



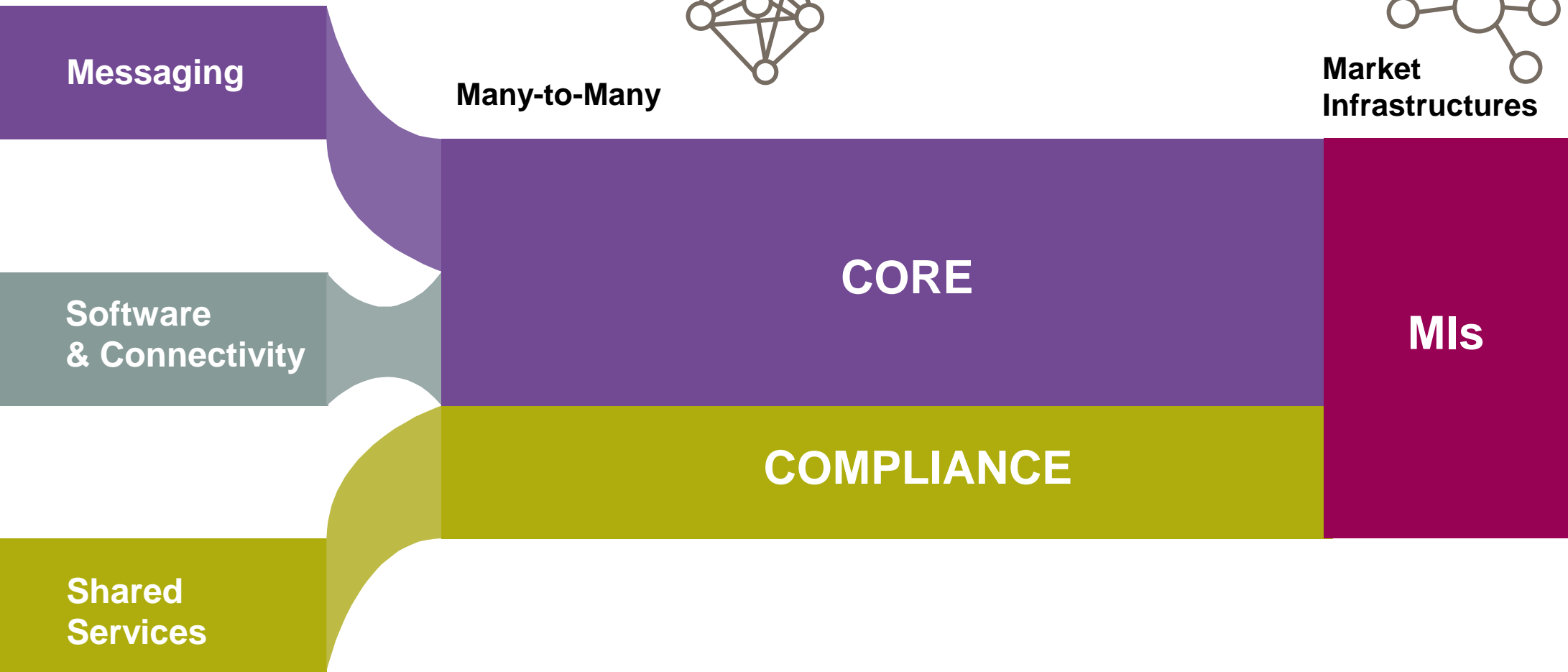
Asia-Pacific Securities Market Infrastructures update

