## **Trading of Tokenized Securities**

Jakob Bosshard COO AlgoTrader





# Leading Institutional Trading Solutions since 2013

- **OEMS**: End-to-End Order & Execution Management platform
- **Connectivity**: Single FIX connection to the 25+ largest regulated Crypto liquidity venues
- Trading: Agency & Principal
- Order entry: UI/UX or via internal banking systems or Apps
- Best Execution: Built-in Smart Order Routing (SOR), Execution Algos and Request for Quote (RFQ)
- **Systematic Trading**: Programmatic or event-driven trading technology for automated order generation & execution

#### Full Asset Class Coverage







#### **Global Presence**



#### **Renowned Investors**



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## **Business Case for Banks or Sell-Side Institutions**

Expand your client base and WM/AM services with a new asset class

Create new revenue source independent of classic capital markets

Start your digital asset strategy with cryptos and scale with security tokens

Offer custody for clients already holding crypto assets

Foster the perception in the market as an innovative bank or financial institute



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## The Business Case for Tokenized Securities

## **Types of Tokenized Securities**

• Existing Instruments:

Tokenization of securities or derivatives thereof that already exist today, e.g. listed bonds, ETF's or equities.

• New Instruments:

Instruments that are not currently tradeable on any exchange (e.g. SME equities) or non-bankable assets (e.g. real estate, art, cars, collectible)

### **Use Cases**

#### • Principal Model:

The Bank becomes the primary market maker in a principal capacity, i.e. filling orders out their own inventory.

#### • Agency Model:

The Bank facilitates trading of the token in an agency capacity. In this case the Bank will not be the counterparty on the trade.





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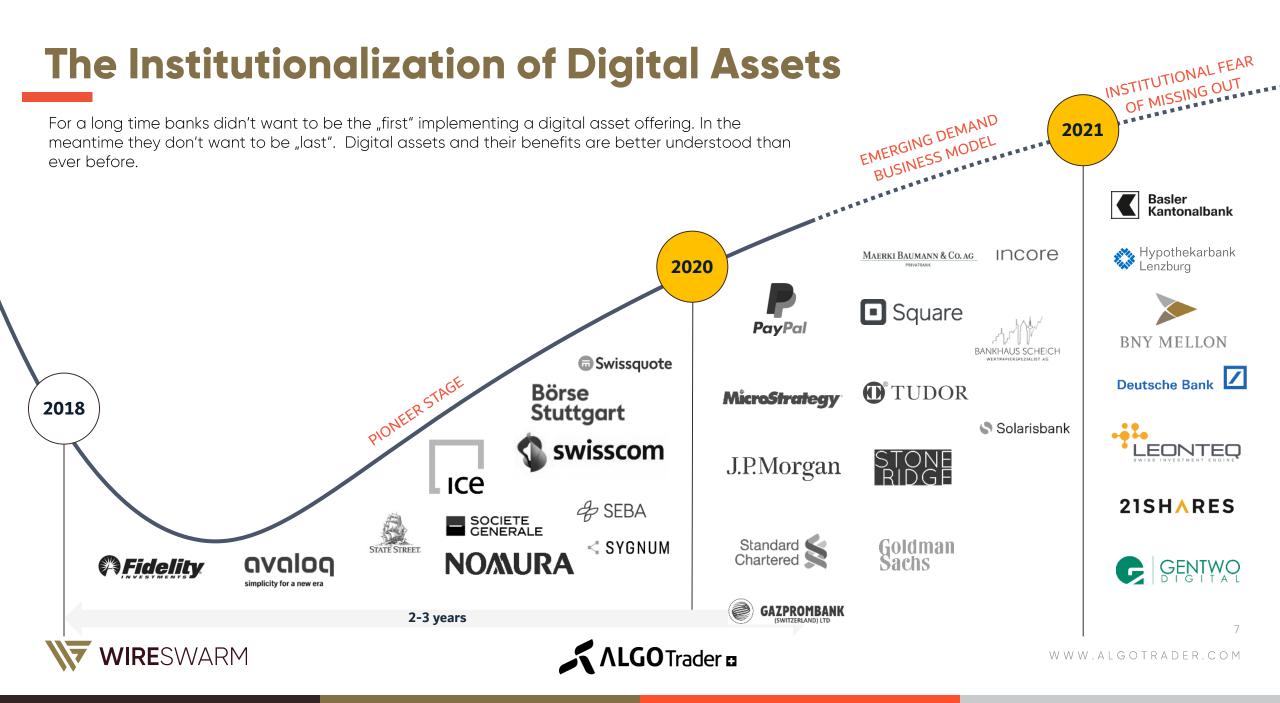
# Combined balance, execution & settlement management

