

THE DIGITAL ASSETS EDGE

DIGITAL PRIME TECHNOLOGIES LAUNCHES TOKENET

EAMONN O'CALLAGHAN OF CACEIS ON THE GROWTH OF ETFs

B2PRIME'S ALEX TSEPAEV TALKS CLOSING OPERATIONAL GAPS

EXPLORING THE FUTURE OF TOKENISED DEPOSITS

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BUILDING SCALE

Tonic's Chris Watts and Steven Czarnota discuss the industry's progress

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DIGITAL PRIME TECHNOLOGIES LAUNCHES TOKENET

Digital Prime Technologies has launched Tokenet, its institutional digital asset lending platform, with the first trades now successfully executed on the platform.

Galaxy Digital, a digital asset firm providing trading, asset management, investment banking, and custody services, is among the first participants to go live on the platform.

The firm joins an expanding group of digital asset firms that have committed to the solution, which Digital Prime Technologies says reflects a strong early adoption across the market.

Max Bareiss, head of lending at Galaxy Digital, says: “Galaxy is one of the largest institutional lenders in the digital asset space, and the gap between our operational standards and the tools available has been real. Tokenet closes that gap. The workflows, the risk controls, and the transparency are what institutional participants have been looking for.”

Tokenet applies securities lending best practices to digital assets, aiming to

deliver the structure, transparency, and lifecycle discipline that institutional participants require.

The platform enables firms to post borrow needs and lending availability, manage collateral through a multi-custodian model, and access end-to-end loan lifecycle management — including rerates, recalls, returns, and mark-to-market functionality — through an enterprise-grade system.

James Runnels, co-founder and CEO of Digital Prime Technologies, adds: “Tokenet is live, trades are flowing, and the market now has an institutional-grade platform for digital asset lending with the depth and full front-to-back capabilities required by today’s participants. This is what Digital Prime Technologies was built to deliver, and having EquiLend’s network behind us means we’re bringing it to a broader set of market participants.”

Digital asset lending has historically suffered from fragmented and opaque practices, limited collateral transparency, and a lack of standardised workflows, the firm says.

Tokenet aims to address these structural gaps by bringing the same governance, risk controls, and operational rigor that underpin traditional securities finance, to the digital asset space.

Through their partnership, Digital Prime will use EquiLend’s institutional network to extend Tokenet’s reach to a broader base of securities finance participants.

Nick Delikaris, chief product officer at EquiLend, “Tokenet is the first digital asset lending platform built to satisfy institutional standards by mirroring the workflows, risk controls, and lifecycle management our clients already rely on.

“Through our partnership with Digital Prime, we are creating a seamless path into a hybrid environment capable of handling both digital and traditional assets.”

In December 2025, EquiLend announced its investment in Digital Prime Technologies to advance institutional tokenised-asset and digital-markets infrastructure.”



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COMMONWEALTH BANK OF AUSTRALIA, J.P. MORGAN, ASX, AND HQLA^X COMPLETE RBA TRIALS

Commonwealth Bank of Australia (CBA), J.P. Morgan, the Australian Securities Exchange (ASX), and HQLA^X have completed their collaboration under Project Acacia.

The project is a joint initiative led by the Reserve Bank of Australia (RBA) and the Digital Finance Cooperative Research Centre (DFCRC), exploring the role of digital money in tokenised wholesale markets.

The collaboration highlights how digital currencies and digital collateral records can improve the speed, efficiency, and resilience of Australia's US\$350 billion repo market.

Bianca Bates, head of J.P. Morgan Payments in Australia and New Zealand, comments: "This signals a turning point for Australia's repo market, showing that digital money and tokenised assets can deliver the speed, transparency, and resilience that modern financial systems demand. We're creating a pathway for key players to transition to next-generation infrastructure. Kinexys by J.P. Morgan provided the blockchain infrastructure to make this possible, building

on our track record of processing over US\$3 trillion in notional volume of transactions."

The repo market has increasingly been seen as a leading candidate for tokenisation as global markets shift toward faster, more automated infrastructure, says CBA. Australia's repo market plays a vital role in the economy by providing essential short-term funding for banks and financial institutions, enabling the RBA to implement monetary policy, and supporting the efficient functioning of government bond markets.

The CBA use case combined global and domestic infrastructure, including J.P. Morgan's Kinexys multi-asset tokenisation platform, CBA's Gravital digital assets platform, HQLA^X's collateral mobility solution, and ASX's local market expertise, to test interoperable settlement models in a controlled test environment.

As part of the use case, repo transactions were settled using CBA Deposit Token and wholesale Australian dollar central bank digital currency (CBDC), with the securities

leg orchestrated on the HQLA^X platform using tokenised assets held at ASX.

Sophie Gilder, managing director, Blockchain and Digital Assets at CBA, says: "Tokenisation is moving from theory into real-world application in core financial markets and has the potential to reshape how systemically important funding markets operate. For a market as critical as repo, even small gains in speed, liquidity, and risk reduction can have system-wide impact. With technology maturing, regulatory progress underway, and global investment accelerating, the conditions are now falling into place for tokenisation to scale."

Richard Glen, solutions architect at HQLA^X, adds: "Project Acacia demonstrates how tokenised collateral and digital cash can materially enhance efficiency, liquidity, and resilience in capital markets. Importantly, the initiative highlights how interoperable digital technology can evolve in alignment with regulatory expectations, supporting the next generation of robust and well-governed market infrastructure."



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Expertise

With two decades of securities finance expertise, EquiLend delivers proven operational excellence through solutions shaped in collaboration with global market leaders.



Anchorage Digital to provide custody support for Saturn

Anchorage Digital, an institutional crypto platform and operator of federally chartered Anchorage Digital Bank, will provide custody support for Saturn, a new platform building stablecoin products.

Instruments on Saturn will be backed by Strategy Variable Rate Perpetual Stretch Preferred Stock (STRC), which is designed to maintain a stable US\$100 price.

The integration will allow clients of Anchorage Digital to custody USDat, a stablecoin backed by tokenised US Treasuries and designed for DeFi liquidity, and sUSDat, a token referencing the performance of STRC, on its regulated platform.

According to Anchorage, sUSDat's underlying exposure is intended to provide transparency into the composition of assets and how different types of exposure are represented onchain, by being tied to Bitcoin-backed instruments such as STRC.

DTCC collaborates with Chainlink

The Depository Trust & Clearing Corporation (DTCC) has announced that its digitally native Collateral AppChain platform — designed as shared infrastructure to modernise collateral mobility and improve capital efficiency — will use the Chainlink Runtime Environment (CRE) and Chainlink's data standard to support key orchestration, data and automation capabilities.

Chainlink will be integrated into DTCC's Collateral AppChain to enable the pairing of asset prices, valuations and movement with the aim of overhauling how market risk is managed.

CRE is built to operate at institutional scale and provides access to a data

and orchestration layer, unlocking automated workflows for the Collateral AppChain's advanced eligibility, valuation, margining, collateral optimisation, settlement, and related post-trade processes.

As a shared infrastructure platform for collateral, DTCC's Collateral AppChain is designed to provide a common, interoperable foundation across market participants including collateral providers, receivers and managers, along with triparty agents and custodians.

