



Moving from concept to reality

With a growing interest in digital assets, Darren Jordan of Komainu speaks about how this market fits into the securities finance world and its impact on the collateral landscape



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SAB Invest selects JPMorganChase as agent

SAB Invest, the investment arm of Saudi Awwal Bank (SAB), has launched a securities lending capability for its clients, appointing JPMorganChase as agent for its Saudi equity business.

According to the firm, the mandate reflects SAB Invest's ambition to broaden the platform to include global assets — marking a step in the firm's evolution as a full-service capital markets participant.

The move reflects SAB Invest's commitment to enabling clients to unlock incremental value from their existing equity holdings, while positioning them to benefit from yield-generating opportunities across international markets.

SAB Invest selected JPMorganChase as its partner, which distinguished itself through a combination of deep local market expertise, proven international capabilities, and a sophisticated technology infrastructure.

JPMorganChase's risk management framework was a critical consideration for SAB Invest given its fiduciary obligations to clients and the importance of protecting assets while maximising lending returns.

This capability launch supports the broader development of Saudi capital markets by introducing institutional-grade securities lending infrastructure to the domestic equity landscape.

As Saudi Arabia continues to attract global investor flows — driven by index inclusions, regulatory modernisation, and the transformational agenda of Vision 2030 — SAB Invest says its ability to offer liquidity enhancement tools and yield solutions positions the firm and its clients at the forefront of a maturing market ecosystem.

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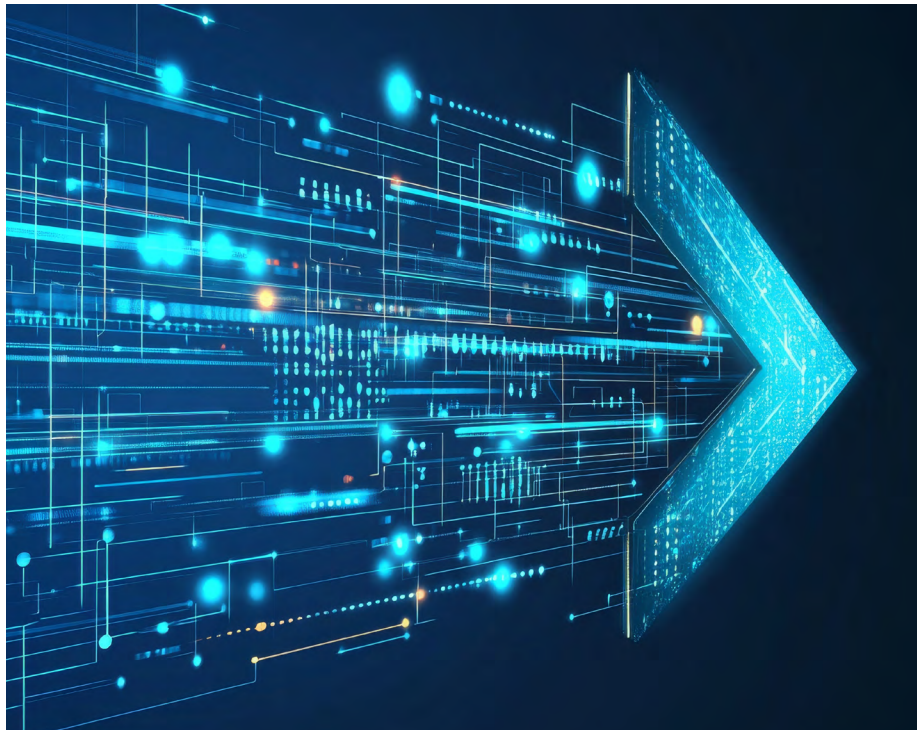
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Broadridge's DLR platform reaches US\$362bn ADV for May

Broadridge Financial Solutions' Distributed Ledger Repo (DLR) platform has processed US\$362 billion in average daily trade volumes for repo transactions during May, with volumes totalling US\$7.2 trillion.

The daily average is a 220 per cent increase year-on-year, underscoring the continued adoption of tokenised real-asset settlement and the growing role of distributed ledger technology as a scalable solution for capital markets.

Broadridge's DLR platform is an institutional platform for settling tokenised real assets.

Speaking about the increase, Horacio Barakat, global head of digital innovation at Broadridge, states: "The sustained growth of DLR reflects a broader shift toward modernising core market infrastructure with tokenised settlement.

"Institutions are increasingly looking for ways to improve liquidity efficiency and collateral mobility while maintaining operational simplicity.

"DLR is helping firms put tokenisation to work in day-to-day market activity, delivering measurable benefits on an institutional scale."

SAB Invest selects JPMorganChase as agent

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Majed AlQathtani, chief brokerage officer, SAB Invest, states: "[This] announcement marks an important strategic milestone for SAB Invest and, most importantly, for our clients.

"Securities lending is no longer a peripheral activity — it is a core component of a sophisticated portfolio management strategy, and it is one we are now positioned to deliver with institutional rigour."

He highlights a number of strengths SAB Invest sees in JPMorganChase, such as its local expertise, global reach, and rigorous risk management framework.

"Through this partnership, our clients can now generate yield from both their Saudi equity positions and their global portfolios," he continues.

"This is precisely the kind of initiative that reflects SAB Invest's ambition: to equip our clients with world-class tools whilst contributing to the deepening of the Kingdom's capital markets in alignment with Vision 2030."

Harpreet Bains, EMEA head of agency securities finance, JPMorganChase, comments: "We look forward to putting JPMorganChase's decades of global securities lending expertise, established

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local presence, and technology capabilities to work in support of SAB Invest's clients and its broader strategic ambitions for the platform."

Euronext and BNY collaborate to enhance collateral management

Euronext and BNY have collaborated to enhance the collateral management capabilities of Euronext Clearing across asset classes, notably for cleared repo.

By leveraging BNY's collateral infrastructure and US\$7.8 trillion liquidity pool, this collaboration enhances the collateral management capabilities of Euronext Clearing, enabling members to manage their cleared activity more efficiently, including margin and default fund contributions.

Euronext joins a growing number of central counterparties using BNY's collateral solutions to support efficient and scalable cleared market activity.

This initiative represents a key step in expanding Euronext's pan-European repo clearing offering, supporting clients with more efficient, flexible, and scalable collateral solutions as demand for cleared repo continues to grow across Europe.

Under this collaboration, BNY will act as a triparty agent, enabling enhanced collateral management capabilities for Euronext's members.

According to the firms, by combining BNY's Global Collateral Platform with clearing capabilities from Euronext Clearing, clients will have access to automated and flexible collateral solutions designed to improve operational efficiency, optimise margin and balance sheet usage, and enhance liquidity management.

As an independent third party, BNY's platform for managing collateral at scale will support the selection, valuation, and substitution of collateral, ensuring compliance with eligibility requirements while enabling efficient collateral optimisation.

Clients will be able to manage both cleared and uncleared exposures on a single integrated platform, providing greater transparency, control, operational consistency, and potential optimisation benefits across all their collateral activity.

The collaboration comes at a time of structural change in European repo markets, as participants are facing tighter balance sheet constraints, evolving regulatory expectations, and increasing demand for centrally-cleared solutions.

Euronext Clearing's value proposition now extends beyond Italian government bonds to a broader range of asset classes, enabling the onboarding of international banks and institutional clients.

Collaborating with BNY forms part of Euronext's broader Innovate for Growth 2027 strategy, aimed at strengthening

its post-trade franchise and delivering best-in-class clearing and collateral management solutions.

This collaboration also marks the expansion of Euronext's triparty collateral ecosystem, building on earlier integrations with triparty agents, and reinforcing Euronext Clearing as a scalable and flexible platform for collateral optimisation.

Camille Beudin, chief diversification officer, Euronext, states: "By enhancing our triparty collateral capabilities, we are enabling clients to manage collateral more efficiently, optimise capital usage, and access deeper liquidity pools.

"This is central to our strategy to build a more integrated, resilient, and competitive European market infrastructure."

Gesa Johannsen, executive platform owner for Global Collateral Platform, BNY, adds: "As the collateral industry increasingly adopts clearing solutions, we are excited to collaborate with Euronext Clearing, bringing our global expertise in designing capital-efficient, integrated repo clearing and collateral solutions to the European market.

"By connecting Euronext Clearing into BNY's US\$7.8 trillion Global Collateral platform, clients benefit from access to deep liquidity and can seamlessly optimise collateral across cleared and uncleared obligations on a single, integrated platform."



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BNP Paribas and BCC Risparmio & Previdenza form mandate

BNP Paribas' Securities Services business has formed a mandate with BCC Risparmio & Previdenza to provide an integrated suite of services covering €8 billion in assets under administration, including the Aureo open-ended pension fund and Italian-domiciled Undertakings for Collective Investment in Transferable Securities (UCITS) funds.

Under this mandate, Securities Services

at BNP Paribas provides BCC Risparmio & Previdenza with services including custody, fund accounting, transfer agency, middle office, and OTC collateral management, as well as depositary bank services.

The offerings also fit into BNP Paribas Group's integrated bank model, supporting SGR's operational needs from custody to administration, and to investment banking through a single point of contact.

BCC Risparmio & Previdenza, the asset management arm of the BCC Iccrea Group,

supports BNP Paribas in developing solutions in asset management and pension, and manages approximately €38 billion in assets.

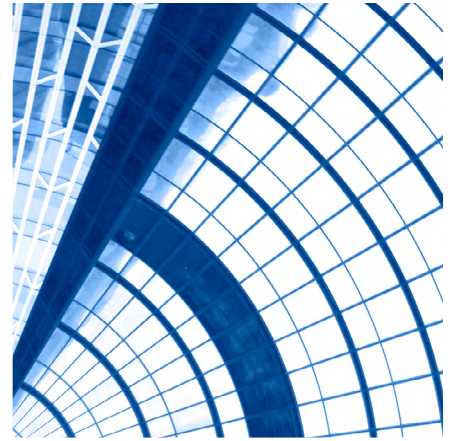
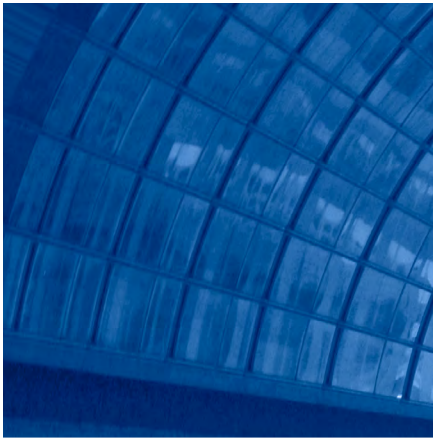
Andrea Cattaneo, head of Italy, Switzerland, and Iberia, Securities Services, BNP Paribas, comments: "We are pleased to support BCC Risparmio & Previdenza, a key partner in the Italian asset management landscape and the cooperative banking sector.

