

**Headline:** NSE Signs Post-Trade Technology and Strategic Partnership Agreement with Nasdaq

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**Nasdaq Building**



**DD News**



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# Nasdaq, NSE eye joint investments in startups

## May Launch Each Other's Indices In India, US

TIMES NEWS NETWORK

**New Delhi:** The National Stock Exchange of India (NSE) and Nasdaq plan to jointly invest in startups and launch each other's indices in the US and India as part of their tie-up that goes beyond technology.

The Indian exchange's MD and CEO Vikram Limaye said the NSE may jointly invest in India, Israel or in the Silicon Valley.

Nasdaq's venture fund invests in companies with technologies that are often deployed for its use. It has signed a memorandum of understanding with the NSE to develop a customised real-time clearing, risk management and settlement technology for India's leading stock exchange. The new post-trade technology will replace the NSE's current clearing and settlement system operated by the National Securities Clearing Cor-



NSE MD & CEO Vikram Limaye (L) with Nasdaq president and CEO Adena Friedman

poration — its wholly owned subsidiary. Limaye indicated that soon the Nasdaq 100 or the Nifty 50 could be used by the two exchanges, but clarified that there would be no underlying derivatives based on the indices.

With few listings by Indian companies in recent years, and several Asian companies such as Xiaomi looking to list in Hong Kong, the task for exchanges such as Nasdaq has become more

challenging. Some of the Indian start-ups too are expected to list in the coming years.

Nasdaq president and CEO Adena Friedman said, "There are some really interesting companies still to come out of China, it's a competitive situation in terms of making sure that they think of US as the destination of choice. In terms of India we have four listings, which is a small number in comparison to some large market... We would like to have other companies list on Nasdaq. We would like to see a situation where a company lists here and we see a pretty seamless experience in listing in the US. We don't know when that will happen but we are both pretty focused. They would both have to be pretty large companies, if you are a global brand or a technology or biotech company, then it is interesting to look at tapping... we are working on that."

# Focused on making Nasdaq a destination for listing: CEO

**NIVEDITA MOOKERJI**  
New Delhi, 3 July

President & CEO of Nasdaq Adena Friedman, who was in the country for a tech partnership with the National Stock Exchange (NSE), sounded bullish on cryptocurrency over a breakfast meeting in New Delhi on Tuesday. The first woman CEO of a stock exchange and someone who has grown up hanging around the trading floor with her father said the concept of cryptocurrency was very interesting and that explained the over-enthusiasm about it.

To a question on what the future of cryptocurrency will be, Friedman said, "it's very early in its life-cycle. Nobody really knows the future. But the concept is very interesting." There's a lot to work on and things have to evolve, according to her. In the US, for instance, the banking system doesn't allow anonymity, she said to highlight the challenges. Recently in an interview, Friedman had indicated that Nasdaq could consider becoming a crypto exchange over time.



**Adena Friedman, Nasdaq president & CEO**

PHOTO: KAMLESH PEDNEKAR

Friedman, who's often said she never felt the strain of being a woman on the Wall Street as she's known the finance world since childhood when her father was the chief investment officer at T Rowe Price, also spoke about making Nasdaq a destination for listing of Asian companies including those in India. "We are focused on that," she said. Nasdaq officials did not elaborate on the Indian companies, including start-ups, engaged with Nasdaq at present for a likely listing. Only four

Indian companies are listed on Nasdaq against more than 100 Chinese firms, Friedman said.

The fact that increasingly companies are tapping the private market has made listing a less attractive option, according to Friedman. She, however, did not comment on Vedanta Resources delisting from the London Stock Exchange (LSE).

When asked how policies under the Donald Trump administration had impacted the trading universe, Friedman said there has been "volatility all year round". Investors, according to her, take a sectoral view first and then go to company specifics. "That's the story of the day.... I can't say what the long-term effect would be."

