

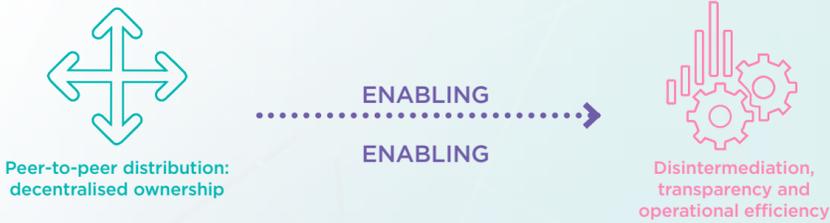
# Beyond the buzz: Blockchain in capital markets and corporate banking

Learn more about Blockchain and the possible use cases

## WHAT IS BLOCKCHAIN?

Blockchain and Distributed Ledger Technology (DLT) enables the digitalisation, automation and sharing of records across all stakeholders in a value chain. At the core of DLT is a distributed database enabling participants to share the same data in near real time. The promise of DLT is that it addresses the security and collaboration/synchronisation issues that could occur using cryptography and consensus protocols. Ultimately, proponents argue that this technology makes it possible to eliminate the need for central authorities and intermediaries, including central banks, exchanges, clearing houses, and potentially even banks.

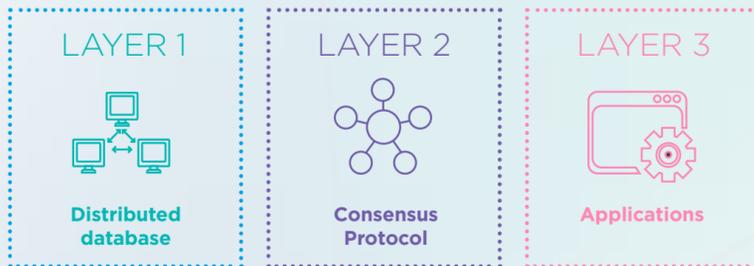
Blockchain as implemented for the Bitcoin Crypto-currency is the first instance of this technology and represents at this point the only large scale production version of a global distributed ledger. Other startups and consortia are vying to provide other DLTs for financial services, each attempting to improve on one or more of the characteristics of the original Blockchain. Players include Ethereum, Hyperledger, Chain, R3, and Ripple to name just a few.



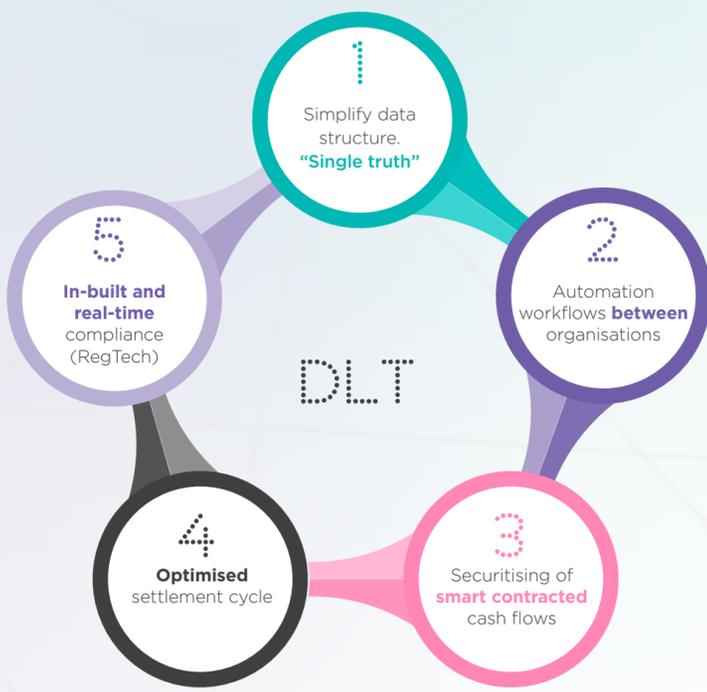
## WHAT IS DLT?

Distributed ledger technology is the architecture that is being leveraged by various consortiums in Fintech. It has no central administrator or data store as opposed to traditional database technology.

