and Goldman Sachs demonstrate this network dynamic in action, as early adopters create pathways for broader institutional participation.

Berge: We are primarily leveraging our role as a custodian and our international footprint, particularly in Mexico, where CACEIS is already well integrated into the local ecosystem. This presence naturally positions us to support the development of the repo market, notably from the custody and post-trade services angle.

Beyond our infrastructure role, we also have the capacity to act as a liquidity provider, which allows us to support our clients more holistically, both in their market operations and in their operational and post-trade needs.

The timing is now favourable: the regulatory framework is evolving, and the regulators, in conjunction with the central bank, are encouraging broader adoption of repo operations. In this context, the gradual broadening of participants — banks, asset managers, and international investors — opens up growth opportunities that we seek to support with robust and tailored solutions for both domestic players and international investors.

How do you assess the outlook for the repo market for 2026?

Cobb: Each year brings its own set of uncertainties, and 2025 has taught us all to expect the unexpected. But with the current unavoidable drivers of liquidity tightening and US debt financing, we could be looking at a year that will mirror the last quarter of 2025. MMF balances remain at record levels, providing relief from pressures on the other side of the funding rate equation. However, the key question is for how long this offset will last and to what extent — that will determine what the next 12 months will look like.

Beyond the macro trends, the industry is marching toward the first of the SEC US Treasury Clearing Mandate compliance dates for the cash trades by 2026 year-end. This mandate demands significant efforts from firms as they move into the execution phase of their clearing readiness plans. At the same time, market infrastructure providers and clearing members should also showcase innovations that will help set the stage for a large volume of uncleared repo still needing to find its way to the cleared market in less than 18 months.

Lazar: We are excited about the opportunities that 2026 will bring. It is a critical year for evolution of the repo market structure, capital and balance sheet utilisation, and liquidity, to efficiently intermediate the constantly growing US Treasury market and meet the dynamic needs of our valued client partners.

Berge: The outlook for the repo market in 2026 should broadly follow the continuity of 2025. As long as excess liquidity remains abundant, market conditions should remain relatively stable, with limited pressure on funding levels. A more marked shift would require a significant decline in this liquidity, combined with an increase in collateral supply, which would mechanically lead to higher funding costs and broader asset repricing. At this stage, these dynamics seem more likely on the horizon of 2027 than in 2026. That said, sovereign debt dynamics could begin to play a more important role.

Even as financing needs increase, demand for European debt could wane, notably for French debt.

This phenomenon would be explained in part by the repositioning of foreign investors, particularly Japanese investors, towards their domestic markets, which have become more attractive again. Furthermore, regulatory constraints affecting certain institutional investors, such as Dutch pension funds — historically large holders of European sovereign debt — could also weigh on demand, limit the market's absorption capacity, and push funding levels towards those of the refinancing rate.

Woolley: Looking ahead to 2026, the outlook for repo is cautiously optimistic: the fundamental need for short-term funding and collateral transformation should continue to support growth in volumes, while the regulatory and technological foundations now in place create conditions for tokenised repo to move from pilot projects to production scale.

In our view, 2026 will be a pivotal year in determining the execution velocity of this transition. The technology to address many of the repo market's structural challenges already exists; the key question is whether institutions will move quickly enough to implement these solutions before the next significant bout of market stress exposes the fragility of legacy infrastructure — a challenge Ownera is determined to help the industry meet. With Tier 1 institutions now in production and regulatory frameworks increasingly supportive, the infrastructure for a more efficient, accessible repo market is no longer theoretical — it is operational and scaling. ■

The 2026 securities finance forecast: From fragmentation to flow

Darren Crowther, head of Securities Finance Solutions at Broadridge, shares how digital infrastructure, automation, and cross-industry collaboration are unlocking new levels of transparency, efficiency, and competitiveness

As regulatory, technological, and market forces converge, securities finance is shifting from fragmentation to a state of seamless flow. Firms that embrace connectedness in 2026 will be those to lead the next phase of market innovation.

The crossroads of change: A turning point for securities finance

Over the past few years, securities finance has undergone one of the most rapid structural transformations in its history. The combination of regulatory reform, digital innovation, and macroeconomic volatility has fundamentally altered how liquidity, collateral, and data circulate across global markets.

By early 2025, roughly US$3.2 trillion in securities lending balances and more than US$15 trillion in global repo positions underpinned daily market liquidity, according to the International Capital Market Association (ICMA) and DataLend. These twin markets form the connective tissue of global capital markets and are now entering a period of digital acceleration that will redefine competitiveness and connectivity.

As we kick off 2026, the industry stands at a decisive inflection point. In previous cycles, innovation was often reactive, fuelled by compliance deadlines or market dislocations. Now the energy is shifting. The tools, data models, and connectivity built for regulatory resilience are being repurposed to create competitive advantage. The conversation is no longer about keeping up with change; it is about using modernisation to drive growth, transparency, and efficiency.

Institutions that harness modernisation to create a seamless flow of collateral, information, and value will redefine capital mobility, making markets faster, more transparent, and more efficient across interconnected markets.

The market momentum: Forces reshaping finance in 2026

Regulation as a catalyst for efficiency

In 2026, the Basel IV framework will be well into its implementation phase, with many jurisdictions calibrating national interpretations and completing transitional adjustments. Industry analyses through 2025 suggest Basel IV is lifting large-bank capital requirements by five to eight per cent, sharpening the focus on balance-sheet efficiency and high-quality collateral. Efficient collateral mobility is no longer simply an operational objective, it is a source of regulatory and capital alpha.

Transparency requirements from the Securities Financing Transactions Regulation (SFTR) continue to shape the industry. Several years of reporting are now providing a valuable baseline for benchmarking and internal analysis. Firms that integrate regulatory and proprietary datasets are beginning to uncover insights that support more informed trade-level funding and risk decisions.

Sustainability-related disclosure is evolving as regulators refine global standards around climate and social risk reporting. These frameworks are beginning to influence securities lending and repo practices, with counterparties assessing collateral for a broader range of factors, including credit quality, liquidity, and long-term risk resilience. This shift is gradually shaping eligibility lists and pricing models through 2026.

Meanwhile, settlement acceleration is transforming operational risk. SIFMA's 2025 assessment of North America's move to T+1 found margin reductions of 30 per cent, but also a 25 per cent increase in intraday funding pressures. As other markets follow, firms must align funding, settlement, and collateral processes in near-real time to maintain liquidity and compliance efficiency.

Fragmentation meets connectivity: The new market topology

The structure of the securities finance market continues to fragment while simultaneously interconnecting. Digital collateral networks and distributed ledger platforms have moved from concept to commercial reality. These venues allow counterparties to pledge, transfer, and recall assets in near real-time, often across borders and asset classes. Triparty agents are expanding interoperability, bringing data and margining consistency across custodians. Repo-as-a-service models now allow a broader array of counterparties, including corporates and pension funds, to access balance sheet capacity through automated, rules-based engines.

Cross-border flows are also evolving. Regional liquidity pools are overlapping, driven by the need for collateral optimisation across time zones. The result is a more dynamic, yet complex network where execution, collateral management, and settlement must synchronise digitally.

Technology as the accelerant: Infrastructure, insight, and intelligence

The digital foundation is being laid

Tokenisation is progressing from pilot initiatives to full production, enabling the representation of underlying securities or collateral on distributed ledgers. Broadridge research in 2025 found that around 67 per cent of global institutions have distributed ledger technology (DLT) or tokenisation programmes moving toward production up from less than 40 per cent two years earlier. Combined with smart contracts, tokenisation allows instantaneous transfer of ownership and automated lifecycle events from margin calls to coupon payments without traditional reconciliation chains.

Parallel to this, digital identity frameworks are gaining traction. The ability to verify counterparties and assets onchain reduces friction and ensures data integrity across the ecosystem. Early blockchain-based asset-servicing pilots in Europe and Asia are demonstrating that digital issuance and settlement can coexist with established central securities depository (CSD) models, creating a hybrid landscape where efficiency and regulatory oversight can both thrive.

