

Citi Depository Receipt Services



# Year-End 2016 Report

**JANUARY 2017**



## 2016 Year-End Highlights

- Depository receipt (DR) capital raising totaled \$6.8 billion globally
- DR trading volume was down 2% to 155.1 billion shares in 2016 versus 157.7 billion in 2015
- U.S. investment in non-U.S. equities as of Q3 2016 was \$7.2 trillion, up 9% from the same point in 2015
- The value of DRs held by institutional investors totaled \$808.4 billion as of Q3 2016
- The pool of unsponsored ADR programs remains strong at 1,612 programs

# Welcome

## A message from Nancy Lissemore, Citi's Global Head of Depository Receipt Services



Nancy Lissemore  
Managing Director  
Global Head of  
Depository Receipt  
Services

Dear Clients and Friends,

2016 was the year of disruption. Populist trends emerged around the globe and culminated in Brexit and the result of the U.S. election. 2016 also witnessed weak economic growth globally. As a result, we saw difficult global markets and diminished investor risk appetite which made 2016 a tough year for emerging markets and also the slowest year for new listings in more than a decade. The DR market was affected as well. We saw slightly lower capital raising and lower trading volumes than the year before and a very limited number of IPOs. Nevertheless, investor interest in the DR product remained strong as reflected by successful corporate actions such as the Nokia-Alcatel M&A transaction and a rise in DRs outstanding.

A trend that gained momentum in 2015 continued in 2016: We once more saw non-U.S. issuers accessing the U.S. markets through the JOBS Act of 2012 (12 IPOs); thus taking advantage of the decreased regulatory burden for IPO companies with less than \$1 billion in revenue. We expect this trend to continue in 2017 with a healthy pipeline of global companies looking to access the U.S. market through the JOBS Act.

Another trend that continued last year is the strongly growing focus on corporate governance by corporates and recently also by sovereigns. This is the result of institutional investors taking a more active stance towards the companies they invest in and sovereigns pushing their companies to embrace best corporate governance practices in order to make their equity markets as well as their corporates more attractive to foreign investors. Regulators, along with stock exchanges, have introduced new stewardship codes in Hong Kong, Japan, Taiwan, Thailand, Singapore, South Korea and Brazil to encourage better engagement between companies and investors. Investors today place the same emphasis on good corporate governance whether their investment is in the U.S., Europe or any other country in the world. In our many events that we organize globally, we have addressed this subject in depth to help our issuers understand and prepare for investor expectations.

We are optimistic for 2017. Due to pent up demand, we are seeing a strong pipeline of IPOs globally and we believe that investor interest will propel many of these deals to come to market. U.S. investors continue to show strong interest in non-U.S. equities as demonstrated by international investment of \$7.2 trillion in Q3 2016, which was up 9% from the same point in 2015, and also the continued interest in unsponsored ADRs. We also remain confident that international investors continue to demand access to debt instruments accessible through GDNs.

On behalf of the Citi Depository Receipt Services team, we look forward to continuing to provide global issuers, investors and intermediaries with capital market cross-border solutions. We hope you gain valuable insights from our 2017 report.

Sincerely,

Nancy Lissemore

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ABOUT CITI DEPOSITORY RECEIPT SERVICES

# 1. Global DR Trends

“Even in volatile markets, we see investors using the depositary receipt instrument as a preferred means to gain access to international equity securities.”

**Scott Pollak**

**Global Products & Capital Markets Solutions Head  
Citi Depositary Receipt Services**



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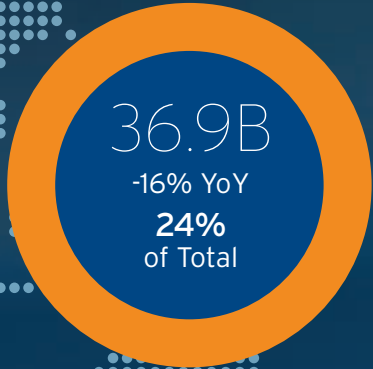
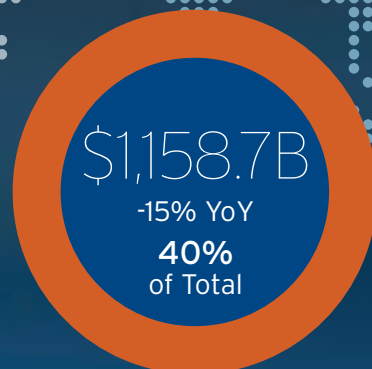
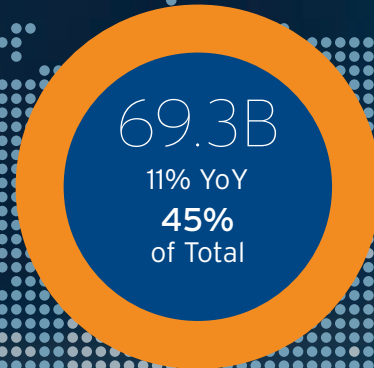
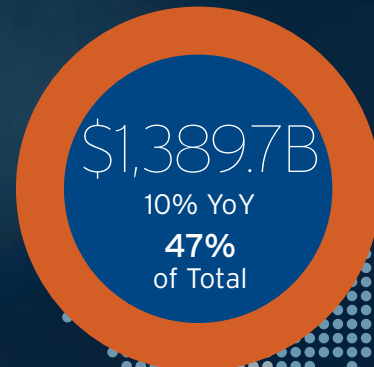
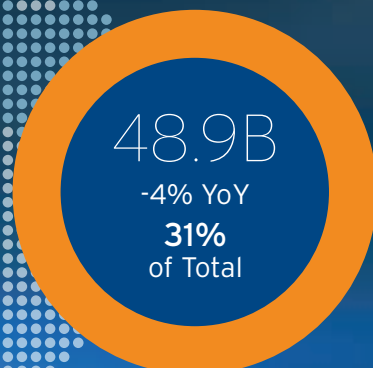
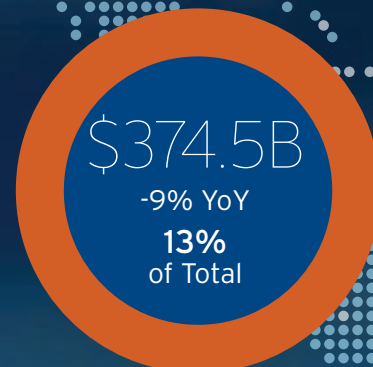
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# Global DR Liquidity

- DR TRADING VALUE
- DR TRADING VOLUME



TOTAL: \$2,922.9B in DR Trading Value  
155.1B in DR Trading Volume



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## DR Liquidity Highlights

### Trading Value

- Down **4%** from 2015 primarily due to decreases in DR trading value on NYSE
- **40%** of total from Asia-Pacific
- **47%** of total from EMEA
- **13%** of total from LATAM

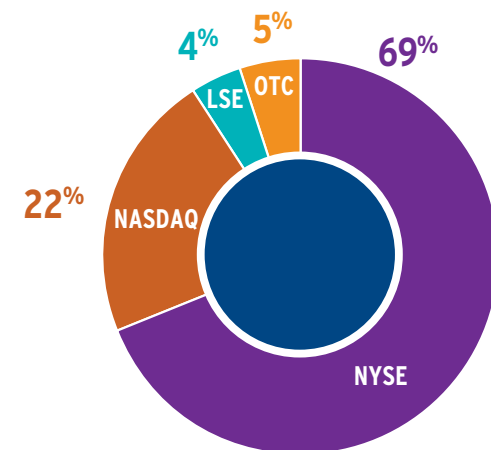
### Trading Volume

- Down **2%** from 2015 primarily due to decreases in DR trading volume on LSE
- **45%** of total from EMEA
- **31%** of total from LATAM
- **24%** of total from Asia-Pacific

