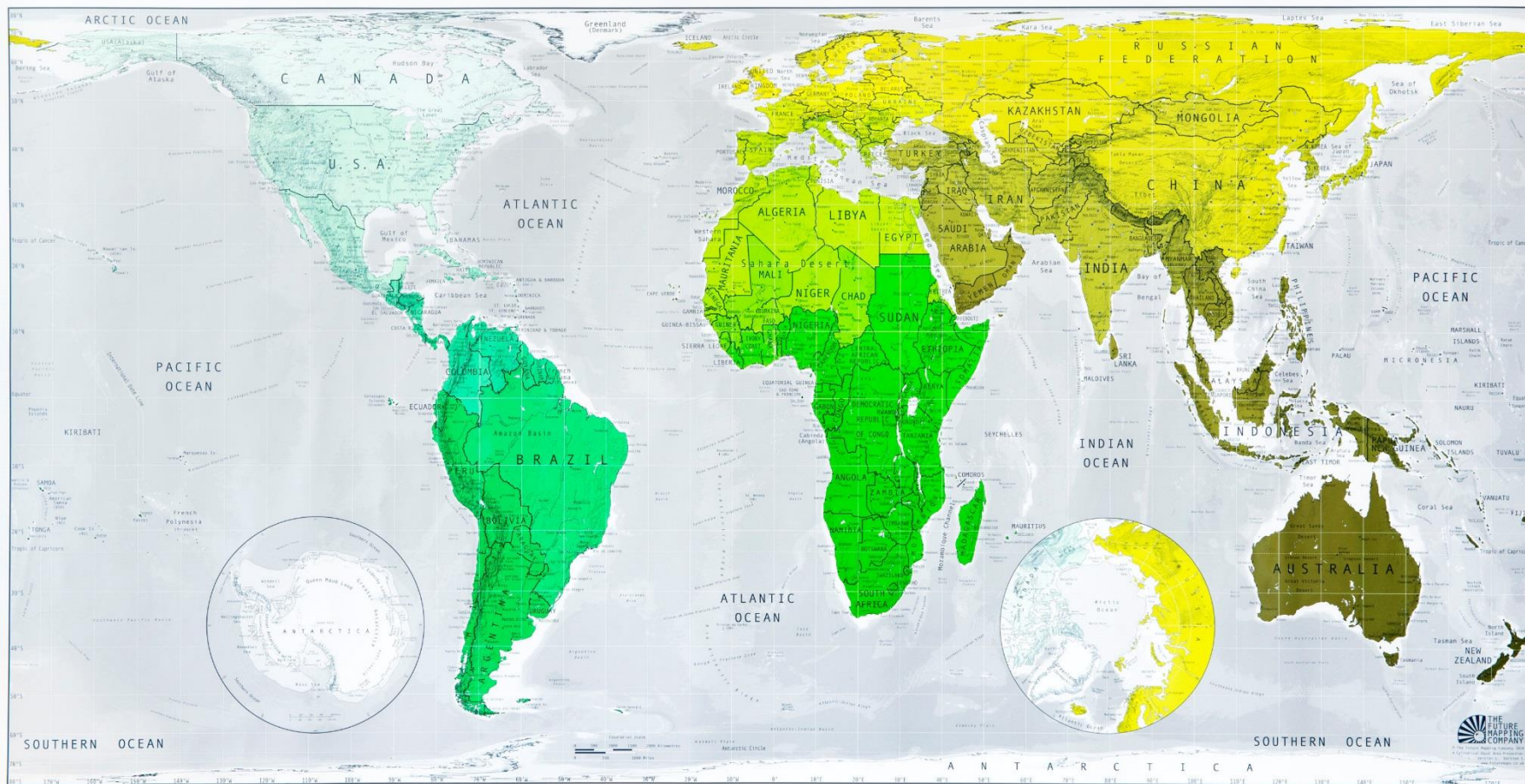


Clearstream's New Opportunities for Accessing CIS and Central Asian Local Bond Markets

Jan Willems, Vice President, Clearstream Banking Luxembourg

Clearstream's Global Presence:



- AA Credit-rated institution
- Access to 56 markets worldwide
- Supported by 11 regional offices
- Providing 24 hour a day coverage
- For services on over EUR 13 trillion in Assets under Custody

What Clearstream did in Russia:

- Settlement and custody for full set of equities, corporate and government bonds
- Connection to market infrastructure with direct account at National Settlement Depository (NSD), operated by Sberbank Russia
- Deep RUB liquidity through Sberbank Russia as CCB
- Bridge settlement for OFZs
- Local settlement in RUB and USD
- Clearstream shareholder of NSD, providing leverage over local market developments



How Clearstream adapted its Emerging Markets Approach:

Standard approach:

- Full access to locally traded products
- DVP and STP functionality
- Long time to market
- High up-front expense