From reactive to predictive: AI transforms collateral intelligence

Artificial intelligence and machine learning are now embedded in the daily management of collateral and liquidity. Industry benchmarks in 2025 show that predictive-analytics tools have reduced intraday liquidity demands by 20–30 per cent and are markedly lowering manual processing requirements. These capabilities allow treasurers to pre-position assets and forecast demand, transforming collateral management from reactive to predictive

Data harmonisation underpins these advances. Standardised tax and normalised data flows enable algorithmic models to analyse exposure and funding patterns in real time. The outcome: better capital deployment, optimised inventory, and enhanced service for both counterparties and clients.

Interoperable automation: The connective tissue of finance

The new interface to this digital ecosystem is built on open APIs, FIX, and ISO 20022 messaging, and distributed ledger registries that allow straight-through data exchange from execution to settlement. Interoperability, long a theoretical aspiration, is becoming the defining infrastructure characteristic of 2026.

Broadridge refers to this as interoperable automation, the capacity for market participants, custodians, and technology firms to interact through standardised workflows, regardless of legacy systems or asset class. It is the connective tissue that turns innovation into tangible business value.

Collateral reimagined: From constraint to competitive edge

Collateral is evolving from operational necessity into a strategic performance driver. Treasury and financing teams are building frameworks around collateral intelligence — the capacity to view holdings, obligations, and eligibility in a single, data-rich environment.

With real-time connectivity, collateral can be mobilised intraday rather than waiting for end-of-day sweeps, unlocking balance-sheet efficiency, and improving client responsiveness. Multi-asset, multi-venue collateral pools are expanding, firms are developing utilities that centralise inventory across securities lending, repo, and derivatives.

Earlier industry outlooks anticipated a steady rise in sustainability-linked collateral activity across European securities lending markets. By 2026, progress has been uneven but noticeable, with some counterparties incorporating environmental and social attributes into eligibility criteria and pricing where data, mandates, or client objectives support it. Pricing frameworks are gradually adapting to recognise these factors, embedding sustainability considerations pragmatically into collateral valuation and economics.

Collaboration at scale: The industry model for 2026 and beyond

The traditional lines between repo, lending, and derivatives collateral management are rapidly dissolving. Shared data models and technology stacks are accelerating the rise of utilities that deliver standardised processes at scale.

Market participants increasingly recognise that not every function is a differentiator; standardisation areas such as trade matching, reconciliation, and reporting creates room to focus resources on client insight and alpha generation. Managed services and modular platform models are becoming the dominant paradigm.

For Broadridge, the equation is clear: connectedness drives success. Technological connectedness enables interoperability; operational connectedness promotes efficiency; and strategic connectedness fosters collaboration. Firms that embrace all three dimensions will harness the full benefits of modernisation while adapting seamlessly to ongoing change.

A growing ecosystem of partnerships reinforces this shift, as collaboration between banks, asset managers, custodians, and technology firms is producing shared architectures that no single entity could deliver alone. As these ecosystems mature, robust data-governance standards will be as essential as technological performance to maintain trust across digital networks.

The road ahead: Turning complexity into opportunity

In 2026, securities finance will be characterised by greater transparency, data-driven decision-making, and operational interoperability. Markets will move faster and operate with greater connectivity, yet heightened volatility will make participants more demanding in their expectations of real-time insight and efficiency.

Participants that leverage digital infrastructure and advanced analytics to anticipate funding needs, integrate sustainability considerations, and harness automation will not merely comply with regulations, they will lead in performance, partnership, and client value.

The journey from fragmentation to flow is not only technological; it is cultural. It requires institutions to think in networks, not silos to design processes with openness, data sharing, and collaboration. Those who embrace that mindset will help shape a more resilient, efficient, and innovative market ecosystem.

The convergence of technology, regulation, and industry ambition is ushering in a new era for securities finance, one defined by connectedness and continuous progress. With digital tools and collaborative frameworks now firmly in place, the path ahead is one of growth, reinvention, and shared success.

Broadridge's perspective is simple yet powerful: connectivity creates clarity. In an increasingly interconnected world, the ability to transform data into decisions and decisions into seamless execution will define the leaders of the next decade. As 2026 unfolds, the institutions that achieve true flow; of collateral, of information, of insight, will shape the future of securities finance. ■

30 years on: Where the market meets

2026 marks 30 years of Deutsche Börse Group's Global Funding and Financing Summit. Hansa Tote speaks with Clearstream's Marton Szigeti and Eurex Repo's Frank Gast to discuss the last three decades

1996 saw some of the most famous moments in history. Think Dolly the sheep, the divorce of Charles and Diana, the launch of the Spice Girls, and the death of Tupac. It was also the year that hosted the first Global Funding and Financing (GFF) Summit.

Hosted in Luxembourg by Clearstream and Eurex, the GFF Summit celebrates its pearl anniversary this year with a conference titled 'Where the Market Meets'.

Reflecting on the last 30 years, Marton Szigeti, head of collateral, lending, and liquidity solutions at Clearstream, and Frank Gast, member of the management board at Eurex Repo, discuss the evolution of the summit and the securities finance industry, how the roles of the firms have changed, and key themes from previous years that stand out as turning points within the industry.

This year marks the 30th anniversary of Deutsche Börse Group's GFF Summit. What does reaching this milestone mean for you and your organisation?

Marton Szigeti: It has been amazing to witness the GFF Summit's 30-year evolution into one of the major international events in the secured funding and financing industry, and into a truly integrated Deutsche Börse Group event, hosted jointly by Clearstream and Eurex.

The summit's growing popularity reflects the industry's increasing strategic importance, maturity, and sophistication — and the heightened need for high-quality collateral, lending and liquidity solutions to help industry participants manage risk and liquidity, and to make the most of their assets. For us at Clearstream, it also reflects the quality and durability of our long-standing client partnerships, and our ability to drive the evolution of the funding and financing markets while staying true to our purpose: to be where innovation meets trust.

Frank Gast: For us at Eurex, celebrating 30 years of the GFF Summit is especially meaningful because it reflects three decades of shaping the secured funding and financing markets through robust infrastructure, innovation, and strong risk management.

The summit is not just an annual gathering — it is a demonstration of our role as a central stabilising force for repo and financing markets across Europe. This milestone validates the trust that our clients and partners place in Clearstream and Eurex.

It also highlights how our long-term commitment to innovation, partnership, trust, and market development has supported the evolution of the European funding and financing ecosystem.

How has the summit's purpose evolved since its early years, and what has remained constant?

Szigeti: The evolution of the GFF Summit has been in its scale and scope. From a pure Clearstream event with a focus on repo, collateral management, and securities lending, the summit has evolved into a Deutsche Börse Group event, involving both Clearstream and Eurex, thereby covering the entire lifecycle of trading, clearing, collateral management, and settlement — always exploring current developments and emerging trends like new technologies and AI.

In parallel, attendance has grown from a few dozen specialists in the 1990s to over 800 global participants in 2025, with an increasing number of C-suite speakers, and an agenda more varied than ever as topics such as regulation, digital assets, and AI have come to the fore.

The summit has increasingly become the platform where the market meets. It brings together bilateral repo, triparty, and centrally cleared funding and financing, offering a forum where a wide range of access models and market developments are discussed and shaped.

Gast: What remains unchanged is what we at Eurex call our commitment to being architects of trusted markets — building safe, efficient, and future-proof market structures. Continuous dialogue with our clients, central banks, regulators, and sovereign issuers is essential to meeting market needs in an environment that is increasingly shaped by regulation.

What has also stayed constant is that the GFF Summit is far more than a conference. It is an open forum for dialogue between us, our

"For many participants, the summit has become a tradition – a way to start the year among peers, clients, and colleagues who, over time, have become trusted partners and often friends"

Marton Szigeti, head of collateral, lending, and liquidity solutions
Clearstream

clients, and the broader market, providing extensive networking opportunities and a platform for sharing ambitions for the future.

Thinking back to the early years of the summit, how has the securities finance industry changed in that time?

