asset servicing times
The primary source of global asset servicing news and analysis
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# State of the art

**Yassir Benjelloun-Touimi discusses the creation and future for ARTEX - the world's first art stock exchange**


## CACEIS completes integration of RBC IS European entities

Asset servicing banking group CACEIS has completed its integration of the Royal Bank of Canada Investor Services' (RBC IS) European entities.

Less than a year after the acquisition of RBC's European asset servicing activities, all staff in each location have now regrouped under common legal structures, the firm says.

On the client side, the migration project is also underway and is scheduled for completion by the end of 2024.

CACEIS has obtained regulatory authorisations, and in turn has updated its legal structures by combining entities in France, Luxembourg, Belgium, Ireland, and Switzerland.

Commenting on the announcement, Jean-Pierre Michalowski, CEO of CACEIS, states: "I am especially proud of the journey our staff have achieved and of the trust shown by our existing and new clients, which allowed for a successful integration of RBC IS activities.

"We are delighted to have achieved this major milestone and now be united under CACEIS. Our group, with more than 7,000 men and women working in 18 countries around the world, is seeing the first positive effects of this acquisition.

"We are now in an even better position to act as a key business partner for our clients, helping them meet their business development objectives." ■

asset servicing times

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## Flossbach von Storch mandates BNP Paribas

Flossbach von Storch has mandated BNP Paribas' Securities Services business to provide global custody, fund accounting, and transfer agent services.

The Germany-based asset management firm will gain access to BNP Paribas' Securities Services' solutions and multi-local expertise.

Patrick Colle, head of Securities Services and chairman of Financial Institutions Coverage at BNP Paribas, comments: "Building long-term value and trust is a shared principle between our two organisations, and we stand committed to helping Flossbach von Storch seize tomorrow's opportunities for growth."

On the mandate, Christian Schlosser, board member for Flossbach von Storch Invest, explains: "In the future, we want to ensure that we provide first-class service beyond our domestic market. BNP Paribas — a leading global custodian with a network spanning across all time zones — is an ideal partner to achieve this goal." ■

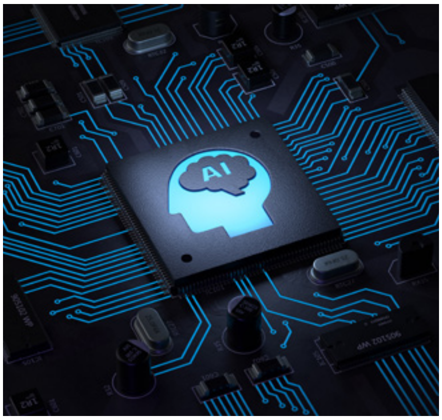
## DTCC testifies to Congress on opportunities to advance financial markets

Nadine Chakar, managing director and global head of DTCC Digital Assets, has testified before the House Financial Services Subcommittee on Digital Assets.

Chakar talked about the potential for tokenisation to transform today's financial markets through further automation, increased efficiency, and lower costs.

In the hearing, titled 'Next Generation Infrastructure: How Tokenization of Real-World Assets Will Facilitate Efficient Markets'; Chakar testified to benefits that could be offered by employing digital ledger technology in transaction processing and lifecycle management of real-world financial assets, such as tokenised securities in the US markets.

The challenges inherent in developing an integrated digital assets platform for the industry were also discussed, noting that "technology on its own will not change the markets — it will require collaboration and coordination among all stakeholders, and it needs to be measured and thoughtful." ■




## Fenergo launches AI powered CLM system

Digital services provider Fenergo has launched an AI-Powered client lifecycle management (CLM) system.

The offering aims to boost operational efficiencies, accelerate onboarding and improve end-user experiences while reducing costs associated with KYC and AML compliance.

The company says its AI-powered offering will empower firms to safely deliver more efficient, frictionless onboarding and lifecycle management journeys while accelerating time to revenue.

Stella Clarke, chief strategy officer at Fenergo, says: “Regulators across the globe are tightening their grip on financial crime prevention, enforcing tougher penalties for compliance failures and launching new initiatives like the EU’s Anti-Money Laundering Authority.

“Against this backdrop, it is crucial that banks look to bolster their capabilities with regards to client onboarding, due diligence and regulatory reporting – especially considering the growing shortage of compliance professionals globally.” ■



## GoldenSource partners with Snowflake

GoldenSource, an independent provider of cloud data management solutions, and Snowflake, an AI data cloud company, have partnered to create GoldenSource Omni, a native application for institutional investment managers.

The companies say GoldenSource Omni allows institutional investment managers to streamline financial reference data integration.

The app aims to expedite the process of onboarding financial reference data into the GoldenSource data model which supports reporting on Snowflake’s data cloud.

Jeremy Katzeff, head of buyside solutions at GoldenSource, comments: “Historically, buy side participants have struggled with the management of disparate datasets.

“This was exacerbated by the absence of a comprehensive data model. However, with the launch of GoldenSource Omni, datasets for different asset classes and functions can now be integrated and analysed within a modern cloud-native environment in one place.”

Rinesh Patel, global head of Industry, financial services at Snowflake, adds: “GoldenSource is an ideal partner for us with their deep market experience and unique data model that links data across domains, providing a more efficient way for joint customers to run analytics, derive insights, and train AI models within the Snowflake platform.” ■

## BBH launches new liquidity management tool

Brown Brothers Harriman (BBH) announces its new automated liquidity management tool (LMT), aiming to support asset managers in both the traditional and alternative funds space.

The tool allows asset managers to oversee multiple fund liquidity scenarios based on investor flows, and offers online projections of a fund's liquidity needs.

Manuel Dienhart, global head of Transfer Agency at BBH, says: "LMT will offer managers a digital solution to manage their funds' liquidity. It takes what was once a manual and risky offline process, and turns it into straight through automation, helping managers meet regulators' expectations."

Lata Vyas, head of European Alternative Funds at BBH, says: "For asset managers, GPs and management companies who oversee these portfolios, establishing an appropriate redemption policy and managing the ongoing liquidity needs of a broad spectrum of investors requires tools to be in place that are visible to regulators." ■

## DTCC, Clearstream and Euroclear develop digital asset framework

The three financial market infrastructures have collaborated with Boston Consulting Group to develop a digital asset framework.

DTCC, Clearstream, and Euroclear's blueprint for an industry-wide digital asset ecosystem aims to further push the acceptance of tokenised assets.

In a white paper, the companies highlight six key principles to lead the evolution.

These include legal certainty, regulatory compliance, resilience and security, safeguarding customer assets, connectivity and interoperability, and operational scalability

Philippe Laurensy, managing director and head of product, strategy and innovation at Euroclear, says: "Our objective is to create innovative solutions that will address the evolving needs of our customers and drive industry advancements, which includes clients having the flexibility to create space on their balance sheets through tokenisation."■

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## Matter launches Nature Data solution

The sustainability data and analytics provider, Matter, has announced the expansion of their data offering to cover nature-related requirements for buy side market participants.

This new solution aims to allow investors to quantify the degree to which their portfolios are exposed to a broad range of nature-related criteria, through analysing the revenue streams stemming from a company's products and services, and location-specific analysis.

Key features of the solution include layered analysis capabilities from asset to portfolio level, and access to granular insights based on transparent, rule-based methodologies aligned with reporting requirements.

Lise Pretorius, chief sustainability analysis officer at Matter, says: "The launch of our new solution will help investors and businesses currently facing increasing pressure to consider nature as part of their investment strategies." ■


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## BitSave partners with Liminal

BitSave, a crypto investment platform, has announced a strategic partnership with Liminal, a digital asset custody and wallet infrastructure provider, to strengthen transparency and security for their client's funds.

