



Press release

Standard Chartered announces key findings of pilot study on tokenised fund settlement in HKMA's Phase 2 of the e-HKD Pilot Programme

28 October 2025, Hong Kong – Standard Chartered Bank (Hong Kong) Limited (“Standard Chartered Hong Kong”), BlackRock and Mastercard recently concluded the pilot study in Phase 2 of the Hong Kong Monetary Authority’s (“HKMA”) e-HKD Pilot Programme. The study, supported by Libeara¹, explored end-to-end tokenised fund subscription and redemption with hypothetical e-HKD. The use case studied the potential efficiency and constraints by using new forms of digital money along the value chain.

Unlocking benefits of new forms of digital money

By embedding the hypothetical e-HKD and tokenised deposits within the tokenised fund lifecycle, the team identified benefits for multiple stakeholders across the value chain:

- **Fund Distributors:** Digital money, including e-HKD and tokenised deposits, could potentially enable greater flexibility and faster settlement with emphasis on T+0 subscriptions and redemptions through atomic settlement.
- **Fund Issuers:** Digital money, including e-HKD and tokenised deposits, could potentially improve the client experience with extended order periods, shorter settlement timeframe, more transparent order status, fractional ownership, and a flexible distribution framework.
- **Payment Network Providers:** Blockchain technology adoption by providers like Mastercard’s Multi-Token Network (MTN) could enable near-real-time settlement using e-HKD and tokenised deposits, enabling scalability across the ecosystem.
- **Fund Tokenisation Services Providers:** Tokenisation could facilitate fractional ownership, reduce operational costs through automation, and expand investor access via traditional and digital channels.

1. Libeara is incubated by SC Ventures under Standard Chartered



Addressing practical challenges

The study also recognised key practical considerations that must be resolved before same-day tokenised fund settlement becomes mainstream:

1. **Continuous Valuation:** There are foreseeable challenges from moving beyond end-of-day pricing toward real-time net-asset-value (NAV) calculation to enable intraday settlement.
2. **Operational Transformation:** The fund-lifecycle operations, liquidity-risk controls and cash-flow forecasting have to be redesigned. Strengthening governance and risk-management frameworks are needed to support immediate settlement finality.
3. **Interoperability and Network Integration:** High dependency on establishing common standards that connect stakeholders across the value chain and payment networks domestically and across borders. Meeting jurisdictions' requirements is also a concern.
4. **Regulatory Alignment:** Ensuring consistent regulatory clarity on custody, data privacy, and settlement finality to strengthen institutional and investor confidence.

Stephen Man, Head of Wealth and Retail Banking, Standard Chartered Hong Kong, said, "Standard Chartered is dedicated to staying at the forefront in driving fintech innovation. As a participant in both phases of the HKMA's e-HKD Pilot Programme, we primarily focused on exploring the new forms of digital money in offline payment scenarios in Phase 1 while broadening the scope to digital assets settlement in Phase 2. The insights and experience gained from the Programme will enable us to continue exploring the potential of different forms of digital money in transforming the financial sector and providing better experiences and convenience to end users, further contributing to the development of the digital money ecosystem."

Aarti Angara, Head of APAC Global Product Solutions, BlackRock, said, "BlackRock is excited to collaborate with the HKMA in advancing the tokenisation ecosystem and strengthening Hong Kong's role as a premier hub for digital assets. Building on the insights from our use case for e-HKD Pilot Programme, we are eager to continue supporting the growth and innovation of Hong Kong's tokenization industry."



Helena Chen, Senior Vice President, General Manager, Hong Kong & Macau, Mastercard, said, “Mastercard is proud to support the HKMA’s e-HKD Pilot Programme Phase 2 in collaboration with Standard Chartered, BlackRock, and Libeara, exploring the settlement of tokenised assets. This partnership reaffirms Mastercard’s commitment to driving faster, more efficient, and safer innovation across the financial ecosystem, and to supporting Hong Kong’s continued growth as a leading market for digital transformation.”

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Standard Chartered

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The history of Standard Chartered in Hong Kong dates back to 1859. It is currently one of the Hong Kong SAR’s three note-issuing banks. Standard Chartered incorporated its Hong Kong business on 1 July 2004, and now operates as a licensed bank in Hong Kong under the name of Standard Chartered Bank (Hong Kong) Limited, a wholly owned subsidiary of Standard Chartered PLC.

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