CUSTODIAN PERSPECTIVE: PREPARING FOR T+1

As firms prepare for the shortened T+1 settlement cycle for U.S. securities transactions, the focus is squarely on further automating institutional post-trade processing. This is achieved through increased automation in the trade allocation, confirmation, and affirmation processes.

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One of the key focus areas of T+1 is removing the lag time in current T+2 processes. For instance, replacing the chase for accurate SSI data with automation will remove a lot of this extra time. When people think about the new timeline, they just need to think about everything being compressed. **7 7**

-Kevin Blair, Northern Trust

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It is important for clients to comply with the Same Day Affirmation rule set forth by the SEC as custodians cannot take care of this from their end. If clients can streamline their SDA rates or become self-affirming, that would be the best solution to ensure everyone is adhering to the new rules. **7**

-Michele Pitts, Citi

Regardless of regulation, ensuring your trades are affirmed efficiently is huge from an operations perspective. It will save you time and money, along with preparing you to T+1. **7**

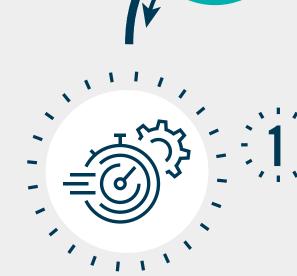
-Jack Parker, J.P. Morgan

Clients are increasingly asking about affirmation services and how they can improve their SDA, along with questions about enhanced trade-status reporting to prepare for T+1. **7 7**

-Magdelene Tay, BNY Mellon Asset Servicing

*Panelists shared these thoughts on T+1 at the Accelerating to T+1: Global Custodian Perspectives event on 2/28/23.

DTCC INSTITUTIONAL TRADE PROCESSING (ITP) CAN HELP



Don't waste valuable time chasing missing or inaccurate SSIs.

Don't waste valuable time chasing and correcting bad SSIs, instead automate with a centralized standing settlement instruction utility like ALERT, with over 14 million SSIs and growing. Today over 7+ million of those SSIs are delivered to ALERT via a Global Custodian Direct (GCD) workflow. A custodian's use of the GCD workflow equates to the elimination of manual touch points, thereby creating the "golden copy" SSI, which is critical to facilitating timely and accurate trade settlement.

Adopting CTM®'s Match to Instruct (M2i) workflow with ALERT® enrichment

CTM's M2i workflow with ALERT enrichment means post trade agreement and affirmation happens faster. When custodians use ALERT's GCD workflow, they are submitting buyside SSIs electronically to ALERT, ensuring complete SSI accuracy when a trade is enriched via ALERT through CTM's M2i workflow. M2i automatically triggers trade affirmation and delivery of DTC eligible securities directly to the DTC for settlement when a trade match between an Investment Manager and Executing Broker occurs. Utilizing this premiere workflow means greater accuracy and transparency into the affirmation process, eliminating the need to monitor exceptions within additional interfaces.

Identify operational gaps and inefficiencies quickly.

ITP Data Analytics enables you to measure and compare your operational performance against counterparties, industry standards and peers. The service offers dedicated metrics and data points that can assist in preparations for the move to a U.S. T+1 settlement cycle.

WANT TO LEARN MORE?

Contact us today to learn more about how DTCC's ITP suite of services can help you further automate your post-trade process in preparation for T+1.

LEARN MORE

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ASK THE T+1 EXPERTS

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