DTCC's Collateral AppChain was publicly unveiled during DTCC's Great Collateral Experiment and is expected to go live in Q4 2026.

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SOCIETE GENERALE TO SCALE BLOCKCHAIN-BASED INFRASTRUCTURE

Societe Generale has announced it will accelerate the development of institutional blockchain-based financial infrastructure on the Canton Network, facilitated by its digital assets subsidiary Societe Generale-FORGE (SG-FORGE).

Societe Generale will join Canton as an Ecosystem Super Validator, which will see it support the Global Synchroniser, and is representative of its commitment to contributing to the development of institutional-grade use cases, according to the firm.

The initiative will be predominantly focused on tokenised collateral, onchain financing, and institutional-grade digital settlement solutions, building on the company's prior work on Canton, including its tokenised US bond issuance.

It plans to accept certain tokenised assets as eligible collateral, to enhance collateral mobility, and act as a counterparty in repo transactions, supporting the development of institutional onchain financing markets.

SG-FORGE will also deploy CoinVertible, its institutional-grade stablecoins, on Canton, as it aims to be "among the first banks to develop collateral and financing solutions in tokenised form on Canton".

Societe Generale says the initiative is indicative of its commitment to address the growing institutional demand for "more efficient, secure, and compliant market infrastructure".

Commenting on the scheme, Salim Nemouchi, head of equity derivatives

Americas and global head of prime services at Societe Generale, says: "This initiative directly responds to growing institutional demand within the Prime Services environment, which is at the core of our franchise.

"We are convinced that a public blockchain with configurable privacy, such as Canton Network, provides the right framework to bring greater efficiency to margin calls, collateral management and risk management."

Jean-Marc Stenger, CEO of SG-FORGE, adds: "By enabling secure, compliant, and efficient digital settlement, SG-FORGE is helping bridge traditional financial markets with onchain infrastructure and unlocking new possibilities for collateral mobility, financing and cash management."

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For over 20 years, our global footprint and capabilities have continued to grow, supporting the development and success of our clients. Today, with our 24/5 Follow-The-Sun operational model and unsurpassed asset servicing expertise, CACEIS works continuously around the globe to help you excel in all situations. **That's frog power!**

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FCA and BoE release tokenisation roadmap

The Financial Conduct Authority (FCA) and the Bank of England have laid out their joint approach for the development of tokenisation in UK wholesale markets and have opened up the proposal for public consultation. Under the shared vision, the FCA and central bank identified key areas where firms required greater clarity from feedback, including prudential treatment, tokenised collateral, settlement instruments, and have outlined their stance across these areas.

Tokenisation is the process of generating a digital representation of a real-world asset, such as a bond or unit of currency, on a digital ledger.

They have launched public consultation to gain industry perspectives where current frameworks and systems support or limit the secure use of this technology.

The consultation is intended to assist in informing the next steps of creating a blueprint for digital wholesale markets.

The Bank of England also released a consultation on extending Real-Time Gross Settlement and Clearing House Automated Payment System (CHAPS) settlement hours, setting out the path toward near 24/7 settlement.

The staged approach includes weekend and extended daily operating hours, and will support cross-border payments and new payment and settlement models as tokenisation develops.

The Prudential Regulation Authority (PRA) has published Dear CEO letters setting out updated guidance on the prudential treatment of tokenised asset exposures and on innovations in deposits, e-money, and stablecoins.

Marketnode named as authorised distributor of WisdomTree's digital funds

WisdomTree Digital Management, the digital finance subsidiary of WisdomTree, has selected Marketnode, a digital market infrastructure operator, as an authorised distributor of its digital funds to institutional investors in Singapore.

Marketnode is authorised by the Monetary Authority of Singapore (MAS) and holds a Capital Markets Services Licence.

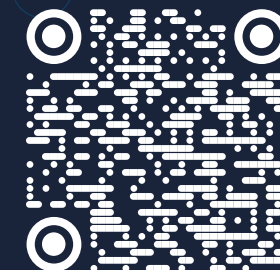
Eligible clients introduced by Marketnode will integrate via WisdomTree Connect, offering institutional participants access to tokenised funds and enabling access to available digital funds.

Commenting on the initiative, Andrew Scott, head of digital assets at Marketnode, says: "As a pioneer across both asset management and tokenisation, this strategic collaboration advances our mission to broaden institutional access to products of the highest quality; securely, compliantly, and at scale." ■

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Building scale in tokenised collateral

As tokenised collateral moves from proof-of-concept projects to production-scale deployments, questions around interoperability, regulation, and market infrastructure are becoming increasingly important. Tonic's Chris Watts, CEO and co-founder, and Steven Czarnota, head of digital, discuss the industry's progress with Zarah Choudhary

Tonic has evolved alongside the wider digital asset market in recent years. How has the company's strategy and business model changed as institutional adoption has matured?

Chris Watts: Tonic has always been underpinned by our expertise-led model and client centricity, enabling us to accelerate growth outcomes for our clients.

Historically we have been focused on a core set of connected domains, covering collateral, clearing, financing, broader post-trade, treasury, and risk.

Two years ago, we made it our mission to become the specialist bridge across TradeFi and DeFi ecosystems for our clients, underpinned by our deep understanding of both worlds.

We are there to give speed and the right direction to our clients' transition into DeFi, helping to future-proof their business model and growth.

Today we are in a unique position to do just that.

With collateral mobility becoming the most significant use case the industry has coalesced around, as market leaders we were a natural first port of call for our clients looking at tokenised collateral.

Knowing that was coming, we invested heavily in our internal digital asset education, confident that this would be a game-changing market shift, where our clients would lean on us for specialist support.

We have also seen a shift in our digital asset engagements over the last two years. 12-24 months ago, early digital collateral engagements were heavily weighted toward advisory work, often led by education, market landscaping, regulatory implications, strategy, and use case prioritisation, as clients focused mainly on early proof of concepts.

That focus has now shifted, as the industry steps into productionised and scalable solutions. As a result, we now find ourselves working with clients much more deeply across client strategy validation, business case definition, platform selection, target operating model design, and platform implementation.

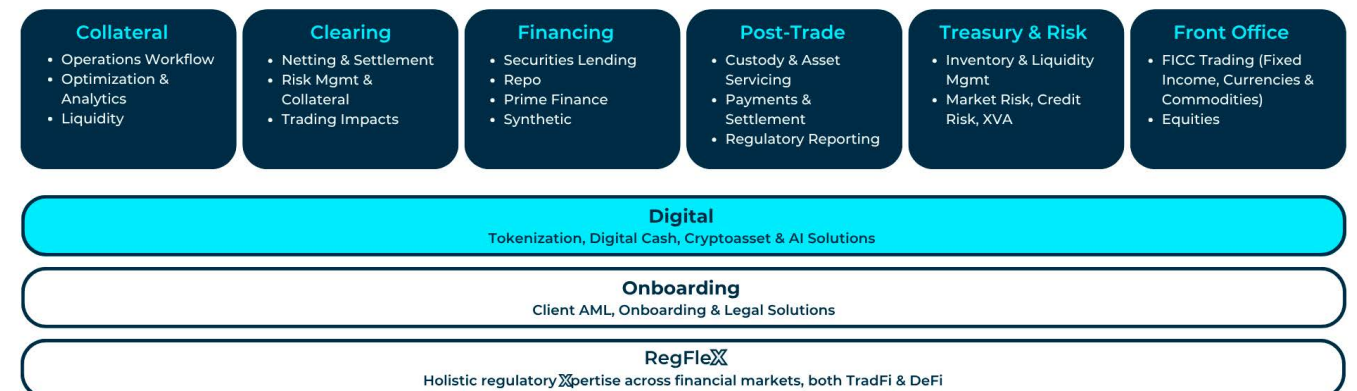
Driven by our clients' needs, we have also organically expanded way beyond pure tokenisation and collateral into the wider digital asset agenda, spanning crypto, digitally native money market funds, and stablecoins.

