[SURVEY | AGENT BANKS IN EMERGING MARKETS]

# The 202360 AGENT BA IN EMERGI MARKETS **SURVEY**

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# A HIGH PLATEAU

ast year, we noted that after a period of 'grade inflation' followed by market stress and geopolitical turmoil, results were more in line with what long-time readers of the ABEM survey might have been used to.

This is again the case with an overall average of 5.78 compared to last year's 5.76. One could even describe this result as healthy – at the upper end of the Good range (5.00-5.99), suggesting broad contentment with the service offered but lacking excitement (which is not what custodians are traditionally supposed to induce).

The ranking of categories by results also follows a now familiar pattern: high touch service areas such as Client Service and Relationship Management are seen as well handled, while Pricing is (and most likely always will be) a cause for mild complaint.

Completion of the ABEM survey has traditionally involved cooperation among colleagues at respondent institutions, particularly in the network management team. Given its breadth and scope, the exercise usually involves canvassing the views of those with responsibility for particular geographies and/or functions. Results for emerging market securities services have held steady in this year's survey following last year's fall from frankly inflationary heights.

We are grateful to those industry participants, both clients and service providers, who worked to ensure that responses were completed. The more than 400 validated individual responses received represent several hundred billion dollars in invested assets. We would welcome any feedback that either providers or respondents would like to offer. Although it is often tiresome to have to fill in a survey after every commercial or professional encounter online, this is advance warning that one may be coming your way.



#### Methodology

The Global Custodian Agent Bank Surveys are designed to elicit the views of cross-border investors about the post-trade services they receive in markets around the world. They have been conducted annually since 1989. The universe of markets in the GC Agent Banks in Emerging Markets (ABEM) survey draws primarily on the MSCI and S&P Emerging Markets lists. Not all of these markets are, however, represented in the accompanying tables. Such representation depends on the number of responses received for each with some discretion at the lower end depending on weightings.

The response pool is drawn from two sources. Those respondents who completed the survey last year are invited to do so again, while service providers in the markets concerned are invited either to submit client lists for invitation or to approach those clients themselves. The aim here, in addition to gathering a robust a data set, is to allow the response pool for each provider to map to their overall client base, making the results more useful for their own analysis.

In addition, participating service providers are given controlled access to a back-end system to allow them to validate that the ratings they have received come from bona fide clients. Any responses submitted by institutions that were not clients of the rated provider in the 12 months under review are removed.

The questionnaire is divided into 13 service categories. There is only one rating question per category. Participants are asked to rate the quality of service in each category on an online 'scorecard' by using a sliding scale from Unacceptable to Excellent. These scores are then converted by the system into a scale ranging from 1- 7. All other questions are optional and designed to allow the respondent to add supportive comment to their ratings.

More granular data analyses are available for each survey. For more information contact **beenish.hussain@globalcustodian.com** or **matthew.aldred@globalcustodian.com.** 

### Brazil

Category	BNP Paribas 2023	Market Average 2023	Market Average 2022	Difference
Account Management	5.57	5.60	5.47	0.13
Asset Safety and Risk Management	5.71	5.60	5.06	0.54
Asset Servicing	5.67	5.67	5.22	0.44
Cash Management and FX	5.71	5.70	5.21	0.49
Client Service	5.86	6.00	5.63	0.37
Data Services	4.83	5.00	4.85	0.15
Service Innovation	5.14	5.10	4.83	0.27
Liquidity Management	5.40	5.38	5.00	0.38
Pricing	4.83	4.89	4.89	0.00
Regulation and Compliance	5.17	4.89	4.83	0.06
Relationship Management	5.57	5.80	5.74	0.06
Securities Lending	5.50	5.50	5.14	0.36
Technology	5.43	5.30	5.05	0.25
OVERALL AVERAGE	5.42	5.42	5.15	0.27

The Brazilian market has been in discussion over expanding the use of remote voting. The Securities and Exchange Commission of Brazil (CVM) launched a public hearing to address changes in current regulations and amendments are expected to be published in the first half of 2024.

Meanwhile, Law 14.711/2023, published on 31 October 2023, allows for a zero-income tax rate on gains earned by non-resident investors in private equity funds.

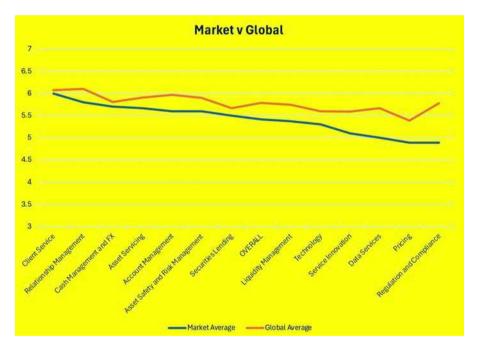
In this year's survey, responses for Brazil were recorded for BNP Paribas, Santander Caceis and Citi, of which the first reached the threshold for publication of its results.

For the market as a whole, categories are rated a little below the global average with Client Service and Relationship Management coming closest.

#### **BNP** Paribas

Last year was a big one for the securities services arm of BNP Paribas globally, as it merged with its parent in support of an integrated banking model. In Brazil, the entire securities services team is based in Sao Paulo, close to regulators and market authorities, with top management actively participating in market committees.

The bank's category scores, which pretty much set the market average, have risen in all areas apart from Relationship



Management. Its best results are in the areas of Client Service, Asset Safety and Risk Management and Cash Management and FX. "We are very pleased with the client service we received," says one respondent. "Given the unique nature of our balances, we sometimes have unusual service requests/data needs. Our inquiries are always well received, and the team works to ensure an adequate solution." Pricing, Data Services and Service Innovation – the bank's lowest scores – are rated at the upper end of satisfactory.

### China

Category	BNP Paribas 2023	Deutsche Bank 2023	Standard Chartered Bank 2023	Market Average 2023	Market Average 2022	Difference
Account Management	6.25	6.40	6.33	5.97	6.46	-0.49
Asset Safety and Risk Management	6.00	6.40	6.33	5.94	6.19	-0.25
Asset Servicing	6.25	6.40	6.27	5.97	6.33	-0.37
Cash Management and FX	5.80	6.20	6.23	5.73	6.00	-0.27
Client Service	6.60	6.80	6.53	6.19	6.54	-0.35
Data Services	6.00	6.40	6.00	5.77	5.79	-0.02
Service Innovation	5.50	6.25	6.07	5.69	5.74	-0.06
Liquidity Management	6.33	6.00	6.00	5.78	6.14	-0.36
Pricing	6.00	6.20	5.64	5.44	5.62	-0.18
Regulation and Compliance	6.00	6.20	6.21	5.77	6.19	-0.41
Relationship Management	6.40	6.60	6.47	5.97	6.36	-0.39
Securities Lending	6.00	7.00	5.71	5.43	5.85	-0.42
Technology	6.00	5.60	6.00	5.68	5.87	-0.19
OVERALL AVERAGE	6.09	6.34	6.14	5.79	6.08	-0.29

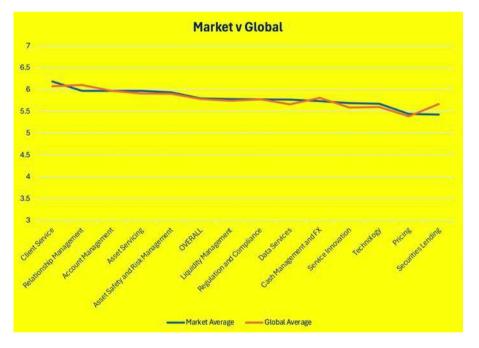
China is clearly a market on the move in regulatory and operational terms as it seeks to enhance its attractiveness to offshore investors. Deutsche Bank indicates that further relaxation on capital management of qualified foreign investors is expected. As a result, says BNP Paribas, "We expect increasing client onboarding and trading activities/AUC volume from a securities services perspective."

