

# DLT in the Real World

 the ValueExchange

**ISSA**  
International Securities  
Services Association

 accenture

 Broadridge

 vmware

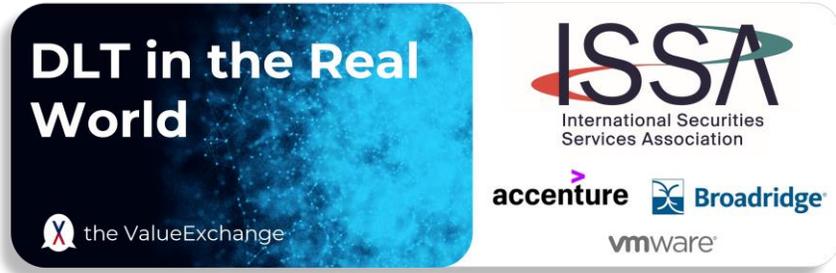
benchmarks  
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# DLT in the Real World 2022

## Key Survey Findings

# DLT in the Real World 2022: Overview



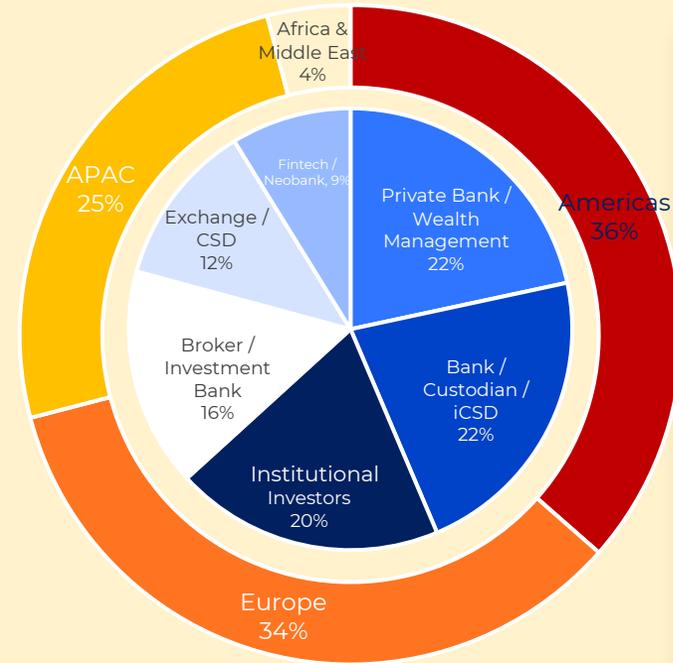
ISSA's 2020 "DLT in the Real World" survey provided unique, market-wide clarity on the DLT realisation journey.

With the support of **Accenture**, **Broadridge** and **VMWare**, **ISSA's 2022 campaign** (managed by the ValueExchange) set out to explain how DLT and digital assets are taking hold in the capital markets today – what the business cases are built on, what resources are needed, what challenges practitioners face and where the technology is being used to deliver benefits.

This document summarises the key statistical findings of our campaign so far. We would love to hear your reactions to these findings and so please reach out if you have any comments or questions (to [info@thevalueexchange.co](mailto:info@thevalueexchange.co))

## Who participated in our campaign?

As a truly industry-wide survey, we have benefited from the insights of over **148 organisations across the investment-cycle globally**. These respondents are broken down as follows:



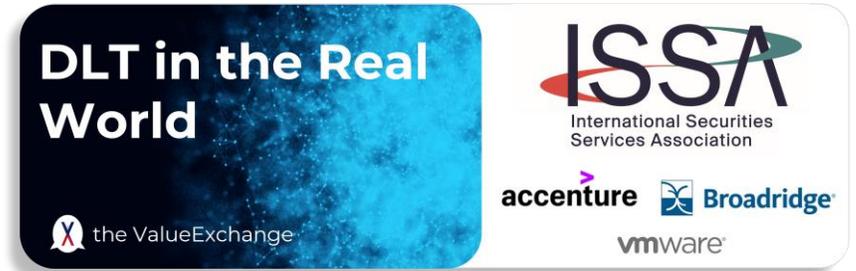
### ISSA industry specialists

As part of our global outreach, we were also pleased to have the support and engagement of 68 ISSA member-firms, drawn from the world's leading exchanges, securities depositories, custodians and brokerages.

Their insights are integral to the findings of this research



# What does DLT mean in 2022?



## The big picture

**34%** of the industry is live with DLT today

**2** Key asset classes in use today – with many more look set to emerge

**6.7** Average importance of DLT to the industry

## Why DLT?

**2023** When we move from tactical to strategic use of DLT

**15%** Growth in client demand for crypto YoY

**4.1** Brokers' need for DLT to solve T+1 challenges (out of 10)

## Deploying DLT

**23%** Of DLT pilots will scale into live deployments

**73%** Of custodians are spending >USD1m on DLT

**2** Number of parties involved in over 50% of DLT projects

## How is DLT delivering?

**4.2** Benefits that Exchanges / CSDs are seeing from DLT (out of 10)

**8.4** Value delivered by DLT in securities assets (out of 10)

**20%** of the industry already investing in DeFi

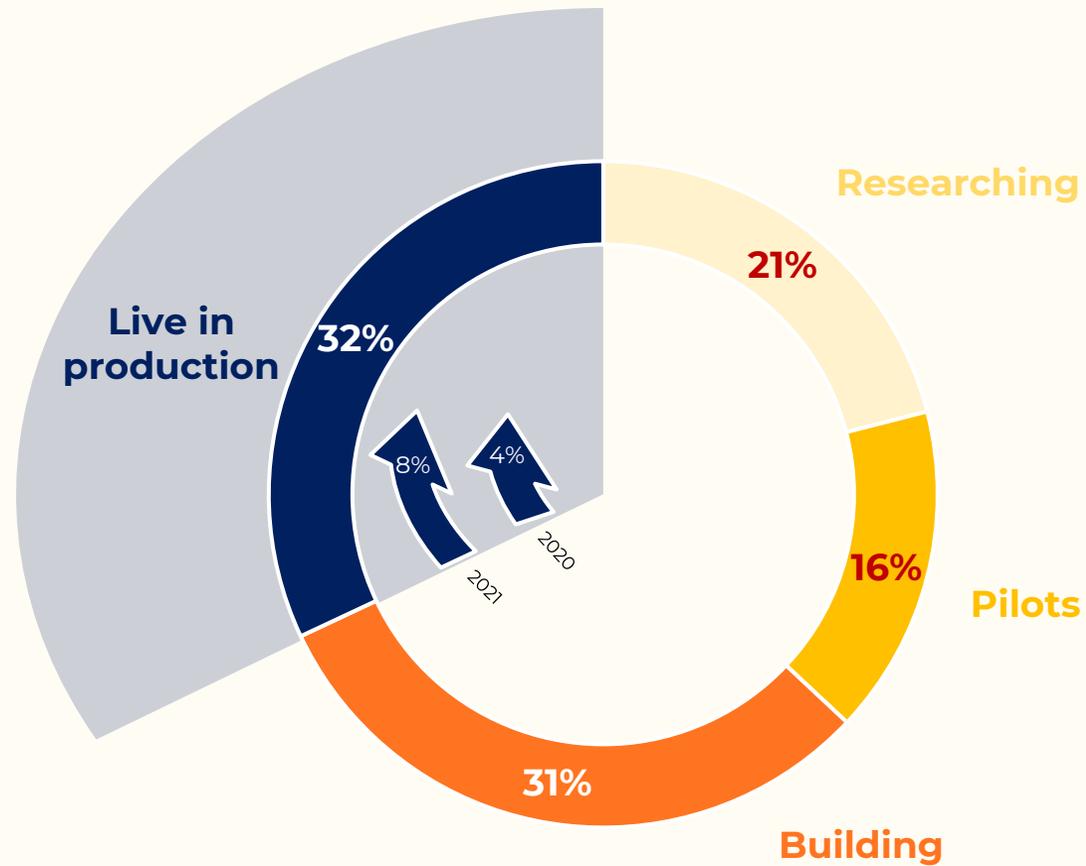


# DLT today: the big picture

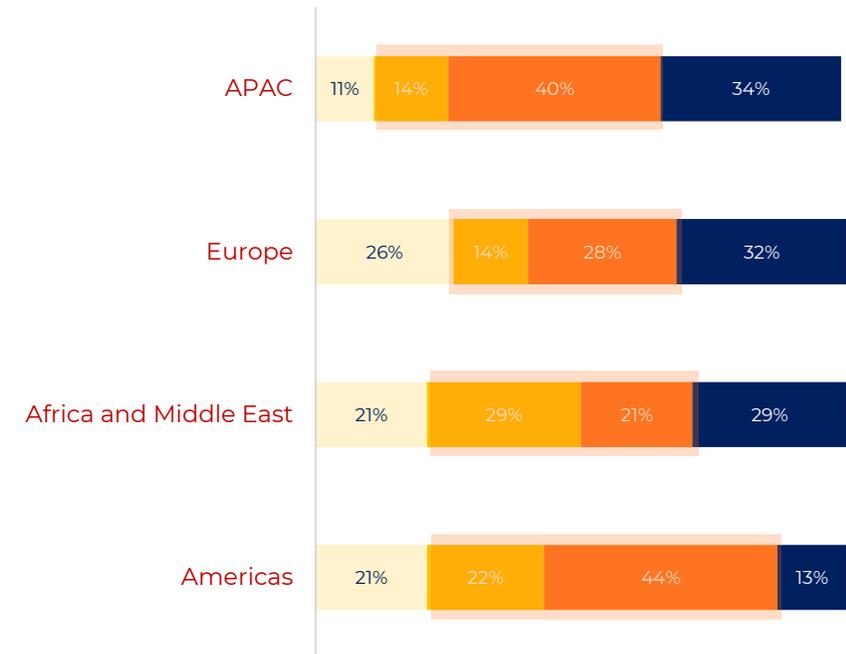


# DLT is very real today

34% of the market is live today – with much more to come



## APAC leads today but the near-term growth is coming from America



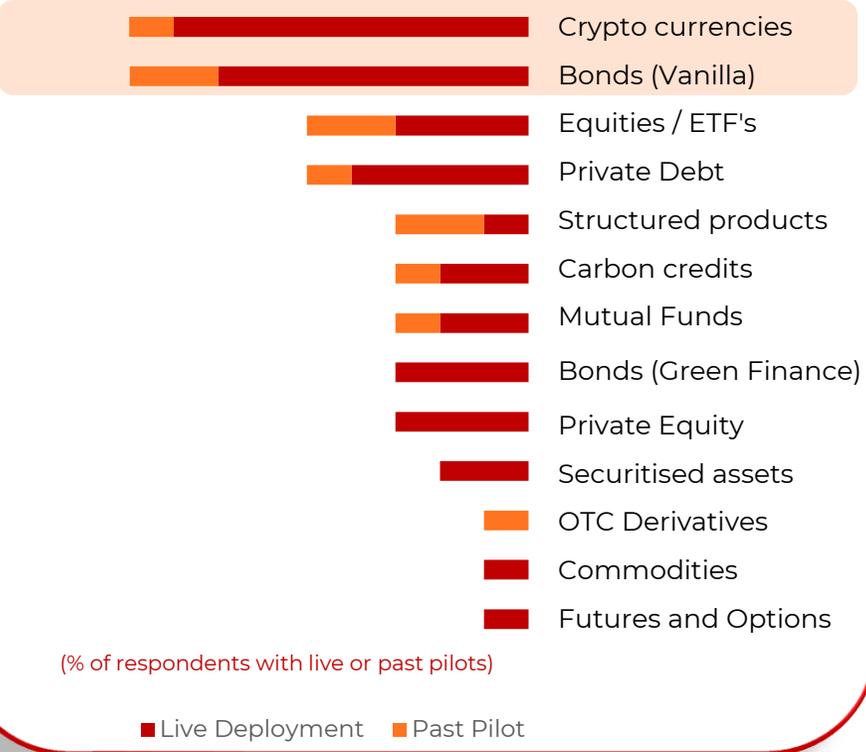
Question: What stage are you at in your DLT development across your organisation?



