

# **AECSD Training Seminar**

*6-7 June 2019*

Bilgehan KAVLAK



**MERKEZİ KAYIT**  
**İSTANBUL**  
CSD of Turkey

## ► MKK in Brief

- Central Securities Depository of Turkish Capital Markets
  - *Turkish capital market is fully dematerialized*
  - *MKK operates a beneficial-owner based securities settlement system (SSS)*
  - *MKK also performs «Registrar» function for the capital markets and electronic warehouse receipts*
- Supervised & Regulated by the Capital Markets Board of Turkey (CMB) and Central Bank of Turkey «**Capital Market Law**» and «**Security Settlement System Law**»
- Officially Licensed by Turkish Government as «R&D Center»
  - *In-house developed (CDS) & Value-added services (under e-MKK Portal)*
- Direct Link with the Austrian CSD – OeKB
- Officially Authorized by the CMB to establish a «Trade Repository»

## Shareholders

64.9 %



30.1 %



5 %



## Board Structure



**2 Members**



**3 Members**



**1 Member**



**REPUBLIC OF TURKEY  
MINISTRY OF TRADE**

**1 Member**



**1 Member**



**1 Member**

## ► **Central Dematerialized System (CDS)**

- In-house developed product, e-signature usage
- Web Based – Java Application – Remote Access
- Secure messaging infrastructure (*Message Oriented Middleware -MOM*)
- ISO 27001 Information Security Certification
- ISO 22301 Business Continuity Management Certification