In May 2023, the Shanghai Stock Exchange (SSE) and the Singapore Exchange (SGX Group) signed a Memorandum of Understanding (MOU) on ETF product connectivity (SSE-SGX ETF connect). The exchanges will focus on strengthening cooperation in ETF product connectivity.

Responses for services in China were recorded for BNP Paribas, Deutsche Bank and Standard Chartered Bank as well as a few each for DBS Bank, HSBC, China Construction Bank and ICBC. As the graph shows, the market as a whole, tacks pretty close to the global average both in terms of score and ranking patterns from best to worst.

#### **BNP** Paribas

BNP Paribas exceeds the market average in all but one category (Service Innovation). "The client service team has again in 2023 shown exceptional commitment to supporting us," says one German client.



"Communication is always professional and friendly, even in stressful situations."

#### **Deutsche Bank**

The Deutsche Bank team in China has over 10-15 years' experience in the custody business. All client facing staff are fluent in English and Mandarin. Deutsche Bank exceeds the market average in all categories bar Technology. One regional client says, "Deutsche Bank performed excellent work while servicing our QFI access to China."

#### Standard Chartered

The bank records all but two category scores in Very Good range. "Strong risk management and market compliance culture," says one appreciative client.

### Colombia

Category	BNP Paribas 2023	Market Average 2023	Market Average 2022	Difference
Account Management	5.67	5.57	5.40	0.17
Asset Safety and Risk Management	6.20	6.00	5.50	0.50
Asset Servicing	5.25	5.20	5.56	-0.36
Cash Management and FX	6.25	6.00	5.70	0.30
Client Service	5.83	6.00	5.80	0.20
Data Services	5.20	5.17	5.67	-0.50
Service Innovation	5.50	5.40	5.30	0.10
Liquidity Management	6.00	5.75	5.50	0.25
Pricing	6.00	5.60	5.40	0.20
Regulation and Compliance	6.20	6.00	5.60	0.40
Relationship Management	6.00	6.14	5.90	0.24
Securities Lending	6.00	6.00	6.00	0.00
Technology	5.33	5.29	5.88	-0.59
OVERALL AVERAGE	5.80	5.70	5.63	0.07

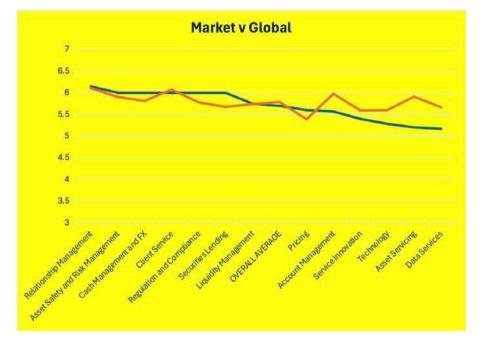
The Colombian, Chilean and Peruvian stock exchanges are merging to create a common market with access to all listed securities and local intermediaries. The corporate and proprietary integration of the three stock exchanges was completed in August 2023 with the creation of the Regional Holding entity (based in Chile).

The newly created Nuam Exchange will offer regionally integrated trading, clearing and settlement platforms with aligned rules and models, including the processing of corporate actions. The first phase of the project is to implement an integrated platform for equities, expected in Q2 2025.

On 27 November, Nuam officially announced that migration to T+1 will be carried out as of the first day of operations of the integrated market, which is expected in Q2 2025.

On the taxation front, Law 2277, enacted on 13 December 2022, raised withholding tax on dividends from 10% to 20%. By contrast, capital gains tax on the sale of equities is being reduced from 10% to 3%, while stock dividend payments will be subject to withholding tax, bringing their treatment in line with cash dividends.

The bulk of survey responses for Colombia were for BNP Paribas with Citi also represented. Coming in just below



the global average overall, Colombia actually exceeds that average, in roughly half of all categories.

#### **BNP** Paribas

BNP Paribas estimates its share of international third-party business in this market to be around 11%. Category ratings have improved slightly in most areas since 2022, giving the bank an impressive 5.80 overall average. Seven of the 13 service categories are rated Very Good, though a few clients complain of extended response times.

### Egypt

Category	National Bank of Egypt 2023	Market Average 2023	Market Average 2022	Difference
Account Management	5.90	6.00	-0.10	-0.09
Asset Safety and Risk Management	6.00	6.09	-0.09	-0.09
Asset Servicing	6.00	5.55	0.45	0.06
Cash Management and FX	5.56	5.69	-0.14	-0.28
Client Service	6.30	5.92	0.38	-0.34
Data Services	5.00	4.60	0.40	-0.07
Service Innovation	5.00	4.43	0.57	-0.07
Liquidity Management	5.14	5.00	0.14	-0.19
Pricing	5.29	4.88	0.41	0.05
<b>Regulation and Compliance</b>	5.78	5.82	-0.04	-0.23
Relationship Management	6.30	6.00	0.30	0.01
Securities Lending	5.00	4.50	0.50	-0.27
Technology	5.00	4.86	0.14	-0.30
OVERALL AVERAGE	5.56	5.33	0.23	-0.14

**N** ational Bank of Egypt dominates the response pool for Egypt with QNB Alahli also garnering a number of responses. Although category ratings have dipped slightly for the market as a whole since 2022, they remain comfortably in the Good range.

A major development in the Egyptian market took place in September with the launch of trading of treasury bills in the secondary market on The Egyptian Exchange (EGX). The trading value of treasury bills on the first trading day amounted to almost EGP 33.8 billion over 109 transactions.

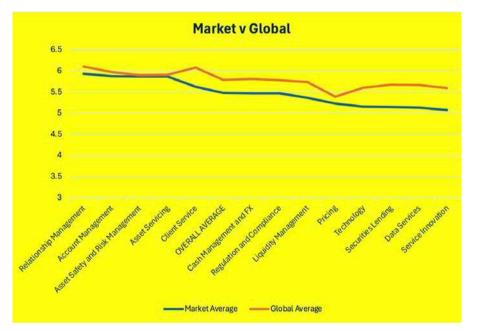
Treasury Bills are traded at beneficial owner level, obliging all clients to have a unified code. Taxes on Tbills and Tbonds are now handled by the Egyptian CSD.

#### National Bank of Egypt (NBE)

As we were going to press, the sad news came through of the passing of Hany Samir, head of custody and securities services at NBE. Our condolences go to his family and colleagues.

The bank has this year exceeded the market average in roughly two-thirds of categories. Its strongest scores are for Relationship Management and Client Service, while its weakest, such as Service Innovation and Technology, remain in the Good Range.

The few additional client comments



are complimentary. "Our relationship managers are familiar with our requirements and will bend over backwards to assist," says one bank client. "A specific requirement to get back our withholding tax was driven by the NBE team."

Pricing is also considered reasonable – not something respondents tend to like to comment on. "[We] still find our pricing in Egypt competitive and the competitiveness is a requirement for certain structured trades where margins are relatively tight," says one.

### Greece

Category	BNP Paribas	Eurobank	Piraeus Bank	Market Average 2023	Market Average 2022	Difference
Account Management	5.83	6.25	6.20	6.09	6.31	-0.23
Asset Safety and Risk Management	5.64	6.55	5.89	6.03	6.04	-0.01
Asset Servicing	5.73	6.08	5.90	5.91	6.15	-0.24
Cash Management and FX	5.56	6.00	5.75	5.75	6.07	-0.32
Client Service	6.17	6.42	6.40	6.31	6.43	-0.12
Data Services	5.42	6.50	5.63	5.83	6.00	-0.17
Service Innovation	5.00	6.18	5.22	5.45	5.73	-0.28
Liquidity Management	5.50	5.78	6.00	5.76	5.97	-0.21
Pricing	4.64	6.18	5.80	5.48	5.90	-0.41
Regulation and Compliance	5.40	6.55	5.78	5.90	6.11	-0.21
Relationship Management	6.08	6.75	6.67	6.47	6.65	-0.18
Securities Lending	4.83	6.14	5.50	5.53	5.70	-0.17
Technology	5.36	6.10	4.90	5.44	5.68	-0.24
OVERALL AVERAGE	5.47	6.27	5.82	5.84	6.06	-0.21

The Greek market is benefitting from no longer being associated with the crises that gave it headlines in the financial press, in particular through its return to investment grade status for sovereign debt. Local financial institutions that have maintained a consistent performance in recent surveys are again able to market themselves to institutional third-party investors and intermediaries without that albatross.