# Global DR Liquidity (cont.)

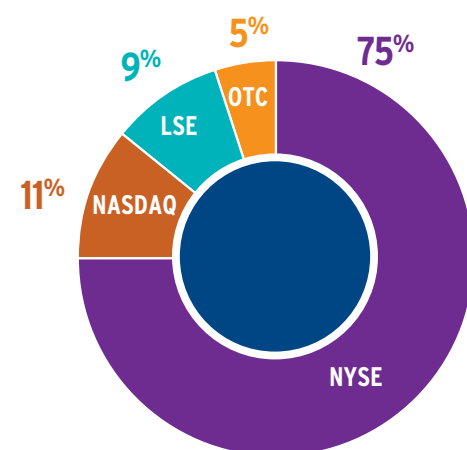
## Most Liquid DR Exchanges

### DR Trading Value<sup>1,2</sup>



**Total DR Value: \$2,922.9B**

### DR Trading Volume<sup>1,2</sup>



**Total DR Volume: 155.1B DRs Traded**

## Top 10 Most Liquid DR Programs

### By Trading Value<sup>1,2</sup>

Issuer	Country	Exchange	2016 Value (USD Billions)
Alibaba Group Holding Ltd	China	NYSE	\$317.2
Baidu Inc	China	NASDAQ	\$129.6
Royal Dutch Shell plc	UK	NYSE	\$99.7
Shire plc	UK	NASDAQ	\$89.3
Teva Pharmaceutical Industries Ltd	Israel	NYSE	\$85.4
JD.com Inc	China	NASDAQ	\$78.1
Petroleo Brasileiro SA	Brazil	NYSE	\$70.1
BP plc	UK	NYSE	\$65.0
NetEase Inc	China	NASDAQ	\$56.5
Anheuser-Busch InBev SA/NV	Belgium	NYSE	\$52.9

### By Trading Volume<sup>1,2</sup>

Issuer	Country	Exchange	2016 Volume (Millions)
Vale SA	Brazil	NYSE	10,547.8
Petroleo Brasileiro SA	Brazil	NYSE	9,962.8
ArcelorMittal	Luxembourg	NYSE	5,659.7
Ambev SA	Brazil	NYSE	4,180.0
Gazprom PJSC	Russia	LSE	4,051.5
Itau Unibanco Holding SA	Brazil	NYSE	3,919.3
Alibaba Group Holding Ltd	China	NYSE	3,730.9
Nokia OYJ	Finland	NYSE	3,411.7
Banco Bradesco SA	Brazil	NYSE	3,205.6
JD.com Inc	China	NASDAQ	3,141.8

Source: Bloomberg and Depository Data Interchange.

<sup>1</sup> Data as of December 31, 2016.

<sup>2</sup> DR trading volume has been unadjusted for certain corporate actions including stock splits, stock dividends, and rights offerings.



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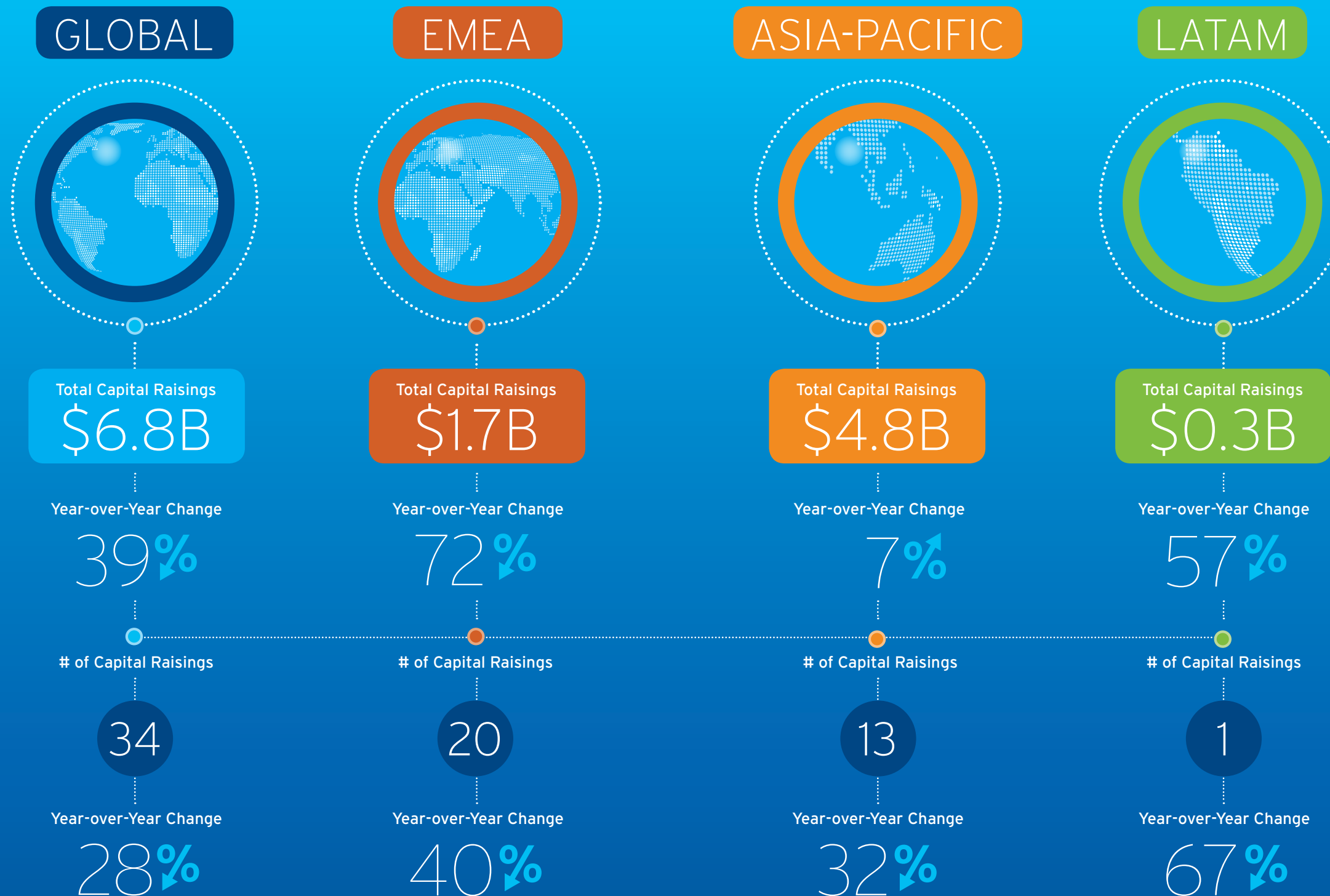


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# Global DR Capital Raisings

## DR Capital Raisings Highlights

- Total DR capital raised down **39%** versus 2015
- DR IPO capital raisings up **83%** to **\$3.8 billion** in 2016
- DR follow-on capital raising down **67%** to **\$3.0 billion** in 2016
- **\$6.5 billion** in ADR capital raised
- **\$0.3 billion** in GDR capital raised
- **12** issuers completed IPOs by way of the JOBS Act



**The JOBS Act of 2012:** The Jumpstart Our Business Startups Act (JOBS Act) was enacted by the U.S. Congress in 2012 to encourage more companies, including non-U.S. companies, to raise capital through initial public offerings and list in the U.S.

The JOBS Act established a new category of issuer known as an Emerging Growth Company (EGC) for which significant regulatory burdens were lifted. A company qualifies as an EGC if it had less than \$1 billion in gross revenues during the most recently completed fiscal year. Notably, EGCs receive certain exemptions from procedural and disclosure requirements during a transition period of up to five years following an IPO.



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# Global DR Capital Raisings (cont.)

## DR IPOs<sup>1,2</sup>

Issuer	Country	Industry <sup>3</sup>	USD Value (in Millions)
<b>ZTO Express (Cayman) Inc</b>	China	Transportation	\$1,406
Line Corporation	Japan	Internet	\$895
Grupo Supervielle SA	Argentina	Banks	\$302
<b>Trivago NV</b>	Netherlands	Internet	\$287
<b>GDS Holdings Ltd</b>	China	Telecommunications	\$193
<b>BeiGene, Ltd*</b>	China	Pharmaceuticals	\$182
<b>Hutchison China MediTech Limited</b>	Hong Kong	Pharmaceuticals	\$110
<b>Talend SA</b>	France	Software	\$109
<b>Yintech Investment Holdings Ltd</b>	China	Diversified Finan Serv	\$101
<b>Gridsum Holding, Inc*</b>	China	Software	\$100
<b>China Online Education Group</b>	China	Commercial Services	\$52
<b>TiGenix NV</b>	Belgium	Biotechnology	\$36
OMV Petrom SA*	Romania	Oil & Gas	\$23
<b>Motif Bio plc</b>	UK	Pharmaceuticals	\$17
<b>Cellect Biotechnology Ltd</b>	Israel	Biotechnology	\$8
<b>Grand Total</b>			<b>\$3,821</b>

Source: Bloomberg and Depository Data Interchange.

\*Signifies Citi DR program capital raising.

IPO Deals in **bold italics** signify a JOBS Act Deal.

<sup>1</sup> Defined as capital raising at the time of listing of a new DR security.

<sup>2</sup> Data as of December 31, 2016.

<sup>3</sup> Industry as defined by Bloomberg.

