



SEE LINK

Connecting markets

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Participating economies



BULGARIA



CROATIA



MACEDONIA

	BULGARIA	CROATIA	MACEDONIA
GDP per capita (2013) EUR	5,497	10,213	3.931
GDP % (2014E)*	1.5%	- 0,5 %	3,5%
Budget deficit (% of GDP)	-1,2%	- 4,9	-3,9%
GDP total (2013.) bln. EUR	39,94	43,6	8,11
Market capitalization (2013) bln. EUR	5,09	23,98	1,8
Market capitalization % of GDP	13%	55 %	21,89%

**Hypo-Alpe-Adria-Bank d.d. (2014)
Another Delay of the Recovery (October)*

Key performance indicators



BULGARIAN
STOCK EXCHANGE
SOFIA

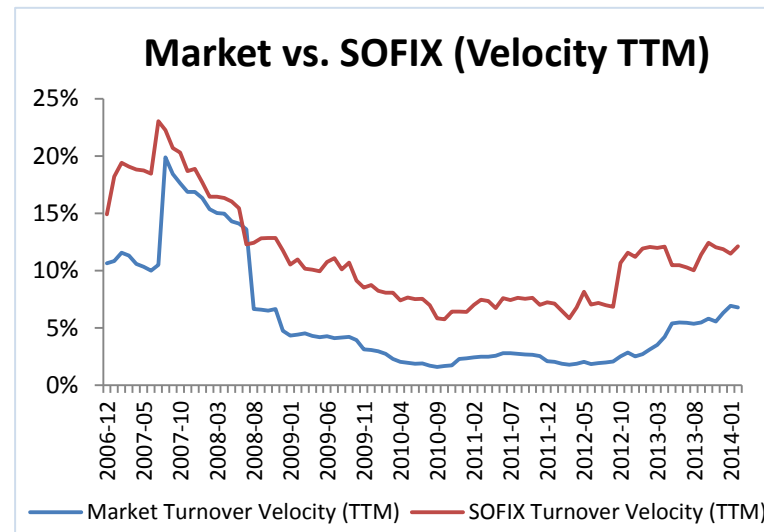
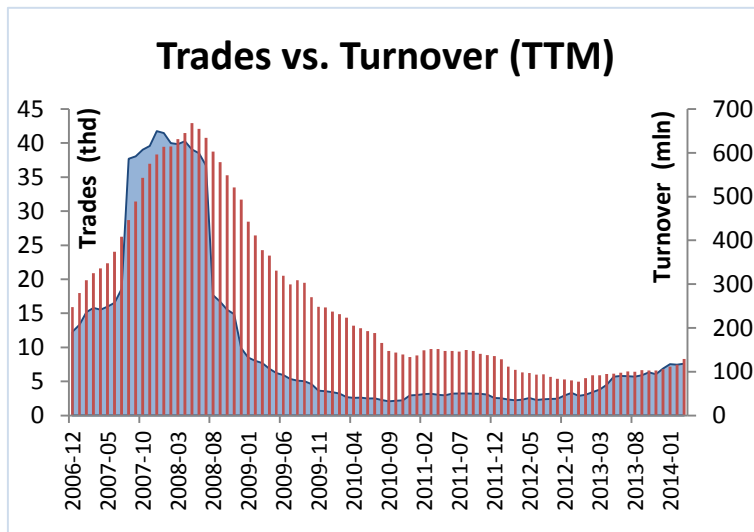
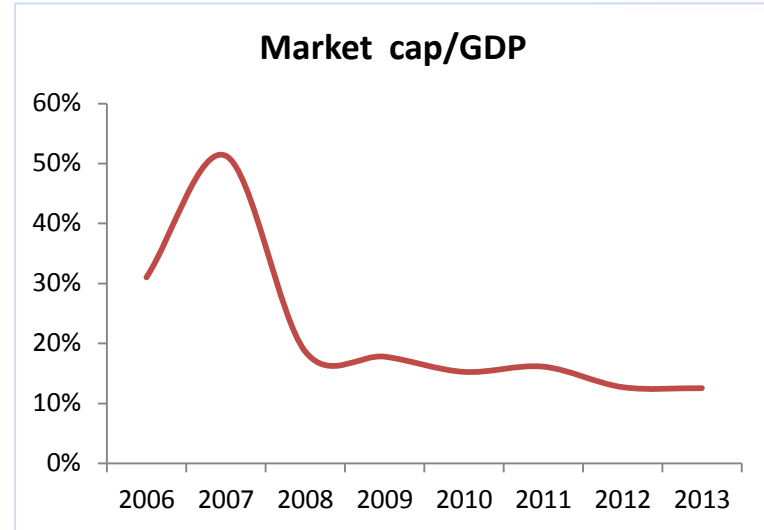
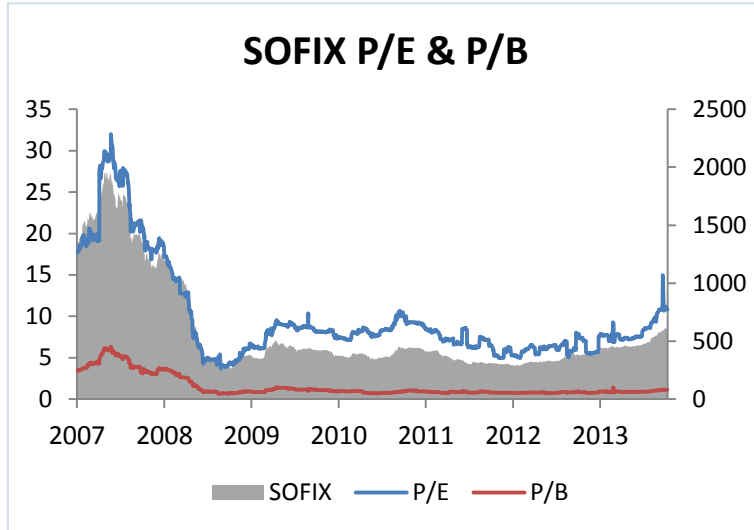
Ownership	Listed company with 400+ shareholders; Ministry of Finance (50,05%)
Date of foundation	November 1991
Management	Ivan Takev - Chief Executive Officer Vasil Golemski - Chief Executive Officer
No. of issuers	495
Types of instruments	stocks, bonds, compensatory instruments, subscriptions rights, warrants
Market segments	Premium, Standard, SPVs
Regulated market	BSE Main market; BaSE Alternative market
MTF	-
Trading hours	09:30 - 10:00 Pre-trading 10:00 - 10:10 Opening auction 10:10 - 16:55 Continuous trading 16:55 - 17:00 Closing auction 17:00 - 17:30 Post-trading