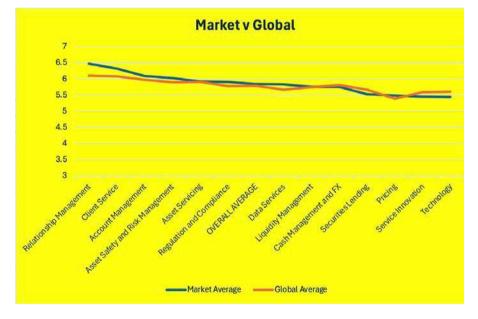
BNP Paribas, Eurobank and Piraeus Bank Securities Services have all met the threshold for a write-up this year. The market as a whole is relatively high scoring, exceeding the global average in almost three quarters of service areas.

#### **BNP** Paribas

With several large global custodians on its books, BNP Paribas is within a few basis points of its previous year's results, leaving it with an average comfortably in the centre of the Good range (5.00-5.99). At a category level, the only measurable drop is for pricing, suggesting clients are less content than they were with fee levels.

#### Eurobank

Eurobank's category scores – all in the Very Good range (6.00-6.99) – are well above both market and global averages. Respondents from within the region are



particularly complimentary about the bank's offering. "Excellent service, well informed RM's. We recommend this provider," says one.

#### **Piraeus Bank Securities Services**

Piraeus Bank is one of the few in the survey to be praised for its pricing. "Pricing is one of the most competitive in the market. Reasonable fees given the top-level services they provide," says one participant.

Individual staff members were highlighted in client comments for exceptional service. (We have experimented with publishing name checks, but received pushback from some providers who felt it undermined team spirit.)

### Hungary

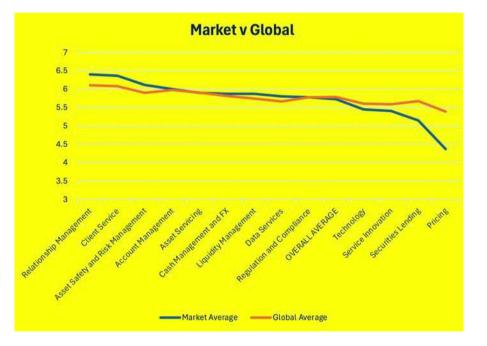
Category	BNP Paribas	Market Average 2023	Market Average 2022	Difference
Account Management	6.00	6.00	5.91	0.09
Asset Safety and Risk Management	5.80	6.11	6.10	0.01
Asset Servicing	5.80	5.90	5.73	0.17
Cash Management and FX	5.60	5.88	5.50	0.38
Client Service	6.40	6.36	6.18	0.18
Data Services	5.80	5.80	5.82	-0.02
Service Innovation	5.60	5.40	5.50	-0.10
Liquidity Management	5.80	5.88	5.56	0.32
Pricing	5.00	4.36	4.73	-0.36
Regulation and Compliance	6.00	5.78	5.78	0.00
Relationship Management	6.40	6.40	6.18	0.22
Securities Lending	5.33	5.14	5.60	-0.46
Technology	5.40	5.44	5.80	-0.36
OVERALL AVERAGE	5.76	5.73	5.72	0.01

Reler, the Hungarian CSD, celebrated its 30th anniversary in October this year. It has started work on its new strategy for the coming years which will focus on enhancing efficiency and automation of processes. Included among other measures will be modernisation of corporate events management and introduction of ISO 20022 for settlement messages.

BNP Paribas accounted for just under half of the responses received for Hungary with the remainder spread among Raiffeisen Bank International (RBI), UniCredit, Citi and Erste Group Bank. Although the average category score for the market as a whole is a few basis points below the global average, it actually exceeds the average in over half of individual survey categories, brought down mainly by a perception that fees are relatively high compared to other markets.

#### **BNP** Paribas

In 2022, the bank implemented a new way of accessing Hungary, called the centralised booking model, it offers clients a single direct interface to multiple markets, all linked to a single account. The model provides a multilocal service by contracting with only one legal entity. Typically, clients would have multiple securities accounts in



France (one per market) linked to a single cash account for settlement. Settlement and custody are provided through local operational teams in Hungary, while cash services are contributed by the bank's European hub in Portugal.

BNP Paribas is a direct member of Keler and general clearing member of Keler CCP. Its scores, slightly up on last year, are all in the Good range with Relationship Management and Client Service rated Very Good. Interestingly, the bank exceeds the market average for pricing by some measure.

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### India

Category	BNP Paribas 2023	DBS 2023	Deutsche Bank 2023	ICICI 2023	Nuvama 2023
Account Management	7.00	7.00	6.50	6.48	7.00
Asset Safety and Risk Management	7.00	6.57	6.40	6.74	7.00
Asset Servicing	7.00	6.57	6.30	6.84	7.00
Cash Management and FX	7.00	6.57	6.44	6.75	7.00
Client Service	7.00	6.57	6.50	6.57	7.00
Data Services	6.33	6.57	5.75	6.78	7.00
Service Innovation	6.86	6.57	5.90	6.53	7.00
Liquidity Management	7.00	6.57	6.00	6.76	7.00
Pricing	6.86	6.57	6.11	6.84	7.00
Regulation and Compliance	7.00	6.57	6.40	6.67	7.00
Relationship Management	7.00	6.57	6.50	6.70	7.00
Securities Lending	7.00	6.50	6.25	6.87	7.00
Technology	7.00	6.57	6.00	6.35	7.00
OVERALL AVERAGE	6.93	6.60	6.24	6.68	7.00

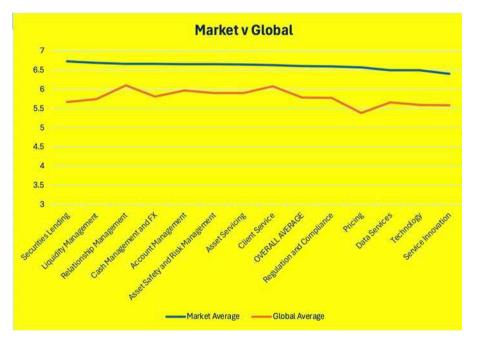
India is one of the most competitive of the markets represented in the ABEM survey with seven providers meeting the response threshold. These are BNP Paribas, DBS Bank, Deutsche Bank, ICICI,Nuvama, SBI-SG and Standard Chartered Bank.

The market is also one of the highest scoring across all the agent bank surveys, comfortably surpassing global category averages as the accompanying graph suggests and it is therefore very difficult for any one provider to distinguish itself by results alone.

The headline news of the year for the market was the completion in January of the transition to a T+1 settlement cycle for equities. Since then, SEBI the Securities and Exchange Board of India (SEBI) has further streamlined the onboarding process for foreign portfolio investors, including the use of scans, digital signatures, and Swift for authentication purposes.

#### **BNP** Paribas

BNP Paribas' Securities Services business in India serves approximately 275 foreign clients and 60 domestic clients. The bank receives top marks in several categories. Even its lowest score, for Data Services would be the envy of most service providers in the survey. "It is a financial institution of excellence," says one European client.



#### DBS Bank

DBS Bank in India is focused on serving cross border institutions. "99% of our client base constitutes foreign investors, which enables us to have a sharp focus on our delivery model," says the bank, which highlights custody and derivative clearing as key offerings in the market. Apart from Account Management, which records a score of Excellent, all categories are comfortably in Very Good range.

#### **Deutsche Bank**

Deutsche Bank has seen a small rise in its average score since last year, improving on an already impressive performance. This is most notable for Securities Lending, up by 0.58 points. The bank itself identifies this as an area of innovation with "an end-to-end comprehensive securities lending and borrowing proposition in the market covering execution, clearing and settlement".