# Today's digital assets are not tomorrow's

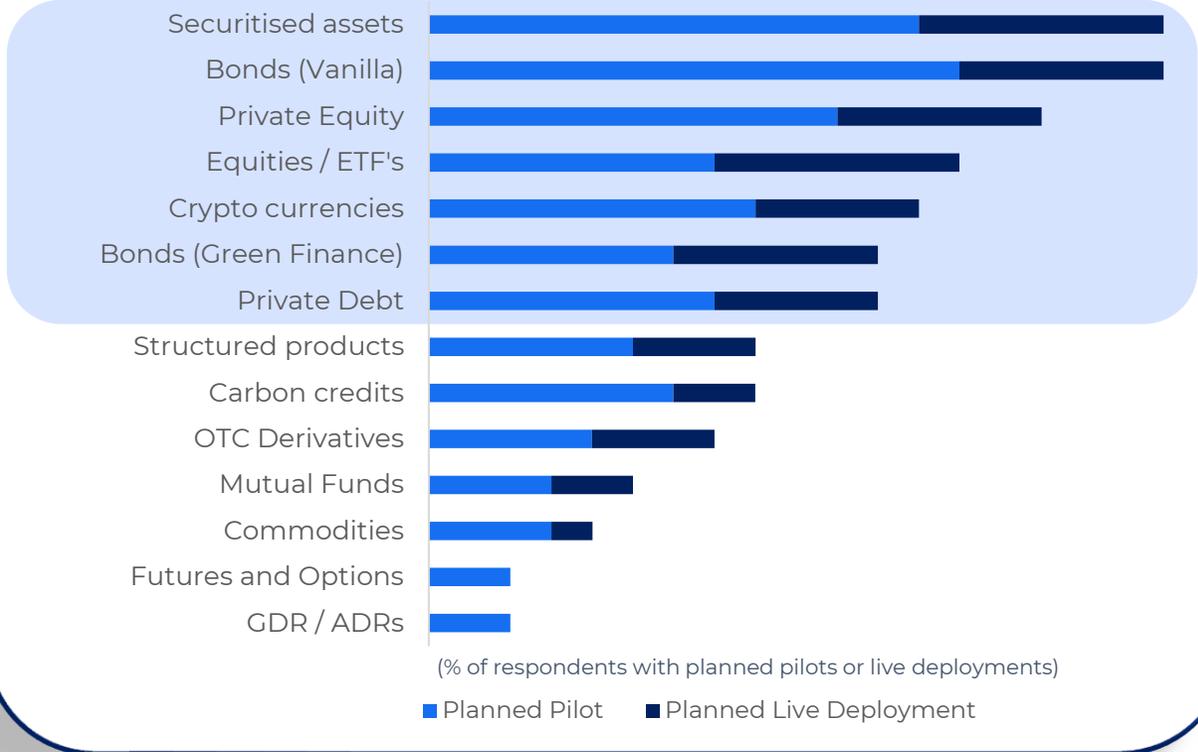
Crypto-focus for now – but only as a first step

## Where have we come from?



Today

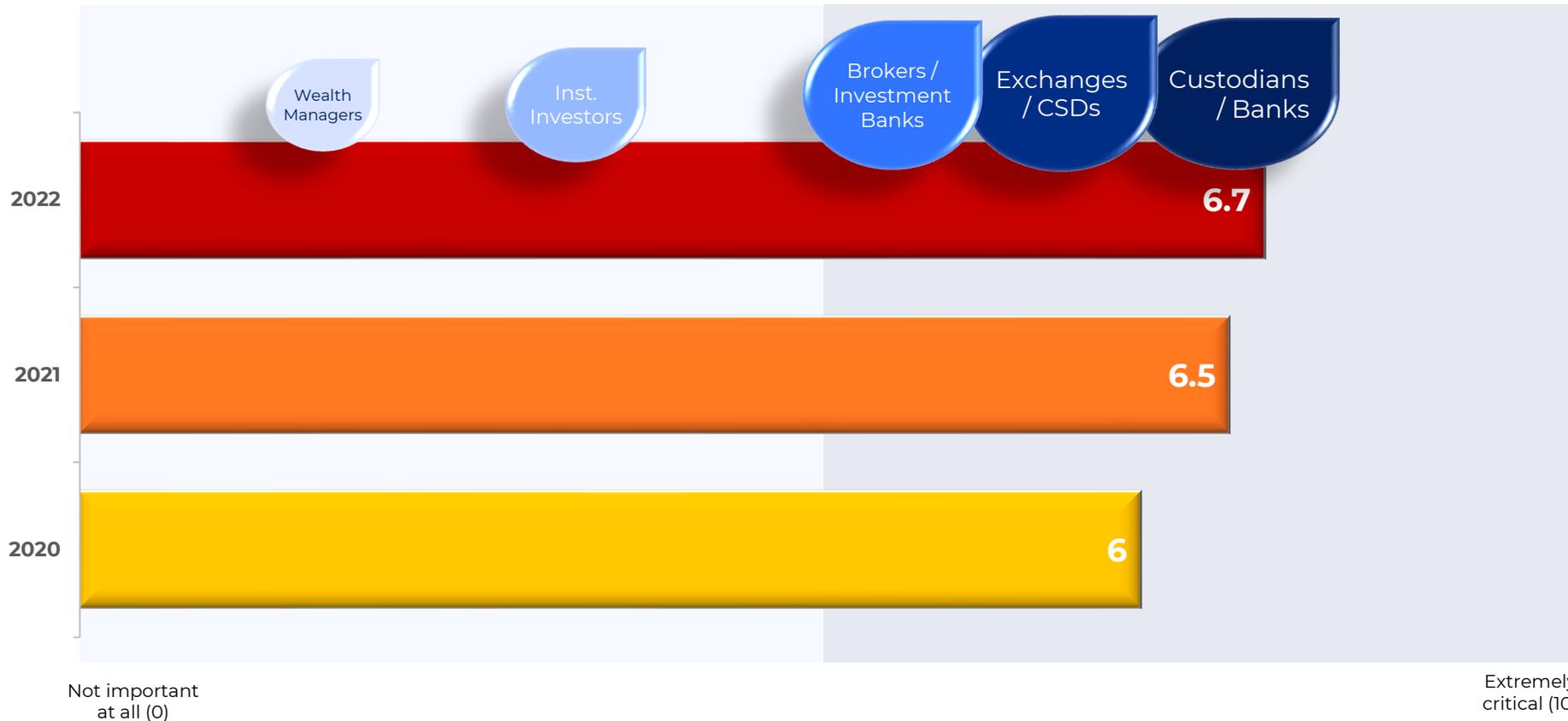
## Where are we going tomorrow?



Question: What asset classes do you plan to / have you focused on in your DLT Projects?

# How important is DLT to us today?

A year of deepening DLT's role – but some are still waiting to see the value



# Why DLT?



# What is DLT for?

We're still in the tactical phase of DLT deployments – but not for long

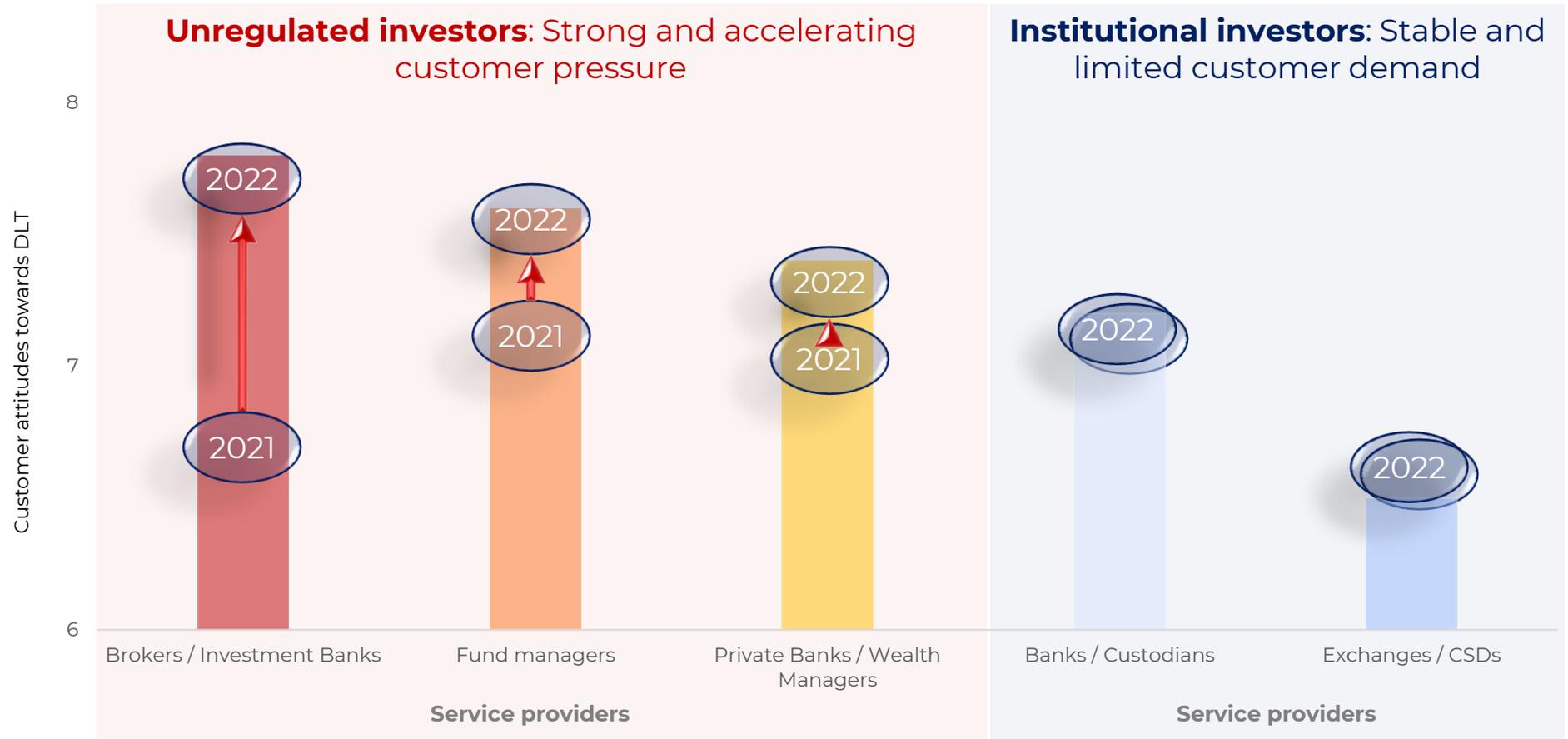


Question: How do you see the role of DLT in your industry and over which time horizon?



