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# Are we ready for T+0 settlement?



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*Audrey Costabile is a senior analyst on the Market Structure & Technology team.*



Technology firms will likely develop the **T+0 solution** of the future

## Executive summary

The go-live date to T+1 advanced settlement of securities came and went and was mostly uneventful in the U.S. While the rest of the globe is preparing for similar settlement times, many capital markets professionals are already envisioning what the journey to T+0 will entail.

Crisil Coalition Greenwich interviewed a dozen global capital markets leaders to better understand this progression. Our study reveals that evolution in operations is being driven by a shift from manual to automated workflows. However, the achievement of this goal will be rife with challenges. T+0 can't be supported with current processes and will require global cooperation of real-time processing and advances in data-sharing. Despite frictions, we discuss industry leaders' thoughts around future planning and the development of timelines to distill how T+0 milestones may unfold.

## Key takeaways

- The industry is not ready for T+0 settlement—yet. Although limitations exist today that prevent the shift to even shorter settlement times, industry leaders have expressed great enthusiasm. Planning and development to get to instantaneous settlement is already happening in various pockets of the market.
- While there is an air of inevitability concerning T+0, manual tasks are a strong inhibitor of progress. Whether cost, regulation or competitive differentiation, or some combination of all three forces move the needle, participants believe T+0 will only happen when myriad high-touch processes along the trade life cycle are eliminated for good.

- Preparing for T+0 goes beyond global adoption of the T+1 ecosystem. Although shifting to T+1 should entail far fewer manual interventions in data and workflow processing, this hasn't always been the case. Many firms have instead hired more staff to simply work faster and harder—despite the availability of technology for real-time settlement. A change in industry mentality is vital to foster a completely new global system.
- The T+0 solution of the future will likely be led by technology firms. Industry leaders we spoke with believe tech companies are more nimble and better-positioned to be the leaders in establishing automation in real-time workflows than some of the large industry infrastructure firms currently facilitating settlement and key back-office operations. Ultimately, these leaders feel there will likely be combinations of internal builds and third-party systems as well as influence from non-capital markets innovators supporting T+0.
- Advanced technology is critical in a T+0 world. T+0 can't be supported by current processes. Artificial intelligence and machine learning (AI/ML) will likely be relied upon to quickly catch reconciliation issues and fix them without human intervention. Progress made in the development of advanced technology use cases and adoption will shape the timeline of instantaneous settlement.

## Is the industry ready for T+0?

**The industry is NOT ready for the adoption of T+0 settlement because current processes don't support it.** Industry readiness for T+0 settlement is a complex subject that opens up a few interesting debates. At the heart of the discussion sits the notion of what exactly T+0 means, a major shift from today's timelines. Although it is conjecture whether a stepped process characterized by end-of-day, intra-day, then instantaneous settlement eventually plays out, participants agree that when we get to T+0 settlement, it is fully automated—another profound change we clearly aren't seeing today.

**T+0 settlement is necessary to ensure a safer financial system.** Regardless of whether T+0 is attainable in the very near future, an important existential question remains: Do we need it? While there are strong arguments either way, industry experts agree T+0 will most likely become an inevitability, driven by customer expectations and competitive advantage aligning front-, middle- and back-office tech and expected regulation. This is because one of the most important cornerstones of instantaneous settlement is that it underscores a stronger and safer financial system—something market participants and regulators will get behind and are certainly ready for.

Instantaneous settlement is already happening in areas like retail banking and crypto, and workflow automation. While it is becoming more common in pockets of the market such as trade execution, which can be enabled by smart order routing, cost and legacy technology are key inhibitors of progress. Culture also plays a role, as many industry participants feel T+1 settlement is sufficient despite it being bogged down with numerous manual processes and operational inefficiency. Additional challenges include roadblocks to adoption across regions and products such as derivatives, as well as uncertainty concerning who exactly will lead the charge.

