

Raising the Bar

Paul Chapman on HornbyChapman's global expansion and future direction



Central and Eastern Europe
The region's stock continues to rise

Madrid Clearing
Nandini Sukumar and Pedro
Gurrola Perez preview the
WFEClear conference

Drive forward. With Broadridge.

Next-generation proxy and corporate actions solutions.

Technology is changing the business world at a rapid pace – and with it, client expectations continually rise. We're committed to helping you drive your business forward, enhancing the client experience, accelerating digital adoption, reducing costs and gaining actionable insights – all while enabling you to satisfy your regulatory obligations.

You can count on us to anticipate your evolving needs and prepare for the opportunity around every curve, using innovation and advanced technology with the rigorous attention to security we bring to every solution.



Corporate Actions Technology Award Of The Year



Best Asset Servicing Technology Product Of The Year

CONNECT WITH US

+44 020 7551 3000

Global@Broadridge.com

[Broadridge.com](https://www.broadridge.com)



FSB to strengthen Too Big to Fail framework

The Financial Stability Board (FSB) has recommended a programme of measures to strengthen the Too Big to Fail (TBTF) framework for large banks in Switzerland. These steps include strengthening the recovery and resolution framework for Global Systemically-Important Banks (G-SIBs) and reinforcing the supervisory framework, intervention powers and resources accorded to the Swiss Financial Market Supervisory Authority (FINMA) for supervision, recovery and resolution.

The FSB advises that although recent reforms to the Swiss deposit insurance system represent an improvement on preceding arrangements, there are still gaps in this framework that the Swiss financial authorities should address.

The FSB arrives at these findings on the back of a peer group review exercise for large banks in the Swiss market.

This concludes that the Swiss authorities have generally made good progress in implementing a TBTF regime for large banks. It notes that FINMA has introduced requirements for G-SIBs that surpass international minimum capital and

liquidity standards and it has committed further resources to G-SIB supervision under its “proportional and systematic risk-oriented approach”.

The FSB finds that FINMA has also improved the domestic framework for G-SIB recovery and resolution, including resolution powers, cooperation with foreign authorities, and recovery and resolution planning.

While commending these advances, the FSB proposes that the financial authorities in Switzerland should take action to further strengthen the TBTF framework for G-SIBs. These additional steps are particularly important following the merger of UBS and Credit Suisse into an even larger G-SIB. The failure of this bank could have severe consequences for the Swiss economy and the global financial system, the FSB concludes.

The review notes that the events leading up to the merger of UBS and Credit Suisse provided a test of how the TBTF regime performs in practice. However, the report does not address these developments in detail since their impact has been evaluated more fully in other review documents. ■

asset servicing times

Bob Currie
Group Editor
 bobcurrie@blackknightmedialtd.com
 020 3617 1722

Carmella Haswell
Deputy Editor
 carmellahaswell@securitiesfinancetimes.com
 020 3617 1722

Lucy Carter
Reporter
 lucycarter@blackknightmedialtd.com
 020 3617 1722

Jack McRae
Junior Reporter
 jackmcr@assetsservicingtimes.com

Sophie Downes
Junior Reporter
 sophiedownes@securitiesfinancetimes.com

Klea Neza
Junior Reporter
 kleaneza@blackknightmedialtd.com

James Hickman
Lead Designer
 jameshickman@blackknightmedialtd.com

John Savage
Associate Publisher
 johnsavage@assetsservicingtimes.com

Simon Holloway
Deputy Publisher
 simonholloway@assetsservicingtimes.com
 020 3372 5977

Justin Lawson
Publisher
 justinlawson@blackknightmedialtd.com
 020 3667 3244

published by **Black Knight Media Ltd**
 copyright ©2024 All rights reserved

Contents

4

06

News Focus

BNY Mellon to provide services for Railpen

07

News Focus

BoE acquires powers to restrict CCP discretionary payments

10

News Focus

Socium partners with Hedgebay Securities

12

News Focus

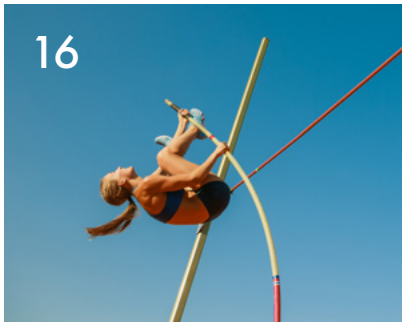
Spuerkeess picks Euroclear as funds partner

14

News Focus

Xceptor is now available via Microsoft Azure

16



HornbyChapman

HornbyChapman speaks to AST about the company's global expansion

22



CEE Focus

The region's stock continues to rise

26



Madrid Clearing

World Federation of Exchange preview their upcoming conference

30



People Moves

Digital asset expert departs BNY Mellon

EMIR – MiFIR – SFTR – FinfraG – MAS – US Dodd Frank – REMIT

Compliance is a beast
We help you tame it.



office@deltaconx.com | www.deltaconx.com

REGULATORY FINES!

Searches:

🔍 intraday reporting

🔍 accurate data

🔍 internal controls

🔍 post trade settlement

🔍 risk mitigation

**WE'VE
GOT YOUR
BACK.**



BNY Mellon to provide services for Railpen

Railpen, the fiduciary and investment manager of the UK railways' pension schemes, has appointed BNY Mellon to provide a data operating model.

BNY Mellon's cloud-based data platform aims to deliver insights from Railpen's proprietary data for the purpose of investment reporting and generating analytics. The bank will provide the railways pension schemes with additional services including custody, investment accounting and front-office support solutions for Railpen's public and private assets.

Railpen is responsible for the safekeeping and investment of around £34 billion in assets for the 350,000 members of the railways

pension schemes, one of the UK's longest established pension funds.

John Robson, chief technology officer of Railpen, comments: "BNY Mellon's data operating platform will help enhance the resilience of Railpen's investment and functional teams, providing a greater ability to analyse and incorporate new data feeds and prepare us to benefit from innovations."

Julie Gerdeman, global head of data and analytics at BNY Mellon, adds: "Providing greater insights will help Railpen deliver on its commitment to its members across the investment lifecycle, as well as strengthen its risk management and governance practices." ■

Northern Trust picks FINBOURNE for data services

Northern Trust has selected FINBOURNE Technology to support its digital transformation.

FINBOURNE's cloud-native financial data management solution LUSID, and its financial data visualisation engine Luminescence, will be used to modernise Northern Trust's valuation and reporting functions.

Data will be loaded into LUSID through Luminescence, allowing for automated validation and analysis of activity.

As part of its broader digitalisation journey, FINBOURNE's services will be integrated into Northern Trust's operations via a data mesh approach. Through system interoperability, valuations and key data will be available in near real-time.