# Demand drivers: Crypto

Unregulated customers are driving short term momentum around DLT

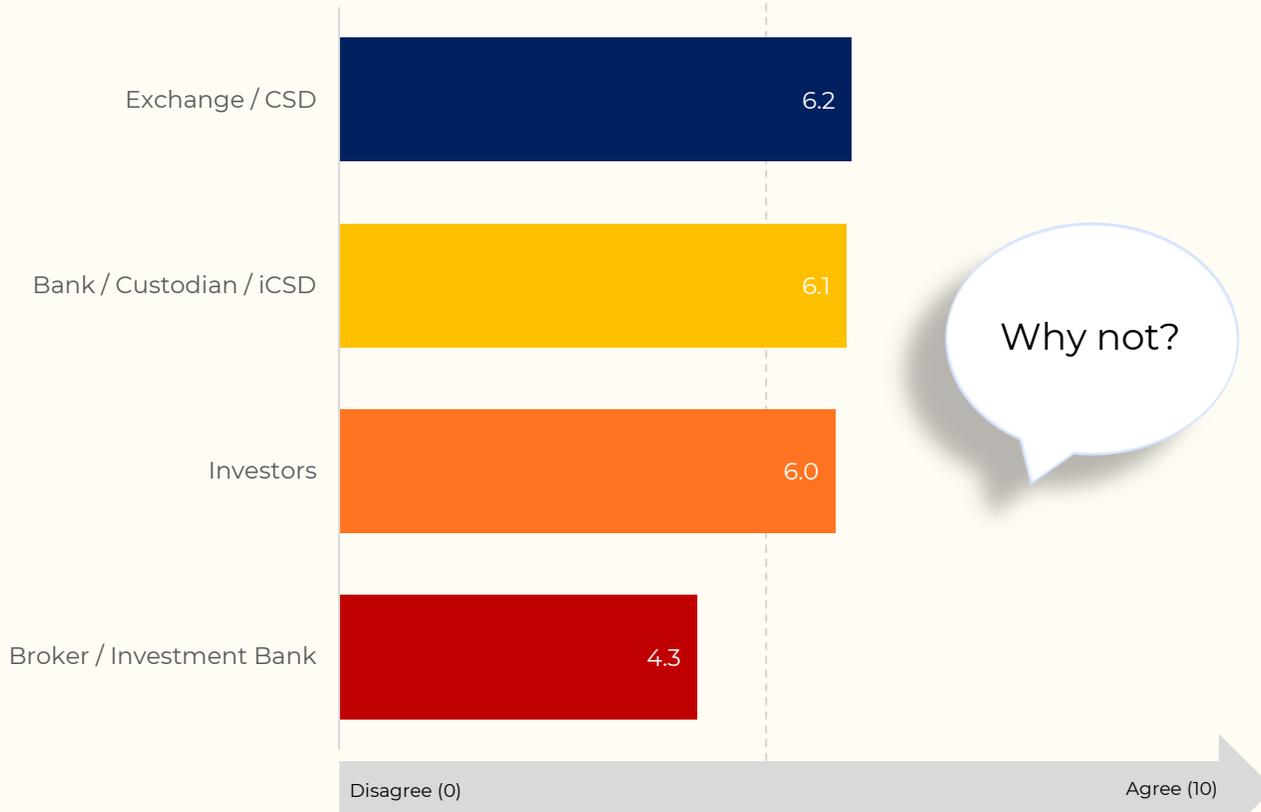


Question: How would you describe your customers' attitude to DLT?  
From 0 as negative / blocking progress to 10 as positive / pushing us actively



# Demand drivers: Settlement Efficiency

Is DLT the answer to T+1? Not for Brokers and Operations

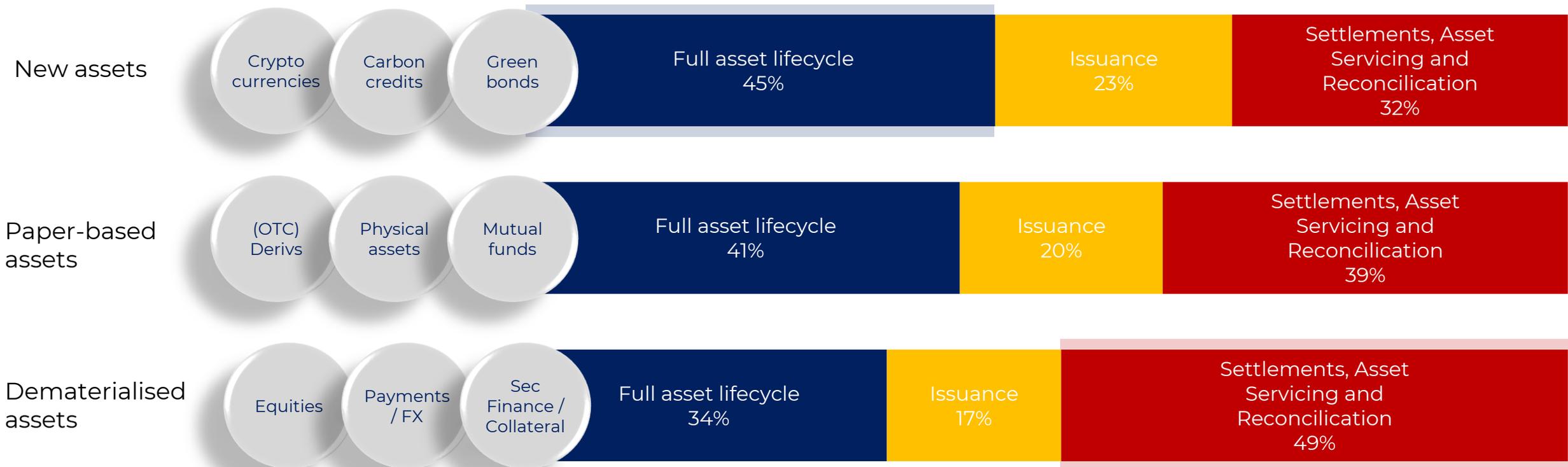


Question: How much do you agree or disagree that DLT adoption is the primary way for us to prepare for T+1 / accelerated settlement cycles?



# Solving problems

True Benefits depend on the type of security

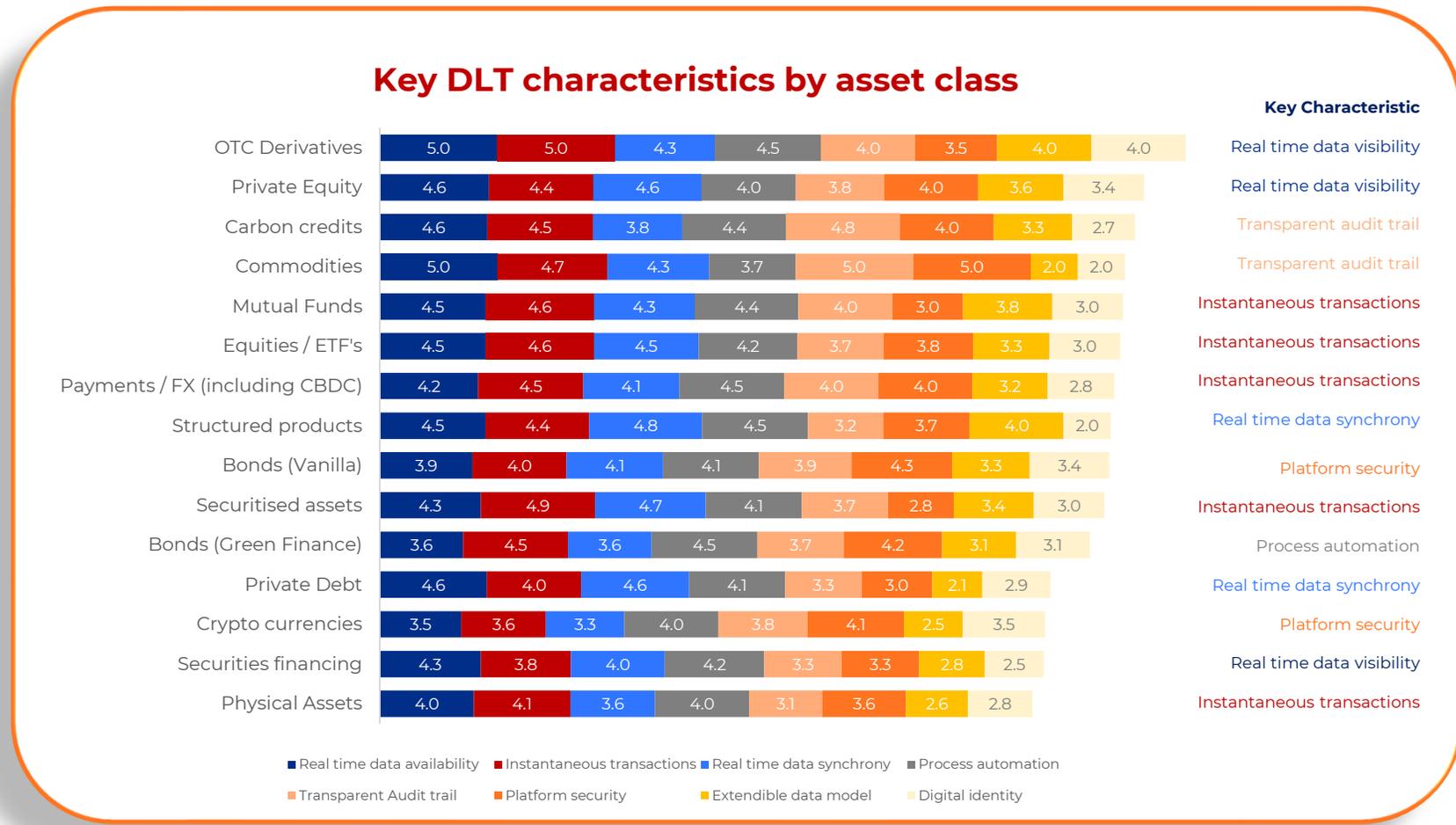
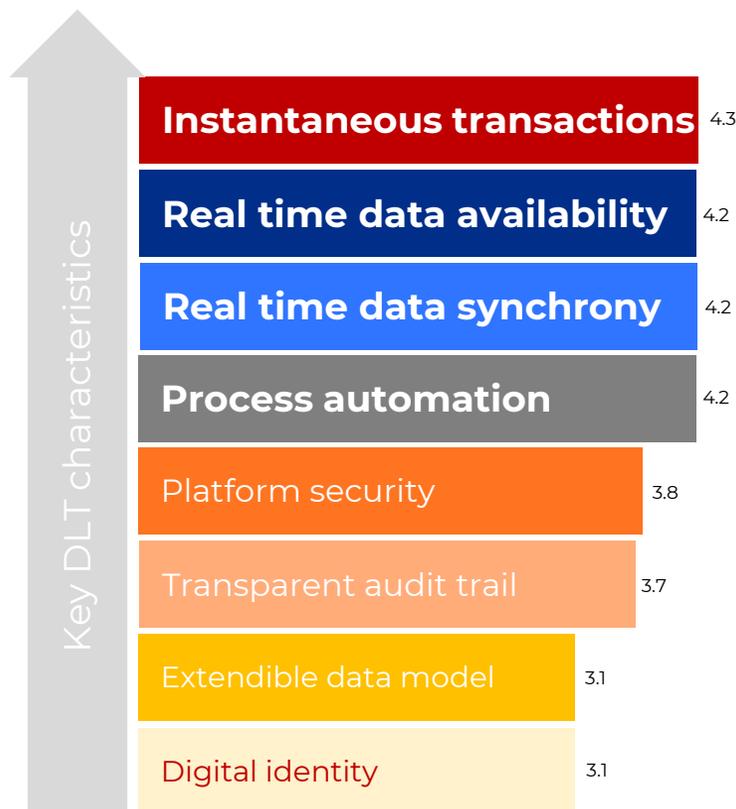