SBI-SG 2023	Standard Chartered Bank 2023	Market Average 2023	Market Average 2022	Difference
6.78	6.43	6.66	6.54	0.11
6.63	6.33	6.65	6.45	0.20
6.75	6.14	6.64	6.42	0.23
6.44	6.50	6.66	6.44	0.22
6.78	6.43	6.63	6.51	0.12
6.38	5.60	6.50	6.29	0.21
5.67	6.00	6.40	6.17	0.23
6.43	5.67	6.69	6.26	0.43
6.44	5.80	6.57	6.28	0.29
6.56	6.00	6.60	6.31	0.29
6.89	6.43	6.66	6.47	0.20
6.00	5.50	6.73	6.46	0.28
6.50	6.14	6.49	6.16	0.33
6.48	6.07	6.61	6.37	0.24



#### ICICI Bank

ICICI Bank is recognised by the central bank as one of three systemically important banks in India. "The client service provided by ICICI Bank is outstanding," says one offshore client. "The service providers have intense knowledge about the market and the team is quite solution oriented. ICICI Bank is a hub of all services under one roof with personnel dedicated to providing the best customer service." The bank has shown across-the-board rises in category scores, most notably for Liquidity Management and Data Services.

#### Nuvama

Nuvama Asset Services highlights its digital end-client onboarding platform which enables funds to onboard their end clients digitally for a strategy in a few hours. Implausible as it may seem for a provider to receive top marks in all categories, client comments back up their ratings. "They stay as far ahead of the game as possible; predict clients' needs and prepare the team to address them quickly," says one Middle East-based respondent. "There are few things more impressive than being able to forecast the needs of your key accounts ahead of time."

#### **SBI-SG Global Securities Services**

Like most of its rivals, SBI-SG, the fruit of a joint venture between State Bank of India and Societe Generale Securities Services, has recorded a solid set of Very Good category results (6.00-6.99) with only Service Innovation receiving an otherwise impressive score in the midfives. "SBI-SG team is always available to connect and guide us through new regulations or changes in the regulations and their support for settlement of transactions or FX is also excellent," comments one regional client.

#### **Standard Chartered**

SCB has recorded a rise of 0.60 in its overall average, taking most categories into the Very Good territory (6.00-6.99). This is most noticeable in the area of Service Innovation, which is up by 0.95 points. One APAC client points to innovation in depository services, in particular. Cash Management and FX, at 6.50, is now the bank's most appreciated service area.

### Indonesia

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Category	Deutsche Bank 2023	Standard Chartered Bank 2023	Market Average 2023	Market Average 2022	Difference
Account Management	6.00	5.50	5.50	5.67	-0.17
Asset Safety and Risk Management	6.33	5.50	5.55	5.24	0.31
Asset Servicing	6.00	5.67	5.64	5.48	0.16
Cash Management and FX	6.00	5.80	5.70	5.26	0.44
Client Service	6.50	5.83	5.75	5.62	0.13
Data Services	6.00	5.40	5.60	5.29	0.31
Service Innovation	5.75	5.25	5.44	5.25	0.19
Liquidity Management	6.00	5.00	5.33	5.30	0.03
Pricing	5.50	4.60	4.91	4.60	0.31
Regulation and Compliance	6.50	5.17	5.50	5.24	0.26
Relationship Management	6.50	5.83	5.75	5.62	0.13
Securities Lending	6.00	5.00	5.33	5.50	-0.17
Technology	5.67	4.80	5.22	5.18	0.05
OVERALL AVERAGE	6.06	5.33	5.48	5.33	0.15

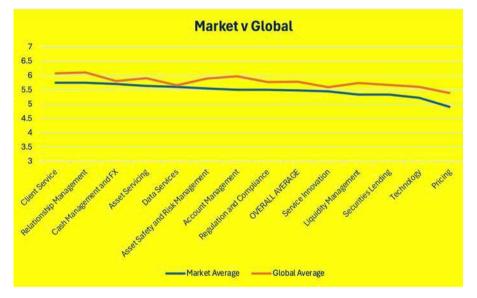
In August 2023, the Indonesia Financial Services Authority (OJK) issued a new regulation on KYC administration. Data and documents related to prospective customers and customers of financial services providers are to be centralised in the system of a KYC administration service provider. Deutsche Bank along with other banks are participating in pilot testing in Q4 with the target of live launch in Q1 2024.

Indonesia also launched a crypto exchange in 2023. Crypto assets in Indonesia are currently traded under the supervision of the Commodity Futures Trading Regulatory Agency, though this is expected to shift to the OJK.

Responses were recorded this year for Deutsche Bank and Standard Chartered as well as a few for HSBC.

#### **Deutsche Bank**

Deutsche Bank is a leading liquidity provider for broker dealers in Indonesia. "We provide liquidity lines to support our clients in major capital markets events, as well as intraday liquidity to support daily turnaround transaction settlement and intraday/SWAP liquidity to support IPO trade settlement," says the bank. "Additionally, we offer automatic daily cash projection reports, same-day utilisation on DVP proceeds, and overdraft facilities to support local



entity working capital."

The bank's category scores are substantially up on 2022 by an average of 0.79 points, bringing its overall average above 6.00 (Very Good). "Well trained staff, very helpful, good knowledge of market, quick responses," says one European client.

#### **Standard Chartered**

Standard Chartered' s category scores in Indonesia are all in the Good range (5.00-5.99) apart from Pricing and Technology, which are seen as Satisfactory (4.00-4.99). The latter may be set to improve, with one European client commenting, "We appreciate the focus that SCB has on technology and modernisation."

### Malaysia

Category	Standard Chartered Bank 2023	Market Average 2023	Market Average 2022	Difference
Account Management	6.17	5.58	5.50	0.08
Asset Safety and Risk Management	6.00	5.64	5.44	0.19
Asset Servicing	6.00	5.67	5.44	0.22
Cash Management and FX	5.60	5.18	5.29	-0.11
Client Service	6.50	5.75	5.33	0.42
Data Services	5.83	5.45	5.33	0.12
Service Innovation	5.67	5.36	5.33	0.03
Liquidity Management	5.40	5.30	5.36	-0.06
Pricing	4.80	5.00	5.13	-0.13
Regulation and Compliance	5.67	5.45	5.24	0.22
Relationship Management	6.00	5.50	5.33	0.17
Securities Lending	5.00	4.80	5.67	-0.87
Technology	5.20	5.20	5.43	-0.23
OVERALL AVERAGE	5.68	5.38	5.37	0.01

The Securities Commission Malaysia has welcomed the market's performance in the 11th biennial corporate governance assessment by the Asian Corporate Governance Association, which covers 12 Asia Pacific countries including Australia.

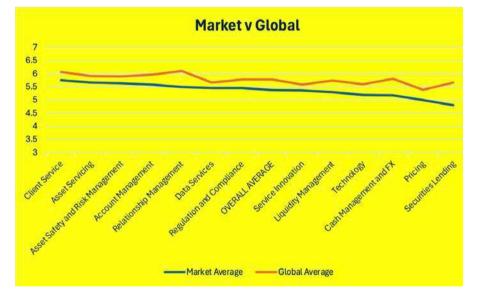
Malaysia retained its position at 5th overall, ranking first for quality of auditors and audit regulators and second for both strength of corporate governance rules and adoption of corporate governance practices by the listed companies.

Responses were received this year for Standard Chartered Bank, Maybank Securities, HSBC and Deutsche Bank, of which the first received sufficient for its scores to be published.

#### **Standard Chartered**

Standard Chartered's results in 2023 are within a whisker of last year's, giving it an overall average in the high fives, effectively the upper end of Good and above the market average in all but two categories, Pricing and Technology. "Provider is proactive in providing solutions and very good engagement in managing issues end to end," says one APAC-based client. Another highlights a strong risk management and market compliance culture.

A large custodian client adds: "The



provider is our strategic partner. We have a good relationship with the provider in the market and other markets globally. We would like to see a further push in data and technology solutions in all markets."