Tonic has worked on a range of digital asset and collateral initiatives across the industry. Which projects or partnerships best reflect the role the firm is playing in today's digital asset ecosystem?

Watts: We are fortunate to sit alongside many of the industry's core service providers, including custodians, central securities depositories (CSDs), clearing houses, and dealer banks.

Tonic is considered a trusted partner to our client base, who provide expertise-led support across our Advise, Transform, and Implement service modules.

We have to be careful about sharing specifics of client projects, but the common thread is helping them bridge between TradFi and DeFi ecosystems, with Tonic optimising their strategy and accelerating their transformation lifecycle, to drive commercial growth.



We also often help bridge these firms to their end clients, whether through industry working groups or structured client interviews, to validate and prioritise their product roadmaps, so they can execute at speed.

One engagement that is public, and so can be shared, is our work with DTCC on their Collateral Appchain.

“Removing those frictions via DeFi solutions also opens up a wide set of sub-use cases, including mobilising new collateral types such as gold and MMFs”

Steven Czarnota

We supported DTCC in bringing that product-to-life for their clients through a flagship industry event — the Great Collateral Experiment.

We also partner closely with a lot of the key players in the DeFi ecosystem, whether distributed ledger technology (DLT) platforms, interoperability applications, stablecoin, and crypto firms. Here we offer high value to our clients by helping accelerate important partner selection decisions.

Something Tonic can offer any firm with is a free digital asset infoshare session. Here we informally walk through key market trends and insights, so companies have the understanding to make key early digital asset decisions.

Collateral management has emerged as one of the strongest tokenisation use cases in capital markets. Why has this area gained so much traction compared to other tokenised asset classes?

Steven Czarnota: Industry research has done a lot to bring this to life recently.

Firms have repeatedly evidenced significant savings tied to being overfunded across fragmented collateral venues, in some cases by as much as 25 per cent.

That makes it an easy use case for the market to rally around, because the business case is unambiguous.

Funding and optimisation algorithms can have limited impact, due to constraints across the underlying TradFi pipes that move collateral today.

Removing those frictions via DeFi solutions also opens up a wide set of sub-use cases, including mobilising new collateral types such as gold and money market funds, removing the double funding of substitutions, and enabling intraday collateral for real-time financing and central counterparty (CCP) collateral.

A large part of our advisory work with clients is identifying where, across that set, the greatest economic benefit sits for their specific book.

How closely connected is tokenised collateral to other developing areas such as digital money market funds, tokenised cash, and onchain liquidity solutions?

Czarnota: The core value proposition of tokenisation is asset mobility and liquidity, and the reason you move an asset is either a cash trade or to post as collateral.

So when any asset becomes mobile on DLT, collateral immediately comes into the picture.

A related prerequisite to building volume scale for digital collateral, is ensuring that both securities and cash movements are digitised within the same operating model.

For example, if you have a tokenised bond used in a repo transaction, you need a cash leg, which means you also need to think about what that tokenised cash leg looks like.

At that point the risk profile of a tokenised deposit versus a stablecoin becomes a first-order question. Similarly, as soon as a money market fund is tokenised, it is mobile and can be used for financing or posted against derivatives exposures.

Where is the market for tokenised collateral today in terms of adoption, transaction volumes, and real-world client demand? Which use cases are seeing the most momentum?

Czarnota: There is meaningful volume flowing today, and solutions such as Broadridge, HQLA^x, and Kinexys have been in the market for some time.

Most of the use cases that have reached scale to-date have focused on solving intraday liquidity needs, through real-time repo products.

While hundreds of billions are flowing through these platforms each day, the broader, cross-product collateral market sits at around US\$39 trillion, so tokenised collateral still represents only a small share of the total. Repo accounts for the bulk of that market, so it makes sense for the industry to have concentrated there, where the balances make the business case self-evident.

That said, the use case set is widening. Regulatory tailwinds mean firms are now comfortable operating in the uncleared space, and clearing houses themselves are beginning to accept tokenised forms of collateral.

Despite growing interest, large-scale adoption has remained relatively gradual. What do you see as the biggest barriers to scaling tokenised collateral volumes across the industry?

Czarnota: Legal and regulatory status has historically been a drag on design and delivery timelines, although most firms have now secured the legal confirmation that representing their own books and records on a DLT network is technology neutral.

The challenge is that digital collateral uptake has often played out so far within walled gardens and private DLT networks, which has held back critical mass.

Critical mass is the single most important factor for tokenised collateral, because the value only materialises when firms can reuse their assets across their breadth of counterparties and venues.

That makes interoperability the real enabler, and it is where the industry has the most work to do.

Today there are 70+ known DLT platforms in the financial markets, meaning that — in the rush to build suitable DeFi solutions — we have managed to re-create silos that risk acting as a blocker to scale.

Fortunately, specialist interoperability vendors are now acting as the glue that connects these platforms to create a single, unified collateral mobilisation network.

People and culture can also be considered a potential barrier to growth here. DLT and digital collateral solutions are being productionised right now and are becoming ready for mass usage.

However, inertia, education, and lack of strategy can be blockers across some segments of the market. Some parallels here

to the relatively slow speed of AI roll-out across financial markets.

Looking ahead over the next two to three years, what developments do you think will be most important in accelerating adoption, whether through regulation, shorter settlement cycles, or increased market infrastructure interoperability?

Czarnota: Interoperability will be the single biggest accelerant over the next two to three years.

Firms are solving the connectivity problem in different ways, whether by connecting into common Layer 1s, wrapping tokens, or enabling direct integration between DLT networks.

As these approaches mature, they unlock the cross-network reuse of collateral that drives genuine scale.

Regulatory clarity is the second major tailwind. We are moving beyond DLT as a record-keeping layer toward truly digitally native assets, with the European Central Bank now accepting digitally native debt and US regulators encouraging CCPs to accept stablecoins and crypto with reasonable haircuts.

Shorter settlement cycles, demand for 24/7 trading and the continued build-out of market infrastructure will reinforce this trajectory, but interoperability and critical mass are the two factors most likely to move the dial on adoption.

As firms begin shaping their long-term digital collateral strategies, what key decisions are they currently facing, and what practical steps should institutions be taking now to prepare for this transition?

Czarnota: Firms sit at very different points on this journey. ■

Some technology providers have been active in the market for years, but because this part of the industry moves quickly, they are continually evolving their services in pursuit of scale.