Question: For your DLT projects, which part of the investment cycle have you focused on?



# Solving problems

DLT is a data play as much as an automation or transactional solution



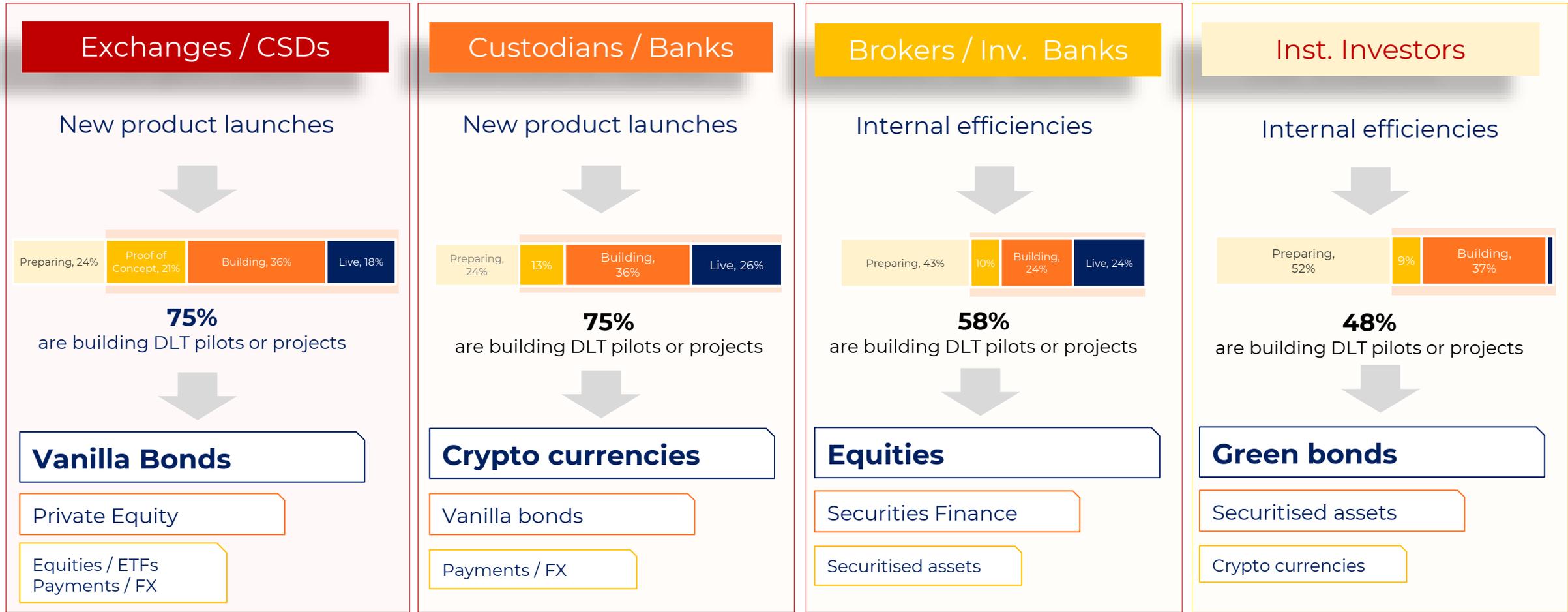
Question: For your DLT projects, which characteristics of DLT were you looking to leverage? (out of 5)



# Different DLT journeys

With different objectives in mind, we're all working on different DLT journeys

Objective  
Level of activity  
Priority asset classes



Questions: What stage are you at in your DLT development across your organisation?  
What asset classes do you plan to / have you focused on in your DLT Projects?



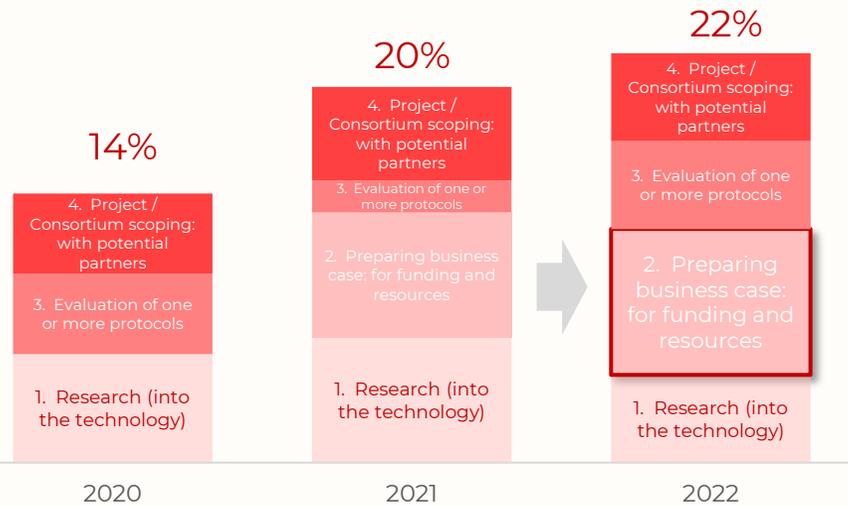
# Deploying DLT



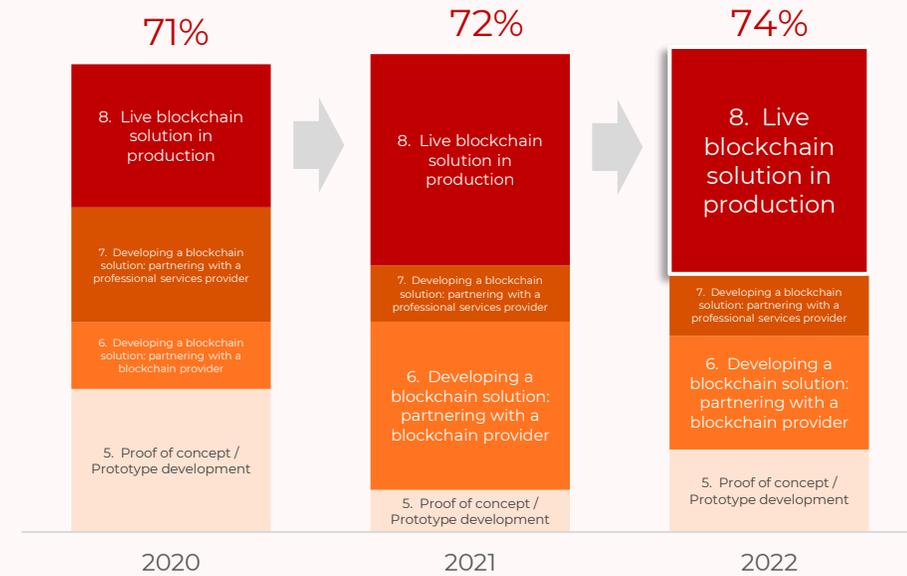
# How are we deploying DLT today?