"This mandate is a testament to the confidence placed in our ability to tailor our



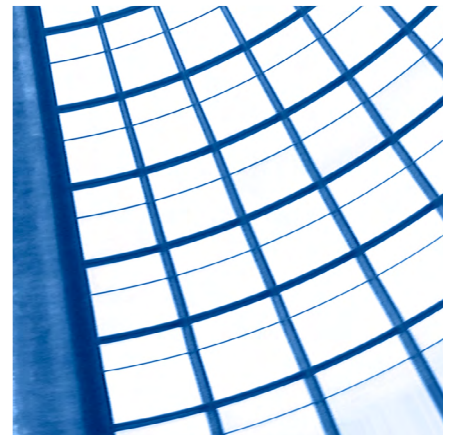
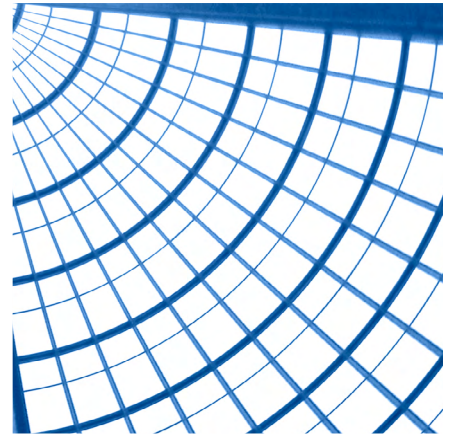
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Andrea Cecchini, CEO of BCC Risparmio & Previdenza, adds: “We are delighted to sign this agreement with BNP Paribas.

“Leveraging its leading position in Europe, global operating model, and regulatory expertise, its Securities Services team has enabled us to guarantee high service quality to our BCC customers and provides us with complete assistance for our non-Italian law solutions.

“This also marks a new step for us to advance the quality of our products and to answer the evolving needs of our customers.”

EquiLend and Credit Benchmark partner

EquiLend and Credit Benchmark have partnered to integrate Credit Benchmark’s consensus credit ratings into EquiLend’s Onboard+ platform.

The integration shows Credit Benchmark’s consensus rating for each fund, including the number of institutions contributing to that rating, alongside existing onboarding data fields.

The added context gives operations, credit, and front office users a clearer view of how the broader market rates a given fund — particularly for funds where official agency ratings are not available — and a reference point against which to evaluate internal ratings.

Simon Waddington, head of Post-Trade & Regulatory Solutions at EquiLend, says:

“Onboard+ is designed to make counterparty onboarding faster and more transparent for the securities finance industry and embedding Credit Benchmark’s consensus data is a natural extension of the platform.

“Our clients have asked for richer credit context within the platform, and this integration delivers it without adding workflow steps, helping to enhance their

RWA management and ability to prioritise specific funds.”

Credit Benchmark’s consensus ratings are derived from internal credit risk views contributed by leading global financial institutions, providing a market-wide perspective that is already used by many of the largest banks and asset managers.

By embedding that data into Onboard+, EquiLend clients can prioritise counterparty and fund onboarding decisions more efficiently and assess where their firm’s view sits relative to peers, all without leaving the platform.

Broadridge and Pirum connect platforms

Broadridge and Pirum have collaborated to connect Broadridge’s Securities Finance and Collateral Management (SFCM) platform with Pirum TradeConnect.

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According to the firms, the collaboration reflects a shared commitment to improve connectivity across the securities finance ecosystem and support clients with more efficient front-to-back workflows.

By aligning Broadridge's trading and connectivity capabilities with Pirum's Complete Connected Lifecycle infrastructure, the firms aim to support market participants in navigating evolving operational demands, including T+1 readiness, broader market access, and the need for greater efficiency across the transaction lifecycle.

The agreement also supports the firms' ambitions to help clients access new markets and broader pools of global liquidity, while strengthening the links between trading activity and post-trade processing.

Rob Frost, global head of business solutions at Pirum, states: "We are pleased to be working with Broadridge on this initiative. Connecting Pirum TradeConnect with Broadridge's SFCM platform is an important step in expanding industry connectivity and helping clients benefit from more streamlined and efficient workflows.

"As market participants look for greater automation, better access to liquidity, and stronger front-to-back integration, this collaboration reflects our shared focus on delivering practical solutions that support the evolving needs of the global securities finance market."

Tina Joshi, head of securities finance product solutions at Broadridge, adds: "Broadridge remains focused on building scalable, connected solutions that help clients respond to market structure change and increasing operational complexity.

"Working with Pirum supports our broader strategy of enhancing interoperability across the securities finance lifecycle and helping clients access more efficient workflows, stronger post-trade alignment, and opportunities in both established and developing markets."

Record ongoing notional at Wematch.live

Wematch.live's ongoing notional has reached a new record of US\$1.82 trillion in June 2026.

According to the firm, the milestone represents an 11 per cent growth month-on-month and a doubling of activity year-on-year (YoY), up 101 per cent.

The achievement reflects continued acceleration in trading activity across total return swaps, securities lending, and repo workflows, as market participants increasingly consolidate liquidity discovery, execution, and lifecycle management within a single connected ecosystem.

Growth was recorded across multiple regions and products during the month,

highlighting both the breadth of activity on the platform and the increasing connectivity of its global network.

This momentum is being driven by growing adoption among both existing and new participants, as firms are increasingly seeking more efficient access to liquidity, greater operational scalability, and enhanced workflow automation as they navigate rising market complexity, regulatory requirements, and cost pressures.

As a result, platform-based models that combine execution and lifecycle management within a single environment continue to gain traction.

The trend was particularly evident across Asia Pacific markets, where participants are increasingly leveraging Wematch.live to access global liquidity pools, standardise operational processes, and support cross-border financing activity within a regulated framework.

At the same time, North America delivered another month of strong growth, particularly within securities lending, supported by increasing client adoption, expanding inventory participation, and growing demand for automated post-trade workflows.

Underlying this growth is Wematch.live's globally-regulated framework, spanning its UK multilateral trading facility, US alternative trading systems, and broader international regulatory footprint. ■



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Moving from concept to reality

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From the Komainu perspective, how is the firm working to bridge the gap between traditional financial markets (such as SBL) and the digital asset ecosystem? What benefits can this unlock for your clients and the industry?

Komainu has been building institutional-grade digital asset infrastructure since 2018. What started as securing crypto assets quickly evolved into bringing utility to those assets while in custody, through collateral management and off-exchange settlement solutions. That infrastructure has become the foundation for bridging traditional and digital markets.

Traditional finance has always relied on trusted market infrastructure, custodians, central securities depositories, clearing houses, and prime brokers, to enable securities borrowing and lending (SBL), collateral management, and efficient capital allocation.

Digital assets have matured rapidly as an asset class, but the supporting infrastructure has often lagged behind institutional expectations around security, governance, regulatory compliance, and operational efficiency. Komainu's role is to bring the standards and disciplines of a traditional custodian into the digital asset ecosystem, while leveraging the advantages of distributed ledger technology (DLT).

This matters increasingly as financial assets become tokenised. As bonds, funds, and equities move on-chain, the distinction between traditional and digital markets begins to disappear.

Institutions will expect to use tokenised assets as collateral, lend and borrow against them, and settle in near real time. For institutions, this convergence unlocks real commercial opportunity. Capital can be deployed more efficiently, settlement risk is reduced, and assets that were previously illiquid or operationally siloed can be put to work within familiar financing and collateral frameworks.

It feels as if this move to ‘bridge the gap’ is continuously gaining momentum. Would you agree, and what governance frameworks are available for firms to achieve this?

It was only a matter of time before what was seen as the beta testing phase of using crypto to build the plumbing for a new financial infrastructure converged with traditional finance thinking. Over the last few years, we have seen a clear shift from firms asking whether they should engage with digital assets to asking how they can do so within their existing governance, risk, and regulatory frameworks.

Several factors are driving this momentum: the growth of tokenised onchain financial assets, increasing regulatory clarity in key jurisdictions, the success of institutional digital asset products, and demand for greater operational efficiency. At the same time, financial institutions are becoming more comfortable with the technology as market infrastructure continues to mature.

From a governance perspective, the good news is that institutions do not need to reinvent the wheel. The core principles that have underpinned traditional financial markets for decades remain highly relevant. Asset segregation, fiduciary oversight, risk management, operational resilience, and independent custody are just as important in digital assets as they are in traditional markets. These are exactly the principles Komainu was built on, and they remain the foundation of everything we do.

Komainu released its Collateral-as-a-Service offering, Komainu CORE, in April. Can you explore the significance of this for the securities finance market?

Komainu CORE is significant because it addresses one of the key challenges preventing digital assets from being fully integrated into institutional capital markets: the ability to use those assets efficiently and safely as collateral.

In traditional securities finance, collateral is the foundation of activity. Whether in SBL, repo, derivatives, or prime brokerage, market participants rely on high-quality collateral to manage counterparty risk and unlock liquidity. Historically, digital assets have sat outside these workflows, creating operational silos and reducing capital efficiency. Komainu CORE changes that by enabling digital assets to remain securely held in segregated, regulated custodial wallets while simultaneously being deployed as collateral. Institutions retain beneficial ownership and the governance standards they require, without sacrificing the economic utility of their assets.

It also lays the groundwork for the future of tokenised finance. As bonds, money market funds, and private assets become tokenised, institutions will increasingly expect to borrow, lend, finance, and settle against those assets in real time. Collateral infrastructure becomes the critical bridge between tokenisation and practical market adoption.

From your experience, how are you seeing digital assets change the collateral landscape?

Digital assets are fundamentally reshaping how institutions think about collateral, not just by introducing new asset types, but by changing the speed, mobility, and efficiency with which collateral can be managed.

We are moving from a world where collateral is relatively static to one where it can become far more dynamic and fluid. Near real-time

“Blockchain-based infrastructure is moving from concept to reality. We are approaching a point where it has the potential to fundamentally transform how financial markets operate”

Darren Jordan
Chief commercial officer
Komainu



atomic settlement, both single-chain and cross-chain, reduces counterparty credit exposure, lowers margin funding costs, and cuts failed settlements. A key development is the growing recognition that the quality of collateral is no longer defined solely by the underlying asset, but also by how quickly and efficiently it can be mobilised.

That said, challenges remain. Traditional securities finance is built on decades of legal precedent governing ownership rights, collateral arrangements, default management, and bankruptcy remoteness. While significant progress has been made, there is still work to do in ensuring digital assets can be pledged, transferred, and enforced across jurisdictions with the same legal certainty as traditional securities. The operational demands of 24/7 collateral mobility will also test many traditional players, requiring risk management, margin monitoring, and treasury functions to operate on a continuous basis.

