

DFM admits “EFG Hermes Brokerage” as the first Allocation Account Service Provider

Dubai, 2 April 2018: Dubai Financial Market (DFM) today announced that EFG Hermes Brokerage has become the first member that receives a DFM accreditation to provide the Allocation Account Service to its client base. The DFM has launched this new service recently in a pioneering step amongst regional markets, as of its efforts to reinforce its business framework for the benefit of various participants including; issuers, investors and brokerage firms.

Welcoming EFG Hermes Brokerage’s significant step, Maryam Fikri, Chief Operating Officer (COO) and Head of Clearing, Settlement and Depository Division (CSD), said: “We are delighted to announce that EFG Hermes Brokerage received the first of its kind license to provide the Allocation Account Service. This step underlines that the company is rapidly embraces DFM’s development initiatives, noting that this service is invaluable for its investor base in general and institutions in particular. The DFM has launched this service as part of its strategy to diversify

products and services in line with international best practices, considering its status at the forefront of regional exchanges in terms of attracting international funds. Accordingly, the DFM has developed this unique mechanism for the first time to streamline international funds' access to the market and further strengthen their activities.”

This mechanism has created a unique and transparent solution that caters for the requirements of international fund managers and paves the way for further participation from their side on the market. It enables brokerage firms to implement the orders of clients through this account and allocates the quantities to each investors account based on the average price of the transactions.

Julian Bruce, Head of Brokerage, EFG Hermes Brokerage said: “We are proud to partner with DFM in launching allocation accounts. This is significant development to attract institutional investors and a notable step in the market’s evolution. We look forward to working in conjunction with DFM on all future developments.”



The Allocation Account enables brokerage firms to use a combined account with the clearinghouse in order to execute buy and sell transactions of securities on behalf of their clients, provided that such transactions shall be allocated to the clients' accounts during the allocation period within 45 minutes from the end of the trading session.

It is noteworthy that the DFM is currently processing license requests from number of brokerage firms that plans to provide this service noting the high level of flexibility it provides to its clients.

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About Dubai Financial Market: Dubai Financial Market (DFM) was established as a public institution with its own independent corporate body. DFM operates as a secondary market for the trading of securities issued by public shareholding companies, bonds issued by the Federal Government or any of the local Governments and public institutions in the country, units of investment funds and any other financial instruments, local or foreign, which are accepted by the market. The DFM commenced operations on March 26, 2000 and became the first Islamic Shari'a-compliant exchange globally since 2007. Following its initial public offering in November 2006, when DFM offered 1.6 billion shares, representing 20 per cent of its paid-up capital of AED 8 billion, DFM became a public joint stock company and its shares were listed on 7 March 2007 with the trading symbol (DFM). Following the IPO, the Government of Dubai retained the remaining 80 per cent of DFM Company through Borse Dubai Limited. www.dfm.ae

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