

# Global fund distribution trends: responding to the pension challenge

**XV International Conference of the Association of  
Eurasian Central Securities Depositories**

**29 September 2018  
Tashkent**



# Agenda

- Terminology used in the International Investment Fund Industry
- International Statistics
- What's important for you and how can Clearstream help you?

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# Terminology used in the International Investment Fund Industry

**Mutual Funds**

**Fund Passporting**

**Open Architecture**

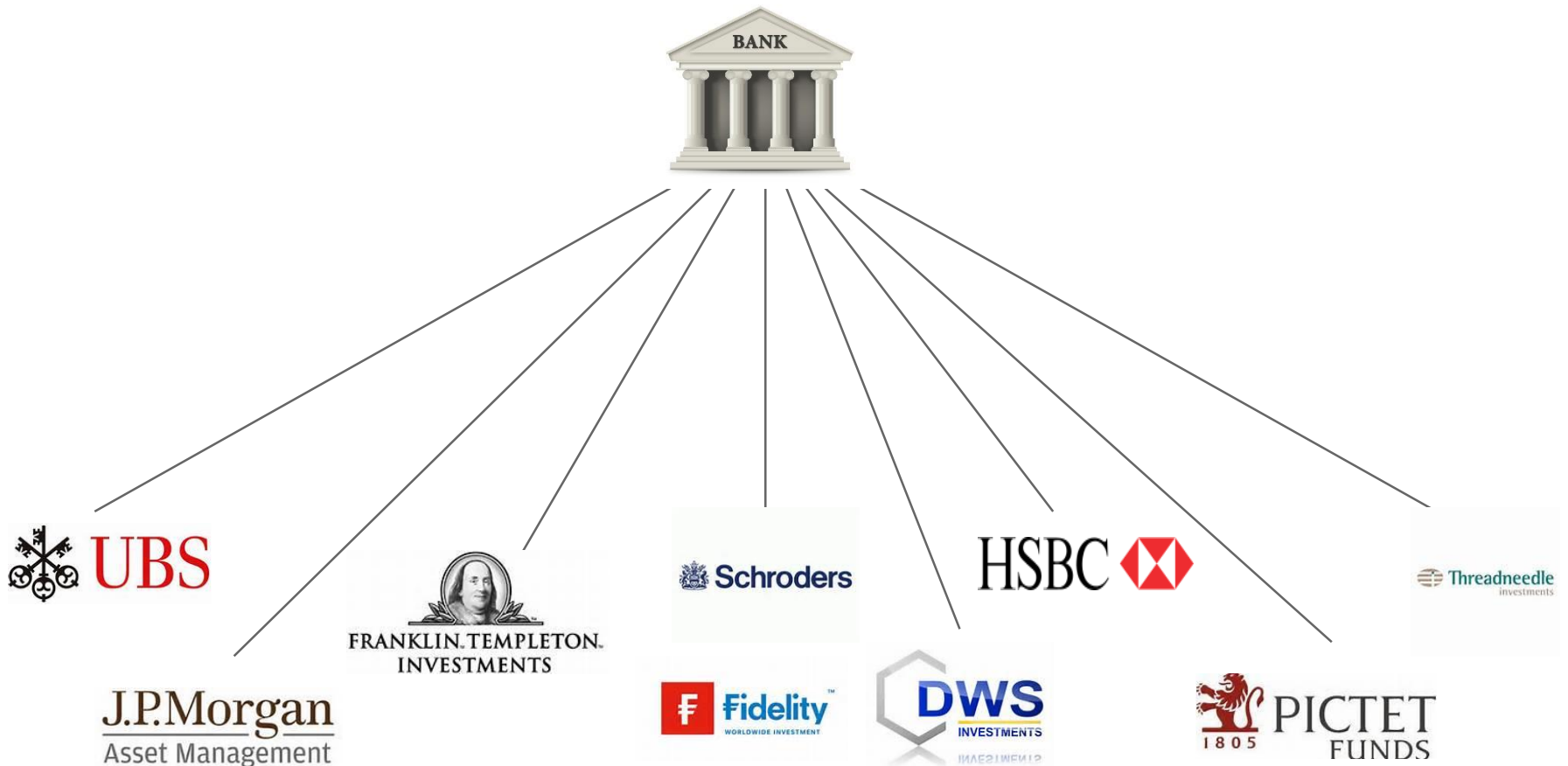
**Cross-Border Distribution**

# The Investment Funds World - Mutual Funds: UCITS, Fund Passporting

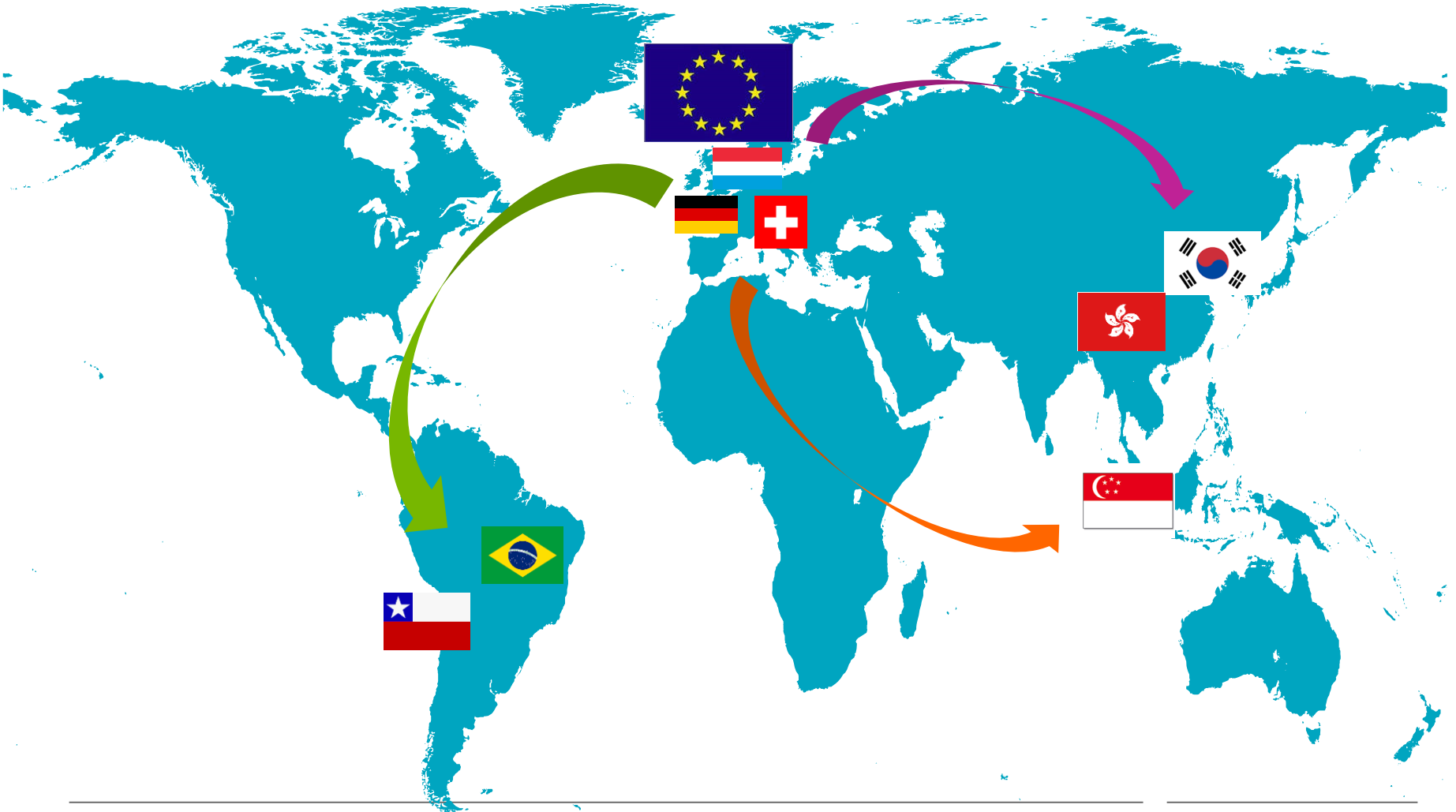