Market capitalization (2013) bln. EUR	5,09
Total turnover (2013) mil. EUR	778
Market capitalization - shares (2013) bln. EUR	5,09
Turnover - shares (2013) mil. EUR	657
Velocity	12,91

Expectations: new instruments

Key indices	SOFIX, BGBX40, BGREIT, BGTR30
Top 5 issuers - % of shares turnover	62,02%

Markets performance



Key performance indicators

Ownership	51 shareholders (investment firms, credit institutions, natural persons)
Date of foundation	5 July 1991
Management	Ivana Gažić, President of the Board Tomislav Gračan, Member of the Board
No. of issuers	226
Types of instruments	Shares, bonds, structured products, commercial bills
Market segments	
Regulated market	Prime market, official market, regular market
MTF	MTF - Fortis, MTF - Alter, MTF - X
Trading hours	Pre-opening between 9:00 a.m. and 9:15 a.m. Main trading session: between 9:15 a.m. and 4:30 p.m.
Key indices	
	CROBEX, CROBEX10, CROBEXindustrija, CROBEXkonstrukt, CROBEXnutris, CROBEXplus, CROBEXtr, CROBEXtransport, CROBEXturist
	CROBIS, CROBISTR
Top 5 issuers - % of shares turnover (2013)	38,36 %

Market capitalization (2013) bln. EUR	23,98
Total turnover (2013) mil. EUR	496
Market capitalization - shares (2013) bln. EUR	15,53
Turnover - shares (2013) mil. EUR	354
Velocity	2,27 %

Key events 2014:

- preparation for CCP
- introduction of HRLEI service
- Euromoney award
- common LJSE-ZSE investor conference

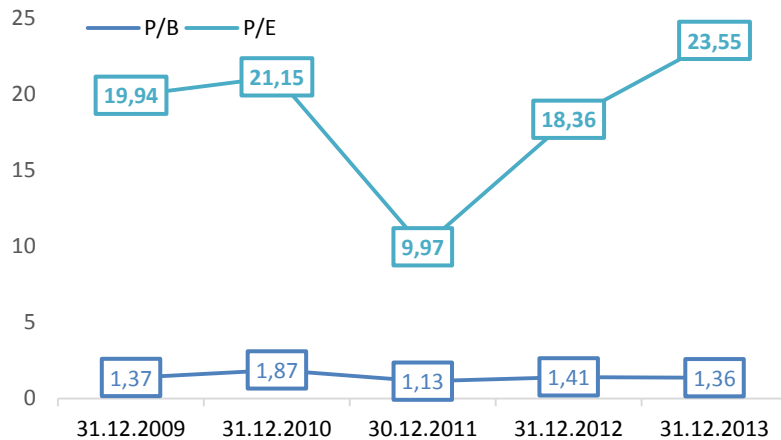
Expectations:

- privatization
- new listings end of 2014/beginning of 2015

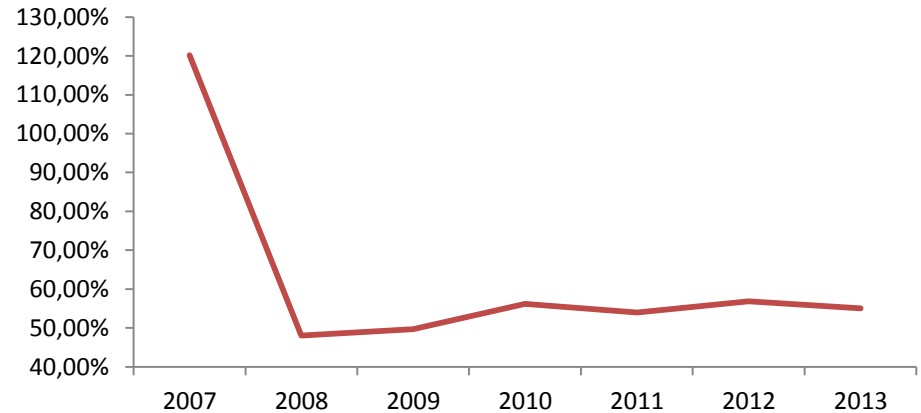
Markets performance



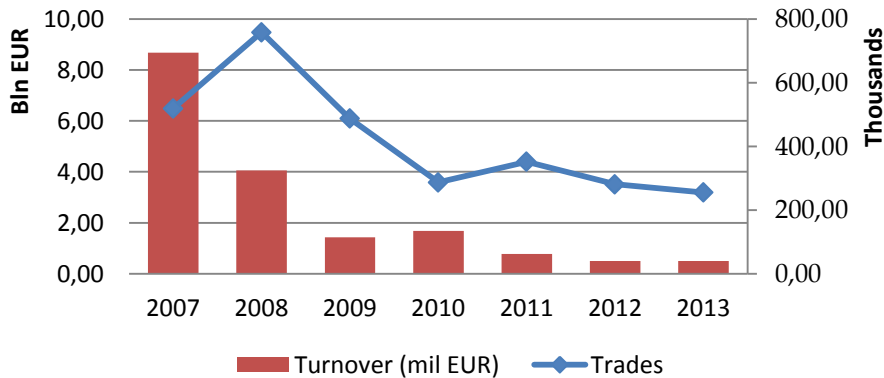
CROBEX P/B&P/E



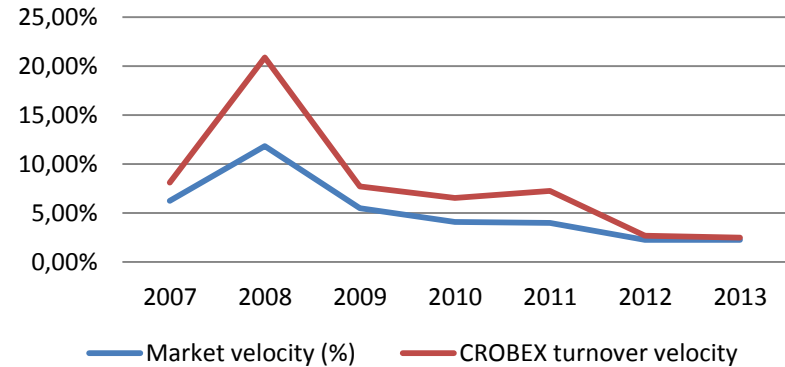
Market cap/GDP



Turnover vs. Trades



Market vs. CROBEX Velocity



Key performance indicators



Ownership	38 shareholders (investment firms, banks, natural persons)
Date of foundation	13 September 1995
Management	Ivan Shteriev, Chief Executive Officer Lidija Trajkovic, President of the Board
No. of issuers	399 (115 listed, 19 JSC with special reporting obligations & 265 on Free market)
Types of instruments	Shares, bonds, commercial bills
Market segments	
Regulated market	sub segments: Super Listing, Exchange Listing, Mandatory Listing, Listing of small JSC
MTF	n/a
