



instimatch global

Swiss-based fintech **Instimatch Global** is streamlining unsecured money markets, FX and repo trades through their cash management platform.

Instimatch Global's cash management platform:

180+ strong network across 25 geographies and many sectors

Saves time finding yield pickup

Enhances transparency, efficiency, speed and proof of best execution

Helps traders diversify lending portfolios and sources of cash

Over \$50b total trade volume within Instimatch's community

Platform: Corda

Instimatch's platform is built on **R3's trust technology**—powered by its enterprise grade DLT, **Corda**. Corda was chosen for its regulatory-grade privacy, security and high scalability.

Challenge

Most money market transactions are done through inefficient process, such as phone and email, and more than 65% still occur between existing trading partners locally (or regionally). For those looking to access funding or put cash to work, this limits the pool of potential counterparties. It makes it harder, more time consuming and more expensive to find trading opportunities. Each placement attempt, which typically involves multiple price discovery instances, could take up to half an hour, wasting precious time on what is an important but low yielding activity. Other over-the-counter (OTC) styled, bilateral markets, such as repo, also suffer from a similar dynamic.

While many banks and some larger non-banks also use Bloomberg and Refinitiv, these alternative platforms don't encompass all market participants, largely because of challenges around cost and complexity. This lack of connectivity results in traders

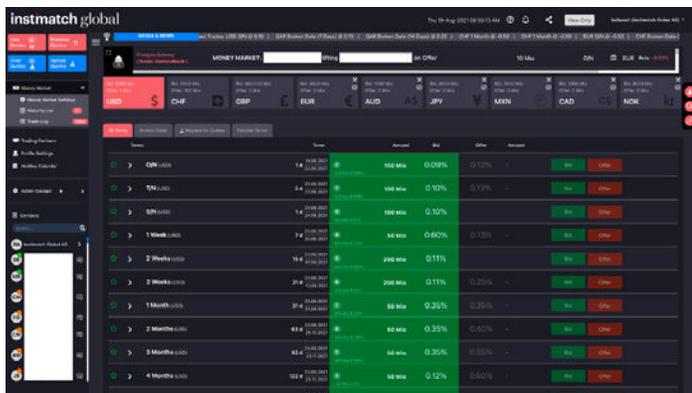
missing out on lucrative opportunities and introduces market opacity, limited awareness of potential counterparties and inefficiencies across price discovery, deal negotiation and transaction confirmation.

Solution

Instimatch recognized that traders need a new solution that can reduce the time and effort to structure deals with existing counterparties while also enabling them to diversify their trading partner networks. To enable this, Instimatch chose distributed ledger technology (DLT) as it allows their users to access a global trading network with the assurance of an immutable trading history and log that a traditional database couldn't provide.

Instimatch selected Corda for its ability to facilitate true peer-to-peer transactions while maintaining

Figure 1: A trader's view of the Instimatch Global cash management platform interface



data confidentiality. The team also valued Corda's security and privacy standards that meet industry requirements, such as Corda's blockchain application firewall.

“ Alongside Corda’s extremely large and impressive global ecosystem within the financial services industry, Corda is arguably the best—perhaps the only—real permissioned DLT, ensuring unparalleled confidentiality for the data residing on our platform. And with its incredible customer service and start-up friendly ecosystem, R3 has provided us with an influential and dependable partner who is always available to help and support.

Hugh Macmillen, Founder of Instimatch Global

Instimatch's cash management platform comprises Money Markets (MM), Forex, eNotes, Repo and MM Funds. The platform enables institutional treasuries to communicate, share data and trade securely and with absolute confidentiality and trust across different sectors and geographies. The solution offers orderbook visualization to optimize price discovery, as well as access to a diverse set of trading partners to diversify lending portfolios and sources of cash, together with efficient tools that enable multilateral negotiation of deals.

Instimatch's platform is extremely easy to use, offering a simple web interface where users select the currency they wish to trade in, then enter orders as either Bids and Offers, or Request for Quotes (RFQ). Users can also counter orders that are already visible on the grid. Prices can then be negotiated with the counterparty using structured popups or via a systemwide chat. When a trade is concluded, its details are archived immutably on Corda. Authorized participants also receive system-generated confirmations via email and/or Instimatch's auto

transaction capture (ATC) interface, which enables straight through processing (STP).

Results

Instimatch Global delivers many benefits to its users. By allowing the exploration of new, more efficient ways to match capital needs between global institutions, it empowers traders to diversify lending portfolios and sources of cash, in turn providing superior yields. These capabilities are supported by the greater transparency, efficiency, speed, and proof of best execution that Corda enables for transactions over the platform. This facilitates the ability to trade cash deposits at a substantially lower cost than traditional voice communication and other alternative channels.

A great example of the new opportunities facilitated by Instimatch is the success of a conservative UK bank, which is now using the Instimatch platform to lend to well-rated banks in the GCC region that it was previously unaware of, gaining over 20bps on its deposits.

Recognizing these benefits, Instimatch's community traded over \$50b by September 2021, about a third more than all of 2020. Quoted volume or trade intent also grew exponentially to over \$5t compared to \$1.6t all last year.

To help reduce processing time, Instimatch's multilateral price discovery capability lets money market traders reach out to an infinite number of trading partners at once, rather than spending time trying to engage each one individually. In FX, Instimatch enables users to extend the digital capabilities to their corporate clients on "white label" basis, saving the costly resources required to manage such transactions manually. Trials for Instimatch's forthcoming repo offering suggest it can save traders more than 30 minutes per bilateral transaction.

By leveraging Corda, Instimatch is now able to offer new solutions to its existing ecosystem that enable the verifiable immutability that is required across global regulated markets. Overall, the Instimatch platform is moving regionalized trading markets towards a future of global trade accessibility.

About R3

R3 is a leading provider of enterprise technology and services for the development of multi-party solutions that enable direct, digital collaboration in regulated industries where trust is critical.

Learn more at www.r3.com and www.corda.net.