#### Maybank

Maybank Securities Solutions describes itself as "the leading domestic custodian in Malaysia providing fully fledged services, covering domestic and foreign markets both conventional and Islamic". MSS serves diverse investor segments including both institutional and retail clientele.

#### Deutsche Bank

Although responses for Deutsche Bank are few, one regional client is particularly effusive: "From a service perspective, DB is one of the best. Their responses to us are very fast."

### **Philippines**

Category	Standard Chartered Bank 2023	Market Average 2023	Market Average 2022	Difference
Account Management	5.43	5.44	5.11	0.34
Asset Safety and Risk Management	5.14	5.22	4.95	0.27
Asset Servicing	5.29	5.44	5.05	0.39
Cash Management and FX	4.86	5.11	5.05	0.06
Client Service	5.43	5.44	5.26	0.18
Data Services	5.00	5.13	5.06	0.07
Service Innovation	5.00	5.13	5.00	0.13
Liquidity Management	4.71	5.00	4.93	0.07
Pricing	4.57	4.78	4.53	0.25
Regulation and Compliance	4.71	4.89	4.95	-0.06
Relationship Management	5.14	5.22	5.11	0.12
Securities Lending	4.50	4.50	4.86	-0.36
Technology	4.83	5.00	5.06	-0.06
OVERALL AVERAGE	4.97	5.10	4.99	0.11

In September, the Securities Clearing Corporation of the Philippines (SCCP), a wholly owned subsidiary of The Philippine Stock Exchange, successfully migrated to a shortened settlement cycle of T+2.

Preparations for the migration began immediately following the implementation in March of SCCP's new clearing and settlement system, the Millennium Post Trade solution, provided by a subsidiary of the London Stock Exchange Group and which is capable of accommodating any settlement cycle.

Standard Chartered Bank accounts for the bulk of responses for Philippines with HSBC and Deutsche Bank also represented in the response pool. As the accompanying graph indicates, results for the Philippines as a whole at a category level tend to undershoot global averages, while remaining largely in the Good territory (5.00-5.99).

#### **Standard Chartered**

Over 80% of the responders for Standard Chartered Bank are returnees from the 2022 survey. It is therefore significant that while category scores are mainly within a few basis points of last year's, the overall average has slipped from Good to Satisfactory. While scores for Asset Servicing, Asset Safety and



Account Management have measurably improved, nine categories have dipped by between 0.04 and 0.50 points.

Despite that, client comments are broadly positive. "They provide good quality services as well as market updates," says one client from within the region. "They are proactive in providing actionable recommendations to us when we have any issues."

At a more granular level, another client

suggests that the bank is always keen to implement if any client wishes to follow an STP approach (for example, including FX as part of MT54X messages).

### Poland

-				
Category	BNP Paribas 2023	Market Average 2023	Market Average 2022	Difference
Account Management	6.12	5.65	5.72	-0.07
Asset Safety and Risk Management	5.97	5.47	5.88	-0.41
Asset Servicing	6.02	5.50	5.52	-0.02
Cash Management and FX	5.93	5.44	5.48	-0.04
Client Service	6.35	5.83	6.12	-0.29
Data Services	5.62	5.27	5.39	-0.12
Service Innovation	5.59	5.00	5.42	-0.42
Liquidity Management	5.86	5.29	5.47	-0.18
Pricing	5.34	4.75	4.92	-0.17
Regulation and Compliance	5.84	5.38	5.57	-0.19
Relationship Management	6.33	6.00	6.20	-0.20
Securities Lending	5.61	5.25	5.88	-0.63
Technology	5.63	5.00	5.17	-0.17
OVERALL AVERAGE	5.86	5.37	5.59	-0.22

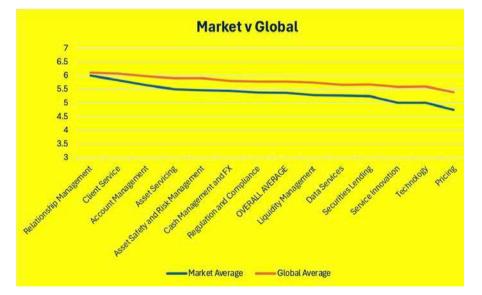
**P**oland has become an increasingly attractive destination for direct investments, notes SGSS, citing the latest Karney Global Services Location Index 2023, which assessed 78 countries in terms of attracting investments. Poland took 13th place overall, with only Great Britain ahead of Poland in Europe.

The Polish Central Securities Depository (KDPW) has an extensive list of reforms planned for 2024, including the redistribution of costs associated with the CSDR-related penalties incurred by direct members. This will result in an increase in costs for clients with the highest number of penalties.

BNP Paribas accounted for 60% of responses for Poland with the remainder split among UniCredit, Raiffeisen Bank International, Citi, ING Bank Slaski and Erste Group Bank. While following a similar pattern to the global category scores in terms of best to worst, Poland is an average of 0.41 points below the global average.

#### **BNP** Paribas

BNP Paribas claims a 28% share of the inbound third-party investment servicing business in Poland. It is a large banking group in the local context, employing nearly 11,000 people, including 1,100 securities services employees. It has made a number of



strategic market investments such as the acquisition of BGZ Bank, Sygma Bank and Raiffeisen Bank Polska.

"The strong presence of BNP Paribas in Poland allows us to collaborate with market authorities to help implement internationally recognised standards," says the bank.

Clients are complimentary in their comments. "We would like to thank all BNP Paribas employees that all issues related to settlement are handled very quickly and always in the best quality," says a European client. "We have received feedback from all teams and colleagues that they are extremely satisfied with the service and professionalism."

### Qatar

Category	HSBC 2023	Standard Chartered Bank 2023	Market Average 2023	Market Average 2022	Difference
Account Management	5.50	5.40	5.44	5.00	0.44
Asset Safety and Risk Management	5.25	5.60	5.44	5.00	0.44
Asset Servicing	5.50	5.50	5.50	5.18	0.32
Cash Management and FX	5.50	5.50	5.50	5.18	0.32
Client Service	5.50	5.60	5.56	4.83	0.72
Data Services	5.67	5.40	5.50	5.00	0.50
Service Innovation	5.33	5.40	5.38	5.10	0.28
Liquidity Management	5.00	5.00	5.00	5.00	0.00
Pricing	5.00	5.00	5.00	4.82	0.18
Regulation and Compliance	5.25	5.40	5.33	4.92	0.42
Relationship Management	5.50	5.60	5.56	4.92	0.64
Securities Lending	6.00	4.50	5.00	6.00	-1.00
Technology	5.25	5.00	5.11	5.00	0.11
OVERALL AVERAGE	5.40	5.30	5.33	5.07	0.26

In August, Qatar Stock Exchange (QSE), in cooperation with the Qatar Financial Markets Authority (QFMA) and the Qatar Depository Company (Edaa), announced the start of securities lending and borrowing activities in the market, as well as covered short selling.

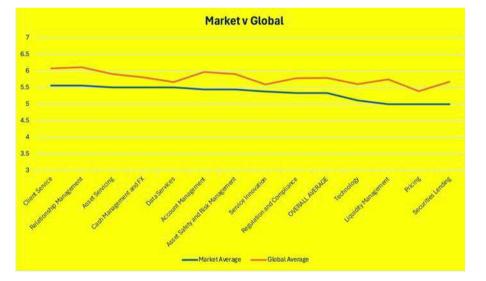
Securities lending and borrowing transactions will be executed in the Edaa post-trading system by its members or custodians licensed by the QFMA as "Securities Lending & Borrowing Agents". The initiative was designed to enhance market liquidity and introduce new tools for investors to optimise their investment in the market.

In October, market authorities said the settlement cycle would be reduced from T+3 to T+2 on 2 January 2024. Most recently, it organised a training session for QSE staff and other interested parties on financial derivatives.

Meanwhile, Qatar and other markets in the region have been looking for ways to add to the free float available on their exchanges by engaging the large sovereign wealth funds in the Gulf.