Szigeti: From Clearstream's perspective, the industry has gone through an incredible amount of change:

Digitisation has profoundly transformed the industry.
When the GFF Summit started, the industry was still relying on manual, phone-based processes. Today, we at Clearstream leverage automated data solutions and AI-based collateral management tools and are exploring distributed ledger technology (DLT)-enabled collateral mobilisation.

The platform economy has arrived.
The first GFF Summit still took place in a pre-euro era of highly fragmented national markets. Today, we are using unified and highly liquid platforms, such as the Eurosystem Collateral Management System (ECMS), or the Canadian Collateral Management Service, a unique full-service domestic triparty collateral environment for the Canadian repo market, operated jointly by Clearstream and TMX Group.

Collateral and financing used to be an adjunct, now it is front and centre.
Collateral management and financing used to be simply about getting a trade done. Today, with increasing regulatory requirements and balance sheet pressures, focus has shifted to multi-factor optimisation to ensure compliance and profitability. What was once a fragmented operational task has evolved into a strategic priority: collateral and balance sheet optimisation now sits firmly at the forefront for our clients' minds.

Gast: From Eurex's perspective, the industry's transformation has also been profound:

Central clearing has become a cornerstone of the market — and its importance will continue to grow.
Regulatory developments have had significant implications for cleared repo markets. Increasing reliance on standardised approaches under Basel III is expected to tighten capital and balance-sheet constraints, further supporting demand for cleared repo. Basel frameworks, transparency requirements, and clearing incentives have already accelerated the shift toward central counterparty (CCP)-based repo.

Buy side adoption, sponsored access, and risk-efficient netting have reshaped market structure.
Collateral has become strategic. Eurex's risk frameworks, offset methodologies, and netting efficiencies are now integral to liquidity planning and balance-sheet optimisation.

Digitisation and real-time liquidity management are redefining market operations.
Eurex is at the forefront of digital repo initiatives, intraday clearing

"The GFF Summit is far more than a conference. It is an open forum for dialogue between us, our clients, and the broader market"

Frank Gast, member of the management board
Eurex Repo

efficiencies, and the exploration of tokenised collateral flows.

Are there any moments or themes from past GFF Summits that stand out as turning points for the industry?

Szigeti: The Lehman collapse in 2008 proved to be a true watershed moment for the entire industry as the subsequent financial crisis and tightening regulation re-shaped risk management and collateral practices for years to come. It also directly affected the GFF Summit, happening just days before the event was scheduled to take place.

Given the turbulence at that time, we decided to move the event to January 2009 — a decision that proved to be wise. Today, both we and our clients value the timing at the beginning of the year, as it provides a natural kick-off to discuss what keeps us awake at night, how to address emerging challenges, and what we should collectively focus on for the future.

Another defining moment was the Covid pandemic. We held the summit in January 2020, just before the outbreak in Europe. When planning the 2021 edition, we chose not to cancel the event but quickly transformed it into a virtual conference, which achieved strong participation — mirroring the resilience proven by the entire industry.

As the pandemic began to ease, we shifted the event back to September in 2022 to avoid another potential winter season cancellation of a physical meeting. This edition coincided with the return to positive interest rates — a development with significant impact on European funding and financing markets. Riding the momentum in the European repo markets, we moved back to the January schedule in 2023, resulting in two major conferences within just five months.

How have the roles of Clearstream and Eurex within the summit reflected broader changes in market infrastructure?

Gast: The evolution of our joint summit highlights the increasingly integrated role of Clearstream and Eurex in shaping market infrastructure.

The summit is where the close collaboration between the two organisations becomes most visible — from cleared repo to collateral mobility to liquidity solutions across the full transaction lifecycle. It showcases how joint development and operational alignment between Clearstream and Eurex support a more resilient, efficient, and future-ready market structure.

The summit is a prime example of a unified Deutsche Börse Group effort, bringing the entire community together in the interest of our clients. This spirit of collaboration reflects the underlying DNA of the event and reinforces Eurex's and Clearstream's contributions within the Group's cohesive market infrastructure strategy.

This year's GFF Summit theme is 'Where the Market Meets'. What does that phrase mean to you, particularly regarding the summit's 30-year history?

Szigeti: 'Where the Market Meets' captures the essence of what the GFF Summit has represented for over three decades.

The summit has become the place for the securities finance industry to come together — a forum where key trends, market challenges, and emerging opportunities are discussed openly. It brings together a uniquely broad community: dealers, regulators, infrastructure providers, and increasingly also buy side firms. It is a platform that reflects market reality in all its diversity.

This meaning extends not only to the audience but also to the speakers. Each year, the summit brings some of the brightest minds in our industry on stage, sharing their perspectives and experiences with delegates and helping shape the dialogue for the year ahead.

For many participants, the summit has become a tradition — a way to start the year among peers, clients, and colleagues who, over time, have become trusted partners and often friends.

Expanding an institutional business

Leading BBVA's global Securities Finance Trading business, Michael Manna speaks with Carmella Haswell about this global unit following its inception in 2022, the drive to expand in Mexico, and next steps for the firm

From the BBVA perspective, how do you view the current global securities finance market?

In recent years, and in line with the nature of financial markets, we are observing ongoing development rather than a radical change, a testament to the market's continuous need to adapt to evolving regulatory requirements, technological advancements, and shifting investor expectations.

From a commercial standpoint, managing the interplay of collateral and funding against capital requirements remains essential for maximising returns and creating additional balance sheet capacity. I also see a greater interconnectivity and reliance across the market. This is evident in the increased adoption not only at the institutional level but also by corporates and through new retail products that utilise secure funding.

Regarding operational efficiency and productivity, through the adoption of distributed ledger technology (DLT), we see it as a question of 'when' not 'if'. The primary challenge is overcoming the migration from legacy analog systems to digital — a transition the telecom industry successfully navigated — and reminiscent of the shift from the rotary phone. I might have just given away my age!

The firm launched its Securities Finance Trading business in 2022. What prompted the bank to create a global unit dedicated to this segment? And where does BBVA position itself in this market?

Our SFT platform is part of a wider strategy to expand BBVA's institutional business in a sustainable and capital-efficient manner, mirroring the approach we implemented for other product platforms such as rates and credit.

Creating a global unit offered several advantages: a single point of entry for all trade and asset class types; an improved client experience; with the added benefit of efficient risk oversight and capital management. It has also streamlined the rollout of a unified technology strategy and the onboarding of new products and capabilities.

In terms of positioning, our platform capabilities are now on par with Tier 1 institutions, enabling us to compete effectively in the areas where we chose to compete.

Almost four years on from its inception, how have you seen the SFT business evolve during this time?

As previously noted, the funding market is constantly adapting to external forces, which brings both opportunities and risks. In particular, post-crisis regulatory reforms have reinforced the importance of efficient collateral usage and balance sheet optimisation, making securities finance a structural component of the market rather than a cyclical one.

Our later start offers a key advantage — the benefit of hindsight. This allows us to rapidly adopt industry best practices and solutions. This ability enables us to not only scale more efficiently but also to be in a better position to manage the risks associated with that growth.

Also, one of BBVA's corporate strategic priorities is to unlock the potential of artificial intelligence and innovation through data availability and next-gen technologies. We are very keen to leverage this approach to help our growth and differentiation as the SFT business continues to mature.

With offices in London, New York, and Hong Kong, and with a key focus on regions such as Latin America and Turkey, can you explore the emerging markets that are capturing your attention?

We have a global platform. BBVA is the fourth-largest bank in Europe and has a major presence in Turkey and Latin America. It makes strategic sense, therefore, to lean into these regional strengths. One key focus is Mexico, where the change in national legislation is driving the SFT market to converge with established practices in more developed markets, leading to further adoption and growth.

> ***"Our priority is to build a scalable, institutional platform with disciplined growth and strong risk oversight"***

It is worth noting that we also have a presence in the US market, in which we are making significant direct investment to further enhance our capabilities needed for growth.

Looking forward, what will be key priorities for the firm in 2026 and what can the industry expect next from BBVA's SFT business?