Incorporating Liminal's compliant and regulated custody solutions, BitSave aims to speed up transaction times and remove the need to have native tokens for gas fees across multiple wallets.

Zakhil Suresh, CEO at BitSave, says: "Integrating Liminal's regulated custody infrastructure enhances the security of our platform while improving our operational efficiency.

This enhanced security is crucial in driving the adoption of crypto as an investable asset class, and we are proud to be the first platform in India to offer institutional custody to retail crypto investors."

Manan Vora, SVP of Strategy & Business Operations at Liminal, states: "Our collaboration signifies a shared commitment to safe, secure and compliant custody for digital asset investors using BitSave, and sets a new benchmark for digital asset businesses globally." ■

## Zodia Custody partners with Forteus

Zodia Custody has partnered with Forteus Investment Management to provide secure custody and staking solutions.

Forteus' Digital Asset Select investment strategy provides access to a diversified set of themes in the digital asset ecosystem. The firms say that their partnership responds to "growing institutional demand to earn potential rewards and additional income from digital asset holdings".

The partnership will allow Forteus to connect with staking providers and security for its clients' assets with Zodia Custody.

Julian Sawyer, CEO of Zodia Custody, says: "In leveraging Forteus' deep investment expertise, we are not just meeting the needs of an institutional investor, but expanding the opportunities for investors in the digital asset space to yield better results."

Nicolas Vanhoutteghem, president of Forteus, adds: "[The partnership] is critical in providing the robust custody and staking solutions that clients need, at pace and at scale." ■

## Arcesium partners with Bloomberg to make DL+ available

Arcesium has expanded its collaboration with Bloomberg in an effort to make Bloomberg's data management solution, Data License Plus (DL+), available via Arcesium's advanced operations platform. The partnership aims to provide mutual customers with more efficient and streamlined data management capabilities.

The companies say DL+ should allow mutual customers to quickly provide their downstream consumers with consistent data, synchronously acquired from multiple delivery channels and linked together, unlocking quick and efficient access to over 275 Bloomberg Bulk Data License datasets.

Alex Dobson, head of product, US at Arcesium, says: "By eliminating the need to manage data, mutual clients of Bloomberg and Arcesium will be able to save valuable time, reduce the risk of errors, and optimise the cost of ownership of their technology stacks. Our collaboration with Bloomberg's DL+ solution enables clients to consume Bloomberg's Bulk and Per Security data sets inside the Arcesium operating platform to enhance workflow efficiency." ■

# State of the art

## After its successful inaugural trading session in March, ARTEX's CEO Yassir Benjelloun-Touimi talks to Jack McRae about seeking to create a new asset class and democratise art

Leonardo da Vinci's 'Salvator Mundi' was sold for just over US$450 million in 2017, making it the most expensive painting in history. The 500-year-old artwork was purchased by Badr bin Abdullah, a Saudi Arabian prince, on behalf of the Abu Dhabi Emirate, with the intention of being displayed in the Louvre Abu Dhabi. However, the exhibition at the gallery was postponed indefinitely and, after a dispute with the Louvre in Paris, the painting found home on 'Serene' — Saudi Arabian Crown Prince Mohammed bin Salman's yacht.

It now sits in storage, awaiting a museum worthy of its housing to be built.

"At the moment, only few people can benefit from owning art and nobody can see the art," Yassir Benjelloun-Touimi explains. "This is condemning those great artworks to sitting in prison."

Benjelloun-Touimi is the CEO and cofounder of ARTEX, a stock exchange dedicated to transforming art into an asset class — for which, the motivation can be explained by a series of simple questions.

Benjelloun-Touimi posits: "Why should only wealthy people benefit from having the artwork in their living room? How do we solve that conundrum? How do we spread the appreciation of the best art that has been produced and allow them to be a part of it?"

The answers to that last question came six years ago. "In 2018, all asset classes were so expensive," Benjelloun-Touimi explains. "We had asset managers wondering where to invest capital and art sounded so natural for us, but it is only available for rich people."

The genesis of ARTEX may have began in 2018 with a meeting between Benjelloun-Touimi and his business partner, Prince Wenzeslaus of Liechtenstein, that aimed to tackle a financial issue, but its true foundations lie deeper.

### Opposite ends of the spectrum

"I started loving art very early in my life. I was eight-years-old when I watched a documentary on de Vinci and my mind was opened," Benjelloun-Touimi reflects on his life that has taken him on a cultural journey from growing up in Morocco to studying in Paris to working in London.

His career in the financial industry that introduced him to Prince Wenzeslaus. "We were two people who came together from completely different backgrounds but we bounced ideas off each other about what we wanted to achieve," he says.

Despite their contrasting backgrounds, the two men found friendship through art. Benjelloun-Touimi describes how, "for him [Prince Wenzeslaus], art is natural. His family have been collecting art for 600 years or 700 years, they have museums. For him art is not a choice, for me it was.

"I come from one extreme end of the spectrum and he comes from the other end but we share a love of art and the fact that we became partners in finance."

Their shared passions birthed ARTEX. The men believed that art should not only be available to be viewed by everyone, but it should also be able to be owned by everyone.

This idea is not necessarily a new phenomenon and Benjelloun-Touimi admits to having been inspired from previous attempts to invest in art. He says: "We looked at what's happened in the past and the first attempt to invest in art was in England through the British Rail [Pension] Fund in 1974. 50 years later and we used the same model."

However, the ability to invest in art was, as it had always been, impossible for anyone outside of the wealthiest people. "The cost

**"We want to democratise the investment opportunity and, in doing so, we are democratising art because more people will learn more about it"**

of engagement was still high, you needed to put in £50,000 or £100,000 in," Benjelloun-Touimi explains. "So we looked at other ways to increase the engagement and still enable art to be safe as an investment."

The method became clear: "The best way to ensure that investors are safe and have the choice to buy and sell whenever they want, as well as reach them anywhere on the planet, is to have a stock exchange.

"This is a new asset class and we want to establish it as a viable asset class that becomes mainstream down the line. Our biggest challenge is convincing banks to allow their clients everywhere to buy and sell shares to them. That's not easy and it's a process that takes a long time."

### A new asset class

ARTEX allows for investors to buy and sell stocks in artwork, and operates just as any other stock exchange does, Benjelloun-Touimi states.

He says: "We give an investor the same process as they would find on the London Stock Exchange or NASDAQ. We have the same security, the same level of regulation and the prices you receive need to be sent to Bloomberg too."

Protecting the investor is paramount for ARTEX and its co-founders, who see their platform as key to unlocking art as a new asset class. "A stock exchange is a place where only banks and regulated financial institutions can be members and they bring the clients to invest," Benjelloun-Touimi emphasises. "There are double layers of protection with a stock exchange."

He believes that creating that new asset class is possible, but "we have to have an industrial transformation. Artwork can become a number of securities which are transferable, liquid, and regulated."

The creation of this new asset class appears simple, and important, to Benjelloun-Touimi. "Art from the most important artists in our history has not only beaten inflation but has also beaten the classical asset classes like bonds and equity in many instances. This is the same regardless of if there are periods of high stress and volatility as well," he explains. "Art, in the long run, gives you a high probability of making money. It gives you diversification and ultimately is a good investment."

One aspect of this transformation can be made through building trust with banks, as well as investors, that ARTEX can revolutionise the alternative asset space. One measure they have taken to help establish this trust is by partnering with SIX.

Benjelloun-Touimi explains the partnership: "In order to give confidence to the market that the trades will be settled, we have an agreement and partnership with SIX to manage clearing and then the settlement goes through Euroclear and ClearStream.

"We chose a company that is innovative, that is big enough and that is recognised. We felt it was important to have a partner of a high quality to reassure investors."

