



Minutes

Post-Trade Technology Market Practitioners Panel

23 September 2019

Location: Prudential Regulation Authority, 20 Moorgate, London, EC2R 6DA

Attendees: **Barclays:** Andrew Kellner
Blackrock: Robert Lamb
CLS: John Hagon
Credit Suisse: Jeremy Lewis
DTCC Euroclear GlobalCollateral: Gareth Jones
Goldman Sachs: Joanne Hannaford
JP Morgan: David Hudson
LCH: Daniel Maguire (by phone)
M&G Investments: Siobhan Clarke
Morgan Stanley: Katherine Wetmur
State Street: Akbar Sheriff
XTX Markets: Mike Irwin
Bank of England: Andrew Hauser (Chair), Tim Taylor, Ankita Mehta, Khushal Thakur
FCA: Nike Trost (Observer)

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1. **Introduction and objective**

The Chair noted that this was the first meeting of the Post-Trade Technology Market Practitioners Panel.

In June, the Governor of the Bank of England announced¹ a number of actions to implement the recommendations of the Future of Finance Review². One of the actions was to convene a Post-Trade Technology Market Practitioner Panel to explore how market participants could leverage technological improvements to deliver a more efficient and resilient post-trade ecosystem. This was based on the finding that, whilst there had been substantial activity seeking to apply technology to improve post-trade processes in derivatives and securities markets, achievement of some of the biggest potential gains was being held back by coordination challenges.

The Panel aimed to bring together knowledgeable and experienced financial markets participants, currently active in carrying out post-trade processing, to address the coordination challenge.

2. **Terms of reference**

Bank staff gave an overview of the Panel timeline and sought approval for the terms of reference that had been circulated ahead of the meeting. The terms of reference were approved for publication on the Bank of England's website.

¹ <https://www.bankofengland.co.uk/speech/2019/mark-carney-speech-at-the-mansion-house-bankers-and-merchants-dinner>

² See [Future of Finance report](#)

Members were asked to register any conflicts of interest with the Panel secretariat.

3. **Post trade pinch points and discussion**

The Panel had a wide-ranging discussion on key issues identified in the post-trade ecosystem. Key pinch points identified included: internal and external data reconciliation; trade enrichment; and collateral management (including the calculation of margin). The panel also highlighted a number of other issues including Know Your Customer and Anti-Money Laundering checks, and difficulties around the on-boarding of clients.

Panel members had an initial discussion of possible common causes underpinning these pinch points, the shape of potential solutions to those common causes, and the incentives required to drive material change.

4. **Conclusion**

The Chair closed the session and thanked the Panel for their contributions.