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Lead news story

Nasdaq CSD appoints Clearstream as its gateway to T2S markets

Nasdaq CSD has chosen Clearstream as its gateway to access all securities eligible within TARGET2-Securities (T2S). Nasdaq CSD will now access the T2S markets via Clearstream's German central securities depository (CSD). This is said to ensure better harmonisation of asset servicing across T2S CDCs and enhanced liquidity management.

The firms further say this collaboration aims to remove post-trade service barriers in Europe and will deliver cross-border efficiencies to reduce costs for corporations and investors.

Samuel Riley, CEO of Clearstream Securities Services, comments: "Clearstream and Nasdaq share the strong commitment to connecting markets globally. The move allows Nasdaq CSD to offer its participants access to a trusted link network that fulfils the entire range of regulatory and compliance requirements surrounding CSDR whilst providing an efficient, flexible platform."

Indars AšCuks, CEO of Nasdaq CSD, adds: "This pioneering collaboration with Clearstream not only provides immediate benefits to both Baltic investors and Nasdaq CSD participants but also represents a significant step towards more integrated financial markets in Europe." ■

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AllianceBernstein chooses Evelyn Partners

Evelyn Partners Fund Solutions (EPFL) has been selected as Authorised Corporate Director (ACD) for the OEIC fund range of AllianceBernstein.

Following a robust market review, AllianceBernstein chose EPFL to perform the role of ACD for their range of six UK OEIC funds. The firm has an extensive history of providing ACD services and is an experienced provider for UK domiciled funds.

Nick Burgess, head of EMEA product strategy and development at AllianceBernstein, comments: "We were impressed with how well Evelyn Partners understood our business, client needs, and our long-term UK goals, while also outlining their strong governance credentials. We are looking forward to building a strong long standing relationship with them."

CEO of EPFL, Neil Coxhead, adds: "AllianceBernstein is a leading global asset management firm and we are delighted that they have chosen EPFL to act as the new ACD for their full OEIC fund range." ■

TMF Group launches new solution

TMF Group has launched the trustee escrow solution to help protect funds in financial transactions.

The solution aims to provide a layer of fund protection for clients, to help reduce risk and increase transparency between transacting parties.

TMF Group will make the solution available in both the UK and Singapore, where clients will be provided with transaction managers to ensure the safe release of funds.

Global head of escrow services at TMF Group, Bertil Seigers, comments: "As an independent service provider, we offer an additional layer of safety and security that helps build trust between parties. Regardless of the transaction or market or type of escrow solution our dedicated team is committed to delivering fast, flawless service."

Rupert Froud, TMF Group's commercial director for Capital Markets, adds: "This marks a significant milestone for TMF Group as we continue to expand our Capital Markets offering and provide our clients with secure, reliable solutions for their financial transactions." ■

Proxymity collaborates with Tumelo

Proxymity has partnered with Tumelo with the aim to deliver transparency and efficiency to the proxy voting process.

The collaboration will integrate Tumelo's pass-through voting infrastructure with Proxymity's platform to enable retail investors in pooled funds to directly vote their shares.

This is said to facilitate accuracy and transparency within shareholder communications and will further provide interoperable connectivity for asset managers.

The enhanced platform will be available for both Proxymity and Tumelo's clients along with global custodians, including Citi Bank and BNY.

Dean Little, co-founder and CEO of Proxymity, states: "We are thrilled to partner with Tumelo to allow investors to benefit from the combination of Tumelo's pass-through voting technology with Proxymity's proven proxy voting capabilities. This collaboration underscores our commitment to transform shareholder communications for the benefit of the entire ecosystem." ■

FICC's Government Securities Division clears record daily activity

The Fixed Income Clearing Corporation's (FICC's) Government Securities Division (GSD) has cleared a "record-setting" US$9.2 trillion in daily activity on 3 September.

According to the Depository Trust & Clearing Corporation (DTCC), the new milestone follows the previous peak volume of US$8.8 trillion in daily activity on 31 July — a 4.5 per cent increase.

In the past 12 months, GSD's total activity increased 42 per cent year-over-year (YoY).

FICC's GSD is a provider of trade comparison, netting and settlement for the government securities marketplace, providing automated comparison and settlement services, risk-management benefits and operational efficiencies to the government securities industry.

In addition to this growth, DTCC reports that on 3 September, GSD's Sponsored Service reached a peak volume of US$1.414 trillion in cleared US Treasury activity.

The service has experienced 98 per cent growth YoY, now with 2,500 sponsored members.

The Sponsored Service permits full-service netting members of GSD to participate as sponsoring members, providing access to FICC's central clearing services to intermediated sponsored members. ■

FE fundinfo acquires AdviserAsset

FE fundinfo has acquired AdviserAsset to provide a wider range of products for UK advisers. The acquisition aims to provide FE fundinfo clients with financial planning software solutions, investment product selection and enhanced reporting via the AdviserAsset platform.

Clients will also be able to access AdviserAsset's database to facilitate platform switch analysis involving multiple client holdings, the firm says.

The acquisition marks FE fundinfo's latest strategy to enhance software and data capabilities for financial advisers.

CEO of FE fundinfo, Liam Healy, states: Through our recent growth and strategic acquisitions like AdviserAsset, we are building a suite of solutions that support each critical function of the profession, from onboarding and engagement to research and planning." ■

Administrator appointed for Goal Group

Goal Group has seen the appointment of an administrator, according to official records on Companies House. The news comes after its Australian arm went into administration in June.

According to public court records, Allister Manson and Trevor John Binyon, both of Opus Restructuring, were appointed as administrators on 4 September.

Goal Group, a class action and withholding tax financial recovery services, was established in 1989, and saw its Melbourne office open in 2013. ■

Calastone enters partnership with AutoRek

Calastone has entered into a new partnership with AutoRek, with the aim to simplify and improve the consolidation of fund manager data.