Friedman, who wants Nasdaq to transform from just a stock exchange to a rounded company, providing technology to other exchanges around the world, wants to step up the collaboration with the NSE. But, she doesn't rule out partnerships with others such as BSE in future, though NSE MD and CEO Vikram Limaye was quick to add that BSE recently got into another tech tie-up.

## Hindu Business Line

# Globalised marketplace needs international collaborations: NSE MD

**Vikram Limaye wonders why Indian firms are not tapping US market**

**OUR BUREAU**  
New Delhi, July 3

While the question of why Indian companies are still shying away from tapping the American capital market remains unanswered, the NSE firmly believes that more collaboration with international bourses is a must in the current milieu of integrated globalised markets.

"Indian capital market has to look at international systems as we integrate more with the global marketplace," Vikram Limaye, Managing Director & Chief Executive Officer, NSE, said.

Limaye, along with Adena Friedman, President & CEO, Nasdaq, met a small group of journalists

here on Tuesday, a day after inking an agreement with Nasdaq for the latter to deliver a customised real-time clearing, risk management and settlement technology to the NSE.

Asked what the NSE gets from this deal, Limaye said, while Indian capital market gets a global solution, and therefore, those who are used to using the Nasdaq system can tap this market, it also gives stimulus to companies to look at different markets. "FPI interest in India is very large. Indian capital market has to look at international systems as we integrate more with the global market place," he said.

### Room for collaboration

"Till now all our systems have been developed in-house and we are continuously investing in technology upgradation. We have been looking at the clearing and settlement part of our system. We could

**"Indian capital market has to look at international systems as we integrate more with the global market place," says Vikram Limaye, MD & CEO, NSE**

have done it ourselves, but what I believe is that there is room for collaboration among the exchanges generally and can learn from each other," Limaye said.

Besides, the technology will be customised for the NSE platform depending on Indian requirements and it also gives the Indian bourse the ability to upgrade easily, he said, adding that "Our own team will also be involved. Ultimately, we have to run it on our own."

Adding to what Limaye said, Friedman stated the agreement was consistent to what Nasdaq has

with exchanges. "We worked with the NSE for a year, studying their requirements and which members of their team will be involved in it. It is a collaborative effort. Over time, you will see the Indian market having more global participation."

Indian companies have not tapped the US market for a while for various reasons, according to Friedman. But, some significant ones could be that the Indian firms have been private for far too long or being bought, and second could be they choose to tap some other market before coming to the US. The companies have to be pretty large and a global brand that is well understood by global players.

### Cyber security initiative

As regards American companies coming into India - "they don't have any opportunities today, so I can't say there is a demand as such.

I know SEBI is considering...," she said. Asked how the technology would work for data protection, given that the exchange is a data mine, he said, "We have a robust cyber security initiative that is completely separate and cuts across all systems."

When asked about cloning of technology, both Limaye and Friedman maintained that enough protections are in place. The NSE is in dispute with the Singapore bourse over the latter launching Nifty-based derivative products.

On the future of crypto-currencies, which still remain a grey area in India, Friedman said, "I don't know the future. We believe as a concept it is pretty interesting. It is a new technology and is going through its own life cycle... Though it has generated enthusiasm, still a lot of things have to be worked out."

## NSE Enters Agreement with Nasdaq for Post-Trade Tech

The National Stock Exchange (NSE) will be replacing its current clearing and settlement system with that of Nasdaq's technology. The US bourse has entered into an agreement with the NSE to provide its post-trade technology. Currently, the clearing and settlement system of NSE is handled by its wholly-owned arm, National Securities Clearing Corporation. Nasdaq



will be customising the offerings for NSE so that it meets the Indian regulatory requirements. The roll-out is expected to be within two to three years. Besides the technology pact, NSE and Nasdaq will work with the Indian securities regulator to allow dual listing. Sebi has recently set up a committee to look at the dual listing concept. — **Our Bureau**