



agora is a UK-based fintech focused on capital markets. Their Syndicated Bond and Structured Products applications provide collaborative solutions for the future of fixed income markets.

agora's applications are built on **R3's trust technology**—powered by its enterprise grade DLT, Corda. **Corda** enables strong resilience, security and scalability—all designed to meet the exacting requirements of regulated financial services institutions.

Challenge

Communication between participants in the fixed income markets has not fundamentally changed for decades; the majority is still done over voice, email and chat rooms. These inefficient, labor-intensive channels and tools result in time delays, embedded manual data transcription, high reconciliation costs and increased chances of costly errors.

Pain points in the issuance process are further compounded by a lack of automation and intelligent processing across fixed income lifecycle events. Today, these events are managed on a manual basis by large teams in the middle and back office, who must ensure that their understanding of the event is the same as all other participants. The complexity and effort involved in doing this is expensive and often leads to delays, data reconciliation issues and the occasional erroneous payment, leading to the risk of large losses.

Solution

To address these industry challenges and build their solution, agora began by testing traditional databases. Due to the need to synchronize data across untrusting parties while enabling users to retain control over their data, centralized solutions were unviable. agora then looked at public blockchains but were discouraged by the lack of data privacy, instability of the community and shortcomings in robust identity management. Ultimately, agora chose Corda for its strict privacy controls, high scalability, and strong identity capabilities, that match the requirements of the highly regulated fixed income market.

Charlie Berman, CEO at DDCM (agora) explains,
“We are building a business with Corda as a central component to digitally service all the participants in the bond market throughout the lifecycle of a bond. Corda provides a confidential, scalable, interoperable and permissioned DLT”



93% reduction in syndicate desk time spent on indications

\$250b in potential industry savings

Reduce cost and increase efficiency and automation in fixed income lifecycle management

Eliminate delays and disruption caused by legacy communication methods

Platform: Corda

Fig. Collaborative solution allows users to benefit from an end-to-end digital journey, for today's assets and emerging native digital assets



that allows us to work collaboratively to join data siloes together. This ultimately leads to enhanced functionality, efficiency, and service, as well as greatly improved levels of straight through processing."

agora's solutions enable issuers to quickly model complex securities and, with Corda, ensure a single version of the truth across counterparties. This means that lifecycle events are automated through smart contracts and the synchronized sharing of key information. agora delivers these benefits through two solutions, targeting different areas of the fixed income market.

agora's Syndicated Bond application enhances collaboration between syndicate bankers and their clients by digitizing the communication of pricing indications, enabling more efficient workflows and analysis of funding opportunities. It also provides the collaborative infrastructure for structuring and issuing syndicated bonds. Corda is used to synchronize peer-to-peer transactions across all permissioned parties, creating a single source of truth that eliminates costly reconciliation errors and inefficient processes. Trials of agora's Syndicated Bond platform have taken place with banks that represent 45% of 2020's SSAR bonds issued, with early adopters now being onboarded to use the software for live transactions.

agora's Structured Products application delivers internal workflow efficiency gains for issuers and investment banks, as well as other market participants in the fixed income lifecycle. The workflow tool allows the seamless creation of issuance documents and smart legal contracts at the end of the process, both for syndicated bonds and structured notes.

Currently, a major European bank is live with the solution, using it successfully to issue complex structured products in digital asset form.

Results

agora's products provide value to users in two ways—reduced cost and enhanced efficiency. A **Euroclear/Oliver Wyman joint report** has estimated that savings totaling up to \$250b a year industry-wide are achievable. This figure factors in the internal costs of operations and IT systems—including capital costs—maintained by banks and other market participants, and fees paid to external providers of services such as post-trade solutions or back-office outsourcing. In terms of savings for specific participants, agora's front-end issuer portal saves time for both syndicate managers and issuers through a helpful user interface that consolidates communication and digitizes manual workflows.

Through trials, agora's solutions have shown to save syndicate managers more than three hours per week per person, translating into a 93% reduction in time spent on indications, as well as annual savings of \$15,000 per syndicate team member. The solutions also save considerable time for treasury teams by completely removing the need to manually reconcile pricing indications. agora's solutions also provide investment banks with significant cost savings through reduced operational overheads in transaction management and middle and back-office functions.

Overall, agora's Corda-powered solutions are bridging the gap between today's manual issuances and the future of fixed income digital assets.