The collaboration will integrate Calastone Reporting into the AutoRek platform, which the companies say is designed to consume statements of holdings directly from fund managers and consolidate them into a single standardised output.

The process is said to help reduce risk and operational inefficiencies, as well as save costs through the removal of resource-heavy data preparation.

Commenting on the partnership, AutoRek's head of strategic partnerships, Alastair MacKenzie, states: "With a long track record as specialists in reconciliation automation, and having extensive experience of automating fund manager reconciliations for clients in the investment industry, we are excited about this partnership as a massive time and cost saving for our clients." ■

Landesbank Baden-Württemberg picks Fenergo

Landesbank Baden-Württemberg (LBBW) has appointed Fenergo to provide a cloud-based client onboarding system.

Fenergo's system was selected to improve compliance processes via automation and enhance operational efficiencies. LBBW says this will strengthen the bank's reputation within the international market.

The solution also aims to deliver savings on know your customer (KYC) and anti-money laundering costs (AML) for the bank, through system consolidations.

Ruth Ormsby, managing director of EMEA at Fenergo, states: "The cooperation with LBBW is an important milestone for Fenergo as we expand our footprint in Germany. Our mission is to support local financial institutions on the path to digital transformation by applying our deep experience." ■

Zodia Custody collaborates with Marinade

Zodia Custody has partnered with Marinade Finance to provide clients with Solana staking opportunities.

The partnership will integrate Marinade with Zodia Gateway, enhancing clients' ability to access staking opportunities in a risk-free and simplified manner.

Investors will also be able to connect with Marinade and stake from their cold wallets directly.

The firms say this partnership aims to broaden institutional access to digital assets, as well as creating a secure infrastructure.

CEO of Zodia Custody, Julian Sawyer, adds: "The future of mainstream, institutional digital asset adoption hinges on smart partnerships that increase both access and value. Marinade's integration into Gateway achieves exactly that." ■

Strate onboards Cannon Asset Managers

Cannon Asset Managers joins Strate's e-voting platform as its newest client. The platform will enable Cannon Asset Managers to process voting instructions digitally, and allow issuers and investors to remain connected throughout the entire proxy voting lifecycle.

The application aims to further enhance transparency and efficiency across the value chain, and will enable secure digital shareholder meetings between South African and international firms. ■

Shaping the evolution

Asset Servicing Times speaks to Brian Steele, managing director, president, Clearing and Securities Services at DTCC, about his first ventures into the industry, his time at DTCC and his appointment to the Board of ISSA

How did you first get into the financial services industry? Is that what you always wanted to do?

I got into financial services 20 years ago, when I began my career at Goldman Sachs in the equities middle office. Financial services was completely new to me, but I knew the Goldman Sachs name, and knew it was a place that I wanted to be.

I grew up in a family that ran a small business in Rochester, New York. That experience gave me a real appreciation for hard work and the complexity of running a small business. My first job, as a high school student, besides working in my family's business, was at a bingo hall, where I had my first customer service role selling lottery tickets. It taught me a lot about soft skills and how to engage with all types of people.

The combination of hard work and client service was the foundation for my role at Goldman Sachs. Starting in middle office operations was ideal for me, because it gave me a birds-eye view into how the industry worked and functioned. In fact, the knowledge I learned in my first few years at Goldman Sachs is something that carries me today.

What were your first impressions when you entered the financial services industry?

The complexity and fast-paced nature of financial services was both thrilling and daunting when I first entered the industry. That, coupled with the talent that surrounded me at Goldman, in many ways forced me to work incredibly hard to learn and master my first role.

This level of domain expertise enabled me to differentiate myself and be called upon when opportunities presented themselves – such as when the firm wanted to create a broker/dealer in Brazil.

How has the industry changed since you first started compared to now?

Even when I first started out, the industry felt like it was in constant motion, and that certainly has not changed at all – in fact it has probably even gathered pace. By this, I mean the speed of technological advancement, the evolution of the markets, and the regulatory environment. These days, with the increasing levels of post-trade automation that have been implemented, everything happens faster and with more transparency, ultimately benefiting market participants and their underlying clients. Much of the increase in automation has been necessitated not only by growing volumes and volatility, but also by regulatory mandates which have required greater efficiency in post-trade operations – the US move to T+1 is a great example of this. While we have made much progress as an industry, we are constantly striving to find new ways to improve markets.

You have been at DTCC a year now, how have you found it?

It has been an incredibly rewarding year. DTCC is a cornerstone of the financial markets, and the work we do is vital not only for our clients but for the stability of the entire financial system. One of the major highlights has been the successful transition to T+1 settlement. This was a huge undertaking that required intense coordination, including testing, client outreach, and engagement to make sure the industry was ready.

The results have been impressive: the industry continues to affirm nearly 95 per cent of transactions by 21:00 ET on trade day, and custodian affirmations increased from 60 per cent to 85 per cent within just six months.

FICC has also experienced tremendous growth, with the Sponsored Service seeing nearly 100 per cent year-over-year growth.

> ***The real challenge with T+1 was making sure that everyone – from the largest financial institutions to smaller market participants – were ready to operate under accelerated timelines.***

The Government Securities Division (GSD) hit a record US$9.2 trillion in daily activity on 3 September, a testament to how FICC's flexible models are helping more participants access central clearing.

Looking ahead, the expansion of US Treasury clearing is a major priority for us. With deadlines fast approaching, DTCC is fully committed to a successful implementation, and we have filed several rule changes aimed at improving market access and risk management. We are also working closely with the industry to educate members on the impacts and preparations needed to ensure a smooth transition. At the same time, we are continuing to collaborate with our clients and others to evolve our offerings, such as our cross-margining arrangement with CME — to help firms comply with the mandate in the most cost-effective manner possible.

