

The cover features a white central area with a large green triangle on the right and a yellow triangle on the top left. The text is centered in the white area.

# HIGHLIGHTS

## SPRING 2017

*CENTRAL SECURITIES DEPOSITORY OF IRAN*

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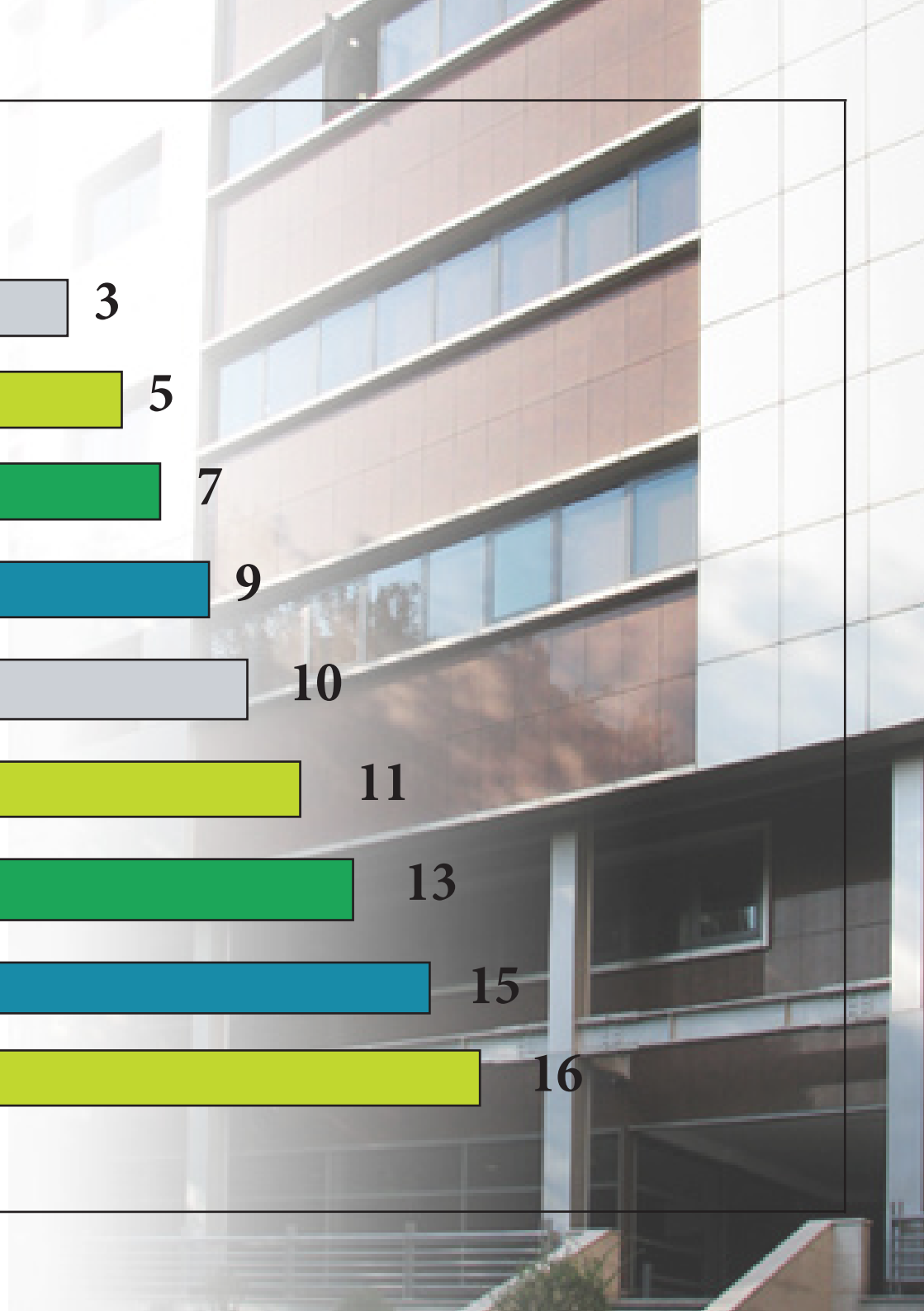
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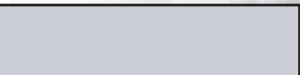
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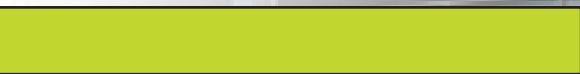
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## CEO MESSAGE



At the very beginning of the first quarterly newsletter published by Central Securities Depository of Iran, I extend Persian New Year's greetings from our headquarters in Tehran to our peers and partners around the world; and to all and everyone passionate about the rich Persian culture and its traditions.

