ISLA Daily 2

31st Annual Securities Finance and Collateral Management Conference

Wednesday, 19 June

Securities lending in the Swiss market

Zürcher Kantonalbank’s Lukas Meier considers the principal model, key regulations and digitisation

Day two agenda inside

A changing political landscape set to impact the UK, Europe and North America

“We have never been more sensitive to the political direction of travel in the countries that we operate in,” said ISLA CEO Andrew Dyson.

Dyson spoke to the attendees of the International Securities Lending Association’s (ISLA) 31st Annual Securities Finance and Collateral Management Conference in Geneva.

In the session entitled ‘ISLA Strategic Priorities 2024 & Beyond’, Dyson provided an overview of in-flight and imminent events set to impact the industry.

One event in particular, which is set to affect the market, is the upcoming general election in the UK. Dyson said the country is going to have a “very different complexion of government”, and that the region has already begun to see that momentum “shift towards a more right-leaning populist governmental structure in Europe”.

He continued to say that the sensitivity to the political direction of travel not only speaks to Europe, it applies to the UK, and it is very important in North America — where the potential arrival of another Trump administration can change a lot of the legislation landscape in front of us.”

In the EU, ISLA recently published its manifesto. The new European mandate is the association’s most extensive piece of work, which discusses a plan for action and change in Europe to support the development of a capital markets ecosystem.

Dyson explained: “Many of the issues I come across, whether they be in Europe or the Middle East, or in other less developed markets, are all about encouraging the market to mobilise liquidity, to create that depth of secondary market that we always fight for.”

He also discussed the association’s advocacy plans and messaging strategy to further highlight the benefits that securities finance brings to the broader capital markets ecosystem.

In Spain, the association has been looking to provide a more even playing field in the region, particularly around the lending of locally domiciled mutual funds. Dyson said the team had seen some movement in this area.

Another point highlighted by Dyson was the formation of ISLA Americas earlier this year. He addressed the questions: why, and why now?

He stated: “The answer to that question relates to the global nature of what we now do. Many of the member firms that we talk to tell us they have issues with particular pieces of legislation or policy that transcend the normal borders that we all grapple with.

“One of the reasons that we felt it was a good idea to move into that space, was primarily to serve the needs of a growing membership base in North America.”

ISLA has also welcomed its new ISLA Connects franchise, which Dyson said “continues to grow and develop”. The idea of thinking about inclusivity, particularly around younger people and people coming back to the market after some time, has hit a cord within ISLA’s member firms, the association said.

The Middle East continues to be a focus for ISLA, which intends to organise an event in the region in the first half of 2025, an event Dyson referred to as “overdue”.

The misnomer that is Basel Endgame

In a breakout discussion at yesterday's conference, discussion surrounding Basel Endgame seemed to draw on a notable theme — it is somewhat of a misnomer, as there really will be no actual end. This, one panellist noted, is a good thing.

The quips continued: "Endgame was a triumph of marketing over substance", or as another panellist succinctly put it, "Endgame was badly named".

While the play on words could be called somewhat apt, given the industry's interest in when and how it will 'end', and exactly what this will result in, the panel were nevertheless serious in addressing the key questions.

Perhaps, by his own words "controversially", one speaker highlighted an interesting assessment of current Basel regulations. They have, in fact, been successful. Banks, he suggests, have never been as well capitalised as they are now.

Though these regulations were initiated in many ways on the back of the 2008 credit crunch and global financial crisis, one can see the financial sector's resilience in recent times — not least during Covid — as a testament to their effectiveness.

They are not without problems, of course. The speakers touched on another key area that has been highlighted during a number of the day's panels — inconsistency between regulators across regions, and exactly how the myriad related rules and requirements all match up, particularly given the cross-border nature of securities lending.

Similarly, estimates of the increased capital requirements vary dramatically, but according to one of the participants, "it is unlikely to be capital neutral for anybody. Banks have been put on notice". He did suggest, however, that exactly how much this will be and the true impact it will have, will only be seen when the time actually comes.

Moving onto the US elections — somewhat inevitably — one member believes a Trump White House will be key. He noted that during President Trump's previous term, one of the first things he did was push Basel discussion "into the long grass". If he follows suit in a second term, any 'endgame' will likely move further out in time.