#### HSBC

HSBC saw its category scores improve this year with Client Service and Data Services moving from Satisfactory to Good. Topping the table is Securities Lending. Although there are no client



comments to elaborate, this presumably reflects the bank's willingness to embrace the market changes announced.

#### Standard Chartered

Standard Chartered Bank more or less sets the average category scores in the Qatar market. The bank's own category scores have significantly improved year on year, with nearly all service areas now in the Good Range. One regional fund manager describes SCB as "one of the best custodians we have been dealing with regarding all asset servicing and cash management".

### Saudi Arabia

Category	HSBC 2023	Market Average 2023	Market Average 2022	Difference
Account Management	5.75	5.50	5.67	-0.17
Asset Safety and Risk Management	5.50	5.33	5.83	-0.50
Asset Servicing	5.75	5.50	5.83	-0.33
Cash Management and FX	5.75	5.50	5.83	-0.33
Client Service	5.00	5.00	5.00	0.00
Data Services	5.25	5.17	5.33	-0.17
Service Innovation	5.25	5.17	5.50	-0.33
Liquidity Management	5.67	5.40	5.75	-0.35
Pricing	4.75	4.67	5.00	-0.33
Regulation and Compliance	5.25	5.17	5.33	-0.17
Relationship Management	5.50	5.33	5.33	0.00
Securities Lending	6.00	5.00	6.00	-1.00
Technology	5.75	5.50	5.50	0.00
OVERALL AVERAGE	5.47	5.25	5.53	-0.28

The past year has seen several changes in the securities servicing service environment in the Saudi market.

The 2022 Global Custodian Agent Banks in Emerging Markets survey reported that custodians have been increasing their presence in Saudi Arabia, though with more of an eye on servicing the asset pools in the region rather than inbound institutional investment. However, it noted, "As access to investment opportunities increases, the likelihood is that the subcustody universe will expand."

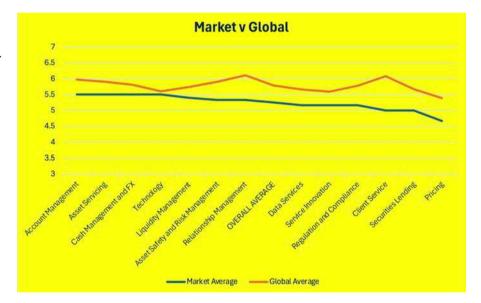
Standard Chartered has launched custody services in Saudi Arabia, extending its far-reaching emerging markets coverage.

The Securities Depositary Center Company (Edaa) has recently welcomed Standard Chartered Capital as a custody member of the CSD.

The move comes just months after Northern Trust joined Edaa as a direct custody member, while in recent years there have also been moves into Saudi Arabia by BNP Paribas, BNY Mellon and State Street. ICSDs Euroclear and Clearstream have also established links and/or launched initiatives.

#### HSBC

HSBC has long held a strong position as a sub-custodian in the Gulf region and



securities services plays a key role in the bank's overall offering in the Saudi market, where it offers direct custody and clearing, fund services and global custody.

With the same set of large clients as last year in its response pool, the bank has maintained its overall results in the mid-fives, which is considered Good in the survey – with only Pricing still in the Satisfactory range, suggesting that clients may be looking for some movement in fee levels.

There is only one open text comment for the bank from a global institution and that is short and sweet: "Good service."

### South Africa

Category	ABSA 2023	RMB 2023	Standard Chartered Bank 2023	Market Average 2023	Market Average 2022	Difference
Account Management	5.00	5.14	6.43	5.46	5.53	-0.08
Asset Safety and Risk Management	4.67	5.00	6.00	5.26	5.32	-0.06
Asset Servicing	4.33	5.14	6.14	5.29	5.43	-0.14
Cash Management and FX	4.00	5.14	5.71	5.13	5.27	-0.14
Client Service	4.67	5.29	6.14	5.36	5.53	-0.17
Data Services	4.33	4.83	5.71	5.09	5.16	-0.07
Service Innovation	4.67	4.67	6.00	5.05	4.78	0.27
Liquidity Management	4.33	4.67	6.40	5.15	5.35	-0.20
Pricing	4.33	4.86	5.14	4.75	4.96	-0.21
Regulation and Compliance	4.33	5.00	6.14	5.26	5.43	-0.17
Relationship Management	5.00	5.29	6.00	5.40	5.63	-0.23
Securities Lending	4.00	4.67	5.25	4.83	5.25	-0.42
Technology	4.33	4.67	5.88	5.13	5.22	-0.09
OVERALL AVERAGE	4.46	4.95	5.92	5.17	5.30	-0.13

Digital proxy voting has made strides in the South African market in the past few months. Both Broadridge and Proxymity are now active in South Africa with partnerships with several service providers.

Unlike in many markets over the past few years, custody provision in South Africa looks increasingly competitive. Responses have been received for RMB, Standard Bank, Nedbank, Citi, ABSA and Standard Chartered.

Overall, the level of competition has not translated into particularly high scores in comparison to the global category averages. While most service categories are in the Good Range, Pricing and Securities Lending have slipped over the year into merely Satisfactory territory (4.00-4.99)

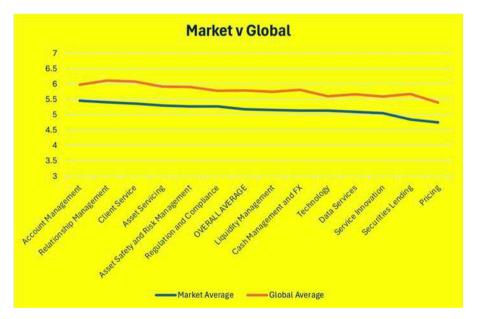
#### ABSA

ABSA's results remain largely in the Satisfactory range though below market and global averages. Its best scores are for Account Management and Relationship Management. Client comments do not enlighten.

#### **Rand Merchant Bank**

RMB puts its share of international third-party inbound business in this market at just over a third.

With only 50% of its response pool



returning from last year, the bank has seen dips in its usual results for all categories.

Despite that, the few client comments recorded are positive. "Very proactive teams; above our expectations; much appreciated," says one large global player.

#### **Standard Chartered**

"We are satisfied with the service

received from this custodian. They are better than most in the market and all queries are attended to immediately," says one offshore fund manager of SCB's service in South Africa. "The staff is very friendly and helpful."

The majority of category scores have recorded measurable rises and exceed all market averages by some way.

Standard Chartered Bank has installed Strate's e-voting service in South Africa.

### Taiwan

Category	Standard Chartered Bank 2023	Market Average 2023	Market Average 2022	Difference
Account Management	6.13	5.84	5.74	0.10
Asset Safety and Risk Management	6.07	5.95	5.56	0.39
Asset Servicing	6.07	5.84	5.48	0.36
Cash Management and FX	6.21	5.78	5.40	0.38
Client Service	6.60	6.21	5.76	0.45
Data Services	5.57	5.33	5.27	0.06
Service Innovation	5.69	5.50	5.24	0.26
Liquidity Management	5.67	5.70	5.21	0.49
Pricing	5.33	5.05	4.86	0.20
Regulation and Compliance	5.80	5.63	5.16	0.47
Relationship Management	6.47	6.11	5.66	0.45
Securities Lending	5.29	5.13	4.46	0.66
Technology	5.64	5.44	5.07	0.37
OVERALL AVERAGE	5.89	5.65	5.30	0.36

During a visit to the Taiwan Depository and Clearing Corporation (TDCC) in December by a delegation from the Korea Securities Depository (KSD), dialogue covered international sustainability trends, technological digital trends, potential market demands, and explored development strategies and opportunities for CSDs in response to the evolving landscape.

