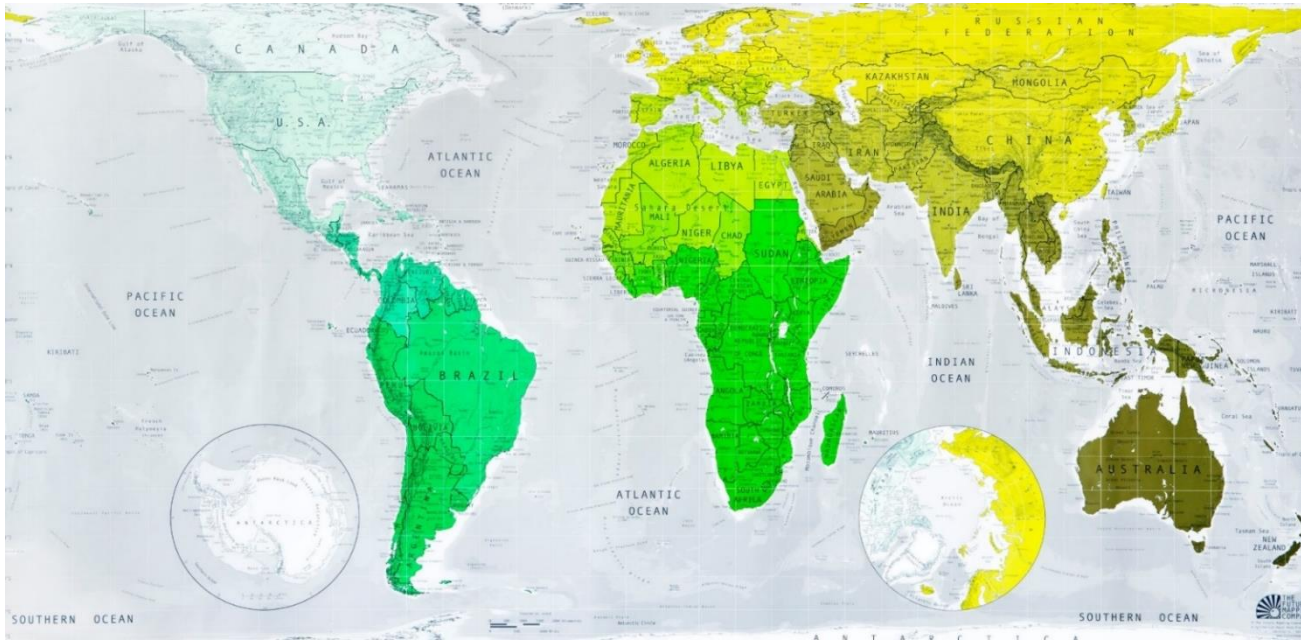


Infrastructure for Access of Foreign Investors to the CIS Bond Market

XV CIS and Baltic States Bond Congress
31 May 2018, Astana

Maria Nikulina
RM Russia, CIS & CEE

Clearstream's Global Presence



- ✓ AA Credit-rated institution
- ✓ Access to 56 markets worldwide
- ✓ Supported by 11 regional offices
- ✓ More than 2,500 customers in 110 countries
- ✓ 46 settlement currencies
- ✓ EUR 13 trillion in Assets under Custody

Single point of access to 56 domestic markets worldwide



+ International market

35 markets in Europe

Armenia	Latvia
Austria	Lithuania
Belgium	Luxembourg
Bulgaria	Malta
Croatia	Netherlands
Cyprus	Norway
Czech Republic	Poland
Denmark	Portugal
Estonia	Romania
Finland	Russia
France	Slovakia
Georgia	Slovenia
Germany	Spain
Greece	Sweden
Hungary	Switzerland
Iceland	Turkey
Ireland	United Kingdom
Italy	

21 markets worldwide

Argentina	Mexico
Australia	New Zealand
Brazil	Philippines
Canada	Singapore
China	South Africa
Dubai	South Korea
Hong Kong	Taiwan
Indonesia	Thailand
Israel	Uruguay
Japan	USA
Malaysia	

Accessing Emerging and Frontier Markets

Learning from Russian implementation

What Clearstream did in Russia

- ✓ Foreign Nominee account structure
- ✓ With direct access to NSD
- ✓ Deep RUB liquidity via a strong Agent
- ✓ Full settlement DvP and FoP
- ✓ In RUB and in USD (account located in the U.S.)
- ✓ All Asset Classes available (except Funds)
- ✓ All Asset Servicing i.e. Income, CA, Tax, Proxy...
- ✓ OFZ Bridge eligible
- ✓ CBL stakeholder of NSD, providing a view on market development



Accessing Emerging and Frontier Markets

AGIL „Accelerated and Gradual Implementation of Link“

Internal proposal

- ✓ Appropriate response for new markets
- ✓ Business case driven by client attraction
- ✓ Lower cost market IT implementation
- ✓ Vanilla government bonds
- ✓ Free of Payment to start with
- ✓ STP operations for customers
- ✓ Accelerated time to CBL implementation
- ✓ Expenses that scale as volume develops