The partnership also excites Jose Manuel Ortiz, head of clearing and repo operations at SIX, who comments: "Our partnership with ARTEX is driven by a shared vision for innovation. For SIX, innovations in emerging asset classes and new trading venues means stability and enhanced liquidity.

"This collaboration with ARTEX allows us to play a key role in creating a more secure, efficient, and accessible art investment landscape. Effective clearing is crucial for building liquidity and mitigating risk in the development of this new marketplace, and our established expertise in clearing ensures the stability required for this new market to live up to its potential."

### Breaking barriers

Benjelloun-Touimi is looking to transform the market. "If you look at the numbers, art collections are worth US$3.5 trillion around the planet. One-third of that is in museums, two-thirds are in private hands. This is a massive market, it is the equivalent of a private equity market. The number of players is just very, very few."

He continues: “Unless you’re a billionaire, you cannot spend US$50 million on art. And how many billionaires are there on the planet? There are 3000. How many of them are passionate about art? Probably 500. The numbers are very, very small.

“A lot of people who are collectors — and their net worth is above US$50 million — invest 24 per cent of their wealth in art. That is a reason why art has been performing for 500 years. That is the reason why paintings by Leonardo DaVinci are worth more than US$100 million and very few people can buy them. The same goes for works by van Gogh or Picasso.”

So how can those numbers be widened?

“We use natural traditional processes to sell shares and we started with the lowest amount possible so it’s less than €100 to buy your share,” Benjelloun-Touimi explains. The root of transforming art into an easily accessible asset class, with shares that can be bought and sold, is underpinned by ARTEX’s mission.

Benjelloun-Touimi believes art has been held for too long in the hands of the very few and, as such, has impinged on society’s love for art.

“It’s not easy for anyone to walk into a gallery in Mayfair and look at artwork worth £2 million, even if they like art, because they may feel it is inaccessible. We want to break those barriers,” he stresses. “We want to democratise the investment opportunity and, in doing so, we are democratising art because more people will learn more about it.”

ARTEX’s mission means that they made the decision to lend all artwork placed on their stock exchange freely to museums. There should be no blockade to art.

Benjelloun-Touimi bemoans: “The cost of art has gone so far that museums cannot afford to buy artworks anymore and we want to bring art back to these cultural institutions. This is how the conservation of our cultural heritage is done.”

Benjelloun-Touim laughs off the suggestion that he, and ARTEX more generally, might consider themselves as a Robin Hood-esque figure. He is honest as he says: “We are not [Robin Hood] and we don’t pretend to be, but we can do good and have a positive social impact.”

He argues that their mission of democratising art relies on ARTEX being able to financially support itself first. He explains: “We support cultural institutions, we invest in education and we try to get art into very underprivileged places. However, we are anchored in the financial world with a stock exchange that makes money. In order for us to fulfil our mission, we do need to be independent financially and, also as entrepreneurs, make money. We want people to make money and create an asset class, but we want that money to feed into helping and supporting cultural institutions.”

**"What makes us push every day is the fact that people young and old, from different countries want to participate"**

Transforming art into an asset class and giving more and more people the ability to invest in artworks will take time. Even by Benjelloun-Touim’s own admission, “Rome was not built in a day. It takes time and it takes commitment. Ultimately, what makes us push every day is the fact that people young and old, from different countries want to participate”.

ARTEX may be six years into its journey, but there are still a number of important strides to be made in order to establish art as a mainstream asset class.

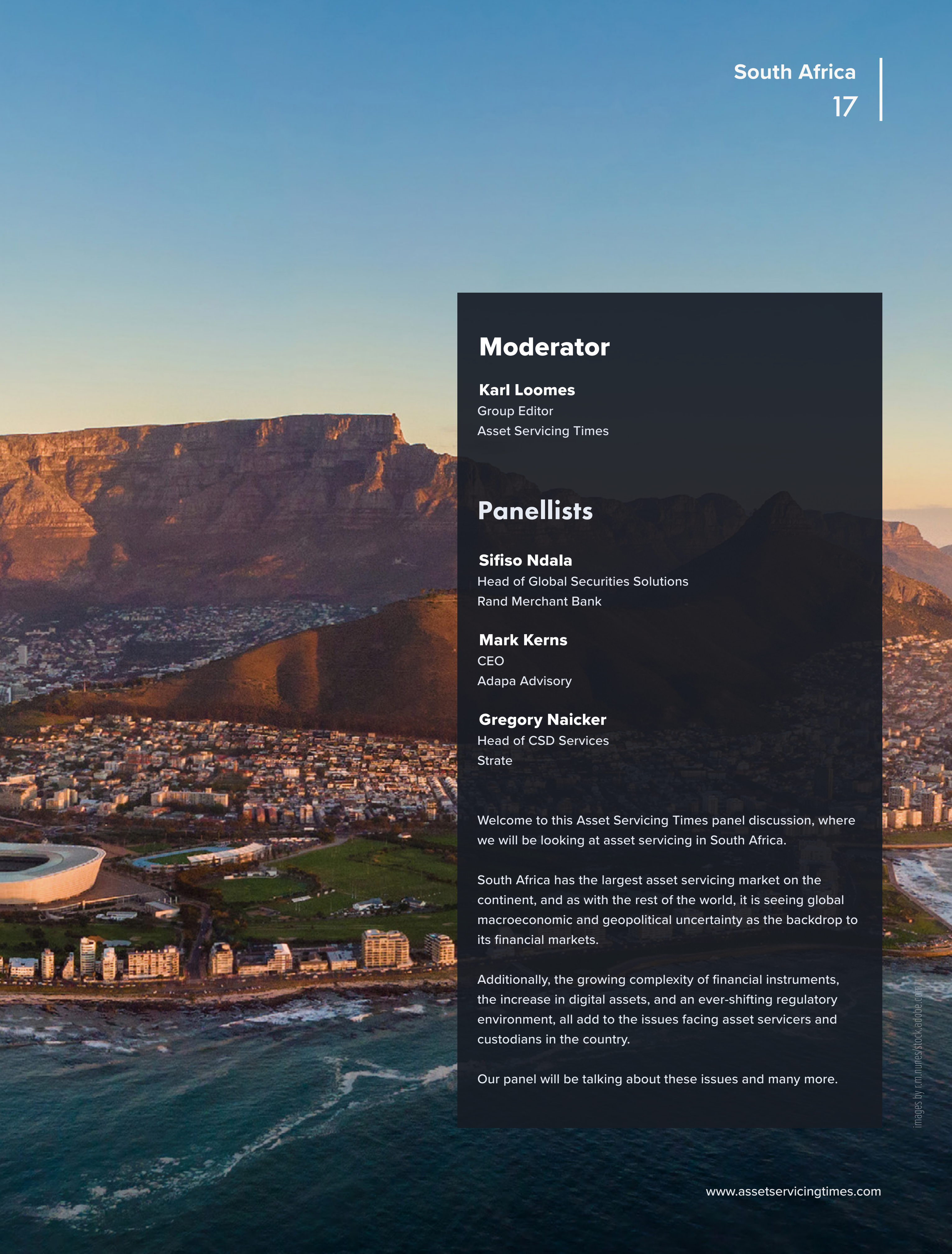
Benjelloun-Touim is undeterred by the challenges ahead. “It took us four years to do our first IPO but now we have a clear roadmap to start and increase the issuance,” he explains.

Yet, through it all, there is one underlying factor that is shaping ARTEX — one which would not sentence a piece of artwork to years in confinement in various storage facilities.

Benjelloun-Touim, with his ever-unwavering passion, says: “The most important step has been the passion for art and the recognition of its importance in defining who we are and the way we connect to our history. Art allows us to connect with each other.”