A general consensus emerged from those discussing the issue: for the US it may be a case of get this done now or never.

A more positive counter-argument was put forward however. If a generally right wing, soft touch on financial services, republican were to be elected, it is possible he would aim to align the US with Europe to the benefit of everybody.

Though Basel and securities lending rarely feature as a hot-button topic on the national political stage, it seems in the US this is exactly what is happening. Basel is becoming politically weaponised in many states, and nationally, to the extent that there was a political advertisement on the subject during the Superbowl. Hard to believe, but as the speaker affirmed: "I kid you not."

Multiple challenges face SBL market in Saudi Arabia

There remain a lot of practical challenges for Saudi Arabia in growing securities borrowing and lending (SBL) activities, according to panellists.

Speakers at this year's ISLA conference discussed the association's expansion into the Middle East, as well as the key milestones and various phases the entity has put in place.

The association's affiliation with the region began when it partnered with law firm Latham & Watkins in September to promote the advancement of securities lending activities in the Middle East.

In the first phase of the partnership, ISLA and Latham & Watkins said it would focus on steps to advance the sector and to boost market liquidity in Saudi Arabia, Abu Dhabi and Dubai — including the Abu Dhabi Global Market and the Dubai International Financial Centre.

In February, ISLA released its SBL guide on Saudi Arabia — the first of a number of additional country-specific guides to be produced in 2024.

The guide argued that Saudi Arabia and the Middle East offer ripe opportunities for new businesses, particularly in the financial services and capital markets sector.

As discussed in the panel, SBL regulations have existed in Saudi Arabia since 2017. However, enablement from an operational and business perspective is relatively new, according to one panellist, only becoming feasible after the Post Trade Technology Program was implemented in April 2022.

The panel said that Saudi Arabia is considered to be one of the high-potential growth areas in the market supporting other new products and activities, including market making, short selling, and derivatives.

According to the Saudi Exchange "Tadawul" rules, entering into an SBL transaction is available for 'qualified investors', such as local custodians and brokers which can act as a lending agent for an SBL transaction.

There are three types of SBL models currently active in the Saudi Arabia market, which are pooled principal, bilateral trades, and agency lending.

Speakers on the breakout session indicated that there have been a lot of practical challenges facing the Saudi Arabia market over the past 12 months, in terms of growing both the borrowing and lending sides.

On the borrowing side, from an international investor perspective, one panellist pinpointed market charges as a barrier — especially one that applies to market makers who are frequently borrowing, or high frequency funds that are frequently borrowing.

There is a ticket charge that can be prohibitive, the panellist indicated, on these kinds of investors.

In addition, the number of counterparties that are enabled under the Global Master Securities Lending Agreement (GMSLA) is still very limited, participants noted.

In regards to lending activity, there are a number of global custodians offering the ability to lend assets to other foreign investors, and so lending to local Saudis is not something market participants have seen.

The reason for this is twofold: because there is no documentation, and it is not a natural source of demand right now, the panel heard.

As players in this space continue to watch this emerging market, ISLA members can expect to discover SBL guides on Abu Dhabi, Dubai, Qatar and Kuwait in the near future.

Securities lending in the Swiss market

Switzerland is often seen as both within, and without, its broader European counterparts. Lukas Meier, head of Cash & Collateral Trading at Zürcher Kantonalbank, looks at the Swiss securities lending market, key regulations and its unique differences

Could you perhaps start by giving us an overview of the current Swiss lending market? How does it differ from other similar markets in Europe or the US?

One of the defining characteristics of the Swiss securities lending market is the dominance of the principal model. Unlike the agency model predominant in markets like the US and the UK, the principal model in Switzerland allows institutions to lend securities in their own name. This model simplifies the lending process and enhances efficiency, as the borrowing counterparty only needs to establish documentation and a credit line with a single entity to access a large pool of securities.

The Swiss intermediaries acting as principal have a long history as retail aggregators. The principals pool many small holdings of securities and lend the combined size under their own name and faces the market using their own operational setup.

Are there any interesting differences you see in the market between agent lenders and principals, or fundamental differences to either model that is unique to the Swiss market?