A number of these firms built on infrastructure that is no longer current, and are now making important decisions

“Tonic has always been underpinned by our expertise-led model and client centricity, enabling us to accelerate growth outcomes for our clients”

Chris Watts

about what will give them durable scale going forwards.

Firms newer to the market are focused on accelerated education.

This is often followed by which use cases will allow them to enter the game and start catching up with their peers as well as which solution providers they want to partner with.

What is becoming clear across both groups is that the industry is moving toward a network of networks.

The conclusion most firms reach, regardless of where they started, is that their target state needs to be clear and multichain. ■

THE MANY SIDES OF DIGITAL ETFs

Eamonn O’Callaghan, global head of ETF Product at CACEIS, examines the regulatory, operational, and custody considerations shaping the growth of digital ETFs and ETNs as investor demand for cryptocurrency exposure through traditional investment wrappers accelerates



Investors have been purchasing digital assets since their inception. However, there has been growing investor interest in purchasing this asset class through an exchange traded fund (ETF) or exchange traded note (ETN) wrapper, which can be observed in the results of the numerous investor surveys and also through investor flows. The introduction of digital assets in ETF wrappers has expanded access by providing investors with exposure to this asset class without the need for direct custody or private key management.

These ETFs/ETNs blend traditional market infrastructure such as trading, clearing, settlement, and custody with cryptocurrency price tracking. Below we take a look at the many sides which need to be considered regarding these products.

The regulatory side

In the US, up to January 2024, funds were permitted to gain indirect exposure to digital assets which was generally achieved through holding derivatives or futures. In January 2024, the Securities and Exchange Commission (SEC) amended their approach and permitted spot bitcoin ETFs. This change enabled ETFs to directly hold digital assets such as bitcoin. Quickly after, a number of asset managers submitted regulatory filings to launch within the updated regulatory structure including Blackrock, Fidelity, Ark/21Shares, and Grayscale.

In Europe, Undertakings for Collective Investment in Transferable Securities (UCITS) are restricted from directly holding digital assets. Given this position, the vehicle of choice to directly hold digital assets is the ETN.

The Commission de Surveillance du Secteur Financier (CSSF) recently permitted Luxembourg domiciled UCITS to “invest indirectly in crypto assets for a maximum of up to 10 per cent of their net asset value”.

This will be an interesting space to watch in the coming months and years as asset managers start to utilise the revised regulation.

The buy side

Up until now, US spot Bitcoin ETFs have gathered US\$370 billion in assets, not an insignificant amount since their launch in January 2024. According to the ETF Book, in Europe digital ETNs have gathered US\$16 billion in assets and year to date inflows were US\$748 million.

These products are being bought by a wide variety of investors from virtually across the entire investor spectrum including, retail, high net individuals, institutional allocators (pension funds, family offices), hedge, and quant funds.

However, the key segments where there is the highest demand are retail investors and institutional allocators.

Digital ETFs/ETNs are approved by the SEC in the US and in Europe by the national regulator where the product is domiciled such as the Autorite des Marches Financiers (AMF) in France.

This regulatory approval provides investors with a level of comfort they do not necessarily receive if they purchase digital assets directly through their brokerage account.

There is also the additional comfort provided by large recognised asset managers running the funds. These factors are acting as tailwinds for growth.

The operations side

Supporting and running a digital ETF/ETN requires changes in some areas and a complete re-think in others, below are some of the key points:

Technical architecture. Many of the systems in place within financial institutions were developed prior to the introduction of digital assets. As such, these traditional systems will not have the technical capabilities needed to support some of the unique attributes inherent to digital assets.

Hence, the technical architecture to support digital ETFs/ETNs, should be reviewed to ensure that the functionality in place is capable of supporting them.

It is likely that in some areas, enhancements will need to be introduced. In other areas, new native systems will have to be developed.

Custody of digital assets. Acting as custodian of digital assets, such as bitcoin, requires specialised systems, expertise, processes, and regulatory approvals.

To obtain the Markets in Crypto Assets Regulation (MiCA) approval is a complex and detailed process with the relevant regulatory authorities.

In June 2025 CACEIS received its MiCA approval enabling it to act as custodian.

With the ability to provide issuer/common depositary services, transfer agency, accounting, and custody solutions, CACEIS is able to provide a true front-to-back service for ETNs with a digital underlying.

System interoperability. With the potential for the introduction of new systems to operational processes, and the goal of reducing manual touch points and promoting full straight through processing, system interoperability is crucial in promoting these goals.

Hence, front, middle, and back end systems need to be analysed and tested to ensure that data flows as envisaged. In some cases middleware may need to be developed to bridge any connectivity gaps.

Oversight and governance policies. Supporting digital ETFs/ETNs introduces the requirement for enhancements to oversight and governance policies.

Oversight and governance policies throughout the value chain should be reviewed through the prism of where enhancements need to be made in supporting digital assets in a risk-free environment.

This includes areas such as white-listing of wallets, verification of ownership, risk analysis of operational processes, and due diligence of the Authorised Participants (APs).

The flip side

While still relatively new, digital assets within the ETF/ETN wrapper have received significant inflows since their introduction. In addition, there is evidence of strong investor interest, most notably with retail and institutional allocators.

This demand is likely to drive additional well-known asset managers to launch these products and leverage their brand and distribution channels to gather assets.

This in turn creates the need for service providers to enhance their offerings in order to support these complex products.

CACEIS's institutional bank grade digital custody solutions, combined with issuance services for fund units, gives asset managers the confidence to unlock new digital opportunities.

Using CACEIS Bank's recent digital assets solutions allows for integrated assets servicing for both traditional securities and digital assets without any additional setup when already onboarded with us.

Such an end-to-end solution avoids the need to add new providers and workflows. CACEIS has the expertise, systems, and scale to support asset managers' digital asset journey. ■

Eamonn O'Callaghan
Global head of ETF Product
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The missing layer

With continuous markets, fragmented liquidity, and risk systems designed for a five-day work week, Alex Tsepaev, chief strategy officer at B2PRIME Group, talks to Matthew Challis about the operational gaps institutions still have to close

Bank-affiliated ETPs carry implicit expectations surrounding liquidity guarantees, counterparty quality, credit risk, and redemption mechanisms. How well does the current digital asset infrastructure hold up against those expectations when you stress-test it?

In my view, the answer depends on the asset and the stress scenario.

The infrastructure today is much stronger than it was two years ago when speaking about Bitcoin and Ethereum exposure through large-listed products. Moreover, the authorised participant (AP) and market-maker ecosystem is deeper, while in-kind creation and redemption are now permitted for many US crypto exchange-traded products (ETPs).

Plus, major products already rely on large traditional names across creation, redemption, trading, and custody workflows. Naturally, all of this brings crypto closer to the model investors already understand from commodity ETPs.

The key problem is that a bank brand can create expectations that go beyond what the legal form of the product actually supports. Investors may assume daily liquidity, tight spreads, high counterparty quality, and predictable redemption behaviour, which can be ensured in normal conditions for the largest assets.

Under stress, however, there might be venue fragmentation, reliance on a limited group of trading counterparties, fiat rail unavailability, blockchain congestion, and the inability of APs to keep arbitrage working when spreads widen quickly.