FINBOURNE's services will be delivered through the Matrix Data Platform, which will act as a new "digital backbone".

Kelley Conway, head of corporate and digital strategy at Northern Trust, says: "Our digitisation journey is focused on democratising data in ways that unlock meaningful value for clients." ■



BNP Paribas mandated by BPER Banca

BNP Paribas' securities services business has been selected by BPER Banca to provide a full range of custody and settlement services.

BNP Paribas will service BPER Banca's portfolio of Italian and foreign securities.

The mandate consolidates BPER Banca's multi-year partnership with BNP Paribas which already includes settlement services on a select number of institutional clients' portfolios.

Elvio Sonnino, chief operating officer at BPER Banca, says: "Our close collaboration with BNP Paribas allows us to increase our operational efficiency, creating value for both our clients and networks."

Andrea Cattaneo, head of Italy, Switzerland and Iberia at BNP Paribas' Securities Services, adds: "We have further strengthened our relationship with BPER Banca by becoming their only provider for settlement services on Italian and foreign securities." ■



Euroclear and Eurex further partnership

International central securities depository (ICSD) Euroclear Bank has become an eligible securities collateral location of Eurex Clearing.

The announcement builds on the existing partnership between the organisations, with the central counterparty already using Euroclear Bank as an eligible securities settlement location.

Mutual clients are now able to post collateral directly to Eurex Clearing and optimise Euroclear Bank's collateral pool, which the companies state will improve operational efficiency and streamline the collateral management process.

Matthias Graulich, chief strategy officer and member of the executive board at Eurex Clearing, comments: "We are pleased to offer Euroclear Bank as an additional

securities collateral location for provision of margin and default fund contributions.

"With this service we jointly create added value for our clients by facilitating a smooth access to the CCP and by enabling efficiencies across the clearing community. Euroclear Bank strengthens our offering for the buy-side clients and complements our existing services."

Olivier Grimonpont, managing director and head of product management for market liquidity at Euroclear, says: "As an open financial market infrastructure we continuously strive to benefit our ecosystem by creating efficiencies which contribute to a more stable, secure financial marketplace, providing the best-in-class service to clients." ■

BoE acquires powers to restrict CCP discretionary payments

The Bank of England (BoE) has acquired additional powers to restrict discretionary payments from central counterparties (CCPs) to employees and shareholders, according to provisions that came into effect on 16 February. These powers are extended under Schedule 11 of the Financial Services and Markets Act of 2023, which sets out the design of a special resolution regime for CCPs and provides additional powers to the bank in severe stress conditions in line with its objective to protect financial stability.

The statement of policy (SoP) specifies that this is a power that the BoE should exercise only in severe circumstances and is limited to a maximum duration of five years. In final revisions to the SoP, on the basis of industry consultation, the BoE will take into account the impact on a CCP's ability to hire and retain staff as part of steps to ensure continuity of critical services.

The bank indicates that it received just two responses to its call for feedback, one from a CCP and a joint response submitted by two trade associations — which it does not name, but SFT understands to be the International Swaps and Derivatives Association (ISDA) and the Futures Industry Association (FIA) — which was filed on 23 November 2023.

The Bank has concluded on the basis of its consultation and research that the proposed approach will not place an undue burden on firms and is in line with its objective to promote financial stability.

The BoE indicates that both responses were broadly supportive of its proposals, but respondents asked for further information regarding how the Bank intends to use these powers. In raising questions about the proportionality of the bank's approach, one respondent urged the bank to exercise discretion in applying these facilities. One respondent questioned whether restrictions on a CCP's ability to make discretionary payments to shareholders and employees — for example through equity remuneration — would have a significant impact on the CCP's financial resilience or liquid resources at its disposal.

In responding to these queries, the Bank of England indicated that, in exercising these powers, it would take into account the impact of restricting certain types of discretionary payment on the ability of the CCP to maintain critical clearing services and on the clearing house's wider operational functioning. This would include the impact of these measures on hiring policy and staff retention.

The FIA and ISDA indicate in their response that the new power is an important element within the BoE's supervisory toolkit which can serve to support a CCP's financial resilience in times of stress.

"As such, it reduces the likelihood that a UK CCP would reach a point where it is falling or likely to fail, thereby safeguarding financial stability in the UK, but also in third countries where clearing members are established," say the associations.

"It also provides further assurance that the continuity of critical clearing services can be maintained in times of stress."

While the FIA and ISDA specify that their response "covers the positions of their members on the buy-side and sell-side", they suggest that their paper "does not reflect the views of many CCPs" and that "some CCPs are in disagreement" (ISDA and FIA, p.1). In developing their argument, the associations welcome the BoE's commitment to ensuring public confidence in the UK financial system, including its CCPs, as part of the public interest in UK financial stability. They deem this to be particularly important, recognising the cross-border nature of the clearing activities offered by UK CCPs "which are relied upon by market participants globally".

In cases where the BoE identifies a shock to a CCP that could result in material financial losses — such that its ability to provide vital clearing services could be threatened — the associations agree that "such a scenario would justify the use by the BoE of the power to give direction to restrict or prohibit discretionary payments". However, they emphasise that their preferred approach to ensure that a CCP remains viable is to require ex-ante pre-funded resources from the CCP — requiring that it has adequate "skin in the game". With this in mind, "we look forward to engaging with the BoE in its planned work with regards to the calibration of a second tranche of skin-in-the-game", say the two associations.



... and climbing.

A global player in asset servicing...

Offering leading value in investor services demands constant evolution. At CACEIS, our strategy of sustained growth is helping customers meet competitive challenges on a global scale. Find out how our highly adapted investor services can keep you a leap ahead.

CACEIS, your comprehensive asset servicing partner.



www.caceis.com

caceis
INVESTOR SERVICES
solid & innovative



BNY Mellon launches digital direct-to-custody trading

BNY Mellon Global Markets Trading Team has launched NEXEN Markets, a digital direct-to-custody trading solution.

The integrated trading solution automates end-to-end, trade-to-settlement processing and allows clients to place equity, ETF and US Treasury orders directly from their accounts.

Clients are able to view their cash balances and positions on a real-time, transparent basis, supporting straight-through processing and reducing both settlement and operational risks.

Trade execution data is visible in real-time, and a price stream is available for click-to-trade capabilities.

Following the launch, clients are able to handle their entire portfolio and access fixed income and equities services through BNY Mellon. ■

Socium partners with Hedgebay Securities

Socium Fund Services has partnered with Hedgebay Securities to offer customisable secondary market liquidity solutions for fund managers.

Socium, a Suntera Global company specialising in private equity and private credit fund administrations, clients can access a controlled, secure environment curated by general partners to allow investors to buy or sell their limited partners' interests seamlessly.