Source PWC analysis, March 2018

# The Investment Funds World - The “Open Architecture”



# The Investment Funds World - Cross-Border Distribution

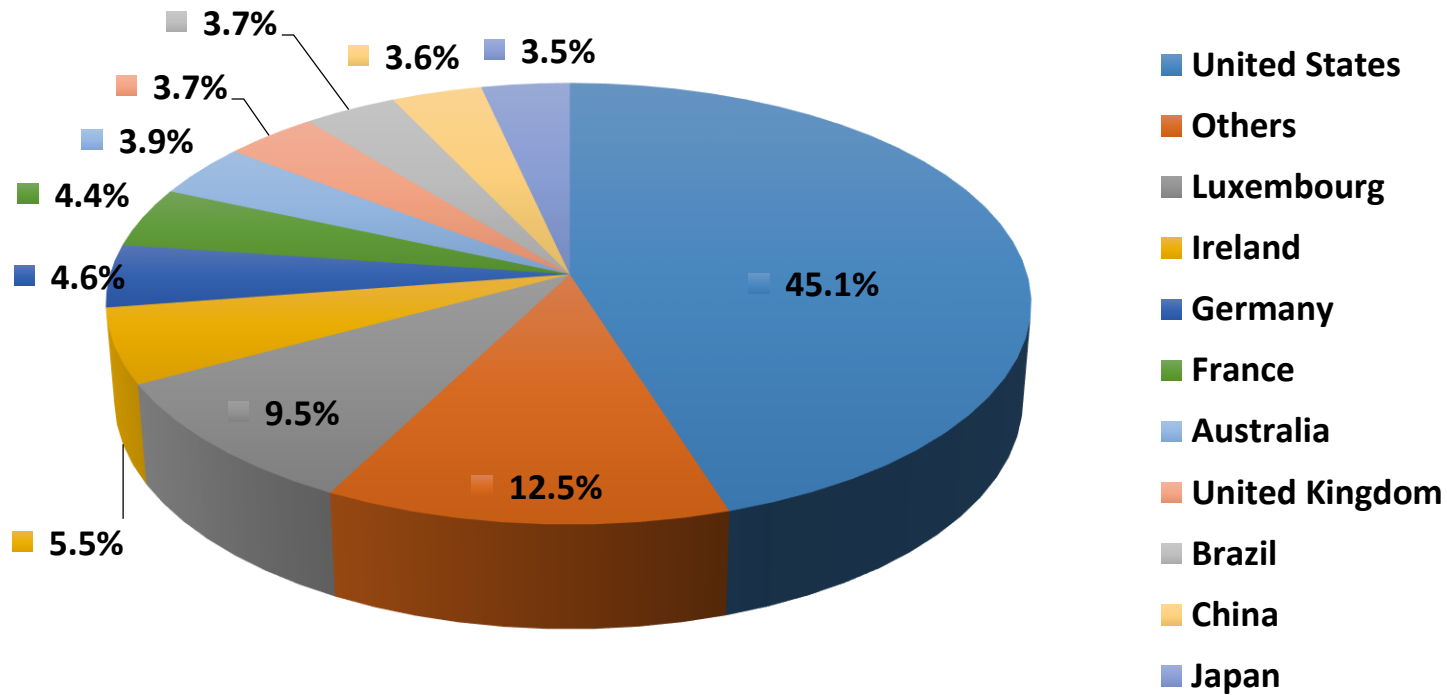


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# Top 10 Domiciles of worldwide Investment Fund Assets

(Market share at end Q1 2018)