# Asset servicing in South Africa

**With elections, greylisting, and global geopolitical turmoil as its backdrop, Sifiso Ndala, Mark Kerns and Gregory Naicker discuss the impact on the South African asset services**



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## Panellists

**Sifiso Ndala**
Head of Global Securities Solutions
Rand Merchant Bank

**Mark Kerns**
CEO
Adapa Advisory

**Gregory Naicker**
Head of CSD Services
Strate

Welcome to this Asset Servicing Times panel discussion, where we will be looking at asset servicing in South Africa.

South Africa has the largest asset servicing market on the continent, and as with the rest of the world, it is seeing global macroeconomic and geopolitical uncertainty as the backdrop to its financial markets.

Additionally, the growing complexity of financial instruments, the increase in digital assets, and an ever-shifting regulatory environment, all add to the issues facing asset servicers and custodians in the country.

Our panel will be talking about these issues and many more.

## Given some of the factors previously mentioned, as well as greylisting and national politics, what would you say is the current market landscape in South Africa and do you think it is having an impact on inbound investment?

**Sifiso Ndala:** There have been myriad things happening in our jurisdiction in South Africa, including the greylisting.

The greylisting does not mean South Africa is closed for business though, it just means that institutions that want to deal in the country have additional compliance issues to consider. This includes enhanced due diligence, which obviously increases costs.

However, if the country does not make efforts to get off the greylisting, it might have negative sentiments on the jurisdiction, which in turn may mean that flow of liquidity might be a challenge. In turn, this may then have an impact on our credit rating.

When I think about the last 12 months, the trajectory has been fairly positive. There have been a lot of steps that institutions, and the government, have taken to implement a lot more anti-money laundering (AML) policies, in order to get the country out of the greylisting. When you consider the reasons why we got into greylisting, it was not necessarily the institutions that faulted, it was more on the fiscal side that there were some AML policies that were not properly implemented.

Looking at the bright side of things, we have seen quite a lot of partnership between the government and the private sector. There have been a number of initiatives where the private sector is partnering with the government to make sure that we put policies in place. I know there have been instances where people from the private sector have even been seconded into government, to assist in efforts to get out of the greylisting.

As I said, the trajectory is positive, but we remain extensively cautious because the 2025 deadline needs to be met, and we need to put measures in place to meet it. In addition to that, just as with half of the world, we have an election year, this year. My sentiments are that for the first time ever, we are probably going to have a coalition government, which is something that we have not really tested before.

The positive thing about this is that in the past 30 years, the country is going to experience another free and fair election. With a coalition government, from a business perspective, there is hope that the governing body would get at least between 43 and 47 per cent, which means that they will still have a large majority. As a result, there will be some consistency in the policies — especially the financial policies that have been put in place.

There are coalitions that, from a business perspective, we might not be comfortable with. But overall it will be good for the nation that we get some sort of consistency going forward.

Finally, something to consider is what we South Africans call loadshedding. Effectively, we had lots of challenges with our power, and electricity was a big issue. There have been some initiatives by the government to try and fix the problem. One of the key such moves was that the President recruited an electricity minister. This gentleman was put in place solely to focus on fixing our power issues. When he was initially appointed however, he did not have a very clear mandate. So there was a cooling period where we tried to understand exactly what his role was. There are a number of ministers that all have some influence, accountability and responsibility, with power. We effectively had three ministers that were focusing on fixing our power issues, because from an economic perspective, it slowed down activity.

Subsequent to that, the minister was given a mandate, the bulk of which was on power generation. We were expecting the worst, and at some point we were expecting the grid to totally shut down. Thankfully, we did not get to that point. The highest stage that we went through from a power perspective was stage eight officially, which means we had very limited power on a daily basis. Corporations were well prepared with large generators, and households were also able to find alternative power sources, so the country continued.

Since then, the trajectory has been quite positive.

**Gregory Naicker:** As a central securities depository (CSD), we are able to see the whole market in terms of impact from a greylisting perspective, so I can offer an overview in terms of how things have been playing out.

Definitely from a foreign investment perspective, greylisting has impacted us. Consider in the context of asset managers, or any institution investing into a foreign destination, they have specific mandates they need to comply with, in order to protect investors that they look after. So we have seen a drop in foreign investment, or the number of foreign investors into South Africa — that is natural. Any greylisted country would see the same thing, and in South Africa I believe it is the lowest in 10 years. That is just because of the greylisting.

But with any negative scenario, there is always an opportunity behind it. What we have seen come out of it as an opportunity, is that we are one of the companies in South Africa that is engaging with the government to try and solve transparency issues. Consider the public markets, where there is a lot of transparency around who owns what, from an investor perspective, but the government has a big problem. They do not know who owns what in the private sector.

You have got to complete the loop, because the combination of both is actually what they need to solve for. We are helping the government in terms of digitising the private sector, so that we can enable them to have transparency around ownership. That is big, not just for South Africa, but globally, in terms of private sector ownership. That is one of the big opportunities that has come out of this, which will take our market forward.

Once you have transparency, then there can be enforcement. Regulations are hard to enforce if the beneficial owner is unknown.

On the power issue, one of the biggest things the government has done is removing restrictions for the private market, or private players to enter the space. Previously our power utility was managed by one entity. But now they have taken away those restrictions, the private sector can now operate in that space.

In Cape Town, for example, there is 100 hectares of land that is owned by a private company, and they have put up a million solar panels, pushing all that power back into the grid. The private sector is helping tremendously, which is why we have seen the stabilisation of the grid over the last few months. It is because the private sector has been more fully involved.

Also, households have managed to create a lot of power within their own environments.

This is all because we are the tip of Africa, and the sun is for free. So we have got a lot of what you could call ‘energy resources’, and are able to create value for not only private homes, but also for the economy and the capital markets as a whole.

One important point to note is that we are seeing a move away from public platforms for listings, into the private sector. Traditionally the exchange used to be the marketplace for raising capital, but it is no longer the place now. You can raise capital at any point.

We have seen a lot of things from the greylisting that has caused us to think a little bit differently about our capital markets, which is positive, because we are forced to think differently.

The players in the market have started to think differently, about how to attract new business, how to look at customers differently, how to look at foreign investors differently, so that the assets are protected in any space.

**Mark Kerns:** I concur with both Sifiso and Greg’s comments. I have been doing business in and out of Africa for over 25 years, and there is no doubt that in that 25 years, this has been one of the most challenging periods that I can recall. Regarding the trajectory, however, I would agree with Sifiso that it is positive.

If we ask how do you address this from an investment destination point of view, I think people are thinking laterally, about how to progress from this point. Obviously, the outcome of the election is an important factor domestically, as well as how that might impact international sentiment. It is important to note that South Africa is a very sophisticated market.

It is very liquid, and there are plenty of fantastic investment opportunities, whether in the public or the private markets.

You have got a very strong domestic environment from an asset management, wealth management and pension perspective. It is very mature, diverse, and is heavily invested in the domestic market as well — the infrastructure is strong.

There is a path moving forward. Would people like to see that accelerated? Of course. Would we like to see greater levels of foreign inbound investment across the board, not just in securities, but in broader projects? Of course.

## How do regulatory frameworks like the Financial Advisory and Intermediary Services Act (FAIS) and the Collective Investment Schemes Control Act (CISCA), impact asset servicing in South Africa, particularly in terms of compliance requirements and oversight?

**Kerns:** One of the things that characterises South Africa is that it is a well regulated market, and, frankly, it has been for a long time. Many of the legal principles have foundations in UK law. So in the unit trust market, for example, the concept of trustee, trustee duties, and regulation that supports the role of the trustee, and indeed, the whole value chain, is very mature as it relates to the securities markets.

From an exchange point of view and from a settlement point of view, it is very heavily regulated, with various oversight across the whole process. From a regulatory point of view, the market is extremely solid, with strong principles that can continue to be built on.