Alexandre Kech

Head of Securities Markets, APAC @ SWIFT

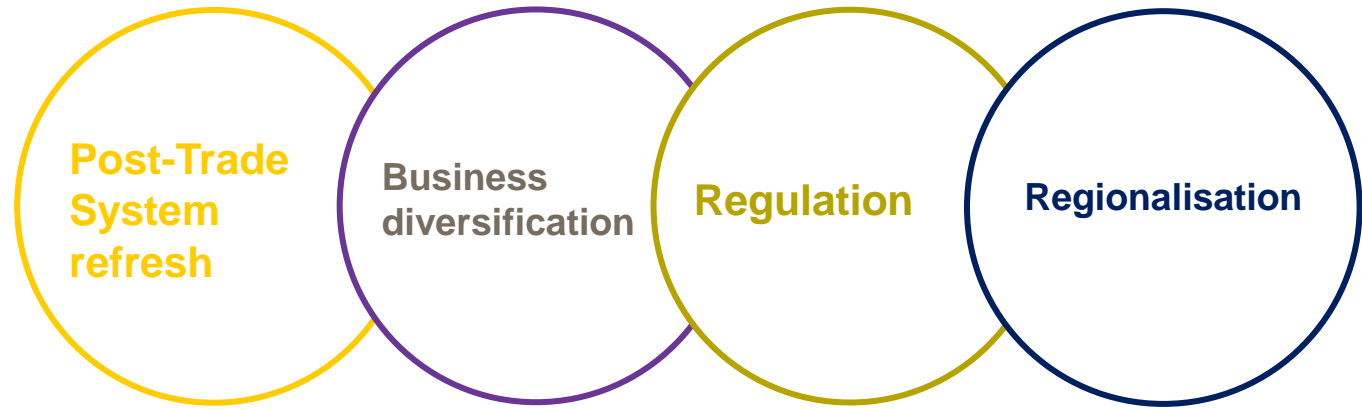
October 2015

SWIFT 2020 – Strategic priorities



Securities Market Infrastructures

Scaling up



Aging technology
New technology
Regional vision
ISO 20022

CA golden copy
Funds hub
Collateral mgmt
Off-shore CNY

CPMI-IOSCO
T+2
Regulatory
reporting

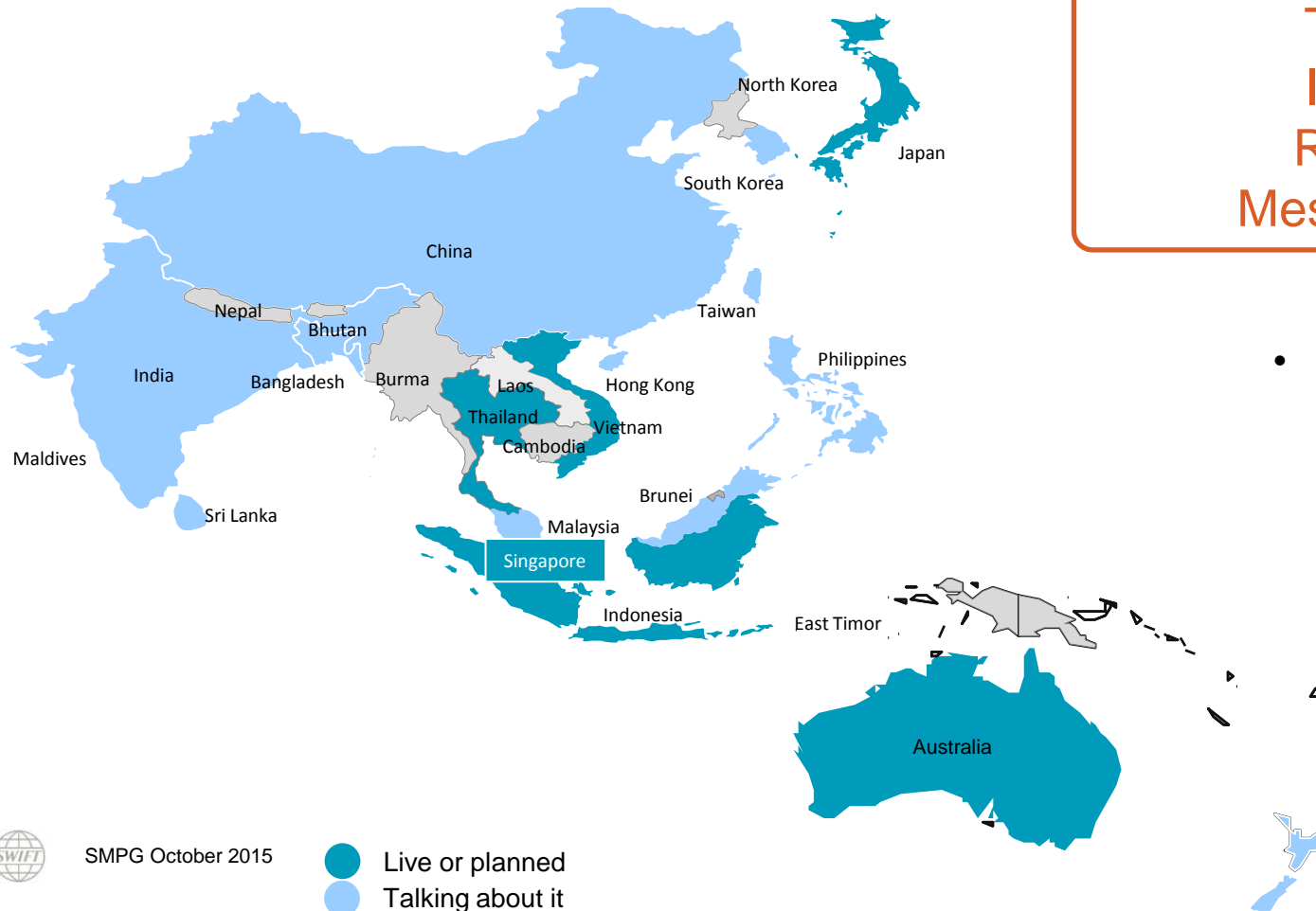
AEC
ABMF, APFF, CSIF
ISO 20022 adoption
MP harmonisation