What have you found different about working at DTCC compared to Goldman Sachs where you spent close to two decades?

Joining DTCC was a natural evolution for me. When I was at Goldman Sachs, I was a client of DTCC so I spent a lot of time collaborating with the organisation, and in doing so, I got a really good understanding for its people and its culture. Everyone I met were talented and genuine people.

At the same time, I was intrigued by the opportunity to bring my learnings and experience on the client side to such a critical organisation — given its role at the centre of the markets. It is an incredibly unique and interesting place to be, and you are already seeing the results of this in some of the efforts we are focused on such as T+1 and expanded US Treasury clearing. I think my work at Goldman Sachs prepared me well for the position I now hold at DTCC.

What are some of the biggest challenges you have faced in your new role at DTCC?

I mentioned it already, but the shift to T+1 settlement in the US in May this year was the biggest initiative of the past 12 months, for DTCC and the industry.

The real challenge was making sure that everyone – from the largest financial institutions to smaller market participants – were ready to operate under accelerated timelines.

The move to T+1 emphasised the need for ongoing education and support in the market, as accelerated settlement impacts how firms manage liquidity, optimise collateral, manage the trade process, and handle their day-to-day operations.

In the last year, we have also been working with the industry to prepare for major changes in the US Treasury market and Basel III Endgame rules. For the latter, new capital requirements are forcing banks and other financial institutions to take a hard look at their balance sheets and rethink which businesses they want to support. This, in turn, has a ripple effect on the clearing and settlement space, as firms look for ways to ease their capital burdens, which could influence transaction volumes and market liquidity. We are actively working with our clients to identify new ways to improve our solutions, including in partnership with others, to enable our clients to maximise capital while complying with mandates.

What trends are you seeing in the clearing, settlement, and trade reporting space?

There has been a significant focus on data management and real-time reporting. As regulation evolves and becomes more prescriptive, firms are using advanced analytics and automation to stay compliant as well as to stay competitive. At the same, as firms modernise and add greater levels of digitisation to deliver new capabilities and functions, cybersecurity remains top of mind. It is important that, as an industry, we work collectively and keep resiliency and risk management at the top of every agenda.

You were recently appointed to the ISSA board, what would you like to achieve whilst a member of the board?

I was very pleased to be asked to join the board earlier this year and I look forward to working with my fellow board members to advance the International Securities Services Association's (ISSA's) work in helping to shape the future of the global securities services industry. DTCC is well placed to support ISSA's mission and provide input on shared objectives such as asset servicing, operational resilience, DLT and T+1.

One of the biggest concerns across all sectors in the industry is how to develop the next generation of talent. How do you use your expertise to help guide the next generation?

I think it is incumbent on all managers to ensure they are building the pipeline of tomorrow, by helping them grow their individual skills and careers through knowledge sharing, guidance, coaching, and mentorship. For me, it is understanding the talent that is coming into the workforce and how that may be different from the generations prior in terms of motivating factors, technical acumen, work life balance, social responsibility, and more.

The role we play as mentors, sponsors and motivators for the leaders of the future is incredibly important in not only maintaining the integrity of our industry, but in shaping the evolution of what is to come. I personally find such gratification from empowering a sense of entrepreneurship in the next generation through enabling an apprenticeship culture from those with domain expertise and experience. The baton will not be passed in the same way it has been in the past – we need to evolve our approach.

Where do you see yourself and your career in 10 years' time? How will you, your career, and the industry have changed in that time?

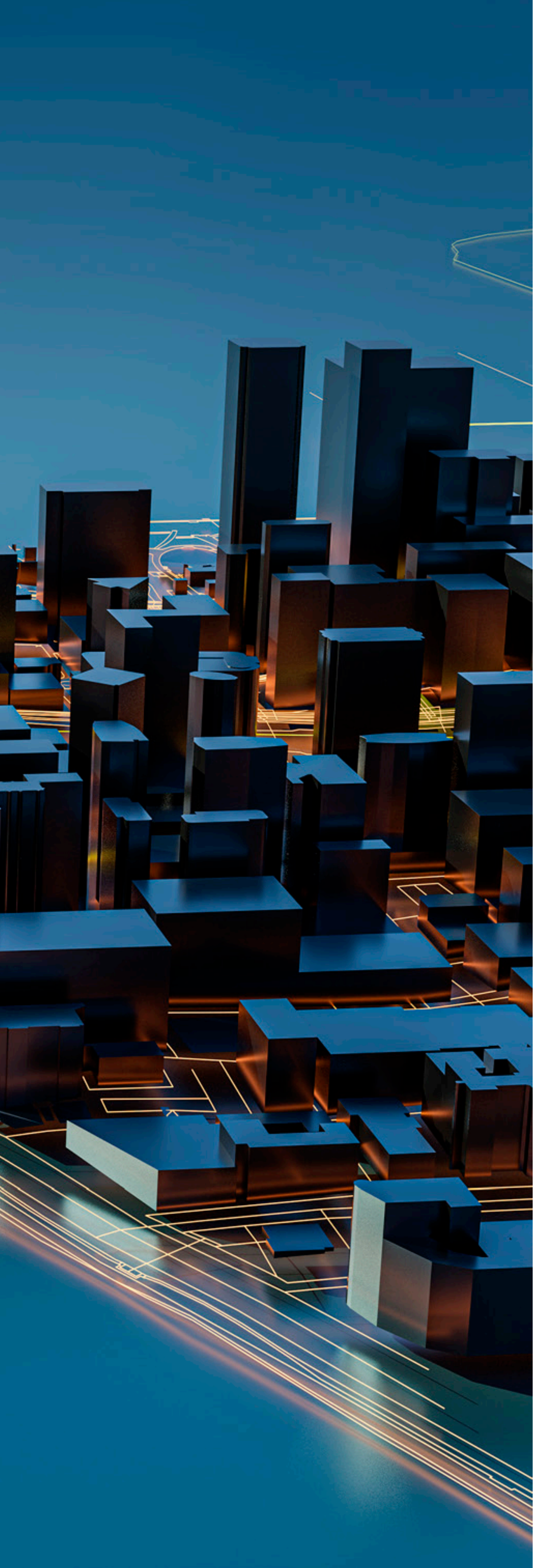
10 years? A lot will probably change, and a lot may stay the same. I will be excited to see how the further modernisation and digitisation of markets, infrastructure and processes evolve and how we truly change the way financial markets operate – delivering soundness, safety, and increased value. I also anticipate that data will become increasingly important to how firms strategise, make business decisions, and ultimately thrive. Data, when harnessed, can transform financial markets.