To comment on the points that Greg made around transparency, broader investment products, and private markets, obviously as you develop the market, there will be a need for regulation to support that. Digital assets, for example, is an area where regulation needs to be developed to support how the investment markets are changing, but the foundation and principles are very strong.

**Naicker:** As the CSD in South Africa, we are predominantly regulated under the Financial Markets Act. Under the financial markets act, the level of scrutiny and governance from a regulatory perspective is significant, because we are what would be defined as a market infrastructure and a systemically important financial institution. This comes with a lot of regulation by default.

From a FAIS and a CISCA perspective, both pieces of regulation have been fit for purpose for a very long time. Considering the growth of the market in South Africa, there is quite a strong savings industry. That comes out of corporate employment. Employed people are mandated that they must contribute to a pension fund or provident fund, etc. That has helped the savings industry, and it has become a culture within South Africa. The market is about 3.2 trillion from an assets under management perspective.

If we look globally, what we are seeing is mutual funds, as a team, are coming under the auspices of the CSD banner from a security type perspective. One of our intentions in South Africa is definitely to look at that, from a very simple perspective. How do we create further risk reduction? How do we further optimise? Can we give cash incentives back to the market from the way that we price so that we can democratise the savings environment a little bit more?

If the savings culture is driven through the corporate employment structure, but you are an entrepreneur, for example, and you want to save, there should be a process within the environment. We should create that ability for investors to create a broader economical savings culture.

Considering the South African economy, the country has a population around 60 million, with a working class of probably about 25 million, but there are only about 2 million that are actually saving through the structures. We have to ask, how can you create scale, and how can you democratise savings in a way that will allow all South African citizens, including those not in the corporate environment, such as entrepreneurs, a channel.

We are working with regulators to see how we can enable the current pieces of legislation to evolve. If we create this culture, then you reduce the dependency of people on the government, from a social perspective, and in terms of looking after people once they retire. If you do not have this done quite early in a person's life, the impact is on the government, and then the impact is on the taxpayers, because they have to contribute towards making sure that once a person reaches retirement age, then they will have to help pay for people past that time.

We have to think about it carefully, in terms of the way our

## Sifiso Ndala

Head of Global Securities Solutions
Rand Merchant Bank


regulations and our legal structure is put together. From a government perspective, I do know that they are looking at it holistically, asking how we can harmonise across security types, because equities, money markets, mutual funds, and bonds, are under different pieces of legislation. But it is actually the same thing. Arguably it is we, as capital market practitioners, that have contributed towards this disparity.

It has worked for 36 years — the market has grown quite nicely. But if you have to think about the next 50 years, and where we want South Africa to be, or where we want the capital markets to be, you have to have a long term vision in terms of how you structure regulation. You have one chance to get it right, or then it sits there for 20 years.

**Ndala:** Just to make two points, to supplement what my colleagues are saying.

I fully agree with what they have said. Looking at this through the lens of the private sector, usually when we speak about regulation, it is one of those things that we are not very comfortable with, because we feel like our hands are being tied, and that we can not run a business the way you want to.

But if you think about it at its core, why regulations are there, it is to protect the end investor. You think about that nurse, or the school teacher, or the policeman, that works very hard for 30 or 35 years, hoping that at the end of their retirement they can get something to live off, you have to have guardrails in place that protect that person that is going to depend on these funds.

Secondly, it is important as a private sector, that asset managers and custodians like ourselves, need to partner with regulators so that we make sure that the environment is stable for us to do business, and is conducive for all the different stakeholders and the rest of the ecosystem, to do what it needs to do.

## How are custodians adapting their custody services to accommodate asset owners and asset managers with diverse investment strategies and global portfolios?

"The target is — what does the client require from a full value chain perspective?"

**Ndala:** As a custodian, it is very important to consider the changing needs of our clients. We constantly have to adjust ourselves and be amenable to the changing landscape. Mark spoke earlier about digital assets, and that is a good example. There are new asset classes coming on board, and we need to be able to cater for that.

Even our systems need to cater for the changing environment for our clients, our processes or regulation. In my organisation, it is very important for us to be close to our clients, and to understand what they need, but also to understand that we are part of a bigger ecosystem. We can not look at it solely as a custodian, we have to consider the various other stakeholders that are involved, because it is a whole ecosystem. Then we can ask, what is our niche? What is our value within this ecosystem?

As an example, what we have seen — especially from our global custodians and the bigger players — is that they are creating solutions out of multiple products that they have. They will have online platforms where they will display multiple solutions, of which one would be a custody offering. But then clients will also have the liberty and the leverage of creating their own solutions among these platforms. They will have a fund admin on it, they will have a custodian on it, they will have securities lending on it, and they can create for themselves a proper solution that they need.

**Mark Kerns**

CEO

Adapa Advisory

Custodians need to understand the ecosystem, they have to understand the client's needs, and they have to understand how they touch on their niche within this environment. Then clients will be able to pay, and be very happy to pay, for the service.

**Kerns:** I agree with Sifiso's comments — the important thing is, what are you delivering to the end client? South African custodians are very familiar with dealing with the international banks, which is largely about asset safekeeping, it is about settlement, it is about foreign exchange, and all other things associated with that inbound investment. There is copious experience in the market in dealing with the international community.

Likewise, there is a lot of experience dealing with domestic institutional investors and asset owners. But the demands of those markets have expanded over time. As Sifiso articulated, at one point, custody was the product. Now, the demand on custody banks is to act as a trustee and provide custody. Clients want to invest in broader Africa and they want to invest globally. They have demand for accounting valuation, performance, risk, ESG services — the markets have developed into private assets, alternatives, etc.

There is a requirement from an end customers perspective, to support them across that value chain. In terms of where the market is on that value chain, different organisations will be at different places in terms of how they are dealing with that value chain. Sifiso makes a very important point, that that value chain does not need to be completed by the bank all on its own.

Because of the complexities of service delivery, the cost associated with it, essentially demands that you work with partners, or you work with other internal groups within your own organisation. The target is — what does the client require from a full value chain perspective, and how do we deliver against that value chain?

That target is pretty clear, but different organisations are at different stages of how they are delivering that, which is a function of where the organisation comes from, how they have built their business, the nature and profile of their client base, etc.

The other thing which I think is very important at this time from a South Africa point of view, is that the levels of global investment are higher than they have ever been. Over time, there has been a relaxation as to how much can be invested offshore. It was kept to quite low levels at one point, to manage a foreign exchange risk, repatriation, etc. But those numbers over time have increased, and asset owners and asset managers in many cases, are up against those thresholds.

Because everything that goes global is leaving South Africa, it is important from a security services point of view, that you can support that entire value chain, including the global component, where there is a demand for people to invest overseas for diversification reasons. But supporting those assets, and being able to do that in partnership, and manage that whole value chain, is a critically important issue for the security services market. This will also be the case in other African markets, as demand for international exposure has increased.

**Naicker:** Innovation can happen from the back as well. We have been working with our custodian banks, to diversify our markets into a few places in the local market. It is around any trade venue that we want to bring into the market, because our custodian is an extended part of our value chain, in terms of the way custody is offered to an end client.

We want to bring in new security types, trust and mutual funds, as I mentioned, it is a big focus for us. The derivatives market is a big focus for us from an OTC perspective. Lots of our custodians are banks, and we want to create a digital platform for them.

The big thing for me is, and Mark alluded to it, is that you have to look at value prop to a client from a one-stop-shop perspective, because the foreign component is becoming more important. Our listed companies are trading at a p/e ratio of six. To buy stock in South Africa right now is cheap. Asset managers, from a foreign investment perspective, are moving a lot of investment offshore.