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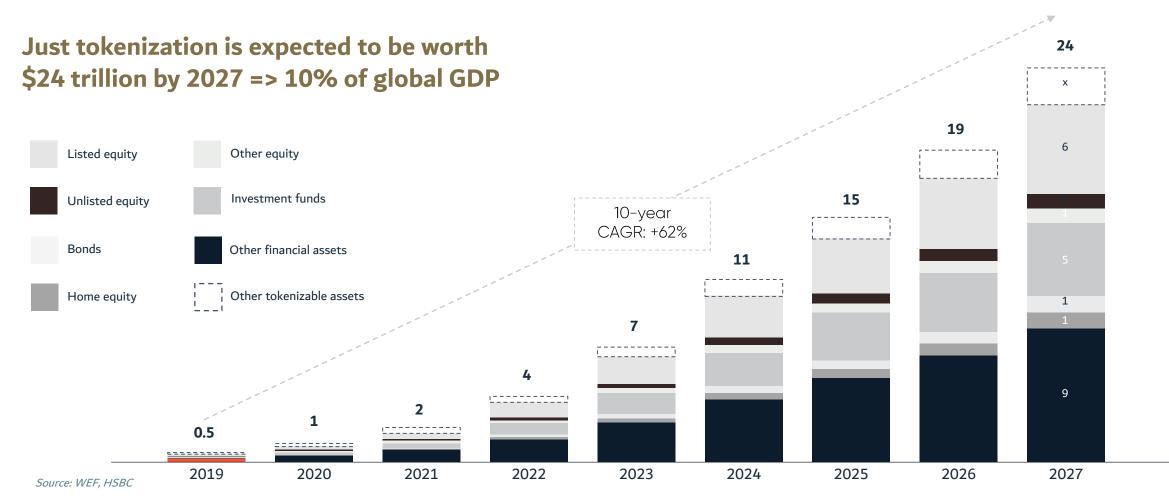








# Tokenization grows rapidly and this has impact on all



Projected tokenized market volume until 2027 (in US\$trn by asset class)





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## **Tokenized Securities**





3. FUNDS





4. HARD ASSETS





## Security Token Exchanges in Development



#### EMEA (26)

London Stock Exchange Archax MAX Markets Boerse Stuttgart Digital Exchange HQLAx Deutsche Börse Blocktrade Liechtenstein Cryptoassets Exchange Rokkex EuroNext **Dusk Network** Sygnum Six Digital Exchange STX Exchange Lykke Smart Valor Mt Pelerin Gibraltar Blockchain Exchange INX Exchange MSX PLC OKMSX Malta Digital Exchange ABE Currency.com DEX MERJ

#### AMERICAS (23)

Tzero OpenFinance Network ISTOX Nxchange Uniswap **Rialto Markets** North Capital (PPEX) Boston Security Token Exchange Securitize Instant Access Sharespost Templum Orderbook Polybird Coinbase MIAX Nash Exchange New York Security Token Exchange Glass Canadian Securities Exchange FreedomX Atlant Blockstation BnkToTheFuture