Jason Meklinsky, chief revenue officer at Socium Fund Services, says: "Our commitment lies in empowering clients to navigate the evolving market with

flexibility and sustainability. Recognising the pivotal role liquidity plays in private fund investments, our collaboration with Hedgebay offers a compelling solution, enabling firms to optimise their investment strategies effectively."

Jared Herman, president of Hedgebay Securities adds: "Liquidity has long been a challenge for participants in the private markets, and now, through Socium's initiative, their clients can access a marketplace with 24 years of experience, that provides multiple liquidity options, including financing for future fund commitments, asset sales or opportunistic purchases." ■

SIX partners with Clearstream

SIX has partnered with Clearstream to connect its reference data distribution service, Connexor, to D7, Deutsche Börse's digital post-trade platform.

D7 digitalises financial instruments, allowing for the issuance of electronic securities under the June 2021 German eWpG regulation. When accessed through Connexor, clients will be able to use the service to fulfil and simplify their reporting obligations and related procedures without constructing their own digital interfaces. The connection between the platforms will be activated provisionally in H2 2024, the firms state.

Through the partnership, SIX will be able to provide a holistic solution for international reference data processing to issuers and financial institutions across countries and jurisdictions.

Using the service, clients will benefit from regulatory compliance, simplified operations and less maintenance-intensive interfaces. By reducing media breaks and using automation, users will also see standardised, higher-quality reference data and streamlined product lifecycle management, the firms say.

André Buck, global head of sales and relationship management at SIX Swiss Exchange, says: "The new partnership [is] based on years of evolutionary innovation as an infrastructure provider." ■



HSBC selected by Milford AM and Perennial Partners

HSBC Australia has been appointed as custodian and fund administrator for Australian fund manager Perennial Partners. HSBC will support collective investment and exchange-traded fund services for the Sydney-based boutique asset manager across its funds in 25 markets.

HSBC has also been appointed to provide custody services to Milford Asset Management's Australian and New Zealand fund range across 24 markets. This custody mandate is now live, following migration of assets to HSBC Australia in August 2023.

Milford indicates that it selected HSBC after a competitive tender process which invited bids for a service partner with a strong focus on client service, a complementary footprint in the trans-Tasman region and the ability to scale the business in line with the asset manager's growth strategy.

Commenting on HSBC's appointment, Milford's chief operations officer John

Paull says: "We are pleased to appoint HSBC as custodian. Offering seamless cross-border transactions in many countries, including securities services capabilities in emerging markets, HSBC Australia's extensive experience and scale in providing custody and clearing services to both foreign and domestic investors in Australia since 1991 was appealing."

Perennial Partners indicated that, in choosing HSBC as custodian-administrator, it was looking for an asset servicing partner capable of supporting its growth trajectory as the buy-side firm continues to expand in the Australian market.

Perennial's head of operations, Suzanne Bentley, says: "HSBC's ongoing investment has enabled Perennial to consolidate listed managed funds, unit trusts and venture capital and private administration into a single platform, facilitating an enhanced service experience for Perennial clients and their advisers." ■



Spuerkeess picks Euroclear as funds partner

Banque et Caisse d'Epargne de l'Etat Luxembourg (Spuerkeess) will move the majority of its fund portfolio to Euroclear FundsPlace, expanding the relationship between the organisations.

This will help to improve streamlining in the business, Euroclear says, centralising the distribution and execution of funds.

The firm will collect trailer fees on external custodians following the mandate.

FundsPlace provides an end-to-end solution across asset classes, aiming to eliminate post-trade complexity and to service and distribute private funds at scale.

Valérie Urbain, chief business officer at Euroclear Group, says: "This move is a testament to our proximity with our clients to provide them with the best possible service and value. FundsPlace enables them to achieve greater scalability, risk reduction, asset protection and revenue optimisation." ■



BNY Mellon selected by Lunate

Global alternative investment manager Lunate Capital has selected BNY Mellon for fund administration, transfer agency and global custody.

Based in Abu Dhabi, Lunate is a subsidiary of private investment firm Chimera Investment.

BNY Mellon will service Lunate's complete portfolio, offering a complete view across funds and providing data-driven insights.

Through the partnership, the companies aim to further develop the UAE's capital markets landscape. ■

BKM
CREATIVE

**Professional designers,
industry specialists**

**Get in touch with the team to
find out how we can help you!**

justinlawson@blackknightmedialtd.com

J.P. Morgan completes Danske Invest transition

J.P. Morgan's Securities Services has completed the transition of Danske Invest's fund ranges in Denmark, Luxembourg and Guernsey. The completion follows a three-and-a-half-year transition process.

J.P. Morgan's Securities Services will now provide fund administration and global custody in the three jurisdictions, along with fixed income price brokerage services for Danske's alternative funds.

Morten Rasten, executive director at Danske Invest, comments: "The new strategic partnership with J.P. Morgan [is] an important step to simplify our fund operating model across fund domiciles.

"A strong operating platform is a prerequisite for Danske Invest when it comes to providing our investors high product quality, including performance and sustainability, and is as well identified as a growth lever within Danske Bank Asset Management 2028 strategy."

Allan Nedergaard, head of Nordic platform sales at J.P. Morgan, says: "Our end-to-end platform will help create a more streamlined operating model across all the funds in the various jurisdictions." ■



State Street collaborates with LGPS Central

State Street has been appointed as the fund administration services provider for LGPS Central's private markets products. The collaboration aims to bolster efficiency and strengthen governance as well as provide long-term, scalable solutions.

Neil Wain, head of investment operations at LGPS Central, says, "State Street [will help] us to reduce operational risk and provide a robust system that supports and strengthens our private markets offering.

State Street will support an initial 13 funds managed by LGPS Central and its third-party managers, offering fund administration, registration services, investor services and regulatory reporting services.

"The system will enable us to easily expand the number of vintages and funds with little resource impact, providing efficiencies over the long term for our partner funds." ■

images by billionphotos/stock.adobe.com



Xceptor is now available via Microsoft Azure

Xceptor has announced the availability of their platform via the Microsoft Azure marketplace.

Xceptor aims to meet their clients, partners and prospects data automation needs with a streamlined procurement and built in payment process.

The platform aims to offer the option to select pre-packaged solutions or

to collaborate on tailored options. Chosen solutions then integrate via the Azure marketplace.

Josh Monroe, chief revenue officer at Xceptor, says: "Joining forces with the Microsoft Azure Marketplace brings us closer to our clients who seek convenient, accessible tools to manage their intricate data management and automation needs." ■

Murex partners with Alevo to provide IMS Solution

Murex has collaborated with Alevo to provide an Investment Management System (IMS) Solution.

