

Clearstream

Liquidity Hub News

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Canada to become fourth destination for Liquidity Hub GO



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Liquidity Hub Connect

Clearstream is to launch Liquidity Hub Connect, a unique collateral management solution for agent banks.

The service, being developed first with BNP Paribas Securities Services, will enable the agent bank to offer its clients the benefits of accessing Clearstream's triparty collateral management platform for repo, securities lending and OTC derivatives transactions while retaining the assets under its custody.

See you in Asia

We hope to see you at our GSF Conferences in Singapore on 24 April and Beijing (in Mandarin) on 26 April which will offer discussions and debate on global and regional collateral management and securities lending.

More information is available on our website, www.clearstream.com

Clearstream's pioneering collateral management service Liquidity Hub GO (Global Outsourcing) is to be developed with CDS Clearing and Depository Services for the Canadian market. The letter of intent signed by Clearstream and CDS, the Canadian CSD, on 1 March paves the way for preparation work to begin on creating a collateral management service for Canada. This is the fourth market infrastructure to take steps towards future Liquidity Hub GO development with Clearstream.

Efficient and effective

The service will aim to bring great benefits for Canadian market participants resulting in more efficient and effective use of their collateral.

A great advantage of Liquidity Hub GO is that CDS will be able to leverage Clearstream's sophisticated collateral management engine which will then carry out all the seamless automatic allocation, optimisation and substitution operations necessary.

CDS's white-labelled service will allow all assets to remain in Canada. This is unique to Liquidity Hub GO as Clearstream is the only collateral management services provider managing collateral across time zones and regions while the underlying assets remain in their domestic jurisdiction.

The service would reduce operational risks and costs for CDS customers in Canada while minimising the opportunity cost associated with collateral fragmentation.

Going global

Since its launch, Liquidity Hub GO has attracted a great deal of market interest across the globe. Its adaptability to individual market situations while retaining all the benefits of continual improvements and expansion of Clearstream's award-winning Global Liquidity Hub appears to be serving a major need in the market.

Upcoming changes in the financial regulatory landscape require the development of sophisticated systems that are necessary to meet new collateralisation requirements in the years to come. Indeed, collateral management is the biggest priority for many financial institutions around the world right now.

So far, Clearstream has begun development with four industry partners. The service is already operating live with Brazilian CSD Cetip while work is under way to bring the sophisticated technology behind Clearstream's Global Liquidity Hub to the Australian Securities Exchange and South African CSD Strate.

For more information about GSF services, please contact the [Sales and Relationship Team](#) or call one of our offices:

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