Trading hours	Pre-opening sub-phase with fixed duration between 9:00 a.m. and 9:55 a.m. sub-phase random with max. duration of 300 seconds Main trading session: between 10:00 a.m. and 13:00 p.m.
Key indices	MBI10 & OMB
Top 5 issuers - % of shares turnover	56,08% (with block trades) 48,31% (only BEST)

Market capitalization (2013) bln. EUR	1,8
Total turnover (2013) mil. EUR	52,5
Market capitalization - shares (2013) bln. EUR	1,7
Turnover - shares (2013) mil. EUR	36
Velocity	2,15%

Key events 2014:

- First year after introducing the mandatory listing program
- Public securities offerings started
- MSE main index MBI 10 rose 7% YTD and around 17% YTY (as of Nov. 12)
- Total turnover rose 221,74%
- The SEE LINK DOO Skopje was established

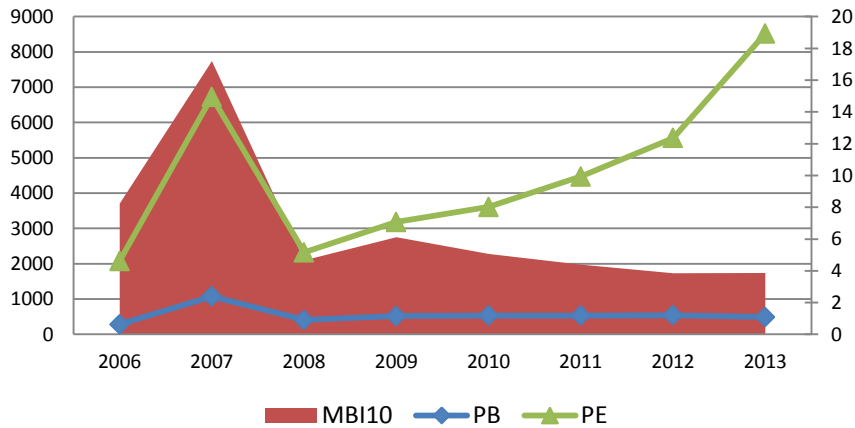
Expectations:

- Drafting of the New Capital Market Law
- Launching of the SEE Link order routing platform
- Introducing new technology in the operations of MSE members;
- Attracting new demand on the market (investors)