### Three layered architecture



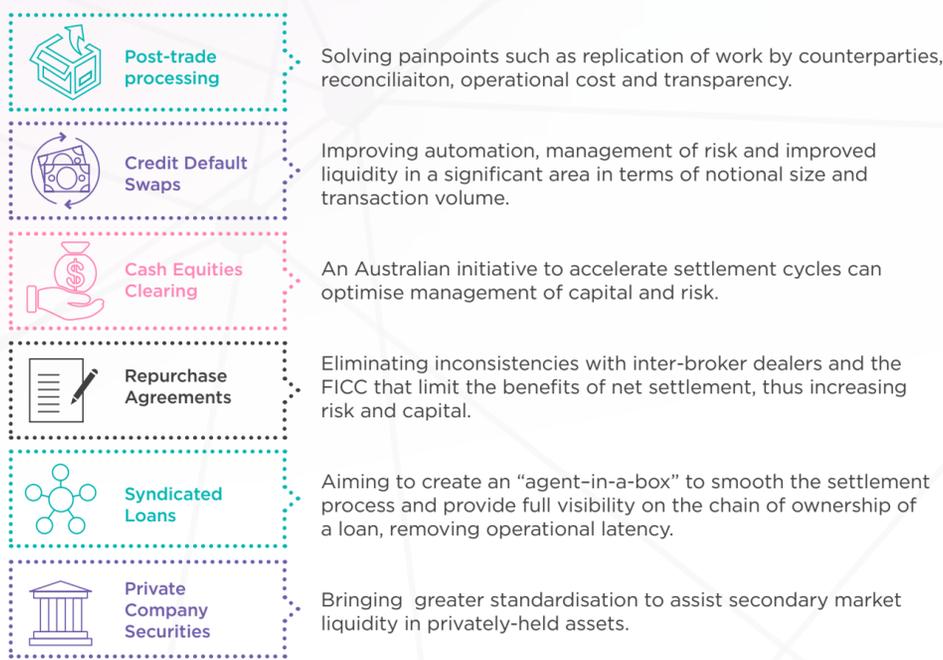
### DLT's five defining attributes



## DLT USE CASES IN CAPITAL MARKETS AND CORPORATE BANKING

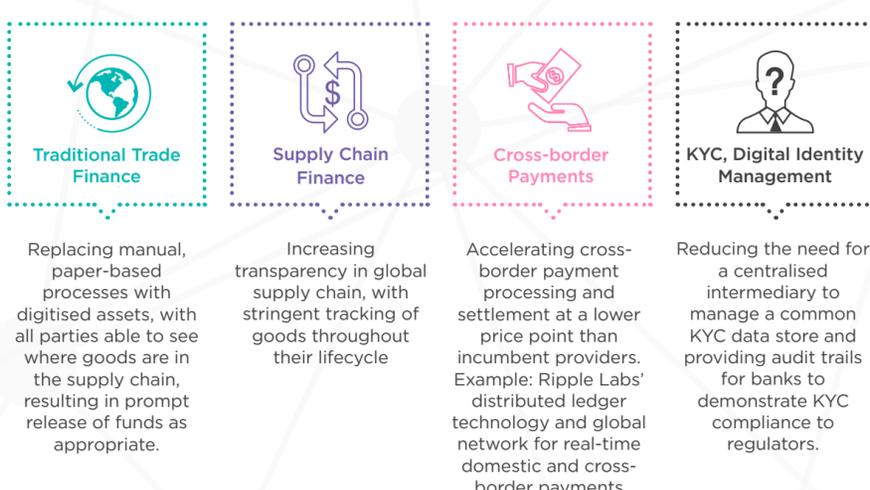
### Capital Markets

Blockchain use cases are focused on streamlining trades and transactions, increasing transparency, reducing exceptions, and dramatically reducing a bank's legacy infrastructure costs.



### Corporate Banking

Blockchain initiatives are targeting improved visibility, less friction, automated reconciliation and shorter cycle times and have attracted significant attention and investment.



## WHEN CAN YOU EXPECT TO SEE SOLUTIONS?

As of mid 2016, banks and fintechs are defining, prototyping, and selectively testing some of the above use cases. At this point, there are no use cases in commercial production.

Will it take 2 years or 10 years for Blockchain solutions to be mainstream in financial services?