For the past four years, we were internally focused on building our platform and team. As we transition to running the business, our focus will naturally become more external: engaging with policy makers; supporting clients with analysis and thought leadership; and actively participating through industry bodies. ■

Reaching new heights: Poland's market evolution

Poland boasts the largest equity market in Central and Eastern Europe, having reached unprecedented heights in 2025. Hansa Tote explores the drivers behind the growth, barriers to entry, and what to expect next

Found in Central Europe, nestled between Germany and Belarus, Poland is known for its rich history and sites such as Wieloczka Salt Mine and Krakow's Wawel Castle, as well as football legend Robert Lewandowski.

Poland is also one of Europe's fastest growing securities markets, and represents the largest cleared interest rate derivatives market in the Central and Eastern European (CEE) region, according to Danny Chart, global product lead, OTC interest rate derivatives, at Eurex.

Chart highlights there are a number of factors that contribute to the Polish zloty having the largest cleared rate derivatives market in the region. He states it is due to Poland having the largest economy in CEE, a well developed financial sector, and significant trading volumes.

Roy Zimmerhansl, head of capital markets at WTS Hansuke, also explains that Poland is the largest equity market in CEE — with a 2.3 trillion Polish zloty market cap (US$676 billion) — ranking third in Europe by trading velocity. He states that, compared to peers such as Budapest, Prague, and Bucharest, Poland offers "superior" liquidity and foreign investor participation, possibly creating significant borrowing demand.

Facts and figures

Data shows that the Polish securities market demonstrated exceptional growth across all key metrics in 2025, according to Matt Chessum, executive director, equity and analytic products at S&P Global Market Intelligence.

Chessum states that October 2025 marked a significant milestone as year-to-date (YTD) revenues generated from Polish equities surpassed those of last year — US$10.9 million, compared to US$8.2 million in 2024 — a 32.9 per cent increase year-on-year (YoY).

He continues: “This robust performance is part of a broader trend, with YTD revenues reaching US$13 million by the end of November, a remarkable 57.6 per cent increase over the same period in 2024. The second quarter of 2025 was particularly strong, generating US$3.1 million in revenue, representing a 65.6 per cent YoY growth.

“This surge in securities lending activity correlates directly with Poland's strengthening economic indicators and heightened market valuations, creating a favourable environment for securities lending activity.”

The Polish market reached unprecedented heights in 2025, according to Chessum, with lending balances having hit all-time highs across multiple months. The total lendable assets have increased to US$24 billion as of November 2025, another record high, representing an 84 per cent increase compared to the same month in 2024. Utilisation rates have also improved significantly, averaging 10.3 per cent YTD compared to 7.9 per cent in 2024, a 31 per cent increase reflecting greater market efficiency.

The growth has been particularly evident in high-demand securities, says Chessum, such as with CCC, Jastrzebska Spolka Weglowa, Zabka Group, and Dino Polska — which emerged as the most popular borrowed securities of 2025.

Despite a slight decrease in average fees (0.55 per cent YTD in 2025 versus 0.62 per cent in 2024), the substantial increase in balances has more than compensated, driving the overall revenue surge as Polish equity valuations continue their upward trajectory.

However, there have been constraints to the growth of the market, notably the structural supply side limitations, says Zimmerhansl. He explains: "Pension fund reforms since 2014 dismantled the open pension funds system, reducing domestic institutional equity holdings from PLN500 billion to PLN220 billion by 2023.

"The Pracownicze Plany Kapitałowe system, launched in 2019, remains small — PLN30 billion assets by the end of 2024 — limiting lendable inventory. Insurance companies also favour conservative portfolios, avoiding equities that could be lent, preferring fixed income assets."

Krajowy Depozyt Papierów Wartościowych (KDPW), the central securities depository (CSD) of Poland, reports that in 2025, Poland recorded the highest economic growth in three years, with the Warsaw Stock Exchange, or Giełda Papierów Wartościowych w Warszawie (WSE, or GPW) seeing record turnover with stock market indices breaking new records.

In the same report, KDPW highlights the Polish capital market would not have seen such growth had it not been for local institutions boosting the interest of Polish investors while investing in the development of the capital market.

Barriers and challenges

Despite recent growth, there continues to be barriers to entry into the Polish securities landscape faced by potential participants. Andrzej Szadkowski, head of Securities Services Poland, BNP Paribas, comments: "With the largest economy in the region, a relatively liquid Warsaw Stock Exchange and a growing investor base, the Polish market appears to be an attractive opportunity for foreign fund managers, brokers, and other institutional investors."

Despite these seemingly promising aspects of the market, Szadkowski notes the Polish post-trade environment can differ from the rest of Europe. "Although Poland is a part of EU subject to European regulations such as MIFID/MIFIR, CSDR, and SRD II, there are still some distinct barriers — ranging from specific operational standards and local currency liquidity to taxation and political uncertainty."

He explains that, unlike many EU jurisdictions that have multiple CSDs and central counterparties (CCPs) cooperating, Poland relies on the KDPW and KDPW_CCP, platforms that remain only partly interoperable with pan-European infrastructures such as Euroclear, Clearstream, or the Target2-Securities (T2S) platform.

Further, Szadkowski says that while KDPW and KDPW_CCP, local custodians, and clearing members offer a robust and reliable post-trade platform, the market may still feel more expensive and less liquid compared to developed markets, making it seem less desirable.

Additionally, there are operational features that differ from the customary operational routine of foreign investors, including the need to provide a power of attorney in order to partake in shareholder meetings or tender offers/rights execution events.

He mentions that while the local currency might be a "blessing" for investors seeking an FX investment opportunity, it can also create issues for investors looking to simply settle their equities or bonds trades smoothly. This is due to investors and their custodians needing to align their treasury and cash management processes while adapting to KDPW multi-batch settlement timing.

Zimmerhansl comments on the barriers to entry into the market, stating: "The absence of major domestic institutional investors is a gap in the 'must-haves' for a deep and rich lending to evolve."

He also underlines the burden created by regulations, noting EMIR 3.0, T+1, and Warsaw Automated Trading System (WATS) deployment create compliance and technological challenges, with secondary frictions including: geopolitical risk perception and KNF's (Poland's Financial Supervision Authority) cautious regulatory stance.

"Collectively, these barriers slow market development despite strong underlying cash market conditions," he adds.

EMIR 3.0

EMIR 3.0 refers to the most recent revision of the European Market Infrastructure Regulation (EMIR), that came into force on 24 December 2024, with the main objective being to increase the competitiveness of the European central counterparties while promoting clearing activity in the region.

In November 2025, Eurex Clearing began developing a Polish zloty interest rate swap clearing market to directly respond to the new regulatory landscape under EMIR 3.0. Chart highlights that this includes launching the zloty to the firm's range of tradable financial instruments.

Discussing the impact EMIR 3.0 has had on the Polish market, Zimmerhansl explains it introduces the Active Account Requirement (AAR), mandating Polish CCPs to maintain active clearing accounts at EU CCPs for euro and zloty interest rate derivatives.

He states: "Compliance requires clearing minimum trades per product category and posting margin across multiple CCPs (KDPW_CCP and Eurex), creating collateral fragmentation and operational complexity."

Zimmerhansl claims the impact on securities lending in Poland is "indirect but significant" as margin lockup reduces lendable inventory as high-quality securities are retained for CCP margin. The timing also introduces challenges, with AAR implementation (2026–2027) coinciding with the T+1 settlement transition which may cause strain on operational resources.

Looking to the future

The upcoming years will see substantial developments in the securities finance industry in Poland, with Szadkowski highlighting the country will develop two complementary securities market ecosystems — a public equity market and a private equity market.

Szadkowski comments that the post-trade environment is evolving "rapidly", and that "the post trade layer — the engine that keeps the market running smoothly and safely — will assume greater importance".

As a part of the EU financial market, Poland is scheduled to move to the shorter settlement cycle on 11 October 2027, a shift he notes is more than an operational tweak, but a strategic investment that enhances operational capability. "Rather than a checklist item, the transition offers a chance to reassess processes, challenge the status quo, and make lasting efficiencies."

Speaking from the perspective of BNP Paribas' Securities Services business, Szadkowski says that joining the T+1 group is strategic, and needed to keep the Polish market competitive, with proper implementation raising market efficiency by increasing the number of settlement batches and modernising trade reporting.