In addition, it will be interesting to see how the industry advances the use of digital assets. For example, the tokenisation of financial instruments could enable us to further democratise financial services, and DLT and smart contacts have the potential to power a network of networks to eliminate the inefficiencies that exist between different players in the current ecosystem.

At the same time though, the industry will, of course, stay deeply committed to risk management and resiliency, continuing to protect clients and the markets. It is an exciting time to be in financial services, and I can not wait to see what we will collectively achieve. ■

Seeking security

Clelia Frondaroli explores the legacy of past and present LEI legislation, and questions the extent of their influence along the way



As financial regulations undergo change at an accelerating rate, it is important to revisit the lasting impact prior reforms have had.

One such regulation, the implementation of the compulsory use of legal entity identifiers (LEIs) in over-the-counter (OTC) derivative transaction reporting in Australia, will mean that all businesses that engage in OTC transactions will need to submit a LEI. Although the Australian Securities and Investments Commission (ASIC) has so far permitted companies to submit to the derivative reporting repository using Avox International Business Entity Identifiers (AVIDs) or Bank Identification Codes (BIC), this will soon change from October onwards. However, as the deadline of 21 October looms, questions can be raised surrounding the broader legacy of LEIs and their impact over the past decade in maintaining secure transactions within financial markets.

What then are LEIs, and have they been vital in guaranteeing transparency in financial markets?

Varying speeds, varying priorities

Legal entity identifiers are unique identity codes attached to each entity participating in the global financial ecosystem. Developed in the aftermath of the 2008 financial crisis, Chris Donohue, CEO of APIR, characterises LEIs simply as reference markers to identify ‘who is who’ and ‘who owns what’.

Yet, the global implementation of LEIs over the past decade has not been a clearcut route. Rather, financial institutions and global regulators have had to navigate certain roadblocks in enforcing LEIs across jurisdictions. As Trilliam Jeong, CEO of Wealthblock, explains: “Markets around the world have been slower to adopt LEIs compared to the EU and US, and there are a few reasons for that: some countries don’t have the tech infrastructure to support LEIs, making it tough to integrate into global systems and others might resist adopting global standards like LEIs due to concerns about sovereignty, political priorities, or international oversight.”

This is similarly stressed by the global legal entity identifier foundation (GLEIF), who underlines: “The speed at which regulators move varies significantly according to various factors, including legislative processes, regulatory developments, and, of course, local priorities.”

However, local priorities aside, the broader regulatory landscape suggests that LEI coverage has and will continue to improve.

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GLEIF notes that: “There are currently over 200 mandates requiring the use of the LEI in financial market reporting globally.” This suggests that global mandates for LEIs are expanding, further exemplified by the recent Reserve Bank of India (RBI) regulation requiring enterprises to provide LEI information for single payment transactions exceeding 500 million rupees (US$6 million). As Volker Lainer, head of data integrations, ESG, and regulatory affairs at GoldenSource, summarises: “When you consider the distribution of companies globally, this split is fairly representative across regions overall.”

Seeing through blind spots

But how exactly has the implementation of LEIs actively contributed to improving security surrounding financial transactions? Looking at the regulatory landscape that existed prior to the 2008 financial crisis, Jeong is quick to underscore the numerous blind spots which had obscured vulnerabilities in market systems and minimised regulators’ ability to identify threats. He emphasises: “LEIs [have provided] a standardised way to identify legal entities, making it easier for regulators and financial institutions to track relationships between companies and improve regulatory oversight.”

This is a key sentiment echoed by Lainer and GLEIF alike. Both agree that transparency, improved risk monitoring and greater visibility of market participants are all products of LEI implementation, where the availability of LEI data has enabled authorities to respond to emerging risks at an accelerated pace. However, some degree of scepticism has lingered, especially notable during the early days of implementation. As Lainer admits, clients initially doubted the degree to which LEIs would provide security. He recounts: “When Stephan Wolf, former CEO of GLEIF, gave a keynote speech at one of our customer events back in 2016, there was a lot of scepticism around the chances of this LEI undertaking would be a success.”

Some might further argue that not all credit for market security can be attributed to LEIs. As Jeong points out: “While [LEIs] have been useful, they’re just one part of a broader set of reforms aimed at preventing future financial crises.”

Harmony across borders

These broader sets of reforms, regulations such as the EMIR Refit in the EU and the Clearing House Automated Payment System (CHAPS) in the UK, all work in conjunction with LEIs to mitigate risks and remain pivotal when looking at the overall impact of entity identification. Yet, as the number of regulations increase globally, have LEIs been successful in harmonising regulations across borders?

When questioned, Jeong assures that: “LEIs are a good start but there’s still more to do to fully align global regulations”.

He continues: “LEIs have helped make cross-border financial regulations more consistent by giving everyone a standard way to identify companies. However, full harmonisation isn’t there yet because not all countries have adopted LEIs.” Instead, he proposes that communication is key, where true standardisation between policies relies on an “ongoing dialogue between regulators and industry stakeholders.”