Looking forward, what will be top of mind for Komainu over the coming 12 months?

Our focus over the next 12 months will be on helping institutions move from exploration to implementation. The conversation around digital assets has matured significantly, and we are increasingly seeing clients looking for practical ways to integrate digital assets and tokenised products into their existing operating models. In many cases, this involves education as much as technology. Business and operations teams need to be guided through the process, particularly around how digital assets can be incorporated into existing workflows.

Blockchain-based infrastructure is moving from concept to reality. We are approaching a point where it has the potential to fundamentally transform how financial markets operate, not unlike the transition from paper-based processes to electronic trading.

The next phase of market evolution will be driven by greater automation, transparency, and interoperability, and at Komainu, our focus is on building the trusted institutional infrastructure that enables that transition. ■



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Building scale in tokenised collateral

As tokenised collateral moves from proof-of-concept projects to production-scale deployments, questions around interoperability, regulation, and market infrastructure are becoming increasingly important. Tonic's Chris Watts, CEO and co-founder, and Steven Czarnota, head of digital, discuss the industry's progress with Zarah Choudhary

Tonic has evolved alongside the wider digital asset market in recent years. How has the company's strategy and business model changed as institutional adoption has matured?

Chris Watts: Tonic has always been underpinned by our expertise-led model and client centricity, enabling us to accelerate growth outcomes

for our clients. Historically we have been focused on a core set of connected domains, covering collateral, clearing, financing, broader post-trade, treasury, and risk.

Two years ago, we made it our mission to become the specialist bridge across TradeFi and DeFi ecosystems for our clients, underpinned by our deep understanding of both worlds. We are there to give speed

and the right direction to our clients' transition into DeFi, helping to future-proof their business model and growth. Today we are in a unique position to do just that.

With collateral mobility becoming the most significant use case the industry has coalesced around, as market leaders we were a natural first port of call for our clients looking at tokenised collateral. Knowing that was coming, we invested heavily in our internal digital asset education, confident that this would be a game-changing market shift, where our clients would lean on us for specialist support.

We have also seen a shift in our digital asset engagements over the last two years. 12–24 months ago, early digital collateral engagements were heavily weighted toward advisory work, often led by education, market landscaping, regulatory implications, strategy, and use case prioritisation, as clients focused mainly on early proof of concepts.

That focus has now shifted, as the industry steps into productionised and scalable solutions. As a result, we now find ourselves working with clients much more deeply across client strategy validation, business case definition, platform selection, target operating model design, and platform implementation.

Driven by our clients' needs, we have also organically expanded way beyond pure tokenisation and collateral into the wider digital asset agenda, spanning crypto, digitally native money market funds, and stablecoins.

Tonic has worked on a range of digital asset and collateral initiatives across the industry. Which projects or partnerships best reflect the role the firm is playing in today's digital asset ecosystem?

Watts: We are fortunate to sit alongside many of the industry's core service providers, including custodians, central securities depositories (CSDs), clearing houses, and dealer banks. Tonic is considered a trusted partner to our client base, who provide expertise-led support across our Advise, Transform, and Implement service modules.

We have to be careful about sharing specifics of client projects, but the common thread is helping them bridge between TradFi and DeFi ecosystems, with Tonic optimising their strategy and accelerating their transformation lifecycle, to drive commercial growth. We also often help bridge these firms to their end clients, whether through industry working groups or structured client interviews, to validate and prioritise their product roadmaps, so they can execute at speed.

One engagement that is public, and so can be shared, is our work with DTCC on their Collateral Appchain. We supported DTCC in bringing that product to life for their clients through a flagship industry event—the Great Collateral Experiment.

We also partner closely with a lot of the key players in the DeFi ecosystem, whether distributed ledger technology (DLT) platforms, interoperability applications, stablecoin, and crypto firms. Here we offer high value to our clients by helping accelerate important partner selection decisions.

Something Tonic can offer any firm is a free digital asset infoshare session. Here we informally walk through key market trends and insights, so companies have the understanding to make key early digital asset decisions.

Collateral management has emerged as one of the strongest tokenisation use cases in capital markets. Why has this area gained so much traction compared to other tokenised asset classes?

Steven Czarnota: Industry research has done a lot to bring this to life recently. Firms have repeatedly evidenced significant savings tied to being overfunded across fragmented collateral venues, in some cases by as much as 25 per cent. That makes it an easy use case for the market to rally around, because the business case is unambiguous.

Funding and optimisation algorithms can have limited impact, due to constraints across the underlying TradFi pipes that move collateral today. Removing those frictions via DeFi solutions also opens up a wide set of sub-use cases, including mobilising new collateral types

such as gold and money market funds, removing the double funding of substitutions, and enabling intraday collateral for real-time financing and central counterparty (CCP) collateral.

A large part of our advisory work with clients is identifying where, across that set, the greatest economic benefit sits for their specific book.

How closely connected is tokenised collateral to other developing areas such as digital money market funds, tokenised cash, and onchain liquidity solutions?

Czarnota: The core value proposition of tokenisation is asset mobility and liquidity, and the reason you move an asset is either a cash trade or to post as collateral. So when any asset becomes mobile on DLT, collateral immediately comes into the picture.

A related prerequisite to building volume scale for digital collateral, is ensuring that both securities and cash movements are digitised within the same operating model. For example, if you have a tokenised bond used in a repo transaction, you need a cash leg, which means you also need to think about what that tokenised cash leg looks like.

At that point the risk profile of a tokenised deposit versus a stablecoin becomes a first-order question. Similarly, as soon as a money market

fund is tokenised, it is mobile and can be used for financing or posted against derivatives exposures.

Where is the market for tokenised collateral today in terms of adoption, transaction volumes, and real-world client demand? Which use cases are seeing the most momentum?

Czarnota: There is meaningful volume flowing today, and solutions such as Broadridge, HQLA^x, and Kinexys have been in the market for some time. Most of the use cases that have reached scale to-date have focused on solving intraday liquidity needs, through real-time repo products. While hundreds of billions are flowing through these platforms each day, the broader, cross-product collateral market sits at around US\$39 trillion, so tokenised collateral still represents only a small share of the total. Repo accounts for the bulk of that market, so it makes sense for the industry to have concentrated there, where the balances make the business case self-evident.

That said, the use case set is widening. Regulatory tailwinds mean firms are now comfortable operating in the uncleared space, and clearing houses themselves are beginning to accept tokenised forms of collateral.

Despite growing interest, large-scale adoption has

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Tokenization, Digital Cash, Cryptoasset & AI Solutions

Onboarding

Client AML, Onboarding & Legal Solutions

RegFlex

Holistic regulatory expertise across financial markets, both TradFi & DeFi

remained relatively gradual. What do you see as the biggest barriers to scaling tokenised collateral volumes across the industry?

Czarnota: Legal and regulatory status has historically been a drag on design and delivery timelines, although most firms have now secured the legal confirmation that representing their own books and records on a DLT network is technology neutral.

The challenge is that digital collateral uptake has often played out so far within walled gardens and private DLT networks, which has held back critical mass. Critical mass is the single most important factor for tokenised collateral, because the value only materialises when firms can reuse their assets across their breadth of counterparties and venues.

That makes interoperability the real enabler, and it is where the industry has the most work to do. Today there are 70+ known DLT platforms in the financial markets, meaning that in the rush to build suitable DeFi solutions we have managed to re-create silos that risk acting as a blocker to scale.

Fortunately, specialist interoperability vendors are now acting as the glue that connects these platforms to create a single, unified, collateral mobilisation network.

People and culture can also be considered a potential barrier to growth here. DLT and digital collateral solutions are being productionised right now and are becoming ready for mass usage. However, inertia, education, and lack of strategy can be blockers across some segments of the market. Some parallels here to the relatively slow speed of AI roll-out across financial markets.

Looking ahead over the next two to three years, what developments do you think will be most important in accelerating adoption, whether through regulation, shorter settlement cycles, or increased market infrastructure interoperability?

Czarnota: Interoperability will be the single biggest accelerant over

the next two to three years. Firms are solving the connectivity problem in different ways, whether by connecting into common Layer 1s, wrapping tokens, or enabling direct integration between DLT networks. As these approaches mature, they unlock the cross-network reuse of collateral that drives genuine scale.

Regulatory clarity is the second major tailwind. We are moving beyond DLT as a record-keeping layer toward truly digitally native assets, with the European Central Bank now accepting digitally native debt and US regulators encouraging CCPs to accept stablecoins and crypto with reasonable haircuts.

Shorter settlement cycles, demand for 24/7 trading and the continued build-out of market infrastructure will reinforce this trajectory, but interoperability and critical mass are the two factors most likely to move the dial on adoption.

As firms begin shaping their long-term digital collateral strategies, what key decisions are they currently facing, and what practical steps should institutions be taking now to prepare for this transition?

Czarnota: Firms sit at very different points on this journey. Some technology providers have been active in the market for years, but because this part of the industry moves quickly, they are continually evolving their services in pursuit of scale. A number of these firms built on infrastructure that is no longer current, and are now making important decisions about what will give them durable scale going forwards.

Firms newer to the market are focused on accelerated education. This is often followed by which use cases will allow them to enter the game and start catching up with their peers as well as which solution providers they want to partner with.

What is becoming clear across both groups is that the industry is moving toward a network of networks. The conclusion most firms reach, regardless of where they started, is that their target state needs to be clear and multichain. ■



Preparing the Canadian market

Reviewing the Canadian Securities Lending Association 2026 conference in Toronto, Hansa Tote uncovers market themes, trends, and projections discussed by industry participants

It wasn't just the Toronto Blue Jays beating the Miami Marlins in baseball that set Toronto abuzz on 27 May 2026, as industry experts gathered for the 16th annual Canadian Securities Lending Association (CASLA) conference.

Associations update

Kicking off the conference on Canadian securities lending, panellists gathered to provide updates from their associations, and look to the year ahead.

Looking back over the past 12 months, Fran Garritt, CEO of International Securities Lending Association (ISLA) Americas, noted that much of their recent work has been on regulatory change and the move into implementation.

He highlighted that they have worked with members of the association and regulators to get the implementation deadline of the US Securities and Exchange Commission's (SEC's) 10c-1a pushed out, and they are beginning to work with members to advocate for certain points within 10c-1.

One other key focus he detailed was on operational resiliency, lending itself to a discussion around cyber risk, interoperability, and, at a high level, ensuring that securities lending markets continue to function in a safe and transparent way.