According to data from S&P Global, the global lendable pool of assets across all securities was US$35 trillion at the beginning of the year, with only US$2.9 trillion being on loan. Naturally, this ratio varies significantly across different asset classes and HQLA-level. However, it shows that fostering a strong demand side is a dominant force for any lending programme. Except in the case of a few specials, borrowers can pick who to trade with, and will choose counterparts that are attractive on more factors than just price. With that in mind, the limitations and considerations of borrowers are very important when deciding on how to bring assets to the market.

Each of the two models offers advantages and disadvantages, which vary depending on the specific setup, entities and assets involved. One of the selling points of the agency model, from the perspective of the lender, is a better fee split. The principal model, on the other hand, also offers several advantages that can work in the favour of the beneficial owner. Each situation must be assessed individually to choose which one is better suited.

> **"By assuming the credit risk of the borrower, the principal can potentially provide greater security for the lender."**

Some of the key aspects to consider include:

Flexibility — The principal model offers greater flexibility in setting the terms of lending transactions, including establishing a broad, market-friendly collateral schedule. This adaptability can be crucial when responding to market conditions and borrower requirements promptly and effectively, bridging differing levels of risk appetite.

Cross-product integration — The principal model provides a path to merge different products into the market. Principals can potentially transact in a variety of product types, ranging from repo, securities lending and borrowing (SLB), and total return swaps (TRS), while always borrowing securities as part of a securities lending transaction from the underlying client. This cross-product offering allows for optimised returns for programme participants by taking advantage of various market opportunities.

Counterparty risk and RWA impact — The principal model involves a single counterparty, which reduces the complexity associated with dealing with multiple counterparties as seen in the agency model. By assuming the credit risk of the borrower, the principal can potentially provide greater security for the lender, particularly if the principal itself is a better rated entity. On the other hand, the singular credit risk and the lack of counterparty diversification can be seen as a negative.

"Optimisation of funding instruments are crucial as banks contend with these stricter liquidity requirements."

The principal model has the potential to transform and improve the risk-weighted asset (RWA) footprint for borrowers, particularly in situations where direct trades with beneficial owners themselves create a punitive risk weighting. With the upcoming Basel Endgame regulation, this consideration becomes even more pronounced. Basel Endgame, part of the Basel III reforms, introduces stringent capital requirements and a standardised method for calculating RWAs, emphasising capital efficiency and risk management. Hence, principals can potentially offer a more favourable RWA profile, reducing capital charges associated with credit risk and making transactions more cost-effective and attractive.

What are the most significant pieces of regulation for the Swiss securities finance market right now? What changes do you expect in regulation, or the impact that regulation will have, in the coming years?

Although the Central Securities Depositories Regulation (CSDR) is a European regulation, it impacts internationally active Swiss financial institutions similarly to its European counterparts. Our high level of operational efficiency aligns well with CSDR's goals, and essentially makes us a more attractive lender.

In contrast to the CSDR regulation, the Securities Financing Transactions Regulation (SFTR) does not have a direct impact on Swiss counterparties, as it focuses on transparency and reporting requirements within the EU.

A more significant change in Switzerland's regulatory landscape is the revision of the liquidity ordinance by FINMA under the too-big-to-fail (TBTF) regime. This was introduced at the beginning of 2024, gearing up throughout the year to reach 100 per cent implementation at the beginning of Q4. This regulation is aimed at ensuring that systemically important banks hold sufficient liquidity to absorb shocks and cover needs in restructuring or liquidation scenarios. It applies specifically to Switzerland's Domestic Systemically Important Banks (D-SIB) and Global Systemically Important Banks (G-SIB).

The TBTF regulation makes a clearer distinction across product and client types regarding their liquidity value. It forces banks to attract longer financing tenors due to their more beneficial treatment in terms of regulatory liquidity. Optimisation of funding instruments are crucial as banks contend with these stricter liquidity requirements and have other limiting factors to contend with as well. This change in the regulatory landscape impacts the supply/demand-dynamics in the securities finance market.

There is a growing move towards digitisation and automation. How is ZKB approaching this, and what do you believe are the key areas or technologies that will come into play?