## DR Follow-On Offerings<sup>1,2</sup>

Issuer	Country	Industry <sup>3</sup>	USD Value (in Millions)
CTrip.com International Ltd	China	Internet	\$1,506
GW Pharmaceuticals plc*	UK	Pharmaceuticals	\$290
Ros Agro	Russia	Food	\$250
ArcelorMittal*	Luxembourg	Iron/Steel	\$218
BeiGene, Ltd*	China	Pharmaceuticals	\$200
Advanced Accelerator Applications SA	France	Health Care Products	\$172
Ascendis Pharma A/S	Denmark	Pharmaceuticals	\$120
Amarin Corp. plc*	UK	Biotechnology	\$69
Hinduja Foundries Limited	India	Auto Parts & Equipment	\$60
Sequans Communications SA	France	Semiconductors	\$25
Nabriva Therapeutics AG	Austria	Biotechnology	\$25
RedHill Biopharma Ltd	Israel	Pharmaceuticals	\$24
Nano Dimension Ltd	Israel	Computers	\$14
EDAP Technomed SA	France	Health Care Products	\$11
Kitov Pharmaceuticals Holdings Ltd	Israel	Pharmaceuticals	\$8
Genetic Technologies	Australia	Biotechnology	\$6
Medigus Ltd	Israel	Health Care Products	\$1
Samson Oil and Gas Ltd	Australia	Oil & Gas	\$1
<b>Grand Total</b>			<b>\$3,002</b>

Source: Bloomberg and Depository Data Interchange.

\*Signifies Citi DR program capital raising.

<sup>1</sup> Defined as capital raising at the time of listing of additional DR securities including rights offerings, and private placements.

<sup>2</sup> Data as of December 31, 2016.

<sup>3</sup> Industry as defined by Bloomberg.



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# Global DR Trends by Sector

## Global DR Liquidity by Industry

### DR Trading Value (in USD Billions)<sup>1</sup>

INDUSTRY	2016 VALUE	CHANGE VS. 2015	
Internet	\$714	-18%	↓
Pharmaceuticals	\$388	24%	↑
Oil & Gas	\$352	-4%	↓
Banks	\$240	-2%	↓
Mining	\$158	30%	↑
Telecommunications	\$145	-19%	↓
Beverages	\$115	12%	↑
Semiconductors	\$113	-24%	↓
Iron/Steel	\$94	7%	↑
Software	\$94	40%	↑

### DR Trading Volume (in Billions)<sup>1</sup>

INDUSTRY	2016 VOLUME	CHANGE VS. 2015	
Banks	27	8%	↑
Oil & Gas	23	-11%	↓
Iron/Steel	20	21%	↑
Internet	15	-16%	↓
Telecommunications	12	-15%	↓
Mining	9	30%	↑
Pharmaceuticals	8	27%	↑
Beverages	5	9%	↑
Semiconductors	4	-29%	↓
Building Materials	3	-9%	↓

## Global DR Capital Raisings by Industry

### DR IPOs (in USD Millions)<sup>1</sup>

INDUSTRY	2016 VALUE
Transportation	\$1,406
Internet	\$1,182
Pharmaceuticals	\$309
Banks	\$302
Software	\$209
Telecommunications	\$193
Diversified Financial Services	\$101
Commercial Services	\$52
Biotechnology	\$44
Oil & Gas	\$23
<b>Grand Total</b>	<b>\$3,821</b>

### DR Follow-On Offerings (in USD Millions)<sup>1, 2</sup>

INDUSTRY	2016 VALUE
Internet	\$1,506
Pharmaceuticals	\$642
Food	\$250
Iron/Steel	\$218
Health Care Products	\$185
Biotechnology	\$100
Auto Parts & Equipment	\$60
Semiconductors	\$25
Computers	\$14
Oil & Gas	\$1
<b>Grand Total</b>	<b>\$3,002</b>

<sup>2</sup> Defined as capital raising at the time of listing of additional DR securities including rights offerings and private placements.



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## 2. DR Access Products

“ Since 2007, GDNs have provided international investors a convenient means of accessing local currency-denominated debt issued in emerging market countries.”

Justin Karol

Global Product Head,  
Global Depositary Notes  
Citi Depositary Receipt Services



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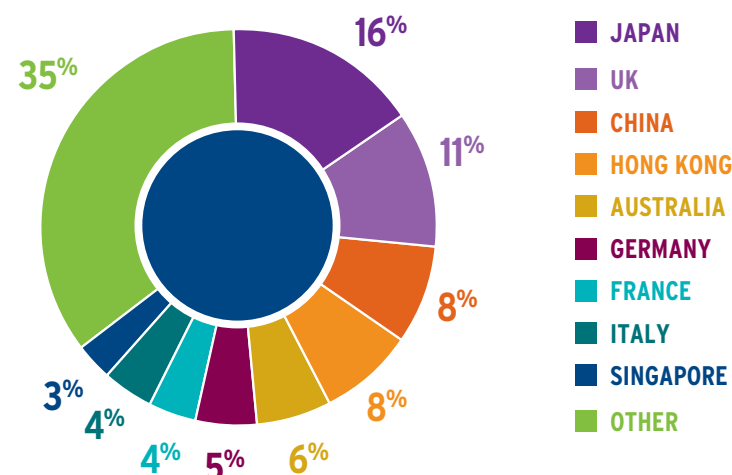
# Un-sponsored DR Programs

## Un-sponsored DR Highlights

### Trading Volume

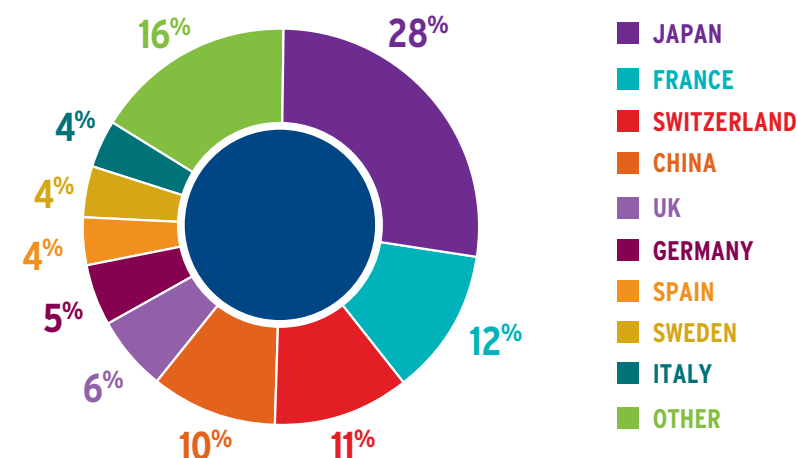
- Down **4%** from 2015 to **3.0 billion DRs** driven by decreases in trading volume from Switzerland and Japan
- **11%** of total from banks
- **8%** of total from retailing
- **7%** of total from internet companies

## Number of DR Programs<sup>1,3</sup>



**Total DR Program Count: 1,612**

## DR Trading Volume<sup>1,3</sup>



**Total DR Volume: 3.0B DRs Traded**

Unlike traditional sponsored ADR programs, un-sponsored ADR programs are established by a depository bank without the direct involvement of the respective non-U.S. company, provided that the company's securities represented by the ADRs are either registered or qualify for an exemption from Securities and Exchange Commission (SEC) registration. An October 2008 SEC rule change simplified the manner in which this exemption is obtained, making it automatically available to many non-U.S. companies provided they meet certain requirements.

## Top 10 Un-sponsored DR Programs

Issuer	Country	2016 Volume (DR Millions)
Tencent Holdings Ltd	China	189.8
Nintendo Co Ltd	Japan	167.2
Cie Financiere Richemont SA	Switzerland	129.2
Glencore plc	Switzerland	70.9
CK Hutchison Holdings Ltd	Hong Kong	69.9
CaixaBank SA	Spain	64.5
KDDI Corp	Japan	53.0
Airbus Group SE	Netherlands	44.2
Mazda Motor Corp	Japan	43.3
FANUC Corp	Japan	42.2

Source: Bloomberg and Depository Data Interchange.

## Top 10 Volume Movers

Issuer	Country	Volume (DR Millions)		
		2015	2016	Increase/ (Decrease) <sup>2</sup>
Tokyo Electron Ltd	Japan	274.6	10.1	(264.5)
Glencore plc	Switzerland	227.2	70.9	(156.3)
Nintendo Co Ltd	Japan	29.6	167.2	137.6
CK Hutchison Holdings Ltd	Hong Kong	35.6	69.9	34.3
SoftBank Group Corp	Japan	65.3	35.3	(30.1)
Mazda Motor Corp	Japan	13.5	43.3	29.8
Astellas Pharma Inc	Japan	12.3	38.1	25.9
AP Moller – Maersk A/S	Denmark	10.1	34.9	24.8
Enel SpA	Italy	17.1	41.7	24.6
Schneider Electric SE	France	52.8	28.5	(24.3)

Source: Bloomberg and Depository Data Interchange.