Moving from experimentation to commercialisation

More firms are researching and more business cases are being written every day



Pilots are diminishing whilst the number of live deployments grows



Preparing for DLT

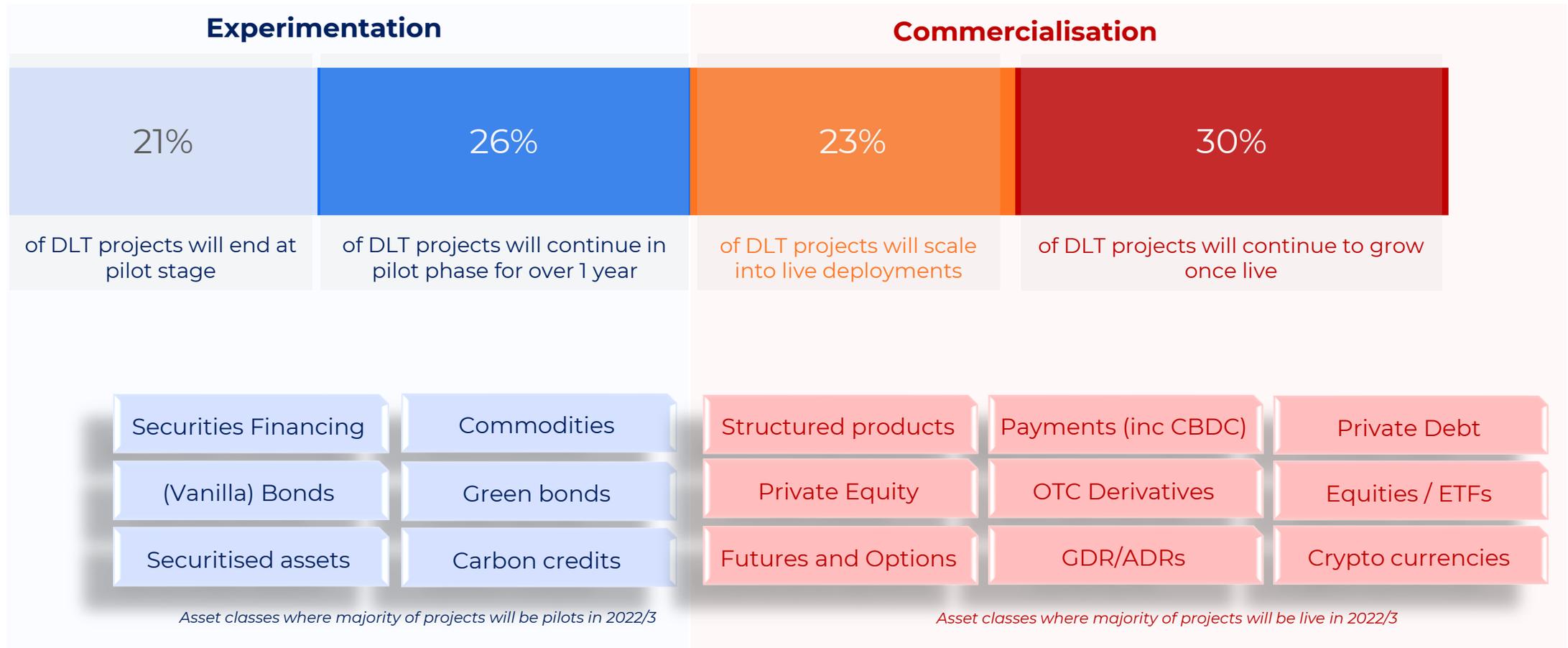
Launching DLT

Question: What stage are you at in your DLT development across your organisation?



# What is my business case?

Not all asset classes are ready to scale yet

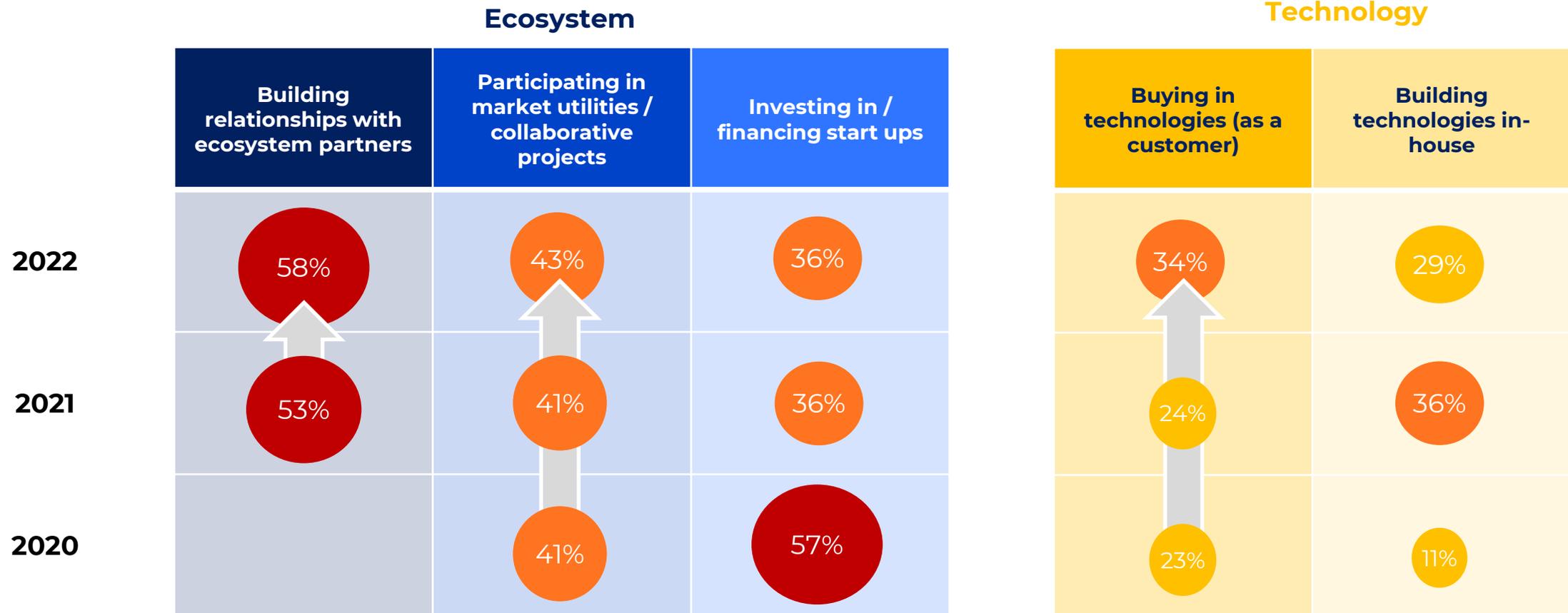


Question: What do you expect to happen to your DLT projects in the coming year?



# What's the first step?

## Ecosystem before Technology

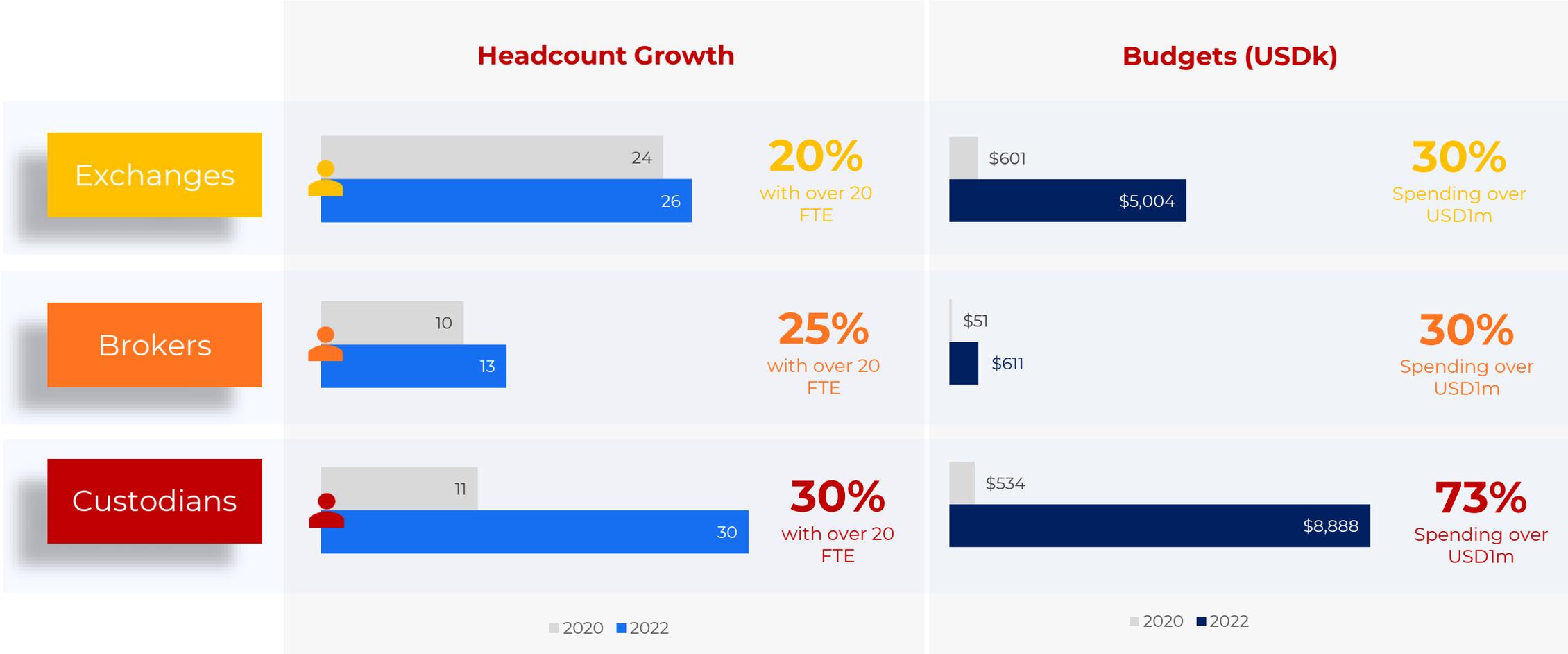


Question: What is your current path to adopting DLT in your firm?



# How much does DLT cost?

We're starting to build tomorrow's capital markets – and they're not cheap



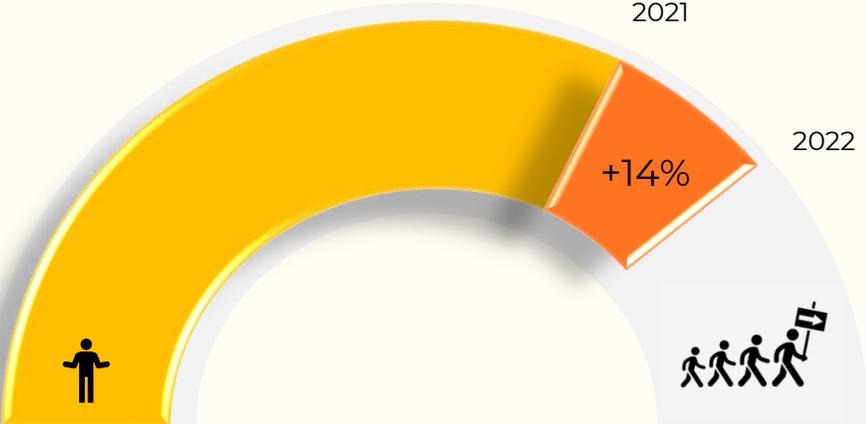
Question: Do you have resources allocated to support your DLT deployments?