While the securities lending market has made progress in terms of automation and transparency, it remains less automated than other financial sectors. Factors such as differing collateral schedules, counterparty risks, limits, RWA considerations, lifecycle management, and restrictions on efficient trading systems add complexity.

We aim to streamline and automate post-trade processes using prevalent technological vendors as much as possible. For trading, we pursue a dual approach: advancing automation while leveraging the expertise of our traders. This balanced strategy allows us to enhance efficiency and maintain high service levels, adapting to technological advancements without losing the human touch that is crucial in complex market environments.


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

Embarking on your optimisation journey

Eric Badger, managing director and global head of client coverage, Clearance and Collateral Management at BNY, explores the core factors when choosing whether to build or buy, and key considerations for a successful optimisation journey

In reflecting on the past 12 months since we last gathered at the ISLA conference, there is good reason for optimism, and many accomplishments to highlight. At the same time, market participants are challenged by the lingering uncertainty from regulatory, market and geopolitical pressures, as well as the continued evolution of global market infrastructure.

By extension, the global collateral management marketplace continues to progress and advance against the backdrop of these challenges. Its importance and the rising levels of investment reflect the need for solutions that solve for increasing complexity. Efficient, timely and flexible optimisation capabilities are essential, with the outcomes related to collateral usage being increasingly critical.

One of BNY's core focuses is on collateral optimisation, ensuring that the right collateral reaches the right place at the right time. We have a long history of developing solutions that efficiently allocate collateral, assisting clients through a consultative approach and in-depth analysis, as they look to optimise global portfolios of assets across regions, legal entities and service providers. Every day, we process over 10,000 optimisation runs globally, on more than US$3.3 trillion of collateral, where accuracy, speed, scale and resiliency are paramount.

BNY's range of optimisation solutions offer operationally efficient and automated methods of allocating collateral. Our patented algorithm incorporates multiple funding and market variables, and is flexible enough to allow for clients to achieve bespoke outcomes to meet liquidity, regulatory, funding and capital requirements.

Build or buy

Whether a client decides to build it themselves, use a third party fintech, or a combination of both, we have technology solutions to help them achieve their objectives. Given our position in the market, we are often asked for counsel on which option works best.

As clients begin their optimisation journey, one of the first decisions that they must make is whether to build their own solution internally or buy from a third-party provider. There are several important factors that firms must consider when making this decision, including time to market, infrastructure limitations, and costs related to continued investment and maintenance, among others.

It is important that clients consider the potential time to market for each solution, as there is a significant opportunity cost related to this. Time to market and technology opportunity costs can run into tens of millions of dollars per annum. To build one's own solution requires securing in-house quant expertise, hiring sophisticated developers, sourcing historical, high-quality collateral portfolio data, and building the service for an optimised performance. Accuracy and speed are also key considerations. Even a small underperformance in accuracy can have an outsized effect on cost of funding, and delays in completing the process can miss market cutoffs.

The time to market required for each solution can be greatly impacted by the limitations, both internal and external, that a client faces from an infrastructure perspective. A significant investment is required from clients to be able to connect and consolidate data from various internal books-and-records systems, as well as various exchanges and settlement locations to build a high-quality, real-time data layer. This is considered one of the heavy lifts of any collateral optimisation programme.

Once clients have created that foundational base for data, the challenge then becomes how to maintain real-time data to minimise incorrect data that create 'breaks' in the end-to-end process.

Portfolio data will be required across products, desks, legal entities, and external service providers. Bringing all of this together in a frequency and format that is useful to optimise and mobilise collateral is paramount.

To address this, BNY provides a collateral eligibility API, so clients are not required to consistently map data as it shifts due to data vendor changes, harmonising jurisdictional differences or adding new markets.

Clients need to consider the ongoing investment and upkeep costs when considering whether to build or buy. Investment is needed across several fronts, but broadly the two most important areas are performance and resiliency. Performance is especially critical because increasingly sophisticated objectives, growing portfolio sizes, de-siloed business units, widening collateral locations and compressing timeframes mean increased complexity in execution. Therefore, continual investment in performance is essential.