Markets performance



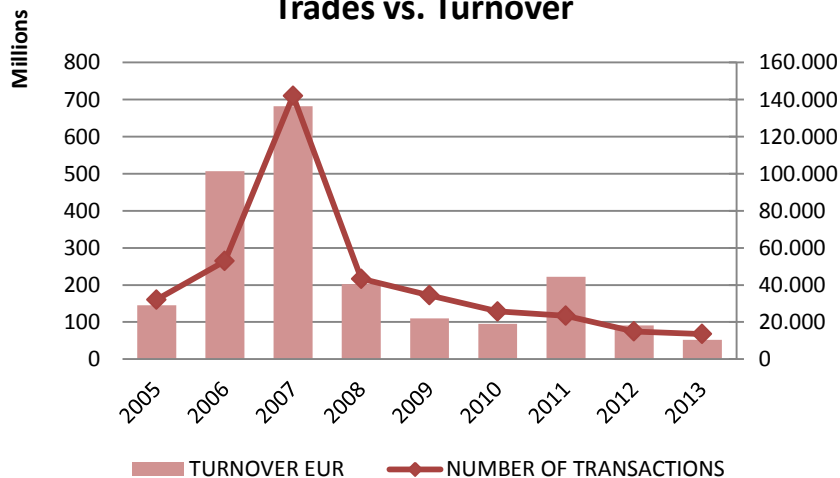
MBI10 P/E & P/B



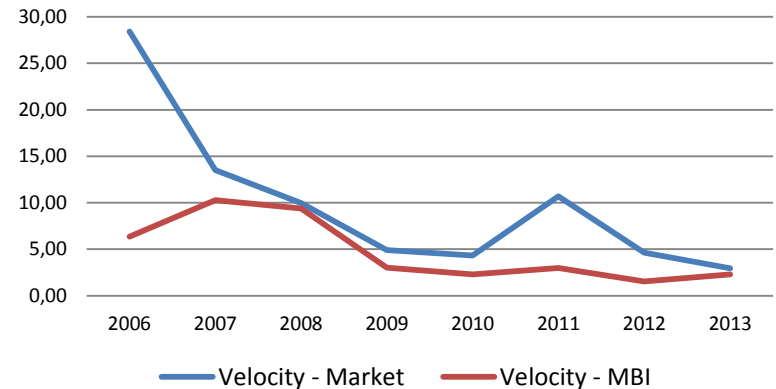
Market capitalization/GDP Ratio




Trades vs. Turnover



Market & MBI10 Velocity



SEE LINK – thinking behind the project



To integrate regional equities markets without merger or corporate integration using only technology that will enable participating stock exchanges to remain independent yet complementing each other.

To develop an order routing vehicle that has the potential to build sufficient critical mass by increasing trading volumes and improving liquidity in the regional stock exchanges.

An easier and more efficient access to those markets through a local broker. The project has the potential to increase turnover in individual exchanges and their economic value.