From a RMB perspective, the conversation will be: how does RMB service the client through a one stop shop, through the central depository, in a way that they can access the global markets. From the very high level research that I have done on this, if for example you take seven hops into the foreign market, going through market infrastructure, you have three into the foreign market, and then that makes a big difference for how RMB can service its client in this context.

There are lots of good things that will come out of it. I think the number is now five trillion sitting offshore, and that is a significant portion that we would like back in the local market, so that we can get value from a settlement perspective and from an asset servicing perspective.

## How would you characterise the fund administration business in South Africa, and do you think it is a growing opportunity?

**"From a value chain point of view, being able to support a client from an end-to-end perspective, creates an opportunity to provide fund administration as part of your overall service offering"**

**Mark Kerns**

**Kerns:** One of the things that is not well understood internationally, is that South Africa is one of the most mature markets from a mid and back office outsourcing point of view. But there was a period when a number of the large asset managers in South Africa took the decision to ring fence their mid and back offices, and create separate entities that would support them as a group, but also open them up to be able to provide third-party administration for other organisations. The market in that sense has been providing those services, and providing outsourcing solutions for fund administration, for 25 years in some instances. Over that period there have been various acquisitions, and other activities, and the introduction of services from the international banks in that space. This means the markets have changed, but the market is mature in terms of fund administration.

In terms of that changing landscape, there is a lot of activity around how funded administration is being done. In the instances where fund administration is being done in-house with an asset manager, it is now very much in the minority from a pure scale point of view. Most of that has been outsourced to a third party, who is either a resident domestically, or is an international bank who is providing the services through their offshore operating model.

That said, from a value chain point of view, being able to support a client from an end-to-end perspective, creates an opportunity to provide fund administration as part of your overall service offering, whether you do it internally, whether you do it with an internal partner organisation, or whether you do it with a third party, but having that capability is an opportunity to be considered.

The other thing worth noting is the greater the demand there is for new products, for alternative products, then the greater the opportunity there is for fund administration services. It is a critical part of the value chain. The question of how you do it, is where the strategic consideration needs to have lots of thought, because fund administration is a scale activity, and the costs associated with it are not insignificant.

This means doing it in an efficient manner, internally or with a partner, and how you commercialise that, are a very important series of questions, but it is a critical function in the value chain. It needs to be catered for in that value chain in an appropriate way.

The other thing I would say, is that from a domestic market point of view, the market has done an exceptional job in terms of dealing with a multiplicity of products. As Greg said, this sector has got a very mature savings market, and that mature savings market has led to many different types of funds, classes, sub funds, and very complex structures, that the fund administration community in South Africa has done an exceptional job in servicing.

Given the depths of the life and pensions markets, this trajectory is only going to continue, which again means it is important to determine where it fits in the value chain and ask how do we execute against it? For those providers or fund administration in the domestic market, their challenge is building scale, looking at broader diversification. A number of those factors are important strategically, for them to continue to grow a franchise. This is how you commercialise your operation. There is a client delivery, but there is also understanding the economics and how you commercialise it, and how you make these activities profitable.

**Naicker:** What I have noticed in the fund administration space, is that there has been an evolution out of pure fund administration — let us call it capability — over the last few years, that has now started tagging on certain capabilities that are traditionally executed by a custodian or transfer agent in the mutual fund space, or other capabilities that they have now latched on to fund administration.

For me, that is an area that we need to be aware of. Sifiso for example, from a RMB perspective, is licensed by Strate under a specific regulatory framework, and they need to comply with that. If I have a look at some of the fund administrators in the current market, and if I look at some of their capabilities, it is a duplication of what Sifiso does. This raises the question, under what regulatory framework do they work? It ties back with FAIS and CISCA.

We have to ask the question of if there is regulatory arbitrage, between certain functions in the market, that have evolved for a specific need. As Mark alluded to, the fund administration business has grown per product and per client type, but through that evolution, have they taken on certain functions that do not quite fit within the FAIS regulatory framework, but fit under the CSD framework, and should be regulated? You can see how it automatically starts creating blurry regulatory lines.

Where I see this is in the mutual fund space, where fund administrators have evolved to become transfer agents, and now offer a suite of functions as an outsourced arrangement. But when I look at the regulations that they need to comply with, and then I look at the services from a custody settlement and administration perspective, that Strate needs to comply with for this, and for all security types, there is definitely regulatory arbitrage.

We are very cognizant about it, but our ecosystem is becoming more cognizant about it right now. The unintended consequence of something like this, if left too long without being addressed, is that investors are going to be paying lots of costs through the tiers, ultimately to the end investor, who is a client of RMB, from a banking perspective, or Standard Bank from a banking perspective.

We need to think about that ecosystem in terms of roles, capabilities, and the market structure. Because if you are not, in your role, in the right regulation, then the cost of the industry is just going to increase on a regular basis. An example of this is our saving industry, which is mandated. But think about it if it was not mandated, and if you had the choice not to invest into your pension fund, but take that contribution and invest it somewhere else — I do not think it would be successful.

That was my only observation around fund administration, is that I think it has evolved over the years to where, maybe, there is certain duplication, and where it may be, not quite aligned to the regulatory framework that it was born under.

## "It does bring a lot of opportunity for the market players to play very nicely with each other"

**Sifiso Ndala**

**Ndala:** I 100 per cent agree with Mark's sentiments. Responding to Greg's observation, it is then important to define the collaboration between the different administrators and the various other stakeholders in this market, to avoid that duplication. Definitely, some of those funds can be allocated towards other funds that they can invest in, instead of paying their party providers.

But this can only happen when there is an opportunity to collaborate, and an opportunity to look at those overlaps, and then seeing how we can maximise it, so the value chain that Mark is talking about, is properly applied for the end investor. It does bring a lot of opportunity for the market players to play very nicely with each other.

We have seen South Africa is very rich from a skills perspective. We have seen lots of internationals coming to find skills within SA, broadly and in general, but particularly trying to find some of those skills that are becoming scarcer and scarcer in other places. The evolution of this particular offering has been great for us, because it has brought about skills development for many of the people. Greg spoke about unemployment earlier, and so these skills do assist.

## With the rise of digital assets and decentralised finance, what role will the market infrastructure and asset servicing providers play in facilitating the custody, administration, and the trading of these assets, and what challenges do they face in ensuring regulatory compliance and investor protection?

**Naicker:** We need to look at investors in a very different light. If you look at the traditional investors into the current local market, or into the global markets, they have a very specific and defined strategy. One could be a saving strategy, for example, another could be for wealth and growth etc.

There is around US$1.9 trillion invested in bitcoin. If I had to look at the target market, it is for investors that are looking for instant gratification. There are no investors in this sitting on a Bitcoin investment for more than 12 months, especially given how volatile prices are.

If I think about our policymakers, the national treasury issue retail bonds, and greater than 70 per cent of those investments are held by people over the age of 70 years. Another 20 per cent is held by those between 50 and 70. They are worried about how to raise capital, and how to attract new investors into those types of structures.

It is a big consideration for us to think about from a tokenised asset perspective, from a decentralised perspective, and we need to think about it in the context of the traditional roles that we play: what is the role of the CSD? What is the role of the custodian? We need to think about a vision greater than 20 years, so that we can keep investors within our local market.

It raises the question, what is the alternative? They are going to go to platforms that offer the services that may not be as highly regulated as we are. We need to look at the new generation of investors, in the context of, how do we bring them into our environment from a value prop perspective. Another key point to note is that the new investors of the world want to be able to have a one-touch capability, to be able to get instant gratification, and invest using their smartphone.

**Ndala:** I agree, regulation is going to be a catalyst. I remember five years ago when we were speaking about this topic, the sentiment was often that ‘there is a solution looking for a problem’.