Additionally, resiliency is fundamental and multi-faceted for collateral optimisers. The solution must always provide an optimal result in a short amount of time. And given a forced time-boxed result, it must also have a fallback option. Moreover, the application requires constant uptime — any failure during critical processing times can put a firm at undue risk. BNY has worked to solve this via our active-active-active infrastructure.

The industry has yet to fully solve the multi-product, cross-venue collateral mobility challenge, but progress is being made. We see material progress in digitising collateral eligibility data, though not all collateral venues are providing support for this capability in a sophisticated manner — leaving the heavy lifting to clients and fintechs to piece it together.

Significant investment is needed across the evolving collateral ecosystem to address the complexity and breadth of capability that is required to centralise and automate across the scope of clients' enterprise and global activity. Because of this complexity, we believe it is important that optimisation solutions should not have a one-size-fits-all approach. When working with BNY, clients can choose to use the full suite of optimisation services or specific modules in conjunction with their own optimisation tools, or vendor solutions.

Best practices

Regardless of whether a client chooses to build or buy their collateral optimisation solution, BNY can support them and provide solutions that will enable them to optimise their collateral. We have partnered with our clients on optimisation projects extensively over the past few years and have been able to see what works and what does not.

One of the best practices that we have seen clients utilise is performing a proof-of-value exercise early in the process to de-risk their investment decision when building the internal business case. This can help to reduce some of the uncertainty a client may experience when deciding whether to build or buy and weighing the opportunity costs related to time to market. We can demonstrate proof-of-value improvements in automation, high-quality liquid asset (HQLA) efficiency, net stable funding ratio (NSFR) efficiency, and margin efficiency. We work together with clients to conduct these customisable proof-of-value analysis to build their specific business case to secure the funding and resources to initiate the project.

Additionally, we have seen clients succeed when they approach their optimisation journey in a structured and methodical manner. Clients are generally aiming to optimise triparty funding, securities finance and margin. This can be a big challenge, and clients can get overwhelmed if they attempt to do too much at once. Our clients have usually seen more success when they begin their optimisation journey with a specific use case, rather than trying to broadly optimise across their entire enterprise. We have also seen that it is more effective when clients utilise an optimisation provider that is willing to accept data in any format, as this will limit the upfront cost that many clients experience when they are forced to standardise their data sets.

Finally, it is advisable to sequence settlement venues where optimisation outcomes can be realised quickly. Clients who choose the BNY platform often cite the benefits of its scale, sophistication of its services supporting their programmes, resiliency, and the connectivity we have with various market vendors. Optimisation solutions offer significant alpha for market participants, getting started is the most important step.

"Significant investment is needed across the evolving collateral ecosystem to address the complexity and breadth of capability that is required to centralise and automate across the scope of clients' enterprise and global activity."

Eric Badger
Managing director and global head of client coverage
BNY Clearance and Collateral Management

Achievements and Innovations

Pirum has consistently played a significant role in the securities finance marketplace by delivering automation, operational efficiency and connectivity. Rob Frost, global head of product, discusses Pirum's achievements, particularly focusing on their innovative post-trade solutions

Pirum has been a significant player in the securities finance industry for nearly 25 years. How do you define Pirum's role and evolution in this space?

Pirum's mission has always been to streamline and automate processes in securities finance. Our role is to eliminate inefficiencies, reduce settlement fails, connect industry participants and minimise manual touchpoints in workflows. We have built a robust end-to-end platform that supports the entire post-trade lifecycles within stock loan, repo, margin and collateral management, achieving an industry benchmark with straight-through processing (STP) rates above 99 per cent across various transaction types.

What have been some key milestones in Pirum's growth, particularly with respect to regulatory changes and new product introductions?

One significant milestone was the introduction of our Securities Financing Transactions Regulation (SFTR) solution, in collaboration with S&P Global Market Intelligence Cappitech, now part of our RegConnect suite. This service has been adopted by over 150 institutions worldwide, ensuring compliance and enhancing operational transparency. We recently also announced that the solution will be expanded to cover the incoming SEC 10c-1a regulatory reporting requirements.

Another notable landmark was the launch of Trade Risk Manager in November 2021. This front-desk solution helps clients manage settlement risks and penalties under the Central Securities Depositories Regulation (CSDR), offering real-time trade status updates and counterparty exposure indicators.

