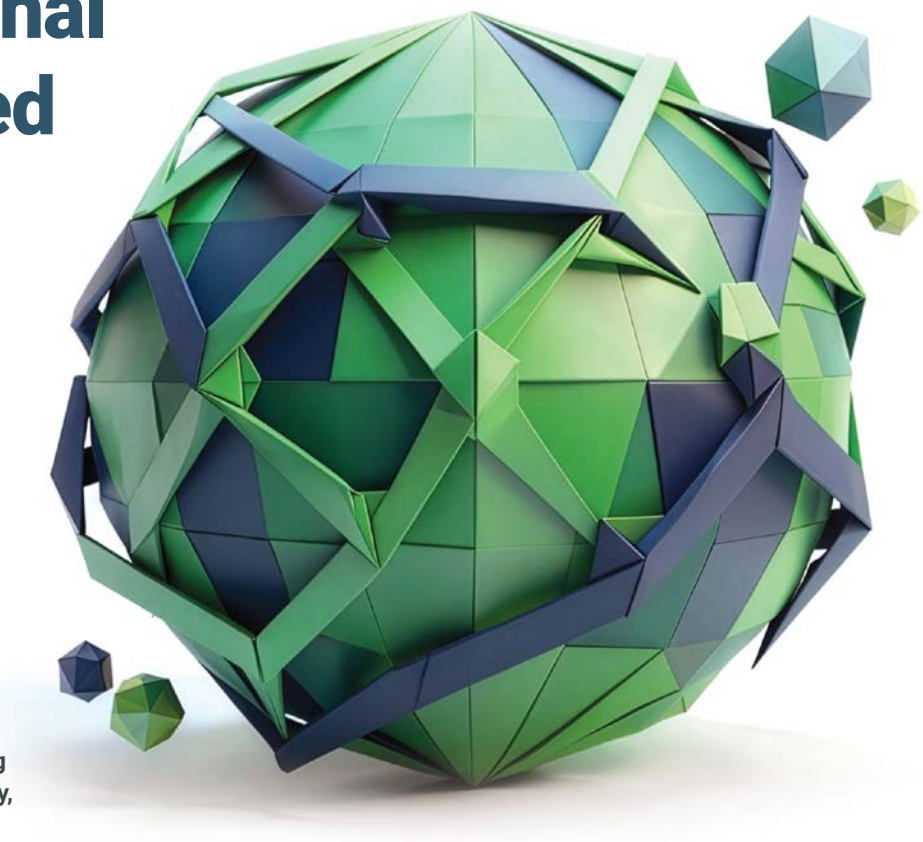
From T+1 to Real-Time Liquidity Management

Ant International Puts Tokenised Deposits to Work



As a global digital payment, digitisation and financial technology company, Ant International needs liquidity to move across currencies and continents at the speed of digital commerce rather than according to local banking hours. Working with BNP Paribas, the company has successfully piloted a scalable tokenised deposit framework designed for production deployment – reducing reliance on pre-funding and opening the way towards real-time liquidity, FX, and investment.

Digital commerce may operate continuously, but the financial infrastructure beneath it often does not. Cross-border transfers still tend to settle on a T+1 basis and, in some corridors, can take longer, leaving global payment businesses to bridge the gap with pre-funded balances, liquidity buffers, and additional FX risk.

For Ant International, which supports e-commerce, cross-border payments, and international trade customers across multiple continents, that mismatch has become increasingly difficult to ignore. Funds may need to move between Europe and Asia, across several currencies and outside conventional banking hours. The requirement sounds simple enough – yet the underlying settlement infrastructure was designed around individual markets and working days.

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"Customers in the digital economy like us need 24/7, instant treasury services because their businesses operate around the clock and are expected to provide an instant experience," says Kelvin Li, General Manager of Platform Tech and Senior Vice President at Ant International. "That creates a significant gap between what customers need and what traditional banking services can provide."

Maintaining pre-funded balances ensured that payments could continue despite those limitations, but the workaround tied up working capital in several jurisdictions and increased the period during which funds remained exposed to currency movements. Rather than continue optimising around those constraints, Ant International began exploring whether DLT could change the way its internal liquidity moves.

A journey to the future

Ant International's work with its internal blockchain-based treasury infrastructure began around 2020. Early pilots used tokenisation primarily as a messaging layer, enabling treasury and banking partners to co-ordinate liquidity outside conventional processes while the underlying funds remained within established banking arrangements.

As regulatory momentum behind tokenised bank deposits strengthened, the company began working with selected banking partners to move beyond bilateral pilots and towards operational liquidity structures for its ecosystem. BNP Paribas became the first European bank to collaborate with Ant International on this initiative.

In July 2024, the organisations formalised their collaboration through an MoU signed in Zurich, which included exploring tokenised deposits through Ant International's internal treasury management platform, Whale.

"BNP Paribas is one of our main banking partners in Europe, and it was a pleasure to work with Bruno and the transaction banking team to co-create a blockchain-based solution that gives us real-time treasury capabilities," Li explains. "This will enable us to serve our ecosystem and customers more efficiently and seamlessly, while lowering risk, cost, and improving the overall experience."

Bruno Mellado, Global Head of Payments and Receivables, BNP Paribas, says the collaboration set out to demonstrate what new infrastructure could achieve without stepping outside the regulated banking system.

"Corporate treasurers need more freedom to move funds across the world, and a large institution such as Ant International has the same need to overcome the usual constraints on moving cash," he observes. "What we tried to prove was that new technology, used in a very down-to-earth way and respecting every regulatory constraint, could make it possible to move funds held with BNP Paribas across Ant International's network."