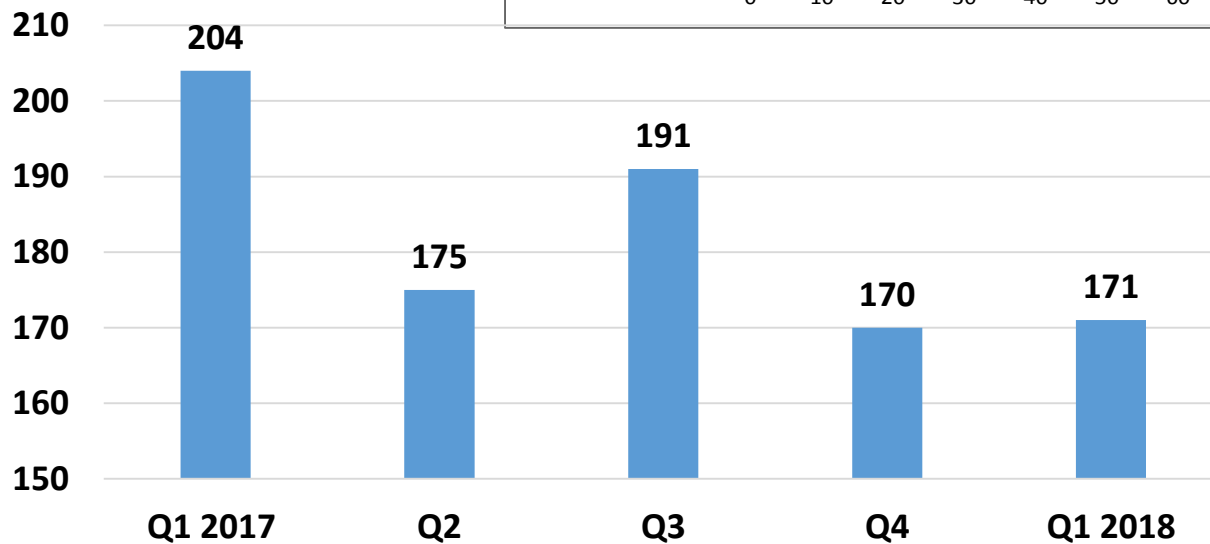
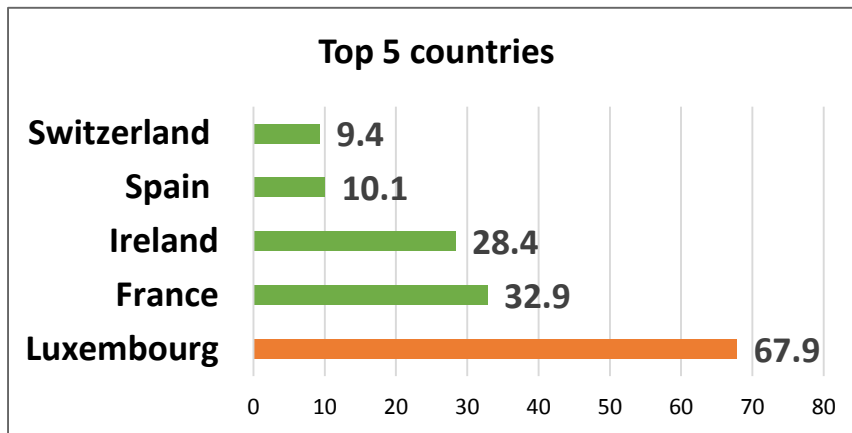


Source EFAMA Statistics



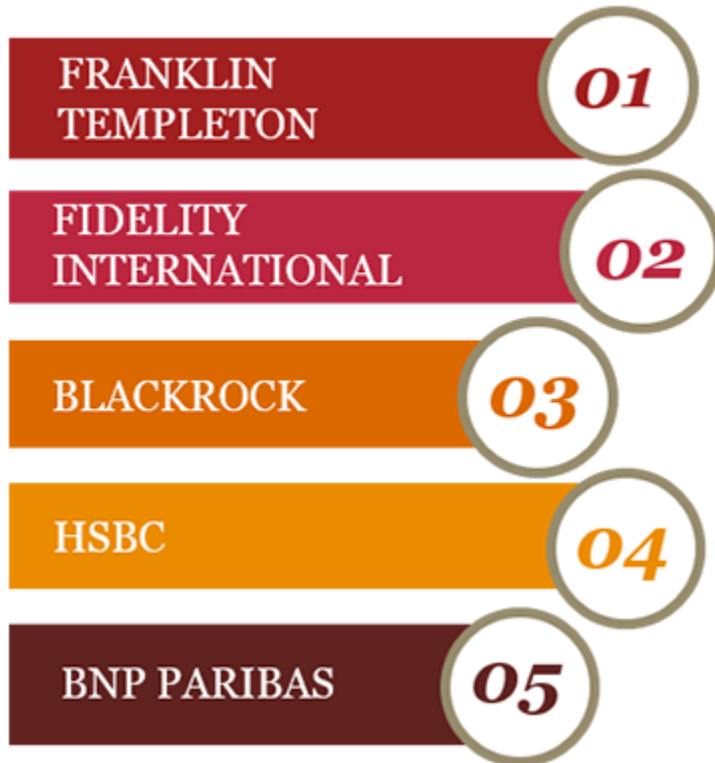
# Net Sales of UCITS

(EUR billions)



Source EFAMA Statistics

# Top 5 cross-border management groups



Source PWC analysis, March 2018

## Top Distribution Markets

Europe

Germany

Asia Pacific

South Korea

Middle East

United Arab  
Emirates

America

Curacao

Africa

South Africa

Source PWC analysis, March 2018

# Why the Fund Industry Chooses Luxembourg?

It has a unique concentration of investment fund experts specialised in all aspects of product development, administration and distribution.

Luxembourg's legal and regulatory framework for investment funds is state-of-the-art, and recognised as such by the global asset management community.

It has a stable political and social environment and a AAA economy.

It leads the way in investor protection and has a highly experienced and responsive regulator.

Luxembourg is endowed with an international and multilingual workforce. English is the language of the financial sector, and French, German and other European languages are also spoken.