Order routing

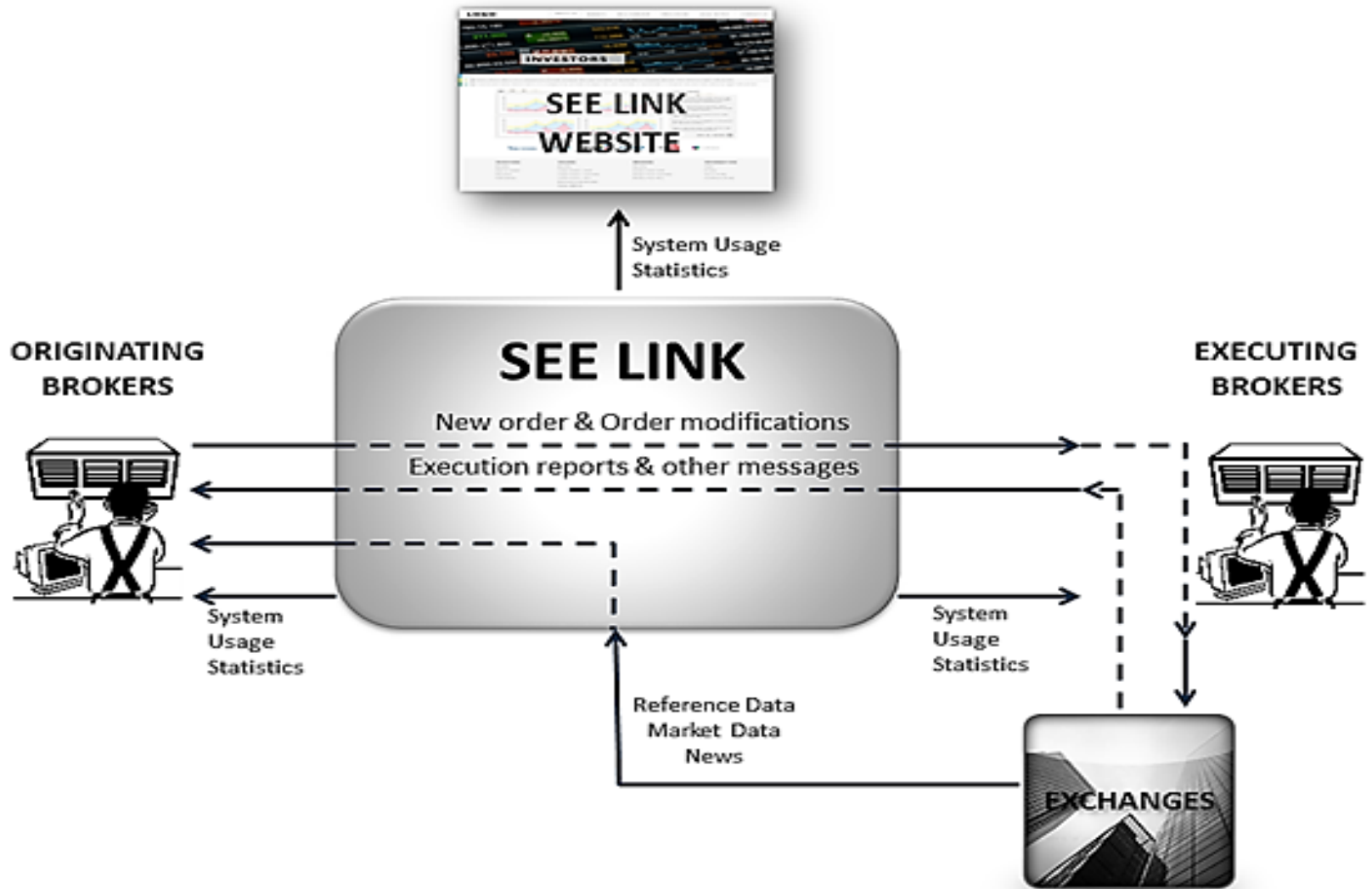
- SEE LINK's system will provide a single point of entry functionality for routing messages between investment firms from different countries in connection with buying and selling of financial instruments on the Macedonian, Bulgarian and Croatian Stock Exchanges.
- The System will allow for other exchanges to join it at a later stage.

Users and institutions connected to the System

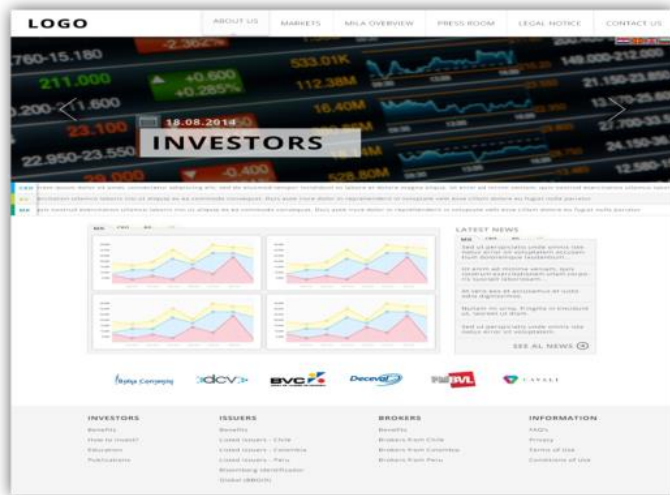
The SEE LINK's order routing system will connect:

- **Members** - brokerage firms (investment firms) that have signed contracts with SEE LINK to use the System.
 - **Originating Brokers (OrBr)** - brokerage firms that will use the System for placing orders (for buying or selling securities) to their contracted Executing Brokers partners.
 - **Executing Brokers (ExBr)** – brokerage firms that will use the System to receive orders (for buying or selling securities) from their contracted Originating Broker partners and place these to the respective exchange.
- **Participating Exchanges** – exchanges that will use the System to disseminate market data and other information. Initially those exchanges will be the three main shareholders of SEE LINK, Skopje doo
- **SEE LINK's administrative staff** – employees of SEE LINK, Skopje doo that will be administering and monitoring the System
- **SEE LINK-Web's Site** – System Usage Statistics will be uploaded daily on SEE LINK's website.