The partnership aims to use Alevo's cloud-native data management technology to support client data operations and provide MX.3 users with accurate data.

The solution's objective is to deliver seamless access to Alevo product master data sets in MX.3 and leverages extensive data models and standard integration libraries, says Murex.

Alevo aims to cover all markets and asset classes including listed derivatives, bonds, stocks, funds, structured finance products, CDS and OTC products, in addition to index data products and corporate actions data.

David Bellaiche, head of Murex's buy-side business line, says: "This collaboration is a testament to our commitment to innovation, providing our clients with streamlined access to critical data and insights. It plays a crucial role in lowering operational costs, bolstering our clients' ability to navigate the financial markets with precision and efficiency." ■



AccessFintech T+1 solution

- Facilitating T+0 focused operations
- Enhance the T+1 settlement workflow
- Maximise STP rates
- Reduce fails and manual effort

AccessFintech's Synergy network offer a solution that enhances the T+1 settlement workflow. By providing more real-time information from agents and Central Securities Depositories (CSDs), Synergy enables pre-matching and facilitates a smoother transition to the incoming settlement regime. This means that trades can be settled more quickly and efficiently, reducing the risk of errors and delays.



AccessFintech

Learn how AccessFintech can help you transitioning to T+1 Settlement. Visit our website on:

www.accessfintech.com

Raising the bar in post-trade executive recruitment

Paul Chapman, co-founder and managing director of post-trade recruitment solutions specialist HornbyChapman, speaks to AST about the company's global expansion and future direction, along with the addition of its new APAC and MENA heads Andrew Allen and Nigel Brill



Could you share the journey that led to the formation of your company in 2006?

Paul Chapman: I had served for 18 years in senior roles in the securities services industry, latterly at Northern Trust where I worked closely with European head of recruitment Victoria Hornby. We recognised that there was a gap in the market for a firm that could offer insightful, professional recruitment services based on actual, business-side industry experience.

What inspired you to focus exclusively on post-trade securities services in the executive search industry?

Chapman: This is a dynamic and expanding sector and one that we know intimately. We are very aware that a firm's success in the post-trade services area is heavily dependent on having top quality staff. Our industry network and experience are a perfect match to help businesses in this space with their talent acquisition requirements.

We have gone from sharing a desk in a small basement room under a pub in Middlesex Street to having offices and staff on the ground in Edinburgh, London, Abu Dhabi, Hong Kong, Singapore and Perth WA, with joint ventures in the locally-hiring markets of New York, Toronto, Luxembourg, Mumbai and Johannesburg.

We have become successful by executing mandates efficiently and consistently, adding value at every stage of the recruitment process and — I accept this is something of a cliché, but it is actually true — partnering with clients and candidates to maximise their success and to help them achieve their potential.

What value does HornbyChapman bring to your clients above and beyond that of a traditional executive search firm?

Chapman: Our staff are a compelling mix of senior industry experts, up to global head level, coupled with extremely experienced career recruiters such as Lucy Cazenove. Between us, we have been employed in the vast majority of the roles

"We have been consistent in our approach and aim to act as trusted industry advisor and expert to both the firm and the candidate"

Paul Chapman, HornbyChapman

that we work on and have unique insight into what it takes to perform and to hire into a given role. Our deep, global and specialised network enables us to execute mandates effectively and professionally with the best possible talent. Our in-depth industry knowledge also helps us to think laterally when sourcing the right candidates for the right roles.

In maintaining and extending this network, we make the effort to meet clients and candidates regularly, on a global basis, and ensure that all interaction is candid, professional, helpful and constructive. We have been consistent in our approach and aim to act as trusted industry advisor and expert to both the firm and the candidate. In doing so, we do not simply focus on the transaction, but on holistically adding to it for the benefit of both sides. With this, candidates often become clients — they know we do not 'churn', instead coveting longevity of tenure.

To provide an example, I was driving to a meeting a couple of years ago and I received a call from a senior candidate on the continent who I had worked closely with previously. She indicated, in confidence, that she was looking for a new position. Shortly afterwards, I received a call from a regional head of securities services, who had worked for me in the past, mentioning that she was looking for a deputy. I made the connection immediately and the candidate secured the role and remains working there to this day.

Specialisation and Industry Insight

What are the key challenges and opportunities that you see in post-trade securities services today?

Chapman: The expansion of technology, given its high pace of change and ever-broadening applicability, is a major element that will only become more relevant.

Rising costs and pressures on margins, pushed by public firms' requirements to meet analysts' expectations on a quarterly basis, mean that budgets are becoming ever more restricted — with the workforce bearing the brunt.

On the positive side, there remain huge opportunities for bright, globally-mobile employees to add value to their firms and to our industry. However, they will need to focus on being specialists in a given field — be that artificial intelligence (AI), wealth management, or other disciplines.

Expansion and New Markets

What motivated your decision to expand into the MENA and APAC regions?

Chapman: I have been working in these regions as a custodian banker since the early 1990s and from a recruitment perspective since the mid-2000s.

As the global securities services market has expanded into those regions, it makes sense to be physically located where our clients and candidates are located.

While this has required significant investment, it does mean that we are 'plugged in' to the post-trade community. This is reinforced by regular conference attendance, industry speaking and by my hosting of the Williams networking event, which this year will take place in New York, Toronto, London, Dublin, Dubai, Mumbai, Hong Kong and Singapore.

To HornbyChapman's new head of APAC, Andrew Allen, and MENA head, Nigel Brill: how do you plan to leverage your expertise to build the firm's presence in these locations?

Andrew Allen: I have been in Asia and Australia for 30 years and it still remains a relationship-focused business.

Having spent so much time in Australia, Hong Kong, Malaysia and Singapore, I aim to leverage my existing network in conjunction with that of HornbyChapman and tailor solutions for our clients. We know the markets, we know the business and we know the candidates well.

Nigel Brill: I've lived and worked in this region for the past 14 years and, prior to that, I had been travelling regularly to the region from London for a similar period. It has become home to me and it has been a privilege to witness its extraordinary growth and transformation into a financial hub of substance and significance for the financial world.

Thanks to Paul's hard work over the past 16 years, HornbyChapman is not a new name in the region; we already have a good network and lots of friends here.

My role is to build on these solid foundations, bring more consistency in terms of presence to existing clients while leveraging my network to develop new relationships that value our core competencies of expertise in post-trade and our partnership approach.

What are your immediate goals and long-term visions for the MENA and APAC offices?

Allen: We will continue to build out the brand and seek out new opportunities, thereby helping out new and existing clients of HornbyChapman. The focus is always to place a top-quality candidate into each role. I have been highly impressed with the quality of candidates that I have met so far.