On the morning of Farvardin 1, 1396 (March 21, 2017) I opened the window and what I saw was the sky being blue, without a single cloud, and the air was still bracingly cold; I felt a combination of tension and confidence and sensed that the year ahead would be a year full of hope.

In the beginning of current Persian New Year, all eyes had been focused on the presidential elections slated for May 19 whose pivotal issue was primarily the economy.

Incumbent President Hassan Rouhani swept to victory with millions of Iranians participating in a closely contested presidential election, giving him a second chance to influence the country's immediate future.

Last year, under his administration, we saw some signs of brightness in the Iranian economy, which had for some time been tackling the impact of sanctions, thanks to factors like the effects of the resistance economy and the nuclear agreement between Iran and the P5+1 group of countries, we were able to feel some liveliness in the economy after quite a while.

Though progress has been slow, the achievements were significant. Inflation in Iran has been reduced to single digits (around 9% per year,) and growth has reached 5-6%.

Central Securities Depository of Iran (CSDI) presented unique attempts to keep pace with the country's economic developments and to remain committed to the title the Islamic Revolution Leader of Iran designated for the year ahead, "Resistance Economy; Production and Employment," in a bid to strengthen the

role CSDI plays in the country's capital market and the national economy.

In closing, I wish for you and your families all to be healthy and successful throughout the year to come.

I'm delighted to be at the helm of CSDI for another spring and working alongside each of my colleagues here to achieve our goals and take CSDI to the next level.

Thanks, and let's have a great year, Nowruz mobarak...

**MohammadReza Mohseni**  
**President & CEO**  
***Central Securities Depository of Iran***

## CSDI ANNUAL ORDINARY GENERAL ASSEMBLY MEETING (2016) CONVENES



Central Securities Depository of Iran becomes the first listed company in the Iranian capital market to hold its Annual Ordinary General Assembly meeting on 15 April 2017 at CSDI headquarters.

The meeting convened under the supervision of the shareholders, CSDI Chairman of the Board of Directors, CSDI President and Chief Executive Officer and President, the supervisors and other relevant figures and representatives.

During the meeting several issues in regards to the developments having taken place at CSDI over the past year were carefully reviewed and studied. The session also saw the participants hearing a concise summary of the relevant activities and then there was a Q&A session to further clarify any ambiguities.

CSDI Chairman of the Board of Directors, Hossein Fahimi, presided over the meeting during which the shareholders consolidated and approved the financial statements for the year that ended March 21, 2016.

In an address to the gathering, CSDI President and CEO, Dr. MohammadReza Mohseni, delivered a comprehensive report on the most significant activities of the company in the past year.

Mohseni enumerated refined compilations of a strategic plan, statute of proxy transactions in the capital market, securities seizure guidelines, an improved quality management system to qualify for and obtain the certificate of ISO 9001, playing host to the annual Asia-Pacific CSD Group (ACG) general assembly, introducing a brand new model for settling foreign investments also known as the “Blue Model,” a draft model of offering value-added services in reports to foreign investors, releasing “Justice Shares,” the linkage of Iran’s capital market to those of other countries as among the notable achievements of Central Securities Depository

of Iran over the past year.

He then referred to strengthening the clearing house in a bid to improve CSDI activities in the capital market through paperless or de-mat electronic services, adding the number of new trading accounts issued for the capital market share-holders witnessed a six per cent growth last year rising to 9,348,000 accounts.

Dr. Mohseni went on to say that having been elected as a new member to Asia-Pacific CSD Group (ACG) Executive Committee on one hand and Federation of Euro-Asian Stock Exchanges (FEAS) executive board of directors on the other, as well as clinching Memoranda of Understanding with its peer companies, all prepared the ground for CSDI to strengthen its international interactions at the international level.

