

# Clearstream Spotlight

## Taking Stock of Stock Connect



The Hong Kong Stock Connect programme has now been live since 2014, forming since then one of the fundamental international channels to eligible China A-Shares – RMB denominated equities traded on the Shanghai Stock Exchange. A similar link went live between Hong Kong and the other major Chinese stock exchange in Shenzhen in December 2016, for which Clearstream's services were ready at launch to help customers make the most of this unique programme.

Ever since Stock Connect's launch in 2014, Clearstream customers have benefitted from a range of settlement

and custody services for China A-shares via Clearstream's existing Hong Kong link. Our customers were able to gain access to this coveted asset class via standard ICSD connectivity.

Clearstream has built on these services, offering our customers the possibility to segregate their positions via the Special Segregated Account (SPSA) model. This new setup provides an added benefit to our customers, enabling them to conduct DVP/RVP settlement via this linkage without a requirement to pre-fund such settlement.

### More choice for your RMB business

Our customers can also benefit from an increasing range of wider services designed to facilitate their RMB business:

- We continue to build on our China Bond Link offering, most recently via a partnership with the China Central Securities Depository, the China Central Depository and Clearing Company (CCDC) to focus on facilitating direct CIBM access for foreign investors and exploring collateral management services.
- Clearstream is working with Shanghai Clearing House to develop innovative international custody and settlement solutions for products issued in the Shanghai Free Trade Zone.
- Our sister company China Europe International Exchange (CEINEX) also provides a dedicated trading venue for China- and RMB- related investment products in international markets. This allows Deutsche Börse Group to provide services covering the entire value chain of RMB denominated assets.
- Through the Global Liquidity Hub, Clearstream customers can benefit from triparty repo services for the offshore Renminbi market in Hong Kong. The Global Liquidity Hub also provides customers with securities lending and borrowing services for offshore RMB bonds.
- Clearstream's Cash Correspondent Bank (CCB) network for offshore RMB now covers five different locations in Asia and Europe, providing customers with access to liquidity in both Asian and European time zones.

### More information

For more information on these topics, please contact your Relationship Manager. If you would prefer not to receive our email news, please ask your RM to remove you from the mailing list.