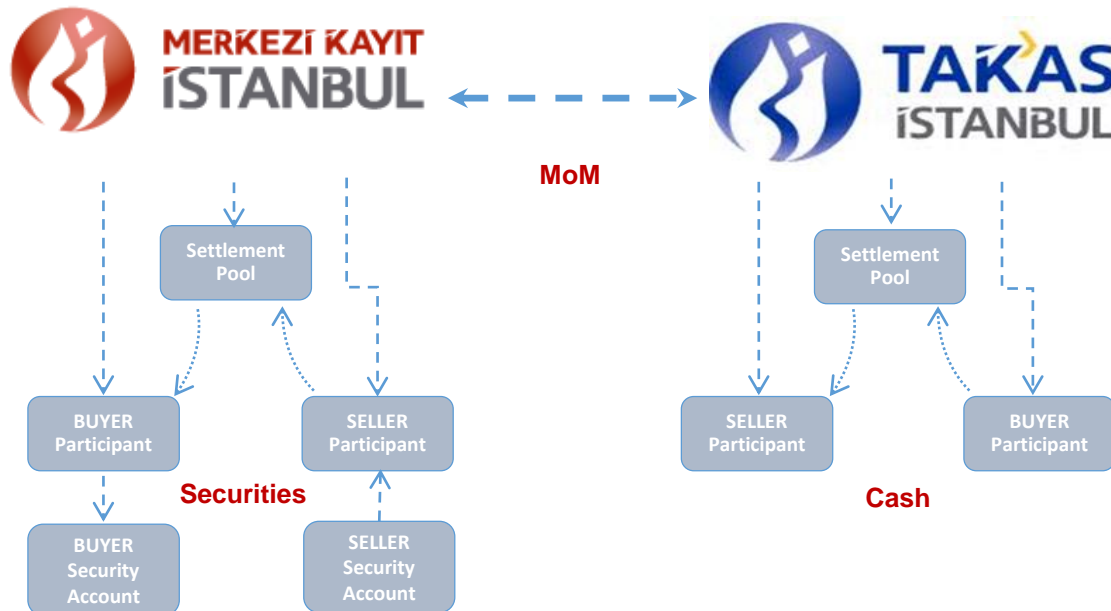


## ► Settlement Flow - Equities



### (Securities Accounts)

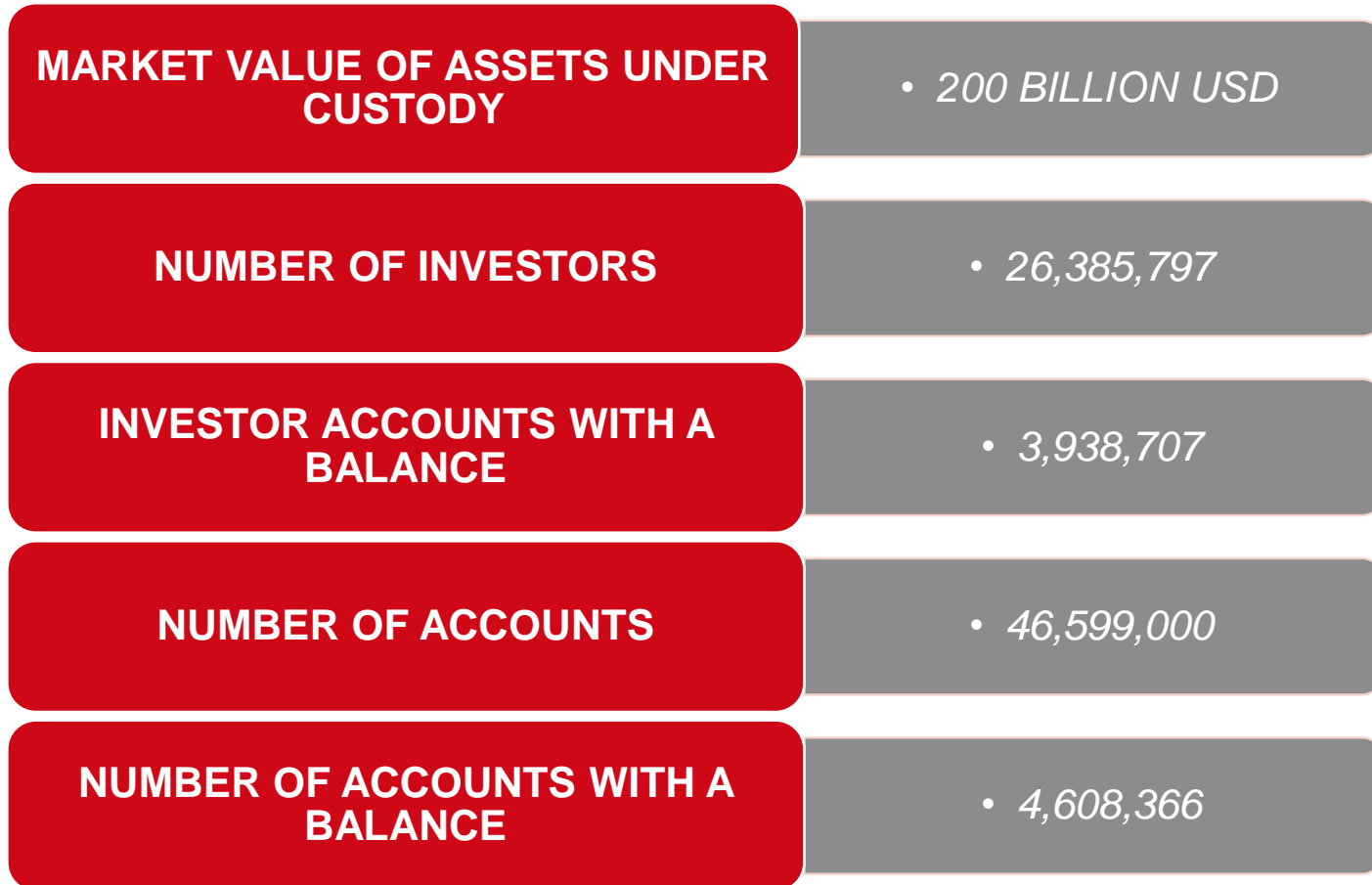
### (Cash Accounts)



$(T) \rightarrow (T+2)$

1. Intermediary Institutions send their buy/sell orders to Borsa İstanbul (Trading).
2. Borsa İstanbul delivers «Gross Transaction Feed» including participant and investor account numbers (Trading Data) to Takasbank.
3. Takasbank processes the trading data, performs «Netting» and reflects debit/credit entries to participant cash accounts under its system.
4. Upon completion of its processes, Takasbank transfers «Net Transaction Feed» including participant and investor account numbers to MKK.
5. MKK processes the «Netted Trade Data» and reflects debit/credit entries to participant and investor securities accounts under its system.