The annual general assembly of CSDI shareholders is held at the end of the fiscal year every year.

## CSDI AT IRAN BANK, EXCHANGE & INSURANCE EXHIBITION (FINEX 2017)

The 10<sup>th</sup> Iran Exhibition of Bank, Exchange & Insurance Exhibition (Finex 2017) has kicked off in Tehran with a number of Asian and European countries in attendance.

Central Securities Depository of Iran (CSDI) took part in the 10th Iran Exhibition of Bank, Exchange & Insurance (Finex 2017,) which is recognized as a major platform for building strong business network that will aid the business in the future. The event attracts a large number of visitors from across Asia and Europe with an intention to make professional investment decisions.

This year, CSDI displayed an active presence at the expo, holding several meetings and training courses during the event.

According to CSDI public relations department, on the sidelines of the exhibition, Central Securities Depository of Iran also unveiled a new electronic port for the brokers dubbed KARA.

The 10<sup>th</sup> Iran Exhibition of Bank, Exchange & Insurance Exhibition will be held on April 15-18, 2017 in Tehran International Permanent Fairground





## CSDI IMPLEMENTS KNOWLEDGE MANAGEMENT TO IMPROVE PERFORMANCE

CSDI embarks on a KM program to enhance performance and increase innovation.

Central Securities Depository of Iran (CSDI) has embarked on a Knowledge Management program which aims to enhance collaboration, improve communication and employee skills, better decision making and increase innovation.

As the sole registrar, central custodian and clearing house and the golden source of data in the Iranian capital market, CSDI plays a vital role in safeguarding the investors' assets as a trustee.

According to the Public Relations Department, CSDI has announced that it aims to ensure success in its KM implementation in a bid to notice its pitfalls

and establish its success based on the expertise and experience of others.

Since technologies come and go, CSDI has also acknowledged that it believes it is highly necessary to place human resources in a centric position to increase productivity.

Central Securities Depository of Iran says it plans to re-write the old saying "Change is inevitable; growth is optional" to "Change is inevitable; growth is intentional," through proactively implementing KM systems.

# ACG EXECUTIVE COMMITTEE ENDORSES KSD AS NEW CHAIRMAN

The ACG Executive Committee has elected Mr. Lee Byungrhae, Chairman and CEO, Korea Securities Depository as the new chairman.

Consequent to the demise of Chief Executive Officer of Central Depository Company of Pakistan, Muhammad Hanif Jakhura, the Asia Pacific Central Securities Depository Group (ACG) Executive Committee has elected Mr. Lee Byungrhae, Chairman & CEO, Korea Securities Depository as the new chairman of the ACG Executive Committee.

Central Securities Depository of Iran President and CEO, Dr. Mohammad-Reza Mohseni, in a letter congratulated Mr. Lee and KSD on their new roles as the Executive Committee Chairman and ACG Secretariat and assured CSDI full cooperation.

The Executive committee of ACG comprises of 8 elite depositories of the region including Central Securities Depository of Iran (CSDI), China Securities Depository and Clearing Cor-

poration Limited (CSDC), Japan Securities Depository Center (JASDEC), Korea Securities Depository (KSD), India's National Securities Depository Limited (NSDL), Central Depository Company of Pakistan Limited (CD-CPL), Taiwan Depository & Clearing Corporation (TDCC) and Central Depository Services (India) Limited (CDSL).

The Asia-Pacific Central Securities Depository Group (ACG) is an international organization with the objective to facilitate the exchange of information and to promote mutual assistance among member securities depositories and clearing organizations in the region.

## IRAN CAPITAL MARKET VETERANS COMMENDED FOR LEADERSHIP, SERVICE RECORDS



CSDI Vice President, Alireza Haji Norouzi, has been commended at a ceremony in Tehran for his dedication and contribution to the growth of the Iranian capital market over thirty years in office.

It came at a ceremony held in honor of some veterans staff and the experienced pioneers from the capital market, during which a book by Ali Saeedi and late Shahla Keshavarz named "The History of Iran Capital Market" was unveiled, with Securities and Exchange Organization of Iran Chief Executive Officer, Mr. Shapour Mohammadi, his deputies and a number of former capital market managers and veterans in attendance.

