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DLT Solutions Connect Across Institutions to Preserve Data, Reduce Risk, and Generate Revenue

Fintech leaders discuss best practices for managing repo transactions to gain new efficiencies.

In a first, perhaps, Distributed Ledger Technology (DLT) practitioners and superheroes collided in an aptly-named webinar, “[Blockchain/DLT In Action: Settlement Unleashed](#),” recently co-hosted by Broadridge Financial Solutions. “I liken DLT to *The Avengers*,” moderator [Vinod Jain](#) said in opening remarks, referencing the Herculean lift underway to marry traditional and digital assets from ecosystems far and wide. DLT-enabled products are swiftly becoming a reality across a range of asset classes and jurisdictions. Distributed Ledger Repo from Broadridge, for example, removes much of the cost and risk from repurchase agreements while offering all parties a single source of truth.

Before introducing the fearless panelists—[Horacio Barakat](#), Head of Digital Innovation, Capital Markets, Broadridge; [Paul Chiappetta](#), Chief Operating Officer, Treasury Assets & Liabilities America, UBS Securities; and [Kelly Mathieson](#), Chief Client Experience Officer, Digital Asset—Jain introduced some DLT trends and adoptions to anticipate in 2022, including ongoing regulatory hurdles, Fintech firm consolidation and the prudence of smart resource allocation.

Emerging from a walled garden

In contrast, Mathieson offered one trend she hopes to leave behind in 2022: the “walled garden” DLT approach reminiscent of stitched-together protocols of Web 1.0 days. To fully realize the transformative

power of Distributed Ledger Technology, organizations must always be cognizant of which parties are entitled to access data and make decisions, a stark departure from early blockchain when *everyone* got to see *everything*.

Distributed Ledger Repo: A powerful DLT application

DLT applications like Distributed Ledger Repo from Broadridge transcend the “walled garden” approach. They represent a significant leap forward, supporting fine-grained, sub-transactional level permissions while allowing access to data on Tuesday and no longer on Wednesday. This technology also enables full transparency of collateral so counterparts can increase liquidity for all security types, a “key to success” for building and maintaining effective operating models and solutions.

The goal of Distributed Ledger Repo is to transform repo market infrastructure by neutralizing workflows while increasing volume and collateral liquidity. Early adopters, like UBS, are already applying it, successfully unwinding intracompany repos to be deployed elsewhere. “With Distributed Ledger Repo from Broadridge, we're solving for intraday liquidity needs and daylight overdraft within the Fedwire,” Chiappetta said. “We're bouncing collateral across entities and everything is much more efficient. We've seen benefits immediately.”

Indeed, through greater efficiencies, stronger risk mitigation and increased liquidity, Distributed Ledger Repo participants can save millions on intracompany and bilateral repo transactions. “It’s certainly reducing inefficiencies and cost for our clients,” Barakat said, the only premise clients are willing to entertain.

Shifting how we will think about regulatory oversight

Reducing regulatory friction is key to broad adoption, Barakat says, which is why Distributed Ledger Repo is designed to work within existing regulatory frameworks. Embedded on the asset (rather than over an account or a party type) the technology seamlessly marries data on parties to a transaction with aspects of the asset itself. “For all of our collective years in financial services,” Mathieson eagerly remarked, “We haven’t had technologies able to do that. This is a game-changer.”

Barakat’s optimism similarly abounds for DLT’s bright future, with Distributed Ledger Repo a powerful application of the new technology. “This is just the beginning. We are only at the surface of what can be achieved.”

Discover how you can digitize workflows with Distributed Ledger Repo from Broadridge. Representatives and specialists are ready with the solutions you need to advance your business.