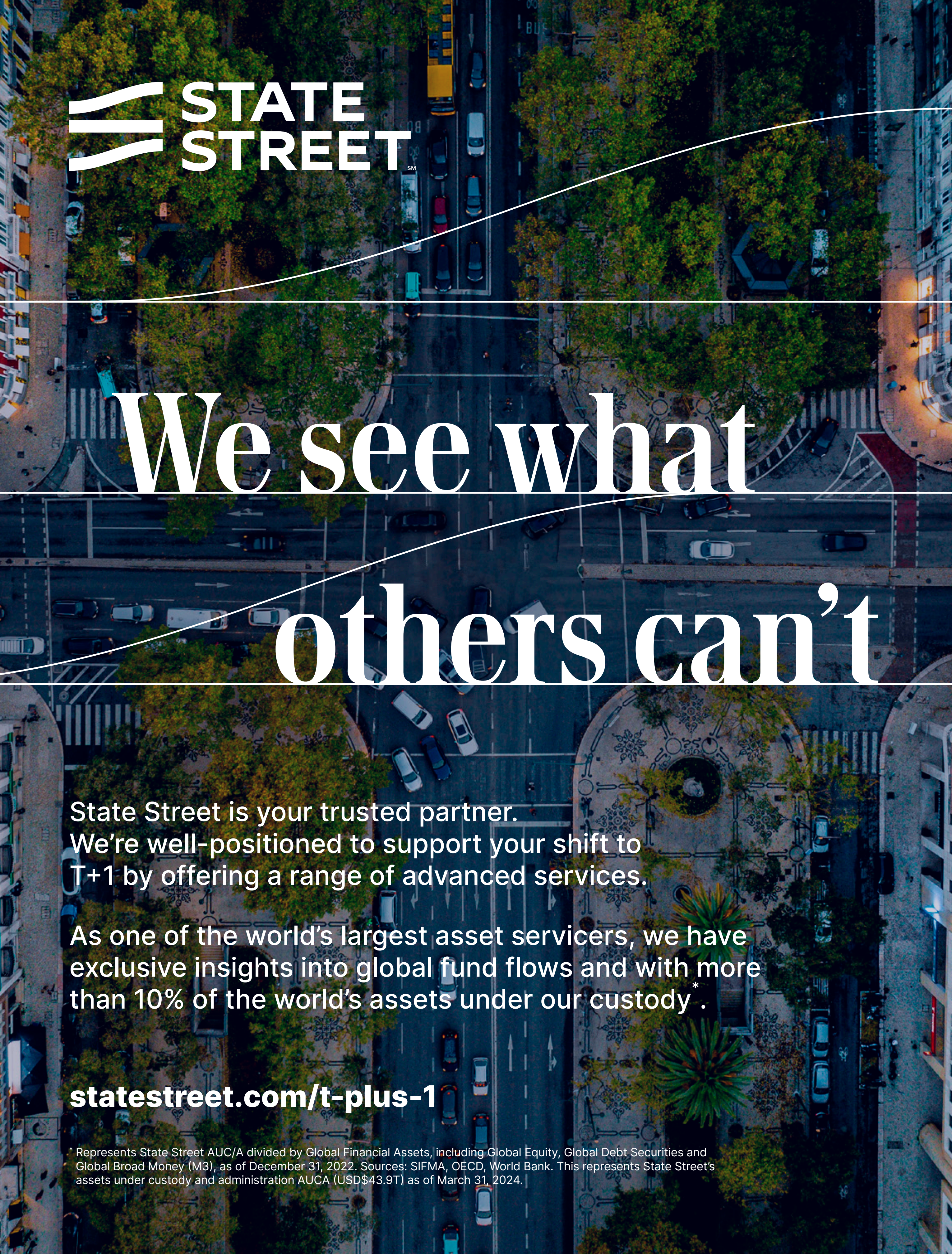
A lens on Australia

As the October deadline looms for the compulsory use of LEIs for OTC transactions in Australia, it also brings wider questions regarding ASIC’s choice to not require an annual renewal of these identifiers (labelled as a ‘non-compulsory’ renewal). GLEIF, in response to this, comments: “Compulsory LEI renewals are essential to maintaining data integrity and accuracy, which are critical for risk management in global derivatives markets. Without regular renewals, there is a risk of outdated or inaccurate data, weakening oversight and transparency.”

This factor of risk is similarly re-iterated by Jeong, who explains that outdated data creates “gaps in oversight”, where inconsistent rules and regulations across international borders may lead to a weakened global risk management system. “Regular renewals are crucial for keeping the financial system safe,” he firmly concludes.

Lainer, however, points out that while Australia’s non-compulsory renewal may be a limitation that could result in reduced reliability, the streamlining of OTC reporting is “a move in the right direction”.

When evaluating the overall impact of LEIs, therefore, a narrative is presented in which firms gain increased credibility in financial markets, an extra degree of transactional security, and improved transparency for regulators and industry stakeholders. With businesses and countries under increasing pressure to better align themselves with international regulations, GLEIF clarifies once more: “The role of LEIs in preventing potential market disruptions cannot be understated.” ■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The risk is real

As data becomes increasingly important in the asset servicing world, Jack McRae explores how different firms are bolstering their cybersecurity

Data is becoming more and more important for the asset servicing industry. As settlement cycles shorten, newer alternative assets are created, and AI takes its place at the top table, it is vital that firms can access and protect their extensive and accurate data. Yet, with its increased importance, data becomes a target and its golden value accepted not just by firms, but also by nefarious actors. As the asset servicing industry races towards an automated, digital world, cyber threat is at an all time high and the industry needs to be prepared.