We have also seen remarkable success with CollateralConnect, providing an integrated view of collateral across global activities, and Recalls Manager, automating loan recall processes and navigating T+1 challenges. Our continuous product innovation, driven by client needs and regulatory demands, has been crucial in maintaining our industry leadership across the securities finance post-trade lifecycles.

Focusing on the repo market, what solutions has Pirum developed to address challenges in this area?

The repo market is critical for liquidity management, and we recognised the need for enhanced automation and efficiency here. In February 2022, we launched RepoConnect, a comprehensive solution designed to streamline the entire lifecycle of repo transactions. RepoConnect supports real-time matching and affirmation of trades, automating downstream processes like pair offs and block allocations, as well as standard processes such as re-rates, partials and re-prices.

Can you elaborate on the features and benefits of RepoConnect?

RepoConnect offers several features that make it a powerful tool for repo market participants. It provides real-time trade matching and affirmation, comprehensive workflow tools for break resolution, pair-off netting and block allocations, and advanced management information systems (MIS) for insights into matching efficiency. By automating these processes, RepoConnect helps to reduce fail rates and settlement fines, ensuring accurate risk and position management. One of the key USPs is the 100 per cent counterparty coverage via Pirum's unique one-sided matching service which enables subscribers of the platform to match trades with any counterparty.

Additionally, RepoConnect also supports triparty, and buy/sell back trades, providing comprehensive coverage for all financing activities. One of the most popular features is the entirely automated Pair-Off netting solution. Coincidentally, soon after we released it, the International Capital Market Association (ICMA) published the European Repo and Collateral Council's (ERCC) best practice proposals for pair offs — and we were delighted to see how RepoConnect solved these issues, validating how our teams had designed the solution.

This broad functionality ensures that clients can manage all aspects of their repo transactions efficiently and effectively through a single platform.

How has Pirum integrated emerging technologies, such as distributed ledger technology, into its solutions?

We have been actively exploring the integration of distributed ledger technology (DLT) to enhance our post-trade solutions further. Recently, we successfully tested a DLT extension for securities lending and repo transactions, providing an immutable and transparent golden record of trades. This innovation builds on our existing real-time data integrations, ensuring that clients can benefit from advanced technology without significant disruption or investment.

Our approach with DLT is pragmatic. We aim to offer optionality to our clients, allowing them to leverage DLT for enhanced security and transparency while continuing to benefit from our established post-trade automation solutions. This hybrid approach ensures that we can meet the diverse needs of our clients in a rapidly evolving technological landscape.

With the recent shift to T+1 settlement cycles in North America, how did Pirum prepare its clients for this change?

The transition to T+1 settlement cycles presented both challenges and opportunities. Our Recalls Manager solution, adopted by clients like eSecLending and Brown Brothers Harriman, automates loan recall management, reducing risks and resource overheads. This automation is crucial in meeting the demands of shorter settlement cycles and ensuring market stability. We also listened to our North American clients and have made the system interoperable with FIS in the US domestic market.

We also focused on enhancing our clients' operational efficiencies through increased processing automation. By directly communicating with investment managers and leveraging tools like Recalls Manager, our clients could better navigate the complexities of T+1 — and even T0 — settlement and maintain seamless operations.

How does Pirum maintain its competitive edge in a crowded vendor segment?

Our competitive edge lies in our specialisation and client-focused approach. We do not aim to be active in every segment of the securities finance transaction lifecycle. Instead, we concentrate on delivering exceptional post-trade solutions that meet our clients' specific needs. This focus allows us to innovate continuously and provide a white-glove service across the most manual post-trade processes, which increases efficiency, opens opportunities from increased connectivity, and reduces operational risks and costs.

Our nimbleness as a service provider enables us to respond quickly to market demands and regulatory changes. We have built a trusted client base that covers the securities finance industry globally through consistent delivery of high-quality solutions, and our client feedback loops ensure that we remain aligned with their evolving needs. This strategy has been instrumental in sustaining and propelling our growth and industry position.

What are Pirum's future plans for expanding its market presence and product offerings?

