

“ The integration of CLSSettlement and CLSTradeMonitor has been a transformative step for Global Evolution. It has significantly improved operational efficiency, reduced errors, and saved time. ”

**Jesper Syrak**  
Head of Operations  
Global Evolution

**2.0**  
Equivalent FTE  
resource savings per  
month

**99%**  
of trades  
are now fully  
automated

CLSSettlement

CLSTradeMonitor

**Global Evolution, a European investment manager, accesses CLSSettlement indirectly through its custodians, who are CLS settlement members.**

Founded in 2007, Global Evolution manages emerging and frontier market strategies for a range of institutional investors globally.

Global Evolution endeavored to streamline its post-trade operations, which required numerous manual communications instructing payments and providing pre-advice to counterparties.

**Market challenges**

Settlement risk is one of the most significant risks in the FX market. To settle an FX transaction, counterparties must exchange principal (the value of the trade) in two currencies. Settlement risk is the risk that one party to an FX transaction delivers the currency it sold but doesn't receive the currency bought from its counterparty, resulting in a loss of principal.

Without an automated settlement system that simultaneously settles underlying FX transactions, FX market participants become exposed to this risk and also experience operational and liquidity inefficiencies.

Also, the compression of timelines following the move to T+1 securities settlement in North America highlights the need for real-time visibility of trade status to facilitate timely matching and settlement of trades and minimize operational risk. The ability to effectively monitor trade status in near real-time is crucial for the orderly functioning of the FX market.

“ We look forward to continuing to streamline our FX trading and settlement processes. By maintaining this collaborative approach, we can ensure ongoing efficiency and accuracy. ”

**Mihaela Preda**  
Senior Operations Officer  
Global Evolution

### The solution

To address these challenges, Global Evolution is using CLSSettlement and the companion product CLSTradeMonitor to streamline its settlement process, reduce manual intervention and minimize errors.

Global Evolution accesses CLSSettlement indirectly through its custodians, mitigating settlement risk through the unique payment-versus-payment (PvP) system that simultaneously settles payments on both sides of an FX trade. Global Evolution also benefits from CLSSettlement's centralized platform and approach to multilateral netting, which streamline trading operations and improve liquidity management while eliminating the need for different processes for different custodians that participate in CLSSettlement.

CLSTradeMonitor, a post-trade monitoring and reporting tool, provides Global Evolution with a consolidated single portal to view all trade instructions submitted to CLSSettlement across all custodians and counterparties in near real-time. This enables Global Evolution to view trade exceptions and monitor trade status to ensure timely matching and settlement of trades through CLSSettlement.

Using both solutions also reduces the need for manual intervention with counterparties. Global Evolution no longer needs to agree on netting figures before settlement or manually instruct payments, resulting in an automated, low touchpoint process.

## Benefits for Global Evolution

### Time savings

The multilateral netting, automation of settlement processes and enhanced transparency of trade instructions results in the equivalent resource savings of two FTEs per month.

### Error reduction

Automation reduces the risk of human error, improving accuracy in trade settlements.

### Better liquidity management

Reducing the number of payments improves liquidity control and creates efficiencies with counterparty credit limits.

### Confirmation process

CLSSettlement eliminates the need for PDF or MT-300 confirmations for CLS-eligible trades, removing touchpoints in the settlement process.

### Operational efficiency

A single consolidated view across all custodians and counterparties without multiple different portals means better trade transparency and reduced operational risk.

### Standardization

Due to CLSSettlement's centralized platform and standardized post-trade monitoring provided by CLSTradeMonitor, Global Evolution can easily onboard new custodians and counterparties who use CLS.

### Adoption of best practices

By settling through a PvP settlement service like CLSSettlement, Global Evolution is supporting its adherence to best practices outlined in principle 35 of the FX Global Code.

### FX Global Code

Using CLS products and services plays an integral part in helping you comply with the FX Global Code. Find out more at [cls-group.com](https://cls-group.com)

Trusted by thousands of counterparties within the global FX ecosystem, CLS makes FX safer, smoother and more cost effective. Trillions of dollars' worth of currency flows through our systems each day.

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