People trust the HornbyChapman brand and appreciate that the recruiter thoroughly understands the business as well as our clients.

"The objective is to match the entrepreneurial spirit and growth aspirations of our clients with high-quality candidates"

Nigel Brill

head of MENA
HornbyChapman



"HornbyChapman is a lean and agile company, so we are able to make decisions quickly and implement them efficiently"

Andrew Allen

Head of APAC
HornbyChapman



Brill: The objective is to match the entrepreneurial spirit and growth aspirations of our clients with high-quality candidates that will help to propel their businesses and make a positive contribution to the continued success of the region.

After long careers in post-trade, you have both recently moved into your new roles. What motivated you to switch over?

Allen: This offers a refreshing opportunity to work in a smaller organisation, enjoying the multi-tasking requirements without the corporate overhead structure. HornbyChapman is a lean and agile company, so we are able to make decisions quickly and implement them efficiently. Additionally, with the extensive industry experience within the firm, we can share ideas constructively and promptly. As a new member of the team, I have found this particularly useful.

Brill: It has been a refreshing and positive change that I am greatly enjoying so far. After more than 25 years in post-trade — mainly based in sales over the past 15 years — I was ready for a change and to try something different. So far, it has truly been re-energising. I am still involved in an industry that I enjoy, part of a great team and my days are purposeful, whether that is learning about our clients and helping with their plans or supporting candidates that are seeking to build a career in the region.

Industry Trends and Future Outlook

Which emerging trends will be most important in shaping the future of the post-trade securities services industry?

Chapman: Technology will be front and centre, touching every part of the post-trade sector from transfer agency, through compliance and governance, to applying AI to price illiquid securities for lending purposes. Diversity and inclusion (D&I) initiatives will also continue to open up opportunities for potentially excellent staff who have been overlooked historically.

Firms are also increasingly focusing on succession planning at all levels. For that reason Liz Harwood-Bridgen, formerly of Citi, Brown Brothers Harriman and BNY Mellon, has joined us to help build out our Next Gen offering.

The ongoing rise in technology will mean that the humans who will succeed in times ahead will need to be highly specialised, tech-savvy, lateral thinkers with strong commercial skills.

With this in mind, our size, reach and added-value approach, coupled with a high touch ethos, means we stay close to all relevant candidates and abreast of all relevant developments. We reinforce this by being physically situated in all major markets and through our membership of Women in Asset Servicing (WiAS.co.uk) and The Securities Services Advisory Group (TSSAG.info).

To extend the benefits that we offer as a company, we are expanding our coaching and mentoring services, engaging actively in assisting our clients with sourcing their 'next gen' candidates and acting as strategic advisors in terms of sharing industry insights with both corporate and individual participants.

Looking back at your journey, what are you most proud of in terms of your company's achievements?

Chapman: I still take great personal delight in every placement that we make, as it has both assisted a candidate with their career journey and also helped a firm fulfil its talent acquisition requirements. This is central to why the firm has built the exceptional industry reputation that it has – and I believe that is my number one achievement.

For a bit of personal insight, what is one thing outside of work that you are passionate about?

Chapman: Over and above a number of sporting interests, when time allows, I am passionate about making sure that my three daughters grow up in a safe environment where they can achieve their potential. This is something that I strive for on a daily basis. ■

"I still take great personal delight in every placement that we make, as it has both assisted a candidate with their career journey and also helped a firm fulfil its talent acquisition requirements"

Paul Chapman

Co-founder and managing director
HornbyChapman





On The Up

In spite of pressing geopolitical tensions,
the CEE region's stock continues to rise

Lucy Carter reports



While the Central and Eastern Europe (CEE) region has faced a number of challenges over recent years, many in the industry are confident that its development will not be too strongly hampered. Towards the end of 2023, S&P Global Ratings predicted that “most CEE sovereigns are set to recover in 2024”, recording stronger macroeconomic conditions for the region compared to the 2022 year-end.

In its report, the firm rated the outlook for six of 11 sovereigns as stable. Two were categorised as positive, while three — the Baltic states — remain negative. The organisation explains that this is due to economic and security risks resulting from the war in Ukraine.

Published in August 2023, The National Institute of Economic and Social Research stated confidently that CEE’s emerging economies “are likely to become a new centre of gravity of economic growth in the EU”, with “very positive” GDP forecasts, increased industrial activity and growing foreign direct investment across the region.

As countries in the area continue to develop at pace, it is clear that CEE economies are becoming a major presence on the global stage.

Standing Out

Despite difficulties in the region, CEE firms continue to stand out in the global market. “It’s the combination of geographical proximity to main markets in old EU member states and skilled and less costly labour,” says Marek Drimal, emerging markets strategist at SocGen KB. Drimal also highlights infrastructure improvements over the past 20 years, which have been achieved, in part, thanks to EU fund inflows.

Drimal suggests that the CEE region’s success is due, to some degree, to the institutional stability that being an EU member state brings.

Considering how the region’s relationship with the EU will evolve in the coming years, Drimal states that there are two broad trends that should be kept in mind. “CEE’s economic growth over the past two decades, and EU enlargement, have resulted in the regional income per capita becoming closer to the average EU level,” he says — something he expects to continue in 2024 and beyond thanks to the region’s higher potential growth, investment inflow and a lower base of comparison.

"The asset management sector is experiencing too little acceleration in digitalisation compared to, for example, the banking sector"

Marek Drimal
SocGen KB

That said, Drimal acknowledges that net EU revenues for CEE are expected to fall sharply over the next EU budget period as they begin to advance past the need for extra money from the common EU budget. If, and when, new countries join the EU, net revenues could fall further, he explains; resources are likely to be allocated to less-developed economies. "This transition of CEE countries from large net beneficiaries vis-à-vis the EU budget to perhaps net payers could be politically challenging," he affirms.

The second trend that he brings up is, inevitably, politics and geopolitical tensions.

A Tense Climate

CEE markets, being geographically closest to Russia and Ukraine, have been more acutely affected than others by the ongoing conflict in the region — now in its third year.

A large number of restrictions have been put in place by different countries and organisations since the war began. Towards the end of February this year, and following the death of opposition leader Alexei Navalny, the US and EU introduced a number of additional sanctions on firms and individuals associated with Russia and businesses funding its military operations. While it's accepted by many that these sanctions will have little to no material impact on the Russian economy — this is reported to

have grown by approximately one per cent since February 2022 — they have required international firms to reorganise in order to stay compliant and meet the expectations of regulatory bodies and their clients.