Andrew Rose, chief security officer at SoSafe, believes that the industry is a “prime target for security threats” owing to its “highly digitalised environment, where employees regularly interact with technology and manage sensitive data.”

This means that “cybercriminals understand that such industries present valuable opportunities, making them more susceptible to attacks.” Rose explains. “The industry’s close ties and dependencies with various entities in the supply chain further exacerbate its vulnerability, a concern that 80 per cent of security experts have noted as becoming increasingly apparent.”

Rose points to a key combination of factors which would attract cyber threats — valuable data, frequent digital interactions, and susceptibility to social engineering.

So how does the industry better protect itself?

Data defenders

“Companies are continuously being attacked,” says Nick Smith, global head of managed services at SmartStream, “Threat actors are continuously probing and looking for vulnerabilities to exploit and, when they do, they often sell this access to other threat actors to exploit.”

The threat actors are constantly evolving and the industry has to be mindful to adapt with them. Smith believes that “serious investment” is needed to mitigate the threats which are set to “grow at an exponential rate”.

Smith continues to warn that everyone is affected by cybercrime. He says: “It is not just financial services that are at risk. The global economy feels the shockwaves when a key component to the cyber security framework experiences an issue, as seen with the recent Windows issues following the CrowdStrike patch. The risk is real.”

> ***The motivations for cyber attacks have expanded from being financially motivated to including market disruption, deception, and the demonstration of an element of power***
>
> **Jason Harrell, DTCC**

SoSafe's Rose reiterates the sentiment, explaining: "In an era where data is a critical asset, strong cybersecurity in the finance sector is indispensable. It protects against a range of threats, ensures regulatory compliance, and fosters trust — key factors for the stability and success of asset servicing operations."

He continues to argue that firms that prioritise bolstering their cybersecurity will be best positioned to "manage risks, maintain operational integrity, and secure their clients' assets in an increasingly digital and interconnected financial landscape."

Even with this investment, Rose urges firms to be extra vigilant. "While technical security measures are crucial, they alone are insufficient against the sophisticated tactics of modern cybercriminals," he adds.

Jason Harrell, managing director of operational and technology risk and head of external engagement, believes that failings in cybersecurity can lead to severe reputational damages. He explains how "these threats pose significant market risks and compromise a firm's reputation and trust.

Ensuring comprehensive cybersecurity strategies, investing in employee training, and harnessing the power of emerging technologies bolster the capabilities and resilience that can safeguard the financial services sector."

The need for firms to defend their data is paramount but what are these threats?

The weakest link

For SmartsStream's Smith, "threat actors are driven by a variety of motives, but typically it is financial gain that is the objective."

He believes that while data is usually targeted, it is with the view of profiting from it. Smith notes: "We see different approaches once an environment has been breached. Threat actors will either lock a company out of their own data or they may steal the data in order to sell that same data elsewhere. Often the weakest link that causes the breach continues to be the human element."

DTCC's Harrell, however, believes threat actors are far more multifaceted and come in a variety of forms.

"Over time, the motivations for cyber attacks have expanded from being financially motivated to including market disruption, deception through misinformation and disinformation, and the demonstration of an element of power," He explains.

"Therefore, financial institutions can no longer view attacks solely based on 'stealing money'."

Looking forward, Harrell believes that "generative AI may also enhance the effectiveness of certain attacks, such as phishing, by allowing the adversary to create more realistic emails to convince users to conduct activities that subvert security controls. All of these trends will continue in 2025."

SoSafe's Rose points to research by Forrester that, "predicts that in 2024, 90 per cent of all cyberattacks will target human emotions. Commonly, despite being an age-old threat, these human focused attacks arrive via phishing emails as they continue to prove highly effective."

Rose explains how SoSafe have "identified the five most common attack types reported by companies as phishing, malware, Distributed Denial-of-Service (DDoS), ransomware, and broader social engineering attacks".

A key commonality between attacks remains data, according to Rose. He says: "In most cyber attacks, data is the primary target as attackers seek to steal, manipulate, or restrict access to sensitive information, such as personal details, financial data, or corporate secrets.

"This is often done to commit fraud, extort money — as in ransomware attacks — or gain unauthorised access to systems. Even in attacks not directly targeting data, such as DDoS, the ultimate goal can often be to disrupt access to data or services dependent on data."

No magic bullet

So how can cybersecurity improve to better protect key data? For SmartStream's Smith the solution is clear — evolution.

"Companies have to continuously evolve and refine their security frameworks," he explains. "With AI expanding its voice capabilities, threat actors have another channel to exploit and we now see companies developing fraud detection solutions to identify voice attacks driven by AI, as to the human ear the AI driven voice attack will sound just like the voice of a known individual."

Cyber threats' ever-evolving nature does make it difficult for firms to protect themselves and Smith stresses that no "single solution is the magic bullet", but rather firms will need to arm themselves with a full security framework.

Despite no magic bullet existing, all three industry figures believe that closer collaboration between the authorities and firms will help combat financial crime.

Smith believes that authorities should be doing more. He says: "The perception is that the authorities do relatively little in protecting companies, and when a company is being attacked the authorities contribute little value outside the requirement of having the attack reported to them.

"The media occasionally reports a threat actor network being taken down, but it feels like every day a major enterprise, health provider, financial institution, government agency finds itself a victim to an attack and faces financial commitments regardless of the path the entity elects to follow."

Smith continues to push for the severity of cyber attacks to be reported with greater urgency and concern.

He explains that these attacks "will impact the public whether they are aware of it or not. It may be that some companies are not able to survive an attack as nobody will do business with them — especially if the attack becomes public, which may impact the share price of a listed company, which then impacts the value of pension funds, or it may see an increase in insurance premiums with the additional costs being passed on to consumers."