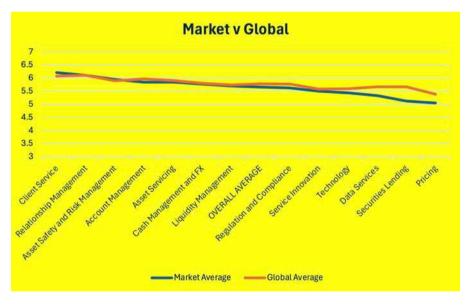
During the visit, TDCC chairman Dr Bing-Huei Lin emphasised TDCC's commitment to advancing business transformation and innovation, actively seeking practical experience through exchanges with foreign CSDs and clearing institutions to stay abreast of industry insights.

In other developments, JP Morgan decided mid-year to move to a subcustody model for its inbound third-party securities services business in Taiwan and is seeking to appoint an agent bank for that segment, while retaining its other activities in the market.

This year, ratings were received for Standard Chartered Bank, Citi, Deutsche Bank and HSBC with the first of these accounting for some three-quarters of responses.

#### **Standard Chartered**

One European private bank describes Taiwan as "the most dangerous market



for us a client, when it comes to the settlement risks". However, it continues, "SCB Taiwan is doing an extraordinarily good job and as such they deserve top rating."

The bank's scores have risen a little over the year and it exceeds most market and global category averages. Scores for Client Service (6.60) and Relationship Management (6.47) are particularly impressive. One client singles out Cash Management and FX services for praise: "SCB TW offers direct FX services as well as DVP trade linked FX service. This flexibility is very important for us to give our clients the best possible service in TW market."

### Thailand

Category	Standard Chartered Bank 2023	Market Average 2023	Market Average 2022	Difference
Account Management	6.09	6.09	5.74	0.35
Asset Safety and Risk Management	5.64	5.64	5.41	0.23
Asset Servicing	5.64	5.64	5.44	0.19
Cash Management and FX	5.60	5.60	5.50	0.10
Client Service	5.91	5.91	5.70	0.21
Data Services	5.38	5.38	5.35	0.03
Service Innovation	5.30	5.30	5.28	0.02
Liquidity Management	5.50	5.50	5.59	-0.09
Pricing	4.64	4.64	4.96	-0.33
Regulation and Compliance	5.45	5.45	5.33	0.12
Relationship Management	5.64	5.64	5.70	-0.07
Securities Lending	5.00	5.00	5.40	-0.40
Technology	5.22	5.22	5.32	-0.10
OVERALL AVERAGE	5.46	5.46	5.44	0.02

A s reported by our sister title The TRADE, The Stock Exchange of Thailand (SET) launched a new trading system mid-year, alongside market data distribution and market surveillance systems, based on Nasdaq technology.

The newly developed solution will support increasing transaction volumes and a range of investment products, while further enhancing the integrity of the market.

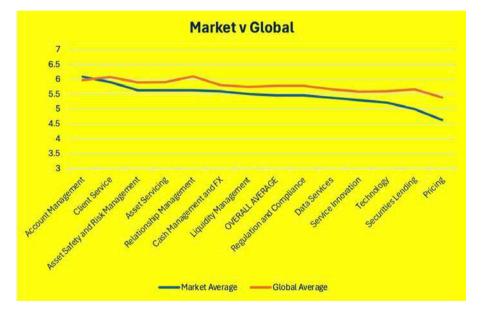
"The new system implementation is an upgrade of the core operating system that is the heart of the Thai capital market, making it more efficient and flexible, ready to support the development of the capital market in the future," said Pakorn Peetathawatchai, president of SET.

Although other service providers are active in the Thai market, clients of Standard Chartered Bank account for 100% of this year's response pool for Thailand.

#### **Standard Chartered**

Category scores for SCB in Thailand cover a widespread range from 6.09 for Relationship Management at the top end, up from 2022, to 4.64 for Pricing, down 32 basis points from last year. All other categories are comfortably in the Good range (5.00-5.99).

Client comments are overwhelmingly



positive. One European client highlights the bank's FX services owing to restrictions on Thai baht activity. "SCB gives us good options for FX on day-today trading settlement to do FX on a trade basis as well as order FX at the FX desk," it says.

Another points to the "good relationship between the account managers, customer services officers and their customer: They will proactively check/advise and find relevant information about their customer's enquiry."

Summing it up, one client says, "We are in very good hands with SCB in the Thai Market."

### Turkey

Category	BNP Paribas 2023	Deutsche Bank 2023	Market Average 2023	Market Average 2022	Difference
Account Management	6.40	6.00	6.14	6.05	0.09
Asset Safety and Risk Management	5.78	6.33	5.93	6.00	-0.07
Asset Servicing	6.22	6.00	6.06	6.17	-0.11
Cash Management and FX	5.90	6.25	5.83	6.11	-0.28
Client Service	6.60	6.14	6.23	6.25	-0.02
Data Services	5.75	5.67	5.57	5.76	-0.19
Service Innovation	5.75	5.67	5.57	5.88	-0.30
Liquidity Management	5.78	6.00	5.64	6.07	-0.42
Pricing	5.11	4.80	4.94	5.42	-0.48
Regulation and Compliance	5.63	6.00	5.67	5.94	-0.27
Relationship Management	6.80	6.29	6.48	6.30	0.18
Securities Lending	5.00	5.50	5.25	5.67	-0.42
Technology	5.57	5.75	5.54	5.94	-0.40
OVERALL AVERAGE	5.87	5.88	5.76	5.97	-0.21

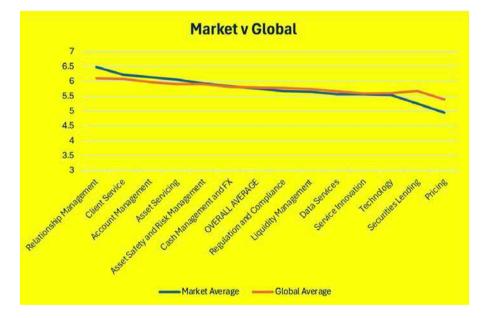
This has been a year, says one service provider, where the non-resident institutional investor base that has dominated the Turkish market for the last two decades has shrunk to 36% of free float at BIST Equities Market. In turn, local retail as well as institutional investors have filled the gap, carrying Borsa Istanbul to record growth.

#### **BNP** Paribas

TEB, BNP Paribas' subsidiary, aims to differentiate itself from its competitors with a wide range of post-trade services that are not limited to local custodial services for non-resident financial intermediaries. "Besides this flagship product, TEB also offers a very successful bundled local broker-tocustody product for listed derivatives and a growing set of fund services presented to local asset managers," says the bank.

As in 2022, BNP Paribas' scores in Turkey are a healthy mix of Good (5.00-5.99) and Very Good (6.00-6.99) and are particularly strong for Client Service, Relationship Management and Account Management.

"BNP (TEB) service is always very consistent, reliable and very friendly. Partner to grow with," comments one European custodian.



#### **Deutsche Bank**

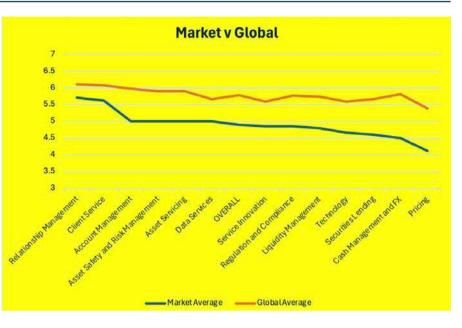
Over half of Deutsche Bank's category results are in the Very Good range with Pricing the only one below Good. "Account is run to a high standard on a BAU basis," says one UK respondent.

Deutsche Bank highlights its commitment to a maximum 24-hour turnaround for account enquiries. It notes that the CSD is working on a new platform for digital account opening for foreign investors and allocation of local tax-ID via their systems. "We assume this might impact certain flows on our end which might result in IT development," says the bank.

### **Czech Republic**

**N** ine responses were received for the Czech Republic, spread across four providers: CSOB, UniCredit, Raiffeisen Bank International and Erste Group Bank. A comparison with global averages can be seen in the accompanying graphs for the Czech Market as a whole as there is insufficient data to rate the banks individually.