It has established a competitive framework for UCITS (Undertakings for Collective Investment in Transferable Securities), funds "passport" within the EU, as well as for non-UCITS or alternative investment funds.

It is a founding member of the European Union and is situated at the heart of Europe, with more than 500 million European consumers on its doorstep.



Its fund lawyers, audit firms and tax advisors are highly experienced in cross-border registrations of both UCITS and non-UCITS funds, facilitating fund distribution around the globe.

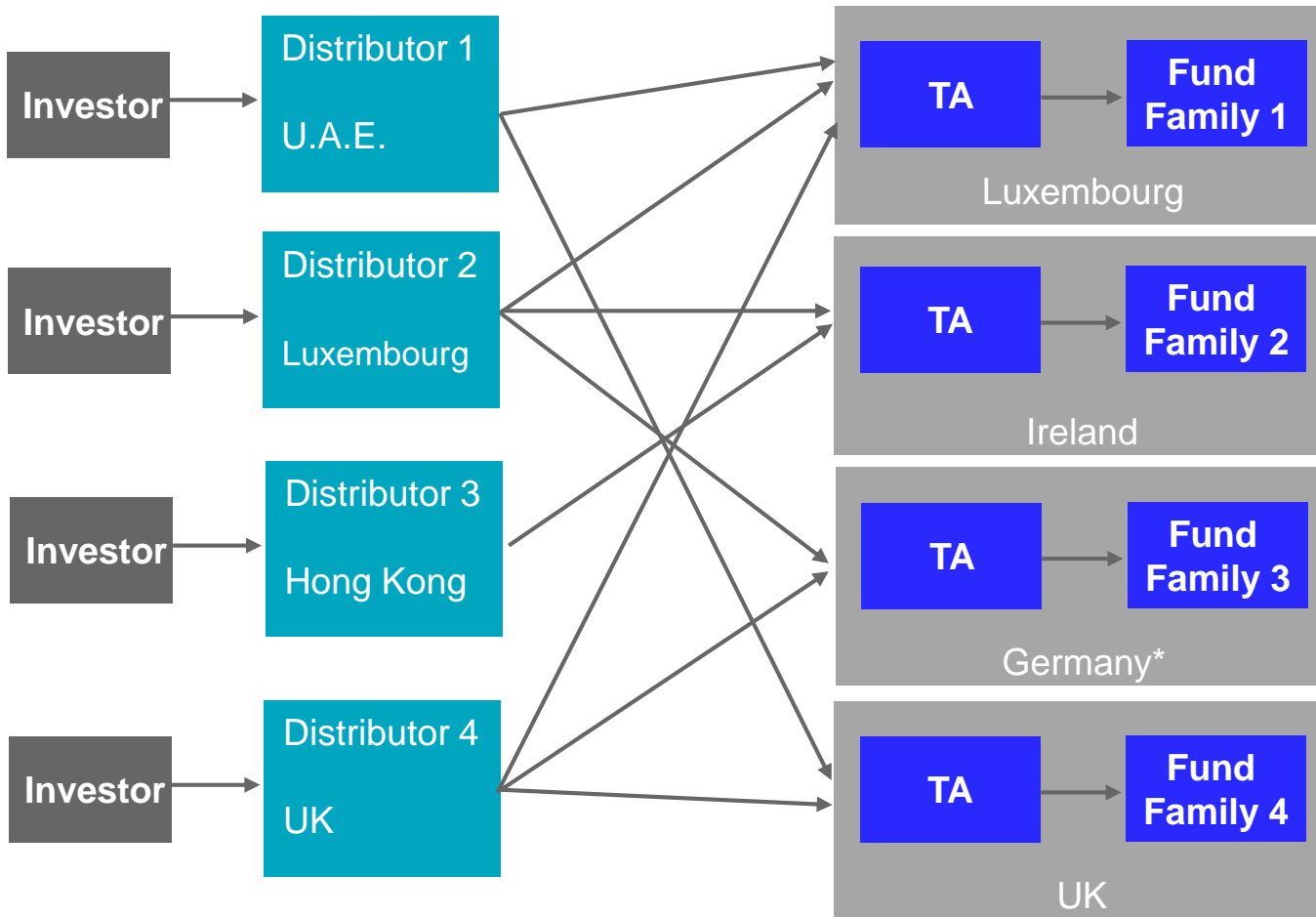
Luxembourg is the largest European fund domicile and the second largest fund centre in the world after the US, with about EUR 3,943 billion in assets under management.