# Who's on the project team?

Huge uptick in staff engagement – as the change team moves to the core

YoY change in staff leadership on DLT

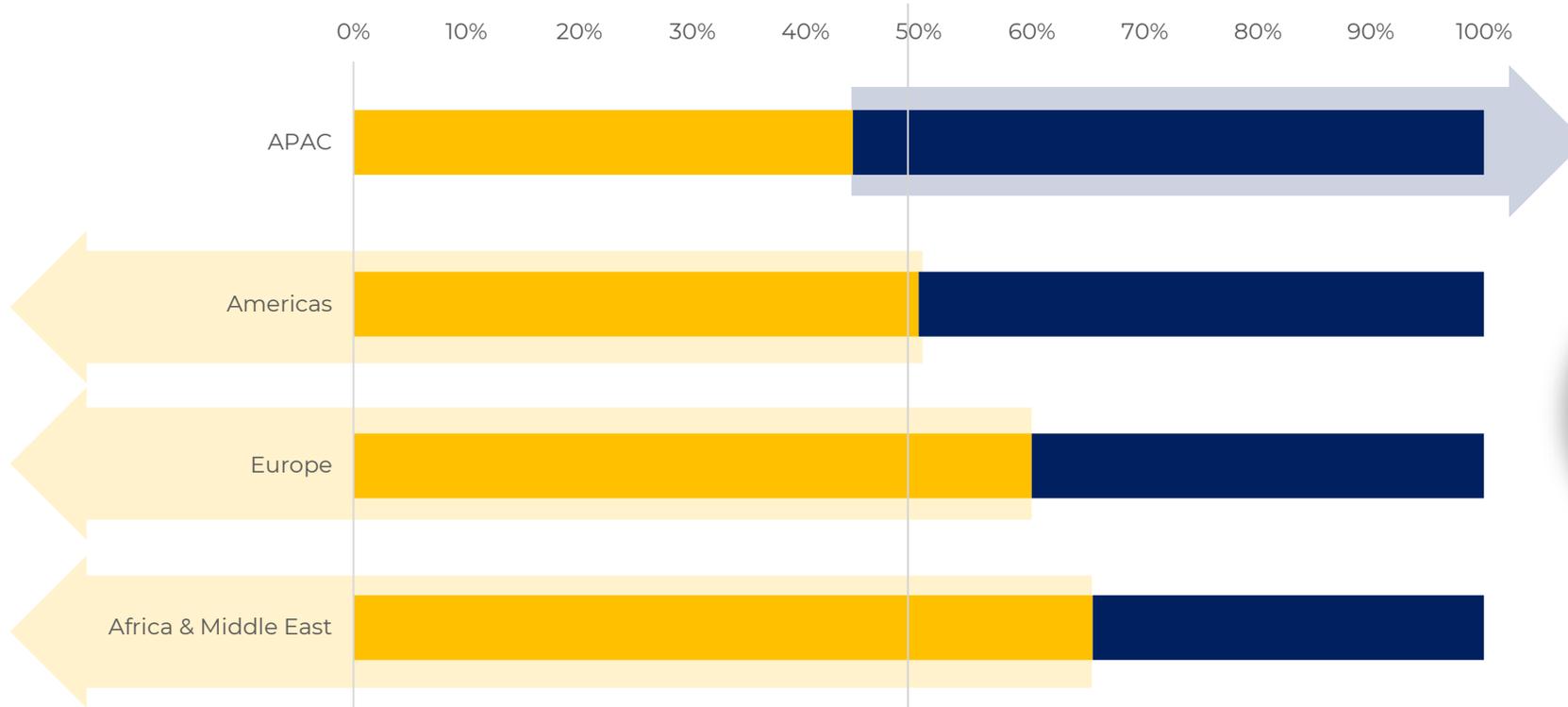


Question: Which part of your organization is leading your DLT adoption?  
5-star grading for each department



# Which partners to turn to?

New technologies but old habits...



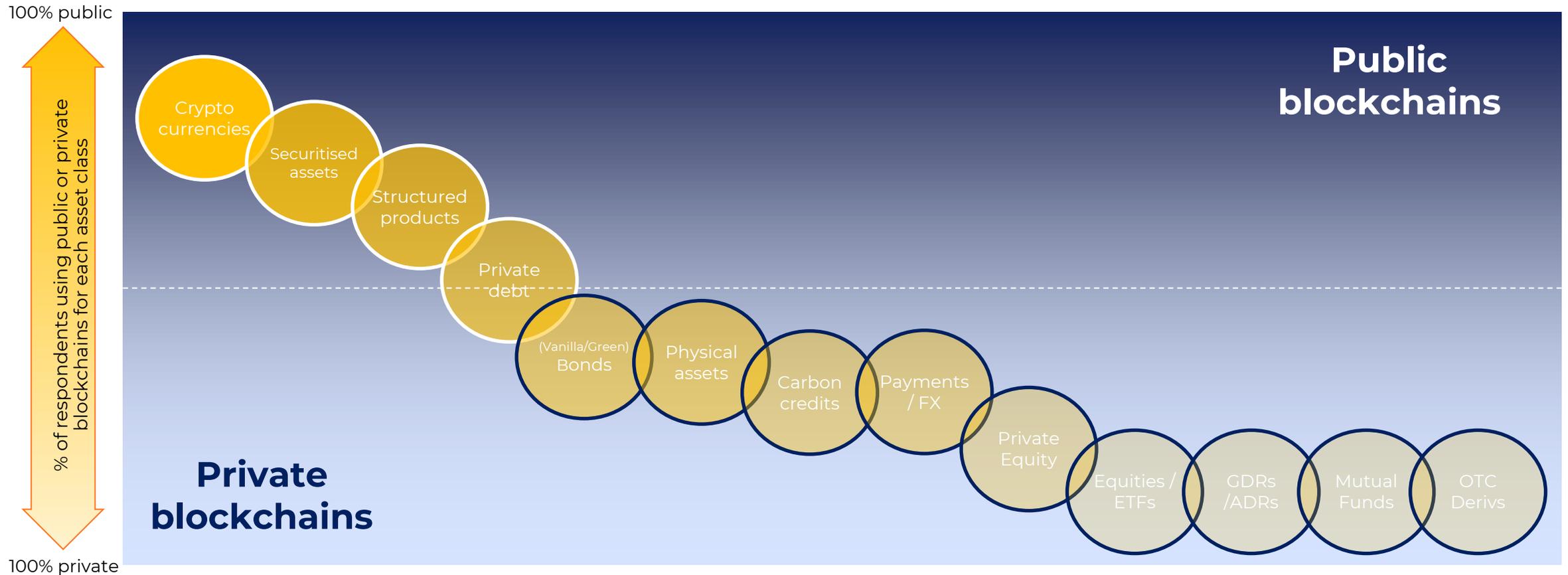
- Developing a blockchain solution (working with a blockchain provider)
- Developing a blockchain solution (working with a professional services provider)

Question: What stage are you at in your DLT development across your organisation?



# Public or private?

Is it all about security?

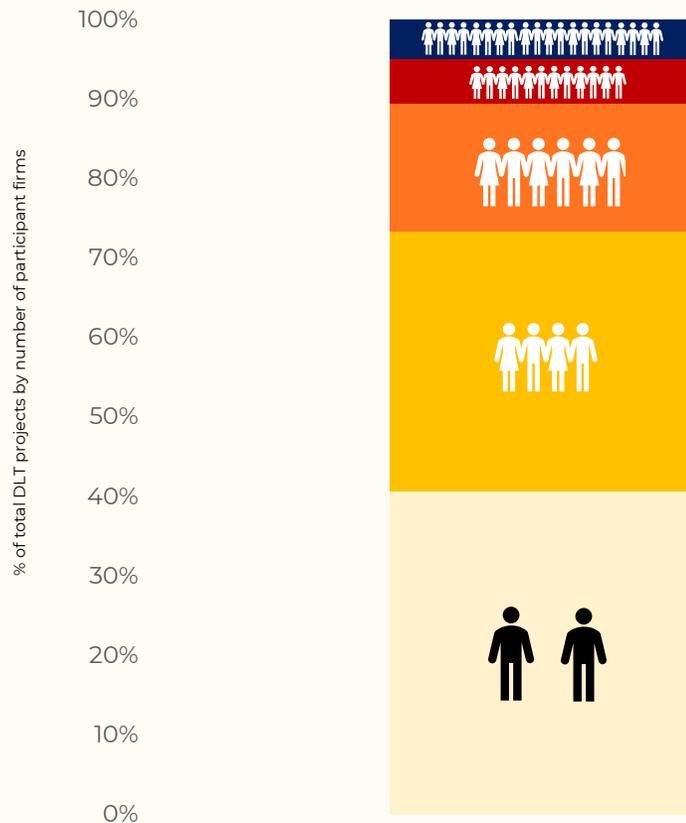


Question: What platform elements were you using for your deployments?