<sup>1</sup> Data as of December 31, 2016.

<sup>2</sup> Absolute Change in DR trading volume.

<sup>3</sup> DR trading volume has been unadjusted for certain corporate actions including stock splits, stock dividends, and rights offerings.



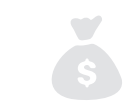
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# Global Depository Notes (GDNs)

## GDNs for Issuers

A GDN program can also be proactively employed by an issuer of local bonds as a mechanism to expand distribution in a primary market offering transaction

## Efficient Access to Local Debt Securities in a Depository Receipt Format

### GDNs Evidence Ownership of Local Bonds

- Like American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), GDNs replicate the characteristics (interest rate, maturity date, credit quality, etc.) of the respective underlying local securities and are fungible with the underlying securities

### GDNs Facilitate the Global Trading and Settlement of Local Bonds

- Euroclear, Clearstream and DTC-eligible
- Can be purchased or sold via multiple broker-dealers
- Made available to institutional investors globally, via Reg S and Rule 144A

### GDNs are Denominated and Transacted in U.S. Dollars

- Trading, settlement and payment of interest and principal in U.S. dollars
- The depository bank (such as Citi) conducts the exchange of local currency for U.S. dollars in relation to cash distributions from the underlying local bonds

## Current GDN Markets

### Latin America (LATAM)



Chile



Colombia



Costa Rica



Dominican Republic



Ecuador



El Salvador



Guatemala



Jamaica



Mexico (Pemex)



Panama



Peru

### Europe, Middle East & Africa (EMEA)



Kazakhstan



Nigeria



Rwanda



Turkey



Uganda



Zambia

### Asia Pacific



Vietnam



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# 3. Regional Trends

“Against a backdrop of economic and market uncertainty, the international investor community is even more focused on ESG, especially on the governance part, as academic research suggests that there is a causal link between good corporate governance and future share price performance.”

**Beate Melten**

**Global Head of Investor Relations Advisory  
Citi Depository Receipt Services**



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# Asia-Pacific Snapshot

## Asia-Pacific Highlights

### Capital Raisings

- **\$4.8 billion** in DR capital raised
- **56%** via IPOs
- **44%** via follow-on offerings

### Trading Volume

- Down **16%** from 2015 to **36.8 billion**
- Unsponsored trading volume down **8%** to **1.4 billion**

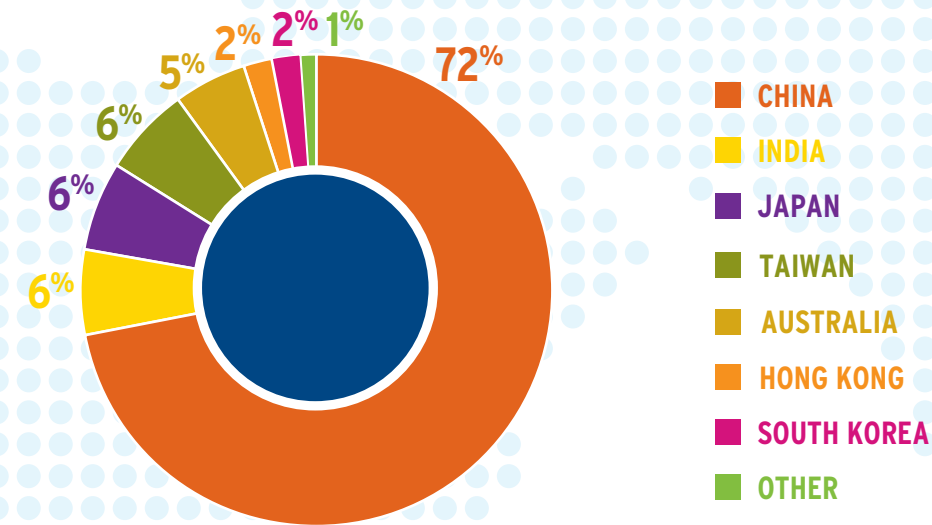
### New DR Programs

- **20** new sponsored programs
- **8** on NASDAQ
- **6** on OTC
- **3** on NYSE
- **3** GDR programs

“Due to a record low IPO year in 2016, we are seeing strong pent-up demand in several Asian countries and especially in China. We are especially optimistic for the fintech and biopharma sectors in 2017.”

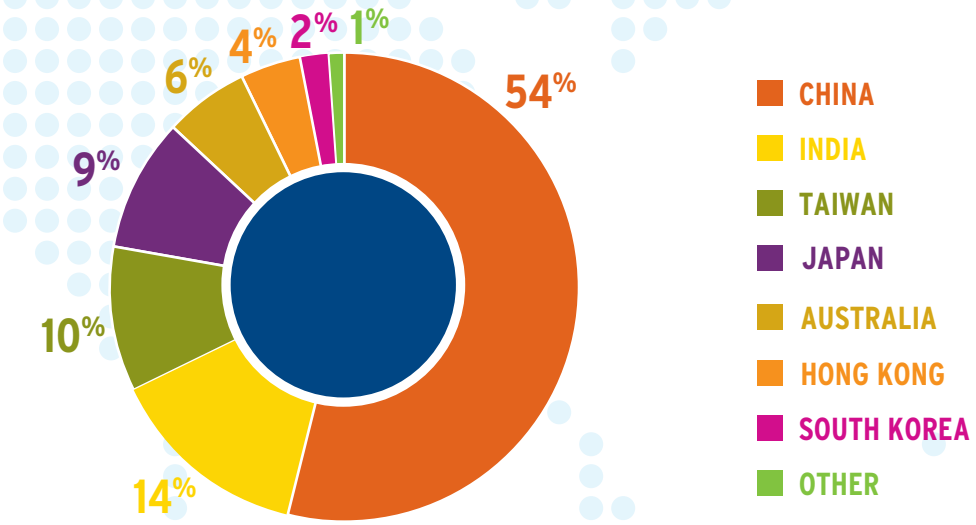
**Valentina Chuang**  
Head of Asia Pacific

## DR Trading Value<sup>1,2</sup>



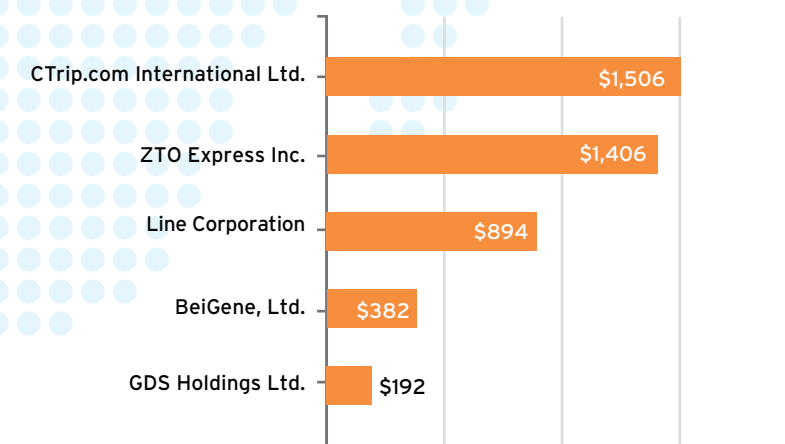
Total DR Trading Value: \$1,158.7B

## DR Trading Volume<sup>1,2</sup>



Total DR Trading Volume: 36.8B

## Top 5 DR Capital Raisings<sup>1</sup> (in USD Millions)



## Top 5 Most Liquid DR Programs<sup>1,2</sup>

Issuer	Country	Exchange	2016 Volume (DR Millions)
Alibaba Group Holding Ltd	China	NYSE	3,730.9
JD.com Inc	China	NASDAQ	3,141.8
ICICI Bank Ltd	India	NYSE	2,771.9
Vipshop Holdings Ltd	China	NYSE	1,982.9
Taiwan Semiconductor Manufacturing Co Ltd	Taiwan	NYSE	1,787.7

Source: Bloomberg.

<sup>1</sup> Data as of December 31, 2016.

<sup>2</sup> DR trading volume has been unadjusted for certain corporate actions including stock splits, stock dividends and rights offerings.