Garritt stated that the association is also spending an increasing amount of time helping members to navigate market fragmentation within the US, but also across markets such as Brazil and Mexico.

Daniel Austin, head of US markets policy and regulation at the Alternative Investment Management Association (AIMA), commented that over the last 10 months, AIMA has been engaging heavily with the SEC on modernising SEC Rule 105 to make it more fit for purpose to reflect the dramatic growth in overnight and one-day secondary offerings. He explained that an updated Rule will further the SEC's goal of facilitating capital formation.

Ina Budh-Raja, CEO of ISLA, explained that the association is operating through four key execution pillars: advocacy and regulatory strategy, legal services, market structure and digital, and events and communications. It is through these pillars that the association is focused on delivering member value.

In relation to advocacy initiatives generally, ISLA has been working to address regulatory change impacting the securities finance industry. A part of the association's role is to advocate for regulation that is proportionate, promotes growth and liquidity, while also preventing inadvertent negative consequences.

She highlighted the significant, current focus on capital efficiency, particularly in the light of the US Basel repropoals, as well as recent progress in the market in developing capital efficiency tools, for example, the central counterparty (CCP) model.

Budh-Raja stated that, from a public policy perspective, the focus on jurisdictional growth and innovation is a key driver for policymakers, which may lead to cross-regional fragmentation, driven by local competitiveness agendas.

Regarding the growth in retail lending, particularly through neobrokers, she noted that ISLA is engaged with this sector and is working on developing best practice guidance to encourage this growth sector to adopt established frameworks and standards, to ensure regulatory expectations are met, such as in relation to regulatory treatment of underlying retail clients, asset safety, and transparency on costs and charges.

Shifting the discussion to the future, Garritt noted that in January 2026, he had four overarching goals, one being advocacy. He said that ISLA Americas is currently in the middle of responding to Basel III Endgame, with the hope that the Federal Reserve will provide clarity on bankruptcy remote protection (referred to as pledge).

The second goal was to focus on developing markets, with working groups focused on Brazil, Mexico, and the Nuam market including Chile, Colombia, and Peru.

Brazil is currently the most active market, Garritt said, and he hopes that by the end of the year, the association will receive further clarity regarding how the market is going to open, especially as the country seeks to move to T+1 in 2028; meaning that having a functioning securities lending market will be helpful.

The third goal for the year is continuing to bring the industry together through events and working groups.

Fourth and finally, he aims to create further alignment with ISLA in creating a global brand and offering, to ensure member firms are seeing the value of the association.

Discussing the year ahead, Budh-Raja spoke about the current regulatory change agenda in Europe, stating their association is advocating for harmonisation, particularly on the beneficial owner and tax side across the region, where there is fragmentation across 27 states. She also mentioned active advocacy for recognition of pledged collateral arrangements for Undertakings for Collective Investment in Transferable Securities (UCITS).

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She highlighted the move to T+1 for the UK and Europe in 2027 and the consensus-driven best practice being developed continuously by ISLA in collaboration with the market, which the market can now begin to use when looking at implementation and testing.

Further, she emphasised the benefits of the collaborative relationship between ISLA and CASLA, highlighting areas of advocacy, training and events, where partnership with peer associations have been extremely effective. She also reiterated that the ambition of ISLA when establishing its affiliate entity, ISLA Americas, in 2024, was to strengthen the advocacy voice for the industry, by building a local presence regionally.

Moving the conversation to regulation, Austin noted AIMA's challenge to the SEC's 2023 rules on securities lending and short selling.

Last August, the US Court of Appeals for the Fifth Circuit remanded the rules to the SEC, directing it to consider and quantify the cumulative economic impact of the rules, holding that the Commission failed to consider the economic impact the short sale rule would have on the securities lending rule when they were promulgated in tandem and adopted concurrently on the same day. Despite this direction from the court, the Commission has not produced the economic analysis.

According to Austin, the association's primary concern with the securities lending rule is that because of the granular, loan-by-loan reporting framework, there is a heightened risk that sensitive position or flow information will leak into the market and cause commercial harm.

Tokenisation's future in securities finance

During this panel, experts gathered to discuss the role of tokenisation in the securities finance market and beyond.

The speakers — Will Babcock, director of structured products, banking, at Cantor Fitzgerald, Cale Newhouse, product manager at BNY, Fabrice Tomenko, head of digital trust at Clearstream, and Robert Cousart,

US head of product and platform, cash management at BlackRock — delved into the real-world applications of tokenisation.

The session — moderated by Claire Van Wyk-Allan, director of business development, prime brokerage at TD Securities — offered the audience insight into how tokenisation has transitioned from concept to practical infrastructure for institutional markets.

Tokenisation, in essence, is the modernisation of the operational rails behind the assets, and within the discussion, the panellists set out to answer a simple but multi-faceted question: why does it matter?

For Babcock, a key benefit of tokenisation is connecting onchain liquidity with yield-bearing structured and fixed income products, utilising DeFi as more efficient funding for credit. The majority of stablecoins, he said, are “zero per cent yield-bearing, and if you look on the traditional finance side of the world, that doesn't really happen”.

Tomenko shares this perspective. He underscored the significance of risk and inefficiency in cross-border securities lending and collateral, viewing tokenisation as a mechanism to “solve these problems” through its ability to “represent the ownership of securities on a platform which can change its ownership 24/7”. Significantly, he added that tokenisation has the potential to alleviate exposure during cross-border swaps and tight intraday margining.

Cousart, in keeping with his area of expertise, views tokenisation through the lens of cash management and corporate payments. Corporations are moving money around within a plethora of different sub-accounts, which he describes as a “manual process” involving “lots of reconciliation”. Distributed ledger technology (DLT), and the assets that it enables — specifically stablecoins — have the potential to automate time-consuming processes and improve efficiency.

He also sheds light on the uptake in the number of firms bringing public funds to market and utilising tokenisation technology — including BlackRock, J.P. Morgan, Fidelity, WisdomTree, and Franklin Templeton — implying that the industry recognises its potential value.

24/7 Settlement and tokenisation, said Newhouse, may improve the extreme settlement concentration that occurs within the “first 30 minutes of a trading day” in US Treasuries. He believes that both TradFi and DeFi interoperability enhancements are needed to achieve genuine always-on markets, and that tokenised assets are “particularly well suited” for this fundamental upgrade. The relatively small US Treasury settlement window of today forces decision-makers to plan the next 24 hours — “a long time” in today’s financial markets.

This concentrated settlement forces banks into a position where they must pre-fund cash and, in essence, hold it on their balance sheets. An incremental improvement in efficiency, driven by tokenisation, would act as a net benefit to institutions operating within these windows.

The emergence and evolution of onchain markets have fostered an open-source lending environment that is more capital efficient than its TradFi counterpart. Babcock highlights the fact that a BBB-rated security can be bought and potentially pledged to DeFi lending protocols — such as Aave — effectively repo financing onchain.

The combination of programmable liquidation and deep onchain liquidity has changed investors’ perception of collateral risk when compared to some traditional assets.

Cousart sees smart contracts as a “walled garden” where tokens can “only be sent to certain digital wallets that are onboarded to that product”. The limited movement of tokens presents itself as a compelling factor for institutional buyers and fund boards evaluating the tokenised shared class.

As is the way with emerging technologies, tokenisation’s first great hurdle is education. Cousart highlights the importance of having leadership teams on board with what is being done with tokenisation, ensuring that the technology is understood before initiatives are launched. “You can’t just start developing the technology without answering to someone,” he said.

Babcock shared this sentiment, adding that people on the DeFi side of things do not always share the same kind of level of expertise as someone from a TradFi-native firm, particularly when it comes to bespoke financial products. With the infrastructure and underwriting differing between the two, and the challenges stemming from that discrepancy, education becomes a key facet in advancing the scope of the technology.

“Not only do different DLT platforms have to be compatible with one another, but they must also function in tandem with legacy infrastructure to avoid siloed, fragmented liquidity”

The adoption of tokenisation is subject to the scrutiny of product acceptance and implementation processes. Tomenko highlighted that for tokenisation to be onboarded within a firm, it must go through risk, legal, technical, cybersecurity, and operational teams, which “can take a couple of months to two years”. He shed light on the fact that, when firms bring in operational teams later in the approval cycle, the time frame for scalability becomes much longer.

Tomenko warned that the disparity between supply and demand volume — with “many more early adopters on the demand side” — does not allow tokenisation to transition from its de facto pilot phase, and firms do not benefit from the full scale of efficiency, risk, and speed that they were anticipating.

Interoperability acting as a blockade to the widespread adoption of tokenisation was a shared sentiment among the panel. Not only do different DLT platforms have to be compatible with one another, but

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they must also function in tandem with legacy infrastructure to avoid siloed, fragmented liquidity.

The emergence of tokenisation presents an opportunity to take advantage of its theoretical benefits through regional regulatory frameworks.

The US, through its GENIUS Act, intends to solidify its position as market leader by providing onchain cash with the necessary legal clarity and providing it with its own regulatory classification, ensuring institutions are not violating securities laws. It has also explicitly permitted banks to issue tokenised deposits and circumnavigate the operational limitations associated with a regular deposit.

The UK, meanwhile, has been testing use cases for digital gilts through its pilot programme and has a clear roadmap for tokenised assets and the adoption of digital technology. The unified thinking between the Bank of England, Financial Conduct Authority, and Prudential Regulatory Authority presents itself as a compelling reason to select the region as a hub for future tokenisation projects, quelling fears of fragmented regulatory policy.

Conversely, the EU has taken a different approach to tokenisation, in that, unlike the US, it has chosen to regulate first, innovate later. Who can use the assets, how they are qualified, and who can issue them are all points that it views as necessary to establish before proceeding. This, in the view of the panellists, places the EU behind the US, allowing US dollar-pegged stablecoins to assert themselves as a dominant market force.

However, the European Central Bank's central bank digital currency (CBDC) use case experiments have positioned it to benefit from the technology's advantageous avenues, such as sharper intraday liquidity control and lower systemic risk, by processing repo transactions within the day using CBDCs as the cash leg, and tokenised securities on the other side.

For APAC, each country has its own distinct regulations, with Hong

Kong and Singapore providing the greatest legal clarity. The lack of a general consensus means it functions as a double-edged sword: asset managers maintain reservations about expanding into the region due to the regulatory inconsistency, while simultaneously acknowledging the beneficial ability to experiment with tokenisation on a nation-to-nation basis.

Canada has seen the Canadian Securities Administrators approach tokenisation in a similar manner to its existing securities regulation, noted Van Wyk-Allan. Classifications of many crypto or tokenised assets are the same as their securities or derivatives counterparts, with normal securities-law levers often applied surrounding custody, client asset segregation, and risk management.