Organisations have responded in a variety of ways to this. While simply exiting Russian markets may sound like the most obvious solution, the situation is far more complex. Selling Russian business back to Putin associates could just increase their revenue, and result in losses for the external firm. On the other hand, continuing business in Russia could prompt significant backlash from investors and cause reputational damage.

Raiffeisen Bank has had particular trouble with this, having been a significant and consistent presence in Russia for almost 30 years.

Despite reductions in Russian business throughout 2023 — with the Austrian bank reporting a 56 per cent reduction between Q2 and Q4 — reductions in payment transaction business with the country and a termination of all business relationships with Russian correspondent banks, Raiffeisen has seen significant profits since sanctions began.

However, Russian retaliatory restrictions mean that many western businesses are unable to take profits out of the country, with assets left inaccessible and unusable outside the bounds of the country. It's a delicate situation and something of a losing game for the company. Moreover, it is an issue that seems far from resolution.

Several other international banks remain in Russia, despite political pressure: ING, Commerzbank, Deutsche Bank, OTP, Intesa SanPaolo, Unicredit and SEB remain active, as of February 2024.

Others have opted to amp up their operations to avoid Russian exposure. Further east, "KDPW put in place new rules for additional counterparty verification," says Maciej Trybuchowski, CEO of the Polish CSD, outlining the depository's tactics. "These were designed to ensure that our operations comply with regulations imposing restrictions on business relationships with entities with links to Russian and Belarusian capital, maintain the highest standards of counterparty risk management and mitigate any reputational risk."

Aside from the elephant — or bear — in the room, the wider geopolitical landscape is far from rosy. Several countries are ramping up to elections this year, which tends to make markets at

least a little nervous, and environmental catastrophe continues to be a critical issue across the board. On this, S&P Global's rating report noted rising populism as a key risk for sovereign credit quality in the region.

The organisation highlighted protracted weakness in the euro area, uncertainty around EU fund disbursements and delayed fiscal consolidation as significant threats. Inflation was also included in the list, despite general acknowledgement that there will be improvements in this space over the next 12 months.

Keeping It Moving

Poland is emerging as a key jurisdiction as the CEE region continues to evolve, with SocGen KB's Drimal stating that "the Zloty is our favourite CEE currency" and anticipating the country's economic developments to exceed its peers.

KDPW's Trybuchowski adds that the Polish bond market is particularly strong, with January's reference rate exceeding inflation for the first time since February 2018. Malgorzata Rusewicz, CEO of the chamber of fund and asset managers Poland, goes on to note that bond funds amounted to 83 per cent of the total net sales of all funds over the past year. As a whole, the country is expected to grow by approximately 2.7 per cent this year and 3.2 per cent during 2025, a significant increase from 2023's 0.2 per cent figure.

Drimal credits lower inflation rates, increased household incomes and improved social care benefits and government support schemes for this growth. He also highlights October 2023's parliamentary elections as a factor, resulting in expectations that corporate governance may improve for state-owned companies.

Moving ahead, "digitisation is an important point," Rusewicz affirms. "The asset management sector is experiencing too little acceleration in digitalisation compared to, for example, the banking sector." While implementation of nascent technologies is sometimes criticised for having unclear or insufficient use cases, there comes a time when sectors must adopt new ways of operating or risk falling behind. "The limitations are, of course, costs and very restrictive regulations," Rusewicz adds.

The CEE region has demonstrated its strength and resilience in the face of acute and global challenges. While it is difficult to predict what the rest of 2024 will hold, it seems that its upward trajectory is set to continue. ■

"This transition of CEE countries from large net beneficiaries vis-à-vis the EU budget to perhaps net payers could be politically challenging"

Malgorzata Rusewicz
Chamber of fund and asset managers Poland



Clearing the path to Madrid

Ahead of the World Federation of Exchanges' WFEClear conference this month, AST speaks to the federation's CEO, Nandini Sukumar, and head of research, Pedro Gurrola Perez

Jack McRae reports



Putting your hands in

“I was just reflecting that in July, it will have been a decade since I joined the World Federation of Exchanges (WFE). My gosh, how quickly the time goes,” Nandini Sukumar says in disbelief. The CEO of WFE joined the federation after spending 14 years at Bloomberg.

Now close to a milestone at the WFE, Sukumar reflects on her journey from being a journalist writing about exchanges and clearing markets to leading a federation of exchanges. She is joined by WFE's head of research, Pedro Gurrola Perez, who is also closing in on a milestone.

Gurrola Perez begins explaining that he has been at the WFE for four years before Sukumar jokingly interjects to let him know he joined in 2019, so it has been five years. The head of research at WFE laughs off his colleague and friend's reminder.

Like Sukumar, Gurrola Perez did not begin his career in clearing or exchanges. The former professor of financial mathematics spent years teaching before leaving academia to join the Financial Services Authority (FSA, the UK regulatory authority that preceded the Financial Conduct Authority) and then the Bank of England as a technical specialist.

He draws a comparison of his career to that of a medical professional, he says: “My story is different [to Sukumar's] because I started doing pure mathematics. When I then became interested in financial mathematics, I realised you cannot know how to really do mathematical finance without putting your hands in [and getting practical experience], there is something missing. I think about the medical profession in similar terms, you can teach medicine, but you cannot know until you go into the actual practice.”

After putting his hands into the industry, Gurrola Perez still missed something — his research. “My intellectual curiosity with finance is in a setting that is not only academic, but has some practical aspects. One way of doing that is going directly to the investment bank, but then you probably won't have the chance to do research because of the demands of the work.”

He has found that balance as head of research at WFE, finding it rewarding to “do meaningful and serious research that directly impacts policy discussions and industry conversations.”

Sukumar shares a similar belief. “I was always fascinated by the [exchanges and clearing] issues and I'd been writing about them.

"When I wrote about the industry, I found the market infrastructures had integrity, they were different, they had social purpose"

Nandini Sukumar, CEO of WFE

"When I was at Bloomberg, I was always known for campaigning to get clearing stories onto the front page and I used to be asked what clearing and CCP's are."

Sukumar's knowledge and interest in clearing caught the attention of WFE and she left her journalism career to join the federation as chief administrative officer in 2014. Within nine months she had already become CEO.

Being in the room

"I was fascinated by the topic and continue to be so. When I wrote about the industry, I found the market infrastructures had integrity, they were different, they had social purpose. That was my reason to come here to represent them and be part of the conversation," Sukumar explains after sharing an anecdote about her first forays into the industry.

"When I first took the job [at WFE], a very senior investment banker who I have known through industry deals for decades asked me, 'are you enjoying being in the inside of the room?'" Sukumar's mind flickers back, "And I thought, I love being inside of the room and being part of the conversations."

Sukumar and Gurrola Perez are particularly excited about conversations that will take place at WFECLEAR 2024, the federation's annual conference on clearing and CCP's to be held in Madrid from 19 to 21 March.

