



DRIVE FASTER SETTLEMENT WITH DTCC INSTITUTIONAL TRADE PROCESSING

As firms turn their attention to preparing for T+1 for U.S. securities, the focus is squarely on further automating institutional post-trade processes. On February 15, 2023, the SEC adopted final requirements for a May 28, 2024 implementation date for the move to T+1 settlement for transactions in U.S. cash equities, corporate debt, and unit investment trusts. DTCC Institutional Trade Processing (ITP) is an open, post-trade infrastructure that eliminates redundancies and manual processing – allowing you to efficiently manage the entire trade lifecycle, from post-execution to settlement finality, from one platform.

DON'T DELAY, AUTOMATE TODAY

To accelerate settlement, post-trade agreement and affirmation need to happen faster. This is achieved through increased automation in the allocation, confirmation, and affirmation processes.

CTM®, DTCC's platform for the central matching of cross-border and domestic equity and fixed income transactions, automates the trade allocation and confirmation process. The industry standard, with its community of over 1,900 buy-side and 1,400 sell-side firms, CTM provides significant operational efficiency with its enhanced central matching workflow and automatic trade enrichment.

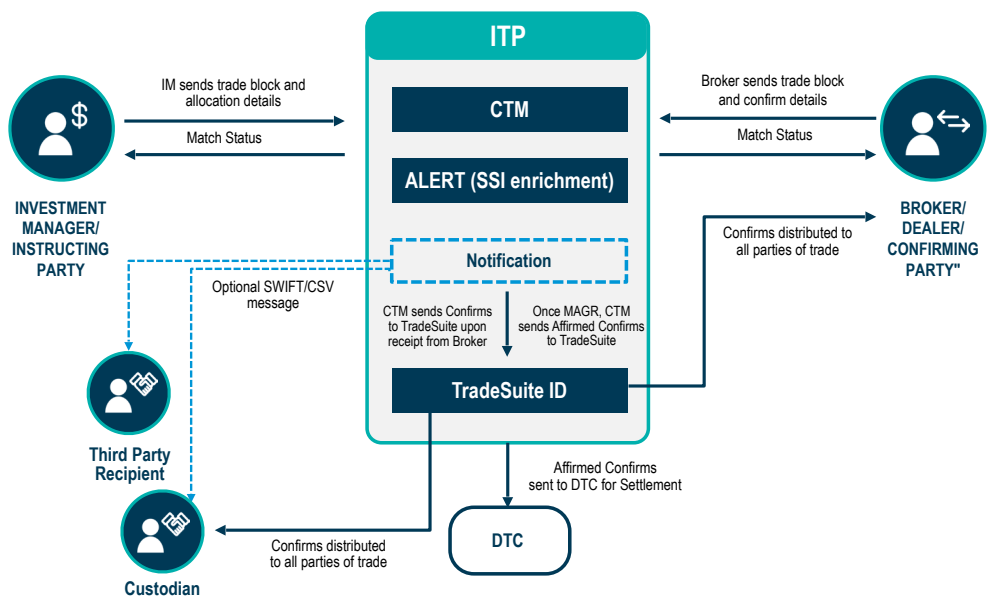
In the U.S., CTM's Match to Instruct (M2i) workflow acts as a key enabler to achieving T+1 settlement by automatically triggering trade affirmation and delivery of DTC-eligible securities directly to the DTC for settlement when a trade match between an investment manager and executing broker is achieved. In fact, most **clients using the M2i workflow to match and affirm U.S. trades are approaching a 100% same day affirmation (SDA) rate by 9 PM on trade date.** The current SDA rate for institutional confirm/affirm flows is ~46% (on trade date) in TradeSuite ID.

CTM

- A global community of +3,300 organizations
- ~1.5MM average daily volume (allocations/ confirmations)
- ~100% affirmation rate by 9PM on trade date by leveraging CTM's M2i workflow

HOW DOES IT WORK?

- Buy-side clients leverage CTM for submission of U.S. equity and fixed income trades into CTM. Some will also use the new ALERT Key Auto Select (AKAS) functionality to reap the benefits of a rules-based engine performing automatic smart enrichment of SSIs to their trades.
- CTM M2i sell-side clients also leverage CTM and submit confirms into CTM for DTC-eligible securities which drop down into TradeSuite ID.
- Once M2i trades reach a Match Agreed state in CTM, CTM automatically creates and affirms the TradeSuite ID confirmation. This confirmation drops directly down to the DTC for settlement without the need for any further processing or intervention.



KEY BENEFITS

Utilizing the M2i workflow drives a significant increase in Same Day Affirmation rates for DTC-eligible trades which ultimately reduces Delivery Orders/Night Delivery Orders (DO/NDOs), settlement fees, DKs and operational friction in the back office. It also brings unique benefits to the buy-side, sell-side and custodians including:

■ Buy-side

- Greater transparency into the affirmation process and eliminates the need to monitor exceptions in additional interfaces
- Frees up valuable time and resources as self-affirming investment managers are no longer required to perform Affirmation

■ Sell-side

- Allows for the consolidation of multiple DTCC systems, processes, and procedures down to a single no-touch workflow via CTM
- Shifts exception handling upstream to the middle office maximizing time for exception resolution as settlement cycles accelerate
- Increases settlement efficiency and reduces “cost of carry”

■ Custodians

- Saves on time and resources as custodians are no longer required to perform Affirmations on behalf of investment managers
- Increases efficiency by reducing settlement risks and cost

Leveraging DTCC’s **ALERT**® platform, the industry’s largest and most compliant global database of account and standing settlement instructions (SSIs), creates a central point of SSI entry and consumption for the industry. ALERT brings much-needed consistency and risk reduction to its community of users, providing access to a growing resource of over 14 million SSIs with 50% managed directly by source providers (Global Custodians and Prime Brokers).

There are many ways a firm can access ALERT to automate their SSI process and reduce their risk of trade failure. For manual buy-side participants, DTCC can help with a range of available managed solutions that can streamline internal workflows and processes with little effort and cost.

ALERT



A global
community of +3,550
organizations



+14M SSIs, 7M
(50%) of which are
managed by source
data providers

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.

WORRIED ABOUT T+1 AND IF YOUR FIRM WILL BE READY? NOT SURE WHERE TO BEGIN?

[Ask us about DTCC Consulting Services](#). No one knows the post-trade landscape better than DTCC. Our consulting experts will help you drive the optimization of your settlement processes and navigate the road to T+1.