## ► **MKK in Figures (end April 2019)**



## ► **Securities Under Custody (end April 2019)**

<b>STOCKS</b>	<ul style="list-style-type: none"><li>• 1,189,451 INVESTORS</li><li>• 135 BILLION US \$</li></ul>
<b>GOVERNMENT DEBT SECURITIES</b>	<ul style="list-style-type: none"><li>• 74,551 INVESTORS</li><li>• 33 BILLION US \$</li></ul>
<b>MUTUAL FUNDS</b>	<ul style="list-style-type: none"><li>• 2,926,967 INVESTORS</li><li>• 13 BILLION US \$</li></ul>
<b>CORPORATE BONDS</b>	<ul style="list-style-type: none"><li>• 75,161 INVESTORS</li><li>• 15 BILLION US \$</li></ul>
<b>EXCHANGE TRADED FUNDS</b>	<ul style="list-style-type: none"><li>• 3,115 INVESTORS</li><li>• 43 MILLION US \$</li></ul>
<b>STRUCTURED PRODUCTS</b>	<ul style="list-style-type: none"><li>• 6,738 INVESTORS</li><li>• 10 MILLION US \$</li></ul>
<b>OTHER SECURITIES</b>	<ul style="list-style-type: none"><li>• 10,807 INVESTORS</li><li>• 3 BILLION US \$</li></ul>

Free Float:  
**54 bil. US \$**  
Non Free  
Float:  
**81 bil. US \$**

Foreign  
Ownership:  
**63.74%**

## ► **Public Disclosure Platform (PDP)**

- a) **Corporate Actions (CA)**; XML Templates that can be sent in Turkish & English via SWIFT messages (ISO 15022/20022) in addition to e-mail and SMS notifications.
- b) **Financial Statements (FS)**; are published in XBRL format enabling validation, business rules and analyzable data. The platform is capable of generating statements HTML, PDF, XML and XBRL formats.
- c) **Disclosure and Notifications of Funds (DNF)**; The DNF are also published in XBRL format enabling validation, business rules & analyzable data. The platform is capable of generating statements HTML, PDF, XML and XBRL formats.
- d) **Ad-hoc Reports**; Material events, insider information, etc. can be sent via SWIFT and/or XBRL/XML formats.

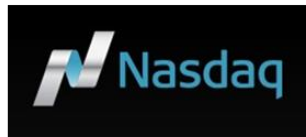
<b>PDP in Numbers (2018)</b>	
Platform Operational Hours	7/24
Number of PDP Members	1,678
Number of PDP Users	3,563
Total Number of Notifications Sent	79,436
<i>Notifications Made by the Funds</i>	<i>27,687</i>
<i>Disclosure of Material Events (Companies)</i>	<i>32,649</i>
<i>Financial Reports</i>	<i>7,283</i>
<i>Notifications Made by the Regulatory Authorities</i>	<i>11,817</i>

