

Roadmap to T+1

From May 28, 2024, US Securities and Exchange Commission will move from a two-day settlement cycle (T+2) to a one-day settlement cycle (T+1).

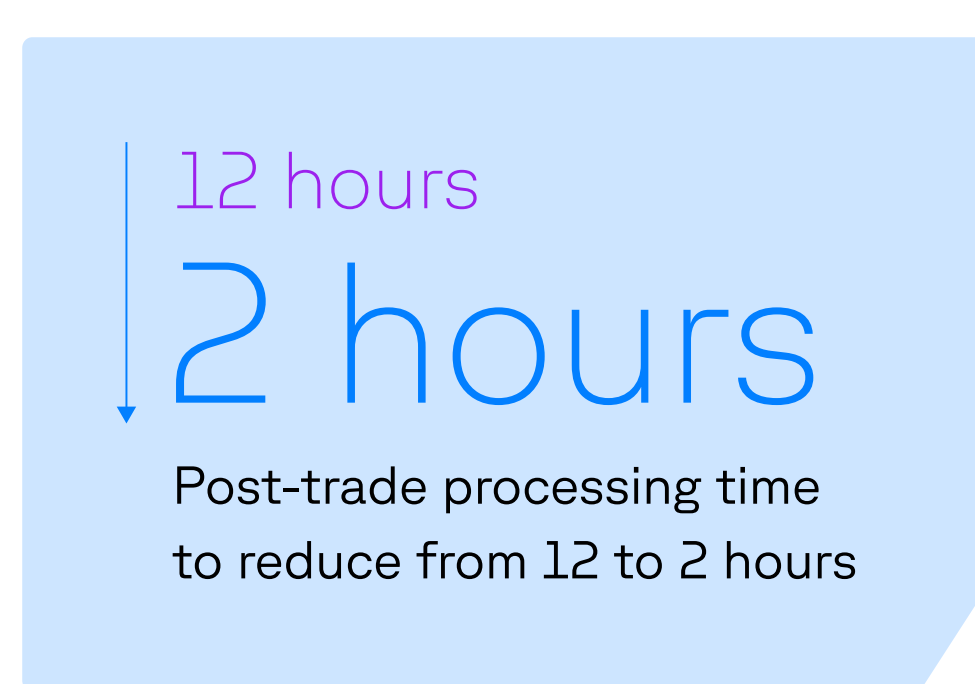
Financial institutions must act fast to identify the challenges within their trade operations and develop a strategy to automate the settlement cycle in as close to real time, as possible.

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AFME estimates a reduction of approximately **83%***

It's been widely claimed that the move to T+1 will reduce the available post-trade processing time by 50%. However, AFME estimates a reduction of approximately 83%*, since settlements teams will only have two core business hours between the end of the trading window and the start of the settlement window, compared to 12 core business hours under T+2. This constraint will present unique challenges for all market participants from sell-side companies and buy-side institutions through to custodians and fund administrators.



To avoid settlement fails, companies need to focus on the processes which happen before settlement takes place. 'Trusted data' is key.

*T+1 Settlement in Europe: Potential Benefits and Challenges, AFME, Sept 2022

43%

of companies say they have not yet started preparing for T+1 settlement*

46%

of companies say internal technology is their biggest challenge*

37%

of companies say manual/sub-optimal processes are the biggest threat to a successful migration to T+1

Companies should now be analyzing which processes are manual what technology upgrades need to be made to optimize their trading and post-trade systems and enable an automated end-to-end process.

*Xceptor survey, Q1 2023

Addressing core pain points across the trade lifecycle

Customer Lifecycle

- Account Opening
- Credit Checks
- Account/Sub-Account SSI
- Outreach (re-papering)

Trade Lifecycle

- Securities Lending
- Securities Financing
- Collateral Margin Management
- Trade Validation
- Trade Repair
- Trade Enrichment
- Trade Affirmation
- Trade Confirmation
- Trade Matching
- Trade Integrity
- Allocations

Post-Trade

- Trade Clearing/Settlement
- Funding Management
- Balance Sheet Management
- FX cross border funding
- Reconciliations
- Fees & Expense Management
- Trade Netting for Settlement
- Corporate Actions
- Physical Securities

Reporting

- Regulatory Reporting
- Transaction Reporting
- Client Reporting

Key: ● Highly impacted by settlement window compression ● Medium impact ● Marginal impact expected



A trusted partner with industry expertise

To design an operating model that runs 80% faster, you need a technology partner who understands the complexities of capital markets.

Since 2003, Xceptor has been enabling financial institutions to automate simple to complex processes, end to end. Our deep domain knowledge and understanding of the entire trade lifecycle allows us to help companies determine the changes required and assist with implementation, testing and deployment.

Without Xceptor ❌

- Continued reliance on legacy systems and slow, manual processes.
- Waiting for unfinished confirmations based on incomplete data.
- Delays caused by receipt of allocations in sub-optimal formats.
- Inefficient manual reconciliations processes.
- Account opening delayed by missing or incomplete data.

With Xceptor ✅

- 'Trusted data' ensures operational efficiency and resilience.
- Automation of total confirmations process from capture through to repository.
- End-to-end automation of simple and complex reconciliations.
- Automated extraction and capture of data in any format to accelerate account opening.
- Streamlined workflows.
- Agility and scale to deal with changing market conditions.



Begin your T+1 optimization journey today

For help or guidance with transformative, automated post-trade technologies that unlock legacy processes, contact us at hello@xceptor.com

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