



مصرف الإمارات العربية المتحدة المركزي  
CENTRAL BANK OF THE U.A.E.



سوق أبوظبي للأوراق المالية  
Abu Dhabi Securities Exchange

## The CBUAE Signs an Agreement with ADX to Enhance Settlement Processes

- AED cash settlements for trades and margin transactions to be processed via the CBUAE network
- Agreement aligns with global IOSCO standards, adding additional layers of security, reliability and efficiency to trading on ADX
- Enables the automation of cash settlements for financial instruments traded on ADX

**Abu Dhabi, United Arab Emirates, 12 February 2025:** The Central Bank of the UAE (CBUAE) and Abu Dhabi Securities Exchange (ADX) have signed an agreement to process cash settlements in AED for trades of ADX-listed financial instruments as well as transactions related to margin calls and collateral using the Central Bank Money (CBUAE) network.

H.E Khaled Mohamed Balama, Governor of the CBUAE, witnessed the signing ceremony of the agreement. It was signed by H.E Saif Al Dhaheri, Assistant Governor for Banking Operations and Support Services at CBUAE, and H.E. Ghannam Butti Al Mazrouei, Chairman of ADX, in the presence of Assistants Governor and senior officials from both entities.

Under the agreement, cash settlements for trades, including shares, bonds, and ETFs, will be processed through the CBUAE network, fully adhering to the International Organisation of Securities Commissions (IOSCO) standards for central counterparty clearing (CCP) and central securities depository (CSD) services.

Utilising CBUAE network for transaction settlements will minimise settlement risks aligning with ADX's goal of providing reliable and secure financial services, as part of ADX's strategic efforts to modernise its market infrastructure and deliver a convenient, secure and efficient experience for all market participants.

Margin call and margin collateral transactions for ADX-CCP will also be managed via the CBUAE network, providing a robust and automated direct debit mechanism that speeds up the settlement process and ensures there are no delays in meeting financial obligations.

On this occasion, **H.E Saif Al Dhaheri, Assistant Governor for Banking Operations and Support Services at CBUAE**, stated: "We are pleased to collaborate with Abu Dhabi Securities Exchange to settle cash transactions in UAE Dirham for listed financial deals. This agreement represents an important step towards enhancing a resilient and innovation-driven financial infrastructure. It also reaffirms our commitment to elevating the UAE's financial system through an advanced settlement operations network, thereby strengthening investor confidence in our financial system."

In this context, **H.E. Ghannam Butti Al Mazrouei, Chairman of Abu Dhabi Securities Exchange (ADX)**, stated: "This agreement represents a significant milestone in the continuous development and modernization of ADX's infrastructure, ensuring the continued provision of reliable and secure financial services. H.E. further emphasized that this agreement contributes to reducing settlement



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risks through the use of the Central Bank's network, enhancing the security and efficiency of trading on the Exchange. His Excellency also praised the Central Bank's role in strengthening the financial ecosystem in the UAE."

The agreement is a key part of the successful launch of ADX's Core Platform Upgrade (CPU), which introduced advanced trading and post-trade systems to the market.

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#### **About Abu Dhabi Securities Exchange**

Abu Dhabi Securities Exchange (ADX) was established on November 15, 2000, by Local Law No. (3) Of 2000, the provisions of which vest the market with a legal entity of autonomous status, independent finance and management. The Law also provides ADX with the necessary supervisory and executive powers to exercise its functions. On March 17, 2020, ADX was converted from a "Public Entity" to a "Public Joint Stock Company PJSC" pursuant to law No. (8) of 2020. ADX is part of ADQ, one of the region's largest holding companies with a broad portfolio of major enterprises spanning key sectors of Abu Dhabi's diversified economy.