

# MARKETS T+1

## Frequently Asked Questions: FX & Fixed Income and Equities



# MARKETS

## T+1 FAQs

### 1 Q: What is BNY Mellon Markets doing to address the change to T+1 settlement in the US and Canadian Markets?

- BNY Mellon established an enterprise-wide program with senior management oversight that focuses on understanding and addressing the impacts of T+1 settlement for clients and counterparties. BNY Mellon will be fully prepared for industry go-live.
- While our FX product offerings support the move to T+1 already, we are looking at additional enhancements and extended instruction deadlines to further assist our clients (covered lower in the FAQ).

### 2 Q: I typically manage my FX and funding needs in-house; what do I need to consider?

- The move to a shortened settlement cycle means that investors will need to take a fresh look at their operational processes as their time to process trade instructions, execute FX, and meet funding obligations will be shortened as well.
- The move to T+1 may apply pressure on clients in APAC and EMEA specifically, regarding operational constraints to ensure USD and CAD funding is in place to prevent failed trades.
- For some, this may require same day FX with tighter deadlines, stricter oversight, and more operational risk.

### 3 Q: Can I execute my securities trades with BNY Mellon Markets and have them settle automatically to my Custody account?

Yes, BNY Mellon can execute securities trades for both Fixed Income and Equities. Any trades done with the Markets teams are also able to settle automatically into your BNY Mellon Custody account. By participating in our STP model, clients are able to alleviate the burden of trade affirmation, as well as reduce settlement risk associated with changing settlement cycles. Additionally, our FX solutions help clients reduce the operational risk and burden associated with FX settlement.

### 4 Q: What BNY Mellon Markets products will be able to support US and Canadian T+1 settlement?

BNY Mellon Markets has a full-service package inclusive of Custody FX, Equity and Fixed Income products offering operationally efficient, transparent, and automated solutions to our clients.

For more details on BNY Mellon's securities execution capabilities, please email the FIEQ Platform Sales team: [FIEQPlatformSales@bnymellon.com](mailto:FIEQPlatformSales@bnymellon.com).

For more details on BNY Mellon's foreign exchange capabilities, please email the FX Platform Sales team: [FXPSGlobal@bnymellon.com](mailto:FXPSGlobal@bnymellon.com).

### 5 Q: Does BNY Mellon have same-day FX capabilities?

Yes, please refer to the Custody FX deadline document in NEXEN for same-day execution deadlines.

**6 Q: What are BNY Mellon's cut-off times for FX instruction to fund T+1 securities settlement?**

FX cut-off times are available in the Custody FX deadline document in NEXEN.

**7 Q: What enhancements will BNY Mellon Markets be making to address the change to US and Canadian T+1 settlement?**

- In addition to our current same-day FX capabilities, BNY Mellon recently rolled out “FX Now”, which allows for near real-time execution, providing extended same day cut-offs and later execution. As the US equity market closes at 4PM ET, many managers will be executing Market-On-Close (MOC) orders and so the funding requirement is not known until then. All our Custody FX programs support trading after this time, but FX Now specifically facilitates FX execution until 6PM ET.
- BNY Mellon will be extending our FX Benchmark program to start at 9am HKT.
- Our Session Range same day FX capabilities have expanded and now include AUD, NZD, JPY, HKD, and SGD. Prior to May 2024, four additional currencies will be added to allow for same day settlement – NOK, SEK, DKK, CHF.
- BNYM Markets has also expanded securities execution capabilities and now offers trading via the NEXEN Markets Platform.

**8 Q: Will BNY Mellon's Direct Dealing FX desk support US and Canadian T+1 settlement?**

Yes, for more information please contact your respective regional desk.

**9 Q: Who do I contact for questions regarding trading and the US and Canadian T+1 settlement change?**

For more details on BNY Mellon's securities execution capabilities, please email the FIEQ Platform Sales team: [FIEQPlatformSales@bnymellon.com](mailto:FIEQPlatformSales@bnymellon.com).

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