## Top reasons supporting/opposing the shift to T+0

### Supporting



1. A shift to T+0 ensures a safer financial system (which is also a key goal of T+1)
2. Moving to faster settlement times is a natural progression as instantaneous solutions are already available in other places (e.g., retail banking, crypto)
3. Enabling T+0 settlement will be supported by important developments in automation, mobilizing often manual areas of the trade life cycle like the movement of collateral
4. The market will be more appealing and less costly with T+0 settlement (e.g., lower operations and funding costs)
5. Regulations will make T+0 happen

### Opposing



1. At what cost does a shift to instantaneous settlement actually make sense?
2. Present systems are not capable of T+0 settlement
3. There is a view that global T+1 settlement is attainable and possibly more appropriate for some activities like the netting down of offsetting trades
4. Regional and product-specific challenges will morph into a bifurcated system (e.g., ancillary processes like FX and collateral management are a concern)
5. Uncertainty over who will “lead the charge”

Source: Coalition Greenwich 2025 T+0 Settlement Study

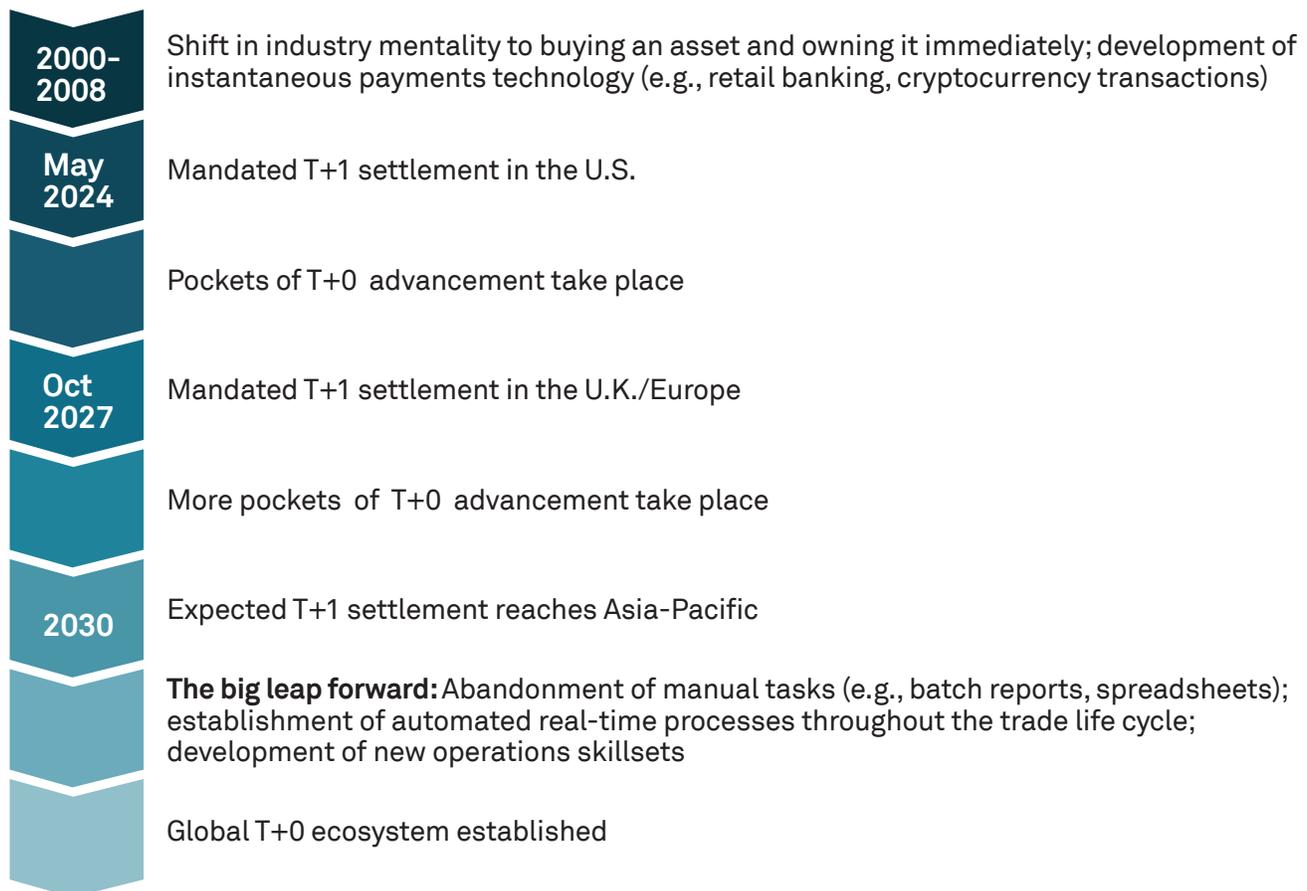
## How will the shift to T+0 unfold?

