

Asia Asset Management

THE JOURNAL OF INVESTMENTS & PENSIONS

October 2009

SECURITIES SERVICES

BNP Paribas looks to expand Asian footprint

By Rhandell Rubio
and David Macfarlane

In mid-September, BNP Paribas Securities Services was given the green light for a new license for its Hong Kong office to offer its clients its full range of custody services. The subsidiary of the BNP Paribas Group was granted a general clearing participant membership which enables it to offer clients both third party clearing (correspondent clearing) and local custody services – deemed an essential extension to its expanding global network by the firm.

Trumpeted as a significant milestone in BNP Paribas Securities Services' Asian expansion programme, Hong Kong has been designated as a key centre in the provision of services to broker dealers and global custodians, as well as being the bank's first branch to offer third party clearing services in Asia. The firm adds that its clients will benefit from reduced risk exposure through a proven solution which assumes the clearing risk and

is built on extensive experience across Europe's complex markets.

"This is a significant new step for our regional expansion strategy," explains Jean-Marc Pasquet, head of BNP Paribas Securities Services for Asia-Pacific. "It reinforces our commitment to provide clients with the benefits of our global expertise in a local context – especially through innovative services such as third party clearing. We have worked hard to build a truly Asian proposition based on our motto "the closer, the better", and we look forward to working with clients across the region in shaping it to their needs."

Bruno Campenon, head of BNP Paribas Securities Services in Hong Kong, added: "We see strong demand from clients operating in the region for the same top class custody solutions they receive in Europe. We are very excited about bringing our service suite and considerable experience to Hong Kong, as we continue to expand our Asian footprint."

With 3.34 trillion euros

(US\$4.65 trillion) in assets under custody, 565 billion euros in asset under administration, as of year-end 2008, BNP Paribas Securities Services is the Eurozone's leading securities services provider and ranks fifth globally in terms of assets under custody.

Separately, at a media briefing hosted by Jacques-Philippe Marson, CEO, BNP Paribas Securities Services, he told *Asia Asset Management* that the firm is looking to expand into three or four Asian markets over the next three to four years, namely South Korea, Taiwan, China and possibly an emerging market in Southeast Asia, such as Vietnam. BNP Paribas Securities Services currently operates in India, Japan, Australia, New Zealand, and Singapore.

"Expansion could be through acquisitions, partnerships or organic growth. For a market such as China, partnerships may be the best option," Mr. Marson added. ■