

## Accelerated Settlement Working Group

5 May 2026 Teams

### Meeting Minutes

#### Participants (in attendance in bold):

##### Julie Huxford, ISSA (PMD)

▪ <b>David</b>	<b>Travers</b>	<b>Australian Custodial Services Association</b>
▪ <b>Fraser</b>	<b>Moodie</b>	<b>Australian Securities Exchange ASX</b>
▪ Magdalene	Tay	BNY
▪ Sareeka	Hegde	BNY
▪ <b>Doris</b>	<b>Tio</b>	<b>BNY</b>
▪ <b>Hyejoo</b>	<b>Shin</b>	<b>Citi</b>
▪ Edward	Roncon	Citi
▪ Nidhi	Khazanchi	Citi
▪ <b>Heidi</b>	<b>Lee</b>	<b>Deutsche Bank AG</b>
▪ Hui Ying	Mew	Deutsche Bank AG
▪ <b>Aric</b>	<b>Yeung</b>	<b>Hong Kong Exchanges and Clearing Limited</b>
▪ <b>Cecilia</b>	<b>Cheung</b>	<b>Hong Kong Exchanges and Clearing Limited</b>
▪ Cyrus	Cheung	Hong Kong Exchanges and Clearing Limited
▪ <b>Edward</b>	<b>Tse</b>	<b>Hong Kong Exchanges and Clearing Limited</b>
▪ <b>Tina</b>	<b>Rathjen</b>	<b>J.P. Morgan</b>
▪ <b>Gemma</b>	<b>Campbell</b>	<b>New Zealand Clearing and Depository Corporation Limited</b>
▪ Prashant	Vagal	NSDL Group
▪ Daniel	Harris	Société Générale S.A.
▪ AN	Tran Quoc	Standard Chartered Bank
▪ Tushar	Surwase	Standard Chartered Bank
▪ <b>Dinar</b>	<b>Hasibuan</b>	<b>Standard Chartered Bank</b>
▪ Jean-Remi	Lopez	The Value Exchange

### Agenda

1. HKEX guest speakers – Aric Yeung / Edward Tse  
[https://www.hkex.com.hk/News/Market-Communications/2026/260417news?sc\\_lang=en](https://www.hkex.com.hk/News/Market-Communications/2026/260417news?sc_lang=en)
2. Global WG meeting recap (28 April 2026)  
EU T+1 update  
ISSA T0 Analysis
3. APAC WG in focus
4. AOB

### HKEX guest speakers

Aric Yeung and Edward Tse from Hong Kong Exchanges and Clearing Limited presented HKEX's consultation paper on transitioning to T+1 settlement, engaging with the group to discuss the proposed operating model, industry readiness, technology adoption, and feedback mechanisms, with submissions open until 18 May and a tentative implementation timeline of Q4 2027.

Key points below:

- **Consultation Paper Overview:** Aric explained that the consultation paper, published in April, builds on last year's industry discussion and aims to modernize Hong Kong's market by aligning with global moves to T+1 settlement. The paper details industry engagement, implementation approach, and emphasizes the importance of industry readiness for a successful transition, with the proposed model based on industry feedback and internal assessment, referencing practices in the US and Europe.
- **Proposed T1 Operating Model:** Edward explained the high-level differences between current T+2 and proposed T+1 processes, including bringing post-trade activities forward and extending certain input and matching windows, especially to accommodate participants from non-Asia time zones. A key design principle was minimising disruption by keeping familiar processes and certain schedules, such as settlement timing for cash and securities, unchanged. He further noted that introducing additional batch runs or shifting timelines could have significant downstream effects on funding, liquidity management, and treasury operations, which informed the decision to largely retain existing batch structures based on assessments and industry feedback. Further feedback during consultation is however welcomed.
- **Timeline and Readiness:** Edward confirmed that directionally there is support to move to T+1, with a proposed implementation target of Q4 2027, noting that testing, automation, and process streamlining would be critical and further details will follow after consultation.
- **Automation and Workflow Tools:** Aric discussed technology and automation as key enablers, including potential workflow tools to improve pre-settlement efficiency, clarifying that options and approaches have been intentionally left open for industry input rather than predefined solutions.
- **Buy-ins and Settlement Efficiency:** Some concerns about buy-ins and potential increases in settlement fails during the transition were raised. Edward responded that Hong Kong's settlement efficiency is high, and while buy-in exemption frameworks are not detailed in the consultation (and would be seen as a last resort relief mechanism), given that the industry is encouraged to enhance processes and enable automation as key mitigations, the industry is invited to propose any enhancements.
- **Industry Impacts and Comparisons:** David shared perspectives from the Australian market, highlighting challenges around trade matching, securities lending (and in particular asset recall), and FX liquidity in a T+1 environment, which Aric acknowledged as consistent with issues raised in Hong Kong and useful for cross-market learning.
- **Coordination and Engagement:** Julie asked about testing, as this was not detailed in the paper, and the likelihood of industry bodies coordinating testing and readiness, similar to those in the UK and EU. Aric confirmed ongoing engagement with multiple industry groups to coordinate preparation and implementation, explaining that the consultation framework is intended to support market-wide dialogue among exchanges, clearing entities, banks, and custodians. Consistent with past major market initiatives, structured testing and readiness assessments would be expected. While details were not finalized, he emphasised openness to industry input on appropriate testing approaches, referencing experiences in other markets where multi-week testing cycles were used. He encouraged participants to share their needs so that testing frameworks could align with diverse system release and budgeting cycles.

### Global WG meeting recap

Julie provided a brief update on **EU T+1 developments**, noting alignment across key CSDs (EU, UK, Swiss) on testing approaches, an upcoming readiness survey in May (with results expected in June), and unresolved discussion points around securities financing gating events.

**T0 Analysis** - Julie summarized progress on a cross-market T0 analysis paper (5 groups had submitted by last week, another 2 likely this week), with high level review now taking place. There are plans to circulate a draft in coming weeks. An external consultant may be engaged to draft an industry discussion paper once all contributions are received.

**APAC WG in focus**

**Development of APAC Market Practices Matrix** – Julie had engaged with DTCC to see if they could assist us to come up with an information summary by market, however they were unable to do so. They did provide some T0 matched-agreed data however, which was circulated on 13 April, which provided interesting insights (albeit that this is only be offshore rather than domestic trades).

**Information Repository** – Julie stated that the information repository will be updated periodically with relevant papers and links, including the HKEX consultation and NASDAQ tokenization, and will be accessible under the collateral section of the website.

**AOB**

Julie shared the following link: <https://ir.nasdaq.com/news-releases/news-release-details/nasdaq-launch-equity-token-design-putting-issuers-center> as an FYI for the group

**Summary of Follow Up Actions**

No.	Action Description	Responsibility	Deadline
1.	All in WG to furnish any updates to Information Repository to Julie in order to keep up to date / refreshed (Document is located on member website ('APAC COLLATERAL' section))	ALL	Ongoing