## ▶ **Electronic General Meeting System (e-GEM)**

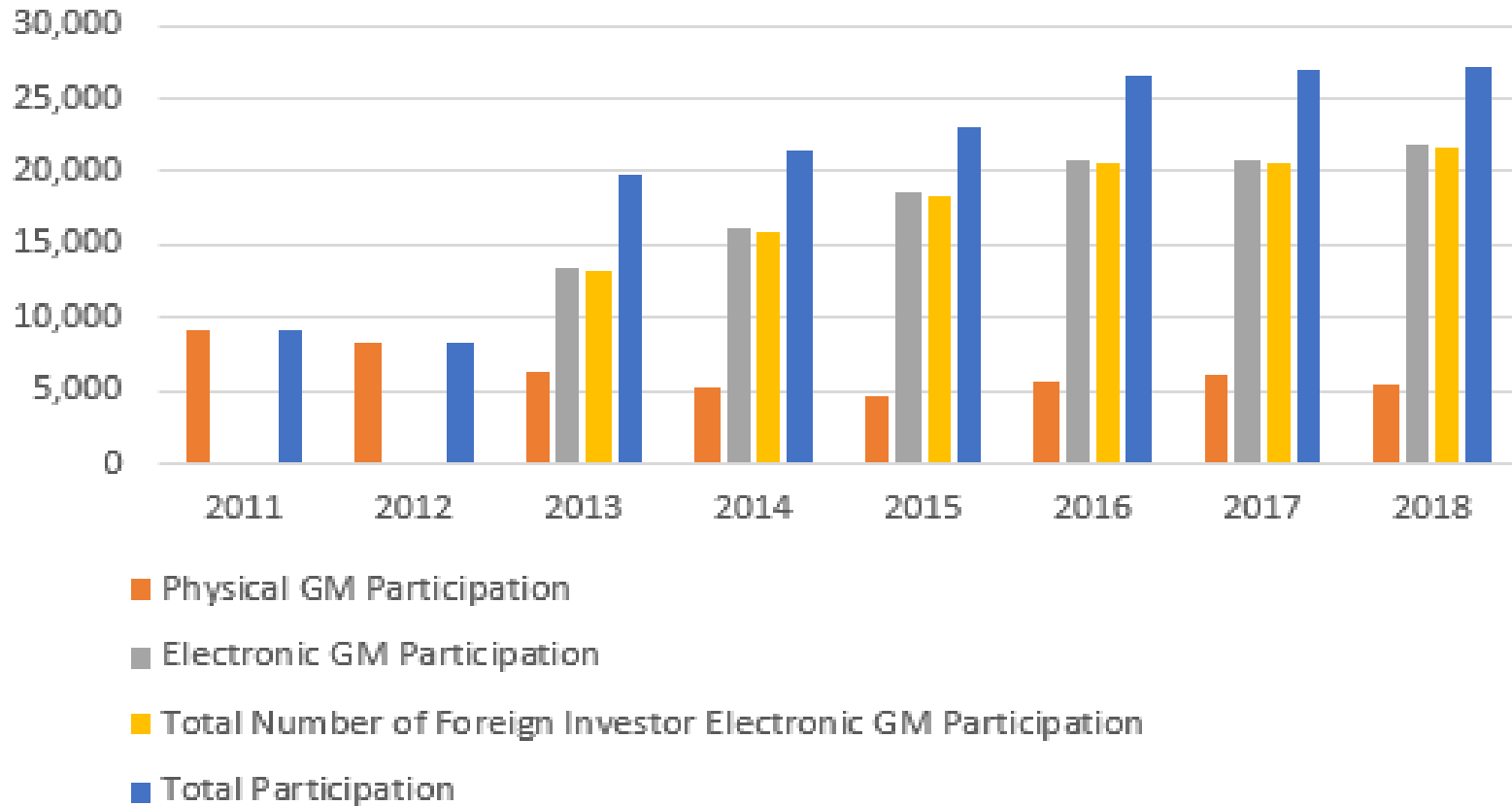
*e-GEM; a CSD-specific, multilingual system which is adaptable to local systems (beneficial owner based or hybrid) and practices.*

- Electronic assignment of proxies, monitoring of resolutions, attendance and voting (before and during the meeting).
- Flow of information through a secure electronic environment which would also facilitate 'STP' from issuer to end-investor;
- Minimizing operational costs attached to general meeting processes (for issuers/investors/custodians/CSDs)
- Individual & tailor-made screens for different user types,
- Live broadcasting of physical GMs, direct communication between shareholders, proxies and company representatives during the meeting.
- Commercial agreements signed with **Nasdaq OMX and Africlear Global and KSEI**

Indonesia



## ► **Electronic General Meeting System (e-GEM)**





## ► **Electronic Board of Directors System (e-BDS)**


- *e-BDS is the system that enabled Board of Directors (BoD) and other executive meetings to be held virtually*
- *With its compatibility in using mobile signature, the BoD decisions approved through this system is accepted as valid and legal*
- *They system can be accessed from desktop PCs and/or laptops*
- *For users to login, they need to have;*
  - *E-Signature Cards, or*
  - *Mobile Signature*


## ► Corporate Governance and Investor Relations (e-GOVERNANCE)


**Corporate Governance Portal**, is a platform to enhance corporate governance and investor relations and develop transparency and information access for market participants. The Portal is a communication bridge between companies and shareholders that enables continuous information exchange between shareholders and companies through internet, e-mail and mobile applications.