DTCC's Harrell points to the 'standards' set by the authorities that offers a minimum level of "safety and soundness of the financial markets and strengthen protections against consumer harm". He continues to argue that the authorities are important in instilling trust within the services, however any degree of inconsistency in these 'minimum standards' can "create fragmentation in the frameworks used by financial institutions to manage cyber and other operational risks, resulting in an increased probability that controls across the institution are not cohesive".

Harrell believes that the best solution for the industry would be to continue to deliver a close alliance "between public and private partnerships between financial institutions, financial authorities, and standards bodies that drive regulatory coordination, decrease operational friction, and enhance the protection of information and information systems".

SoSafe's Rose is also complementary to the authorities, and labels their role "crucial" and their support "invaluable" in the broader cybersecurity landscape. Despite this, he also wants the regulatory bodies to do more. "Many regulations now rightly include the human factor as a key component of cybersecurity compliance," Rose begins. "However, these regulations often represent only the minimum standards necessary for compliance, which need to be significantly expanded to achieve true risk minimisation."

Rose also wishes for the industry to go beyond reliance on authoritative bodies to set standards for cybersecurity. He believes that there is a "pressing need for more unified reporting mechanisms and enhanced international collaboration to ensure a more cohesive and effective response to cyber threats".

Rose concludes: "While we greatly value the efforts of law enforcement and regulatory bodies, it's essential for firms to go beyond these minimum standards and proactively invest in comprehensive security measures. By fostering closer collaboration between the public and private sectors, we can create a safer digital environment for everyone." ■

Amicorp appoints Hoekjan

Amicorp FS (AMIF) has appointed Robin Hoekjan as executive director of the company.

Hoekjan currently acts as chief operating officer, a role that he will continue to perform alongside his new position. He joined the company from TMF Group, where he most recently served as global head of onboarding.

Hoekjan brings a host of expertise in the fund administration industry along with international experience, having worked in a range of jurisdictions including London, Dubai and Amsterdam.

Commenting on the appointment, Kin Lai, CEO of AMIF, states: “I am pleased to announce today the appointment of Robin to our Board. He joined us as our COO earlier this year and has been an excellent appointment and we have already started to see the benefits of his deep knowledge and experience of the fund administration sector in which we operate.”

The previous executive director of the company, Kiran Kumar, has stepped down from his position with immediate effect to focus on development and promotion of the group’s Business Process Outsourcing division.

Kin Lai concludes: “The Board also joins me in thanking Kiran for his considerable input since the Group joined the London Stock Exchange in June 2023. We are excited that his new role will focus on our high growth BPO division.” ■

Yealand picks Cartwright for Chief Administrative Officer

Yealand has selected Lyndsay Cartwright for the newly created role of chief administrative officer.

In her new position, Cartwright will be responsible for identifying and delivering strategic goals for business growth, along with key administrative functions.

Having joined Yealand in 2021 as head of HR, Cartwright brings with her a wealth of strategic leadership experience in industries such as manufacturing and creative design.

Rob Leedham, CEO of Yealand, comments: “In her new role as chief administrative officer, Lyndsay will bring her extensive experience and skills to further enhance our support functions and drive excellence and innovation within the business.”

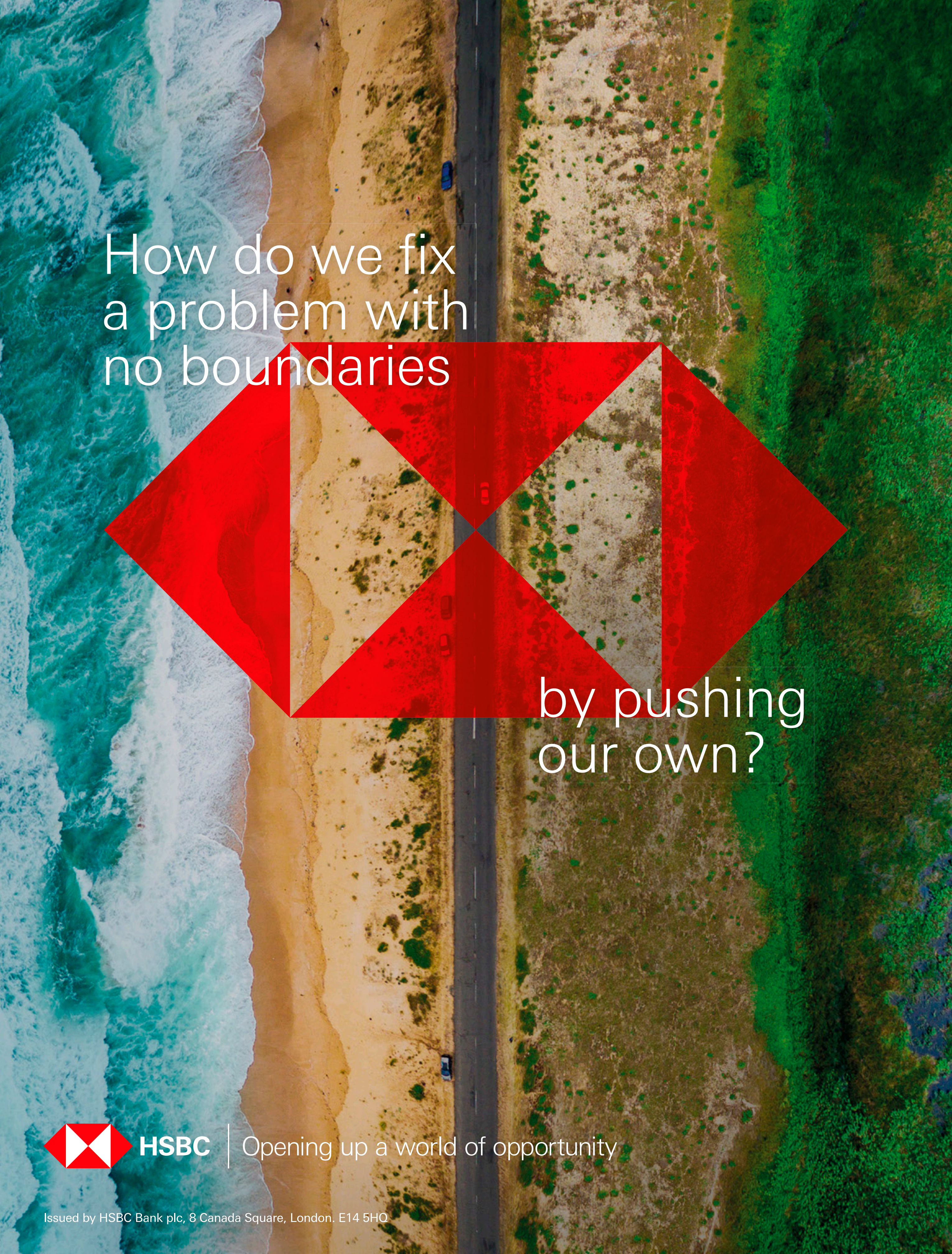
Cartwright adds: “I am honoured to take on this new role at Yealand and I look forward to building on our successes and driving our strategic initiatives forward.”