"The local CSD (CDCP) established a link to T2S to enable settlement of CZ securities issued in EUR to settle in EUR in central bank money on a true DVP principle, as opposed to the previous commercial bank settlement, which required SD-1 EUR funding for settlement of securities purchases," CSOB explains. In addition, says the bank, "The CSD and the Czech National Bank (CNB) agreed on the possibility to settle and hold EUR denominated T-Bills issued by the CNB using the CSD (CDCP) accounts."

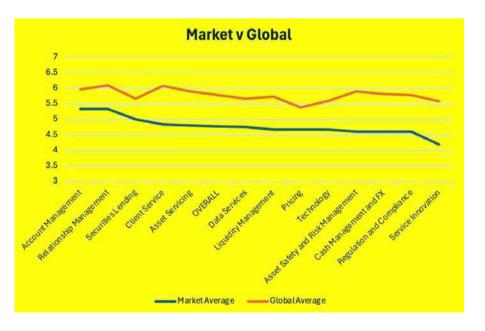


### Mexico

Mexico was not blessed with an abundance of responses this year. Those that there were went to three providers: Citi, Banco S3 and BNP Paribas. The accompanying graph is therefore indicative rather than the fruit of detailed analysis.

On that basis, the market has more or less repeated its 2022 performance in the eyes of more or less the same set of responding clients. Account Management and Relationship Management are regarded as broadly well handled, while other categories languish in the Satisfactory zone (4.00-4.99) – not low enough to cause any serious concern, nor standing out as examples to other emerging markets.

"Many issues this year," says one survey participant, though attributing them to systems rather than people and adding that problems have been solved.



### Pakistan

The distribution of ratings for Pakistan across Deutsche Bank, Standard Chartered and Citi leave them each shy of the requisite threshold for analysis. Collectively, however, they make a good impression, with the market exceeding the global average in almost two thirds of service categories.

In May, the Pakistan Stock Exchange (PSX) PSX officially launched a new trading and surveillance system in line with its objective to upgrade and enhance its technological capacity and functionality. The system is adapted from that in operation on the Shenzhen Stock Exchange (SZSE).

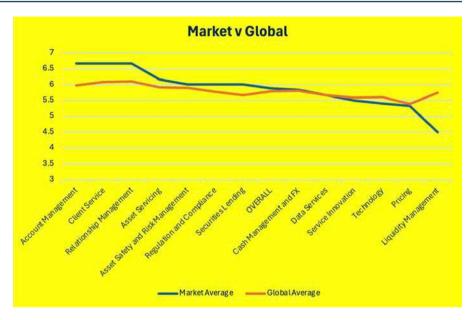
Like many emerging markets, however, sentiment can be volatile. In October, financial media were reporting that based on the rise of its main index, Pakistan was the world's second-best performing market. As we went to press, however, reports were coming through of a sudden bearish turn with words like "bloodbath" and "panic" appearing in the local financial press.

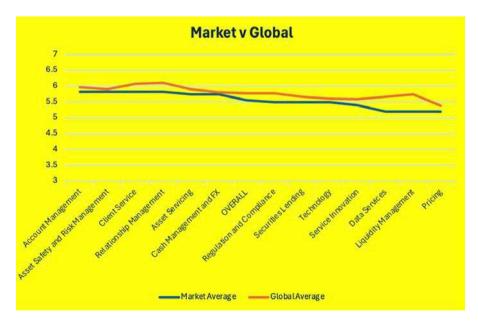
### UAE

O nly eight ratings were received for the UAE market this year, though three providers – First Abu Dhabi Bank, Standard Chartered Bank and HSBC – were represented in them. The market as a whole once again recorded an overall average in the mid-fives. It comes closebut does not quite touch the global average in three service areas: Asset Safety and Risk Management, Cash Management and FX, and Technology.

In October, the Abu Dhabi Stock Exchange (ADX) signed a memorandum of understanding with the New York Stock Exchange to collaborate on a number of key business activities, including the dual listing of companies on both exchanges.

The ADX and NYSE will also explore opportunities to develop ETFs and data and index products, as well as collaborate on sustainability-related initiatives. The agreement followed the announce-





ment that ADX had selected the ICE Global Network to offer global institutional investors direct access to ADX market data and order entry.

### Citi

A lthough not reaching the threshold in any individual market, Citi garnered 26 responses across several different markets.

As the graph indicates, the bank appears to follow the global scoring pattern with Relationship Management and Client Service at the top end and Pricing at the bottom end of their scores. All categories have improved their results over the past year with the exception of the latter.

"We are happy with the service received and do not expect to change custodian," says one large client using Citi in more than one market.

As Global Custodian reported in late November, Citi has a new look securities services leadership line-up following the initiation of its organisation-wide restructure, with new heads of custody and fund services.

In Q3, Citi posted a 16% increase in



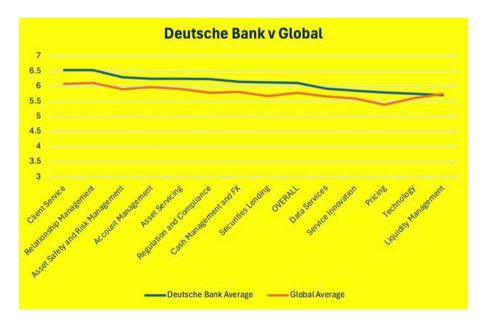
year-on-year securities services revenues, its fourth consecutive quarter of over \$1 billion income.

### Deutsche Bank

While Deutsche Bank did reach the assessment threshold in several markets, it was under-represented in others. The bank as a whole has nevertheless recorded a solid set of results in aggregate, outperforming the global average.

In the markets where it was rated, over 68% of individual scores for Relationship Management and Client Service were at the highest possible level (7.00). Referring specifically to Deutsche Bank, one Singapore based client comments: "It is a good annual exercise to rate the custodians, as otherwise the institutions in the market will never be aware of the excellent work done by the custodians. This feedback should reach more people in the industry."

In an individual market development, Deutsche Bank has formed a partnership with CIMB Islamic Bank (CIMB Islamic) that will allow it to provide Shariah-compliant custody to clients in Malaysia and complement its existing Shariah custody business in the region.



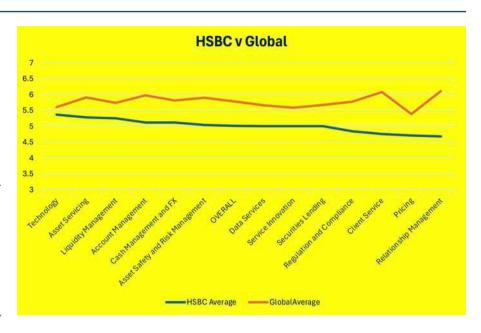
### HSBC

H SBC has received 26 responses across a range of markets in APAC and the Middle East. In November, in an interesting interplay between these two regional strengths, HSBC was appointed by CSOP Asset Management as servicer for its Asian ETF tracker of the performance of Saudi Arabian equities.

Launched on HKEX, the ETF enables investors in Hong Kong traded products to invest in a broad basket of Saudi Arabian equities listed on the Saudi Exchange.

Through the agreement, HSBC will act as trustee, fund custodian, fund administrator, participant dealer, FX provider and execution broker in the listing of the fund.

The bank's aggregate category scoring pattern in the ABEM survey somewhat bucks the global pattern with Technology among its highest scoring categories and Relationship Management at the lower end.



In October, HSBC reported a positive set of quarterly results from its securities

services unit, with revenues up 17.5% year-on-year.

### **ICSDs** (correction)

The attached is not an attempt to radically redefine what constitutes an emerging market. Rather it is to correct an error in the presentation of certain specific data in our Agent Banks in Major Markets Survey.

To be precise, in our special Sibos edition, we published a sneak preview of the ABMM results, some of which were subsequently updated prior to the publication of our regular Fall edition. However, the three-year trend analysis graph for ICSDs did not draw on the updated 2023 figures, leaving Euroclear in particular looking less impressive than it was. Here is the graph restated, using the correct figures from the same edition.