"Changes will not stop with T+1. The transition, slated to extend beyond October 2027, will open the path to further digitalisation of the sector," he continues.

2026 will see the go-live of the WSE's WATS, having been postponed in 2025 — a project that aims to modernise operations and enhance efficiency for the WSE by improving the quality and efficiency of exchange operations through advanced functionalities, while enhancing the security and reliability of trading, according to a report by the GPW.

Zimmerhansl notes that the deployment of WATS "should further enhance trading velocity and attract further international participants", despite the delayed implementation.

He concludes: "Overall, Poland will remain a niche but maturing market, with growth contingent on domestic supply development, regulatory clarity, and international infrastructure engagement."

Going up to fifth gear on the Collateral Highway

Securities financing is going through a seismic transformation, sparked by fast-moving macro events, ever-shifting regulations, and rapid digitalisation. Miguel Ferreira and Marije Verhelst discuss how Euroclear's Collateral Highway is adapting to the changing dynamics

A lot has happened in 2025 — how is this impacting your business?

Miguel Ferreira: 2025 was another year marked by uncertainty and volatility across financial markets and that continues to shape our priorities. As a financial market infrastructure, our core mission remains ensuring stability, security, and resilience for the ecosystem we serve.

At the same time, we are committed to supporting the development of capital markets globally. We doubled down on our customer-centric approach to ensure we not only address current needs but anticipate future ones — delivering products and services that combine innovation with industry-leading client experiences.

To navigate volatility effectively, we have adopted more dynamic and flexible working practices, optimising resource allocation to focus where we can create the greatest impact. This adaptability is key to maintaining trust and delivering value in an environment that demands both resilience and agility.

Marije Verhelst: We are, without a doubt, operating against a volatile market backdrop. Markets have been affected by several developments — including the introduction of US trade tariffs, ongoing conflicts in Ukraine and the Middle East, the credit downgrade of France, and rising concerns regarding the credit risk exposures at various US regional banks. Additionally, the shift in central bank policy away from quantitative easing towards quantitative tightening is still exerting influence on market dynamics. Furthermore, regulatory capital requirements set out under Basel III are intensifying these trends. As a result, the past 12 months have been particularly active for Euroclear's Collateral Highway. In 2025, triparty outstandings grew by 10 per cent year-on-year.

Can you tell us about your current strategic priorities for the Collateral Highway?

Ferreira: When we launched the Collateral Highway over a decade ago, it was truly revolutionary — and it has continued to evolve in both capability and scale ever since. In 2025, we were proud to reach a major milestone: mobilising €2 trillion of collateral daily.

Looking ahead, our strategic priority is clear: to keep expanding the Collateral Highway with innovation at its core. That means enhancing connectivity, improving efficiency, and introducing new solutions that empower clients to optimise collateral across borders and asset classes. We see the Highway not just as infrastructure, but as a dynamic platform that will continue to shape the future of collateral management.

Verhelst: Euroclear's Collateral Highway remains a cornerstone of our strategic agenda, and accordingly, the Group is making substantial and sustained investments in its continued development — a commitment that is set to endure.

This ongoing multi-year investment programme is designed to advance three key objectives: delivering an outstanding client experience; establishing the market standard for excellence in collateral allocation and optimisation; and equipping our clients with best-in-class data analytics and digital solutions. These tools will empower customers to unlock new revenue streams and make more informed decisions, all in real time.

Can you explore how some of your initiatives in 2025 tally with these three objectives?

Verhelst: In partnership with Transcend, a fintech innovator, we launched Euroclear Collateral Optimisation Services (ECOS). By combining our robust collateral management infrastructure with Transcend's sophisticated optimisation technology, ECOS offers clients a comprehensive collateral optimisation solution. This enables enhanced liquidity management and cost efficiencies — particularly crucial as institutions face unprecedented demand for high-quality liquid assets (HQLA) and mounting funding costs.

We have also enhanced our client communications by adopting Taskize, the foremost operational collaboration platform. Further integrations with email and Symphony messaging are scheduled for the first quarter of this year. Thanks to this partnership, client queries can now be addressed and resolved significantly more swiftly.

Entering a new year, what is on the horizon for 2026?

Ferreira: 2026 will be a pivotal year — one where clients truly experience a transformation in how they interact with us. Building on the strong foundations laid in 2025, our multiyear investment programme is now gaining real momentum and the ambitious vision we set out is becoming tangible.

Verhelst: To begin with, we are set to significantly simplify and streamline our legal documentation. This means reducing the number of documents required and ensuring they are clearer and written in concise, plain English. We will move away from static, PDF-style forms in favour of automated electronic forms that can be completed online.

ECOS is also due to receive substantial upgrades, with the introduction of additional optimisation criteria. These enhancements will be further strengthened by the integration of client data, the implementation of new industry standards for collateral optimisation and the addition of tools to better simulate and optimise inventories across trading venues and custodians.

Furthermore, Self Select — the service that enables clients to directly manage their collateral allocations — will soon be accessible through EasyWay, our web-based platform. This will allow users to allocate specific securities to particular trades with ease.

AutoSelect is set for an upgrade as well, with improvements to its optimisation features. We anticipate that these enhancements could help reduce fails by as much as 25 per cent, leading to lower credit usage for collateral givers.

Euroclear is further strengthening its collateral data strategy by ensuring that all categories of collateral data are accessible through a range of flexible channels. The introduction of new, data-driven services

"When we launched the Collateral Highway over a decade ago, it was truly revolutionary – and it has continued to evolve in both capability and scale ever since"

Miguel Ferreira, managing director, chief commercial office Americas & UK and head of business development collateral management
Euroclear

is underway, beginning with a Collateral Reference Data platform designed to provide seamless and scalable access to securities information. In addition, a fully automated external pricing service is set to streamline client onboarding, enabling users to connect their preferred pricing sources directly to their collateral schedules with ease.

The UK will remain a central focus throughout 2026, with triparty continuing as a cornerstone of Euroclear's Crest modernisation initiative. Planned enhancements to Delivery by Value (DBV) are expected to enable users to fully leverage the Bank of England's short-term repo facilities, maximising efficiency and flexibility in collateral management.

Looking beyond 2026, what about other upcoming enhancements coming up?

Verhelst: First and foremost, one of our principal strategic objectives is the launch of a cutting-edge digital collateral client onboarding and contract management platform.

This new platform will enable clients to sign legal agreements and various forms electronically, while also digitising the drafting, negotiation and implementation of collateral schedules. Such enhancements will streamline the client journey, making engagements more efficient, intuitive, and transparent.

We are also progressing with the expansion of our modernised Collateral Reference Data Services, providing clients with flexible access to Securities Reference Data utilised by the Euroclear Collateral Highway. This includes adaptable data access and contemporary connectivity options via APIs, while Managed File Transfer delivery will be upgraded to a new, flexible infrastructure, capable of handling intraday requests. These improvements are specifically intended to grant clients versatile access to accommodate their individual data requirements.

Regarding our existing services, we are enhancing AutoSelect

"The digital asset landscape is still to mature, yet the potential applications for tokenisation are remarkably promising. Tokenisation has the capacity to revolutionise collateral management"

Marije Verhelst, head of product strategy and development for collateral management
Euroclear

to offer greater flexibility. Users will have more tools to organise Autoselect throughout the day in a way that best suits their operational needs.

T+1 is just around the corner in Europe. How are you supporting clients with the transition?

Ferreira: We have been fully committed to the T+1 transition from the very beginning because we see market harmonisation as a cornerstone of open and efficient markets. To ensure a smooth shift, we have dedicated resources across all levels — technology, operations, and client engagement — so that the transition on 11 October 2027 is as seamless and uneventful as previous settlement cycle transitions.

Verhelst: The EU, the UK, and Switzerland are set to implement T+1 settlement simultaneously on 11 October 2027, leaving affected financial institutions with just two years to prepare. There remains considerable work for the industry to complete ahead of this deadline and our primary objective is to ensure a seamless transition.