AccessFintech promotes Daur

AccessFintech has promoted Christopher Daur to its executive team as global head of sales.

Having previously acted as head of buy side in the company, Daur’s new role will entail business development and client relationship responsibilities for both the buy and sell side of the business.

Daur served 18 years in Goldman Sachs before joining AccessFintech in July 2023, and has worked extensively in customer experience solutions and post-trade challenges.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Parker becomes President of Asset Servicing at Northern Trust

Northern Trust Corporation has appointed Teresa Parker as president of asset servicing, as she defers her previously announced retirement.

Parker has served as president of EMEA at Northern Trust since 1982. She has also held numerous executive leadership roles, including chief operating officer for asset servicing, head of APAC, and global head of securities lending.

In her new role, she will replace Peter Cherecwich (pictured left) who will become chief operating officer.

In this newly created role, Cherecwich will focus on ensuring operational excellence and resiliency, effective risk management and controls, and scalable growth.

Cherecwich brings more than two decades of experience in managing complex client relationships and global operations. He joined Northern Trust in July 2007 as head of institutional product and strategy. Prior to that, he served in various executive and lead operational roles at State Street Bank.

These both leadership changes will come into effect on 1 October.

Commenting on this announcement, Northern Trust's CEO and Chairman Michael O'Grady says: "These changes represent our One Northern Trust strategy designed to optimise growth, strengthen resiliency and drive productivity."

Steven Fradkin, currently serving as president of wealth management, will be named vice chairman of Northern Trust. In this capacity, Fradkin will seek to enhance growth initiatives and foster deeper connections across the firm's client franchise.

He joined Northern Trust in 2004 as executive vice president and chief financial officer, and later became president of asset servicing.

Chief Financial Officer Jason Tyler will assume the role of president of wealth management.

Tyler brings a broad range of experience to this role, having served as head of corporate strategy, Asset Management's head of the Institutional Group, and Wealth Management's chief financial officer.

Tyler's position of chief financial officer will be given to David Fox Jr. who is currently president of the Global Family and Private Investment Offices Group.

Fox joined Northern Trust from J.P. Morgan in 2012, after serving as vice chairman of investment banking for more than three decades. A successor to Fox to acquire the role of president of the Global Family and Private Investment Offices Group will be announced soon. ■

AccessFintech CEO, Roy Saadon, states: "The appointment of Chris to our executive team as global head of sales strengthens our buy and sell side engagement, leveraging his exceptional expertise in the global markets and affirming our vision of building more resilient and efficient markets."

Daur adds: "Our buy side team and client base has had remarkable success over the past year, and I look forward to bringing the same energy, enthusiasm, and experience to serving our sell side clients."

VERMEG hires Salim

VERMEG has appointed Khalid Salim as a sales executive for the UK and South Africa regions.

Based in London, Salim will report to Jay Mistry, UK, Ireland and South Africa general manager.

He joins the specialised software house from S&P Global, where he was director of client management for almost two years.

Salim previously worked for over eight years at HSBC, where he held a number of senior positions across London and Hong Kong, including as senior vice president for strategic client management.

During his career, he also spent a year at Deutsche Securities Saudi Arabia as vice president, head of product and client management for the region.

Prior to this, he was employed by Deutsche Bank for three years in London, as vice president of EMEA network management.

Other roles include an eight-year term with Merrill Lynch and a two-year position at Broadridge.

TMF Group choose McGarry as Head of Transfer Agency

TMF Group have selected Blanca McGarry as their new head of transfer agency funds and corporate for the British Isles and Ireland. McGarry joins TMF from Intertrust Group, where she served over four years as head of transfer agency for fund administration.

She also holds over 14 years' experience of senior fund manager positions within Citi and Centaur.

TMF Group provides financial and legal administrative services to firms, enabling them to invest and operate safely.

O'Brien joins Davies as group Chief AI Officer

Paul O'Brien has joined Davies as the firm's group chief AI officer.

In this newly created position, O'Brien will drive the use of AI technology across the organisation, focusing specifically on the ethical use of GenAI and the expansion of AI across the company's products.

O'Brien's currently serves as chief technology officer at Davies, and will retain the role alongside his new position. He brings a wealth of experience in the launch of technology products within insurance, financial services and other regulated markets.

Woods joins Citi

Jane Woods has joined Citi as the global head of services, operational risk.

Prior to her new role, Woods served six years at BNY where she held a number of executive director positions.

She most recently acted as head of international global securities operations.

Commenting about her appointment on LinkedIn, she states: "[I am] looking forward to getting back onto the saddle and the new challenges ahead." ■

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