

Market Connectivity

Borsa Istanbul & EGX

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**BORSA
İSTANBUL**

Benchmark for Investment

Agenda

- **Project Objectives**
- **Project Scope**
- **Connectivity Model**
- **Chronology**
- **Project Status**



Project Objectives

To attract foreign investors in Turkish markets and to provide local investors with alternative investment opportunities.

To enable members of each exchange to trade in a transparent and safe investment platform in an efficient and automated way in the other market.

To increase cooperation and cross border trading between Turkish and Egyptian markets.

To benefit from the geographical position and connections of EGX.

To enhance regional collaborations as part of Istanbul International Financial Center Project.



Considering this very first connectivity project, it has provided a good base for other connectivity projects which will be undertaken with other exchanges both in the fields of business and IT.

Project Scope

Order Flow

- Order flow will get through the FixHUBs of exchanges. FIX protocol will be used as a standard messaging format between EGX FIX Hub and Borsa Istanbul FIX Hub to send and/or receive orders.

Securities

- The project will cover the shares included in main indices from both markets (EGX30 & BIST30)

Member Firms

- 5 brokerage firms in each country will act as a pilot for the project in phase 1.

Market Rules

- Exchanges has no intention to change any of the current market structures or trading operations.

Project Scope: Related Parties



Borsa İstanbul
- Order flow through Borsa İstanbul FixHUB



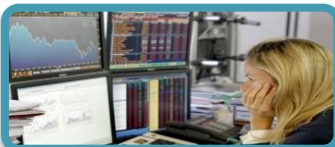
Egyptian Exchange
- Order flow through EGX FixHUB



Citi
- Global custody
- Solutions for currency conversion

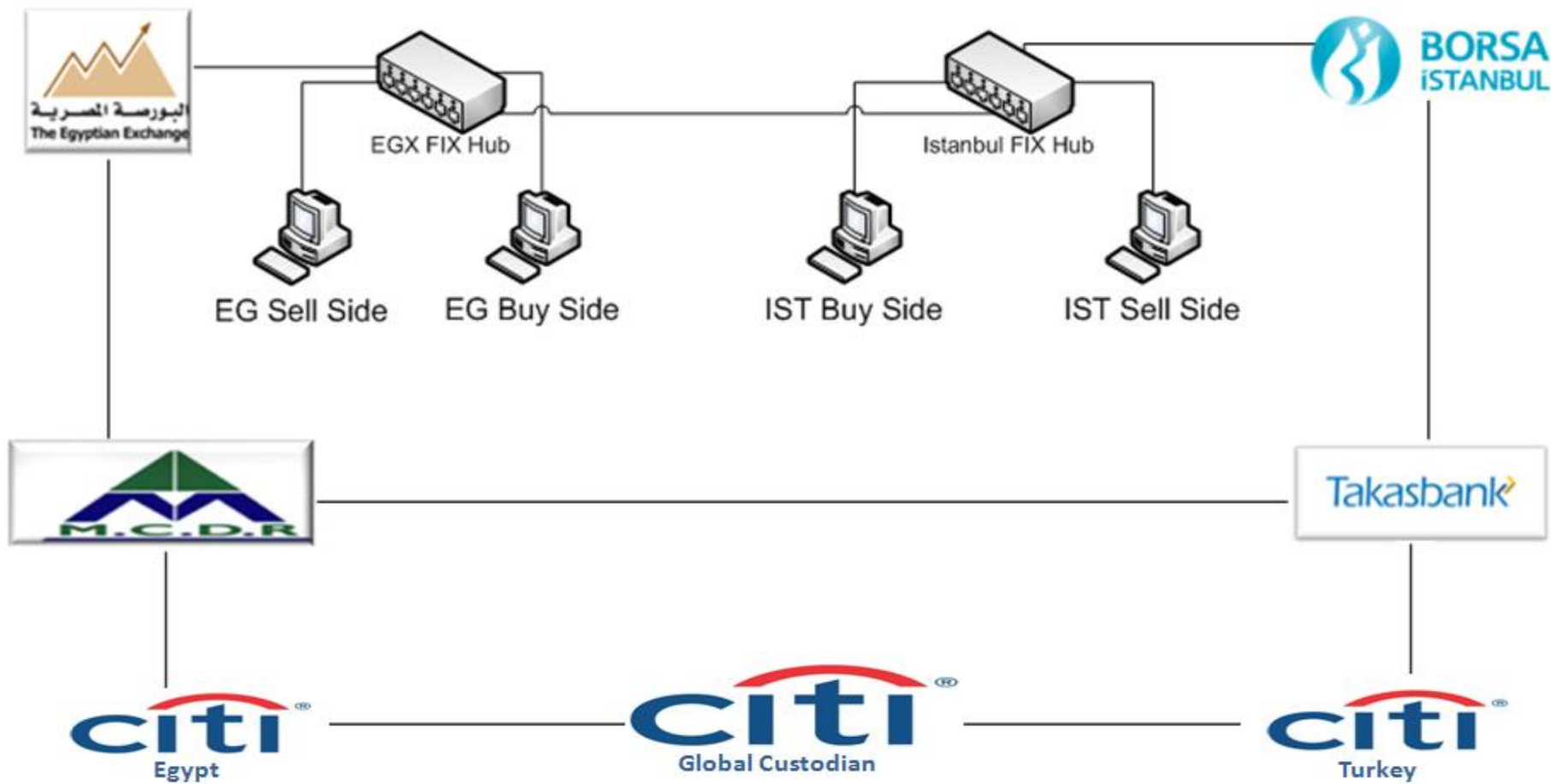


Takasbank & MCDR
- Account openings
- Post-trade solutions in cooperation with Citi