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## EMEA Highlights

### Capital Raisings

- **\$1.7 billion** in DR capital raised
- **28%** via IPOs
- **72%** via follow-on offerings

### Trading Volume

- Up **11%** from 2015 to **69.3 billion**
- Unsponsored trading volume down **5%** to **1.6 billion**

### New DR Programs

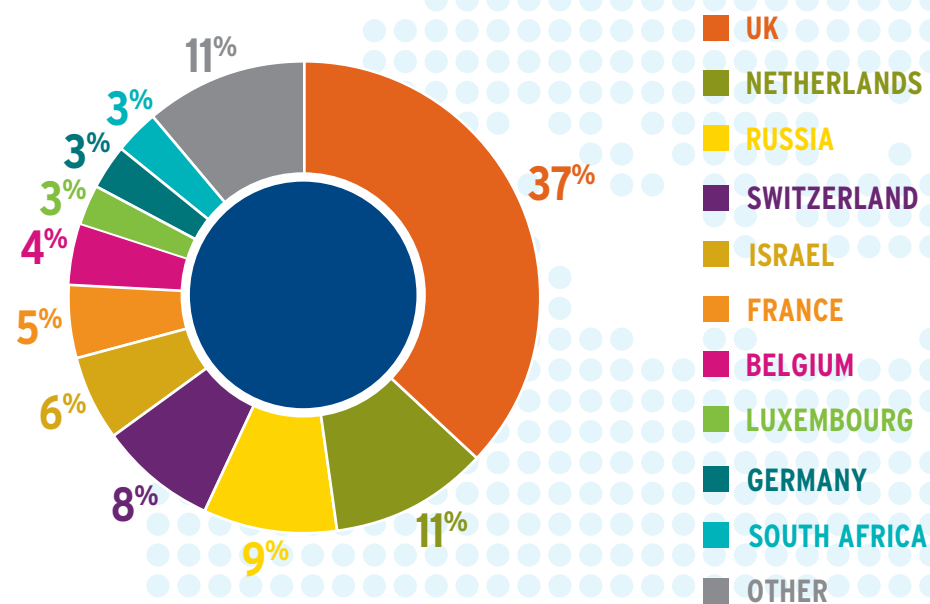
- **24** new sponsored programs
- **5** on NASDAQ
- **14** on OTC
- **5** GDR programs

“EMEA faced many headwinds in 2016, as reflected in the lower number of capital raisings. However, we feel positive for 2017 and believe we will continue to see our issuers access the U.S. capital markets through the JOBS Act.”

**Ayden Dagg**  
Head of EMEA

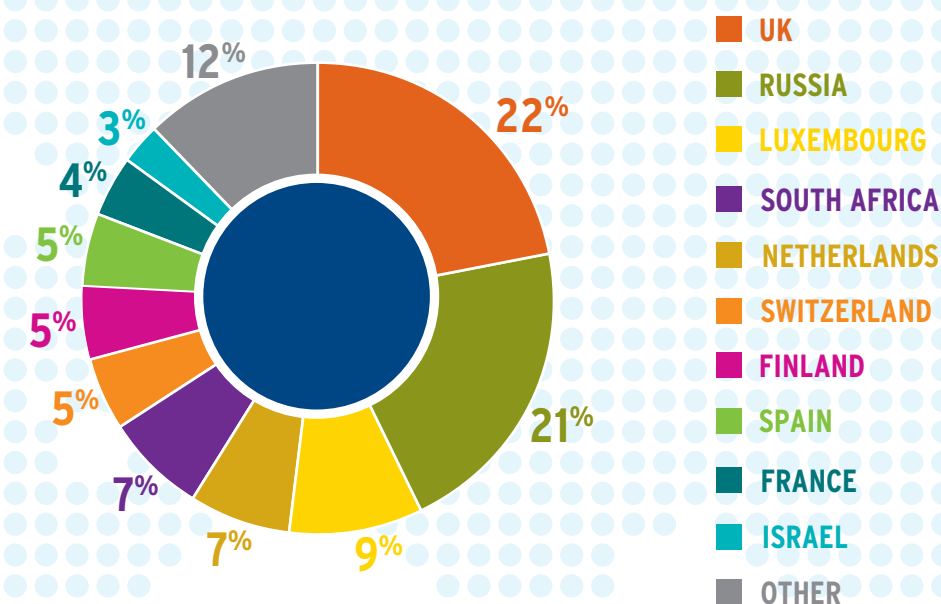
# Europe, Middle East & Africa (EMEA) Snapshot

## DR Trading Value<sup>1,2</sup>



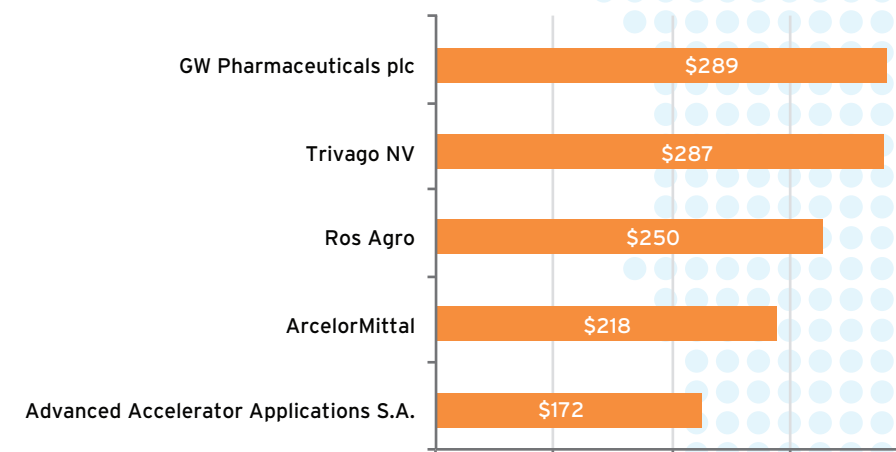
Total DR Trading Value: \$1,389.7B

## DR Trading Volume<sup>1,2</sup>



Total DR Trading Volume: 69.3B

## Top 5 DR Capital Raisings<sup>1</sup> (in USD Millions)



## Top 5 Most Liquid DR Programs<sup>1,2</sup>

Issuer	Country	Exchange	2016 Volume (DR Millions)
ArcelorMittal	Luxembourg	NYSE	5,659.7
Gazprom PJSC	Russia	LSE	4,051.5
Nokia OYJ	Finland	NYSE	3,411.7
Sberbank of Russia PJSC	Russia	LSE	2,828.2
Royal Dutch Shell plc	UK	NYSE	2,012.4

Source: Bloomberg.

<sup>1</sup> Data as of December 31, 2016.

<sup>2</sup> DR trading volume has been unadjusted for certain corporate actions including stock splits, stock dividends and rights offerings.



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## LATAM Highlights

### Capital Raisings

- **\$302 million** in DR capital raised by Grupo Supervielle S.A. through IPO
- Down **35%** from 2015 in volume

### Trading Volume

- Down **5%** from 2015 to **49 billion**

### New DR Programs

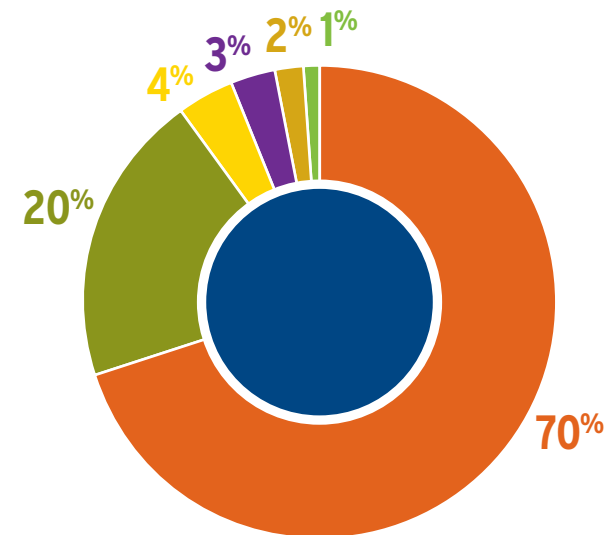
- **9** new sponsored programs
- **3** on NYSE
- **2** on OTC
- **4** GDR programs

“2016 was another difficult year for the equity markets across Latin America. While there will be challenges in 2017, we enter the new year with a cautiously optimistic view given the reopening of the international markets to Argentina and an improving economic situation in Brazil.”

