

# 2026 SBL Guide

How private banks  
modernize risk, collateral,  
and monitoring to stay  
competitive

10 PAGES  
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# Executive Summary

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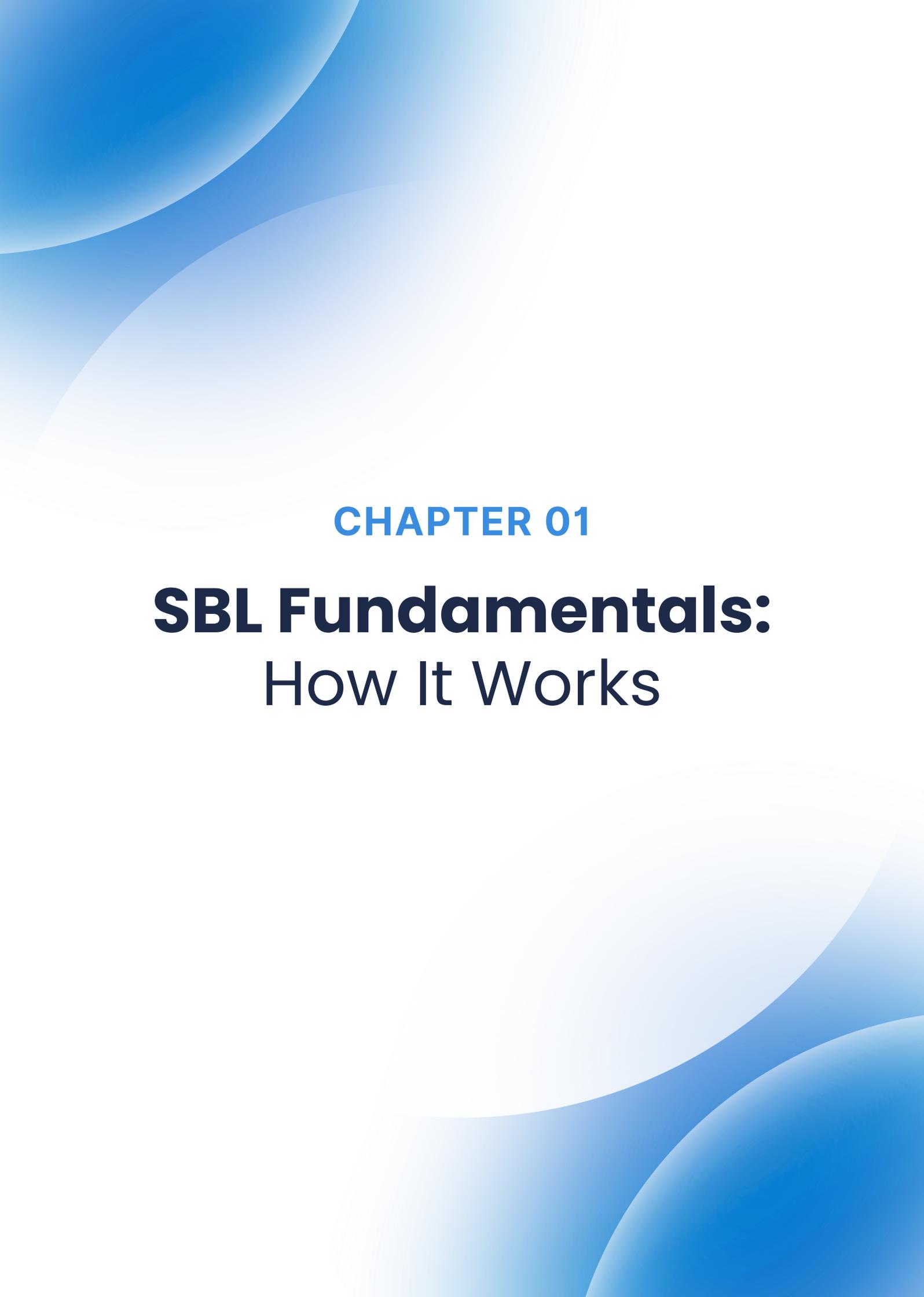
Securities Based Lending (SBL) has emerged as a critical product for private banks seeking to deepen client relationships and drive revenue. High-net-worth individuals increasingly demand liquidity solutions that preserve their investment strategies—and SBL delivers exactly that.

However, managing SBL portfolios in volatile markets requires sophisticated monitoring, precise risk governance, and disciplined collateral management. Banks that master these capabilities gain a significant competitive advantage.

## KEY TAKEAWAYS

- SBL enables HNW clients to access liquidity without liquidating investments
- Daily market-driven monitoring is essential for risk management
- Digital platforms transform SBL from manual to data-driven operations
- SBL is a high-margin product that drives revenue and client retention





CHAPTER 01

**SBL Fundamentals:**  
How It Works

# 01. SBL Fundamentals: How It Works

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Securities Based Lending is a form of credit facility where clients pledge eligible securities—such as stocks, bonds, or mutual funds—as collateral to secure a loan. The mechanics are straightforward but require disciplined execution.