Alongside this, the Office of the Superintendent of Financial Institutions has consulted on how banks and insurers need to be treating crypto and tokenised exposures on their balance sheets, with the Bank of Canada working towards a more formal regulatory regime for Canadian-dollar-pegged stablecoins. When combined, this is an attractive package for securities finance teams looking to experiment with tokenisation on rails and a regulatory territory that is broadly familiar to them.

In the near future, the panellists anticipate tokenisation to move away from the proof of concept phase, and into one of real-world application and integration. They predict that, for the foreseeable future, tokenised assets will live "side by side" with TradFi assets and technology, along with an increase in use cases stemming from the support of central banks and governments in promoting the usage of CBDCs.

The aforementioned increase in education is, in theory, going to lead to an evolution of the payments ecosystem. As leadership teams and executives learn what the technology has to offer, the scale of application will increase. The stablecoin market, for example, currently valued at approximately US\$300 billion, did not exist just a few years ago, and is projected to reach US\$2 trillion in the coming four years, according to certain studies noted by

Cousart — demonstrating the potential for widespread adoption and promising returns.

Ultimately, the discussion at CASLA suggests that tokenisation's future in securities finance will be defined by the rewiring of market infrastructure, away from the constraints of frantic 30-minute settlement windows, the atomic movement of collateral, coexisting TradFi and DeFi cash fund shares, and characterised by a regulatory shift.

Yet the panellists were fundamentally clear: without the less glamorous, but necessary, work of education, governance, interoperability, and consistent, clear legal frameworks, the scale they anticipate can not be facilitated.

North American repo

In this session, panellists looked towards the North American repo market, examining the US's shift towards mandatory clearing, and what it means for market participants, in addition to discussing the implications of Canada's market structure, documentation, fail fee regulations, and how they compare to and/or complement the US.

Panel moderator Shane Parks, director of securities finance business development at BNY, set the agenda, highlighting that the North American repo market serves as one of the foundational elements of the broader financial market infrastructure and continues to evolve. This evolution includes helping to enhance efficiency, balance sheet and collateral optimisation, market structure, resiliency, and risk intermediation.

Parks also noted there is no shortage of change to discuss in Canada, with firms seeing the development of triparty infrastructure and market modernisation. "A lot of attention is increasingly focused on the SEC Treasury clearing mandate, and together, these developments are reshaping how market participants are thinking about access, liquidity, resilience, and the future structure of the repo market in North America," he explained.

Moving the discussion on to contextualise the Canadian market, Danny Auger, advisor, markets committees and initiatives at the Bank of Canada, told the audience that on a typical day, there are between CA\$100 billion (US\$70 billion) and CA\$130 billion repo transactions in Canada — twice as large as it was five years ago. As well as this, attendees heard that the Canadian Overnight Repo Rate Average (CORRA) benchmark prior to T+1 was settling with volumes around CA\$15 billion on average, which has now shifted closer to CA\$35–40 billion on a daily basis.

Ryan Singh, director, collateral management and funding at Scotiabank, began to discuss the Canadian Collateral Management Service (CCMS) and Canadian triparty, stating that numerous people have tried to come to market with a triparty solution in Canada over the last few years.

"The evolution of triparty within the market has been a "book changer", he said, especially now CCMS is integrating with e-trading platforms. "It is a one-click solution that lets you trade and drive on." Broad adoption of CCMS could provide a significant lift in liquidity and collateral optimisation, especially once it is able to tap into liquidity that is typically not available or deployed in the repo market and as it grows to provide liquidity versus expanded collateral baskets.

Furthering the conversation to the Canadian Derivatives Clearing Corporation (CDCC), one panellist said that to attract broader adoption, it would take two major developments. Firstly, it would be regulatorily driven, similar to US mandatory clearing, driving more standardisation across both cash trading and the repo market.

Secondly, there is a market-driven aspect, as balance sheet and capital continue to be constraining factors to global financial institutions, they highlighted. "Naturally, there will be more activities being pointed to clearing," they noted.

With the Bank of Canada intending to join the CDCC in the future, there will be more supply of liquidity into the CDCC, meaning there will be demand for that income balance sheet, while also having

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the supply for additional repo transactions, such as overnight repo operations from the Bank of Canada, they added.

Moving the discussion to liquidity, one speaker answered the question: is there sufficient liquidity in the Canadian repo market?

Audiences heard that, in the speaker's opinion, there is sufficient liquidity in the market, however, that does not mean that pricing will not widen out during pockets of pressure on balance sheets, something that is a function of a healthy repo market, to see price discrepancies during periods where there is more demand for liquidity.

The panellist noted that the market has gone through several years of quantitative tightening, and that has removed some structural liquidity that was injected during Covid from the system, and there are other policy tools that have been employed, such as the overnight repo operations, which provide temporary liquidity to the system, and that has helped the market digest and navigate what the appropriate methods.

Moving on to talk about fail-fee regulations and how they shape behaviour in the Canadian market, Singh noted that Canada is entering a trial period for fail fees, with the banks in consultation with Canadian Depository for Securities (CDS), it will start tracking fails within the system, generating reports, with participants then having to reconcile said reports with their own internal reporting. "This means there is a lot of infrastructure to be built around the conceptual idea of fail fees in Canada as this is an insurance policy — there is no market driver to not settle trades," with Singh describing them as "only a needed incentive to settle trades in ultra-low rate environments".

He added that the market is a way away from changing dealer behaviour, however in the next year, there will be a lot more data among the participants. "The trial is going to go on for 18 months, and there is going to be a lot of feedback and pushback, however it will be illuminating for firms that do not actively track their fail fees and what it would amount to as a credit or debit, monthly and even daily accumulation."

The US market is over US\$10 trillion, predominantly composed of government bonds traded through various clearing and settlement mechanisms and collateral management agents, according to Travis Keltner, global head of secured financing at State Street. He noted that, organically, the market has recently grown by around 40 to 50 per cent of that, if not more.

Referencing former SEC Chair Gary Gensler, Keltner describes the mandate as a "mechanism for transparency and resiliency" before saying there is a view it could create liquidity considering the new clearing access models launched. Despite the change in SEC commissioners, the mandate has held strong, rooted in a growing and sizable market that has evolved to promote liquidity through balance sheet benefits, notably leverage and capital, the audience heard.

"We are now on a path where the stake has been set, and now we are on this path to compliance, and it seems like there is no reversing course, at worst, maybe soften it to a degree, but I think it is largely going to stick," Keltner finished.

One speaker stated that the biggest hurdle with the mandate is time, highlighting there is a lot of work to be done before its implementation. They noted that a big challenge they face is the non-standardisation of legal documents, and so the Securities Industry and Financial Markets Association (SIFMA) at the end of 2024 released their master clearing agreement, which took a long time for buy side participants and banks to review and make their selections.

The panellist noted that what was found in practice is that not all market participants want to go the SIFMA route, meaning there are still a number of bespoke annexes in the market that people are trying to negotiate, which takes a lot of time for legal departments to compare and contrast between.

They detailed another challenge as being the fact there are unique risk factors that buy side participants care about that others might not care about. Because of this, there have been a lot of negotiation points

between banks that may not have had the terms before. It was added that, on the plus side, there have been a number of organisations negotiating with different banks, with some of the terms becoming more standardised, meaning that, going forward, transactions will move much faster.

Concluding the panel, Park asked how market participants should ready themselves for the next phase of North American repo.

The answer is technology, according to Singh, who noted that Canada has often lagged behind its US peers in directing limited financial resources to innovation and upgrading legacy platforms.

Keltner stated that participants need to ensure they are positioned for compliance with the US mandate, while Auger commented that participants need to navigate the market to get to a position that they can provide their clients with an optimal service.

Equity focused panel

This panel, titled “Hot Takes’ Spur Conversation on the Future of Equity Lending’ covered the future of equity lending, underscoring key trends.

Discussing the current focus of the Canadian equity finance market, Mitch Bisnett, assistant vice president at State Street stated that, from a lender’s perspective, the current focus is on efficiency and collateral optimisation.

He highlighted: “Canada continues to be a reliable source of revenue and funding, but lacks the deep specials in the market like the US and UK. The market remains event-driven, such as corporate actions, index trading, and deal names.

“One of the things driving the deal names is the consolidation in the energy and material sector due to historical high commodity prices, mutual funds, pension funds, sovereign wealth funds, which all continue to be reliable sources of supply, meaning they remain the

main driver in the market is definitely the highly liquid market, and turning that inventory into balance sheet optimisation.”

Alexa Lemstra, director, account management at EquiLend, provided a data perspective, explaining that for the Canadian equities market, Q1 2026 revenues are up nine per cent year-over-year, something she notes is low compared to global trends, which are at around a 35 per cent revenue increase. She explained that the factors affecting Canadian revenue rankings include the decline in Canadian special markets, South Korea removing its short selling ban, and the war in Iran impacting global prices for companies in the energy sector.

From a broker’s point of view, Nicholas Murphy, associate director at National Bank Financial, said that balance sheets are always top of mind, noting that when balance sheet becomes constrained, collateral choice can determine whether a trade takes place. He also highlighted that there is an effort to use AI to drive productivity, improve efficiency, transform workflows, and to build new capabilities. Murphy furthered this point, saying that only a year ago, National Bank Financial was hardly using agentic coders, whereas now they are employing it much more frequently, describing it as “exponentially increasing capabilities”.

Shifting the focus to equity as collateral, Murphy said that for him, it is really about using equities to help manage balance sheet, especially when cash or high-quality liquid assets (HQLAs) becomes constrained. “I think the part that gets underestimated is the operational component. You cannot simply say we accept equity as collateral, you need infrastructure behind it, so you need well-defined eligibility schedules, standardised basket workflows, and the ability to adjust when the market moves.”

Bisnett explained that equity for equity is not a new concept, and lenders and brokers are very comfortable with using it where it is permitted. He notes that 15c-3 has shined a spotlight on it, as it allows brokers to pledge out of the US entities equity for equity, something he does not consider to be a massive structural shift in the market, as brokers have already been optimising their books globally.

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Lemstra began to discuss the role fully paid lending (FPL) plays in reshaping the market, noting that it first emerged in late 2015 to 2020, with a meaningful increase in its acceleration in recent years. “In March 2026, CIRO published their recommendations and guidance on fully paid lending and the regulation around that, meaning there is a much more codified and established regulation for Canadian fully paid assets, which I think will help to mature the industry.”

Murphy agreed that FPL is reshaping the Canadian market, despite being early in the process. He stated that, historically, securities lending in Canada relied on a concentrated supply source, but FPL is beginning to take a real step in expanding that supply base. “From my perspective, that is what is starting to reshape the market. It is still very name specific, but we are starting to see supply come from places it did not in the past.”