**Michael Morcom**  
Head of LATAM

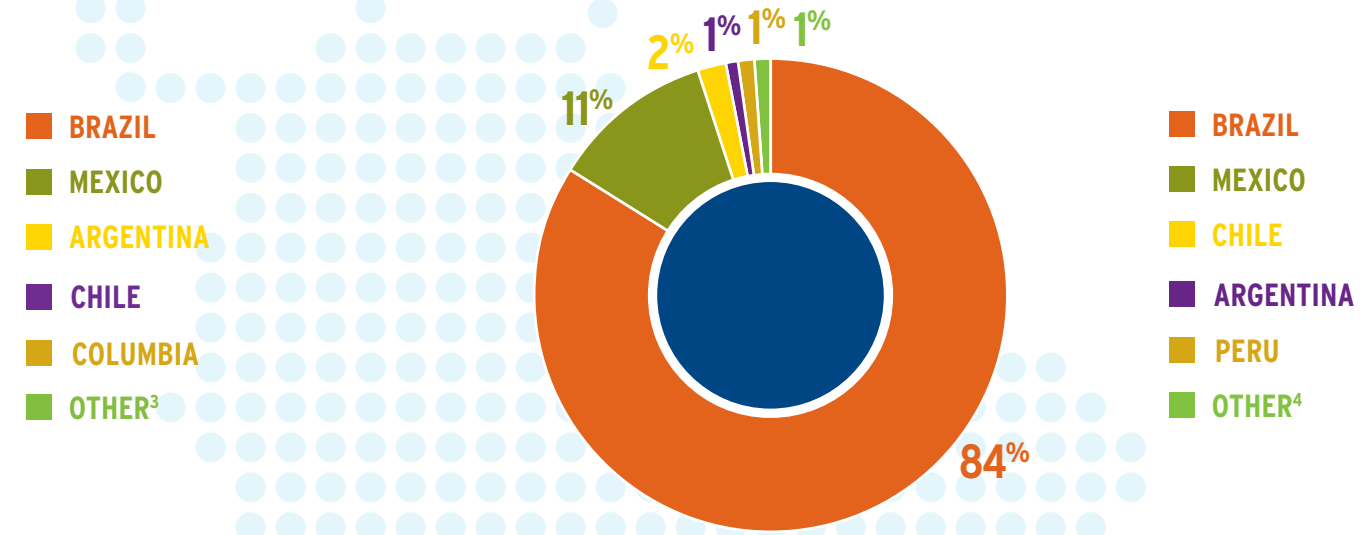
# Latin America (LATAM) Snapshot

## DR Trading Value<sup>1,2</sup>



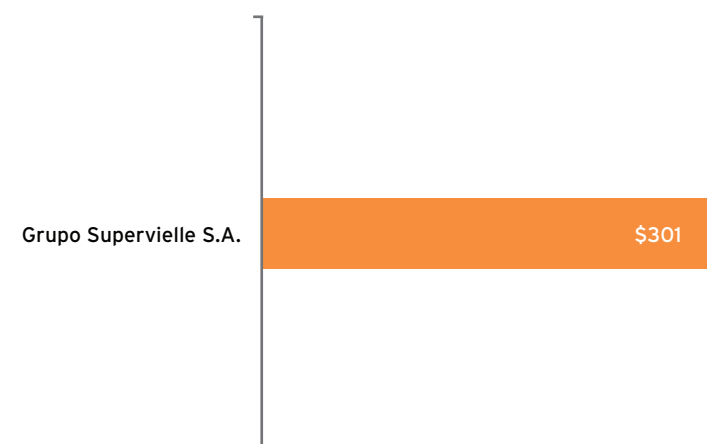
Total DR Trading Value: \$375B

## DR Trading Volume<sup>1,2</sup>



Total DR Trading Volume: 49B

## Top DR Capital Raisings<sup>1</sup> (in USD Millions)



## Top Most Liquid DR Programs<sup>1,2</sup>

Issuer	Country	Exchange	2016 Volume (DR Millions)
Vale SA	Brazil	NYSE	10,547.8
Petroleo Brasileiro SA	Brazil	NYSE	9,962.8
Itau Unibanco Holding SA	Brazil	NYSE	3,919.3
Banco Bradesco SA	Brazil	NYSE	3,205.6
Ambev SA	Brazil	NYSE	4,180

Source: Bloomberg.

<sup>1</sup> Data as of December 31, 2016.

<sup>2</sup> DR trading volume has been unadjusted for certain corporate actions including stock splits, stock dividends and rights offerings.

<sup>3</sup> Other (1%) includes Peru and Panama.

<sup>4</sup> Other (1%) includes Columbia and Panama.



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# 4. International Investing Trends

“DR trading volume remained subdued due to uncertainty, however, investor sentiment seems to be recovering and we are cautiously optimistic about the year ahead.”

Ganesh Sarpotdar

Global Product Head, ADRs & GDRs  
Citi Depository Receipt Services



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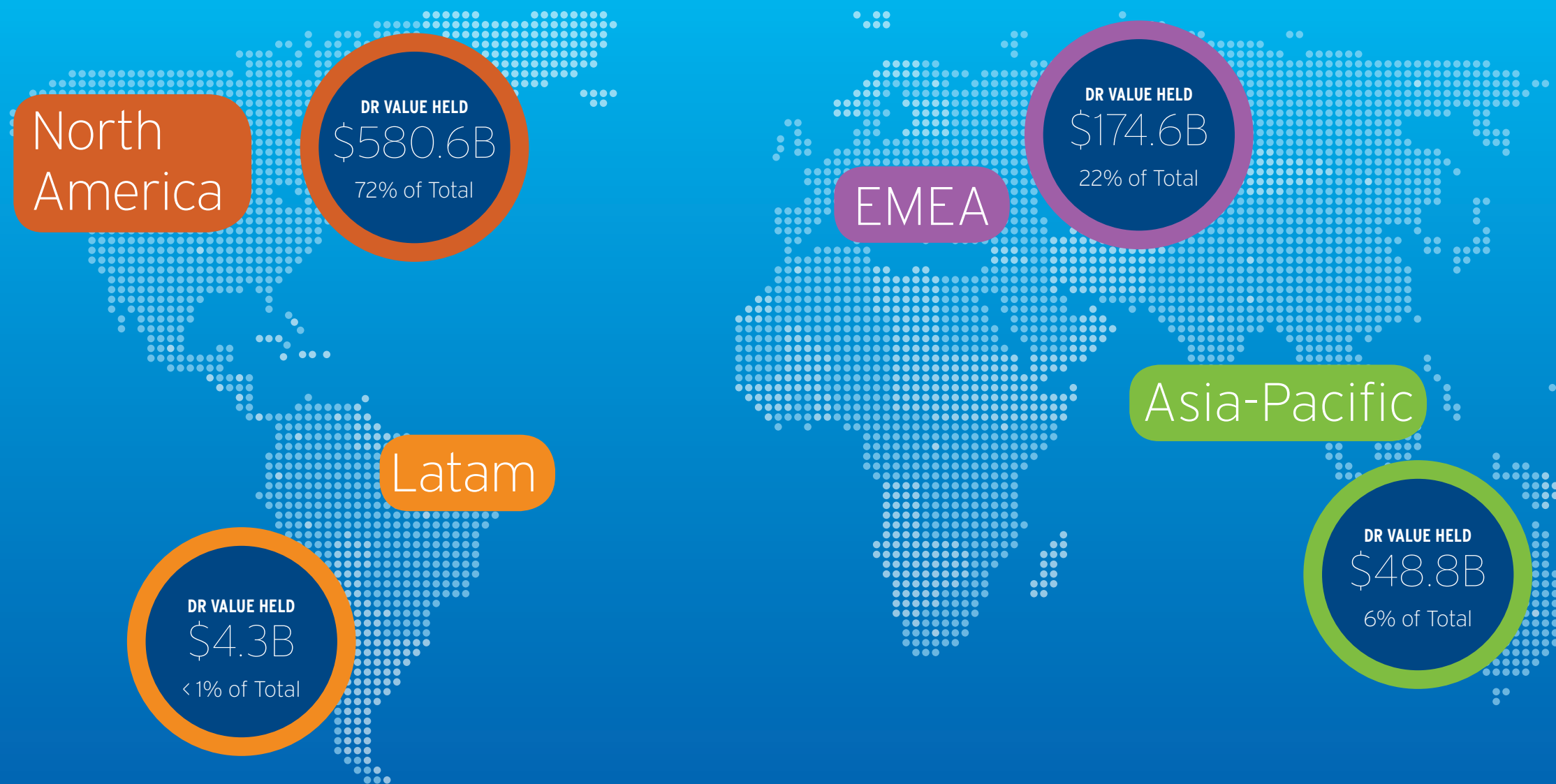


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# Institutional DR Ownership

## International Investor Highlights

- The value of institutional holdings of DRs was **\$808.4 billion** as disclosed in September 2016
- In terms of investor type, Investment Managers (Mutual Funds) and Hedge Funds accounted for roughly **87%** of the DR value held
- In terms of investment style, growth, value and index funds accounted for roughly **73%** of the DR value held



