

# THE YEAR 2022 IN REVIEW

**Jos Dijsselhof**  
**Chairman**

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## **Intro**

- Good afternoon!
- Thank you for joining our event today.
- I am extremely pleased that we can finally meet physically here in the beautiful Palacio.
- In the next few minutes, I will give you a brief overview of the strategic direction of SIX and BME and briefly touch on two markets megatrends: Digitalization and ESG.

## **Strategy**

- Despite the great uncertainties caused by macroeconomic trends, technological disruption, war in Europe or the consequences of the pandemic, we are moving in a dynamic and attractive market.
- Financial market infrastructures, or FMIs for short, have grown by 5% per year worldwide since 2012. Over the past 15 years, FMIs have generated the highest total shareholder returns in the world within the financial services industry.
- In addition, the market has consolidated massively in recent years, and we have seen large mergers or partnerships.
- SIX has also successfully participated in this consolidation with the purchase and integration of BME. Together we are stronger!
- Size and economies of scale play a central role in our business. Accordingly, we have been pursuing a growth strategy for a good four years.
- The focus is primarily on growth in the existing business, the expansion of services, e.g. in digital assets, and the evaluation of potential transactions and partnerships.
- Let me very briefly touch on two of the big trends that support our growth strategy: Digitalization and ESG.

## **Digitalization**

- Digitalization is a reality. Digital assets or digital ecosystems have the potential to disrupt established value chains and providers like BME or SIX.
- Accordingly, SIX established the SDX (SIX Digital Exchange) in Switzerland four years ago. It is the first digital exchange in the world to be licensed by

the supervisory authorities in Switzerland and is based on digital ledger technology.

- SDX is not a crypto exchange, but an exchange where real assets can be traded in digital form.
- SDX is constantly expanding its offering and has significantly expanded its pure platform operations. Post-trade, keyword Atomic Settlement, is becoming increasingly important in the digital sector.

## **ESG**

- We have a clearly defined sustainability strategy. In addition to our role in ensuring properly functioning financial markets in Spain and Switzerland, we offer a full range of ESG products and services.
- On the product side, we have developed an ESG data strategy, launched regulatory ESG data services and defined possible targets and measures to move towards net zero emissions trading.
- We are confident that we can expand products and services around ESG.

## **2022 Macro Economics**

- The economies and the markets have experienced a very complex year because of the war in Ukraine, the worldwide economic slowdown, the change of bias in monetary policies due to the upturn in inflation and the poor performance of all financial assets.
- Despite this, Spain is one of the economies with the highest contribution to Eurozone growth in 2022, growing at a rate of 4.3%.
- The US Federal Reserve has led rate hikes to remedy the impact of rising rates on growth.
- The ECB has been more restrained and although it announced the end of its asset buyback plan in March it did not tighten monetary policy until July for the first time since 2011. At this right moment we are learning last decision from the ECB.
- Although in recent weeks the markets have recovered positions, the cumulative annual balance shows declines. The Spanish stock market performed relatively better than its peers.
- You will find all this data and more on the report we publish today. Javier will go into detail on some of the market's figures.

## **Closing words**

- As FMI, we are the backbone of the Swiss and Spanish economies.
- Besides all the technological and economic developments, the efficiency, stability, and security of the financial centers of Switzerland and Spain is our daily business.
- This is all the truer in a turbulent and challenging environment such as we are currently experiencing. The smooth processing of securities and payment transactions is at the heart of this - these are our core competencies.
- We will therefore continue to invest a lot of energy and resources in our infrastructure.

Thank you very much