The APs and arbitrage mechanism are what keep ETP prices close to net asset value (NAV), while NAV itself often depends on pricing consolidated on multiple crypto venues, so when several of those venues halt at once, the whole model ends up under pressure simultaneously.

Fragmentation across exchanges, OTC desks, custodians, and jurisdictions is widely acknowledged as a problem. Is that primarily a technology gap, a regulatory gap, a commercial one, or something else? And which is hardest to close?

I do not see fragmentation as a technology gap. Technology can connect venues, route orders, automate settlement instructions, and consolidate reporting.

The more serious problem is that digital asset markets grew around vertically integrated exchanges, bilateral OTC desks, separate custodians, and local regulatory regimes. Each part of the chain has its own credit and fee model, asset list, and custody rules.

This makes fragmentation a commercial and regulatory gap at the same time. Commercially, venues have little incentive to give up control over liquidity, client data, and collateral, while regulators treat the same activity differently depending on the region.

The hardest to close is the commercial aspect around credit and liability, because a unified execution screen is not enough. Institutions need to know who carries settlement risk, who guarantees delivery, how collateral is transferred, and what happens if a venue fails.

Unless these questions are answered, fragmentation — six legal entities, six boards, six local teams all expected to operate under one standard — remains an operating risk.

When an institution wants to execute at real size, what does the execution stack look like today, and at what point does it break down?

For a serious institutional trade, the stack usually starts before execution.

The asset has to pass internal approvals, compliance checks, venue eligibility, custody rules, and pre-trade risk limits.

Then the order goes through an order management system (OMS) or execution management system (EMS), often into an execution layer that can access OTC desks, exchanges, prime brokers, and sometimes derivatives venues for hedging. From there, the trade may be split between request for quote (RFQ), algorithmic execution, and block liquidity, while settlement is handled through a custodian, prime broker, exchange account, or off-exchange settlement model.

At a small size, this is manageable, but at a substantial one, the system starts showing its seams. Market impact is the first thing that breaks, as when the trade is too large for visible order books, the institution has to depend on OTC liquidity and internalisation. The second is collateral location, because if funds are held with a custodian, but liquidity is scattered on multiple exchanges, the institution either pre-funds venues, uses credit lines, or accepts slower settlement. The third thing that breaks is post-trade reconciliation, because books, wallets, custodians, administrators, and risk systems do not always update at the same pace.

Risk and operations teams in traditional finance are built around market hours and batch settlement. What is the single biggest operational failure point you see when institutions try to run a digital asset book alongside a conventional portfolio?

From my experience, the biggest failure point is the mismatch between real-time markets and batch-based control systems. Basically, digital assets trade continuously, and collateral moves continuously. Risk, in turn, can materially change on a Sunday night, with many traditional systems still assuming end-of-day valuation, overnight reconciliation, weekday settlement windows, and human escalation during office hours.

This is dangerous. The trading book may be live while the risk, treasury, compliance, and finance functions are only partly live, which

makes a margin call or, say, a withdrawal queue, or wallet approval happen when the conventional operating model is essentially asleep. This is the point where the largest losses occur.

I'd also highlight governance among the weakest points. Institutions need 24/7 risk ownership, automated limits, real-time collateral visibility, and a clear escalation model. Without them, a digital asset book becomes an always-on position inside a mostly five-day operating machine.

Is the 24/7 nature of digital asset markets a genuine advantage for institutions, or is it mostly a liability until the broader financial system can catch up?

I would call it a genuine advantage that currently behaves like a liability for most institutions.

Continuous markets mean capital does not sit idle waiting for a settlement window to open. In tokenised markets specifically, programmable payment flows eliminate the frictions that batch systems impose by design.

That said, institutions do not operate in isolation. They depend on a chain of counterparties — banks, administrators, auditors — none of which match the market speed. If those functions are not available in real time, 24/7 trading creates a lopsided model in which the asset trades all the time while fiat settlement and internal controls still depend on office hours.

There is also a liquidity point worth making, as an open market does not mean a deep one. Weekend liquidity is thinner, and when fewer participants are active, price discovery reflects that: spreads widen and price swings can be exaggerated.

So, 24/7 access becomes genuinely valuable only when treasury and compliance infrastructure can run at the same speed as

the market itself. For most institutions today, though, that condition is not yet met.

With MiCA live, a US framework taking shape, and the UK regime in progress, are we heading toward meaningful convergence or toward several incompatible regimes that force providers to build parallel infrastructure?

I believe we are heading toward partial convergence in principles and divergence in implementation. Regulators broadly want the same thing: segregated assets, proper disclosure, and someone responsible for failures.

The divergence is in perimeter, timing, and product treatment. MiCA in the EU is already live, the US passed the GENIUS Act in 2025, while the UK legal regime does not come into full force until October 2027, which means providers cannot build once and deploy everywhere.

The rules governing the same activity look different depending on where you operate.

A single global control architecture is achievable, but a licence alone does not solve the problem. Getting authorisation is easy, yet embedding each legal entity into onboarding, reporting, product eligibility, and internal controls is much harder.

Firms that treat authorisation as the finish line tend to discover the real work starts after.

Where do you see the biggest regulatory arbitrage risk emerging over the next two years? And which jurisdiction is most likely to attract a disproportionately high level of activity?

The biggest arbitrage risk over the next two years sits in stablecoins, yield, offshore derivatives, and custody standards. Jurisdictions treat the core questions differently — who can issue, on what reserves,

and whether intermediaries can offer yield at all — which creates room for activity to concentrate wherever legal certainty and commercial flexibility overlap.

The US is likely to attract a disproportionately high share of stablecoin and dollar-liquidity activity because, for the first time, there is a federal framework that regulated institutions can actually explain to their boards.

At the same time, I would watch the UAE and Hong Kong.

Dubai's Virtual Asset Regulatory Authority has a dedicated virtual asset regime with a functioning public licensing framework.

Meanwhile, Hong Kong's stablecoin issuer regime came into force on 1 August 2025, and appears to be one of the first jurisdictions globally to reach that point.

If you had to identify the one problem that, if solved, would unlock the next phase of genuine institutional adoption and deep integration, what would it be?

For me, the core problem is the absence of a trusted settlement and collateral layer connecting venues, custodians, and fiat rails.

As a matter of fact, institutions already have the access and execution infrastructure. But what they still lack is a common operating layer that lets them transfer collateral and reconcile positions with the same confidence they have in traditional assets.

Yes, more ETPs bring in new capital, more licenses foster confidence, while more exchanges deepen liquidity. Even so, real integration needs, first and foremost, a predictable post-trade infrastructure.

If an institution cannot see collateral in real time or net exposures without manual workarounds, crypto stays a satellite allocation rather than a fully integrated asset class. ■

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TOKENISED DEPOSITS AND THE FUTURE OF INSTITUTIONAL MONEY



With the increasingly prevalent issuance of tokenised deposits, Matthew Challis explores their future in commercial bank money and what it will take to move them from pilot to routine infrastructure

The past two years of institutional digital finance have, in part, been characterised by the ongoing and increasingly prevalent issuance of tokenised deposits. HSBC's tokenised deposit service is live across multiple regions, Kinexys by J.P. Morgan deploys deposit-token rails for its institutional clients, UK Finance is running its Great British Tokenised Deposit (GBTD) pilot, and, according to Citi, tokenised deposits could support between US\$100–140 trillion in annual flows by 2030, which are figures that would put them well ahead of stablecoins, whose global issuance climbed to around US\$300 billion through 2025.

