

Clearstream

Liquidity Hub News

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Triparty services increasingly popular

The Global Custodian magazine noted the increasing use of triparty as opposed to bilateral collateral arrangements. More than half of all survey respondents manage more than 60% of their asset pool with triparty arrangements while a significant minority appears to rely exclusively on triparty services.

Triparty services are rapidly gaining popularity amongst non-bank institutions who account for 30% of triparty participants as takers of collateral only. This reflects the growing appetite of the buy-side for secured cash placements in the form of triparty repos.

Indeed, survey participants had good reasons for choosing triparty over bilateral arrangements: more than 41.8% of respondents use triparty arrangements to mobilise collateral effectively to maximise returns and 41.1% choose a triparty setup as it enables them to access counterparties in the most efficient way.

Market-leading triparty services

Recent industry surveys by the Global Investor and Global Custodian magazines on triparty securities financing have confirmed the leading position of Clearstream's Global Liquidity Hub in the area of triparty collateral management.

The Global Liquidity Hub once again received top scores in industry surveys. In the triparty survey by Global Investor magazine, Clearstream achieved the highest global and EMEA score when all respondents were considered, leading the magazine to describe Clearstream as "the standout performer of the 2015 survey". Clearstream was also awarded the top global and EMEA rating amongst repo respondents and came second place for securities lending in terms of raw data.

Meeting customer needs

The Global Custodian magazine survey yielded similar results with Clearstream achieving higher results than the survey average on all questions. Clearstream was particularly commended for its "impressive ability to get to grips with what clients want", scoring over 6.0 in average out of a maximum of 7.0 in the Understanding Business Needs category.

As every year, respondents of both surveys praised the outstanding relationship management with one

specifically mentioning the "excellent service in combination with state-of-the-art IT/STP tools and processing". Access to Eurex was also seen as a key advantage of Clearstream.

Both surveys are particularly relevant for the industry as they are neutral and based exclusively on questionnaires sent to market participants. Clearstream would like to thank all customers who took the time to participate in the survey. Feedback is greatly appreciated and all comments will be taken into due consideration going forward.

The full survey results are available on www.globalcustodian.com and www.globalinvestormagazine.com.

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