



QUARTERLY PANORAMA

Securities Finance Intelligence | Q2 2026

Foreword

The securities finance market has rarely felt more alive. Average loan balances reached just under \$4.6 trillion in Q2, with record highs across many equity indices providing the tailwind. APAC led global equity lending for the second consecutive month, with AI-adjacent firms making up 37 of the top 100 equity lending earners. That volume translated directly into operational complexity and set the backdrop for an excellent ISLA Lisbon conference, where the joint Pirum and Broadridge connectivity announcement, T+1, discussions on Basel III endgame, and AI adoption all featured prominently.

Those same pressures run through each article in this edition. Ben Challice documents how Pirum's AI virtuous cycle has moved from thesis to working proof point in a single quarter. Zoë Balkwell examines collective T+1 readiness ahead of the October 2027 deadline, and why the weakest link in the chain determines the outcome for everyone. Payal Lakhani examines the AMI-SeCo *T+1 Corporate Events Implementation Guide* and what it means for firms yet to prioritise corporate actions automation. As always, the edition closes with our regulatory and events calendar and the latest product highlights from across the Pirum platform.

In this edition:

- 1 From data to intelligence: the loop is closing – **Ben Challice, CEO**
- 2 T+1 is a three-legged race: everyone has a stake in the other side crossing the line – **Zoë Balkwell, Head of Pre-Trade & Trading**
- 3 Corporate actions and T+1: the regulator has drawn the map – **Payal Lakhani, Senior Business Solutions Manager, CoacsConnect**
- 4 Pirum product highlights
- 5 Regulatory and market calendar

1. From data to intelligence: the loop is closing

By Ben Challice | CEO



Infrastructure catches up with ambition

Three months ago, I wrote about [PASLA Bangkok](#) and the conversations that pointed to where this market was heading. The pace of change since then has been striking. What was a forward-looking argument about sequencing in April is now more than a proof of concept. A single quarter from thesis to implementation – that is simply breathtaking.

Seeing the AI virtuous cycle deliver

The idea of the AI virtuous cycle is simple – automation eliminates operational cost; savings fund connected lifecycle infrastructure; connected data enables AI to function; AI surfaces new revenue and infrastructure. It sounds like a diagram but now we have a proof point.

We are developing a new AI-enabled settlement solution that uses Pirum's post-trade data, including settlement cycle behaviour, lifecycle patterns, and counterparty reliability accumulated across 150+ institutions and \$6.5 trillion in daily transactions, to generate two signals at the point of trade:

- i. How this counterparty has historically settled
- ii. Whether triparty collateral is working hard enough

These outputs are derived from observed behaviour across the full Post Trade Services cycle. The data was already there, so we focussed on delivering the intelligence layer pseudo-real time.

From raw data to desk-ready intelligence

What matters architecturally is both what the solution shows and how it delivers.

The same signal is available in two ways: as a trader-facing UI embedded inside Pirum, and as a programmatic feed via REST API and MCP endpoints for firms building their own AI agents. MCP (the Model Context Protocol) is the emerging standard for connecting AI agents to real-world data and allowing them to act on it. Just last month, Robinhood launched agentic trading via MCP in beta.

That is one data point in a broader signal that the architecture for human decisions and agent decisions running in parallel, on the same data layer, is arriving in financial markets faster than most firms have planned for. For Robinhood's Agentic Trading, it's enabling retail traders. Pirum's settlement solution, meanwhile, will empower financing markets more widely.

Where ISLA's direction of travel points

In her first CEO letter as head of ISLA in January, Ina Budh-Raja was direct about where the pressure is coming from: "We recognise that legal and regulatory uncertainty and fragmentation is often at odds with the pressures on our members to drive efficiencies through global operating models, the need to optimise resources and increasingly move faster and seamlessly, as we look towards 24/7 borderless trading."

Firms that have run the virtuous cycle are already operating at the speed Ina describes. Our latest solution exemplifies that cycle: post-trade behaviour, accumulated across \$6.5 trillion in daily transactions, surfaced as a pre-trade signal at the moment a trader needs it. From thesis to implementation in three months. That is the cycle, made real.

Pirum's 2026 AI roadmap builds on this foundation. To understand what it means for your programme, [get in touch](#).

2. T+1 is a three-legged race: everyone has a stake in the other side crossing the line

By Zoë Balkwell, Head of Pre-Trade & Trading



The international picture is considerably more complex than the US transition in May 2024

When the US transitioned to T+1 it had a lot going for it. Collateral was limited and largely domestic, the market is relatively simple, and the chain of participants is less global. It's not that simple for the rest of the world come October 2027.

There are a lot more countries, complexities, and global participants involved in that chain. To name a few: multiple beneficial owners, regional collateral pools, CSDs, and time zone constraints. If your systems aren't automated, the inefficiencies in the workflows make the delicate dance of settlement in the international space into a much clumsier shuffle.