"The WFEclear conference really grew out of the belief that we needed a specific forum to convene and discuss clearing issues," Sukumar explains. "As an industry, we need to be able to engage with ideas in addition to working on public policy issues."

The federation's CEO continues: "Every year, we ask for submissions from academics on the leading CCP and clearing papers they've been working on. You have a combination of the academic thinking and then industry perspective on that paper, because both sides bring different things to it."

Sukumar describes the conference as a 'larger roundtable', expecting close to 100 attendees from various institutions across the globe. The various nations represented at the conference are reflective of the international nature of the federation.

"It's part of our DNA," Sukumar says proudly. "You will only truly understand WFE and the organisation once you get to meet members. I've never worked anywhere as international as WFE."

Aside from the ability to make social change through her role at WFE, Sukumar describes the federation's interconnected global community as one of the best features of her work.

"What is wonderful about WFE is that you can have a conversation about digital assets or T+1 with different members from different geographies, in different sized markets, infrastructures in different stages of evolution of their market and we all come together."

Given the international network of institutions and people in the federation, those involved in WFE are from all walks of life. But how do Sukumar and Gurrola Perez consider their roles as leaders not only in title, but in helping new members into the federation?

Being a leader

As head of research, Gurrola Perez oversees a team of academics breaking into the industry.

He explains: "In my team they are all young researchers and, in some cases, in their first job in the industry. They might have been

in academia before but, for them, it's a completely new world and they are very excited about it."

Gurrola Perez is also involved in WFE's collaboration with Bayes Business School. WFE established an educational programme with Bayes that offers training, teaching and a market infrastructure certificate once the course has been completed. Looking after young people hoping to break into the industry is rewarding for him.

"They are welcome to any guidance and help with their career," he says. "I'm always very happy to provide them with an understanding of what management means, but more importantly help them to feel comfortable and grow in their positions. It's very helpful for them to be in contact with leaders in the industry."

As CEO, does Sukumar consider herself as a natural leader and role model for young people developing in the industry?

She swats away the suggestion and laughs, saying: "I don't wake up in the morning and say I'm a role model."

As a prominent female figure in the industry, does that not make her a role model?

Sukumar brings in Cally Billimore, WFE's communications manager, who has been listening in through the Zoom call. Sukumar says: "I have very bright, capable colleagues such as Cally, who has an amazing future in front of her. I see other young women at WFE with such tremendous promise and it's my privilege to be able to work with them and have conversations about their future."

Aside from her role as a leader, Sukumar is keen to stress the success of their 'ring the bell' initiatives — a series of programmes that champion diversity in the industry.

"We had a [ring the bell] initiative for International Women's Day which champions diversity and inclusion in the market infrastructure space. We have a very specific initiative around gender and it's called the WFE Women Leaders Initiative. I started it a couple of years ago because I was fascinated by the women who worked in these markets."

WFE also runs financial inclusion, financial literacy and education initiatives during world investor week. The initiatives seek to offer guidance to young people wanting to get involved in the industry. Finally, they have a climate focus.

"I'm always very happy to provide young people with an understanding of what management means, but more importantly help them to feel comfortable and grow in their positions"

Pedro Gurrola Perez, head of research at WFE

The desire to develop more initiatives focusing on societal issues and individuals' wellbeing has taken a marked increase under Sukumar's leadership and since the Covid-19 pandemic.

She explains that this decision was a necessity after months of "working from home, or living at work" during lockdowns.

She says: "Working from home during the pandemic gave the financial services industry more energy to talk about some of these issues. We understood it wasn't just individuals who were interested in [improving others' wellbeing], but we could [all come together to] have a common conversation about it."

Does she feel more onus as the CEO — and as a non-white, female CEO — to look after those in the industry?

She takes a moment to think, before concluding: "I think one should do that regardless of whether you're a CEO or not, or whether you're a woman or diverse or not, you should always try to help those around you achieve that potential." ■

"The depth of know-how in the different business lines is striking. With so many unique businesses to look into, it was a great learning experience every day"



Digital asset expert departs BNY Mellon

Benjamin Duve is set to depart his role as tokenisation lead in digital assets and blockchain at BNY Mellon.

Duve had been in this Frankfurt-based role since September 2021 after joining the company from Commerzbank.

Posting on LinkedIn, Duve said: "While I am very excited about the

next step, today it is time to reflect and thank so many of you for this great experience. Maybe it is working in digital assets, but more likely it is all of you, who made it so much fun.

"The depth of know-how in the different business lines is striking. With so many unique businesses to look into, it was a great learning experience every day." ■

Salim leaves S&P Global

Khalid Salim has announced his departure from S&P Global.

Salim has close to 25 years of industry experience and has been director of client management at S&P Global since 2022.

Prior to this, he was director of account management at Broadridge.

Earlier in his career, Salim spent eight years with HSBC in a number of senior vice presidential roles across sales, relationship management, business development and strategic client management.

Salim began his career at Merrill Lynch, working in cash management, network management and bank relations within the treasury.

Commenting on his departure via LinkedIn, Salim says: "I am thankful for the opportunity to have worked with such skilled, collaborative and passionate colleagues. I am proud of our achievements. I am also grateful to the many trusted and dedicated clients whom we have served."

Gilbert promoted at Northern Trust

Northern Trust has appointed Nick Gilbert as head of global fund services for EMEA, effective 1 April 2024.

He replaces Clive Bellows, who was recently announced as president of the EMEA business, and reports to Toby Glaysher, president of global fund services.

The global fund services business provides asset servicing solutions, including fund administration, global custody, investment operations outsourcing and data solutions across the full range of asset classes.

FUNDGUARD

CROSS ENTERPRISE INVESTMENT ACCOUNTING

One platform. Multiple books. Monolithic no more.





BNY Mellon appoints Gerdeman global head

BNY Mellon has appointed Julie Gerdeman as global head of its data and analytics business. She will oversee the software and data management business and report to Akash Shah, chief growth officer.

Gerdeman has more than 25 years of industry experience and joins BNY Mellon from Everstream Analytics, where she was CEO for two years. Prior to this, she was CEO of healthcare payment company HealthPay24.

Earlier in her career, Gerdeman spent more than five years with software development firm SAP Ariba as general manager for payments and financing, chief of staff to the president and head of supplier enablement.

Gerdeman began her career at American Express, where she

became vice president of strategic global accounts before moving to JPMorgan Chase in 2011.

Her appointment follows the firm's recent announcement of its expanded data management partnership with Microsoft .

Commenting on her appointment, Gerdeman says: "I'm honoured to join this team and deliver on its ambition of advancing platforms and unlocking the power of data to help increase value across every financial interaction."