The model of the System



SEE LINK website



www.see-link.org

The purpose of establishing the SEE LINK website will be to have a central point not only for the promotion of this regional integration initiative but to have a central point where the investors in general, will be able to track the performance of indices and individual instruments and other information relevant for making an investment decision.

- The website will be highly dynamic, with various types of trading data and statistics received intra daily and at the end of the day from a data source(s).
- High level information about the System, market and statistical data from the participating exchanges and other information.
- Daily statistical information about the usage of the System for the investors and the investment public in general
- Information on the movement of prices, indexes, and other information relevant for making an investment decision.

Technical details

FIX

The System will be implemented using **Financial Information eXchange** standard protocol, version v4.4.

2 types of connections:

- Automatic (using API interface)
- Manually (SEE Link's front-end application)

INSTRUMENTS

- Common and preferred shares
- Subscription rights
- Government bonds

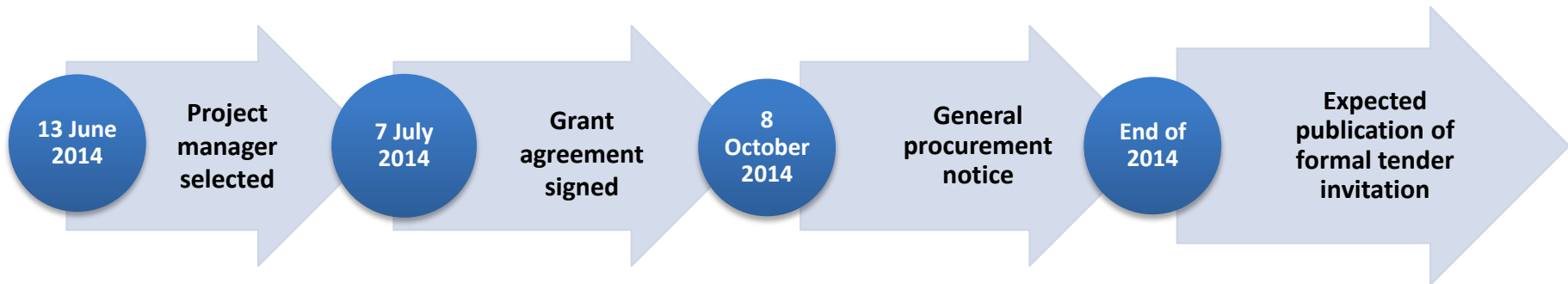
DATA DISSEMINATION

SEE LINK's system will provide as additional functional specification the distribution of reference and real-time market data, news and other messages from the participating exchanges to the System's users. The dissemination will be based on specific rights, rules and requirements and will ensure equal treatment of the users and will provide them with sufficient information for the effective use of the System's functionalities.

Envisaged involvement of the various market participants

- An extensive testing period before the launch of the SEE LINK system.
- Possible modifications of brokers' order management systems (OMS) so that full integration with the FIX v.4.4 specifications of the System is achieved.
- Since the System is dependent on the availability of the brokers, it cannot provide a substantive testing environment by itself > the cooperative testing is very important and will benefit the respective investment firms assuring them with the opportunity to be the first that will effectively connect to and use the System.
- The investment firms that do not own an OMS would be able to test placing orders using SEE LINK's specially designed FEA.

Timeline



Work in progress:

<ul style="list-style-type: none">• Web	<ul style="list-style-type: none">• Guideliness
<ul style="list-style-type: none">• Common legal framework	<ul style="list-style-type: none">• Promotion of the market
<ul style="list-style-type: none">• Procedures	<ul style="list-style-type: none">• Involvement of other markets

Contacts



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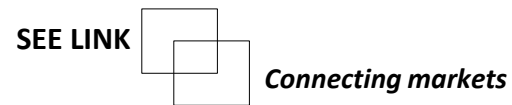
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Questions?



Thank you!



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