

Frankfurt  
Main  
Finance

# The Banking Sector's Development Before and After Brexit

Hubertus Vaeth

Frankfurt Main Finance e.V.

Budapest, 4 April 2019



@FMFDigital  
@HubertusVth



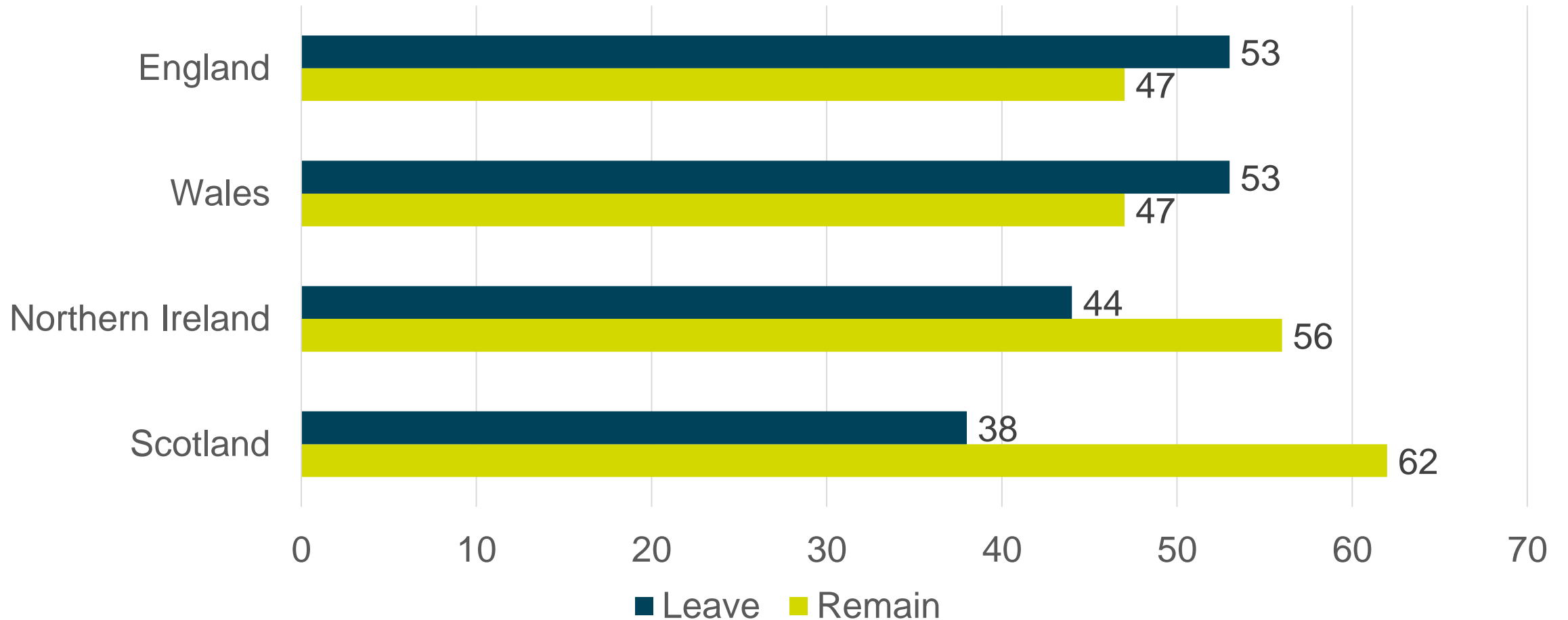








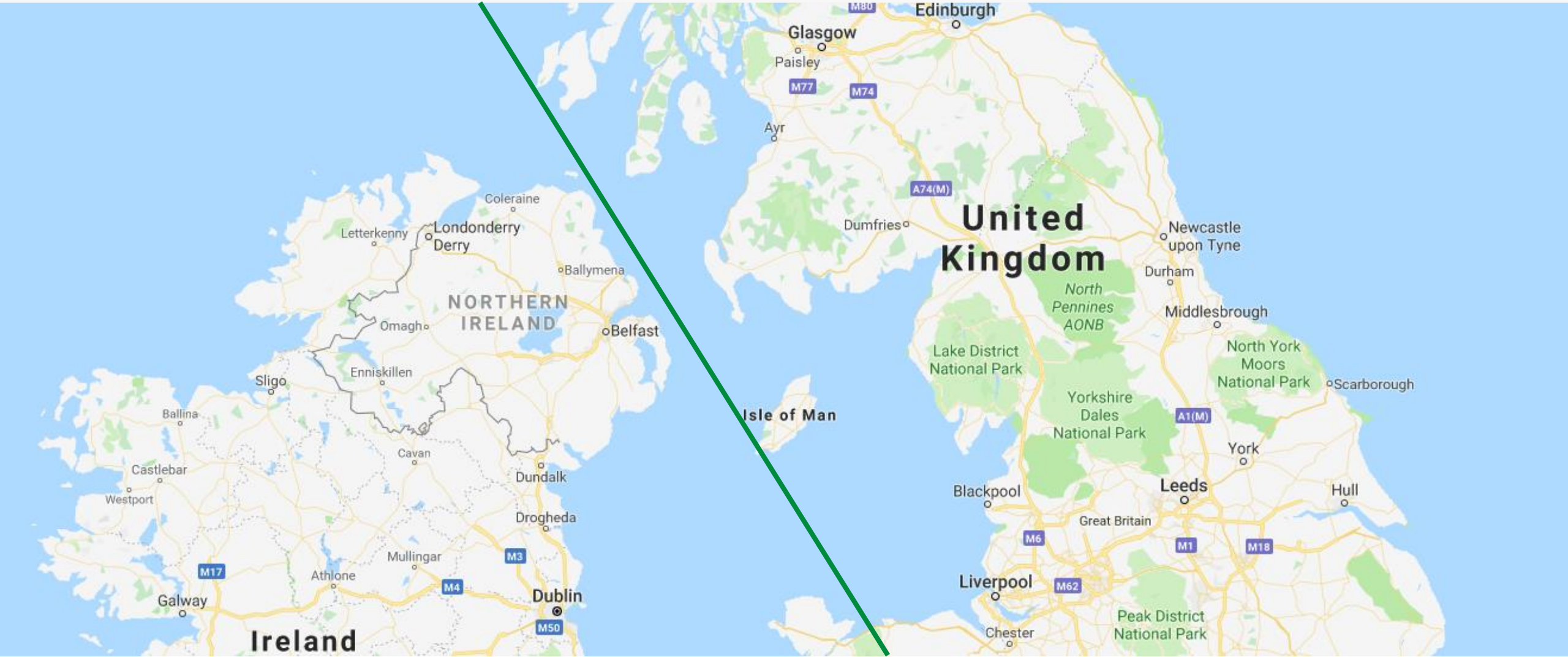
# The referendum in the four constituent nations of the United Kingdom