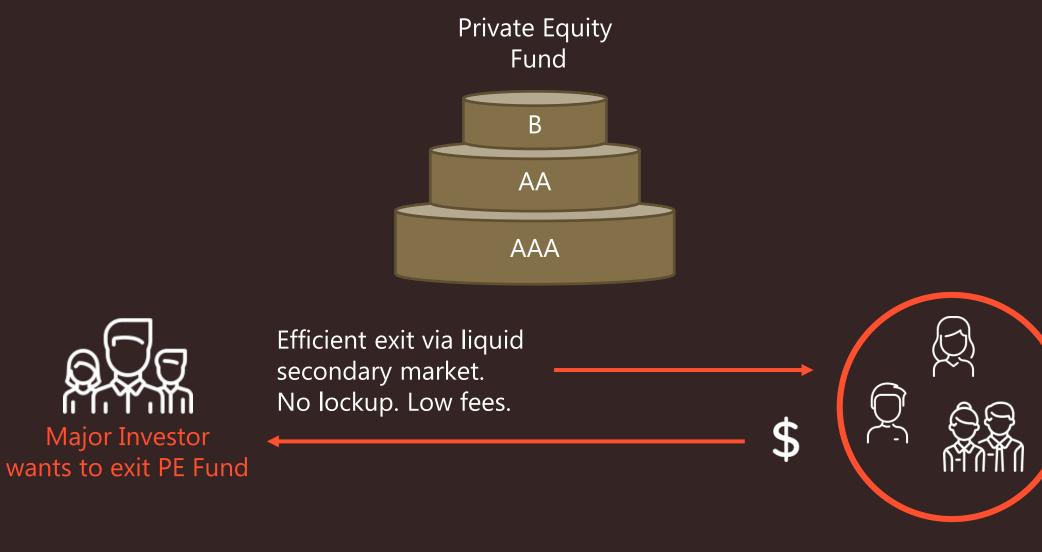
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## **REDUCED LIQUIDITY PREMIUM**





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Major Investor



## **BETTER MARKET CAPITALIZATION**

#### Fragmented liquidity...



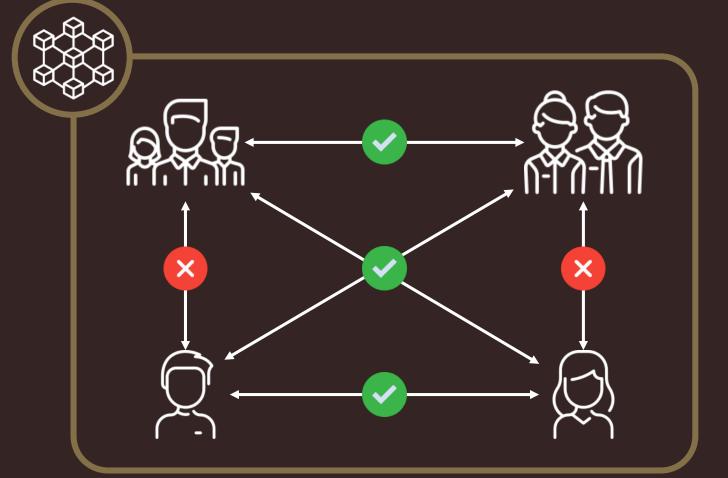
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## **AUTOMATED COMPLIANCE**

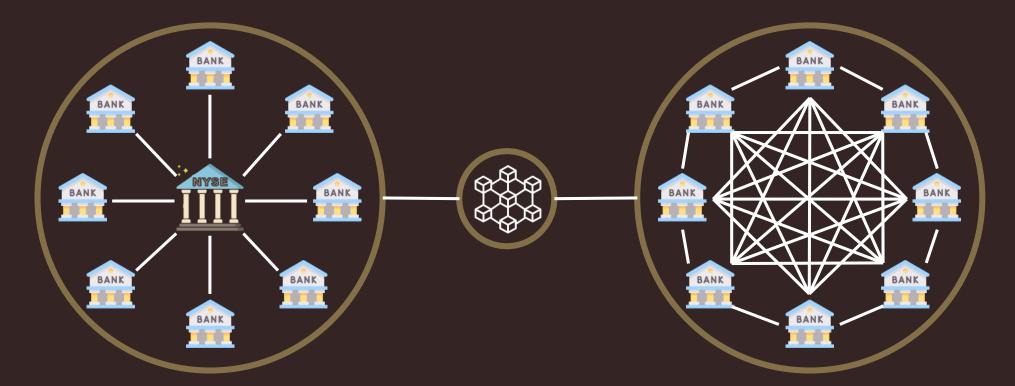


Compliance is enforced through code within smart contracts.





## **EXCHANGE INTEROPERABILITY**



Regulated Centralized Exchanges

Smart-Contract Regulated Decentralized Exchanges





### **DIGITAL BARTER VIA FUNGIBLE, MULTI-ASSET TOKENS**

Jack trades his house + car for Jill's ring + stock portfolio. Through the exchange of a single token on the same blockchain.







# We know your systems. We know theirs. Let us guide you through these uncharted waters.

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