

# Collaboration key to dealing with evolving challenges – SmartStream

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Collaboration is playing a greater role in enabling clients to deal with a rapidly evolving market including new regulatory challenges such as next-day settlement, a fintech has said.

Jason Ang, program manager for Collateral Management Solutions at SmartStream Technologies, said partnerships between specialist technology providers can help customers stay on top of the challenges posed by a dynamic marketplace.

Ang said: "We are finding a lot closer collaboration with other industry partners. I think joining forces through partnerships helps to solve real business problems as there's a lot happening in the industry now, with regulations having an impact on the firms in our space. Strengthening the proposition through partnerships is certainly something we are heavily involved in."

London-based SmartStream said it is currently engaged in many partnerships, notably with Cassini for pre-and post-trade optimisation and Kynec for central counterparty data.

Across SmartStream's products, Ang said there are always partnerships going on, particularly within the reference data solution. The firm said it will shortly announce another partnership.

[SmartStream Technologies extended this month its partnership with LSEG-owned Acadia by linking SmartStream's TLM Collateral Management solution with Acadia's Substitutions module to improve substitutions processing for SmartStream clients.](#)

Ang said: "If we look at how interconnected the world is becoming and how quickly technology and regulations are advancing, we're finding problems more quickly. We're creating solutions more quickly and I think there are certain ways the world is going - one way is there are firms trying to build or buy everything themselves. They struggle with that as allocation of capital may not be optimal. To build a solution, you must have the expertise, the technology, the understanding of the technology, and understanding of the integration with the market."

Ang added: "If you look at how the marketplace is evolving with uncleared margin rules, you are now getting more counterparties falling in line with regulations. The availability of high-quality liquid assets (HQLA) is more in demand too. On top of that if you add in the rising interest rates to combat inflation, cash is no longer cheap. Due of all these issues, our clients are looking at optimisation programmes to efficiently allocate their assets."

He said: "Let's face it, moving from T+2 to T+1 is a massive ordeal for most banks. The only way you're going to do it is through the adoption of technologies, open communication, and transparency."

SmartStream said it is constantly developing new versions of their products and revealed that a new version of one of their main systems will be launching soon.

In regards to T+1, Ang said: "When you look at the transition to T+1 and the shortening of the cycle, it's seen as an evolution for settlements right? It is technology systems like ours that help facilitate and reduce that friction. Using the collateral solution, it makes sure that either through a reconciliation, if something has failed or cleared, by using the technology the firm can check if they are covered for that risk. SmartStream's products are tailored towards helping clients deal with this issue of friction."

Nathan Gee, Marketing and Communications Director at SmartStream Technologies said: "This idea of interconnectivity working with partners, having this solution suite, and if someone wanted to outsource that whole post trade securities processing to us, they could. When it comes to T+1, in securities, we have all the technology already there."

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