We are working closely with various industry associations and taskforces and we are making substantial investments in our settlement and collateral services.These planned enhancements are all aimed at extending and streamlining the operational day, increasing the efficiency of settlement and triparty processes, and improving credit efficiency.

Euroclear is keen to expand its collateral eligibility – can you share what is happening?

Verhelst: We remain firmly dedicated to broadening the scope of eligible collateral. A prime illustration of this commitment was making Korean treasury bonds (KTBs) Euroclearable. Remarkably, in less than two years since South Korea achieved this status, 50 per cent of KTBs held at Euroclear are now actively utilised for collateral management. Furthermore, APAC securities currently represent 20 per cent of all sovereign bond collateral held at Euroclear. Our ongoing mission is to develop and deepen international markets.

Euroclear is also doubling down on digital assets. What exactly are you doing?

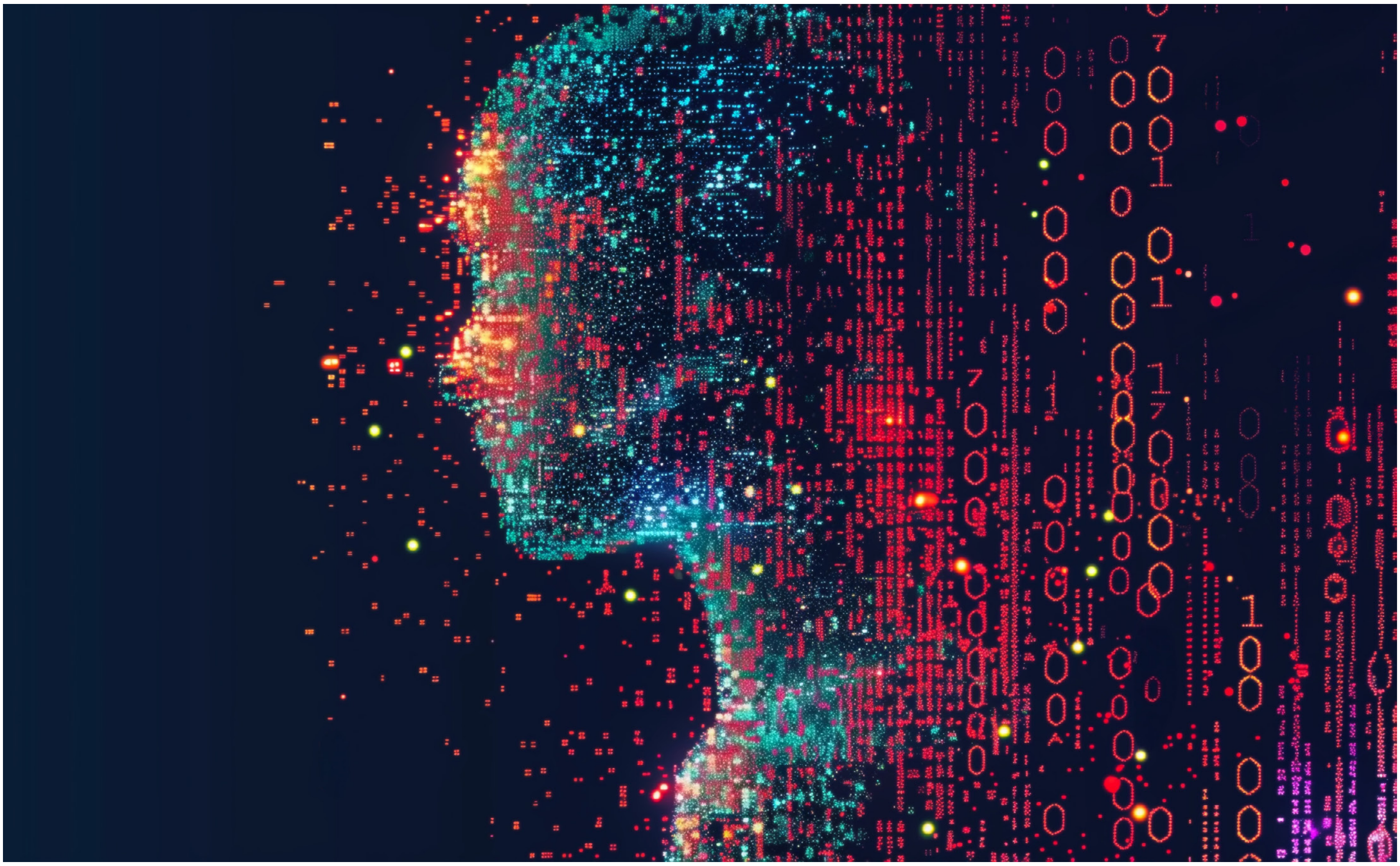
Ferreira: Euroclear has always embraced innovation — leveraging new ideas and technologies to develop markets both locally and globally. Digital assets are the latest chapter in that journey. We are actively exploring the opportunities they present, as well as the challenges their adoption will bring.

A great example is the launch of our Digital Native Notes, which use distributed ledger technology (DLT) for the primary issuance process while ensuring these instruments remain fully eligible for financing. While the industry's ultimate direction is still evolving, one thing is certain: any solutions delivered within the Euroclear ecosystem will meet the highest standards of safety, security, and resilience.

Verhelst: The digital asset landscape is still to mature, yet the potential applications for tokenisation are remarkably promising. Tokenisation has the capacity to revolutionise collateral management by enabling counterparties to use tokens — digital representations of real-world assets — as collateral. One of the principal advantages lies in the enhanced liquidity and collateral availability that can be unlocked by bridging temporal gaps.

We are actively pursuing several initiatives centred around digital assets. Earlier this year, we unveiled Project Pythagore, a collaborative venture with the Banque de France, aimed at tokenising Negotiable European Commercial Paper (NEU CP). Should this initiative prove successful, it will mark a significant stride towards the modernisation of short-term debt markets through the adoption of DLT. The project is designed to deliver both operational and administrative efficiencies, while maintaining the highest standards of transparency and security for market participants.

In the UK, we are a proactive participant in the Digital Securities Sandbox — a regulated, live environment overseen by the Financial Conduct Authority and the Bank of England. This sandbox is evaluating how emerging technologies can support the issuance, trading, and settlement of digital securities.



Securities lending breaks records in 2025: A year in review and outlook

Matt Chessum, executive director, equity and analytic products at S&P Global Market Intelligence, explores a landmark year for the industry and what is next for the market

2025 will be remembered as a landmark year for the global securities lending industry, with market participants navigating a dynamic landscape shaped by technological innovation, resurgent dealmaking, and geopolitical disruption.

The sector not only shattered previous revenue records but also demonstrated its resilience and adaptability in the face of rapidly shifting market conditions. As the industry looks to 2026, the momentum from 2025's achievements sets the stage for another year of opportunity and transformation.

Markets: Three themes drive activity higher

Three major themes defined the securities lending environment in 2025: the AI revolution, a resurgence of M&A activity, and the influence of geopolitical events on fiscal and monetary policy. The AI boom, particularly in Asia, triggered unprecedented demand for technology and semiconductor stocks, with Hong Kong emerging as a regional leader.

M&A activity surged, with high-profile deals such as CoreWeave's expansion and the Paramount-Skydance merger creating lucrative lending opportunities. Meanwhile, global fiscal and monetary policies responded to heightened geopolitical uncertainty, with central banks adjusting rates and investors recalibrating risk exposures accordingly.

Equity revenues: Asia's AI boom and a global rotation

Securities lending revenues from equities reached historic levels in 2025, contributing to the overall US$14.91 billion generated by the industry. Asian equities were the clear frontrunner, posting a remarkable 57 per cent year-on-year (YoY) increase and generating over US$3.3 billion in revenue. Hong Kong's performance was particularly noteworthy: robust demand for AI and tech stocks, alongside financial sector strength, propelled the market to new highs and made it a key contributor to the region's overall results.

Globally, US equities were also a strong contributor to market revenues during the year as the S&P 500 and Nasdaq posted continual new all-time highs throughout the period. Heading into November and December, market leadership rotated beyond mega-cap US technology stocks, with small-caps and international names gaining traction, pushing revenues increasingly higher.