I still maintain that the regulators are going to need to be quick enough to meet up, because regulation is going to be very important in this space. Once that has been established, and it has been set in place with a level of consistency, then we are going to see a lot of ramping up of these assets.

Another important thing is that the regulator is going to need to employ a lot of investment into education. There are a lot of acronyms, there are lots of things that we do not really know, so there is a need to skill-up the end investor.

**Kerns:** As a firm, we have done quite a lot of work in this space for clients. Frankly, this is an unstoppable train. I get exceptionally frustrated when I talk to certain counterparties that think this is just not going to happen. People get somewhat fixated about particular coins, but the principle of the technology has the ability to transform how capital markets operate.

As Greg says, the demand for those products is significant, and it has largely been driven by retail, but over time, you have seen more institutional demand. In recent weeks, we have seen the launch of Bitcoin ETFs, which have attracted billions of inbound investment. The tokenisation of assets is the area that the banks are particularly excited about, as well as the tokenisation of traditional assets.

If you tokenise an existing asset, what is the real benefit of that? There are benefits from a settlement point of view, the value chain is very different, the stakeholder engagement is different.


## Gregory Naicker

Head of CSD Services
Strate

The need for an alignment between securities, digital assets, and tokenised assets, is critical, whether it is with integrated regulation or separate regulation, but many markets are focused on that — including South Africa. But the principles around this are not going away.

From an Africa point of view, and a South Africa perspective, the exciting opportunity here, in my view, is the tokenisation of real assets. South Africa has lots of real assets — agricultural assets, mineral assets, etc. These are seen in listings, usually in the form of major corporations and so forth, but these are the kinds of things that can potentially be tokenised, to bring new products to market and to take African products to international markets.

From a banking point of view, it causes a challenge, because there is an investment required in infrastructure for digital assets. But the return on that investment is not easy to grasp. An investment needs to be made, so you have to do it, but how you do it, the timing of how you do it, and when you are likely to see revenue from it, is the challenge that the market is facing.

As Greg said, everybody needs to determine what our role is in that chain, and if we are accountable to the existing chain, what do we need to do to make sure we are in the digital asset chain? ■

# Keeping a record
## Transfer agencies and cooperating tech firms

Klea Neza sheds light on the importance of transfer agencies and explores how vital technology is to a transfer agent’s work

In the often complex realm of asset servicing, the importance of transfer agencies is easily overlooked. Despite this, their importance in the sector, and the vital role they play serving and meeting their clients' needs, make these institutions a key linchpin.

In addition to transfer agencies themselves, it is important to consider how vital technology is to a transfer agency's way of working, and the pivotal role these solutions and tech platforms play.

In a constantly changing environment, both transfer agents and technology firms that enable their work, must continuously adapt to the needs and demands of the market.

In a world where fund complexity, new technologies, increased regulation and investor demands are ever-changing, how do transfer agents and tech firms work together and tackle any setbacks?

## Base knowledge

Transfer agencies, which can come both as dedicated specialists or within an umbrella organisation such as a bank, are assigned by organisations that entrust them to maintain, operate and manage an investor's financial information. They have a number of responsibilities, such as sending tax information to investors or distributing annual reports to their shareholders. In many cases they can even be seen as an 'electronic book', digitising the recording of financial information for their customers that once would have taken place in paper ledgers.

One of the primary responsibilities of a transfer agent is to protect investors and issuers by ensuring the accuracy and reliability of their clients' information and financial records. Another key aspect is security, where technological developments, as always, play a crucial role.

## Evolving technology

Paul Daly, head of distribution products and solutions, Securities Service at BNP Paribas, deems technology to be "incredibly important to the role of the transfer agent".

Daly mentions that the role of a transfer agent includes supporting global distribution, which requires the "ability to connect with distributors and investors around the world, and

**"A next-generation digital transfer agent is fundamental to this shift as we bring together traditionally separate operating models and investor services to create a single digital investor experience."**

**Garth Smith, Apex Group**

manage multiple, often complex, operational solutions on clients' behalf". This, he notes, is only achievable through their use of different technologies.

BNP Paribas uses its proprietary platform to "handle local specificities or leverage our global operating model for centres like Luxembourg and Ireland, using platforms like Multifonds [and] NTAS," says Daly.

In the last decade, the transfer agency industry has adapted to new technology, becoming "more digitised as it navigates a very competitive market, tight margins, changing investor demographics, and increasing regulatory demands," states Aldric Dupaïs, head of Asset Management Northern Europe at Linedata.

Dupaïs notes that through the use of API interfaces, cloud-based software, and AI/ML-enabled workflow management, firms such as Linedata offer a number of benefits for their users.

"All of this helps our clients reduce cost, mitigate risk, and enhance customer service."

## Change in the industry

Over the last ten years, the transfer agency industry has been evolving to always best suit the needs of their clients.

Lisa Shea, head of Global Transfer Agency Services at FIS, sheds light on a focus that has been on "digital applications, regulatory requirements for funds" that possibly include money markets and investment product trends. This can include "convergence of alternatives and traditional funds in new fund wrappers, and the focus on real time data are all ways that we have evolved to support clients".

The digital transformation of the transfer agency industry has also been highlighted by Garth Smith, global head of Product — Transfer Agency at Apex Group. Smith mentions that the digital transformation has allowed for the "democratisation of access to a bigger range of funds and asset classes to a broader base of investors while assisting the industry in reducing the overall cost of administering funds".

The transfer agent continues to observe investor demands for greater liquidity in private market assets.

In addition to digital transformation, there have also been significant regulatory changes impacting the transfer agency world, many of which have led to improvements in transparency and enhanced investor protection. Smith suggests that the change in regulation has resulted in the process of money laundering becoming more preventable and detectable.

Despite the positive impacts of regulation, they do also bring increased risk and compliance costs — firms constantly needing to adapt to the various directives placed upon them.

## Ensuring security

Naturally, security is a top priority for transfer agencies. Given the sensitive nature of the information they hold, agents such as Apex Group have to establish strong systems and procedures to safeguard clients' information security, integrity, and confidentiality.

Smith highlights that all staff must apply best practices when handling confidential information, and "only disclose it to individuals who have a legitimate business need-to-know".

He continues: "Data in transit is encrypted using strong encryption, and data at rest is stored encrypted within the Azure and Citrix infrastructure."

According to Smith, this infrastructure has a number of features in place, including multi-factor authentication, access controls, endpoint detection and "response software, network controls and backups".

Technology, and thus the firms who provide these solutions to transfer agents, plays a vital role in ensuring security-related issues are addressed and solved. Despite tech-firms not facing security-related issues directly with transfer agencies, they still have measures in place to ensure they are protecting their customers' data and information.

Dupaïs comments that Linedata ensures that all measures are in place when dealing with a new client, and continuously monitors data security with existing clients. He notes that this includes using "data encryption and multifactor authentication (MFA) and complying with regulations such as GDPR".

## ESG

As with technology, the focus and concerns of society have also evolved in the last decade. Environmental, social, and governance (ESG) issues are now one of the main factors that companies must consider. Transfer agencies are no exception. Firms such as FIS Global have adapted to the 'not-so-new', but modern way of operating their business, needing to take environmental issues into consideration.

FIS's Shea says: "In investor servicing and transfer agencies, there is a real opportunity to have a positive impact by evolving digital tools and digital delivery of documents to reduce the use of paper."

She continues: "With paper delivery still the US mutual funds industry's default requirement, transfer agencies can help our clients encourage affirmative election for e-delivery of documents by providing user-centric online experiences."

In the past, transfer agencies, like many other industries, relied heavily on paper. As the importance and awareness of environmental issues escalated over time, the need for digital documentation became more prominent. A transfer agency's traditional method of storing and sending financial information on paper, mailing out investor reports via the post, highlights how tech firms are able to advance ESG issues.