**The resilience of the system is set to guide the industry toward a T+0 rollout.** Despite the number of trades increasing after the U.S. T+1 go-live date, trade failures didn't increase—even during record-breaking equity and fixed-income volume days—a sign of market resilience. (Although, anecdotally, there's evidence settlement costs may have risen.) For instance, different settlement timelines and currencies for different products and countries exist. Also, 24-hour or continuous trading isn't a common practice, so the concept of days is still necessary. However, cracks along regional and product-specific practices caused by today's technology and workflows suggest more structural progress is necessary.

Most industry leaders believe these growing pains will need to be remediated across the globe to first establish a T+1 ecosystem before the industry achieves T+0. Large jurisdictions in Europe and the U.K. are set to shift from T+2 to T+1 in October 2027. Regulators from the U.K. FCA and ESMA have been very vocal about the need to invest in technology and automation to manage the transition for operations teams, instead of hiring more staff. While parallels exist in the U.S., additional fragmentation will test the new regulations once they go into force. Asia-Pacific will probably follow closer to 2030 and will be led by more developed countries like Australia and Singapore.

Despite global T+1 timelines, professionals at some technology providers believe that the industry is positioned to use experience and a high degree of determination to achieve T+0 much faster than the shift from T+2 to T+1. The T+0 timeline is probably not linear and, instead, includes pockets of advances in instantaneous settlement along the way until a big leap forward in operations culture and technology takes place.

## The T+0 timeline



Source: Crisil Coalition Greenwich

**Intelligent automation exists, but a global ecosystem doesn't.** Challenges inherent in some asset classes, such as foreign exchange, exemplify the need for more automation and global coordination of processes—factors instantaneous settlement would remedy. Today, industry participants still struggle to get the right currency in the right place (e.g., to and from counterparties and back into books of record) and on time to hedge global equity exposures in line with T+1 settlement requirements. Difficulties arise in global markets that span regions and time zones as day counts and settlement timelines aren't in sync.

The netting of offsetting trades is a topic of discussion concerning faster settlement timelines. If trades, for instance, are settled in real time on a gross basis, the amount of margin some firms would need to post throughout the day would be unsustainable. (Imagine a firm that trades \$5 billion in a day but ends net flat.) Some experts suggest end-of-day settlement is as close to real time as the industry may get, given such dynamics.

Availability of funds from selling securities is also impacted by settlement contingent on time zones and regional or product-specific practices. Slower access to cash stymies capital utilization. This may also affect liquidity since buying or selling securities takes longer, reducing capital allocation possibilities and potentially increasing cost (given a longer funding timeline). Although many sell-side business models are predicated on interest income earned during the settlement period, current practices will not be sufficient over time and will increase risks.

All industry professionals who participated in this research agree T+0 can't be achieved with existing systems and the prevalence of manual touches to manage exceptions in the trade life cycle, particularly in back-office operations. According to one strategist at a U.S. fintech, 52% of firms increased headcount to achieve the mandated T+1 settlement of securities in the U.S. Although adding bodies to receive allocations of funds via a daily batch process might suffice for T+1 regulatory compliance, it simply won't work with instantaneous settlement.

Experts believe the industry can afford to invest in T+0 processes, given the benefits. There is a general sentiment that achieving instantaneous settlement is really a matter of getting the information when it is due (e.g., data-sharing), rather than actual settlement procedures such as dealing with account-matching issues, which can be addressed today with automation.



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Getting the currency in the right place for trades to settle and throwing bodies at the problem is the reason we aren't ready for T+0."

- U.S. hedge fund manager

## Preparing for T+0

**Providers and adopters of T+0 technology realize long-lived industry standards would need to be retired to achieve T+0.** There can't be a concept of batch reporting and FTP/SFTP end-of-day file-sharing in a future regime. One of the biggest questions we asked industry leaders was what it would take to move batch overnight processes to real time within their firms. To get there, one U.S. technology professional asserts scale issues need to be considered first.