Its laws provide for so-called umbrella funds, which have several compartments under a single legal structure, and each compartment can invest in a different asset class.

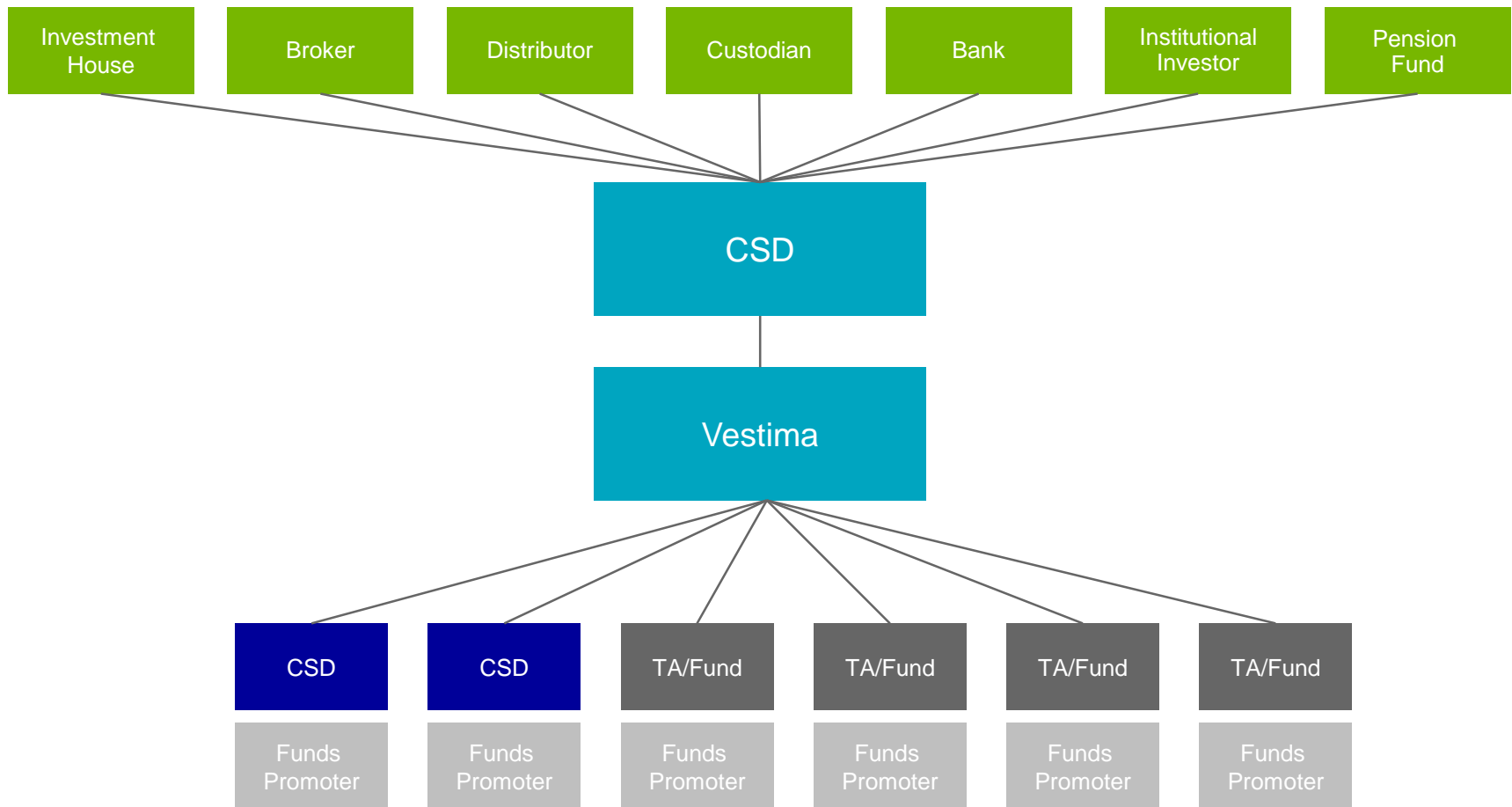
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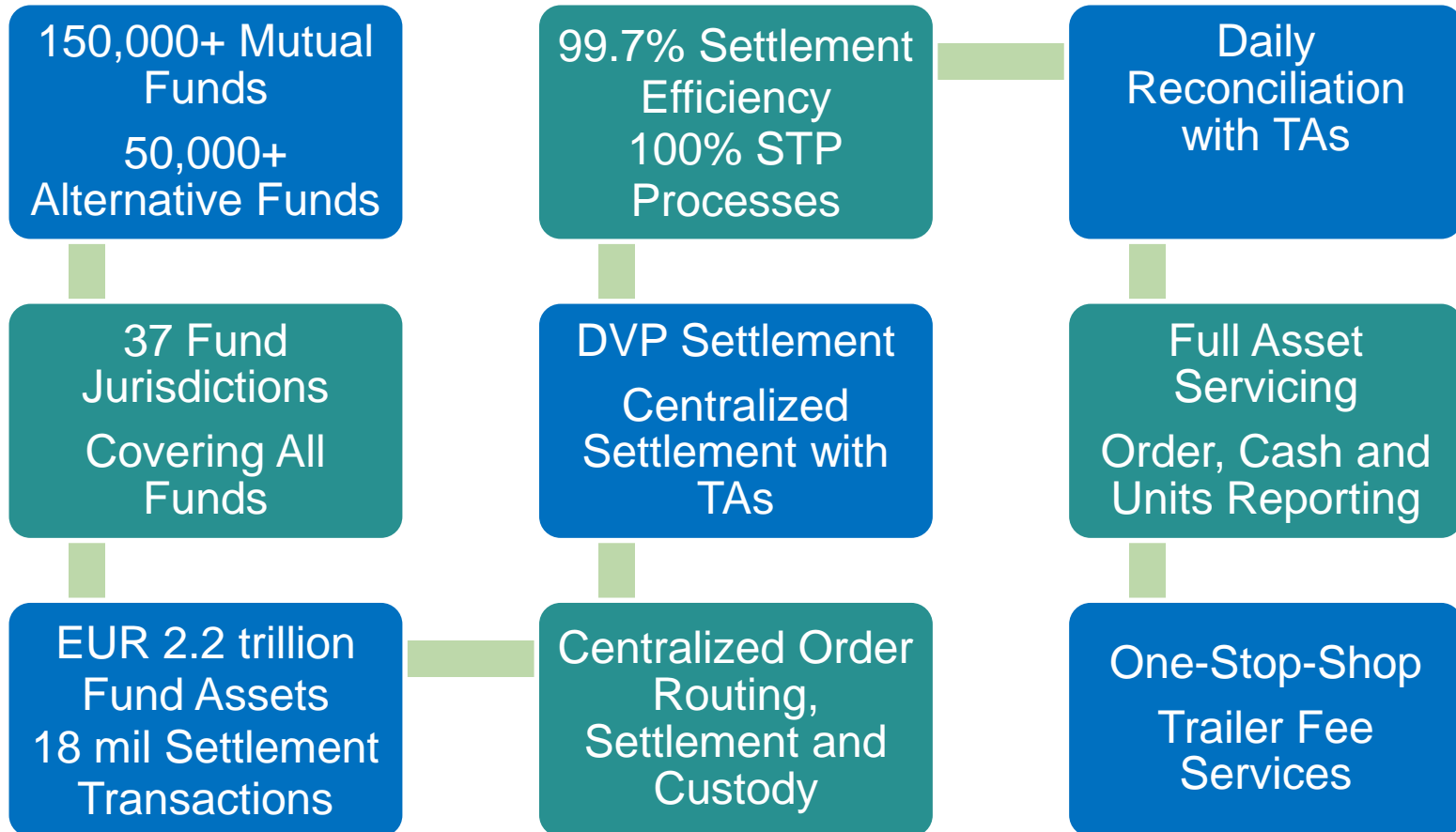
# The Traditional Investment Funds Processing Industry (High Level)