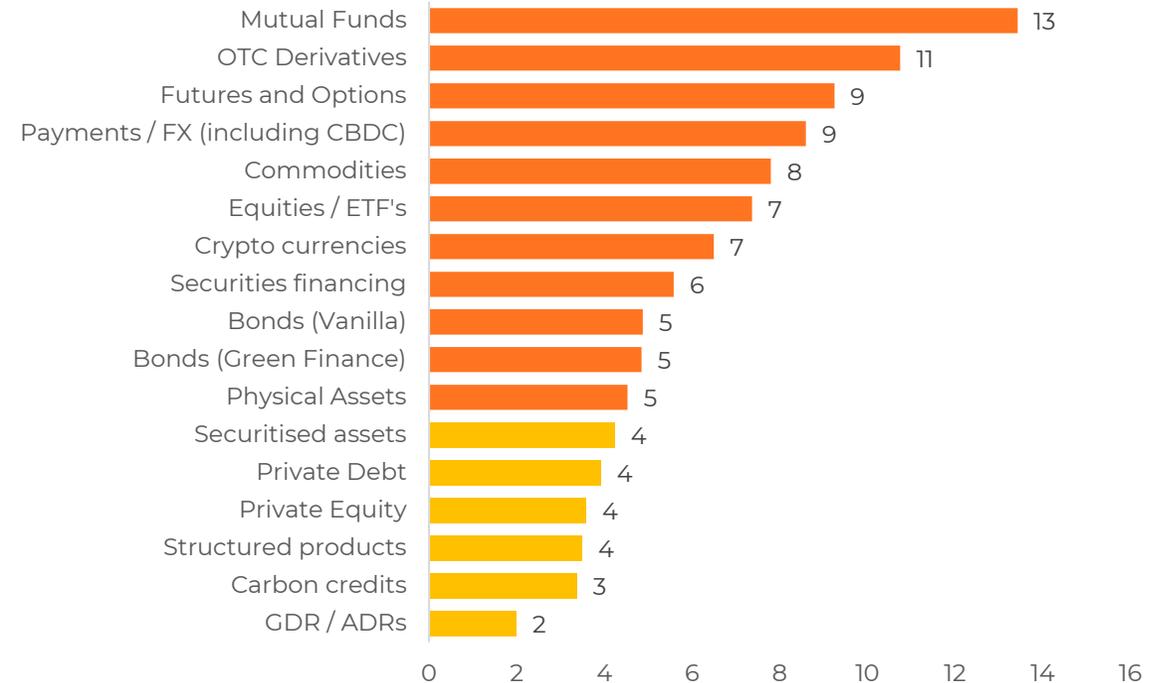


# How big should the ecosystem be?

Most projects today are bilateral still



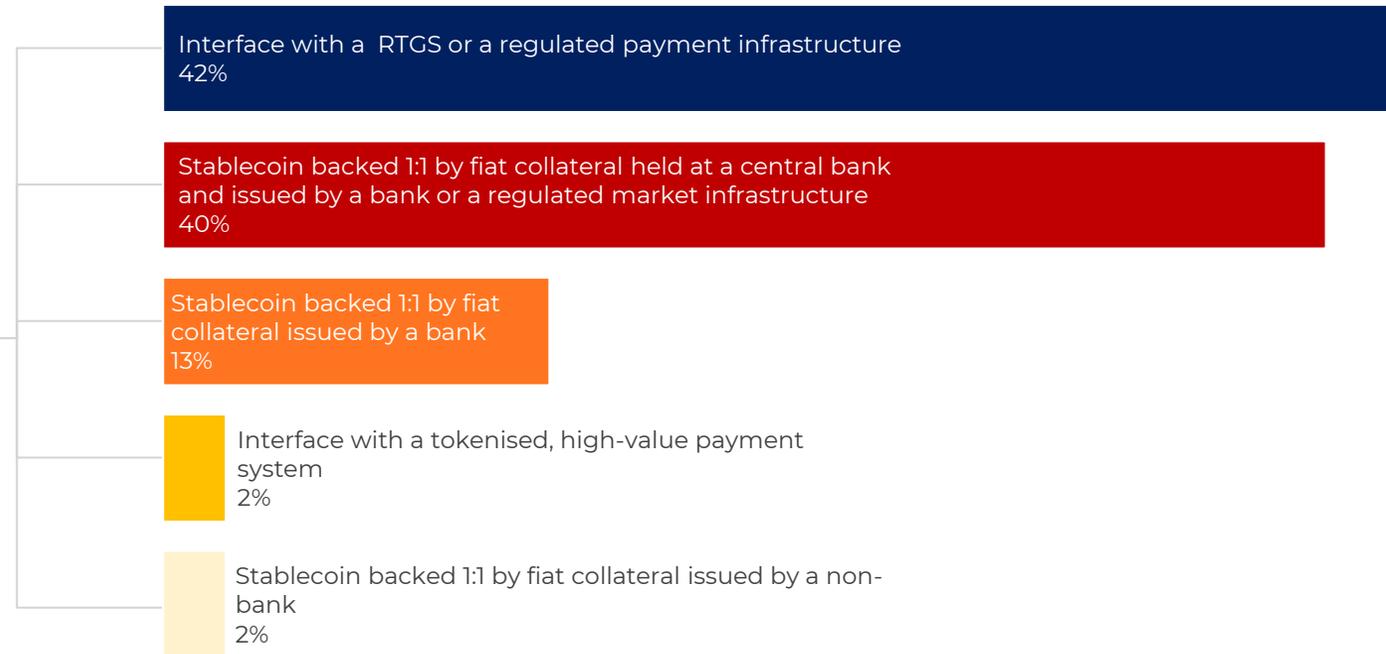
### Average size of project ecosystem by asset class



Question: For your DLT projects, how many organisations participated?

# What about the funding leg?

Connectivity to 'old rails' is the most viable, short term solution... for now

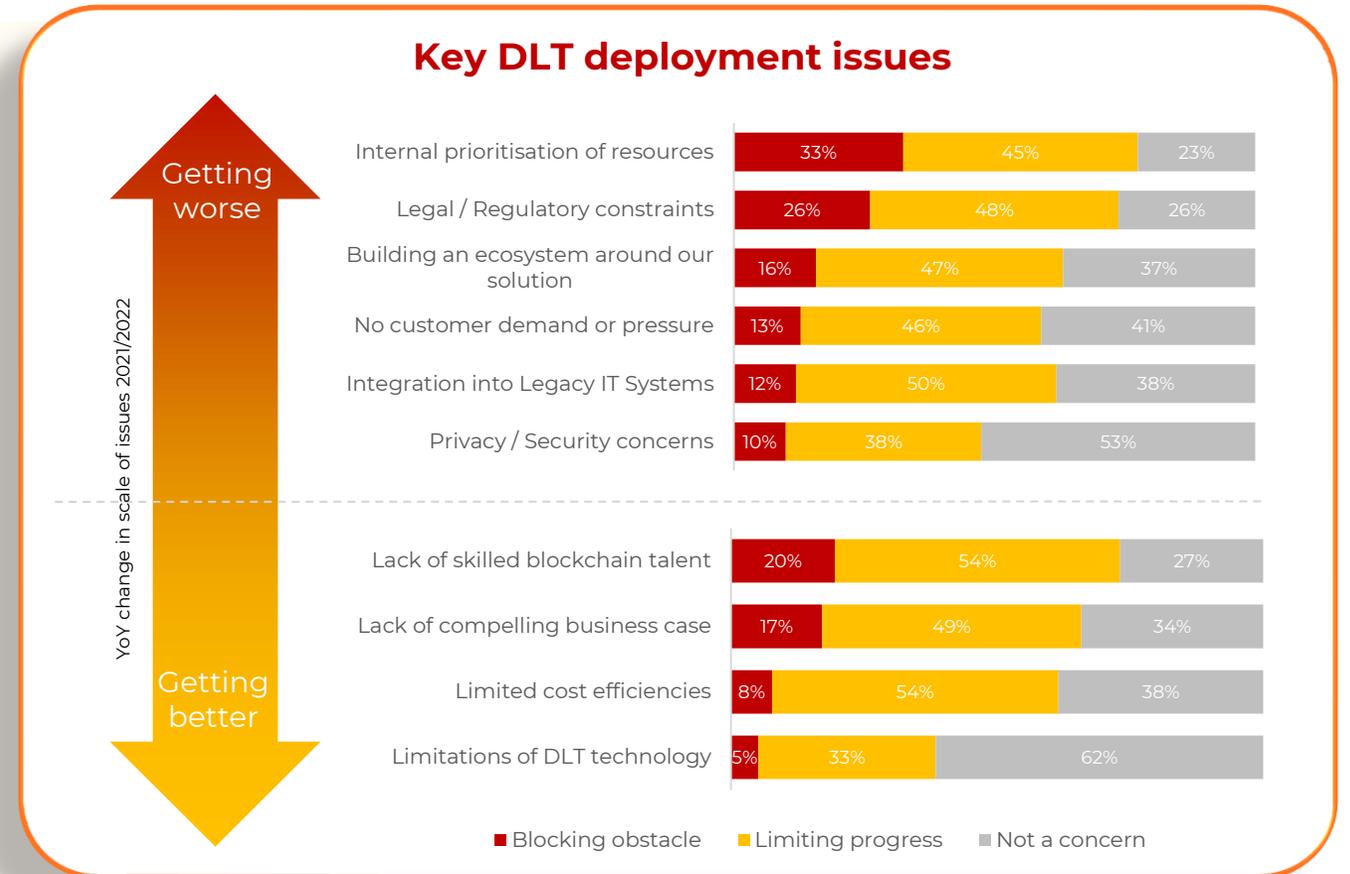
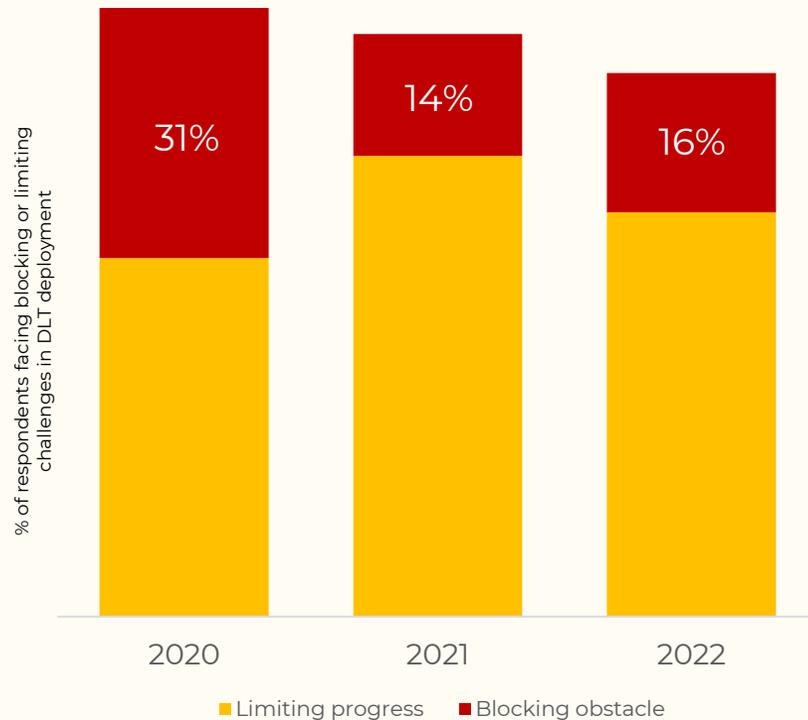


Question: In the absence of a wholesale CBDC, what solutions would you turn to for the cash funding leg of transactions?



# What is on the risk agenda?

DLT is getting easier – but key considerations on resourcing, regulation and implementation remain



Question: In deploying DLT technology (across all projects), what are /were your key challenges?