We are investing heavily in expanding our presence in North America, strengthening our New York office with key appointments like Frank Seibold, who will drive commercial development in the Americas. Additionally, we are focused on extending our product coverage geographically to support our clients' international activities through a global end-to-end post-trade platform.

We are also launching a Customer Success function this year, which will help clients to maximise the benefits of our product suite. This team will provide consultative support, helping clients optimise their operational processes and achieve the industry-leading STP rates that we offer. Our goal is to ensure that our clients can fully leverage our solutions to enhance efficiency, increase connectivity and reduce costs.

On the product side we continue to explore upcoming challenges with our clients to provide solutions to their evolving needs, from CCP connectivity to SSI matching. We have made significant strides in automating and optimising post-trade processes in the securities finance industry. With innovative solutions like RepoConnect and CollateralConnect, and a commitment to integrating emerging technologies, Pirum continues to lead the way in upgrading the entire industry's post-trade flows. The company's focus on client-centric development and continuous innovation positions us as a formidable leader in the global securities finance industry.


GENEVA
ISLA 31st Annual Securities Finance &
Collateral Management Conference
18 - 20 JUNE 2024


GLMX


SARON
Collateral
SFTR
Triparty


& Collateral Management Conference


GENEVA
ISLA 31st Annual Securities Finance &
Collateral Management Conference
18 – 20 JUNE 2024

EQUILEND SPIRE

THE INDUSTRY'S PREMIER FRONT-TO-BACK SECURITIES FINANCE PLATFORM

EQUILEND

Day Two

09:25 - 09:35

Welcome Remarks & Recap

Ueli von Burg Head of Cash & Collateral Trading & Management, Zürcher Kantonalbank

09:35 - 10:15

Opening Keynote Address

Sir Robin Niblett Distinguished Fellow Chatham House

10:15 - 11:15

Leaders’ Perspectives & Predictions

With increasingly complex interdependencies between industry participants across the end-to-end securities finance value chain, coupled with greater capital requirements, scarcity of resource and increasing costs of doing business, we invite leading industry representatives to share their insights on the current landscape, how the market is evolving, and their perspectives on the road ahead.

Moderator

Cassie Jones

EMEA Head of Financing Solutions Sales, State Street

Speakers

Andrew Geggus Global Head of Agency Lending, BNP Paribas
Patrick Morrissey Head of Product and Strategy - Securities Lending, Vanguard
John Templeton Managing Director, Global Head of Securities Finance Sales and Relationship Management, BNY Mellon
Jonathan Tucker EMEA Head of Securities Finance, J.P. Morgan

11:45 - 12:30

Product Innovation to Support the Scarcity Debate

The pursuit of capital optimisation, increasing trading costs, digital innovation, as well as the laser focus on commerciality, are all leading to strategic divergence, which could result in greater fragmentation across our markets. This session will compare and contrast the expanding toolkit of financing solutions including central clearing, security interest collateral arrangements (such as pledge and pledge back), greater use of derivatives (e.g. Total Return Swaps (TRS)), and direct peer-to-peer financing models.

Moderator

Brooke Gillman Managing Director, Global Head of Client Relationship Management, eSecLending

Speakers

Johanne Armita Vara Managing Director, Goldman Sachs

Bill Mascaro Managing Director, Global Head of Securities Financing Trading, Citi

Paul McGuigan Director European Head of Securities Lending & Collateral Optimisation, Scotiabank

Zorawar Singh Global Head of Agency Lending, Deutsche Bank

12:30 - 13:30

Industry Associations' Update: Finding Common Ground

Set against a backdrop of different regulatory and business priorities of their members, representatives across adjacent market associations will discuss key developments within their markets, and how greater cross-collaboration for standardisation, regulatory engagement and advocacy, can drive efficiencies and help meet common objectives.

Moderator

Ina Budh-Raja EMEA Head of Securities Finance Regulatory Strategy & Industry Affairs and Markets ESG, BNY Mellon

Speakers

Andrew Dyson Chief Executive Officer, ISLA

Robert Goobie Chair, GPFA

Jack Inglis Chief Executive Officer, AIMA

Scott O'Malia Chief Executive Officer, ISDA

Bryan Pascoe Chief Executive Officer, ICMA