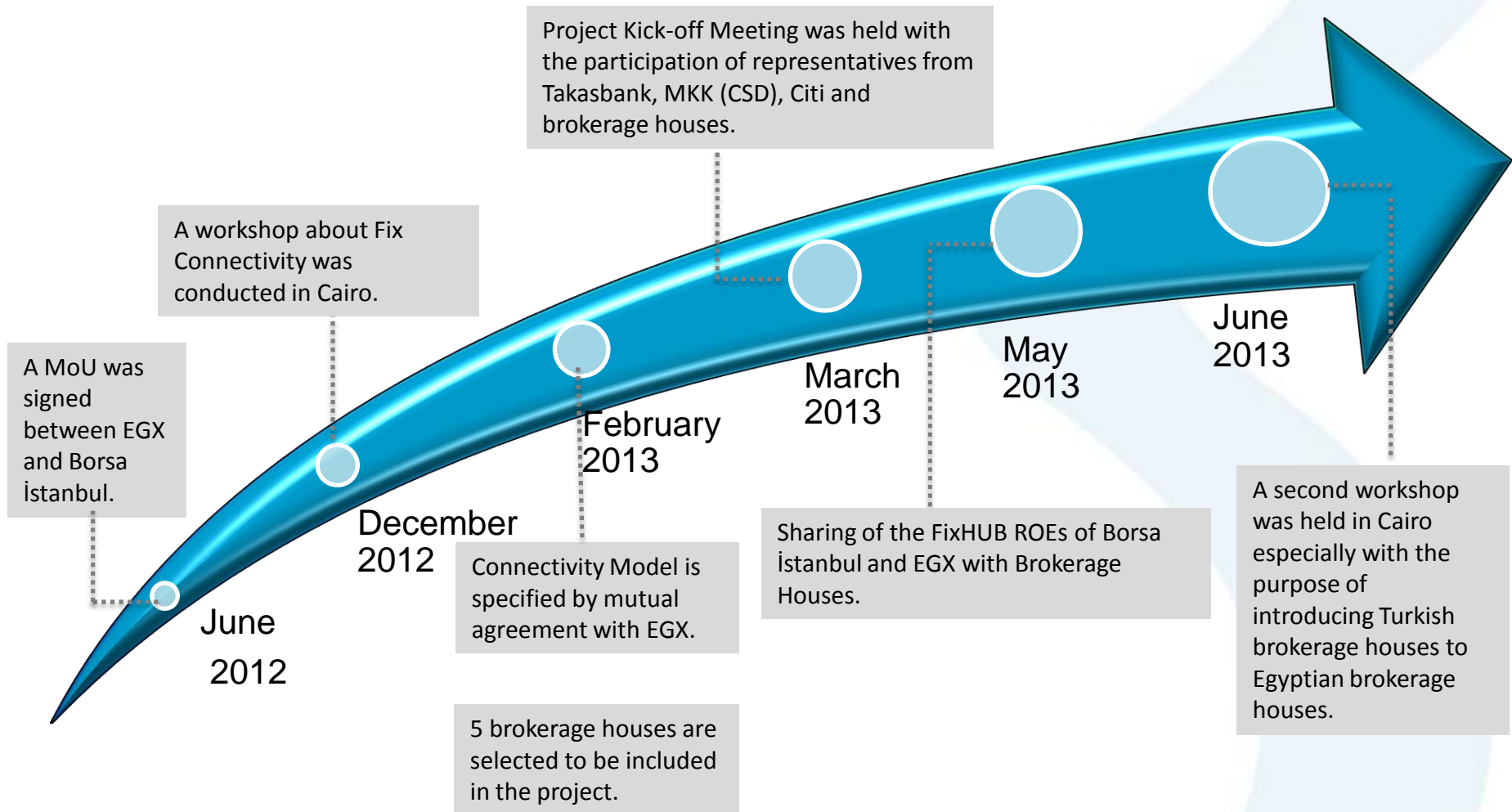


Brokerage Houses
- Risk controls

Connectivity Model



Chronology



Project Status

Architectural design and prototyping processes were finalized in June 2013.

Testing phase was completed in July 2013.

Project was progressing effectively and was planned to go live in September 2013. Given the latest developments in the political landscape, there will be a delay in implementation timetable. Both exchanges will remain in touch to assess the status on a regular fashion.



THANK YOU

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