Source: FT Research



# The Back Stop – Where should the Customs Union end?



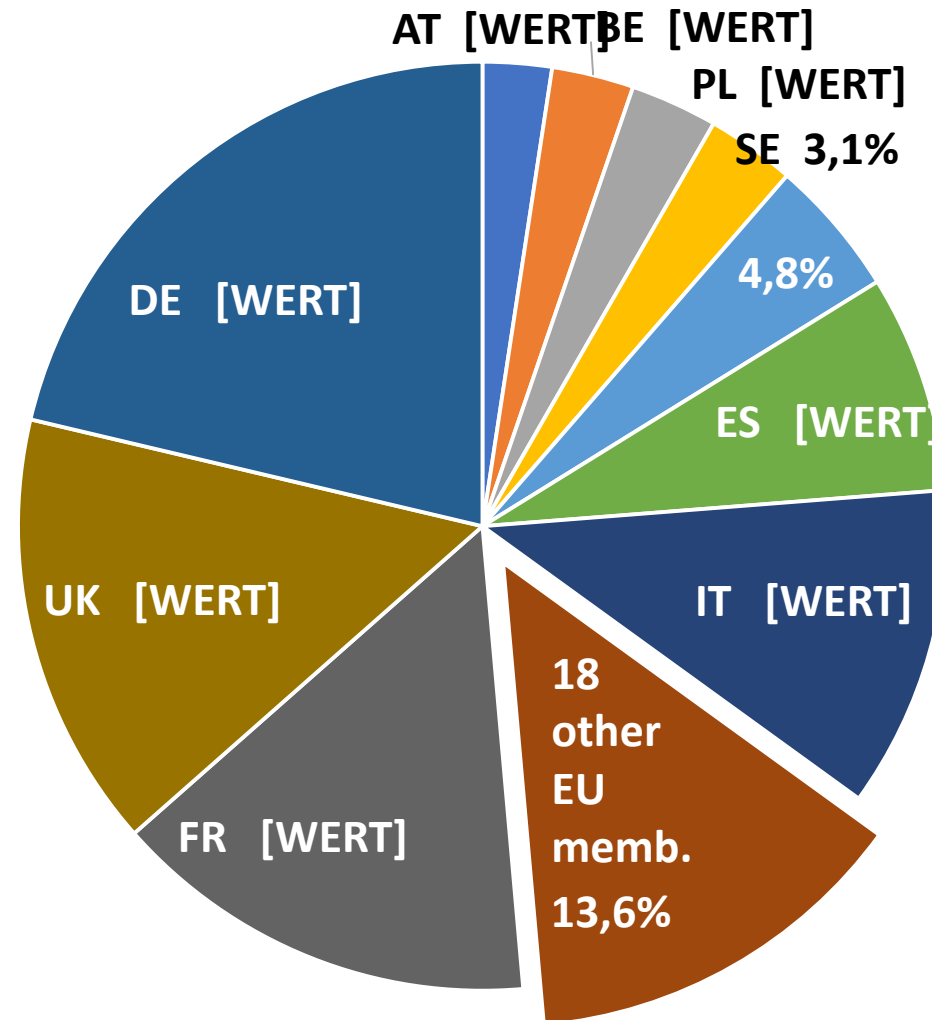


# The Doughnut: Government Communications Headquarters (GCHQ)



Photo: GCHQ

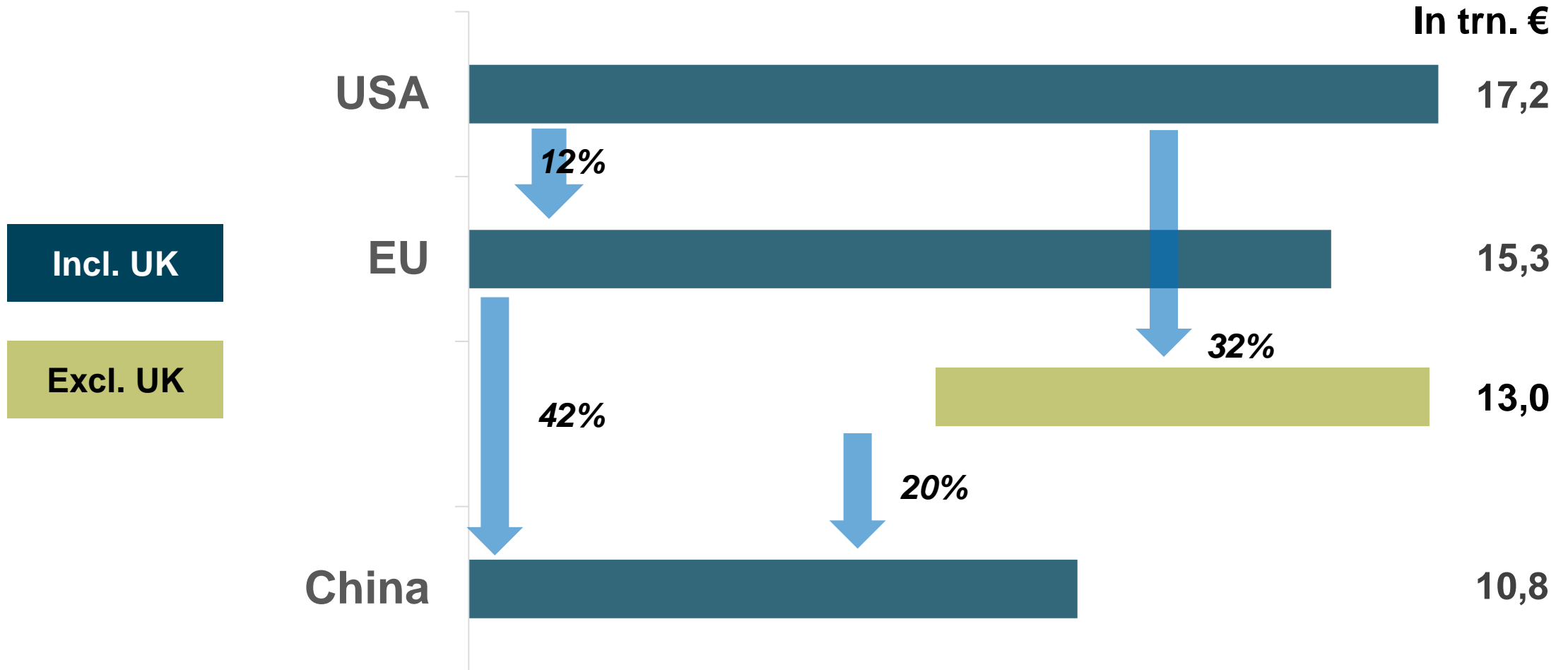
