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# Market Notice

7 June 2019  
MN\_12/2019



**London**  
Stock Exchange Group

## Monte Titoli cost index

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**For the attention of:** DCPs and ICPs

**Re:** Launch of a quarterly summary index for analysis of the cost of Monte Titoli domestic services

Dear Client,

Monte Titoli is pleased to announce the publication of the “**Monte Titoli Cost Index**”, enabling members to analyse the cost of Monte Titoli's domestic services. This innovative index is designed to support members in analysing their costs with the utmost simplicity and transparency.

The aim of the index is to provide intermediary clients with a summary indicator of the average cost for the custody and settlement of domestic securities centralised and held at Monte Titoli. The index, which is expressed in basis points, is obtained by adding the total revenues invoiced to the participating Monte Titoli intermediaries for custody and settlement and dividing them by the average assets during the reference period. The index will be published on a quarterly basis and is for statistical purposes only (a detailed calculation of the index is attached).

The index will initially be published for the years 2013 to 2018 and for each quarter as of 1 January 2019. The index will also be calculated net of the T2S costs applied by the Eurosystem which, as is the case with the current Monte Titoli fee schedule, are simply charged by Monte Titoli to intermediary clients without any margin:

- **Monte Titoli Gross Cost Index**
- **Monte Titoli Net Cost Index (excluding ECB costs)**

For further clarification, please contact [Monte Titoli](#).

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## Formulas for the Monte Titoli Cost Index

The indices consist of the sum of commission for:

- A. the Italy custody service
- B. the MT commission settlement service
- C. ECB cost recovery settlement service (costs charged by the Eurosystem)

Custody fees apply to product codes MK0029, MK0031, MK0033 and MK0035 only.

Securities settlement fees currently include the SETXXX product codes divided into fees for Monte Titoli services and fees for ECB cost recovery.

- **NCSDI - MT Net Cost Index** = 
$$\frac{\text{commission A+B}}{\text{day of the month} * \text{average assets Italy} / 3650000}$$
- **GCSDI - MT Gross Cost Index** = 
$$\frac{\text{commission A+B+C}}{\text{day of the month} * \text{average assets Italy} / 3650000}$$

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## Statistics

| Quarter 2019 | Net MT Cost Index (bps) | Yearly variance % | YTD variance % | AUC Total in €bio | AUC Govies in €bio | AUC Other in €bio | Gross MT Cost Index (bps) | YTD variance % | ECB costs only in basis points |
|--------------|-------------------------|-------------------|----------------|-------------------|--------------------|-------------------|---------------------------|----------------|--------------------------------|
| Q1           | <b>0.150</b>            | -2.2%             | -6.0%          | 3,080             | 1,954              | 1,126             | <b>0.194</b>              | 21.7%          | 0.04426                        |
| Q2           |                         |                   |                |                   |                    |                   |                           |                |                                |
| Q3           |                         |                   |                |                   |                    |                   |                           |                |                                |
| Q4           |                         |                   |                |                   |                    |                   |                           |                |                                |

| YEAR | Net MT Cost Index (bps) | Yearly variance % | YTD variance (vs 2013) % | AUC Total in €bio | AUC Govies in €bio | AUC Other in €bio | Gross MT Cost Index (bps) | YTD variance (vs 2013) % | ECB costs (bps) |
|------|-------------------------|-------------------|--------------------------|-------------------|--------------------|-------------------|---------------------------|--------------------------|-----------------|
| 2013 | <b>0,159</b>            | 0.0%              | 0.0%                     | 3,118             | 1,677              | <b>1,441</b>      | <b>0,159</b>              | 0.0%                     | -               |
| 2014 | <b>0,166</b>            | 4.5%              | 4.5%                     | 3,170             | 1,762              | 1,408             | <b>0,166</b>              | 4.5%                     | -               |
| 2015 | <b>0,154</b>            | -7.5%             | -3.4%                    | 3,138             | 1,812              | 1,326             | <b>0,156</b>              | -2.2%                    | 0.00182         |
| 2016 | <b>0,149</b>            | -3.5%             | -6.7%                    | 3,005             | 1,850              | 1,155             | <b>0,169</b>              | 6.0%                     | 0.02039         |
| 2017 | <b>0,157</b>            | 5.8%              | -1.3%                    | 3,062             | 1,890              | 1,172             | <b>0,190</b>              | 19.3%                    | 0.03276         |
| 2018 | <b>0,153</b>            | -2.6%             | -3.9%                    | 3,073             | 1,925              | 1,148             | <b>0,185</b>              | 15.9%                    | 0.03154         |

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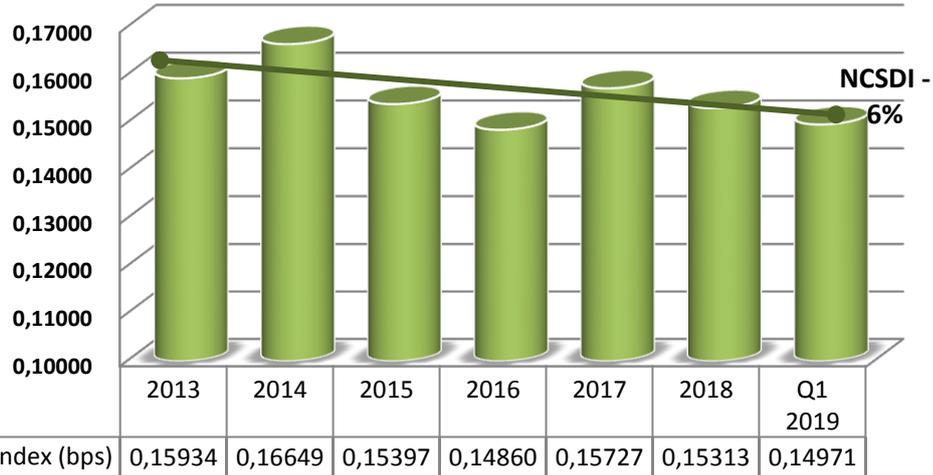
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## MT Net Cost Index 2013-2019

(excluding of ECB cost recovery)



## MT Gross Cost Index 2013-2019

(including of ECB cost recovery)

