



THOMAS MURRAY



PRESS ANNOUNCEMENT

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Thomas Murray Joins Forces With *Global Custodian* to Revolutionize Custodian Bank Analytics and Client Perception Surveys

Thomas Murray, the research-based information, ratings and consultancy group and *Global Custodian*, the leading trade publication in the securities services industry, have agreed to work together with the aim of creating the most comprehensive and robust analysis of the strengths and weaknesses of custodian banks globally. This will be achieved by combining the research-based analyses, owned by Thomas Murray, of major custodial providers and Central Securities Depositories (CSDs), with the pre-eminent surveys of custodial bank client perceptions owned by *Global Custodian*.

The user feedback captured by the three main *Global Custodian* surveys - of the clients of global custodian banks, of agent banks in major markets and of agent banks in developing markets - will now be combined with Thomas Murray's proprietary research and analysis of over 250 custodian banks, 140 CSDs and 100 securities markets around the world. The Thomas Murray data will enrich the editorial and analytical content of the *Global Custodian* surveys by integrating into the surveys objective assessments of providers' strengths and strategies, risk assessments and in-depth knowledge of local market infrastructures. *Global Custodian* surveys have until now relied almost exclusively on client perceptions.

Thomas Murray and *Global Custodian* believe the time is now right to take the assessment of both custodial providers and local securities market infrastructures to a new level of understanding. Commercial and regulatory pressures, led by the Securities and Exchange Commission (SEC) in the United States and the Financial Services Authority (FSA) in the United Kingdom, have placed Institutional Investors (and their Fund Managers and Custodians) under increased fiduciary responsibility to understand, monitor and mitigate the risks of cross-border investment. Investors are now required to evaluate and manage their custodian bank and local market infrastructure exposures against best market practice.

"Blending key elements of Thomas Murray's qualitative analysis of Custodians with *Global Custodian's* existing client surveys should produce a much more robust and objective benchmark for survey users. In doing so, Thomas Murray will not utilise any commercially sensitive or confidential information provided by banks or CSDs," says Simon Thomas, chief executive officer, Thomas Murray. "Perceptions based industry surveys that concentrate on size and service quality, using a mix of benchmark data on operational issues and qualitative feedback from a sample of a provider's clients no longer go far enough. From an institutional investor's perspective, conventional surveys need to be taken further to encompass an analysis of the suppliers. This is an expertise our firm developed seven years ago and has been continuously enhancing, so we are pleased to be working with *Global Custodian* not only to include a client perception component but also to ensure the widest possible distribution of our data."

“Despite the consolidation which has taken place in the banking industry in recent years and the progress which the securities industry has made towards the standardisation of operating procedures, both service providers and local market infrastructures remain extremely diverse,” says Dominic Hobson, executive editor of *Global Custodian* and a director of its parent company, Asset International. “Any survey which relies mainly on client perceptions, and does not take into account the different strengths and strategies of the various providers and the varying quality of the infrastructure with which they have to work, will do scant justice to custodians and cannot provide institutional investors and their fund managers with risk assessments of the quality they are entitled to expect. So we are delighted to be working with Thomas Murray, whose information about providers and market infrastructure is unsurpassed and unsurpassable. Together, we will take industry transparency to another level and provide institutional investors, fund managers and custodian banks with the robust data and analysis they need to make the right decisions.”

In addition to its contributions to the three custodian bank surveys published by Asset International, Thomas Murray will provide content for the CSD Review which *Global Custodian* has published in recent years. This survey, which excludes client perceptions, will continue to be driven by the Depository Review and Risk Evaluation Service provided by Thomas Murray. The service, a continuously updated surveillance of CSDs around the world, is supported by a number of major global custodian and investment banks. The findings help institutions meet their obligation under Section 17f-7 of the Investment Company Act of 1940 to undertake risk assessments of CSDs.

As part of the agreement between the two parties, Asset International, parent company of *Global Custodian*, will also promote and distribute the web-based custodian bank search and selection tools (www.tminvestorservices.com) and market information database (www.marketsselect.com) developed by Thomas Murray through the magazine and its associated web site, www.globalcustodian.com. In addition, Asset International will also distribute the surveys and web-based tools to institutional investors in the United States through its sister publication *Plan Sponsor*, and its associated web site, www.plansponsor.com.

ABOUT THOMAS MURRAY

Thomas Murray is a research-based information, ratings and consultancy company specialising in supporting the investment and global securities services industries. The company supports the surveillance of custodian banks and market risk exposures. The three principal activities of the Group are:

- **Investor Services - assisting institutions carry out risk assessments, evaluate and select global custodians and meet their on-going surveillance obligations.**
- **Network Management Services - assisting banks operating overseas networks of sub-custodians assess capital market infrastructure risks on over 100 market and 142 CSD, together with ongoing surveillance and analyse and select suitable domestic custodians to act as sub-custodian agents.**
- **Rating Services – private and public rating reports for investors and banks of both global and domestic custodians.**

ABOUT ASSET INTERNATIONAL

Asset International is a privately held financial publisher headquartered in Greenwich, Connecticut, with representative offices in London and Tokyo. In addition to *Global Custodian*, which is published five times a year and circulated to over 30,000 securities

services professionals around the world, the company also owns *Plan Sponsor*, the leading monthly covering the pension industry in the United States. *Plan Sponsor* goes directly to 40,000 plan sponsors which together control over \$7 trillion in assets. Asset International also provides news and other information services through its web sites, www.globalcustodian.com and www.plansponsor.com. The company also owns Pathfinder, a web-based tool which enables institutional investors to research and select fund managers.

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