# Vestima – Clearstream – Your partner



# Clearstream's Investment Funds Services





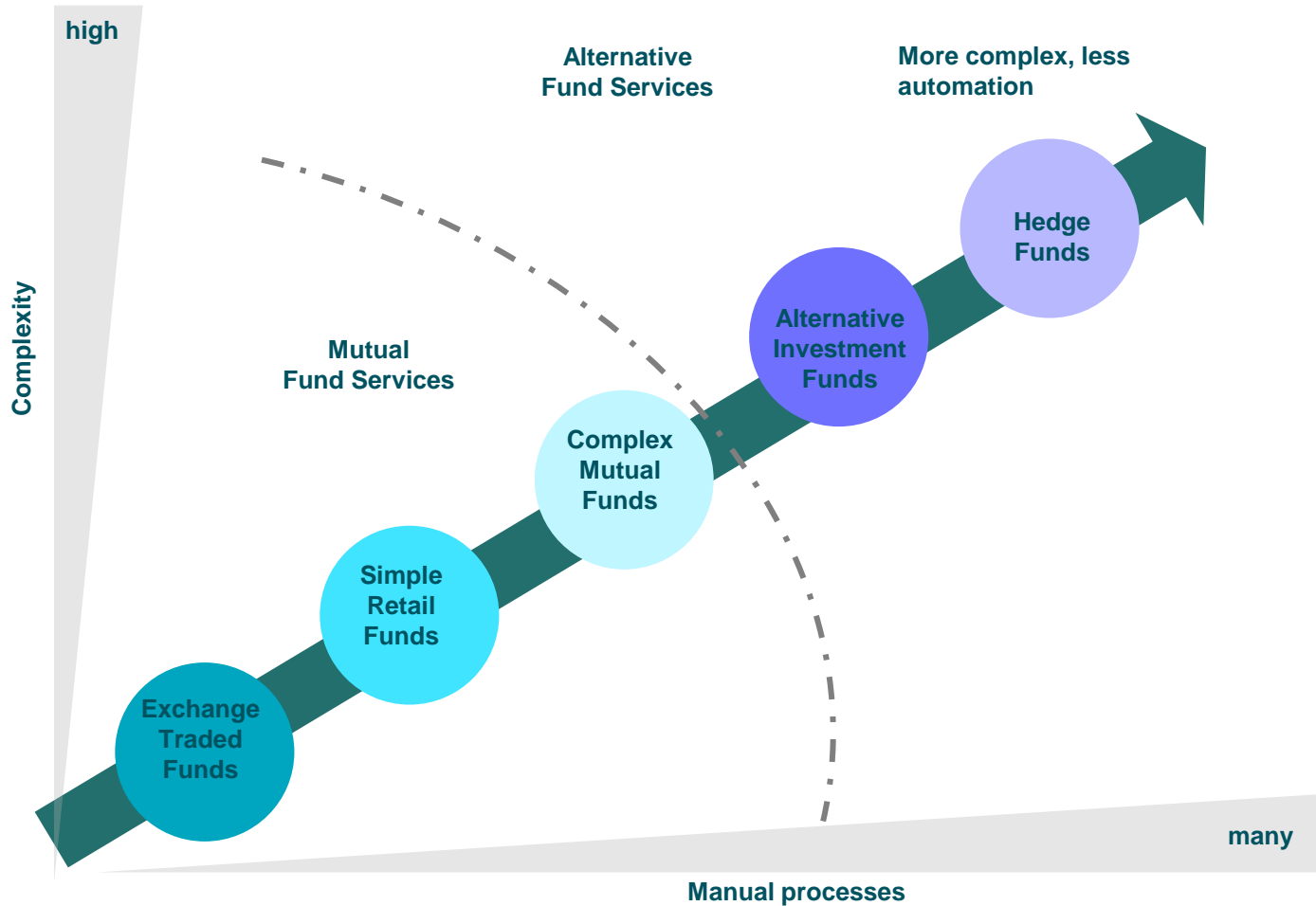
# Fund markets covered

Market	
Americas	
Bahamas	1
Bermuda	1
British Virgin Islands	1
Canada	2
Cayman Islands	1
Curaçao	1
United States of America	3
Asia Pacific	
Australia	1, 2
China	5
Hong Kong	1, 2
Japan	4
Malaysia	4
New Zealand	4
Singapore	1, 4
Thailand	4

Market	
Europe	
Austria	3
Belgium	1, 3
Bulgaria	2
Czech Republic	2'
Denmark	3
Estonia	3
France	1, 3
Germany	3
Gibraltar	1
Greece	4
Guernsey	1, 2
Ireland	1, 2
Isle of Man	1, 2
Italy	4'
Jersey	1, 2
Liechtenstein	3
Lithuania	3
Luxembourg	1, 3
Malta	1
Netherlands	1, 3

Market	
Europe	
Norway	1, 4
Poland	4
Portugal	3
Spain	4
Sweden	1, 4
Switzerland	3
Turkey	2
United Kingdom	1, 2
Middle East & Africa	
Mauritius	1
South Africa	1
Legend	
1	Register
2	CSD eligible closed-ended funds and ETFs only (Settlement and Custody only)
2'	CSD eligible open-ended funds and ETFs only
3	CSD or domestic link eligible funds only
4	ETFs only (Settlement and Custody only)
4'	Foreign ETFs only (Settlement and Custody only)
5	Mutually recognised China domiciled funds only

# Clearstream's Fund Offering - One-Stop Shop for Funds



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