For instance, technology is available today to settle a transaction in a banking app in real time since it's possible to transfer funds between bank accounts immediately and continuously 24/7. T+0 can happen today, but only in dribs and drabs, due to friction in the system. Not every producer and consumer of data can seamlessly send and receive information instantaneously and, often, transformation occurs once the data reaches its destination. Mechanically, there are many manual hacks along the way.

A stock-borrow loan trade is a good example of a fragmented process that would need to be streamlined and automated. When investors need shares to cover a short position, counterparty credit data, reference data, funding details, and more must be provided instantaneously from multiple sources, which is just not the case today. Because of this complexity, some industry leaders believe T+0 post-trade isn't really "the problem." Instead, they feel the crux of the matter lies in the front- and middle-office part of the investment chain where "ownership needs a redo." Essentially, there are too many physical hands and different technologies involved between and within firms, which breaks down achievable automation and straight-through processing.

**T+0 is NOT an enhanced T+1 ecosystem.** Once pre-trade and in-flight trading data and consumption issues are addressed, the back office is a "really different animal," as one technology professional sees it. This will require key advances in automation as nothing can be manual in a T+0 world. Preparing for T+0 requires an acknowledgment that the back office must evolve from today's large number of people assigned to remedial and manual tasks to a smaller number of true SMEs. This is a transformative shift in the types of roles required in operations departments, which are fewer in number and more highly skilled.

## What needs to change?

- ✓ Data integrity and timeliness must improve
- ✓ Data consumption and processing has to be automated and free of manual processes
- ✓ Point-in-time batch processes need to be replaced by a continuous real-time flow of data
- ✓ Investment should be directed toward advanced technology rather than headcount
- ✓ Global solutions need to be developed with top innovators leading the charge
- ✓ Today's common practices using spreadsheets, email, FTP/SFTP files are retired
- ✓ Advanced technology such as AI/ML drive intelligent automation

Source: Coalition Greenwich 2025 T+0 Settlement Study

Perhaps it's difficult to envision a world without them, but common tools such as spreadsheets, emails and other manual barriers that exist today are anathema to a T+0 world. From a tech perspective, real-time interoperability, driven by automated intelligence and innovation to solve problems, will develop. More proofs of concept for systems will be reliant on advanced technology like AI/ML to deal with multiple types and formats of data. As one European markets regulatory expert explains, "If the entire chain isn't reshaped, it's just another T+1."



T+0 is a cultural shift of the end investor, as well as risk reduction."

- European regulatory expert

## Building the real-time, scalable and intelligent infrastructure for T+0 settlement

**Borderless, dynamic practices will characterize T+0 settlement.** The shift to instantaneous settlement will dynamically alter markets and provide many benefits. For example, the solution of the future will allow all parties to interact with each other in real time. More specifically, the T+0 ecosystem will ensure less failure and fewer market crashes due to real-time collateral and financing functions. More oversight and compliance will be critical enhancements.

The T+0 solution of the future would likely include the following:

### Characteristics of the T+0 solution of the future

-  More enablement of real-time flows integrating pre-trade execution and post-trade settlements
-  Full data synchronization across multiple internal and external sources
-  Real-time views and functionality into funding
-  Fully automated interoperable systems with global exchanges, prime brokers, custodians, and other counterparties
-  Use of advanced technology like AI/ML to deal with unstructured data
-  No manual interventions
-  More scrutiny and compliance; enhanced regulatory framework
-  The establishment of a single global network

Source: Coalition Greenwich 2025 T+0 Settlement Study

To enable T+0 settlement, the financial industry must undergo a profound transformation that goes far beyond incremental improvements to existing systems. The future of T+0 will be defined by a fully integrated, real-time ecosystem that eliminates manual interventions and leverages advanced technologies to synchronize data, automate workflows and ensure seamless interoperability across global markets.

A key requirement is the integration of pre-trade execution and post-trade settlement into a continuous, real-time flow. This means that trade data must be captured, processed and acted upon instantly, with intelligent systems coordinating the transition from execution to settlement without delay. Autonomous agents can play a central role here, monitoring trade activity and triggering downstream processes in real time, ensuring that settlement instructions are generated and validated without human involvement.