Looking towards where the industry is headed, Lemstra predicted a higher level of automation, as well as continued technological investment, as there will need to be infrastructure to handle modern applications. She also suggested that digital solutions such as DLT will become rife.

Bisnett agreed that automation is the future, stating it will become more responsive regarding intraday trading, however he does not see market dynamics shifting.

Concluding the panel, Murphy noted that AI will improve and usage will become increasingly prevalent, stating that the core business model will not change, but the way firms execute trades will. He predicts that the big shift will be tighter integration between analytics and execution. Instead of having insights on one system that act elsewhere, things will become more interconnected.

AI — from hype to workflow

The penultimate panel discussed the practical usage of AI on securities finance, with a focus on generative AI, machine learning, and genetic tools. Speakers also addressed the

challenges new technology poses, as well as the importance of efficient AI applications.

Charles Engle, executive director, product innovation at J.P. Morgan, began by providing the audience with a definitional foundation of AI. “AI has meant so many things over the past few years — it is such a catch-all term,” he highlighted, before underscoring that the securities finance industry uses AI with a defined set of rules.

He noted the evolution of AI, saying: “Nowadays, it is not just about having a task, or picking up text or an email, but also picking up data from contracts, and we had to consider how to pull that data and how to implement machine learning into it.”

According to Engle, generative and agentic AI is where data is transforming, and users should ensure they have guardrails as an authentication later to keep their AI in control.

Furthering the discussion on the evolution of AI tools, Sivaskanthan Jegatheswaran, director, Global Securities Finance at National Bank of Canada Capital Markets, said today’s leading frontier models, including Gemini, Claude, and ChatGPT, are increasingly capable across a broad range of tasks, particularly in software development.

However, he argued that the real value lies less in the underlying model than in the application layer through which it is deployed, notably the data it can access, the permissions it is granted, and the domain expertise embedded within it. Jegatheswaran added that as AI adoption accelerates within organisations, firms will increasingly develop, customise and fine-tune tools that align closely with their workflows and strategic priorities.

Panel moderator Nick Delikaris, chief product officer at EquiLend, mentioned that as recently as six months ago, the industry was discussing AI use cases that were still either prototypes, in their testing phases, or cursory back office functions. He posed the question: what was the catalyst behind the evolution?

Nathaniel Lindsay, vice president, head of electronic trading, agency securities lending, State Street, responded: “A significant portion of automated decision-making in securities finance today is still driven by symbolic AI, such as rule-based systems, that mimic human intelligence by executing rigid ‘If-Then’ statements. However, we have seen increased use of predictive AI, including machine learning, across trading desks in the past five years and more recently, generative AI. Importantly, predictive AI is being deployed alongside, rather than in place, of interpretable rule-based systems and statistical pricing models.”

According to Lindsay, the confluence of relatively straightforward statistical modelling and rule-based logic with predictive AI provides explainability and mathematical rigor while incorporating forward-looking views into pricing and inventory management strategies.

Lindsay emphasised the “explosion” of generative AI. “If we look at the last 12 to 18 months, generative AI has been deployed across a majority of the world’s largest enterprises – but the dispersion of capabilities is still quite high.

“At the lowest tier, a firm may have an internally-built chatbot adapted from a pre-trained and relatively less powerful open weight model, whereas the more sophisticated end of the spectrum is deploying Anthropic’s Claude, OpenAI’s ChatGPT, or other frontier models within their organisations. I believe that most firms are somewhere in the middle, using Microsoft Copilot or similar products to help accelerate productivity.”

He added: “There is a common misconception that companies can simply deploy generative AI into an organisation and expect immediate, meaningful productivity gains. While this is somewhat true for programming-heavy roles, the reality is different for the rest of the workforce. Generative AI is a productivity enabler, but without deliberately reinventing roles and operating models to harness its potential, enterprise-wide transformation remains elusive. This is the truly difficult part that the world’s institutions are sorting through.”

Shifting the conversation to the benefits of AI, Engle emphasised the productivity and workflow aspect, noting that a number of institutions have rolled out their own tools to help employees do their jobs more quickly and efficiently. The audience heard that it is being further integrated, with firms looking to make it a part of their businesses. He noted that he has been focusing on AI in his role, looking at collateral eligibility, and how to translate a set of terms in a system or contract into the core collateral management system without having to understand or interpret a system to use it.

“We are just scratching the surface on this now, and it is going to get even more exciting.”

At State Street, Lindsay noted that the organisation has seen success with GitHub Copilot in terms of increasing the productivity of technical staff such as software engineers and quants, while Databricks Genie has been a useful tool for less technical employees to interact with data.

He also highlighted the strong partnership between Agency Lending and State Street Associates, the academic research division of State Street Markets. The Electronic Trading team — embedded within Agency Lending Trading — gains access to leading academic institutions such as Harvard and MIT, while collaborating with State Street Associates’ AI and Trading Analytics team to design and implement predictive models for securities lending demand, short squeezes, and more — “bringing theory to practice”.

Concluding the panel by discussing the challenges AI poses, Lindsay raised the issue of cybersecurity and how much access organisations, especially regulated banks, can give to their internal tooling, APIs, workflows, and knowledge databases. “Those are the aspects that are going to unlock the intelligence of AI, but I have not seen a plan for any organisation regarding how to deal with the cybersecurity issue. That is a bottleneck that needs to be addressed.”

Engle noted that training new talent in the industry is made harder through the introduction of AI, as many junior tasks are given to AI. He also emphasised the issue of data security and ensuring there are no breaches. ■



The weapon that never fires

In the fifth instalment of this ongoing series, Cyril Louchtchay de Fleurian, head of securities finance and balance sheet strategy at Capteo: Strategy & Management Consulting, looks at repo, collateral, and the chokepoints nobody put on the risk committee agenda

Liquidity is execution. Execution is resilience. And resilience, it turns out, is now a chokepoint — owned, gated, and deliberately opaque.

Repo, collateral, clearing, market infrastructures. Access points. Filters. Pressure levers. In the right hands — or the wrong ones — they function as sanction tools, scarcity engines, hard stops. The risk has not just moved. It has mutated. No longer technical. No longer prudential. Strategic now. Exogenous. Sometimes hostile. These instruments are no longer neutral. They were never truly neutral.

I have argued in this series that the liquidity regime has changed. That

argument was too modest. The gap is not a regime shift. It is existential — and it is already open.

The traditional view of repo — technical tool, apolitical, interchangeable — rests on one silent assumption: that any funding channel can always be substituted for another. That assumption is broken. Repo is the infrastructure layer on which collateral transformation, funding price formation, and liquidity transmission all depend. Banks use it to run their balance sheets and buffers. Dealers use it to provide intermediation. Hedge funds use it to carry risk. Central banks use it to inject and sterilise. Market infrastructures use it to enforce discipline.

Disrupt the repo market, and you break the flow that keeps the whole system alive. Once access becomes conditional, whoever controls the channels — the eligibility rules, the chokepoints — holds the control. Potentially a systemic weapon.

You think you own it. Read the small print

An asset is liquid only where it sits — and within the infrastructure where it is held. I think of liquidity in three dimensions: the nature of the collateral, the nature of the underlying legal contract, and the nature of the processing and settlement infrastructure. In stress, executable liquidity depends less on accounting classification — high-quality liquid asset (HQLA) — or on contract type, than on the operational mechanics: which custodian, which triparty agent or central counterparty (CCP), under which law, within which cut-off window, with what mobilisation lag. The Liquidity Coverage Ratio (LCR) does not see this geography. Yet this is precisely the geography that creates points of failure.

Location matters because mobility is neither free nor instant. Europe has long suffered from fragmentation in clearing and settlement. Cross-border settlement costs run on average 65 per cent higher than in the US — a structural symptom of a post-trade market that remains fragmented, expensive, and operationally inefficient. Even after years of harmonisation, the authorities themselves acknowledge that work remains. Standardisation does not eliminate friction. AFME — October 2025, 'Analysis of CSD fees in major European markets'.

TARGET2-Securities (T2S) lowered barriers. It did not solve trapped collateral. The platform now connects 24 central securities depositories (CSDs) and processes large settlement volumes — a genuine improvement in technical integration. But two structural facts shape executable liquidity. First: cross-CSD activity remains a small fraction of total flows. Operations are still largely organised in CSD silos, even where the technology is common. In 2024, cross-CSD transactions accounted for 3.8 per cent of T2S volumes. Second: even on centralised infrastructure, settlement efficiency is not 100 per cent. In 2024, end-of-day efficiency stood at 94.4 per cent by volume. Roughly 5.5 per cent of volumes did not settle by EOD — spilling

into fails, queues, and delays, with direct consequences for collateral mobilisation and intraday management. All this is according to the ECB Target Services Annual Report 2024.

Collateral that is unsettled, misaligned, or stranded in the wrong location is not mobilisable — regardless of its credit quality. The challenge is the ability to locate the security and mobilise it in time through the execution chain. What most risk managers still miss: owning an asset and controlling it are two different things. The gap between the two is exactly where executable liquidity disappears — quietly, without a warning signal.

That gap shows up in very specific places. It sits between the local CSD and the international central securities depository. Between a house account and a triparty account. Between segregation and encumbrance. It widens with each instrument choice — bilateral repo, synthetic repo, cleared triparty, securities lending, buy and sell-back, central bank facility. It extends with the governing documentation — Global Master Repurchase Agreement, Credit Support Annex, eligibility schedules, substitution conditions — which determine what you can do, how fast, and with whom. It closes in around cut-off windows, settlement cycles, realignment frictions. And it becomes a trap in post-trade fails and queues.

The real questions are simple: who and what are you dependent on? Is that dependency chosen or implicit? Running a liquidity buffer without managing how your dependencies actually work is like switching on a generator without checking whether it has fuel. The collateral is yours. The question is — from when?

Pick your infrastructure. Pick your master

No execution venue choice is neutral. It determines jurisdiction, eligibility rules, margin models, default rights, and exposure to sovereign-level decisions — sanctions, ring-fencing, local collateral requirements. Infrastructure selection is a regime choice. Most people in the room do not want to say that out loud. Does it take getting blocked before you ask the question?

If repo access is silo-dependent, then repo is far more than a funding tool. It is a chokepoint. And a single chokepoint creates filtering capacity and constraint — over who can execute, at what speed, with what collateral, and under which law. That is the operational definition of a control lever.

Your ability to mobilise collateral, raise cash, and hold positions depends on constraints you do not fully control. Power here is not exercised through prohibition. It is exercised through parameter adjustment. Under stress, those parameters determine who stays in the market and who is forced out. Understanding a silo is not about mapping its features. It is about identifying where it constrains, when it breaks, and how far it exposes you to an external decision — regulatory, political, or purely mechanical.

