



## **FOR IMMEDIATE RELEASE**

Singapore, 25 July 2017

### **First real blockchain enabled fund distribution becomes a reality as investors successfully purchase shares**

For the first time in the fund industry, investors have successfully purchased real funds' shares with real cash, through a blockchain-powered platform for fund managers, called FundsDLT. FundsDLT was developed as a collaboration between KPMG in Luxembourg, Fundsquare (a subsidiary of the Luxembourg Stock Exchange) and InTech (a subsidiary of POST Group).

"We believe these are the first fund sales using a blockchain-based platform, which were carried out in the world's second largest market for net assets under management," **said Eamonn Maguire, global leader for KPMG's Digital Ledger Services**. "It is a major breakthrough in validating blockchain as a technology to enable funds trading and has the potential to reshape the investment industry, bringing important commercial benefits to industry participants."

The FundsDLT platform enables asset managers to sell funds directly to investors, thereby dramatically reducing the cost of administration and the time needed to process transactions. Orders are submitted directly to the FundsDLT smart contract platform and the information is immediately and simultaneously transmitted, using blockchain technology, to all of the parties involved in the transaction.

In addition to reducing administration time, the platform streamlines compliance procedures so that customers will no longer have to be verified by each party involved. This means that the time between an investor making a decision and a transfer agent executing it can be reduced to just hours – and in the not-too-distant future, seconds.

The first FundsDLT share purchases were of funds of Natixis Asset Management, a leading affiliate of Natixis Global Asset Management, which had announced its intention to be the first asset management firm to use the FundsDLT platform, taking advantage of blockchain technology to enhance distribution across several of its business lines.

This project reflects KPMG's business case driven approach to blockchain and demonstrates how KPMG is collaborating to help enable transformation for individual clients and for markets in general. It paves the way for asset managers in markets outside of the EU, including North America and Asia Pacific, who may potentially benefit from the FundsDLT approach as they explore their options with blockchain technology.

On the implications to stock exchanges, **Chia Tek Yew, Head of Financial Services Advisory, KPMG in Singapore**, said: "It is no longer a question of if fund transactions can be completely executed on the blockchain, but a reality that bourses need to grapple with. The role of the Exchange as a clearing and settlement player, as well as a custodian for funds bought and sold in their market, will change. Plans around evolving its business model in light of this development should be made, if not already underway."

**## END ##**

Note to editors

**About [KPMG in Singapore](#)**

KPMG in Singapore is part of a global network of professional services firms providing Audit, Tax and Advisory services. The KPMG network operates in 152 countries and has 189,000 people working in member firms around the world. In the ASEAN region, member firms operate across all 10 countries of this regional grouping providing professional services supporting the growth, compliance and performance objectives of our clients.

The independent member firms of the KPMG network are affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

**Connect with us**

LinkedIn: [linkedin.com/company/kpmg-singapore](https://www.linkedin.com/company/kpmg-singapore)

Twitter: [@KPMGSingapore](https://twitter.com/KPMGSingapore)

**For further information, please contact:**

Lydia Koh

External Communications

Tel: +65 6507 1570

Email: [lkoh1@kpmg.com.sg](mailto:lkoh1@kpmg.com.sg)

Kelvin Lee

External Communications

Tel: +65 6507 1534

Email: [kelvinlee1@kpmg.com.sg](mailto:kelvinlee1@kpmg.com.sg)

'KPMG in Singapore' describes KPMG LLP, KPMG Advisory LLP, KPMG Corporate Finance Pte. Ltd., KPMG Advisory Services Pte. Ltd. and KPMG Services Pte. Ltd.

KPMG LLP (Registration No. T08LL1267L) is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (Chapter 163A). KPMG Advisory LLP. (Registration No. T10LL1646J) is a limited liability partnership registered in Singapore. KPMG Advisory Services Pte. Ltd. (Registration No: 198301769C), KPMG Services Pte. Ltd. (Registration No. 200003956G), KPMG Corporate Finance Pte. Ltd. (Registration No. 198500417D) are Singapore incorporated companies. Each has its address at 16 Raffles Quay, #22-00 Hong Leong Building, Singapore 048581 and is a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (KPMG International), a Swiss entity.