**Equally critical is the synchronization of data across internal systems and external counterparties.** In today's fragmented environment, data often arrives late, incomplete or in incompatible formats. A future-ready T+0 solution must support real-time data harmonization, enabling consistent and accurate information sharing across exchanges, custodians, prime brokers, and other participants. This requires a robust data infrastructure capable of ingesting, transforming and distributing data at scale, regardless of its source or format.

Real-time visibility into funding and liquidity is another cornerstone of T+0. Institutions must be able to monitor their cash positions, collateral requirements and margin obligations as trades occur. Predictive analytics and streaming dashboards can provide immediate insights, allowing firms to optimize capital deployment and reduce funding costs. These capabilities depend on high-performance systems that can process large volumes of data with minimal latency.

**Automation is essential—not just in isolated workflows, but across the entire trade life cycle.** Systems must be interoperable and capable of executing complex processes without manual intervention. This includes trade matching, confirmation, reconciliation, and exception handling. Intelligent agents can identify and resolve discrepancies, escalate issues when necessary and ensure compliance with regulatory requirements in real time.

Advanced technologies such as AI/ML are indispensable in handling unstructured data, which remains a major barrier to automation. From emails and PDFs to legacy file formats, AI-powered tools can extract relevant information, classify it and feed it into structured workflows. This enables firms to eliminate reliance on spreadsheets, batch reports and manual data entry—practices that are incompatible with a T+0 environment.

**Finally, the establishment of a single global network is essential.** T+0 settlement cannot be achieved in isolation; it demands a federated, interoperable infrastructure that spans regions, asset classes and time zones. This network must be resilient, scalable and capable of supporting continuous operations, even during periods of market stress. It should accommodate diverse participants, from large institutions to smaller firms, and provide equal access to high-performance technology.

In sum, the journey to T+0 settlement is not just about speed—it's about building a comprehensive, intelligent and automated ecosystem that redefines how markets operate. The firms that embrace this transformation will be best positioned to reduce risk, lower costs and deliver superior outcomes for their clients.

# Conclusion

As the industry moves to faster settlement times, aspirations to create a T+0 world grow. Multiple jurisdictions are planning to shift to T+1 settlement timeframes, creating safer and more efficient capital markets. While existing technology mostly held up to achieve T+1 in North America, T+0 will require extreme changes in the industry's culture, technology, skillsets, regulations, and innovation, setting the stage for technology to increase opportunities for investors and create competitive differentiation for firms. Today's processes simply will not be sufficient to achieve these goals. Well-established industry practices will dramatically change, and reliance on modern technology including AI/ML is inevitable.

The DNA of T+0 settlement will certainly include data and technology enhancements. However, the crux of the "solution" hinges on the elimination of manual tasks and the eventual creation of a single T+0 global ecosystem where every global participant can seamlessly share and consume data using intelligent automation. We expect forward-thinking technology firms to lead the charge and partner with both industry and non-industry innovators to foster this journey. Although more progressive and tech-savvy firms are positioned to reap opportunities, all firms could benefit from further reduction of risk and lower cost borne out of instantaneous funding and settlement.

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## METHODOLOGY

Between January and March 2025, Crisil Coalition Greenwich, in partnership with InterSystems, interviewed a dozen prominent industry leaders to help distill how market structure, asset-class specificity and workflows will shape the achievement of T+0 settlement. Other key considerations concerning the impact of future regulations and regional practices were also discussed in detail. Participants hailed from asset management firms, hedge funds, banks, market utilities, and the regulatory community in the U.S., U.K. and Europe.

## About InterSystems

InterSystems is a global leader in data management and analytics, offering a comprehensive suite of solutions that empower financial services organizations to build and deploy high-performance, real-time intelligent applications. InterSystems innovative technologies enable seamless integration, orchestration, and AI-driven insights across data and application silos, helping businesses unlock the full potential of their data to solve any business challenge. With more than 45 years of proven success, InterSystems serves customers across the financial services industry, including banks, asset managers, insurance companies, fintechs, and data providers.

## About Crisil Coalition Greenwich

Crisil Coalition Greenwich is a leading provider of strategic benchmarking, analytics and insights to the financial services industry, and specializes in providing unique, high-value and actionable information to help clients measure and drive their business performance.

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