**\$808.4B**  
Total Value of DRs Held



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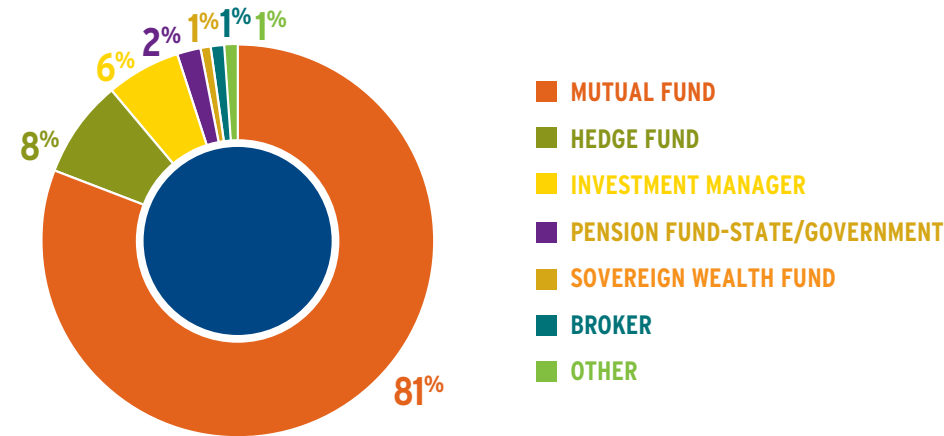


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# Institutional DR Ownership (cont.)

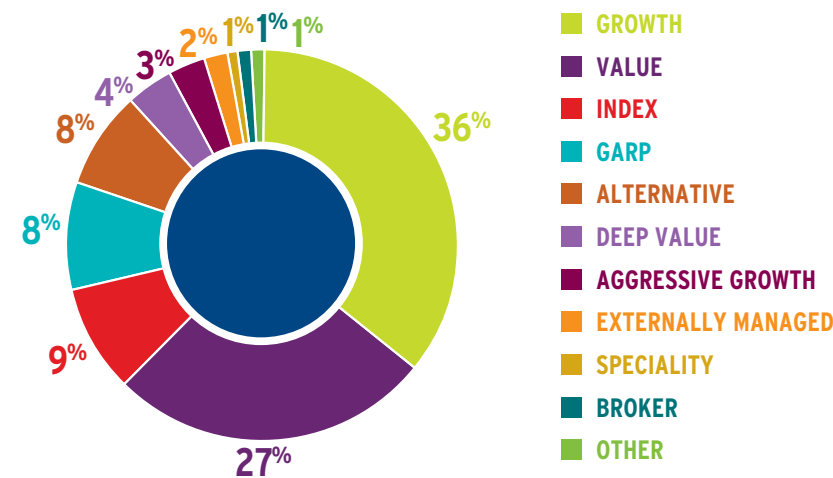
## Top Institutional Holders of DRs

### By Investor Type<sup>1</sup>



Total Value of DRs Held: \$808.4B

### By Investment Style<sup>1,2</sup>



Total Value of DRs Held: \$808.4B

<sup>1</sup>Investment Style and Investor Type as defined by Ipreo. Data as of Q3 2016.

<sup>2</sup>GARP Funds: Growth at a Reasonable Price (GARP) investors hold securities that are trading at a discount to the market, but are expected to grow at a higher than the market or industry average. These companies are typically out of favor systematically or temporarily. This is a more conservative investment style compared to an outright growth-oriented strategy. Dividend yield is generally not a concern of GARP investors.

### By Top 10 DR Holders<sup>1,2</sup>

Holder Name	Investment Style	Investor Type	Value of DRs Held (USD Billions)
Capital World Investors (U.S.)	Growth	Mutual Fund	\$21.6
Fidelity Management & Research Company	Growth	Mutual Fund	\$19.8
Baillie Gifford & Company, LTD	Growth	Mutual Fund	\$16.4
BlackRock Fund Advisors	Index	Mutual Fund	\$14.7
T. Rowe Price Associates, Inc.	Growth	Mutual Fund	\$14.2
Dodge & Cox	Value	Mutual Fund	\$14.1
Fisher Investments	GARP	Mutual Fund	\$13.3
Wellington Management Company, LLP	Value	Mutual Fund	\$11.5
Lazard Asset Management, LLC (U.S.)	Value	Mutual Fund	\$11.2
Dimensional Fund Advisors, L.P. (U.S.)	Value	Mutual Fund	\$11.1



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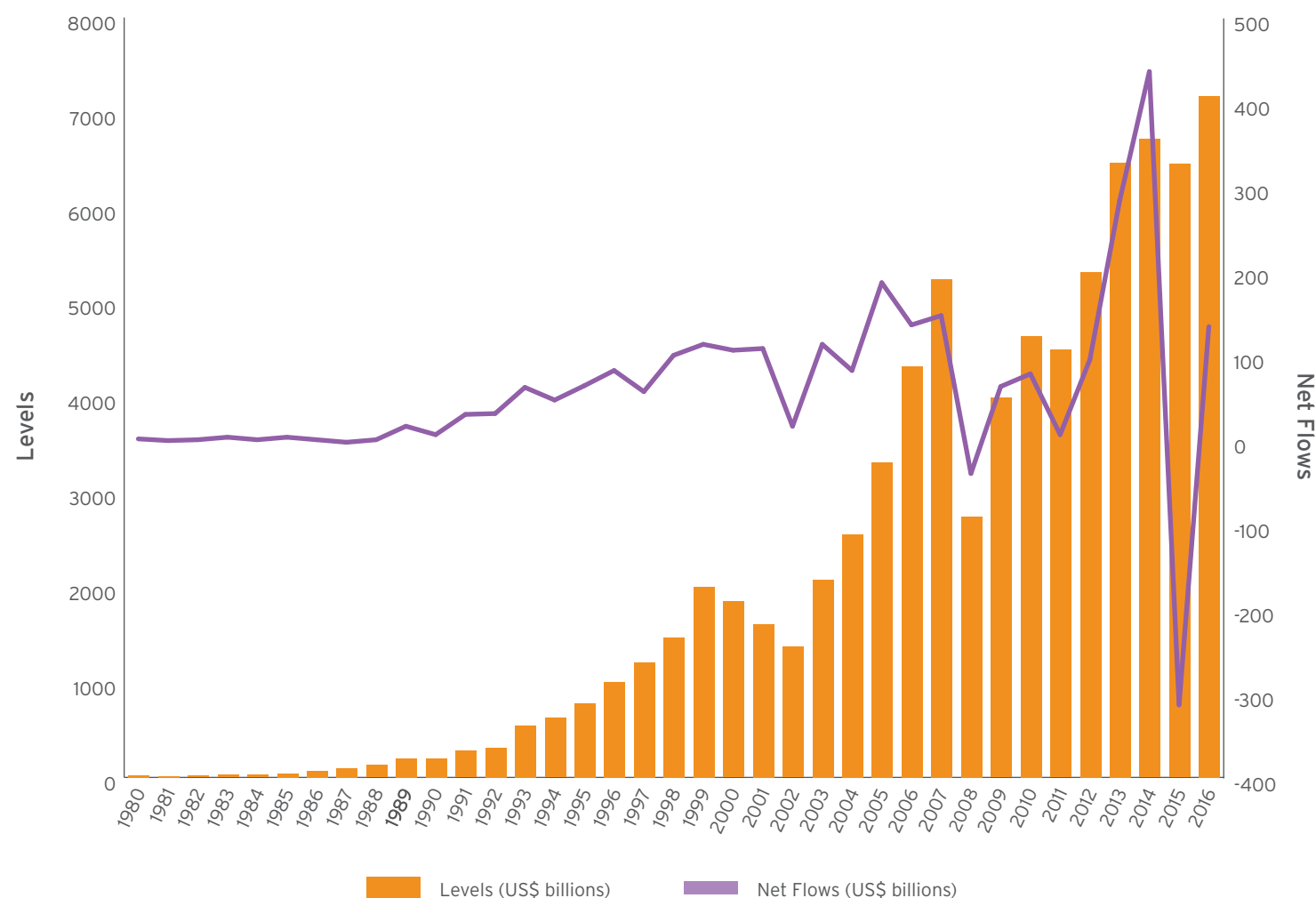


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# International Investing Trends

## U.S. Investment in non-U.S. Equities

According to U.S. Federal Reserve data, U.S. investment in non-U.S. equities as of Q3 2016 was \$7.2 trillion, up 9% from the Q3 2015 level of \$6.6 trillion.



