The future of post-trade processing

ECB Operations Managers Group

22nd September 2022
Looking at the future ...

- Regulations and Fintech will shape the future
- Processes will be faster – atomic settlement
- Operations and IT will be close together
- Data will be key to every organisation
- Real digital transformation (not just Zoom/Teams calls!)
Regulatory initiatives

- Regulations will in many ways change Operations
- Standardisation, efficiency and discipline
- TARGET2-Securities platform
- Shortening Settlement Cycle (e.g., US, India)
- CSDR, MiFID, MiFIR, SFTR, EMIR, AIFMD etc.
Data Data Data ...  

- Data-Centric Operations
- Harmonised and standardised data ensuring high quality
- Trusted common data sources via API’s
- Data sharing and collaboration (non-economic data)
- Most valuable part for improvements
Technology

- Powerful driver of change
- Decrease cost of processing
- Enhance resilience, scale and efficiency
- Communication and collaboration
- Industry standard Distributed Ledger Technology (DLT)
Complexity

• Overall complexity will be lowered

• Operational issues will be more complex

• Only the right people can solve it

• Constant changes in the post-trade landscape

• Will always be expensive
People

• Education and upskilling of competences will be key

• Fully empowered to make decisions and take risks

• Embrace new technology, data culture and innovation

• Value-enablers with great insights and know-how

• Diversity and inclusion – show up as you are!
Still mountains to climb …

- Post-trade data is extremely complex and often low quality
- Conflict between cost centres and revenue generators
- Legacy systems preventing agility and flexibility
- More investments in education and upskilling of people
- Better remote operating models to improve collaboration
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- We service 16 of the 20 largest global wealth managers
- Servicing ~800 Nordic & International Institutional clients
- Growing 3rd party fund distribution franchise servicing ~300 international fund distributors

Dedicated to active management

- Our production strategy is based on core products managed by internal independent investment boutiques supplemented by complementary offerings from carefully selected external managers on an exclusive basis
- AuM of €248bn as of end Q2 2022
- ~875 FTE’s including ~240 Investment specialists
Thank you!

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