External proposal

- ✓ Meeting Central Bank
- ✓ Influence market reform
- ✓ Impose Nominee concept
- ✓ Simplify Tax Regime for Foreign entities
- ✓ Focus on Government Bonds
- ✓ Accelerated time to market if conditions met
- ✓ Clearstream 'first mover' advantage



„One Belt, One Road“ and our current AGIL link strategy

Ukraine

- Further details summer 2018

Kazakhstan

- Link launch scheduled Q2 2018
- Kazakh Tenge (KZT) denominated govies

Rotterdam

Moscow

Venice

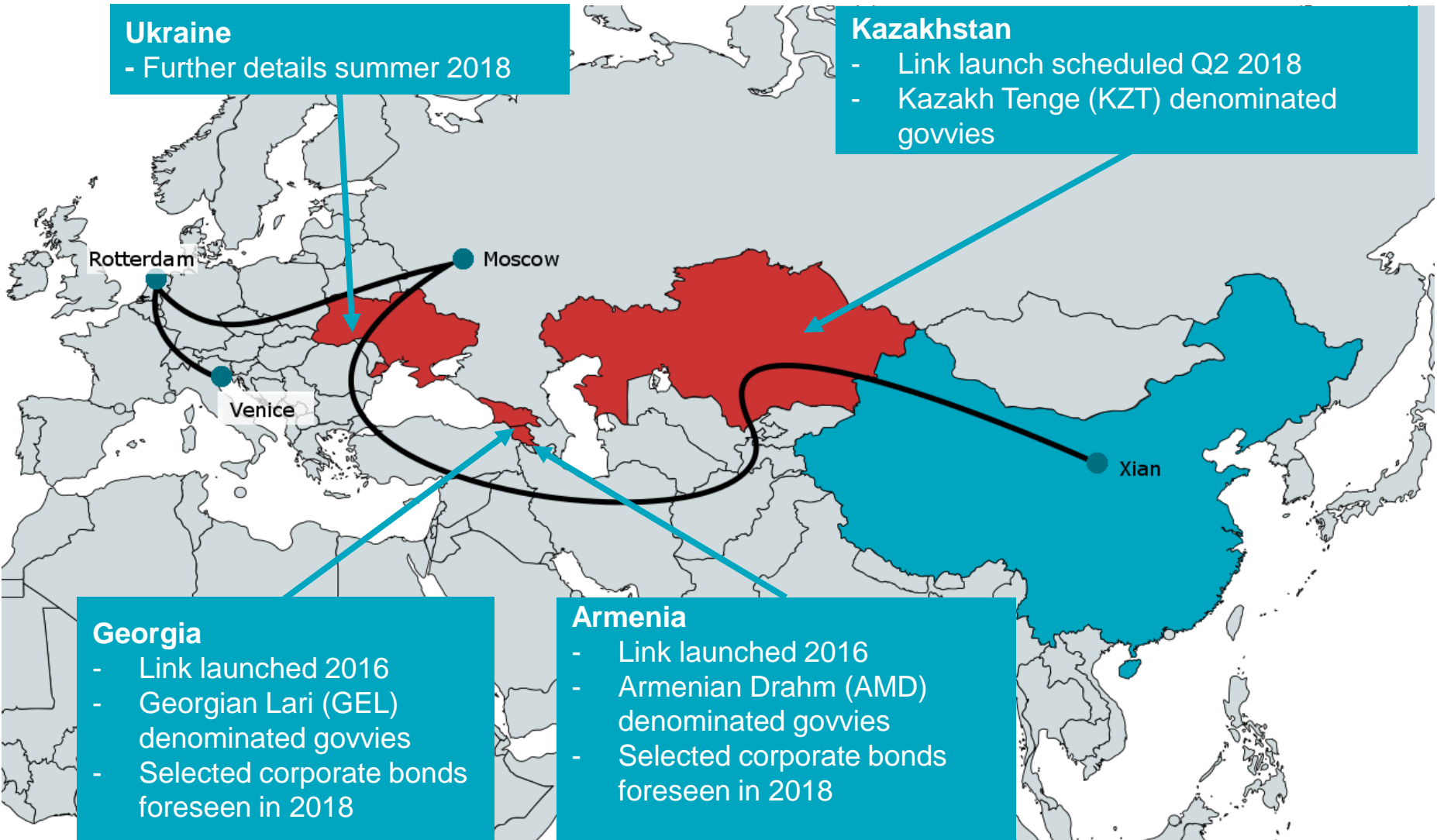
Xian

Georgia

- Link launched 2016
- Georgian Lari (GEL) denominated govies
- Selected corporate bonds foreseen in 2018

Armenia

- Link launched 2016
- Armenian Dram (AMD) denominated govies
- Selected corporate bonds foreseen in 2018



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GROUP