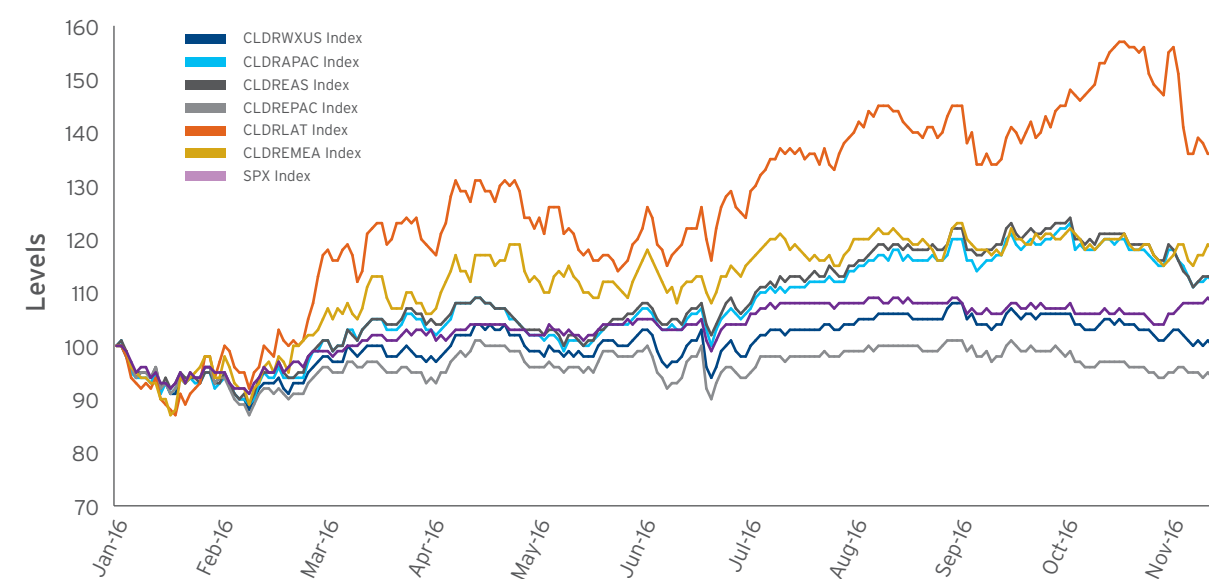
## Citi Liquid DR Indices

Citi Depository Receipt Services maintains the Citi Liquid DR (CLDR) Indices to provide insight into international investor sentiment towards non-U.S. markets.

The CLDR Indices are free-float, market cap weighted and include only those companies that have actively traded U.S. exchange-listed ADRs or London-listed GDRs. The CLDR Indices are distinctive in that they:

- Provide a timely gauge of international investor sentiment towards non-U.S. markets at the end of the U.S. trading day, considering that all of the constituent equities trade in the U.S. and/or London time zones.
- More completely capture U.S. and international investor sentiment towards emerging markets by including London traded GDRs, unlike other DR indices.
- Include one of the few publicly available DR indices for Asia-Pacific ex-Japan and Asia-Pacific growth economies.

### CLDR 2016 Performance<sup>1,2</sup>



Source: Bloomberg.

<sup>1</sup> Data as of December 31, 2016.

<sup>2</sup> CLDRWXUS: World ex-U.S. Liquid DR Index; CLDRLAT: Latam Liquid DR Index; CLDRAPAC: AsiaPac ex-Japan Liquid DR Index; CLDREAS: AsiaPac Growth Economies Liquid DR Index; CLDREPAC: EuroPac Liquid DR Index; CLDREMEA: EMEA Liquid DR Index; SPX: S&P 500.



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# 5. About Citi Depository Receipt Services

Citi Depository Receipt Services is a leader in bringing quality issuers to global capital markets and in promoting DRs as an effective capital markets tool.



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# About Citi DR Services

Citi began offering DRs in 1928 and today is widely recognized for providing issuers with its powerful global platform, facilitating access to a global network that issuers can use to build and grow their DR programs.

In support of a DR program, Citi Depository Receipt Services provides issuers with access to the following value-added resources:

- Global sales and equity distribution network with access to large and mid-tier institutional investors
- Dedicated Account Management team – enabling a single point of contact for comprehensive support
- Specialized Structuring and Implementation team that facilitates the efficient execution of transactions
- Innovative Product Management team to develop solutions for enhanced access to markets and investors
- Investor Relations (IR) Advisory – a team of former in-house corporate IR executives who counsel and support clients in all aspects of their global IR objectives

## Global Distribution

Citigroup (Citi) is a leading global financial services company with approximately 200 million customer accounts in more than 160 countries. We provide consumers, corporations, governments and institutions with a broad range of financial products and services including consumer banking and credit, corporate and investment banking, securities brokerage and wealth management.

For DR clients, our services encompass information, support and counsel to major global issuers, as well as access to broad broker and investor audiences. We assist clients in accessing a diverse range of investors, including the largest global portfolio managers, wealth management advisory firms, Separately Managed Accounts (SMA) portfolios and specialized hedge funds. Our local presence in many markets is unmatched by any other depository bank and we facilitate superior liquidity for our programs via our global distribution network.

Citi's network is composed of salespeople and sales traders around the world, and is one of the largest institutional networks for DRs. Together with our comprehensive range of reporting, investor targeting and analytical services, Citi is in a leading position to administer and grow clients' DR programs globally. No other depository bank provides such a comprehensive network.

Citi's commitment to provide issuers with access to a comprehensive suite of value-added resources, including a combination of global reach and local expertise, access to an industry-leading global equity distribution network and specialized global investor relations support, helped Citi win key depository bank mandates in 2016.



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## Investor Relations

Citi Depository Receipt Services pioneered the role of IR Advisory for DR clients, providing issuers with expertise and resources to support their IR program. Citi Depository Receipt Services' IR Advisory team employs a tailor-made approach for each client, taking into account the unique situation of every company, to help them achieve their specific IR goals.

Strongly focused on the training and educational needs of our clients, Citi constantly looks for ways to provide clients with the knowledge base required to build a comprehensive IR program that delivers results. Throughout the year, Citi hosts roundtables and other training sessions across EMEA, Asia and Latin America, as well as the signature IR Academy in New York and Shareholder University in London. Citi Depository Receipt Services' IR Advisory also assists issuers in coordinating roadshows by identifying, targeting and accessing new investors to support their goal of achieving greater liquidity and growing their DR program. Other areas of expertise include strategic message development, global benchmarking, corporate governance, regulatory matters, market intelligence, digital communications, presentation development and interaction with buy-side and sell-side analysts.

### Citi Depository Receipt Services' Global Client Events Schedule for 2016

<b>Q1 2016</b>	<ul style="list-style-type: none"> <li>• <i>IR Magazine</i> U.S. Awards, New York</li> </ul>
<b>Q2 2016</b>	<ul style="list-style-type: none"> <li>• NIRI Annual Conference, San Diego</li> <li>• European Think Tank and IR Awards, London</li> <li>• IR Academy Seoul</li> <li>• IR Roundtable Paris</li> <li>• IR Academy Mumbai</li> </ul>
<b>Q3 2016</b>	<ul style="list-style-type: none"> <li>• IR Academy Taipei</li> <li>• IR Academy Santiago de Chile and Buenos Aires</li> <li>• Flagship IR Academy, New York</li> <li>• Ipreo Wisdom Summit, Hong Kong and Beijing</li> <li>• Middle East Investor Relations Association Conference, Dubai</li> <li>• <i>Russian Investor Relations Magazine Awards</i>, Moscow</li> </ul>
<b>Q4 2016</b>	<ul style="list-style-type: none"> <li>• IR University and Shareholder University, London</li> <li>• IR Academy São Paulo</li> <li>• <i>IR Magazine</i> Greater China Conference &amp; Awards, Thailand and Hong Kong</li> <li>• IR Academy Taipei and Seoul</li> <li>• IR Roundtable Helsinki</li> <li>• IR Roundtable Tel Aviv</li> </ul>

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## Citi

Citi, the leading global bank, has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services, and wealth management.

### **About Citi's Depositary Receipt Services**

Depositary Receipt Services is a leader in bringing quality issuers to the U.S. and other markets and promoting Depositary Receipts (DRs) as an effective capital markets tool. Citibank began offering ADRs in 1928 and today is widely recognized for providing non-U.S. companies with a gateway to the resources of Citi and the means to diversify shareholder bases and increase liquidity. For further information, visit [citi.com/dr](http://citi.com/dr).

### **Past performance is not indicative of future results.**

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