# How is DLT delivering?



# How is DLT delivering?

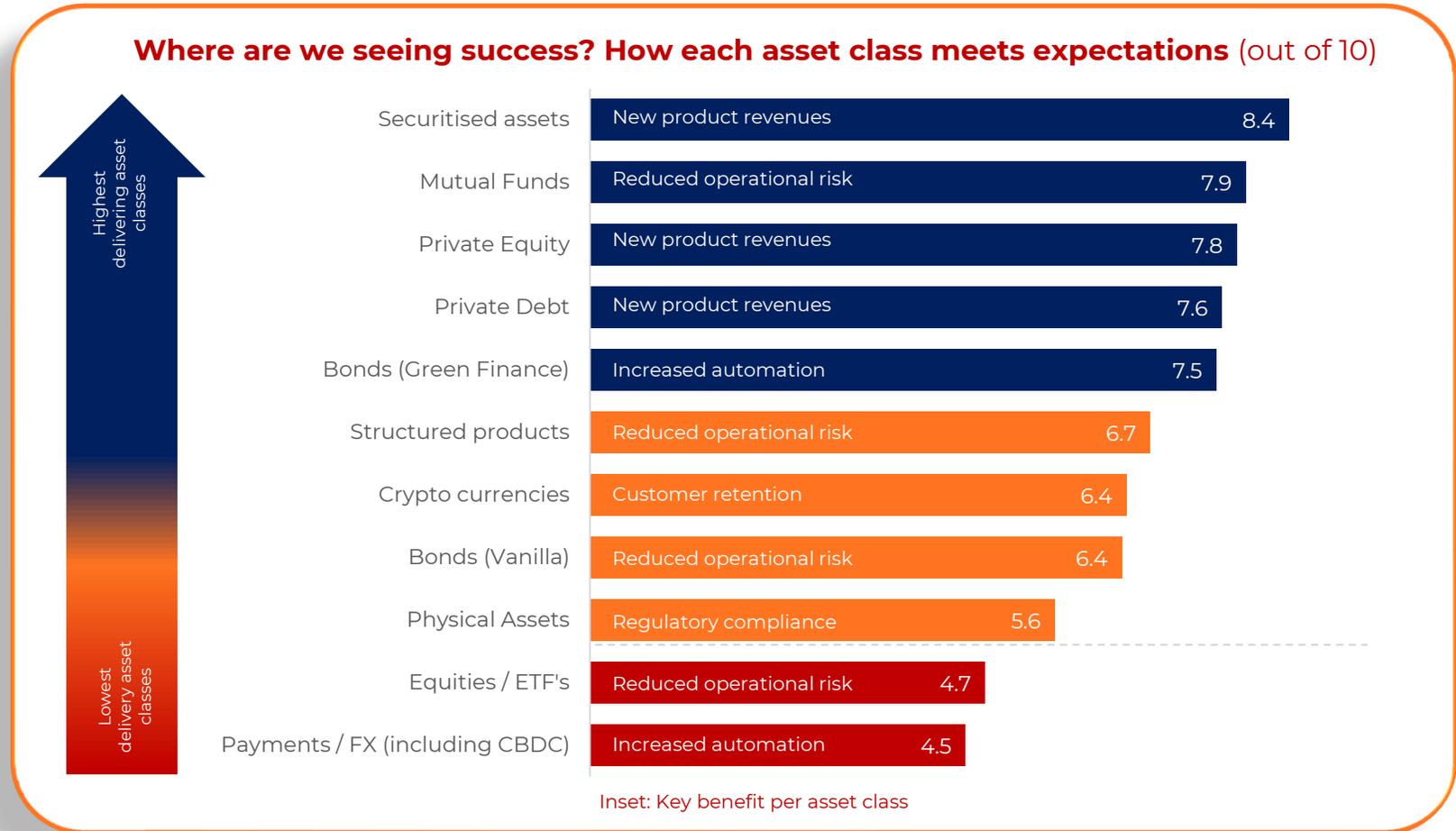
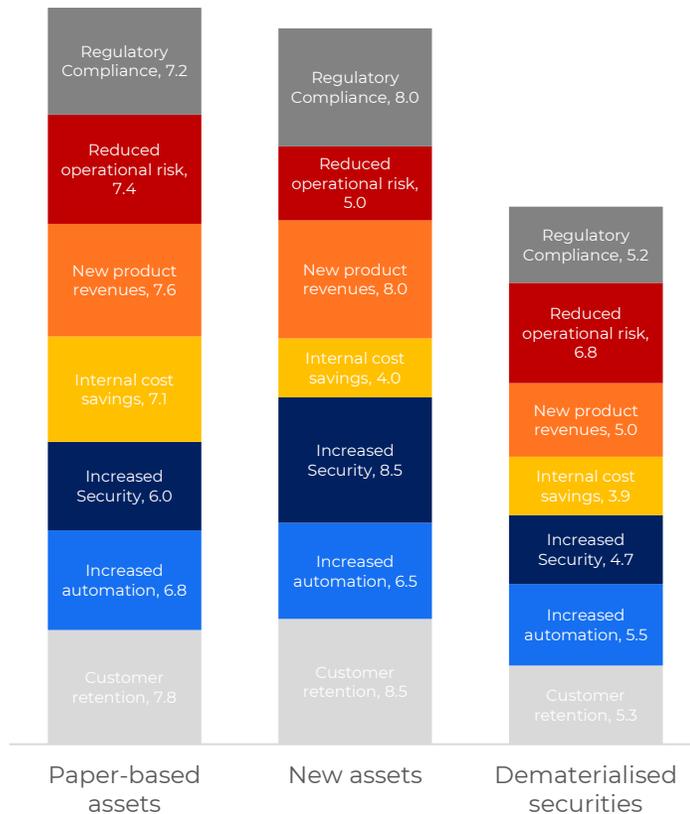
Tactical ambitions are being realised – but longer term efficiencies are not materialising yet. Is disruption happening to exchanges?



Question: How did your development platform perform (versus expectations)?

# How is DLT delivering?

DLT's value depends on the different problems that it is fixing



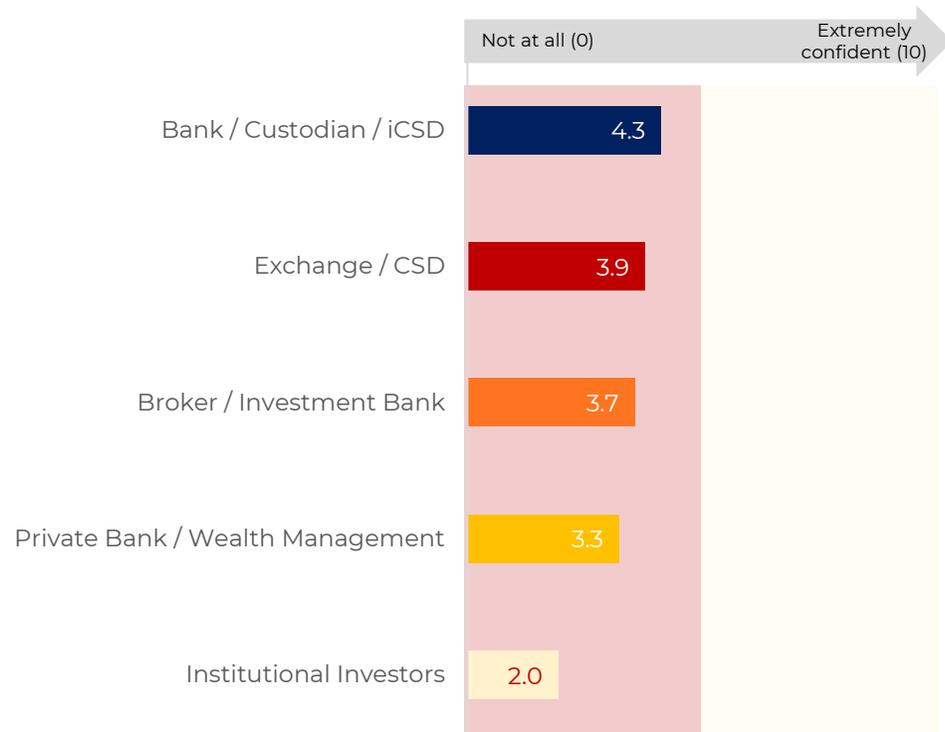
Question: How did your development platform perform (versus expectations)?



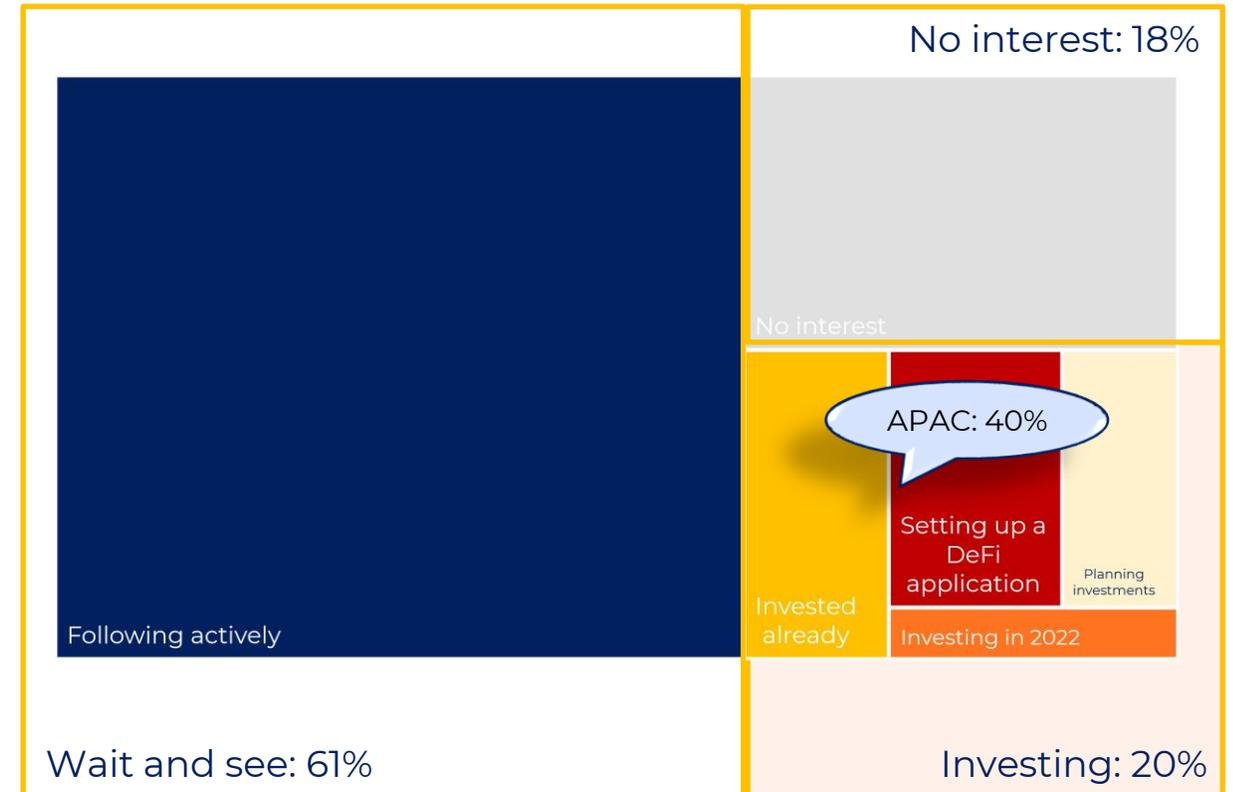
# Should we be focusing on DeFi?

It's coming faster than most of us think

## How comfortable are we operating in a decentralized business model?

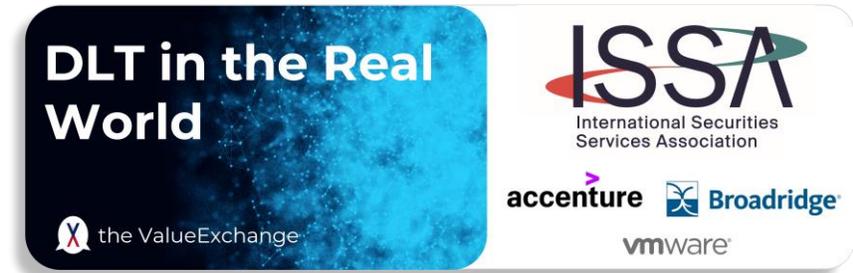


## How are we preparing for DeFi?



Question: How would you describe your current approach to DeFi (including the metaverse)?

# DLT in the Real World: What next?



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impact  
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