INFORMATION SUPPORT FOR SPECIALIZED DEPOSITORY ACTIVITY
SPECIALIZED DEPOSITORY FUNCTIONS IN RUSSIA
SPECIALIZED DEPOSITORY FUNCTIONS IN RUSSIA

Custody

Safekeeping of property

Accounting for asset transactions

Monitoring and coordinating transactions for disposal of property

Calculation of net asset value (NAV)

Keeping a register of investment fund units holders

Compilation of mandatory and optional reporting
Mutual and joint-stock investment funds

Private pension funds

The Pension Fund of Russia

Mortgage management companies

2010 State Corporations

2015 Insurance companies

2004 Russian military mortgage (Rosvoenipoteka, RVI)

2007 Self-regulating organizations

2000 Private pension funds (Pension reserves)

1995

Mutual and joint-stock investment funds

Private pension funds (pension savings)

The Pension Fund of Russia (pension savings)

Mortgage management companies (Control of the mortgage property disposal)
SPECIALIZED DEPOSITORY IN RUSSIA – “A FACTORY FOR INFORMATION PROCESSING”
WHAT INFORMATION DOES THE SPECIALIZED DEPOSITORY NEED?

SECURITIES ISSUERS
- Information about issuers, including foreign ones:
  - any information from issuers, including:
    - identification of subsidiaries and dominant companies
    - changes in the legal form
    - changes in the composition of affiliated persons
    - admitted defaults
  - Issuance documents, parameters, methods of accrual of coupon income for securities, including foreign ones

FINANCIAL INFORMATION
- Daily composition and structure, value of units (including foreign ETF), as part of assets
- Own funds of brokers
- Monthly changes in financial indicators and events for credit institutions meeting regulatory requirements
- Estimated values, information on dividends, information from issuers included in client’s portfolio for investment of pension savings, funds of RVI

MONEY INTELLIGENCE
- Daily results of exchange trades
- News and daily changes in financial market indicators
- Listing on authorized exchanges of foreign securities
- Quotations, trading volumes from 66 foreign exchanges, at the request of dealers, data to determine the liquidity of foreign securities

OTHER INFORMATION
- Changes in the credit ratings of banks, issuers, issues of securities
- The entry into force of changes in the pension investment funds’ rules, licenses, other mandatory information of the regulator
- Information on the bankruptcy of credit institutions and issuers
- Excerpts from the Unified State Register of Real Estate in respect of real estate facilities to monitor any changes in restrictions on the title to and encumbrances of a property
Sources of Information for a Specialized Depository

Information Monitoring:
- Over 1,500 issuers, including foreign ones
- Over 3,000 records in the directory of the subsidiaries/affiliates
- Over 1,000 audits of changes in the composition of affiliated persons per month
- Over 50 websites of asset management companies
- Over 25 broker websites
- Over 30 credit institution websites
- Website of the Russian trade organizers and the National Settlement Depository (Non-Profit Organization NSD, JSC)
- 5+ websites of information agencies (including such information systems as BLOOMBERG, SPARK, Cbonds)

Legal Monitoring
- Over 700 laws, legal acts, and information letters

Incoming Documents Processing
- Over 1,300,000 incoming documents per year
- 160 procedures for processing structured documents
319 employees in total

201 certified experts in the financial market

51 employees engaged directly in the information support business processes

$1 mln annual wage fund

$2 mln total costs for maintenance and servicing of information systems

196 have 6.0 series certificates
178 have 4.0 series certificates
59 have 3.0 series certificates
JOINT INFORMATION CENTERS
IN RUSSIA
Center for Corporate Information

NSD

Objectives:
- Infrastructure development
- Increase in investment attractiveness and transparency of the Russian financial market

Information:
- Issuer’s information related to the implementation of the title to securities

(if a personal account of the Central Depository’s nominal holder is opened for the issuer, or if the Central Depository is the person performing the mandatory centralized custody of securities)

NSD + INTERFAX

Objective:
- Creating a single source of reference and price information for all financial instruments traded in the Russian capital market, including issues of foreign issuers

Information:
- Data confirmed by the accounting system
- Information from issuers and registrars passing through the CCI
- Operational information coming directly from issuers from SPARK
There is no official source accumulating legal information about the participants in the securities market, the collective investment market (brokers, management companies, dealers).

Information is scattered over various information sources (not always legal).

Part of the information is not available in the public domain.

The Bank of Russia has/can have structured information about its supervised organizations, which is necessary for market players to make investment decisions and to carry out the control procedure.

Providing for the Bank of Russia to grant access to the required information about its supervised organizations, including financial statements, information of joining financial and industrial groups, ratings, etc. for subsequent use and automatic processing of information.

Increased market transparency

Minimizing the costs of market participants
Developing financial technology, technological revolution:
- Support to financial technology at level of the Central Bank of Russia
- Prevention of cybercrimes in the financial sphere
- Financial institutions are increasingly becoming similar to technology companies
- Regulating technology: new approaches to the regulation and supervision for adequate risk management by financial institutions

Creating the national financial technology infrastructure:
- Remote identification for the provision of financial and public services
- Creating an instant retail payment platform, for the consumer to be able to easily make payments and transfers, regardless of where he or she has an account
- Creating marketplaces for offering individuals financial products and services and assisting them in choosing profitable and safe products
- Developing the national payment system, a fundamentally new quality of payment infrastructure for the country
Information not only on Russia, but also on the AECSD

Possibility to distribute information among the customers

One-stop information service for foreign investors, infrastructure organizations within AECSD

PROSPECTS FOR USE
“FACTORY FOR INFORMATION PROCESSING”
The PARTAD National Rating of Specialized Depositories, according to the results of 2016

1st place

- $52.9 bln amount of controlled assets
- 22% market share in term of the number of mutual investment funds

AAA

The PARTAD National Depositaries Reliability Rating

- $28.2 bln amount of assets in custody
- 23% market share in term of the number of private pension funds

ruAA

The Expert RA Depository Reliability Rating

- 588 pcs. number of controlled investment portfolios
- 30% market share in term of the number of insurance companies
THANK YOU FOR YOUR ATTENTION!