

BNY Mellon and Google Cloud Collaborate to Help Transform U.S. Treasury Market Settlement and Clearance Process

Innovative solution built on Google Cloud could help BNY Mellon clients forecast 40% of daily settlement failures to improve overall market liquidity

This latest agreement is in line with BNY Mellon's continued commitment to an open-architecture approach of working with leading tech providers to advance its enterprise cloud strategy and build new capabilities for clients

New York, N.Y. and Sunnyvale, Calif., February 4, 2021 – The Bank of New York Mellon Corporation (“BNY Mellon”) today announced a collaboration with Google Cloud to help market participants better predict billions of dollars in daily settlement failures, generate significant capital and liquidity savings, and unlock operational efficiencies. The initiative, which helps to extend BNY Mellon's growing portfolio of emerging technology capabilities, will leverage Google Cloud's data analytics, artificial intelligence (AI) and machine learning (ML) technologies to develop new collateral management and liquidity solutions built on Google Cloud.

BNY Mellon continues to heavily invest in advanced solutions that include the cloud, AI, ML and distributed ledger technology. This collaboration is the latest example of its open-architecture approach of working together with leading technology providers to extend its capabilities in reimagining and delivering solutions to meet client needs. In addition to creating use cases for the U.S. Treasury market, BNY Mellon is developing AI-powered solutions for securities lending, liquidity forecasting, dynamic controls for pricing, anomaly detection for transactions, and automated document processing.

“We are excited to work with Google Cloud to develop a first-of-its-kind solution to help our clients predict approximately 40% of settlement failures in Fed-eligible securities with 90% accuracy,” said Brian Ruane, CEO, BNY Mellon Clearance & Collateral Management. “A settlement failure occurs when a buyer and seller fail to exchange cash and securities by the close of business on the scheduled settlement date. This prediction model could be a game-changer for market participants and is a tremendous showcase of how we are leveraging emerging technologies, such as the public cloud, to accelerate the delivery of meaningful solutions for our clients.”

The U.S. Treasury market is the largest and the most liquid market in the world and BNY Mellon is the unique provider of clearance and settlement. On a typical day, approximately two percent of transactions fail to settle. BNY Mellon is using Google Cloud for its scalable data analytics capabilities and to train models on millions of trades to consider every value and factor that could result in a failure. This will help reduce client risk and create a more efficient financial market with fewer failure points and greater liquidity. BNY Mellon

is also leveraging Google Cloud to support more development environments, making code delivery quicker while reducing infrastructure costs.

“BNY Mellon is building on its existing capabilities, using the latest cloud technologies to test and refine its approach to reduce treasury settlement failures, ultimately helping its clients save money and helping transform the U.S. Treasury market,” said Rob Enslin, President, Google Cloud. “We’re proud to have helped BNY Mellon use our leading data analytics and artificial intelligence technologies to transform the settlement and clearing process, and set an example for the industry overall.”

Related Links:

- [Read more about BNY Mellon](#)
- [Learn more about BNY Mellon’s Clearance & Collateral Management offerings](#)
- [Read more about Google Cloud for Financial Services](#)
- [Learn more about BigQuery](#)

About Google Cloud

Google Cloud provides organizations with leading infrastructure, platform capabilities and industry solutions. We deliver enterprise-grade cloud solutions that leverage Google’s cutting-edge technology to help companies operate more efficiently and adapt to changing needs, giving customers a foundation for the future. Customers in more than 150 countries turn to Google Cloud as their trusted partner to solve their most critical business problems.

About BNY Mellon

BNY Mellon is a global investments company dedicated to helping its clients manage and service their financial assets throughout the investment lifecycle. Whether providing financial services for institutions, corporations or individual investors, BNY Mellon delivers informed investment and wealth management and investment services in 35 countries. As of Dec. 31, 2020, BNY Mellon had \$41.1 trillion in assets under custody and/or administration, and \$2.2 trillion in assets under management. BNY Mellon can act as a single point of contact for clients looking to create, trade, hold, manage, service, distribute or restructure investments. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation (NYSE: BK). Additional information is available on www.bnymellon.com. Follow us on Twitter @BNYMellon or visit our newsroom at www.bnymellon.com/newsroom for the latest company news.

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