Fix the foundations before you build the tower

So where to start? For firms working toward the T+1 transition date for the UK, EU, and Switzerland, focus should be on working through inefficiencies within their existing setups.

Rather than reaching for a new, futuristic solution, firms should analyse their systems and internal capacity, then work with a partner to identify the gaps and what's attainable in the next year or so.

Choosing a vendor partner that can support and streamline these processes means firms can already achieve sub-30-minute trade-to-settlement today – in other words, T+1 and T+0 ready.

We've still got time in the next year or so to work out those issues – but firms have to get that foundation right first. Otherwise, they're not going to be able to build off it.

You're only ever as good as your weakest counterparty

Tier-one firms can have inefficiencies, but they have the funds to implement new things quickly. However, if they have a counterparty that's still largely manual, which is releasing loans by hand and not using automated loan release functionality, the tier-1 desk can wait hours for that counterparty to release a loan instruction once they've got the collateral. That's not efficient for anyone.

As Roy Zimmerhansl of WTS Hansuke explained during a [recent Pirum webinar](#):

“You're only as efficient as your least efficient counterparty and, so, you can have all of your processes as STP as possible internally, but then when you go to that market-facing counterparty, the truth is, if they're not together on their side, it looks bad on you, right? All of your work on the efficiency side disappears, and you all of a sudden get that financial friction.”

The [EU T+1 Industry Committee's](#) own survey data bears this out: dependencies on counterparties, intermediaries, and technology providers ranked as the top implementation challenge for 64% of firms, while “only up to 40% of the settlement intermediaries have high confidence in their client's readiness.” The industry already knows where the friction sits.

That's why, in the next year, our objective as an industry should be to get everyone across the line and prepared for a T+1 world – potentially even T+0, once time zone differences are factored in. We need good connections and relationships across every market participant.

A two-tier market is a problem for everyone

If we don't, as the timeline to T+1 day shortens, we will see a bifurcation: firms with the deepest pockets will be fine, but smaller participants who can't keep pace risk being forced out of the market entirely.

That's why we need to support all players to get to a point where lending is sustainable and worthwhile for everyone. If the barrier to entry becomes too high, smaller and new participants will conclude the effort and risk isn't worth the reward, meaning less pockets of liquidity and reduced business growth for the industry.

A lot of the bigger banks are doing a really good job of helping and supporting their newer trading counterparts, sharing their information and their experiences of setting up new markets and the nuances of securities lending. But there's still a long way to go.

Consider the challenge facing some of the market's newer participants. Firms in markets with different business weeks – where Sunday is a working day, for example – are now reviewing their business days to function in a T+1 world. Understandably many of these firms want to trade outside their local markets, so supporting all timeframes and process flows becomes more complicated. All participants in the chain need to be able to support those processes too, so shared education and mutual support are paramount.

These new participants bring new liquidity and act as a flagship for others who may follow them, yet they're now also under pressure to change everything they know for a T+1 world.

This is a three-legged race, not a 100-metre sprint

The overarching message is this: moving to a T+1 world is not going to be as easy as what we saw in the US. This is our time to step up as an industry, globally, and make sure that everyone can get to the same T+1 readiness line at the same time.

It's a three-legged race. If the person you're tied to falls down, you're not going to get across the line. We need to help everyone over. If smaller participants can't make it to the finish line, liquidity draining from the market is a risk for everyone. It's therefore in the interest of everybody to work through this together.

Pirum is uniquely positioned to help your team assess your systems and prepare a practical T+1 readiness roadmap for your firm and your counterparties, so that every desk can reach the settlement deadline in a controlled, prepared way. To set up your T+1 readiness assessment [get in touch](#).

3. Corporate actions and T+1: the regulator has drawn the map

Payal Lakhani, Senior Business Solutions Manager, CoacsConnect



How much has corporate action processing in securities lending actually evolved? For many firms, the honest answer is: not enough. The manual workflows that most firms still rely on were designed for a settlement environment that has shifted underneath them.

In March 2026, the Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) published its [T+1 Corporate Events Harmonised Implementation Guide](#). For anyone still treating corporate actions automation as a future priority, this document changes the terms of the conversation.

This document is the regulatory community's formal specification of how corporate action events – mandatory distributions, mandatory reorganisations, voluntary events, claims, transformations, and buyer protections – must be processed in a T+1 settlement environment.

What the guide actually requires

The operational implications are precise. Under T+1, the sequencing of corporate action key dates compresses materially. Record dates, ex-dates, payment dates, and election deadlines for voluntary events are all calculated against a shorter settlement cycle, meaning the window for identifying, processing, and instructing on corporate action events shrinks across the board.

The result: firms must react faster, with those that can turn around voluntary events more efficiently able to offer more competitive deadlines to clients and counterparties. The firms that move fastest will set the pace their peers are forced to match. Efficiency is now a competitive line, not just an operational one.

For securities lending operations, claims – the process by which income and entitlements are reallocated when a corporate action falls on an open loan – must be processed at least once per hour during daytime hours (Chapter 4, p.12). That requires real-time position data. In T+2, that overnight was a safety net but T+1 will remove it.