The appeal, at an institutional level, of a tokenised deposit is rooted in the “same activity, same risk, same regulatory outcome” principle. They do not offer something entirely new, but an evolution of an existing financial instrument, providing institutions with considerably quicker settlement times while maintaining predictable supervisory treatment and accounting.

Significantly, they allow globally systemically important banks (G-SIBs) to harness the most sought-after characteristics of stablecoins — their settlement times, flexibility, and programmability — while keeping funds inside established regulated banking rails.

But what position do they hold in the future of commercial bank money? Are they an incremental upgrade, or are they the foundation of a new settlement architecture?

Stablecoins vs tokenised deposits

The Bank for International Settlements' (BIS) ‘singleness of money’ concept is based on the belief that to maintain a stable and trusted payment system, all forms of money, from public to private, need to trade at one-to-one value and be fully interoperable with one another.

Herein lies the key differentiator between stablecoins and tokenised deposits as vessels for moving institutional money.

Stablecoins, despite (usually) being pegged one-to-one with a fiat currency or real-world asset (RWA), can potentially fluctuate in value. Tokenised deposits, due to their position as a digitised version of an existing regulated product, are much better at retaining their intended value and subsequently align more closely with the BIS concept.

The preservation of the two-tier monetary system has also guided the recent institutional shift. While stablecoins represent a claim on a segregated reserve pool, tokenised deposits allow central banks to issue base money and commercial banks to create credit.

Institutional thinking

The institutional appeal, highlighted by Emma Landriault, head of labs, Kinexys by J.P. Morgan, lies in tokenised deposits' ability to offer the flexibility of modern financial systems without the uncertainty of stablecoins' ever-evolving framework.

The round-the-clock and near-instant settlement capabilities of tokenised deposits, she says, allow institutions to send and receive money securely onchain without being confined to the constraints of TradFi operating windows and the subsequent potential for delays in sending and receiving payments. She adds that the convergence of TradFi and DeFi “will not disrupt correspondent banking”, which plays a “critical role in maintaining the

singleness of money” — aligning with the work done by BIS.

Landriault believes that, in the future, “stablecoins could become privately issued money, good for a subset of payment use cases such as retail, fractional, and low-value payments as M2 money”, off-ramping and finding the finality into commercial bank

“No single bank can create a market on its own”

Dr Michael Huertas, PwC

money, which she says “allows for flexibility of privately issued money, while maintaining a strong financial stability profile as M0-M1 money remain anchored”.

“Then commercial bank money as deposit tokens would find finality in central bank money such as CBDCs,” she says. “This is how we continue to see the space evolving.”

Interoperability and flexibility

The ‘Multi-Moneyverse’ theory, coined by the Bank of England, wherein the digital ecosystem is one of interoperable fiat and digital currencies that can freely and securely coexist, provides banks with the foundation for the institutional ambition underpinning

tokenised deposits. But coexistence presupposes that the rails connecting these instruments are fit for purpose. In much of the market today, they are not.

While capital markets infrastructure transitions into becoming digital at one end — tokenised bonds, MMF interests, repo positions, onchain collateral — the cash leg of those transactions is still dependent on TradFi payment rails, which operate under the restrictions of traditional banking hours, suffering from the shortcomings of batch-based settlement.

Commercial bank money movement between institutions is still dependent on layered correspondent banking relationships and a reconciliation process designed for a bygone analogue era, held back further by the fixed operational hours of RTGS systems.

The mismatch, says Dr Michael Huertas, partner and Global Financial Services legal leader at PwC, is “between a digitally native financial market infrastructure and a largely non-programmable commercial bank money layer”, with consequences from settlement delays to trapped liquidity to higher operational costs and even counterparty exposure during the gap that occurs between trade execution and final settlement.

Europe has, in fairness, tried to address these issues. SEPA has unified euro payments under a single ruleset; T2S consolidated securities settlement onto a common platform with central bank money finality, but both modernised the core of an older architecture, as opposed to replacing it with one of programmability or native integration with DLT-based asset environments.

“Neither,” Huertas says, “fully answers the problem that tokenised deposits address.”

Tokenised deposits offer a way to bring regulated commercial bank money into blockchain environments without dismantling the established two-tier banking system that

acts as a framework for it. This extended preexisting bank liabilities into programmable form, while simultaneously harnessing atomic settlement and the near real-time transfer of value. Huertas sees this objective as “not simply faster payments”, but rather it is the “reduction of settlement friction, counterparty exposure, operational duplication, and trapped liquidity” across financial markets that are becoming increasingly digital in nature.

Implementation

HSBC’s Tokenised Deposits Service (TDS), according to Lewis Sun, the bank’s global head of digital currencies, Corporate and Institutional Banking, emerged as a direct response to specific client demands: 24/7, cross-border settlement, available irrespective of traditional banking hours, cut-offs, time-zone barriers, or any of the other analogue inconveniences. Treasury teams, he says, wanted to “move money when the business needed it”, not when working hours permitted, and payments that could be “initiated from their own systems and integrated into existing treasury operations”.

Tokenised deposits could, therefore, offer HSBC’s clients something that traditional banking rails could not.

Part of the appeal for large corporates is that a tokenised deposit is an evolution of an existing asset class. TDS allows clients to tokenise funds via API and move them between wallets, before redeeming the tokens back into standard fiat balances on HSBC’s core banking ledger. In substance, the funds have remained bank deposits, but in practice, there now exists a mirrored one-to-one tokenised digital representation on the blockchain layer. Institutions have taken their existing cash management structures, credit facilities, FX workflows, and reporting — all built around their current banking connections — and extended such arrangements onchain, instead of ushering clients into a parallel money ecosystem.

Sun positions TDS as a Digital Assets and Currencies (DAC) instrument, as opposed to a wholly separate asset class, which, significantly, frames it within the confines of HSBC’s existing risk parameters. The support for conditional release and automated sweeps allows treasury teams to develop automated funding and payment workflows, instead of simply moving money between accounts. Instant data integration, Sun says, “supports easier reconciliation”, which is an operational benefit that tends to be most visible at a large scale rather than showing up in a singular transaction. Subsequently, he adds, the earliest adopters tend to be global or regional treasury centres because they “operate at high volume across time zones and place a premium on real-time visibility and control”.

For TDS to realise its full potential, Sun believes it will depend on the speed at which the rest of the industry adopts tokenised deposits. He sees the early signs as “encouraging”, but the potential value of something like TDS will be revealed, “at scale as the industry moves towards cross-bank, multi-rail settlement”. While it is live in Hong Kong, Singapore, Luxembourg, the UK, and, most recently, the US, a single bank operating a parallel tokenised deposit service is still, in essence, a closed ecosystem.

As Sun insinuates, for the architectural framework to be of industry-wide value, tokenised deposits at HSBC would have to possess the ability to settle against tokenised deposits at a different bank, which is what initiatives like Project Ensemble in Hong Kong are testing.

