



Appian for Financial Services: Low-Code to Accelerate T+1 Clearing and Settlement

A shrinking settlement cycle in the US.

In all aspects of capital markets—equities, fixed-income instruments, and beyond—time is money. The longer it takes to clear and settle a trade after the initial execution, the more a firm increases its exposure to risk and decreases its ability to manage trades in an active market.

Firms faced this challenge in 2017, when the financial services industry shortened the trade settlement cycle from three business days to two. And now, they're shortening it even further. Encouraged by the smooth transition to two days in 2017—and spurred by the necessity of managing risk and increasing flexibility in today's volatile market—regulators and industry groups are now shortening the settlement cycle for products cleared by the DTC to just one day.

T+1 is currently scheduled to go live sometime at the end of 2023 or the beginning of 2024. But financial institutions should begin preparing now. Industry-wide testing will start at the end of this year, and firms have much to address in the coming months.

A complex road to T+1 readiness.

To meet T+1 requirements and deadlines, firms need to accelerate and compress their processes and systems. In today's competitive marketplace, firms that act too late or too slowly will put their business at risk from both regulatory and revenue perspectives.

Yet, trade settlement today involves manual workflows across dozens of functions, steps, and departments. Just handling [exceptions from reconciliations](#), for example, spans front office, back office, and external operations. Add in cross-currency trades, multiple entities in multiple jurisdictions, and transactions involving swaps, and the picture gets even more complicated.

A “break” at even one step puts a firm at risk of dropped steps, costly errors, and missed deadlines.

How low-code helps firms prepare for T+1 deadlines—and beyond.

With its power to automate, orchestrate, and accelerate across the settlement process and beyond, the Appian Low-Code Platform helps financial institutions get T+1 ready by doing the following:

Automating individual processes, including the manual, error-prone activities involved in activities, including:

- Resolving settlement errors and fails.
- Allocations and affirmations.
- Trade documentation.
- Corporate actions processing.
- Commission and fee management.
- Data quality management.

Orchestrating across multiple systems, including those involved in:

- Securities clearance.
- Customer accounting and bookkeeping.
- Reconciliations.
- Credit and risk allocations.
- Middle office functions.
- Trade surveillance.
- Deal lifecycle management.
- Case management.
- Customer onboarding and servicing.
- New product development.

Accelerate the T+1 transition with a unified low-code platform that enables a seamless move to real-time settlement processes while keeping legacy systems in place.

Appian empowers financial institutions for the future as well. Natively mobile applications swiftly deploy to investigations teams, help desks, the trading floor, and more. The platform's powerful process mining capabilities enable firms to uncover areas of operational or financial risk and discover processes and roles in need of updating and automating.

Discover how the Appian Low-Code Platform supports T+1 settlement:

- Fast integration across internal departments and external parties.
- Intelligent automation through intelligent document processing (IDP), which improves accuracy through a combination of document extraction, Google AutoML, and built-in retraining.

- Powerful native-mobile adoption on-the-go, enabling immediate application use on any device, with the confidence of the highest-rated security certifications.
- Seamless records and information access, supported by a 360-degree, single-pane-of-glass view.
- Reporting and auditing of processes—internal, external, public, and private—for increased visibility and reduced risk.
- Speed and flexibility to quickly revise or enhance applications as the trading and regulatory environment evolves.
- Visual process flows that give a comprehensive view into all settlement processes and their dependencies across the entire organization.

Transform your organization's ability to meet T+1 deadlines and sharpen its competitive edge.

Leaders in financial services trust Appian.

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