All of the above can be tested. Not in a committee. Not in a stress test. On an ordinary Tuesday morning.

08:47. Your desk has a margin call due at 09:00. Right in the window where two-thirds of repo-margin-CCP activity concentrates. The collateral is there — on paper. Wrong custodian. Wrong governing law. Wrong cut-off window. In 13 minutes, you will find out exactly who and what you depend on.

08:48. Cut-offs, settlement windows: that is your first problem. 'Usable now' does not mean the same thing across chains and silos. Next up: cross-product netting rules — and they vary. Without netting, your 5–10 basis point spread is gone. Not every CCP allows netting of repo exposures against derivatives on the same underlying. Euronext Clearing and Eurex Clearing offer this on certain segments. LCH less so. That cross-margining gap is a real, recurring capital cost — independent of transaction pricing, and entirely a function of which silo you are in. Silo dependency also forces you to carry extra liquidity buffer to absorb operational friction: missed cut-offs, refused substitutions, unanticipated margin calls. That over-buffering has a real annual cost. It is rarely calculated. Never reported as such. Its value is destroyed silently, every quarter. Time-to-cash and opportunity cost are the right questions to ask before you are in this situation. Which

intraday windows turn theoretical liquidity into unusable liquidity? What does your current silo dependency actually cost in over-buffering and netting leakage? This test is the most directly P&L-linked — and the one least often run.

08:49. Eligibility hits you next. Eligibility schedules are not identical across silos. Under time pressure, they are barely interoperable. An asset that is mobilisable in one silo can be downgraded in another or hit with a steeper haircut. What is repo-eligible at Euroclear is not necessarily eligible at Clearstream or in a BNY triparty basket. The choice of triparty agent or custodian — European or non-eurozone — changes the risk profile entirely: real execution capacity on one side; platform reliance, legal exposure, compliance constraints, and potential extraterritoriality on the other. In stress, assets can flip to non-mobilisable or prohibitive-haircut status without any formal prohibition. A schedule adjustment is enough. This is liquidity risk that is structurally hard to quantify. The International Swaps and Derivatives Association and the Basel Committee on Banking Supervision have been working on it since 2020. No resolution. The right question: which assets are mobilisable in each silo, and which flip to non-mobilisable in stress? This mapping needs to be done asset by asset, silo by silo — not in theory, but on your actual portfolio.

08:50. You go straight to margins and haircuts — as you should. Every CCP runs its own models and parameters. In stress, requirements can shift fast — the margin cliff. CCPs publish their methodologies. Not their actual internal parameters. Not their proprietary stress scenarios. A clearing member never knows precisely what a CCP will call in a specific stress event. The structural problem: infrastructure wrong-way risk. The CCP raises margin in stress — precisely when your HQLA is under pressure. A triparty agent restricts substitutions during peak activity — precisely when you need to mobilise. The correlation between silo constraint and your own liquidity need is rarely analysed. In BAU, a wrong-way dependency test is the right starting point: is your primary silo most constrained exactly when you need it most? It is the most uncomfortable test. It is the one that never gets done.

08:51. That is when you see it: access — direct or sponsored — netting capacity, and entry terms effectively define a club. You are either in, or you are out — or relying on someone to get you in. You are still in — but tracing back through the custody, clearing, and triparty chains, you see that 70–80 per cent of mobilisable collateral flows through one or two actors: BNY, Euroclear, and a handful of others. Apparent diversification masks real concentration. BNY and State Street hold a material share of global collateral. If either suffers an operational incident — as nearly happened in the US repo market in September 2019 — the entire mobilisation chain seizes, regardless of collateral quality or CCP selection. The right preparatory action: concentration testing and silo-mapping. For each key repo activity, what is the actual infrastructure-jurisdiction pairing in use? How many silos do you genuinely have? This test reveals the real single point of failure — not the theoretical one on the risk management slide.

08:53. You feel it building. Surprises keep coming. What varies by silo — who can liquidate what, when, and how, in terms of default management and auction procedures — directly conditions executable liquidity in dislocation. A bank with positions across two CCPs managing a collateral substitution between them faces settlement fail risk that sits not inside either CCP, but in the gap between their two settlement cycles. That inter-silo risk is invisible in individual reports. Nobody consolidates it. Hence the surprise. The question: how quickly can you replace your primary silo with an operational alternative? Not in theory — with actual teams, live technical connections, existing legal agreements, and real access limits. For most banks, the honest answer is several weeks. Your Contingency Funding Plan (CFP) must include a genuine substitution test. Does the switchover plan actually work? For most firms, the honest answer is that it is a fiction under acute stress. This scenario needs to be simulated concretely — not documented theoretically.

08:56. You have got the operational pressure under control. For now. You zoom out to the strategic and political dependency across your book. Exposure to public-sector measures — sanctions, restrictions, collateral localisation requirements, access limitations — varies

materially by infrastructure location. A CCP or custodian can be used by its national regulator to impose constraints on foreign members without ever issuing a formal sanction. Adjust eligibility rules, tighten stress parameters, require local collateral — that is sufficient. Post-Brexit, LCH showed this in real time. The question for your institution: what share of your collateral sits under a non-European jurisdiction in a crisis? The relevant law is not standard contract law — it is emergency law. How much of your collateral is held in structures where a unilateral decision by a foreign regulator — the Fed, Office of Foreign Assets Control — could block access or impose ring-fencing? That number is rarely calculated. Almost never reported to the risk committee. This is the jurisdiction stress test: how much of your collateral sits under non-European jurisdiction, and how exposed each infrastructure is to regulatory capture. In a dollar stress scenario, converting euro collateral into US dollar liquidity depends on Fed/European Central Bank (ECB) swap lines — discretionary, political, potentially conditional lines that quietly structure your dependency.

08:59. Then you hit the last step: law and enforceability. Close-out, netting, and set-off — their speed and robustness depend entirely on the legal framework governing the infrastructure. For CCPs, the law differs across LCH SA (Paris), LCH Ltd (English law, post-Brexit), Eurex Clearing (German law), and Euronext Clearing (Dutch parent, equity markets across Paris, Amsterdam, and Dublin, CCP incorporated in Italy). Choosing between them is not just a question of pool depth, netting/compression conditions, or settlement optionality. It is a choice of jurisdiction, margin rules, access conditions, collateral treatment — and a choice of resilience and dependencies. In stress or default, your ability to recover positions depends entirely on the portability rules of the relevant CCP. A trader who has not checked this before entering the silo discovers at the worst possible moment that recovery is not available. This is not theoretical. It is exactly what happened to certain portfolios during Archegos. Repo becomes non-neutral the moment the chosen infrastructure filters access through membership, recalibrates requirements through margins, or requalifies assets through eligibility — precisely the dimensions that matter under stress. The BAU challenge is the portability test: if your clearing member defaults tomorrow morning, how long does position

recovery take? For most banks, the honest answer is several days — during which you are out of the market. Most firms have not properly tested this scenario.

One question runs through all seven dimensions — all the way from operational to political. Is the dependency you are carrying chosen or implicit? A chosen dependency can be managed. An implicit one surfaces at the worst possible moment. It is 09:00. The margin call is met. This time.

No decree. No embargo. No recourse

What just happened on your desk is happening simultaneously across hundreds of firms. Aggregated, it is a systemic crisis. The most striking feature: the pressure is being applied without a single decision being taken.

Repo can be more powerful than a conventional sanction because it strikes at the most vulnerable point of any institution — immediate access to liquidity and leverage — and it does so with superior operational efficiency. A conventional sanction is slow, visible, legal, and therefore contestable. It is typically binary: permitted or prohibited. Repo works quickly, opaquely, through technical parameters — eligibility, haircuts, CCP and triparty access, margins — that are difficult to challenge and, critically, graduated. You can degrade without prohibiting. Ration without announcing. Isolate without naming.

That changes everything for everyone in the market. For banks, collateral becomes a political asset in the strict sense. Its funding value depends on acceptance criteria that go well beyond credit quality. Prudential metrics — LCR, Net Stable Funding Ratio — cease to be pure compliance ratios and become management instruments exposed to power dynamics: what is fundable today may not be tomorrow.

For sovereigns, securing the repo financing of government collateral is existential. Building domestic repo markets and local infrastructure chains is a strategic and geopolitical choice. Dependence on foreign infrastructure is a material vulnerability — funding cost and access

can be modulated externally without any explicit political decision. For investors, repo risk becomes country risk. Liquidity that looks deep can disappear instantly if haircuts widen or eligibility tightens. Collateral pricing is increasingly political — sensitive to regulatory expectations, ESG positioning, and sanctions anticipation.

Repo is a uniquely potent pressure mechanism because it operates simultaneously across four channels: confidence — counterparty and collateral acceptance; liquidity — monetisation capacity; leverage — roll-over and margins; and systemic stability — forced selling, contagion. No other financial infrastructure combines these four channels with the same immediacy and granularity.

The new weapons don't fire — they filter

Local jurisdictions create dependencies — deeper than day-to-day flows suggest. Repo is a foundational layer of the sovereignty silos that market infrastructures represent. And repo can be more effective than a formal sanction — and infinitely less visible. Repo and securities financing transactions (SFTs) must be read for what they are: power infrastructure. In a liquidity regime built on collateral, constrained balance sheets, and margin dynamics, whoever shapes the repo and SFT channels shapes collateral mobility, liquidity circulation, and ultimately the funding conditions of sovereigns and banks. Without repo, even the most apparently liquid asset can become dysfunctional.

Repo acts directly on sovereign funding costs. Without robust repo capacity, a bond is less easily financed, its investor base narrower, its liquidity premium higher, and its funding cost heavier. The reverse is equally true: the more repo-financeable a bond, the more portable it becomes — broader investor base, compressed spreads. Look at the African Eurobond market — one-third of the continent's financing. No repo market means issuance rates 150–300bps higher at equivalent sovereign rating. That is a macroeconomic lever, not a technical detail.

Repo creates a collateral hierarchy — an implicit financial ranking of what is eligible, under what conditions, and at what haircut. Control what gets accepted and you control what counts as prime collateral.

You define the boundaries of global liquidity. Eighty per cent of assets financed through European triparty repo are rated at least single-A.

Repo can function as an invisible financial sanction — deliberate or systemic. A country, sector, or actor can be cut off from market funding without a formal embargo. Make its collateral unfinanceable. Repo does not block — it degrades. And degradation is sufficient to sever liquidity access. The 2022 sanctions made this explicit: by reclassifying assets as ineligible and restricting access to funding channels, the authorities triggered a near-instantaneous collapse in liquidity and severe dislocation in funding conditions. Exclusion did not come through direct prohibition. It came through the transformation of eligibility rules. The sanction moved through the pipes.