Transformations are equally unforgiving. When a corporate action changes the nature of securities subject to a pending settlement transaction – a merger, a redemption, a conversion – any securities lending transaction still pending at the record date must be cancelled and replaced with new instructions reflecting the terms of the reorganisation (Chapter 5, TF1). The CSD manages that cancellation and replacement, but only against accurate, matched, timely instructions from the parties. In T+2, there was a day's buffer to resolve discrepancies. The AMI-SeCo guide removes that buffer. Unmatched or late instructions become failed settlements, with the CSDR penalty clock running from day one.

Where the industry stands

At Pirum's [Industry-led T+1 webinars](#) series, Andy Dyson, former CEO of ISLA, described the effect the approaching deadline is already having on how firms operate:

“What’s happening is that the laser-driven T+1 requirement is forcing people to do a couple of things – address things they’ve been quite happy to ignore for many years, but also enhance the way they work together.”

It’s a candid framing, and in my experience working with clients across this space, it rings true. The equity corporate actions space has moved further along the automation curve. Fixed income and bond lending has been slower – as [Robert Keane’s recent analysis](#) of Pirum’s Recalls Manager data shows. That gap becomes increasingly difficult to justify as settlement cycles compress. The AMI-SeCo guide sets no asset class exemptions: its requirements apply to any transaction settling in a CSD, equity or fixed income alike.

Platform development and the T+1 timeline

Pirum’s CoacsConnect platform processes corporate actions through automated workflows for both Income Claims and Voluntary Corporate Actions – live functionality now adopted by 42 clients across global markets.

The firms that are ahead of the October 2027 deadline are already operating in the environment the AMI-SeCo guide describes. They’re not waiting for final regulatory text – they’re building the data infrastructure, the bilateral connectivity, and the operational discipline now, because that’s what the compressed timeline demands.

The map is drawn. Are you moving in the right direction?

To discuss how CoacsConnect can support your corporate actions operations ahead of T+1 [get in touch](#).

4. Pirum product highlights Q2 2026

US\$4.83TN

Pirum TradeConnect continues to gather momentum in pre-trade connectivity. The platform is now publishing an average of US\$4.83 trillion in daily availability – and for firms already on the network, sub-30-minute trade-to-settlement is achievable today, ahead of the October 2027 T+1 deadline.

96%

96% of recalls processed through Recalls Manager never reached a queried or disputed state. Fewer queries mean cleaner, faster settlement. Recall volumes on Pirum grew 250% year-on-year in Q2 2026, with over US\$330 billion processed as firms prepare for T+1 going live across the EU, UK and Switzerland in 2027.

US\$23.9BN

CoacsConnect Income Claims delivered a strong H1 2026, processing approximately US\$23.9 billion in notional value via payment pre-advices – equivalent to close to US\$185 million per trading day. Volumes grew consistently through the period, reflecting the scale at which clients are now automating their income claims workflows across the network.

EUR6.6BN

ClearingConnect, Pirum's real-time trade instruction and lifecycle event processing service for Cboe Clear Europe, has seen significant growth in the quarter just passed, with average daily balances doubling between March and June 2026 to €6.6 billion.

5. Regulatory and market calendar

Key dates shaping securities finance

Conference / Event

Regulatory Deadline

Anticipated

Critical

July

JULY 9

Securities Finance Industry Excellence Awards 2026

August

AUG 31

SEC Form N-PX filing deadline

September

SEPT 2-3

PostTrade 360° 2026, Stockholm

SEPT 15

Absolute Collateral, New York

SEPT 17

Absolute Collateral, Toronto

SEPT 22

Securities Finance Times Symposium, London

SEPT 30

UK PRA Solvency II liquidity reporting goes live

October

OCT 8

SIFMA Global Corporate Actions Forum, New York

OCT 12-15

ISLA Americas 3rd Annual Securities Finance & Collateral Management Conference, Key Biscayne, Florida

November

NOV 12-13

Euroclear Collateral Conference, Brussels

Critical downstream dates

NOV 2026

SWIFT SR2026 – New field for SFT Settlement Optimisation Gating Event

DEC 2026


EU T+1 – Allocation & confirmation requirements (industry readiness milestone)


11 OCT 2027


EU / UK / Switzerland T+1 settlement go-live

If you have any questions or would like further information on any of the topics in this Panorama, or how Pirum can support your business, get in touch.



 Get in touch

 LinkedIn

 Website

 London Office - 2 Copthall Avenue, London, EC2R 7DA

 New York Office - 875 6th Avenue, New York, NY 10001

© Pirum Systems Ltd. All Rights Reserved. Pirum is authorised and regulated by the UK Financial Conduct Authority (Firm Reference Number 1017926). The content within this document is provided “as is” without warranties or representations of any kind and for information purposes only. Your reliance on any suggestions provided is at your own risk.