As the Russell 2000 index reached record highs, US equities experienced annual lending revenues of US$4.8 billion, an increase of 24 per cent YoY. EMEA equities posted US$1.12 billion in annual revenues, an increase of 12 per cent when compared with 2024, with Sweden, Germany, France, and the UK leading returns. Smaller markets such as Poland and Greece, Portugal and Spain also showed emerging promise when compared YoY.

Among the top 10 highest revenue-generating stocks for 2025, Asian technology and semiconductor companies featured prominently, reflecting the region's pivotal role in the AI revolution. In the Americas, specials revenues were buoyed by M&A activity, with deals like Paramount-Skydance and CoreWeave driving demand for short-term lending.

ETF and ADR revenues: Unprecedented expansion

The ETF and American Depositary Receipt (ADR) sectors delivered record growth and diversification in 2025. Global ETF assets reached US$19.44 trillion in assets under management, a 31 per cent increase from 2024, while actively managed ETFs saw assets climb to US$1.86 trillion, up 59.4 per cent YoY. Securities lending revenues from ETFs hit US$1.158 billion, a 71 per cent jump, with Asian ETF revenues growing fastest at 92 per cent YoY. The US ETF market remained dominant, but the surge in Asian ETF lending highlighted the region's growing influence.

ADR revenues also soared, finishing the year 62 per cent higher.

Figure 1: Top 10 revenue generating equities full year 2025

Top Earning Assets	Ticker	Sector	Country	Revenue Generated (US$M)
Coreweave Inc	CRWV	North America Software & Services	US	757.4
Paramount Skydance Corp	PSKY	North America Media and Entertainment	US	115.2
Infosys ADR Rep Ord	INFY	North America Software & Services	ADR	95.6
Contemporary Amperex Technology Co Ltd	3750	Asia Capital Goods	HK	90.7
Nano Nuclear Energy Inc	NNE	North America Capital Goods	US	90.0
Lucid Group Inc	LCID	North America Automobiles & Components	US	88.4
Guotai Junan International Holdings Ltd	1788	Asia Financial Services	HK	84.1
Circle Internet Group Inc	CRCL	North America Software & Services	US	76.8
Quantum Computing Inc	QUBT	North America Software & Services	US	73.8
Lg Energy Solution Ltd	373220	Asia Capital Goods	KR	69.4

Source: S&P Global Market Intelligence Securities Finance

Investors increasingly used ADRs to short foreign equities, driving up both lending revenues and average fees. The Americas led in ADR growth, with annual revenues posting triple-digit percentage increases as market participants sought alternative routes to express views on global stocks.

Fixed income: Government and corporate bonds set new highs

Fixed income markets delivered robust results for securities lenders in 2025. Government bond lending produced US$2.28 billion in revenues, a 12 per cent increase YoY. US Treasuries were the standout performer as interest rates continued to decline, with over US$1.32 billion in revenues as average fees surpassed 18 basis points. UK and French government bonds also featured among the top 10 revenue-generating government bonds of the year, as fiscal policy remained in focus.

Corporate bonds generated just over US$1 billion in annual securities lending revenues, supported by a 19 per cent increase in balances and sustained utilisation above 6 per cent. Despite a 12 per cent drop-in average fees, growing lendable balances compensated for the decline. The lending environment enabled a wave of highly leveraged deals, including Paramount's bid for Warner Bros. Discovery, showcasing the convergence of financing channels and the sector's adaptability.

Additional revenue streams: Cash reinvestment and financing

Beyond direct securities lending, the industry also benefited from favourable interest rate conditions and financing activity. As US interest rates fell, cash reinvestment strategies generated US$2.29 billion in additional revenue, while financing activity produced circa US$666 million. These ancillary streams underscore the breadth of further revenue opportunities available to lenders throughout the year.

2026 Outlook: M&A, IPOs, volatility, and the AI race

Looking ahead, 2026 is set to build on the foundations laid in 2025. M&A activity and IPOs are likely to remain central drivers of securities lending revenue, as high valuations and abundant liquidity support deal flow. Volatility, fuelled by escalating geopolitical risk, will continue to create opportunities for traders and lenders. The AI race between Asia and the US promises further market surprises, with technological competition set to drive sector rotation and lending demand.

Wall Street strategists anticipate another year of double-digit earnings growth, with healthcare, industrials, and energy expected to outperform tech giants. As market participants adapt to shifting policy landscapes and technological innovation, strategic focus on risk management and global diversification will be key to capitalising on emerging opportunities.

Figure 2: Top 10 revenue generating bonds full year 2025

Top Earning Assets	CUSIP	Denomination	Country	Revenue Generated (US$M)
United States Treasury (4% 15-Feb-2034)	91282CJZ5	USD	US	15.2
United States Treasury (3.875% 15-Aug-2034)	91282CLF6	USD	US	13.7
United Kingdom Of Great Britain And Northern Ireland (Government) (0.125% 30-Jan-2026)	G4527HRV5	GBP	UK	12.6
United States Treasury (3.5% 15-Feb-2033)	91282CGM7	USD	US	11.6
United States Treasury (1.125% 15-Feb-2031)	91282CBL4	USD	US	11.3
United States Treasury (4.5% 15-Nov-2033)	91282CJJ1	USD	US	11.2
United States Treasury (3.375% 15-May-2033)	91282CHC8	USD	US	10.3
United States Treasury (0.75% 31-Jan-2028)	91282CEW7	USD	US	10.3
Quantum Computing Inc	91282CBJ9	USD	US	10.3
France, Republic Of (Government) (5.5% 25-Apr-2029)	F4040SHL3	EUR	FR	9.8

Source: S&P Global Market Intelligence Securities Finance

Stepping outside of defined lanes

Surabhi Sudhakara, strategic business development manager at TMX CDS, speaks to Carmella Haswell about her journey into securities finance, why the sector brings excitement, and saying ‘yes’ to the challenge

Can you tell me about your journey into the securities finance industry?

My journey into the securities finance industry was more of an evolution, shaped by curiosity and the detours I embraced along the way. I studied computer science with plans to pursue engineering, but business management quickly captured my interest, particularly financial accounting, which led me to pursue an MBA in Finance.

I began my career at a global investment banking firm in asset servicing, managing corporate actions for institutional clients worldwide. It was a fast-paced, high-stakes environment that taught me efficiency, resiliency, risk awareness, time management, and decision-making. More importantly, I learned the real impact of communication and client trust in post-trade.

Later, I moved to a Canadian bank in the post-trade space, supporting institutional clients across Canada and the US, gaining exposure to securities lending and collateral, and seeing how all the pieces fit together to support the market was fascinating.

In 2022 I joined TMX CDS, starting in customer support before transitioning into a relationship manager role. This opened doors to the forefront of the business, allowing me to work directly with clients and gain exposure to multiple areas within post-trade. My most recent move into a strategic business development role on the commercial side is where everything came together.

I focus on driving client relationship-led growth, supporting new client onboarding, expanding product adoption, and launching revenue-generating initiatives to address industry challenges. Across my roles, I bridge the gap between post-trade operations and client conversations.

As an emerging professional, I have learned that staying curious, adaptable, and willing to step outside of defined lanes has been key to my growth in this industry.

As a young professional, what aspects of your role or the industry do you find most exciting?

What excites me most is how dynamic and interconnected the securities finance industry is. The work sits at the intersection of markets, regulation, technology, and client needs, which means there is always something new to learn and opportunities to navigate that translate into real outcomes. I thrive in roles that challenge me and allow me to connect the dots between operations, clients, and outcomes, and turn complexity into solutions.

> ***“The industry is layered and every role has a direct impact on clients and the business”***

On a day-to-day level, I love solving problems, collaborating across teams, and engaging directly with clients. The pace keeps me on my toes, and the mix of complexity, creativity, collaboration, and impact is what makes this space genuinely exciting for me.

Many companies offer various training and development opportunities for their employees. How has your company supported your growth?

TMX has been incredibly supportive of my growth and has one of the best learning and development programmes, with which I completed an MBA Essentials programme at the Rotman School of Management, and I have also had the chance to participate in internal committees focused on knowledge sharing across different teams.

