DO NOT FALL BEHIND

UNITE

THE REAL-TIME ECONOMY

HOW CONTINUOUS SETTLEMENT WILL TRANSFORM BANK PROFITABILITY

The Real-Time Economy: How Continuous Settlement Will Transform Bank Profitability

The transformation to real-time settlement is no longer a technical discussion — it is an economic one.
For decades, banks have earned through float, fees, and friction: revenues built on time delays, manual processing, and liquidity premiums.
As global finance becomes real-time, those sources of income are vanishing.
But new ones are emerging — rooted in efficiency, speed, and liquidity control.

The rise of **Real-Time Super-Centralised Liquidity (RT-SCL)**, pioneered by **UNITE Global FMI**, marks a structural shift from passive liquidity management to **active profitability in motion**.

The End of Float — and the Beginning of Flow

Historically, banks earned yield by holding client funds "in transit."
Settlement delays, batching, and time-zone differences allowed float income to accumulate quietly on balance sheets.
However, this model relied on inefficiency: time had economic value because settlement was slow.

In the **real-time economy**, time no longer holds that premium.
Payments settle instantly, liquidity circulates continuously, and value flows without interruption.
The institutions that adapt will not earn *because* funds wait — they will earn *because* funds move.

From Cost Centre to Profit Engine

Traditional cross-border payments are cost-heavy.
Each step in the correspondent chain — nostro accounts, FX spreads, compliance checks — erodes margin.
By contrast, **RT-SCL** and **UNITE Global's FMI model** collapse this chain into a single, instant transaction:

- No pre-funding.
- No correspondent layers.
- No settlement risk.

This redefinition of settlement architecture brings two direct profitability gains:

1. **Reduced Transaction Costs:** UNITE member banks execute global payments at a fraction of current costs — typically **90% cheaper** than legacy correspondent flows.
2. **Margin Retention:** With intermediaries removed, banks keep a greater share of FX and payment revenues.

Together, these changes turn payments from a *fee-pressure product* into a *margin-control opportunity*.

Liquidity as a Revenue Source

RT-SCL introduces a new financial concept: **real-time liquidity productivity**.
Banks can now deploy funds instantly across currencies, geographies, and time zones — using liquidity as an *earning asset* rather than a dormant reserve.

With the **FX-as-a-Service facility** inside UNITE's FMI, banks can either:

- Compete to offer the lowest-margin FX to others, or
- Become their own FX provider by holding multiple currencies directly.

Either way, the liquidity that once sat immobilised now generates continuous income — not through speculation, but through flow efficiency.

A Structural Profit Shift

As more banks connect to real-time global infrastructures, profitability will shift in three ways:

1. **Volume over Spread:** Lower per-transaction margins offset by exponentially higher throughput.
2. **Liquidity Optimisation:** Instant cross-currency mobility reduces funding costs and intraday borrowing.
3. **Client Retention:** Faster, cheaper, transparent service builds long-term client loyalty — a key profitability driver in transaction banking.

This model aligns with the **G20 goals** of cost reduction, transparency, and access — but adds a fourth dimension: **sustainability through profitability**.

The Real-Time Bank

The most profitable bank of the future will not be the one with the largest balance sheet, but the one with the most efficient *liquidity metabolism*.
Those who can move value instantly — across currencies and jurisdictions — will control both speed and margin.

UNITE Global FMI delivers that capability through **RT-SCL**:
A single, neutral infrastructure where liquidity becomes real-time, payments become final, and profitability is rebuilt on flow efficiency.

In the real-time economy, delay is no longer an asset — it is a liability.
Efficiency is profit.

Real-time is the new return.

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