The move to digitised workflow has had a positive impact on the environment by decreasing the use of paper. Investors at Linedata are now able to view their transactions and statements through the company's investor portal.

Dupaïs states: "Operationally, we have automated the day-to-day processing of a transfer agent so they can view all the necessary documents online. This means there is no longer a need to print, store and waste large amounts of paper and time. So, the paper used is minimal, which has a positive impact on the environment."

As well as the physical environmental impacts that business operations have, ESG reporting has also become a key issue for transfer agencies. Technology firms such as Linedata, offer this type of reporting, allowing for transparency, accountability and "achieving sustainability targets that the transfer agencies may use," explains Dupaïs.

Dupaïs comments: "They help to ensure they provide accurate data so their clients can meet the various regulations such as the Sustainable Finance Disclosure Regulation (SFDR).

"Through our software transfer agencies can ensure that this data is accurate and readily available so their clients can meet their ESG regulatory reporting needs."

## Transfer agencies ahead

According to Apex's Smith, "client and investor experience is key".

He explains that Apex expects an interconnected and interoperable industry as the difference between traditional and fund strategies and structures reduces with the "evolution of ELTIFs/LTAFs and tokenised funds.

"A next-generation digital transfer agent is fundamental to this shift as we bring together traditionally separate operating models and investor services to create a single digital investor experience."

The majority of transfer agents have a clear focus to invest in technology going forward This includes distributed ledger technology (DLT), digitalisation, and end-user experience enhancements. As the demands of clients change, the technology must adapt with it in order to meet customer needs. New technology enables transfer agents to provide access to "real-time data for oversight and market demands," mentions Daly.

He highlights that it is also crucial to some that an investment in employers is required through the process of talent development for a smoother sailing transfer agent who would like to achieve their objectives.

Overall, it seems that transfer agencies are gradually stabilising their place in the realm of asset services as their demand increases. Their importance can not be overlooked, and as they embrace the world of new technology, they are able to offer even greater service to their clients.


## Weeks appointed at BNY Mellon

Kevin Weeks has been appointed as global head of Sales and Relationship Management at BNY Mellon.

Weeks comes to this position having previously served as the head of sales at Global Corporate Trust and Custody at U.S. Bank.

Prior to this, Weeks worked at Deutsche Bank for 15 years, where he was head of Issuer Services and global head of Sales for Institutional Cash and Securities Services.

Commenting on Weeks' appointment, Cécile Nagel says: "As the global capital markets continue to rapidly evolve, we are laser-focused on delivering more for our clients, powered by our resilient and scalable platform to support their needs. I'm delighted to welcome Kevin, whose proven track record and decades of expertise will be invaluable to BNY Mellon as we further accelerate our growth."

Regarding his new role, Weeks says: "BNY Mellon has been at the industry forefront in servicing diverse clients across major asset classes, transaction types and financing structures. I look forward to joining the Corporate Trust team to build on their leadership position and help private and public sector clients navigate the increasing complexities of the global markets."

Based in New York, Weeks will be reporting to Cécile Nagel, the global head of Corporate Trust. ■

### Panasiuk appointed GPW Vice President

The Warsaw Stock Exchange (GPW) has named Sławomir Panasiuk as its vice president for the Management Board for Information Technology.

Following Panasiuk's appointment, the GPW intends to implement a new trading system as well as adapt to new technological trends and increase the level of cyber security.

Panasiuk explains: "My goal is to successfully implement the new trading system as well as a number of projects to increase operational efficiency and digital resilience and to adapt the Warsaw Stock Exchange to the latest technological trends. These measures are necessary to ensure the safety and efficiency of operations on the capital market."

Panasiuk has been a member of the management board of the Central Securities Depository of Poland since 2006 and its vice-president since 2009.

### WFE re-elects Sukumar as Vice Chair of IOSCO AMCC

The World Federation of Exchanges (WFE) has re-elected its CEO, Nandini Sukumar, as vice chair of the International Organisation of Securities Commission's (IOSCO) Affiliate Members' Consultative Committee (AMCC).

Alongside the incoming AMCC chair, Sukumar will continue to lead the group, providing input into the IOSCO policy and standard-setting work.

This represents Sukumar's fourth consecutive term in the role, while she has served six years as CEO of the WFE.

As vice chair, she has utilised her experience and knowledge to facilitate greater

## J.P. Morgan appoints Fitzpatrick as Global Head of ETF Product Management

J.P. Morgan has welcomed Ciaran Fitzpatrick as global head of ETF product management, securities services.

Based in Dublin, Fitzpatrick will report jointly to Hannah Elson, global head of custody, and Fearghal Woods, global head of ETF Product at J.P. Morgan.

In his new role, he will lead the continuation of the overall strategy, building innovative product solutions to support the evolving needs of both active and passive ETF issuers.

Prior to joining J.P. Morgan, Fitzpatrick most recently served as managing director at State Street, having previously served as head of ETF servicing.

Commenting on the appointment in a joint statement, Elson and Woods say: “We are pleased to announce that Ciaran Fitzpatrick will join the firm as global head of ETF Product Management. In this role, he will drive our operating model to deliver margin and scale for our clients and the firm. Ciaran will be based in Dublin and will report jointly to us.” ■

engagement among affiliate members to ensure the group can effectively contribute to IOSCO’s mission of investor protection, market integrity, and financial stability, says the company.

Sukumar comments: “I am delighted to have been re-elected to the position of vice chair of the AMCC, and that I can continue to guide this group in the important work that we do.

“I look forward to another busy term, building on what we have achieved together so far, and continuing to collaborate with you as we navigate new challenges the industry faces.”

### Buick appointed CFO at Ocorian

Craig Buick has been recruited as chief financial officer for the specialist global provider company, Ocorian.

In his new role, Buick will be in charge of controllership, finance business partnership, business intelligence, group legal and M&A.

Buick has over 30 years of experience in financial services roles globally, including most recently as group CEO at Cabot Credit Management, prior to which he served as CFO at the company.

Buick has also held senior positions at GE Capital.

Chantal Free, CEO at Ocorian, says: “Craig brings extensive global experience and expertise in building successful businesses, as Ocorian continues its organic and inorganic growth journey.”

Buick adds: “This is a perfect time to be joining Ocorian as the company continues to grow amid rising demand worldwide for its services.”


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### BBH hire Ghaemian for Infomediary Data Solutions

Brown Brothers Harriman (BBH) has appointed Laura Ghaemian as managing director, Infomediary Data Solutions. Prior to current position, Ghaemian most recently served as senior consultant, digital solutions consulting at the Northern Trust, where she spent 17 years in various positions.

Commenting on her new role via LinkedIn, Ghaemian says: "I am delighted to have joined BBH's Infomediary Data Solutions team to build on the expansion of our data management technology and managed services capabilities."

### Maples Group hires Vale as Vice President

The Maples Group has hired Iryna Vale as vice president, expanding its fiduciary services department in London. In this role, Vale will be responsible for the UK corporate secretarial team.

Vale joins the firm from TMF Group, where she spent nine years. Most recently, she was head of corporate secretarial services for the UK and Ireland.

Sam Ellis, senior vice president, and head of fiduciary services in London, says: "[Vale's] appointment is part of a continued expansion of our UK fiduciary offering this year.

### Door appoints Goldstein as CEO

Steve Goldstein has been appointed CEO at Door.

In his new role, Goldstein is responsible for the risk management and due diligence platform's client relationships and strategic partnerships. Additionally, he will continue his duties as a board member advising Door alongside co-founder Roland Meerdter.

Goldstein has leadership experience in AI, data, fintech, and regtech firms. Before his new role at Door, he was CEO at Resolute AI, prior to which he was the head of Product Management at Refinitiv. ■


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