**Domestic projects fed by regional initiatives
and vice versa**

Renewing Technology

Clearing and Settlement Projects



Technology refresh
Internationalisation
Regional integration
Message standardisation

- SWIFT VAP:
 - ✓ SWIFT C&S automation track record
 - ✓ ISO standards knowledge
 - ✓ Past regional and global work
 - ✓ Reach

Business Diversification & Value Added Services

Corporate Actions

Challenges

- **Mis-interpretation** of issuer's announcements
- **Manual** scrubbing: laborious & error-prone
- **Missing** out CA announcements & deadlines

Trend

- **Address community demands** for higher quality of information
- **Issuer involvement**
- **Standardised ISO** templates per event
- **Automated dissemination**
- **New revenue** for SMIs

Golden Copy

Collateral

Challenges

- **Funding & liquidity** demands continuously increasing
- **Streamlining operations** to increase securities availability
- **Account segregation**
- **Regulation**

Trend

- **Address domestic demand** for better CM
- **Clearstream/Euroclear** partnerships
- **ISO standardisation**

Investment Funds

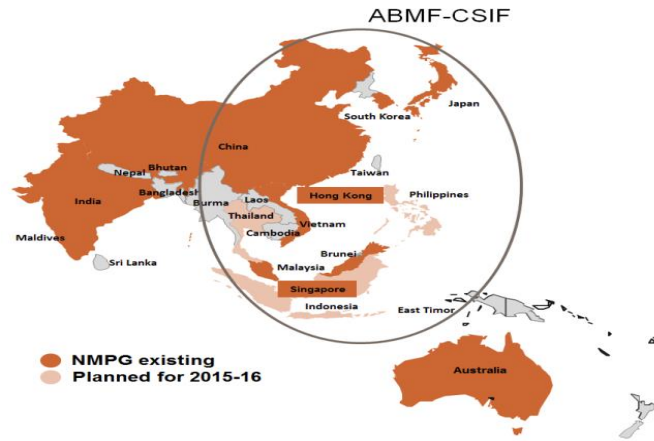
Challenges

- Emergence of **regional funds passporting** schemes
- **Streamlining operations** to address manual point-to-point process, poor service levels
- **Regulatory** pressure causing scale issue (beneficial account)

Trend

- **Address domestic demand** for better Funds processing
- Creation of new **domestic Funds Hubs** (ID)
- Linkages of **domestic Funds Hubs** (HK-CN)
- **ISO standardisation**
- **Asian Funds Standardisation Forum**
- **Clearstream/Euroclear** partnerships for cross-border

Regionalisation and internationalisation



ASEAN + 3 Bond Market Forum

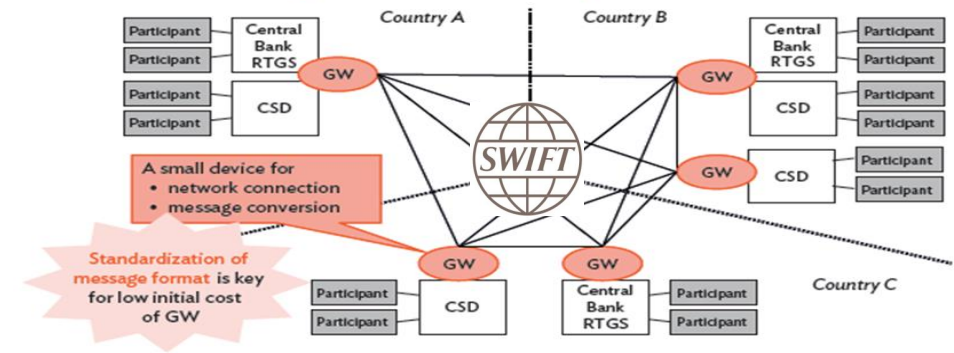
- Phase 3 focusing on implementation of SF1 & concluding SF2 work
- Market guide updates
- Country visits
- NMPG build-up

Cross-Border Settlement Infrastructure Forum (CSIF)

- CSD-RTGS linkage model
- Standardisation and harmonisation of flows and data
- ISO 20022



Figure 7. CSD-RTGS Gateway Function



Transformation projects: around ISO

Involved in all major APAC SMI's projects



Securities Market Infrastructure
Community



Clearing & Settlement

- ISO 20022 strategy
- High level and detailed gap analysis review
- ISO governance support (maintenance and new)
- MyStandards
- Implementation support
- Trainings