The requirements for scale

Huertas believes that, in order for tokenised deposits to move from “innovation theatre to routine infrastructure”, three sets of conditions must converge: regulation, technology, and industry coordination. The regulatory medley of national interpretations, sandbox regimes,

MiCAR addressing both stablecoins and crypto-assets, but, as Huertas puts it, leaving “deposits within existing banking law”, is a serviceable environment for pilot schemes and experimentation, but one that would not suffice for operating at scale.

At EU level and, ideally, with international convergence, Huertas argues, further legislative or supervisory guidance is necessary to confirm how prudential, deposit-protection resolution, and settlement-finality rules apply to tokenised forms. Despite the uptake in demonstrative examples of live laboratories — Project Ensemble, the UK’s GBTD initiative, the Canton Pilot, TDS’s global expansion — the absence of a unifying framework causes unworkable levels of operational friction, posing a great challenge to solving the issue of an at-scale institutional function for tokenised deposits.

Huertas highlights that the technology must possess and demonstrate enterprise-grade resilience and scalability, along with the necessary security “not merely in controlled pilots but under real-world stress conditions”. Standards for interoperability must reach a stage where “a corporate treasurer or asset managers can move tokenised deposits across banks and platforms with the same ease and certainty with which they move euros through SEPA today”, further shedding light on how far the industry needs to come.

Huertas speaks of industry coordination as being the most consistently underestimated facet of transitioning from pilot phase to live service. “True interoperability requires competitors to cooperate on shared infrastructure standards,” he says, “which is inherently difficult but historically necessary for payment and settlement networks to achieve critical mass.”

Network effects in money do not stem from individual product launches, or as Huertas frames it, “no single bank can create a market on its own”.

Steps taken by the European Central Bank, such as its exploratory work on a unified ledger concept for wholesale settlement and its developments on and around the Eurosystem Collateral Management System, are, indeed, steps in the right direction. But the integral heavy lifting at the industry-coordination level remains to be seen.

Landriault anticipates that parallel financial infrastructure will coexist for many years to come.

“Even as public blockchain use increases,” she says, “banks and other service providers will support integration of these new technologies with legacy infrastructure and services. It’s true the transformation of financial services is underway, but scalable, institutional-grade capabilities will be the result of incremental adaptation over the years ahead, rather than an overnight transformation.”

But Huertas’s timeline of events is more specific and, perhaps, more optimistic: he claims that “meaningful institutional adoption in the euro area within the next two to four years” is plausible, on the basis that “the current pace of regulatory and central bank engagement is maintained”.

Looking ahead

How will the future be shaped?

Well, what will determine whether tokenised deposits become a genuine interoperable layer of programmable commercial bank money of significance for G-SIBs and institutions alike, or fade into the obscurity of parallel coexisting silos, as warned against by Huertas and Landriault, will depend on what regulators and central banks, along with the broader industry, can agree on.

The product has proven itself as a viable tool for institutional money; the question that remains to be seen is: can they get the architecture right? ■

TOKENISATION MOVES FROM THEORY TO INFRASTRUCTURE



Tina Joshi
Broadridge



Sasha Sitsker
EquiLend



Nathaniel Lindsay
State Street



Steve Everett
TMX Group

Speakers at the Securities Finance Times Boston Symposium examined how digital assets are moving from experimentation towards institutional infrastructure, while warning that legacy systems, interoperability, and operational complexity remain major hurdles

The 'Blockchain, Digital Assets, and the Tokenisation of Securities Finance' panel at the Securities Finance Times Boston Symposium brought together perspectives from across the securities finance ecosystem, with participants largely aligned on one point: digital assets are no longer a theoretical discussion.

Moderated by **Tina Joshi**, head of securities finance and collateral management solutions at Broadridge, the panel explored how institutional thinking around tokenisation has evolved, what is still holding adoption back, and whether the industry is genuinely approaching a large-scale inflection point.

Opening the discussion, Joshi asked whether the industry is now at an inflection point or still firmly in the infrastructure build-out phase. **Sasha Sitsker**, vice president, solutions engineering at EquiLend, argued that the answer is both. "There was a lot of apprehension about digital assets," he explained. "No one knew exactly what stepping into the digital asset space represented, or what the benefits necessarily were."

According to Sitsker, the industry has now moved beyond that uncertainty, with early adopters and major market participants beginning to align around what future infrastructure may look like and the tangible benefits of its adoption. "At least now we know which infrastructure we are building out to," he noted.

Nathaniel Lindsay, vice president and head of electronic trading, agency securities lending at State Street, agreed, but highlighted the importance of the evolving US regulatory landscape in accelerating institutional interest.

He pointed to the January 2025 executive order supporting digital assets in the US, alongside the US Securities and Exchange Commission's (SEC's) rescission of Staff Accounting Bulletin (SAB) 121 through SAB 122.

Lindsay explained that SAB 121 effectively prevented prudentially regulated institutions from engaging meaningfully in digital asset custody because it required assets under custody to sit on balance sheet. "Imagine if State Street's US\$50 trillion was on balance sheet," he remarked. "It is completely infeasible from a regulatory capital standpoint."

Steve Everett, chief commercial officer CDS and head of post-trade innovation at TMX Group, meanwhile argued that the infrastructure discussion needs to be viewed more holistically.

While many digital asset discussions focus on innovation layers and settlement rails, Everett suggested the industry often overlooks the operational bottlenecks inside firms themselves.

"No matter how efficient your rails are, when a client back-end infrastructure does not quite meet up to the same speed, it all goes down to the lowest common denominator," he observed.

When asked about which part of the industry could see scale adoption of digital assets, Everett highlighted private markets as one area where digital transformation may accelerate more quickly because, unlike many public markets, there is little entrenched infrastructure to replace.

"Private markets actually have very little infrastructure, certainly in Canada and it's mostly paper based," he said.

A major theme throughout the panel was the growing distinction between cryptocurrency and broader digital asset infrastructure.

Sitsker noted that for many years digital assets were effectively treated as synonymous with cryptocurrencies such as Bitcoin and Ethereum. Now, however, the industry is developing a much more nuanced understanding of the space, and is better able to distinguish between the asset class and the underlying technology. This includes tokenised securities, tokenised real-world assets, stablecoins, and even the use of distributed ledger technology (DLT) purely for operational workflows.

As an example, Sitsker referenced EquiLend's 1Source distributed ledger platform, which creates a single onchain version of a securities lending contract accessible to both counterparties. "If adopted at scale, it completely eliminates the notion of counterparties being out of sync or needing to come and reconcile their contracts on a day-to-day basis," he said.

Lindsay added that State Street's strategic approach to digital assets has also evolved significantly. "Our 2026 gross technology investment in digital has grown orders of magnitude since 2025 and even more substantially since 2024," he revealed.

According to Lindsay, digital assets have shifted from being a niche custody discussion to something being assessed strategically across the entire organisation.

The question of complexity versus simplification was another central topic during the discussion.

Asked whether tokenisation simplifies custody operations or makes them more complex,

Lindsay acknowledged that the short-term reality is likely more difficult operationally.

Maintaining synchronisation between traditional securities and their digital representations, he explained, introduces challenges around minting, burning, corporate actions, stock splits, and dividend processing.

However, he argued that in a fully digitally native environment, complexity could ultimately decrease significantly.