But this mechanism requires no political intent. The UK LDI crisis in autumn 2022 demonstrated the endogenous version: a brutal surge in margin calls and a contraction of repo funding triggered a forced-selling spiral that turned a market adjustment into a systemic crisis. Nobody sanctioned the pension funds. The outcome was identical — loss of leverage access, forced liquidation, market dislocation. September 2019 in the US repo market showed the same dynamic: a cash shortage concentrated among a handful of actors, combined with operational constraints, was enough to blow out rates. No political decision. A chokepoint that de facto rationed liquidity access.

The mechanism is identical across all three cases. Funding access does not disappear by decree. It deteriorates through parameters — eligibility, haircuts, margins, balance sheet capacity, operational constraints. That deterioration produces the same effects as an explicit sanction. This is what makes repo singular: a system capable of excluding without prohibiting, constraining without declaring, and sanctioning without accountability.

Repo can stabilise or amplify a systemic crisis. It is either a shock absorber — through facilities, interventions, liquidity support — or a crisis multiplier, through haircut spirals, margin calls, and forced deleveraging. When funding parameters tighten, roll-over capacity seizes. The crisis

propagates not through insolvency but through loss of transformation capacity. Procyclicality makes repo a systemic accelerator.

“Depending on another bloc for your own critical chokepoints — clearing, collateral, repo — means depending on its rules, its stability priorities, and potentially its political decisions”

Finally, repo is a lever of financial sovereignty. The question turns geopolitical the moment clearing, triparty, custody, or repo access are concentrated in specific jurisdictions and infrastructures. Depending on another bloc for your own critical chokepoints — clearing, collateral, repo — means depending on its rules, its stability priorities, and potentially its political decisions. This is why the debates on strategic autonomy and market architecture cannot stay in the technical lane — because repo is a weapon of control and controlling the system’s chokepoints is often worth more than controlling the underlying assets.

The ECB has, in its own way, acknowledged this — launching in December 2025 its first geopolitical stress tests on European banks, results due July 2026. A commendable initiative, an ambitious timeline. One can only hope that someone in the scenario design process thought to model the financial equivalent of a blockade of the Strait of Hormuz: a repo-collateral infrastructure chokepoint that declares nothing, prohibits nothing, and cuts liquidity access with the quiet efficiency of a maître d’hôtel who informs you, with a warm smile, that your table is no longer available.

If that scenario is in the exercise, it is reassuring. If it is not, European banks will be perfectly prepared for the next crisis — provided it resembles the previous one. ■

When opportunity knocks

Thomas Duchemin, securities lending trader, agency lending at Goldman Sachs, speaks to Carmella Haswell about his time in European equities and the significance of human interaction

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

Before joining Goldman Sachs, I worked at Credit Agricole on the treasury desk, where my focus was on covering the bank's short-term funding needs. During that time, I developed a strong interest in the repo market, while also aspiring to gain exposure to equities. That opportunity materialised in 2021 when I joined Goldman Sachs Agency Lending in Paris.

I started by covering APAC equities for approximately a year, which gave me the equity exposure I was looking for. Since then, I have covered the fixed income book, and for the last four years my focus has been European equities.

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

One of the most compelling aspects of my role is to be able to cover all European equity markets. This means there is rarely a day when there is not an interesting development in one of the markets I cover, be it corporate news or new names in demand. After covering this book for the last few years, I now have a better understanding of all markets and clients, which allows me to now spend more time on analysis and enhancements.

From an internal perspective, being part of Goldman Sachs means being able to engage with highly talented people who work in a variety



“A common misconception is that market finance now requires little to no human interaction or soft skills. In my experience, banking is still very much a service industry”

Thomas Duchemin
Securities lending trader, agency lending
Goldman Sachs

of asset classes. Given the relatively smaller size of the Paris office, it is also easier to create relationships with colleagues across the Global Banking and Markets division and learn about what they do daily.

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

Goldman Sachs offers a broad range of career and personal development opportunities. On top of online courses, graduate/analyst training programmes, and one-on-one mentorship, there are often roundtables organised with senior leadership which give employees the chance to ask questions and engage in discussions.

Within my team, I have been lucky to be given the chance to cover multiple asset classes, different markets, be part of client presentations, and take the lead on projects that all contributed to improving my skillset.

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

A common misconception is that market finance now requires little to no human interaction or soft skills. In my experience, banking is still very much a service industry, which means a lot of communication and relationship management. Whether it is with clients, colleagues, or counterparts, most roles still rely heavily on trust and interaction.

To address this, I think it is important to remind graduates and new hires that technical skills alone are not enough. Building relationships and engaging with people — both formally and informally — is key to succeeding in the industry.

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

Be curious. Read as much as you can and ask questions whenever

you get the chance. The industry is so broad and complex that it is really the only way to figure out what you enjoy and where you want to focus.

At the same time, make yourself available to others. If people around you need help or have questions, take the time to engage — those day-to-day interactions are often how you learn the most and build your network.

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

Having covered both fixed income and equities for several years now, I would like to continue building on that experience and deepen my expertise within the securities finance space. In particular, I am interested in contributing to the growth of the agency lending business in Europe, especially as regulation and technology continue to evolve and create opportunities to expand into new markets and develop new products to better serve clients.

More broadly, I see myself continuing to grow within the platform — developing my skillset, taking on more responsibility, and working closely with different teams, including sales, to help expand our client base across the region. ■

Based in Paris, Thomas Duchemin is a securities lending trader on Goldman Sachs' agency lending desk, where he is responsible for European equities coverage.

Prior to joining Goldman Sachs, he worked on the Treasury desk at Credit Agricole, focusing on short-term funding.

Originally from Paris, Thomas holds a bachelor's degree from Stockholm University.



MUFG selects Tanner

MUFG Investor Services has appointed Eugene Tanner as head of the Global Securities Lending Solutions (GSLS) trading desk.

Based in New York, Tanner will report locally to Anthony Toscano, head of North American GSLS at MUFG, and globally to Paul Collard, global head of trading, GSLS, at MUFG.

Prior to this role, Tanner worked at Deutsche Bank for almost a decade, holding the position of director of rates and mortgage-backed securities derivative trading.

He has also worked at Merrill Lynch as vice president and market risk manager (non-linear US\$ rates), and as assistant vice president and trader assistant (US\$ exotic rates).

Tanner holds a bachelor of science in finance and management from Manhattan University.

Pirum promotes Stillwell

Pirum has promoted James Stillwell to director of product for collateral and digital assets.

In his new role, Stillwell will lead product management for CollateralConnect, Pirum's cross-venue collateral management and optimisation platform, serving major sell side institutions across triparty, central counterparties, and bilateral venues.

Based in London, Stillwell will report

ISLA appoints O'Donnell as COO

The International Securities Lending Association (ISLA) has appointed Stephen O'Donnell as chief operating officer.

O'Donnell brings more than 20 years' experience at Tier 1 global financial institutions spanning securities finance, derivatives, collateral, and clearing.

He joins ISLA from BNY, where he spent four years as EMEA head of sales and relationship management for Global Collateral and Global Clearing, responsible for the EMEA client franchise.

Prior to BNY, O'Donnell spent 16 years at Morgan Stanley across multiple roles, including EMEA chief operating officer for securities lending and EMEA head of

sales strategy for securities finance.

Throughout his career, he has worked extensively with institutional clients and market participants across EMEA and globally.

His experience includes commercial leadership and financial resource management, alongside regulatory and market initiatives in securities finance and collateral markets.

Stephen holds a bachelor of accounting and finance (Hons) from the University of Glasgow, and graduated from the Securities Industry Institute Executive Leadership Programme at The Wharton School in 2026.

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to Vinod Bhaskaran, chief product officer, leading product delivery for CollateralConnect and overseeing Pirum's collateral optimisation and digital assets product roadmap.

He moves to this position following more than three years as senior business solutions manager at Pirum, during which he led strategic business development and client delivery for CollateralConnect.

Throughout his career, Stillwell has held a number of positions, such as business management and product development at Citi, and within client services at State Street.

Smith retires from Northern Trust

Andy Smith has retired after 43 years in the financial industry, where he spent a great deal of time within tax and securities finance.

During his career, he held a number of roles, most recently at Northern Trust as head of business management across EMEA and APAC.

With a total of 22 years dedicated to Northern Trust, Smith held the position of vice president of securities lending product during his first stint with the firm.

Prior to his time at Northern Trust, he held a six-year tenure at JPMorgan Chase as vice president, securities lending tax and due diligence manager.

Before that, Smith was tax and controls manager at Natwest Markets, and also took on a role as senior manager at Citi.

CloudMargin names Busch as chief product officer

CloudMargin has appointed Nico Busch as chief product officer.

Based in London, the hire coincides with a series of senior management organisational changes and promotions designed to help the firm capture new opportunities in the marketplace, including AI-native products and services.

Stuart Connolly, CEO of CloudMargin, states: "Nico joins us at an exciting time as we embark on the execution of our new vision and innovative wave of product development, after we've demonstrated a strong growth trajectory and successful delivery of our previous three-year commercial and product strategy.

"We're at an incredibly important juncture with the advent of truly transformative agentic AI advancements, which will serve as the foundation of our business evolution.

"With that in mind, we are refreshing our operating model, acknowledging the strong contributions of our leadership team and ensuring we're best positioned for our next stage of growth."

Busch, reporting to Marconi, joins CloudMargin

after serving for nearly four years as product manager and later as head of product at Xceptor.

Previously, he was a customer experience manager at Digital Asset, and prior to that, a product manager and then head of product management at Duco.

Earlier in his career, Busch took on roles within risk, product, technical, and analytical roles at Kyriba, IT2 Treasury Solutions, and at BNY. ■

Publisher: Justin Lawson
justinlawson@securitiesfinancetimes.com
020 3667 3244

Associate publisher: Nicole Taylor
nicoletaylor@blackknightmedialtd.com
07780 008598

Group editor: Karl Loomes
karlloomes@blackknightmedialtd.com
020 3617 1722

Deputy editor: Carmella Haswell
carmellahaswell@securitiesfinancetimes.com
020 3617 1722

Reporter: Hansa Tote
hansatote@securitiesfinancetimes.com
020 3617 1722

Accounts: Chelsea Denyer
accounts@securitiesfinancetimes.com
020 3667 3979

Sales and events support: Vanessa Hayes
vanessahayes@blackknightmedialtd.com
020 3667 3979

Studio director: Steven Lafferty
design@securitiesfinancetimes.com

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