Across the globe, leading economists agree that the macro-economic outlook for 2020 and beyond looks uncertain, with interest rates in a number of developing economies – but also the US – unlikely to rise anytime soon.

These adverse conditions – and in particular how long-standing negative returns impact emerging market corporate issuance – is certainly an area worth exploring in more detail.

During the Issuer & Investor Forum in Singapore, a number of speakers referred to the significant growth we’ve witnessed in the corporate issuer sector over the past 3 years. This growth has been primarily driven by the refinancing needs of the industry and the possibility of high yield returns.

Booming corporate issuance fueled by attractive market conditions has resulted in a wave of international investors encouraging Euroclear – through our relationship with their custodians - to connect to these emerging market economies as soon as possible.

Many emerging markets are in need of large infrastructure developments to help achieve the United Nations’ 17 Sustainable Development Goals. These developments will be partly financed by local government, the World Bank, the IFC and a number of other supranationals. But the lion’s share of the investment necessary will still have to come from the private sector.

And this is where Euroclear can really add value. Through a process of dialogue and engagement we can help emerging and frontier markets become euroclearable and aid in their economic development through access to foreign investment.

Indeed, a number of markets have already embarked on the journey of becoming euroclearable. At the end of this journey, their domestic securities will be part of the Euroclear ecosystem and accessible to our community of international investors.

The United Arab Emirates, Egypt, Uruguay, Serbia, Saudi Arabia, Kazakhstan, Ukraine and
China have all announced their intention to render their local securities euroclearable. For some, it is a matter of months, for others it may take longer, but the intention is clearly there.

I certainly welcome these developments and firmly believe that connecting emerging markets to an International Central Securities Depository through the recognised and proven standards that international investors demand, will help improve global financial stability.

Greater stability will also accelerate the take-up of green and other critical ESG investments on a previously unprecedented scale which can only be a good thing.

As one of our speakers said during the sustainable finance panel at the recent Euroclear Collateral Conference in Brussels, “There is no ‘Planet B’, so let’s make ‘Planet A’ a better place to live.”