

DFM welcomes HSBC as General Clearing Member

- **HSBC to commence equities clearing in May 2022 and is looking at the opportunity to offer equities futures clearing**
- **Announcement underlines international institutional demand for opportunities on DFM**

Dubai, 19 April 2022: Dubai Financial Market (DFM) announced today that HSBC has become the first international General Clearing Member (GCM) to join the market, enabling the bank to provide clearing and settlement services to its customers worldwide and to other DFM trading members.

The introduction of GCM service on DFM by HSBC is part of a wider collaboration program between the two entities aimed at enhancing market infrastructure and connectivity with international and institutional investors.

HSBC is expected to offer its GCM service on DFM Equity Market starting in May. It is also looking at the opportunity to offer equities futures clearing.

Hamed Ali, CEO of DFM and Nasdaq Dubai, said: “We are delighted to welcome HSBC as the first international GCM on DFM. The introduction of HSBC’s GCM service on DFM is a key step toward a series of enhancements to market accessibility planned as part of our growth strategy. HSBC’s regional and international footprint and capital markets expertise will, I believe, help accelerate our growth plans. We are witnessing growing demand for direct connectivity on DFM from regional and international investors and launching this new service responds directly to that growth in market activity.”

Abdulfattah Sharaf, Chief Executive Officer, HSBC UAE and Head of International, HSBC, said: “Being the first international general clearing member on the Dubai Financial Market aligns well with HSBC’s ambition to be the preferred international financial partner of our clients around the world. HSBC has been investing to support the development of Dubai’s economy since we became the first bank to open our doors for business here 75 years ago and this latest partnership with DFM reaffirms the importance of our longstanding strategic presence in this market. The appetite of international investors for securities issued by governments and corporates in the region is large and growing and our new role as a general clearing member on the DFM will enable clients across HSBC’s global network to invest in the potential here.”

Maryam Fekri, CEO of the Dubai Central Clearing & Depository Holding, said: “The DFM has successfully developed post-trade infrastructure in line with international standards that has reshaped the post-trade services in the UAE through its subsidiary, Dubai Clear, enabling financial institutions to provide numerous value-added services. During the year 2021 Dubai Clear has cleared and settled trades valued over AED 72 billion through its CCP framework. Accordingly, HSBC’s initiative to provide General Clearing Services underlines international institutions’ recognition of the opportunities available on the market and their confidence in its long term prospects.”

Brokerage firms can operate as a trading and clearing member or as a trading member only, noting that the latter offers efficient collateral management and higher flexibility of managing collateral through the use of services of a GCM to clear and settle trades.

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About HSBC in the MENAT region: HSBC is the largest and most widely represented international banking organisation in the Middle East, North Africa and Turkey (MENAT), with a presence in nine countries across the region: Algeria, Bahrain, Egypt, Kuwait, Oman, Qatar, Saudi Arabia, Turkey and the United Arab Emirates. In Saudi Arabia, HSBC is a 31% shareholder of Saudi British Bank (SABB), and a 51% shareholder of HSBC Saudi Arabia for investment banking in the Kingdom. Across MENAT, HSBC had assets of US\$71bn as at 31 December 2021.

www.hsbc.ae

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. 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. 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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