Shah adds: "Our clients are focused on transforming their data into commercial insights. Julie's experience in developing innovative software combined with BNY Mellon's reach and technological prowess is a transformative combination for growth." ■

Gilbert has more than 20 years of industry experience and has been with Northern Trust since 2005. Most recently, he was chief strategy officer for asset servicing.

He joined the firm as a relationship manager, later holding a number of senior roles in the global fund services business, including chief operating officer for the UK and Ireland and EMEA programme director.

Glaysher comments: "Nick's strategic insight and extensive knowledge of our business makes him well-equipped to lead our team of dedicated fund industry professionals.

"He will also play a critical role in driving the continuing digital transformation of our solutions for asset managers, helping clients create efficiencies across their businesses and great experiences for their investors."

Pirum appoints for US growth

Automated post-trade services firm Pirum Systems has appointed Frank Seibold as head of commercial development for the Americas. Based in New York, Seibold will focus on accelerating the firm's business in the Americas and will further refine its complete post-trade lifecycle offering.

He will work alongside Matthew Lilien, head of sales for North America, as the firm continues to scale its business in this region.

Seibold brings more than 30 years of industry experience to the role, where he previously held senior positions across financial services, data, trading and post-trade platforms.

He joins Pirum from CME Group, where he was global head of strategic relationship management and head of cash market sales.

Prior to this, Seibold held senior positions at ICAP, NEX Group and Thomson Reuters.

Proxymity

Digital proxy voting powered by Proxymity

Traditional proxy-voting is slow,
inaccurate and open to distortion.
It's time to move to Proxymity for
real-time, transparent communications.



Visit proxymity.io/proxymity-vote-connect
to learn more

Investor communications for a connected world

Jeselson to lead newly-created U.S. Bank division

U.S. Bank has appointed Stephen Jeselson as head of its newly-created private capital and global asset management division.

The division consolidates existing private capital client services, and provides fund finance, foreign exchange, treasury management, depository services, capital markets solutions and trustee capabilities.

The bank aims to streamline and expand its offering in this space, particularly given increased assets under management in private capital funds over recent years.

Jeselson has more than 25 years of industry experience, and has been with U.S. Bank since 2019 as managing director of the sponsor finance group.

Prior to this, he was managing director and head of origination for acquisition finance and the financial sponsor coverage group at Mizuho.

Noël promoted at Northern Trust

Northern Trust has appointed Olivier Noël as country head of Luxembourg. Subject to regulatory approval, he will also become CEO and a board member of the firm's EU bank, Northern Trust Global Services SE

(NTGS SE). He reports to Clive Bellows, head of EMEA global fund services and soon-to-be president of Northern Trust's EMEA business.

Noël has more than 20 years of industry experience, the majority of which has been spent with Northern Trust. Most recently he served as chief operating officer at NTGS SE, before which he was chief operating officer for the global fund services business.

He joined the firm as head of transfer agency in 2005, before which he was an assistant manager for transfer agency at BNP Paribas Securities Services Luxembourg. ■



Need a class action champion in your corner?

Dedicated advocates.
Relentless effort.
Proved results.

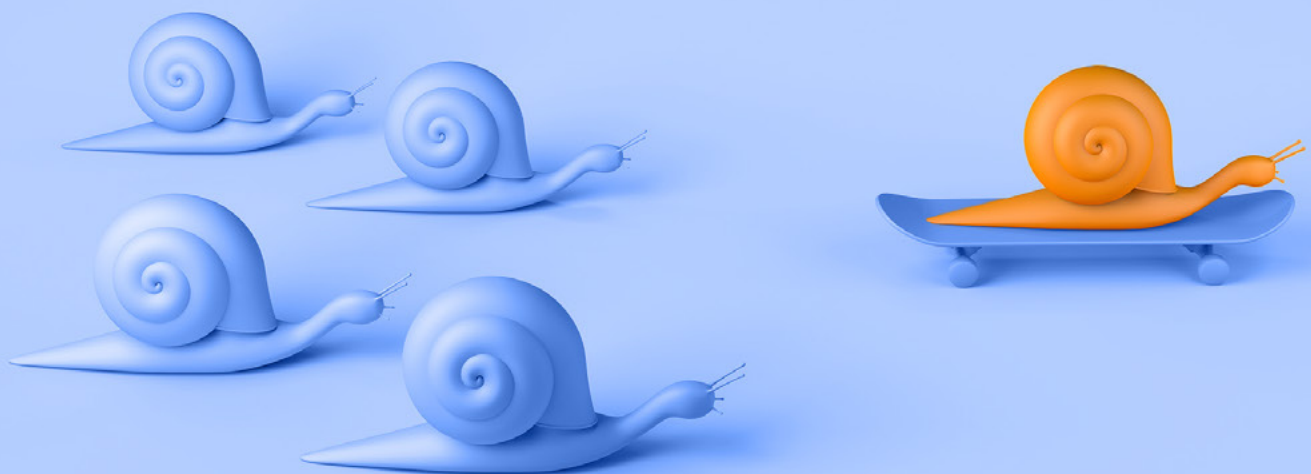
Go the distance on every case

Broadridge.com | +44 020 7551 3000 | global@broadridge.com

© 2024 Broadridge Financial Solutions, Inc., Broadridge and the Broadridge logo are registered trademarks of Broadridge Financial Solutions, Inc.



Keeping you ahead since 2011



asset servicing times

www.assetservicingtimes.com



A Canadian Leader in Sub-custody

With more than 1,800 professionals exclusively focused on servicing Canadian investors and global investors into Canada, CIBC Mellon can deliver on-the-ground execution, expertise and insights to help clients navigate the Canadian market. Leveraging the technology and scale of BNY Mellon, a global leader in investment servicing, and the local presence of CIBC, one of Canada's leading financial institutions, CIBC Mellon has the experience and the capabilities to help you succeed in Canada.

Canadian custody and sub-custody
Canadian correspondent banking¹
Broker-dealer clearing
Securities lending²

Brokerage¹
Investment fund services
MIS (NEXEN, STP scorecard, trade match report card)
Data analytics²

¹ Provided by CIBC

² Provided by BNY Mellon

Learn more, contact:

Richard Anton at +1 416 643 5240

Lloyd Sebastian at +1 416 643 5437

www.cibcmellon.com

CIBC MELLON

©2023 CIBC Mellon. A BNY Mellon and CIBC Joint Venture Company. CIBC Mellon is a licensed user of the CIBC trade-mark and certain BNY Mellon trade-marks, is the corporate brand of CIBC Mellon Trust Company and CIBC Mellon Global Securities Services Company and may be used as a generic term to reference either or both companies.