



## PRESS ANNOUNCEMENT

**For Immediate Release**

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### **Thomas Murray/S&P Launch Custody Ratings**

HONG KONG – Standard & Poor's, the global provider of financial information and credit ratings, and Thomas Murray, the specialist custody research, information and consultancy firm, today announced plans to offer a family of publicly available Custody Ratings which will facilitate consistent comparisons and evaluations of providers of custody services. The new rating concept will be presented in more detail at Thomas Murray's Global Custody Conference here on Friday.

Global Custody Ratings (GCRs) assess the operational performance of global custodians – financial institutions that hold securities in safekeeping for clients through a network of locations throughout the world. The methodology, jointly developed by Thomas Murray and Standard & Poor's, considers not only the business credentials and service capabilities of global custodians, but also the quality and the effectiveness of their operational infrastructure and their willingness and ability to protect their clients from operational losses.

“The GCR should help pension funds, mutual funds and other users identify those custodians capable of meeting their asset protection and risk minimisation needs while supporting their basic service requirements,” said Clifford Griep, executive managing director, Standard & Poor's Financial Institutions Ratings group. “The combination of Thomas Murray's custody analytic expertise with the integrity and objectivity of Standard & Poor's credit and risk analysis will provide unparalleled service in the arena of custodian review and ongoing monitoring,” Mr. Griep added.

As part of the basic GCR, TM/S&P will assess the breadth and quality of a custodian's services and will publish a Service Quality Evaluation (SQE) for each basic service. Custodians may also request SQE's on any value-added services they offer their customers. Once the rating is assigned there will be an ongoing surveillance process.

“These ratings will complement Thomas Murray's existing business of assisting institutions and banks in selecting custodians. The TM/S&P custody ratings will provide institutions with direct access to analytical reports hitherto restricted to major institutions

requiring proprietary research on individual custodians,” said Simon Thomas, chief executive officer of Thomas Murray. “The blend of Thomas Murray and Standard & Poor’s should allow institutions to gain considerable value from these ratings, greatly reducing the existing work associated with custody reviews.”

In addition to GCRs, TM/S&P will also offer Domestic Custody Ratings (DCRs) for banks which offer custody services locally, including overseas subsidiaries or branches of global custodians. “This should help the analysis of banks by global custodians in their periodic review of agent bank arrangements,” said Roger Fishwick, Director of Ratings for Thomas Murray.

In October, 1999, Thomas Murray and Standard & Poor’s announced a global Depository Review and Risk Evaluation Service to assess the structure and operational effectiveness of Central Securities Depositories, providing much needed information on protection of assets, risk minimization, and service quality to custodian banks, brokers, International Central Securities Depositories (ICSDs), asset managers, and investors.

Thomas Murray is a specialist research-based information and consultancy business in the global securities services industry. Thomas Murray was established in 1994. The Company tracks and analyses custodians and markets in over 100 countries. The Company has a strong position as a provider of research, evaluation and assessment products and information services on global custodians, agent banks, CSDs, to wholesale banks and institutional investors and custodians involving invested assets exceeding US\$1.3 trillion.

Standard & Poor's, a division of The McGraw-Hill Companies, provides independent financial information, analytical services, advice and credit ratings to the world's financial markets. Among the company’s many products are the S&P 500, the premier U.S. portfolio index, and credit ratings on more than 220,000 securities and funds worldwide. With more than 4,000 employees located in 21 countries, Standard & Poor’s is an integral part of the global financial infrastructure.

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