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We welcome your feedback

We would very much welcome your comments whether the contents of this newsletter suit your requirements.
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Many thanks in
advance!
The ISSA Secretariat



Message from the ISSA CEO

Dear ISSA Members and interested parties

Our periodic newsletters are an excellent channel to give you updates on various ISSA activities. Beyond that we want to open this platform to our Members and associated organizations to inform about studies launched and their results or about progress achieved in specific markets. For this edition we have selected three topics we want to share with you.

- First the CEO and Board Member of the Turkish CSD provides a briefing on substantial progress achieved in the Turkish capital markets. The report is an excellent example to demonstrate how electronic solutions can contribute to making corporate actions procedures more efficient. These achievements are in line with the recommendations the ISSA Corporate Actions working group has proposed.
- Second the CEO of ICMA shares with you the highlights of an ICMA survey recently published, dealing with the liquidity concerns in the secondary bond market. Special attention is drawn to the reservations regarding mandatory buy-ins in sections 42 and 43 of the report.
- In a third article we want to give you some information about the forthcoming Global CSD conference in May 2015. ISSA is very happy to be part of this conference and to join two panel sessions to present our views on current challenges.

On November 13, the ISSA Board met in Singapore to discuss and approve the Business Plan for 2015/2016. The focus of our activities will be the confirmed topics «Corporate Actions», «Collateral Management» and «Compliance and Transparency along the Securities Services Value Chain». Next steps have been initiated and we will update you on the progress.

In our October newsletter we mentioned a Sibos session with influential industry leaders who positioned ISSA as a key organization. We are very happy to offer you these views via [this link](#). We hope this is an additional motivation for you to continue your valuable ongoing support.

For ISSA it has been a successful year. The securities industry commented positively on our initiated work and it confirmed that we have selected the key topics to be addressed within our community. We also appreciate the feedbacks received that we are much more visible. All this is our best motivation to continue with our work and to add value to the industry. We thank you all for your great support given to ISSA and send you best wishes for a merry Christmas and for a healthy and successful New Year.

With best personal regards,

In the name of the CEO office - Josef Landolt

Governance update

Change in the Operating Committee

With immediate effect, UBS AG has nominated Eugene K. Meintjes, Executive Director, Group Network Management – EMEA Strategy & Funds, into the ISSA Operating Committee.

Change in Membership

ISSA welcomes LGT Financial Services AG, Vaduz, Principality of Liechtenstein, as new member institution, joining ISSA as of November 24, 2014.

We thank all for their commitment to serve ISSA and we wish the nominated representatives all the best in their roles.

Board of ISSA

ware developed in-house, e-GEM enables its users to attend general meetings electronically, vote through e-proxy and provide the ability to watch the meeting live, share thoughts and opinions real time with the shareholders and company executives during the meetings.

In parallel with e-GEM, MKK is also responsible for the management of the [Public Disclosure Platform](#) (PDP), which was once operated by Borsa Istanbul. The PDP is the official primary source of information for all Borsa Istanbul listed companies that are required to disclose information on their financial statements, corporate actions, etc. This is a very critical development for Turkish capital markets; as a part of MKK's new vision, it is aimed to maintain full STP in corporate actions processes from notification till payment and for that purpose PDP's integration with MKK's main depository system and e-GEM is of extreme importance.

General Meetings in Cyber Space



*Jakup Ergincan, Assoc. Prof.,
CEO and Board Member
Merkezi Kayit Kurulusu A.S.,
Turkey*

Turkish capital markets achieved a significant progress both locally and internationally in 2013 and 2014. Without a doubt, the most important development was the enactment of the new Capital Market Law (CML). In compliance with the new CML, 2013 and 2014 have been years of transformations for a great number of capital market regulations in Turkey. In this context, [Merkezi Kayit Kurulusu A.S. \(MKK\)](#) started to perform new roles and fulfilled additional assignments in addition to its contributions to the amendment of secondary regulations.

Especially with the recent changes in Turkish Commercial Code and the CML, Turkey became the first country to make it a legal obligation for all Borsa Istanbul listed companies to enable electronic general meetings.

Operational since October 1, 2012, MKK's [Electronic General Meeting System](#) (e-GEM) is regarded as a globally pioneering service in its field. With all its components and soft-

Liquidity in the secondary bond market



*Martin Scheck, Chief Executive,
International Capital Market
Association (ICMA)*

At ICMA we have been concerned about the substantial reduction of secondary bond market liquidity for a number of years. Our work on behalf of our members in responding to consultations on the Markets in Financial Instruments Directive (MiFID) has highlighted the trade-off between liquidity and transparency and allowed our concerns to be shared with market participants and regulators. Reduced liquidity has been widely attributed to the unintended consequences of banking regulation and extraordinary monetary policy. It raises many broader concerns about increased market volatility, frozen capital markets, risks to economic growth and another financial crisis.

In this context we have undertaken a substantial survey of the state of the secondary bond markets, soliciting the views of a wide range of market participants: the investors,

the traders, the issuers and the intermediaries. The survey, available from [ICMA's website](#), presents a picture of the current state of the European investment grade corporate bond market (including financial and non-financial corporates) and the extent to which participants are meeting the challenges of adapting to a new landscape.

It indicates a high level of concern from both intermediaries and investors regarding new regulation, not least MiFID II. A number of market-led solutions to the potential crisis of liquidity are discussed and analysed, including greater utilization of e-commerce and e-trading, more developed cross-market connectivity, and changes in issuance practice. However, it is widely accepted that these initiatives cannot replace the role of market-making nor compensate for unhelpful regulation.

We are hopeful that this survey will be the basis for a more fully informed discussion on the future of European bond markets in light of the role that liquid and efficient capital markets play in supporting economic activity, growth, and jobs. All market stakeholders have an interest in working together constructively to find solutions to a potential liquidity crisis.

WFC 2015 – Global CSD Conference



The World Forum of CSDs Conference (WFC2015) will be held in Cancun, Mexico, from 19 - 22 May 2015. In addition, the national depository of Mexico, in conjunction with the American Central Securities Depositories Association (ACSDA), are the organizers of the event. The conference will be the 13th of an ongoing series of biennial gatherings held throughout the globe - from Paris, France in 1991 to Saint Petersburg, Russia in 2013 and marks the 4th time the event will be hosted in the Americas.

The three-day agenda is filled with exciting and informative addresses and panel discussions from prominent speakers from within the CSD community and many of our industry partners. Among the themes that will be examined during the conference are: Promoting settlement efficiency and the move to shorter settlement cycles; Investor and Asset Protection; CSD Innovation and Collaboration; and the impact of regulation. The agenda begins with a Keynote Address offering a View of the Global Securities Markets, from Jaime de la Barra of the Compass Group, which promises to be both informative and insightful. The final panel of the conference features some of the industry's most senior and insightful executives sharing their views on the future of the CSD industry, something that anyone with an interest in this industry should not miss.

This is an event that presents a unique opportunity to network with CSD executives from all over the world, and this year attendance has been opened up to our industry partners.

Check out the WFC 2015 Conference website at www.wfc-2015.net for more information.

Thought Leadership Event Paris



In partnership with



On October 29, ISSA and AFTI (the French Association of Securities Professionals) jointly held a pilot conference in Paris to present and discuss thoughts on current key securities industry challenges. The event was supported by BNP Paribas, an ISSA sponsor institution, and attracted well over 100 participants from the securities industry and the university environment. We are happy about the many positive feedbacks received and we take it as our task now to evaluate further events of this kind in 2015.