> ***"Say 'yes' to opportunities that challenge you, and do not be afraid to switch gears to find what truly excites you"***

The mentorship programmes have been particularly valuable, giving me guidance as I navigate my career. What I appreciate most is that TMX rewards capability and good performance, providing me with opportunities to take on roles that align with my strengths and passion where I can make a real impact.

What misconceptions about working in the financial industry have you encountered, and how do you address these challenges?

A common misconception about the securities finance industry is that it is purely operational or back office work. In reality, it is highly dynamic and strategic, involving problem-solving, risk management, and client relationship building. Early in my career, I quickly learned that the industry is layered, and every role has a direct impact on clients and the business. Success depends not just on crunching numbers or striking out a task list, but on communication, collaboration, and adaptability.

What advice do you have for other young professionals aspiring to pursue a career in your industry?

Say 'yes' to opportunities that challenge you, and do not be afraid to switch gears to find what truly excites you. In my career, I have taken detours and risks to find a role that resonates with me, one that integrates my experience in post-trade, technology, problem-solving, and client relationships.

Every experience brings you one step closer to finding your passion. Stay curious, resilient, and keep learning; I strongly believe the moment you stop learning is the moment you become stagnant. And while doing so, most importantly, do not forget to enjoy the journey.

Looking ahead, where do you see yourself in the next five years in terms of your career goals and aspirations?

Having worked across distinct roles, I have gained broad exposure to different aspects of the securities finance industry. Over the next five years, my goal is to continue growing in client-facing and strategic roles, deepen my understanding of client needs and deliver tangible solutions, alongside completing my PMP certification to enhance my ability to manage complex strategic initiatives.

Influenced by the mentors and colleagues who have supported my journey, I also aspire to take on leadership responsibilities, guiding new talents while contributing to initiatives that drive innovation. At the same time, I want to remain actively involved in strategic business development projects that broaden my perspective and allow me to make an impactful contribution to the industry. ■

Surabhi Sudhakara

As a strategic business development manager at TMX CDS, Surabhi Sudhakara drives client relationship growth, leads new revenue initiatives, and connects post-trade knowledge with commercial outcomes. She began her career in asset servicing at a global investment banking firm and later moved into post-trade roles at a Canadian bank. Surabhi holds an MBA in Finance, a certification in corporate law, and has completed an MBA Essentials programme at the Rotman School of Management.

Outside of work, she enjoys painting, travelling, discovering great shows and films, and spending time with friends and family.

BMLL onboards King

BMLL Technologies, an independent provider of historical Level 3 data and analytics, has appointed Karen King as head of sales, APAC.

Based in Hong Kong, King will be responsible for growing BMLL's client base across Asia Pacific and for developing and implementing the company's growth strategy in the region.

Paul Humphrey, CEO of BMLL, comments: "Following Nordic Capital's investment in BMLL, we are focused on accelerating the company's next phase of growth.

"We are strengthening our leadership and commercial presence, coupled with a broader push into greater global derivatives market coverage.

"Asia Pacific is a key part of that wider strategy as we aim to better serve our customers across the region, and Karen's appointment brings deep capital markets experience alongside a proven track record of leadership in data solutions."

King brings more than two decades of global financial services and data solutions experience to the role, having most recently departed from S&P Global Market Intelligence as managing director, head of data solutions sales for APAC.

She began her two-decade-long tenure at S&P Global Market Intelligence prior to the company's numerous mergers and acquisitions, starting in what was then Data Explorers.

During her career, King has led sales and client engagement across Asia Pacific, the Middle East, and Africa, working closely with both buy side and sell side institutions.

Callan exits Citi

Gavin Callan has left Citi after almost 18 years as director at the firm.

He has over 20 years of experience in institutional banking, with expertise in leading agency financing strategies.

At Citi he developed an asset aggregator solution and managed a trillion dollar lendable portfolio.

He was previously vice president at J.P. Morgan, first joining Citibank as management associate and then working as vice president at the firm for three years.

Pirum selects Bhaskaran as chief product officer

Pirum has welcomed Vinod Bhaskaran as its new chief product officer.

Based in London, Bhaskaran will be responsible for driving product development and the adoption of Pirum's complete, connected lifecycle platform.

He brings 20 years of experience in capital markets product management, development, strategy, and delivery, having previously led capital markets product management for front-to-middle office clients globally at Nasdaq Calypso as vice president.

Bhaskaran also took on the role of digital business lead in the Chief Digital Office of Natwest Markets, and global solutions lead for trading, risk, and regulation at Finastra.

SIX onboards Kinsey

SIX Securities Services has appointed Mina Kinsey as head of securities finance.

Based in Zurich, Switzerland, Kinsey brings more than 17 years of experience in financial services, spanning across global team management, liquidity and repo strategy, client engagement, and product development.

She joins the firm following a six-year tenure at Leonteq, where she was most recently global head of securities finance and collateral management.

Earlier in her career, she held positions at Citi as a securities finance trader, at EquiLend in sales and account management, and at Markit, also in sales and account management.

Kinsey holds an LLB in law and a bachelor's degree in history, economic history, and politics.

Commenting on the appointment, a SIX representative states: "Her leadership, industry knowledge, and client focused mindset will be tremendous assets as we continue to grow and innovate."

Further, he was positioned at Lloyds Bank, where he covered FX, rates, and hybrid derivative market making and trading.

Commenting on his appointment, Bhaskaran states: "My immediate focus will be advancing our AI-powered data analytics capabilities and supporting the industry's transition to T+1 and beyond."

Ben Challice, CEO at Pirum, adds: "Vinod's expertise in front-to-back capital markets technology, combined with his data-driven and client-led approach, made him the clear choice to lead our product delivery."

Daiwa welcomes Perlmutter and Gillespie

Daiwa Capital Markets America has welcomed John Perlmutter as executive director of delta one strategies, and Christopher Gillespie as director on the firm's stock finance desk.

Both new hires are based in New York, with Perlmutter bringing 30 years of experience to the role, having most recently served at the National Bank of Canada.

Perlmutter's new position will centre on relaunching the firm's equity finance business, with an initial focus on delta one strategies.

Reporting to Scott Friedman, director of equity finance, and lead of Daiwa's securities financing team, Gillespie will focus on enhancing the firm's financing

and hard-to-borrow trade flow in his new role.

Gillespie most recently served as executive director at US Tiger Securities and TradeUp Securities, and has also held positions at B. Riley Securities as director of equity finance, and at ED&F Man Capital Markets as vice president of equity finance.

Ownera appoints Kamat as Head of Client Solutions

Ownera, a firm that provides digital infrastructure solutions, has appointed Chetan Kamat as head of client solutions.

In his new role, Kamat will be responsible for supporting clients including banks, central securities depositories (CSDs), custodians and digital asset market participants in bringing tokenisation and interoperability strategies into live production using Ownera's technology.

He will lead solution architecture, client engagement and partner delivery across regulated digital asset workflows, with a focus on controls, compliance and scalable operating models.

Prior to joining Ownera, Kamat served as regional product head and business development lead for treasury at Intellect Design Arena.

He has also held senior roles across major financial institutions, including portfolio manager for legal and regulatory change at Lloyds Banking Group, regulatory programme director at Barclays, and transformation lead for fixed income post-trade systems and derived market data at Citi.

Nasdaq appoints Marnhier-Foy

Sophie Marnhier-Foy has been selected as head of digital asset solutions for Nasdaq Calypso, within the company's financial technology business.

She most recently served as head of client solutions strategy, having joined the company when Nasdaq purchased the capital markets and treasury management platform as part of its acquisition of Adenza in 2023.

Marnhier-Foy has been at the company for over 22 years and brings experience in client success, high-quality delivery, and an ability to work through complex issues and design.

She has supported the growth of the platform in multiple roles, including as global commercial product manager, head of product marketing and director of product management, and principal product manager.

Before this she worked at Crédit Agricole CIB as a capital markets programme manager for three years and risk and result controller for four years.

She first started as an auditor for PwC in Paris after graduating from emlyon business school.

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