



ASX Tokenisation Working Group

Fixed Income Workshop Summary | 10 September 2026

Overall Takeaways

The workshop reinforced that tokenisation should not be pursued simply because the technology exists. Instead, the focus should remain on clearly defined market problems and measurable outcomes.

Three overarching conclusions emerged:

- 1. Issuance is an important enabler but not the primary source of value.**
- 2. Asset servicing and lifecycle automation present significant efficiency opportunities.**
- 3. Collateral mobility appears to offer the strongest near-term value proposition for the Australian fixed income market.**

Participants also consistently stressed the importance of preserving liquidity, fungibility, settlement finality and interoperability as the market explores potential tokenised market structures.

Purpose

The second ASX Tokenisation Working Group session examined where tokenisation could deliver meaningful value across the fixed income lifecycle, with a particular focus on settlement, asset servicing and collateral mobility. The discussion sought to test assumptions, challenge existing views and identify areas where tokenisation delivers benefits beyond traditional market infrastructure enhancements.

Key Themes

1. Issuance is important, but not the primary prize

Participants broadly agreed that digital issuance alone delivers limited standalone value for Australia's wholesale debt markets. Existing issuance processes are already efficient, and legal/documentation costs are generally not viewed as a major source of friction.

However, digital issuance was widely seen as an important enabler for downstream benefits, including:

- Automated asset servicing and lifecycle management
- Improved collateral mobility
- Greater programmability of assets

- Faster issuance for highly standardised products
- Potential distribution and transparency benefits

Several participants noted that native digital issuance may ultimately be required to unlock the full benefits of tokenisation, although digital twin models were viewed as a pragmatic transitional pathway. Maintaining fungibility and avoiding liquidity fragmentation were repeatedly highlighted as critical design principles.

2. Settlement benefits depend on the problem being solved

The group discussed whether tokenisation provides sufficient incremental value given Austraclear already settles wholesale debt transactions using DvP in central bank money on an RTGS basis.

Areas where participants identified potential value included:

- Extending activity beyond current operating hours
- Enabling atomic settlement where cash and securities exchange simultaneously
- Supporting 24/7 markets and global trading activity
- Improving transparency around settlement bottlenecks and settlement chains
- Potentially supporting future trading models such as automated market makers

A recurring theme was that tokenisation is not the only way to solve some of these challenges. Extending RITS and Austraclear operating hours could address portions of the problem set. Participants emphasised that settlement finality and market confidence must be preserved regardless of technology choices.

3. Digital cash remains a critical dependency

Discussion explored various settlement asset options, including:

- Tokenised ESA balances
- Wholesale CBDC
- Deposit tokens
- Stablecoins
- Tokenisation without on-ledger cash

There was broad acknowledgement that bringing both securities and cash onto the same ledger would represent the most complete end-state solution.

Participants generally observed:

- Wholesale CBDC remains the preferred long-term settlement asset from a risk perspective.
- Deposit tokens may represent the most realistic near-to-medium term pathway.

- Stablecoins offer immediate availability and flexibility, but introduce different risk considerations and may not yet meet all wholesale market expectations.
- Different participant types may require different access models, particularly where entities are unable to hold or transact in certain forms of digital money.

The discussion reinforced the close relationship between tokenised securities infrastructure and future decisions regarding digital cash in Australia.

4. Asset servicing emerged as a strong use case

Asset servicing was consistently identified as one of the strongest value propositions for tokenisation.

Participants highlighted opportunities to:

- Automate coupon payments and redemptions
- Reduce manual processing and reconciliation activities
- Improve corporate action workflows
- Lower operational risk and error rates
- Increase transparency regarding ownership and entitlements

There was strong support for the concept of programmability, where contractual terms and lifecycle events could be embedded into the asset itself.

However, participants noted that achieving the full benefit requires resolution of key legal and governance questions, including:

- Whether legal agreements or smart contract logic prevail in the event of inconsistency
- Determination of the authoritative register of ownership
- Regulatory and operational responsibilities within tokenised infrastructures

Several participants observed that the greatest benefits are likely realised only once tokenised assets reach significant scale and legacy processes can be retired.

5. Collateral mobility was viewed as the most compelling near-term opportunity

Collateral mobility attracted the strongest consensus of the session.

Participants broadly agreed that:

- The issue is often not a shortage of collateral, but that collateral is held in the wrong place at the wrong time.
- Time-zone differences and current operating-hour constraints create inefficiencies for globally active institutions.
- Greater ability to mobilise Australian government securities and high-quality liquid assets across markets could unlock significant value.

Benefits discussed included:

- Reduced liquidity buffers
- Lower funding costs
- Improved cross-border collateral use
- Faster collateral deployment
- Better utilisation of existing assets
- Support for increasingly global and continuous markets

International examples were cited where tokenised collateral solutions are already gaining traction, particularly for government securities and repo activity.

While some participants noted that extending existing market infrastructure operating hours could address part of the problem, the prevailing view was that tokenisation offers additional strategic benefits and may represent the most compelling near-term use case considered during the workshop.

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