Corporate action (TSE)

- Specification co-writing and maintenance
- ISO governance support
- MyStandards

- Standards forums
- Customised trainings
- Standards consultancy



Corporate action

- Standards strategy
- Community engagement
- Specification writing and maintenance
- MyStandards

Post-trade

- Standards strategy

Collateral Management

- Specification co-writing and maintenance
- MyStandards

- Standards forums
- Customised trainings
- Standards consultancy
- Market practice discussion facilitation



Clearing & Settlement

- Standards strategy
- Specifications review
- MyStandards
- Implementation support
- Community engagement

Corporate action

- Specification co-writing and maintenance
- ISO governance support

- Standards forums
- Customised trainings
- Standards consultancy
- Market practice discussion facilitation
- Community workshops
- On boarding portal



Regionalisation Initiatives

Driving ISO 20022 adoption and cross-border communication



Clearing & Settlement

- Standards strategy
- Impact assessment
- Specifications review
- Development of 100 new messages
- Maintenance support for existing messages
- MyStandards
- Implementation support
- Testing of systems
- Etc.



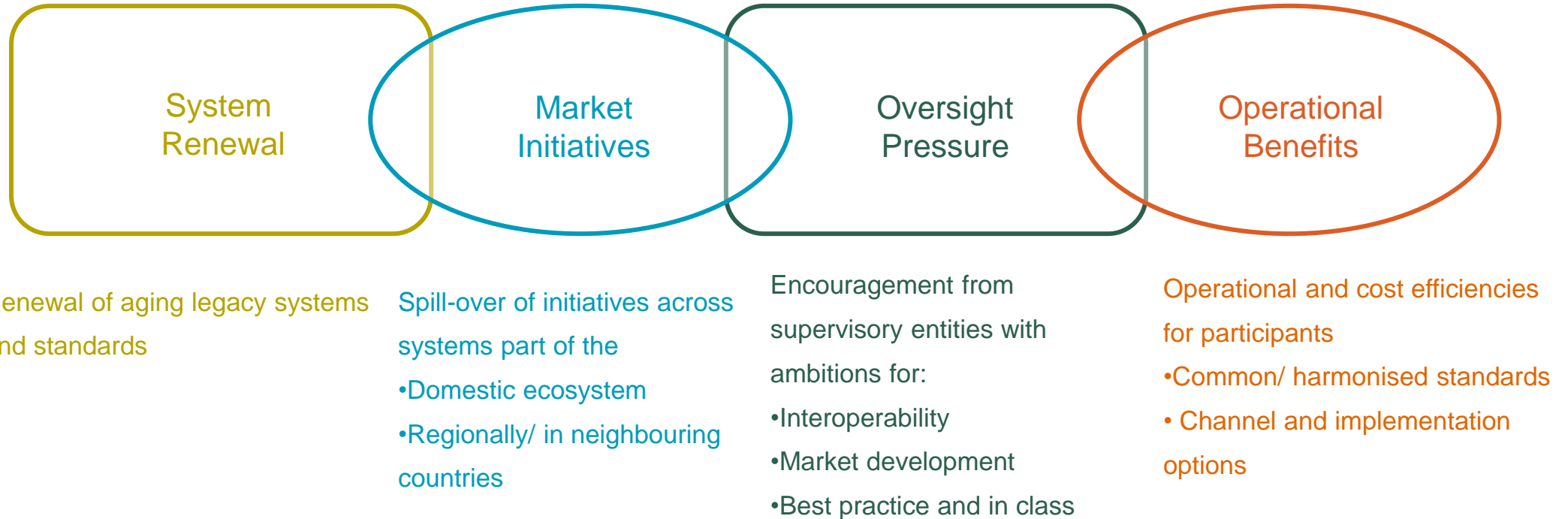
Clearing & Settlement

- Standards strategy
- Specifications writing and review
- Community engagement
- Implementation support

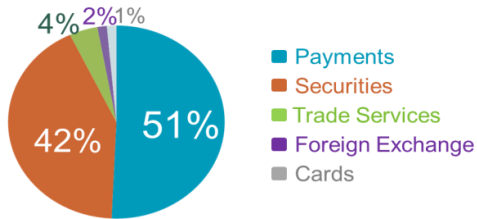


- Cross-border connectivity
- Regional market practice support
- Local integration
- Project management
- MyStandards
- Implementation support
- Etc

ISO 20022 Adoption Drivers



Market Infrastructures – Global ISO 20022 adoption



1

SWIFT is
not
mandating
migration

200 initiatives

Under discussion > planned > rollout > live

90 countries



2

SWIFT will
continue
to support
FIN



ISO 20022 Adoption – Securities Market Infrastructure

* Not exhaustive list