Suited for large established markets with significant existing international volume

AGIL (“Accelerated Gradual Implementation of Links”) approach:

- Vanilla government bonds
- STP operations for customers
- Accelerated time to market
- Expenses that scale as volume develops



Suited for smaller emerging markets looking to become Clearstreamable

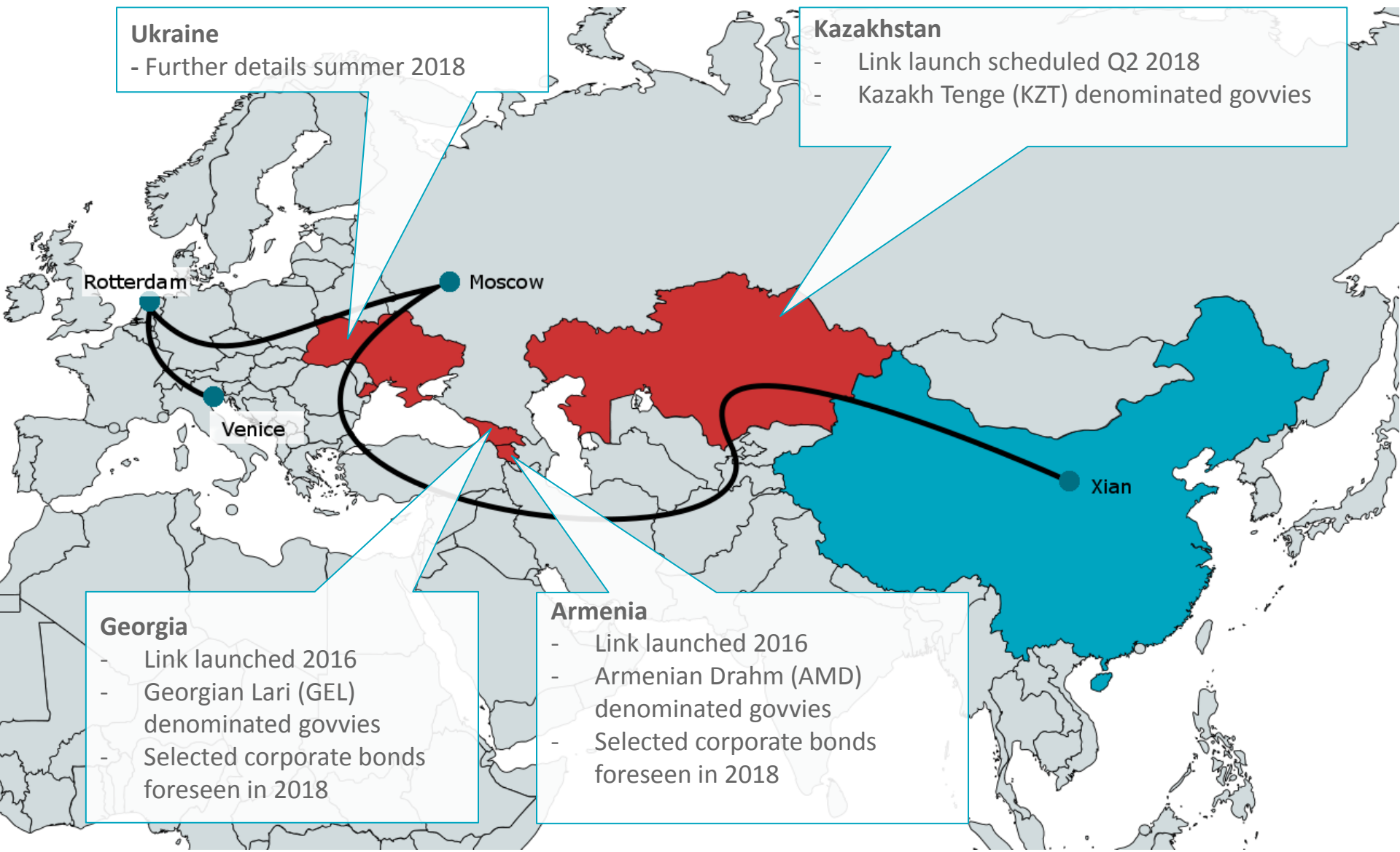
The AGIL Solution: Remaining Challenges

Prerequisites to link markets to Clearstream:

AGIL remains a viable approach as it addresses or works within the following key topics and conditions:

- Demand from customers (investment banks, brokers and supranationals)
- Expanding market footprint against competitive forces
- Meeting the expectations of an ICSD and supporting the strategic approach for direct linkages
- Compliance requirements can be met
- Meeting the revenue challenge
- Short time to market and low-IT resource intensive
- Sustainable operational volume

“One Belt, One Road”, and our current AGIL link strategy:



Thank you

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