 Benim Sayfam

 e-CAS


 e-YÖNET

 e-Genel Kurul


 e-VERİ

- Sürekli Bilgi KAP Bildirim Formu
- Üyelik
- Ajanda
- Duyuru Arama

Click for your **Portfolio**



Click for **Shareholder benefit**



**My messages**  
You have 248 unread messages.

**My Favorite Securities**

1. PETKİM PETROKİMYA HOLDİNG A.Ş.
2. TÜRK TELEKOMÜNİKASYON A.Ş.
3. VESTEL BEYAZ EŞYA SANAYİ VE TİCARET A.Ş.
4. VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
5. ZORLU ENERJİ ELEKTRİK ÜRETİM A.Ş.

Show All

+ Add new security


**Announcements**

[Genel Kurul Çağrısı](#) 08 Mart 2018  
**PETKİM PETROKİMYA HOLDİNG A.Ş.**  
Şirketimiz genel kurul toplantısı 30-03-2018 tarihinde yapılacaktır.

[Genel Kurul Çağrısı](#) 05 Mart 2018  
**PETKİM PETROKİMYA HOLDİNG A.Ş.**  
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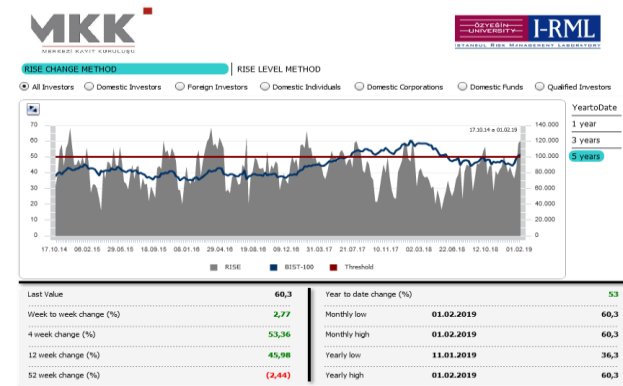
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 **Notification Preferences**

## ► Capital Markets Data Bank (e-DATA)

- *Distribution of all data produced in the Turkish capital markets by econometric models in a secure, consistent and reliable manner*
- Statistics on capital markets in international standards;
  - *Domestic/Foreign share of securities holdings*
  - *Actual Shares Outstanding*
  - *Fund management fees*
  - *Montly and annual statistics*
- *Investor Risk Appetite Index* and *Financial Indicators*
- Contributing to academic research and decision-making processes of policy makers
- Providing reliable & consistent data to ratings institutions



**MKK is awarded with the “Best Research Database” award by Global Banking and Finance Magazine in 2016**

## ► **Some Projects for 2019 and Beyond**

- *Marketing & Sale of MKK value-added products and services (e-GEM, PDP, EWRs,...)*
- Complete the **Electronic Board of Directors (e-BDS)** project
  - *A system that allows companies to hold their board of directors meetings in electronic environment, either fully or partially.*
- Upgrade of **Public Disclosure Platform (PDP 4.0)**
- *New reporting capabilities for e-VEDO*
- *Establishing settlement of EWRs at the planned Commodities Exchange*
- *Registry services for **Crowdfunding Platforms;***
- **Blockchain** applications (e.g. Primary market for Private sector debt instruments)
- *New securities (e.g. Payments for Gold backed instruments),.CDS improvements, ...*

For further assistance please contact with  
**[INTERNATIONALRELATIONS@mkk.com.tr](mailto:INTERNATIONALRELATIONS@mkk.com.tr)** or visit **[www.mkk.com.tr](http://www.mkk.com.tr)**



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