Concept becomes scale

Over the following 18 months, teams from Ant International and BNP Paribas met in Paris, Singapore, and Shanghai to turn that commitment into an operational framework. Technology specialists worked through the connection between Ant International's blockchain-based treasury platform and BNP Paribas's systems, while legal, compliance, and AML teams established the governance and control model. Commercial and operational arrangements also had to be designed around the intended transaction flows.

The operating model combines Ant International's Whale platform with tokenised commercial bank money from BNP Paribas. Fiat deposits held with BNP Paribas are represented as digital tokens on a distributed ledger, with each token fully backed by a regulated bank deposit. This



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enables liquidity to move between participating accounts on a 24/7 basis while retaining the security, compliance standards, and regulatory safeguards of commercial bank money.

Of course, the aim was not to complete a handful of demonstration transactions, but to create a structure capable of production deployment and supporting thousands of transactions. The collaboration has successfully piloted the model and created a platform designed to scale.

Once fully deployed, the BNP Paribas component is intended to enable Ant International to move euro liquidity between European financial centres such as Paris and Luxembourg and global hubs including Singapore, Hong Kong, and New York in near real-time. The initial BNP Paribas structure is euro-denominated, adding a European component to Ant International's broader multicurrency treasury network.

Ant International's wider blockchain treasury infrastructure already supports around 45% of its global liquidity management activity and processes more than 600,000 transactions annually, demonstrating that DLT can operate at meaningful treasury scale. Bringing BNP Paribas into the network extends the model into the euro area and provides a regulated bank-led route for European liquidity.

For Mellado, however, the technology must remain subordinate to the business challenge. "Tokenisation adds one more tool to the list – an extremely powerful one – but it is not a solution in itself," he notes. "We start with the challenge that needs to be solved and then determine which technology is appropriate."

Changing the working capital equation

Faster liquidity movement has a direct impact on the amount of capital Ant International needs to support global payment flows. Where traditional structures require balances to be positioned in advance across several markets, tokenised deposits enable treasury to reposition available liquidity as requirements arise.

Ant International estimates that the approach can reduce its working capital requirements by more than 60%. In illustrative terms, a payment flow that might traditionally require US$100m of supporting liquidity could require approximately US$40m when backed by tokenised deposits and real-time liquidity movement.

FX exposure falls for a similar reason. Faster collection, liquidity transfer, and settlement shorten the period during which funds remain exposed to currency movements. Depending on the transaction type, Ant International estimates that when combined with its Falcon TST AI FX Model, the framework can reduce its FX hedging costs by more than 60%. With an annual FX volume of billions of dollars, even relatively small efficiency improvements can translate into a material financial benefit.

Merchants and partners may also benefit from faster and more seamless settlement as liquidity becomes available where it is needed more quickly, while Ant International can fund outgoing payments with less idle cash distributed across individual markets.

Moving treasury closer to the business

The project has also changed how treasury contributes to Ant International's expansion. As the company's international platform has grown, treasury has moved beyond reacting to individual funding requests and taken a more active role in designing the liquidity infrastructure required to support global digital commerce.

That shift requires treasury professionals to become more comfortable with technologies such as blockchain and AI – not as software engineers, but as informed users capable of identifying where new tools can improve financial operations. It also requires close collaboration between treasury, technology, legal, compliance and business teams.

Partnership was therefore as important as the technology. Ant International supplied the blockchain rails and a clear corporate use case, while BNP Paribas brought the

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tokenisation of regulated bank deposits and the banking, legal, and compliance expertise required to establish a controlled operating model.

Mellado describes the bank's approach as "responsible innovation". This means using new technology only when the institution is satisfied that it can operate safely and sustainably. "In practice, that meant extensive legal analysis of tokenised deposits and close examination of the regulatory requirements applying in each relevant market," he explains.

"Regulators are interested in understanding what these first experiments in moving money on a blockchain mean for the future," he continues. "Bringing together technology, client experience, and banking expertise in a single project shows that money can move faster and that the model can work across the industry."

Towards real-time treasury

Tokenised deposits form one part of a broader operating model that Ant International describes as real-time treasury. Once liquidity can move continuously, the same infrastructure could support activities that remain constrained by market hours and settlement cycles.

Ant International is exploring how tokenised assets could support MMF investments, including more flexible investment and redemption, as well as real-time FX settlement using tokenised bank deposits. More synchronised exchange and settlement could reduce settlement risk and release liquidity sooner, although those markets and operating models are still developing.

For BNP Paribas, the collaboration provides a European route into tokenisation based on regulated commercial bank money and a defined corporate use case. For Ant International, it brings euro liquidity into the wider always-on treasury framework it has been building with banking partners around the world.

Mellado believes the direction of travel is now clear, while stopping short of suggesting that every market will reach the destination at the same time.

"Financial assets and cash will increasingly move towards 24/7 as we approach 2030," he predicts. "That will happen at different speeds in different markets, and even those of us working in the middle of it continue to learn about new projects. But the trend is inevitable, and treasurers have to prepare for it."

Ant International's ambition is to move from successful piloting to regular use at scale, routing more liquidity through the structure as the framework and connected markets mature. The distinction is central to the project: its value will be measured not by the novelty of the token, but by whether treasury can use it repeatedly to allocate, rebalance, and control liquidity more efficiently.

For Mellado, this remains an early step in a longer industry transition. "There are probably several years ahead of us still, working out just how far we can take the freedom to move money around the world," he concludes. "Done well, that should lead to better economic outcomes for our clients, our bank, and the wider financial community."



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