## 01

### **CLIENT PLEDGES**

Securities designated as collateral

## 02

### **BANK EVALUATES**

LTV ratios & lending capacity assessed

## 03

### **CLIENT RECEIVES**

Liquidity via PLOC or SBLOC

## 04

### **CONTINUOUS**

Collateral & LTV ratios monitored

## CHAPTER 02

# **Why Private Banks Are Turning to SBL?**

# 02. Why Private Banks Are Turning to SBL?

## 1 ENHANCED CLIENT LIQUIDITY

High-net-worth clients increasingly need liquidity without liquidating long-term investments. SBL provides exactly that—access to cash while portfolios continue to grow.

## 2 REVENUE GENERATION

SBL is a high-margin product. Interest rates, origination fees, and monitoring fees create recurring revenue streams that strengthen client relationships.

## 3 COMPETITIVE DIFFERENTIATION

Banks offering SBL differentiate themselves in competitive wealth management markets. It's a value-add that deepens client stickiness and encourages cross-selling.

## 4 FAST UNDERWRITING & FUNDING

Since collateral is liquid and easily valued, SBL origination is faster than traditional lending. Clients appreciate the speed, and banks benefit from streamlined approvals.

## CHAPTER 03

# Digital Monitoring & Governance: **The Modern Imperative**

# 03. Digital Monitoring & Governance: **The Modern Imperative**

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Monitoring securities-based lending is a continuous process. It requires tracking the market value of pledged securities, ensuring compliance with internal policies, and maintaining adequate collateral coverage. Manual, spreadsheet-driven approaches are no longer sufficient.

## **REAL-TIME EXPOSURE TRACKING**

Monitor margin calls and LTV ratios in real time

## **AUTOMATED REVALUATION**

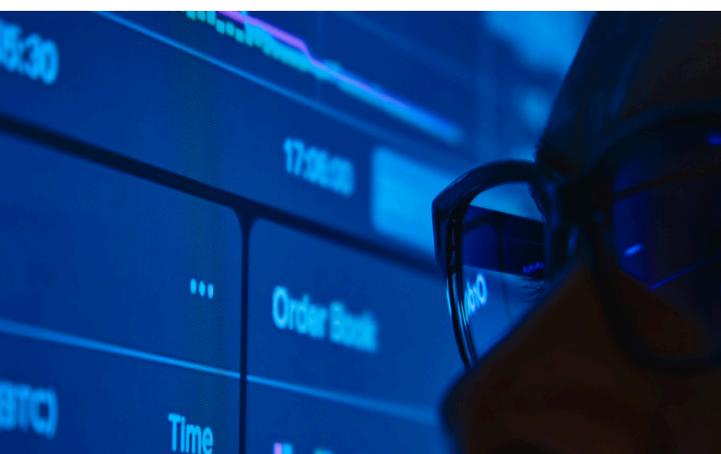
Collateral revaluation and risk reporting automated

## **SYSTEM INTEGRATION**

Seamless integration with Core Banking Systems

## **CONSOLIDATED VISIBILITY**

Multi-entity view across your entire portfolio



By automating key controls, digital platforms transform the SBL process from a manual, spreadsheet-driven task into a data-driven, transparent, and compliant operation. This shift is essential for modern private banks managing complex portfolios in volatile markets.

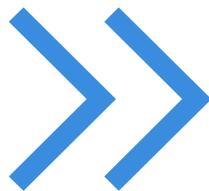
# Conclusion: Modernizing Your SBL Strategy

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**Securities Based Lending represents a modern evolution of asset-based finance. It provides flexibility, liquidity, and efficiency—but it also demands sophisticated monitoring tools and disciplined risk governance.**

The challenge for private banks is not whether to offer SBL—it's how to manage it responsibly. High-margin products require high-touch operations. That's where digital platforms like SpecicRED come in.

## NEXT STEPS FOR YOUR ORGANIZATION



By enabling real-time monitoring, automating compliance controls, and providing consolidated visibility across portfolios, modern technology transforms SBL from a complex manual process into a streamlined, data-driven operation. Banks that invest in this capability gain a significant competitive advantage while delivering superior client service.

- ✓ Assess your current SBL portfolio and monitoring capabilities
- ✓ Identify gaps in collateral tracking and risk governance
- ✓ Evaluate digital platforms designed for credit-risk digitalization
- ✓ Plan implementation with your core banking system

# Ready to Modernize Your SBL Operations?

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Speci**CRED** enables private banks to manage Securities Based Lending portfolios with precision, speed, and confidence—from origination to monitoring.

[REQUEST A FREE TRIAL](#)

[LEARN MORE](#)

**JOIN LEADING PRIVATE BANKS TRANSFORMING THEIR SBL STRATEGIES WITH DIGITAL GOVERNANCE AND AUTOMATED MONITORING.**

## Get in touch

SpeciTec SA, Place de Pont-Rouge 1,  
1212 Grand-Lancy, Geneva,  
Switzerland

[www.specitec.com](http://www.specitec.com)

[info@specitec.com](mailto:info@specitec.com)



**+41 22 566 06 25**