In an address to the gathering, Head of Iran's Securities and Exchange Organization (SEO,) Mr. Shapour Mohammadi, highlighted the significance of promoting culture and history making in the capital market and said it was essential that the influential figures in forming the capital market be commended.

Mr. Mohammadi reiterated that there will always remain some dark sides too frequently being overlooked in scientific books; however those experienced and the veterans will reveal

them bright and impact the effectiveness of decision makings.

The gathering also saw Dr. Ali Saeedi, Vice-chairman of the Board at SEO and Deputy for Supervision on Financial Institutions, put forth a proposal on establishing the Association of Capital Market Veterans in a bid to systematically benefit their professional experience

Later on, the veterans of the Iranian capital market took the podium, making comments, telling memories while some others criticized and put forth constructive proposals for those in charge to take into account.

## CSDI CELEBRATES NOWRUZ MARKING PERSIAN NEW YEAR 1396

CSDI community come together in a ceremony to celebrate the Persian New Year, also known as Nowruz. CSDI CEO, MohammadReza Mohseni, senior managers and the employees at Central Securities Depository of Iran come together in a cordial ceremony at CSDI headquarters to celebrate the beginning of the Persian New Year, also known as Nowruz.

The ceremony took place in the first office days of the year following the national holidays. It aimed to provide a chance for CSDI management and staff to greet and congratulate each other on the occasion in a friendly atmosphere.

It all began with a few verses of the holy Quran and the national anthem. Later on, the public relations department invited a renowned professional lecturer who spoke about the advantages of embracing “change” in general as a positive force in life that encourages one to keep evolving.

Among other programs staged during the event was a live traditional music performance which was the climax of the ceremony.

Then the CEO Dr. MohammadRe-

za Mohseni delivered his New Year’s speech to employees. He expressed hope that the year ahead will bring with it all the success and achievements both in the personal and professional aspects of CSDI community’s lives.

At the close of the speech, Chairman of the Board of Directors, Hossein Fakhimi, granted a painting art piece with signatures of all the CSDI people on it to the CEO as a token of appreciation and an expression of solidarity with his ideals.

At the close of the ceremony, all converged in the open air premises of the headquarters for a group photo to mark the beginning of the New Year.





## FINANCIAL LAW CONSTITUTES INFRASTRUCTURE OF IRAN'S FINANCIAL SYSTEM DEVELOPMENT

The chairman of the Board of Directors at Central Securities Depository of Iran says lack of legal infrastructure deprives the supervisory body of essential power to manage.

CSDI Chairman of the Board of Directors, Hossein Fahimi, says developing a sound legal system to support financial markets requires features such as the authority to set regulations and strongly supervise the supervisory institutions.

Addressing a national congress on "Law and Financial Market," Fahimi affirmed that a successful financial system becomes a reality, once it shapes in accordance with the economic capabilities of the community.

Fahimi said concerns and ambiguity would undoubtedly turn into a thing of the past only if the financial system develops into a reliable sphere to guarantee stability, calm, transparency and progress. The CSDI Chairman further criticized lack of proper legal infrastructure as the reason why the supervisory bodies fail to effectively manage to deter and prevent violations.

He expressed hope that convergence among legal experts as well as those in the financial industry could come up with a common response to address and see into the cause of the ineffectiveness of a legal system governing the financial market.

Fahimi then referred to the ill outcome of the unlawful unilateral sanctions imposed on Iran by the West over the past decade and said: "The nuclear sanctions imposed on Iran's financial system have been unprecedented in world history."

The CSDI Chairman concluded that hopefully Iran and the faithful to the Islamic Republic managed to turn the threats into opportunities to improve the indigenous knowhow to rise up and stand forth.



# CSDI STATISTIC

## Trading Account Status

Number of  
Accounts at the  
same time in the  
previous 2016

8,863,879

Total Number of Available Accounts in the System up to  
June 2017

9,432,236

Number of  
Inactive  
Accounts

2,106,150

Number of Active Accounts

7,326,086

Foreign

845

Legal Person

53,000

Natural Person

7,272,241

Male

4,849,755

Female

2,289,914







Central Securities  
Depository of Iran

International Relations  
Department