“That is where we start to reap some of the more compelling benefits of this technology, like programmability and atomic settlement,” he noted.

On the question of what still prevents institutions from moving faster into digital assets, the panel broadly agreed that the primary challenge has shifted away from regulation and towards technology integration.

Sitsker argued that the industry now broadly understands the regulatory framework, and the focus has instead turned towards scaling adoption and reducing integration pain points. “Right now everyone has got their sights focused on: okay, we know what the rules of the playground are,” he said.

Lindsay similarly highlighted the importance of education and institutional-grade security. He explained that many clients still associate digital assets primarily with cryptocurrencies, rather than with tokenised representations of traditional financial instruments.

“We think about abstracting away complexity and really being a bridge between traditional and digital markets for our clients,” Lindsay said.

The concept of institutional-grade infrastructure became a recurring theme throughout the discussion.

From a vendor perspective, Sitsker argued that many of the industry’s early assumptions around decentralisation are now being reconsidered.

Rather than prioritising decentralisation, he suggested institutional markets instead require scalability, security, and trusted operators.

“The decentralisation angle was probably more of a hindrance than a benefit to an industry that needs clarity around who is maintaining these networks and applications,” he explained.

Everett agreed, referencing Canada’s Project Samara as an example where assumptions around disintermediation did not ultimately hold up under scrutiny. “The starting point should not be disintermediation,” he argued. “The starting point should be: what value is being derived and what exactly is the problem we are trying to solve for?”

The panel also challenged some of the industry’s assumptions around atomic settlement.

While often presented as one of tokenisation’s key advantages, Everett questioned whether marginal settlement speed improvements alone justify the operational transformation required.

“Is atomic settlement as big a value as we say it is?” he asked. “Today settlement in traditional infrastructure is measured in 10ths of second. The issue isn’t the technology, it’s more about how the ecosystem connects with each other today and the associated behaviour which is concomitant.”

Instead, Everett highlighted programmability, reconciliation reduction, and cross-border collateral mobility as potentially more meaningful long-term benefits as opposed to pure atomic settlement as a value driver. “Cross-border mobilisation of securities is really not great,” he said, suggesting digital

infrastructure could materially improve that process.

The discussion later turned towards competition and market structure.

While the panellists generally agreed that trusted incumbents are likely to remain dominant in institutional markets, they also acknowledged that barriers to entry are falling rapidly.

Everett suggested advances in technology and artificial intelligence are making it significantly easier for new firms to build digital infrastructure. “The barrier to entry dropping means that you are going to naturally get more competition,” he said.

Still, both Lindsay and Sitsker argued that network effects and institutional trust will continue to favour large incumbent providers, particularly in custody and asset servicing.

Finally, Joshi asked the panel which asset classes they believe will first achieve genuine tokenised scale beyond pilot programmes.

Sitsker pointed towards stablecoins, describing them as the most easily understood digital asset use case and potentially foundational infrastructure for digitally native transactions.

Lindsay instead highlighted tokenised money market funds, citing growing institutional demand for yield-bearing digital cash instruments that can also be mobilised as collateral. “The product-market fit is pretty clear,” he said.

Everett agreed with the money market fund thesis as collateral, but also argued that private markets may ultimately see the most complete digital migration due to their lack of entrenched infrastructure. “When that [private markets] moves across to this technology,” he concluded, “I think it is going to move at scale.” ■



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CACEIS to appoint Barb ris as deputy CEO

CACEIS has proposed the appointment of Jean-Jacques Barb ris as deputy CEO in charge of coverage and digital assets, subject to approval at the company's next board meeting.

Barb ris joins CACEIS from Amundi, where he served as head of Institutional and Corporate Clients Coverage and oversaw the environmental, social and governance (ESG) department. He was also a member of Amundi's general

management and executive board. In addition, Barb ris has served as chairman of Amundi Germany and CPR Asset Management since 2021.

Before joining Amundi, he worked as adviser for economic and financial affairs within the office of the French president between 2013 and 2016.

Prior to that, he served on the staff of former French economy and finance minister Pierre Moscovici.

Li joins Xapo Bank

Xapo Bank, a private bank bridging fiat currency and Bitcoin, has appointed Eileen Li as its relationship manager in APAC, joining from an undisclosed venture capital firm.

In addition to the onboarding and maintenance of Xapo's clientele, Li will act as a primary point of contact for institutional accounts and is responsible for formulating appropriate solutions to meet client needs based on their circumstances and risk propensity.

Li brings just under a decade of experience in the financial services sector to her new role, including stints at BNP Paribas and HashKey Capital.

She holds a Bachelor of Business Administration in Accounting from the City University of Hong Kong.

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Banking Circle Group appoints Saxena as group CEO

Banking Circle Group, a financial technology platform for global commerce, has appointed Kush Saxena as group CEO. The appointment follows the recent appointment of Ralph Hamers as group chairman and, according to the firm, represents a natural step towards the next phase of growth at scale.

Commenting on the appointment, Hamers says: "Kush has an impressive profile and we are excited to have him lead Banking Circle Group into its new chapter, building upon the strong foundation that Anders, Laust, and the team have built.

"His proven track record in scaling global payments platforms, strong operating rigor, and technology-led approach is complementary to the existing group board and management team, and I am excited to partner with him to deliver on the significant growth opportunity that lies ahead."

Co-founder Anders la Cour will move into the role of senior advisor while co-founder Laust Bertelsen will continue as CEO of Banking Circle S.A. and transition out over the next 12 months, says the firm.

Saxena brings over 20 years of senior leadership experience in global payments and financial technology, and was most recently the CEO of Getnet.

Prior to Getnet, he spent eight years at Mastercard, most recently as a member of the global management committee and executive vice president of Mastercard's Merchants and Acceptance division, and was chief technology officer before that. He has also held board roles at publicly-listed companies, including as non-executive director of Crown Agents Bank and advisory board member of BioVie, alongside senior advisor positions to organisations such as The World Bank.

Bit1 Crypto Exchange welcomes Baker

Bit1 Crypto Exchange has welcomed Malcom Baker as head of liquidity.

Based in Dubai, he will be responsible for leading liquidity, execution, and market-making strategy for large proprietary trading operations.

Baker will also assist in building automated trading systems, managing risk, and delivering consistent liquidity across global markets.

He moves to the position from MultiBank Group, where he spent more than a year as head of trading, crypto derivatives, and liquidity.

Throughout his career, Baker has also worked at M2 as head of treasury and trading room (UAE), at OSTC as senior portfolio manager — macro team, and at Bitpanda Pro as sales director, regulated crypto exchange in Europe.

Commenting on his new role in an online statement, Baker says: "It is set to be a significant year ahead, focusing on engineering smarter markets, enhancing infrastructure, and optimising liquidity."

Federated Hermes appoints Barr as Director of Digital Assets Product and Platform Strategy

Federated Hermes has appointed Kevin Barr as director of Digital Assets Product and Platform Strategy.

Barr joins the firm from BNY, where he most recently served as head of Digital Cash and Innovation within Treasury Services.

At BNY, Barr led digital asset and tokenisation initiatives spanning blockchain-based payments, liquidity, and market infrastructure, alongside regulatory engagement and industry collaboration. ■

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