



PRESS RELEASE

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Steps of the central depository to support capital market development

The security issues form the basis for existence and development of the capital market in Slovakia. Centrálny depozitár cenných papierov SR (CDCP) in previous years noted increasing interest of corporate issuers to issue debt securities. It is expected that situation will change due to this exceptional situation caused by COVID-19 pandemic, what will affect structure and value of issued securities. That is one of the reasons why CDCP decided to amend the scale of fees as regards the registration of security issues, in attempt to stimulate and encourage the issuers to issue book-entry securities, mostly debt securities.

The government debt security issues were the leading segment of the last year. As regards the value of issued securities, mentioned issues created more than 78 % of the value of book-entry securities issued in our depository in course of the year 2020. *„Such development was expected, considering the current situation caused by the COVID-19 pandemic and its impact to economy of the SR“,* says Martin Wiedermann, the Managing Director and Chairman of the BoD of CDCP. *„The banks were still interested to issue covered bonds, value of which moderately exceeded the value of new corporate bonds issued last year. The number of new issues of shares was a positive surprise last year, as they showed 50 % increase compared to the previous year. We have registered 142 new issues of book-entry securities in value higher than 20 billion EUR and, as of 31 December 2020, we are registering book-entry securities in value of 94.7 billion EUR. We flexibly adjusted our scale of fees in accord with these facts, specific to our capital market“.*

Centrálny depozitár cenných papierov changes its pricelist in several cases. Specifically in case when it implements new or modifies existing service, or when change is justified due to other reasons as are, for example, new or stricter legislative requirements, or requirements arising from harmonisation of the Slovak capital market with standards applicable to capital markets in EU. In current case, the decision of CDCP to amend the scale of fees resulted also from survey performed by CDCP among the issuers. Amendment of the scale of fees of CDCP brings discounts to the issuers for registration of securities depending on value invoiced



during the calendar year. Discount of provided services will range from 10 to 80 per cent and is related to meeting specific conditions. Additional information can be found on the web site of CDCP.

„Our ambition is to remain the stabilising subject on our capital market,“ explains the decision Martin Wiedermann. „The Slovak economy was hit by the crisis and still we are not able to foresee its consequences sufficiently; for last hundred years there was no exceptional situation as this one.“

Extensive economic measures to preserve and restart the economy will have to include not only new government bond issues, but also funds for business recovery and development of companies obtained from the investors. *„Task of the depository is to stay in the middle of these activities, co-create environment of stability and trust aimed to support economy and capital market through appropriate decisions.“*

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