

Handling depositary receipts for global financial markets

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Abstract

The article analyzes the involvement of countries in the implementation of programs issuing American and Global Depositary Receipts. Special attention is paid to the depositary receipts market for securities of Russian issuers. The advantages of this instrument from the perspective of the issuer and the investor are shown. The basic strategy for the use of depositary receipts: speculation, hedging, arbitrage, defined features of these operations. Finally, to enhance the capacity use of depositary receipts, increasing range of instruments, the underlying, through financial engineering.

Keywords

Arbitrage, Depositary receipts, Financial engineering, Hedging, Investor, Listing, London Stock Exchange (LSE), New York Stock Exchange (NYSE), Over-The-Counter (OTC), PORTAL, The depositary bank, The issuer