



*Post-trade made easy*

## Our history

Euroclear was set up in response to the development of the eurobond market in the 1960s. It helped to generate significant increases in volume and made global investing considerably easier.

Before Euroclear, the mechanics of settlement remained complex, requiring physical delivery of certificates and cash. Trading was hampered by long delays in the delivery of securities, the loss of certificates, and excessive counterparty and market risks. The market urgently required a settlement environment that was rapid, efficient and risk-controlled.

Responding to market need, the Brussels office of Morgan Guaranty Trust Company of New York (Morgan Guaranty) founded the Euroclear System in December 1968. The use of the system minimised risk as transactions within the system settled, and still do, delivery versus payment (DVP). This means that cash and securities are exchanged simultaneously, in electronic book-entry form.

Today, the Euroclear group not only settles eurobonds, but a wide range of asset classes, including equities, funds and derivatives. The group's total turnover is over €500 trillion per annum, while assets held for clients are valued at €23 trillion.

### Timeline

**1949** - Sicovam, the French CSD, is established.

**1967** - CIK (Caisse Interprofessionnelle de Dépôts et de Virements de Titres), the Belgian CSD, is established.

**1968** - The Brussels office of Morgan Guaranty Trust Company of New York (Morgan Guaranty) launches the Euroclear System.

**1971** - VPC (Vardepappercentralen), the Swedish CSD, is established.

**1972** - The Euroclear System is sold to the Euroclear Clearance System Public Limited Company (ECSplc). ECSplc assigns the operation of the Euroclear System to Morgan Guaranty. ECSplc is owned by more than 120 of the world's major banks, broker/dealers and other financial institutions, all active users of the Euroclear system.

**1977** - NECIGEF (Nederlands Centraal Instituut voor Giraal Effectenverkeer), the Dutch CSD, is established.

**1986** - ECSplc licenses the Euroclear System to the Euroclear Clearance System Société Coopérative, which was formed to enable all users to participate in the ownership of Euroclear. Shares in the Cooperative were offered to all clients and about 2,000 became shareholders.

**1996** - CRESTCo, the CSD for Irish equities and all UK securities, is established.

**1997** - APK (Suomen Arvopaperikeskus Oy), the Finnish CSD, is established.

**2000** - Euroclear Bank is created. All Euroclear-related operating and banking responsibilities are transferred to it from Morgan Guaranty. Incorporated in Belgium, Euroclear Bank is subject to the supervision of the National Bank of Belgium and the Belgian Banking and Finance Commission. It is granted a worldwide banking licence and assigned top-grade AA+ long-term credit ratings.

EMXCo, the UK's leading provider of fund order routing services, was established.

The Irish authorities choose to outsource their government bond settlement activity to Euroclear Bank.

**2001** - Euroclear Bank merges with Sicovam SA, the CSD of France, which is renamed Euroclear France. The merger marks a significant milestone in the evolution of Europe's settlement infrastructure.

The Dutch CSD (NECIGEF) and the Belgian CSD (CIK) sign formal agreements to become partners in the Euroclear group. Euroclear Bank acquires CIK's book of business and is formally appointed as a Belgian CSD under Royal Decree 62 the following year.

**2002** - CRESTCo, the CSD for Irish equities and all UK securities, becomes part of the Euroclear group. It is later renamed Euroclear UK & Ireland.

**2005** - The group implements a major corporate restructuring, creating a new parent company, Euroclear SA/NV, which owns Euroclear Bank and the CSDs. Euroclear SA/NV also owns the group's shared securities-processing platforms and delivers a range of support services to the group's depositories.

**2006** - CIK, the Belgian CSD, becomes a wholly owned subsidiary of Euroclear SA/NV. It is renamed Euroclear Belgium.

**2007** - Euroclear acquires EMXCo. The move will lead to the development of an automated and standardised order-routing and settlement solution for UK fund transactions.

**2008** - Euroclear acquires the Nordic Central Securities Depository, which includes the CSDs of Finland and Sweden, Suomen Arvopaperikeskus Oy and VPC AB, respectively.

**2009** - Euroclear Settlement of Euronext-zone Securities (ESES) is launched. For the first time, participants in three EU markets (Belgium, France and The Netherlands) can process all fixed-income, equity and other domestic securities transactions using the same platform. The cost of cross-border transactions between counterparties in these three markets drop to domestic levels.

**2011** - Euroclear's 'Post-trade made easy' mission is launched.

**2012** - Euroclear's global 'Collateral Highway' is the first fully open global market infrastructure to source and mobilise collateral across borders.

**2013** - Launch of post-trade services for Russian government bonds.

Launch of first ever international structure for an iShare ETF, in partnership with BlackRock.