# GDP of EU member states in 2017



Quelle: Eurostat



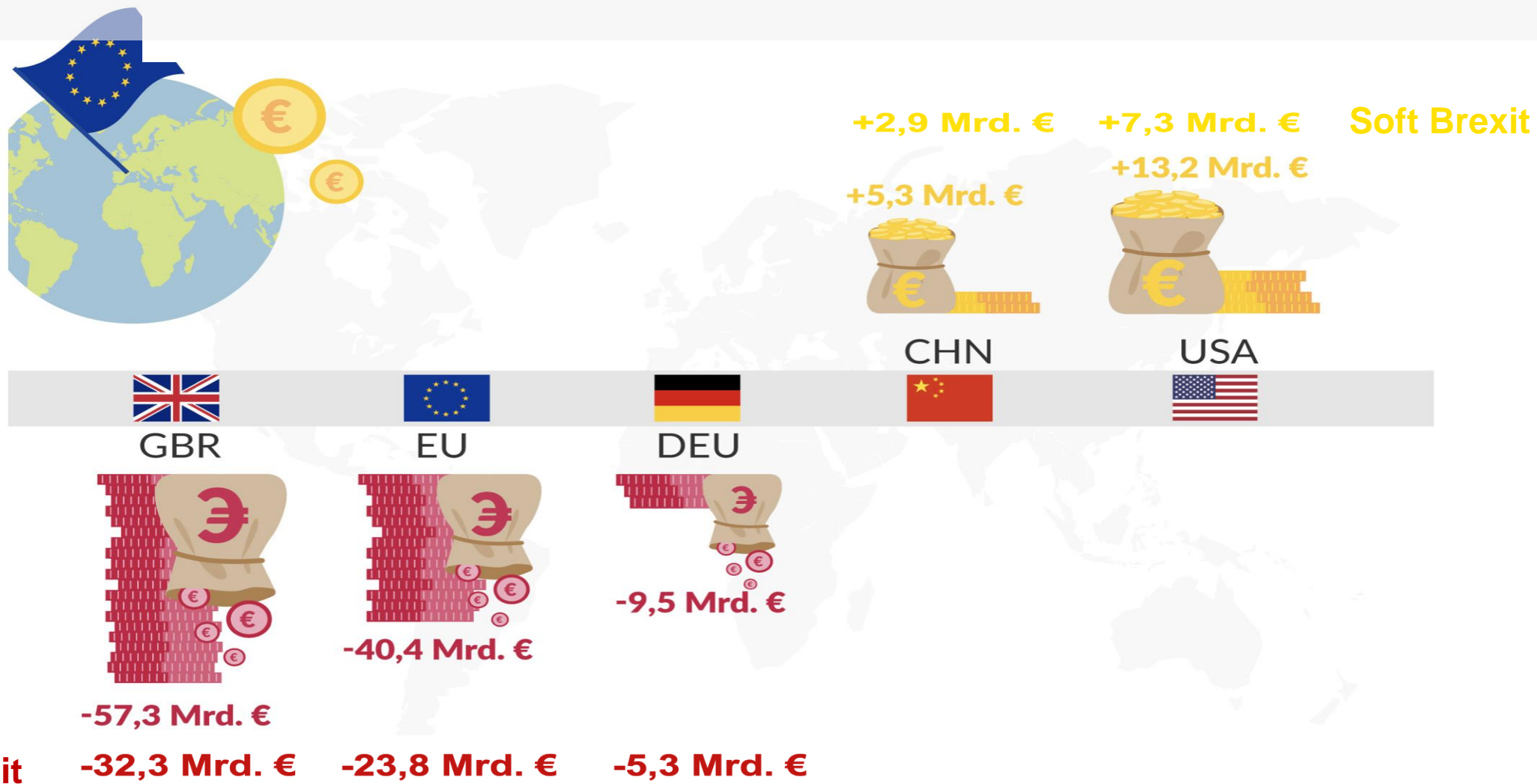
# The EU in global economic competition



Gross Domestic Product 2017

Source: Länderdaten.info

# Losses to annual welfare in hard or soft Brexit scenarios



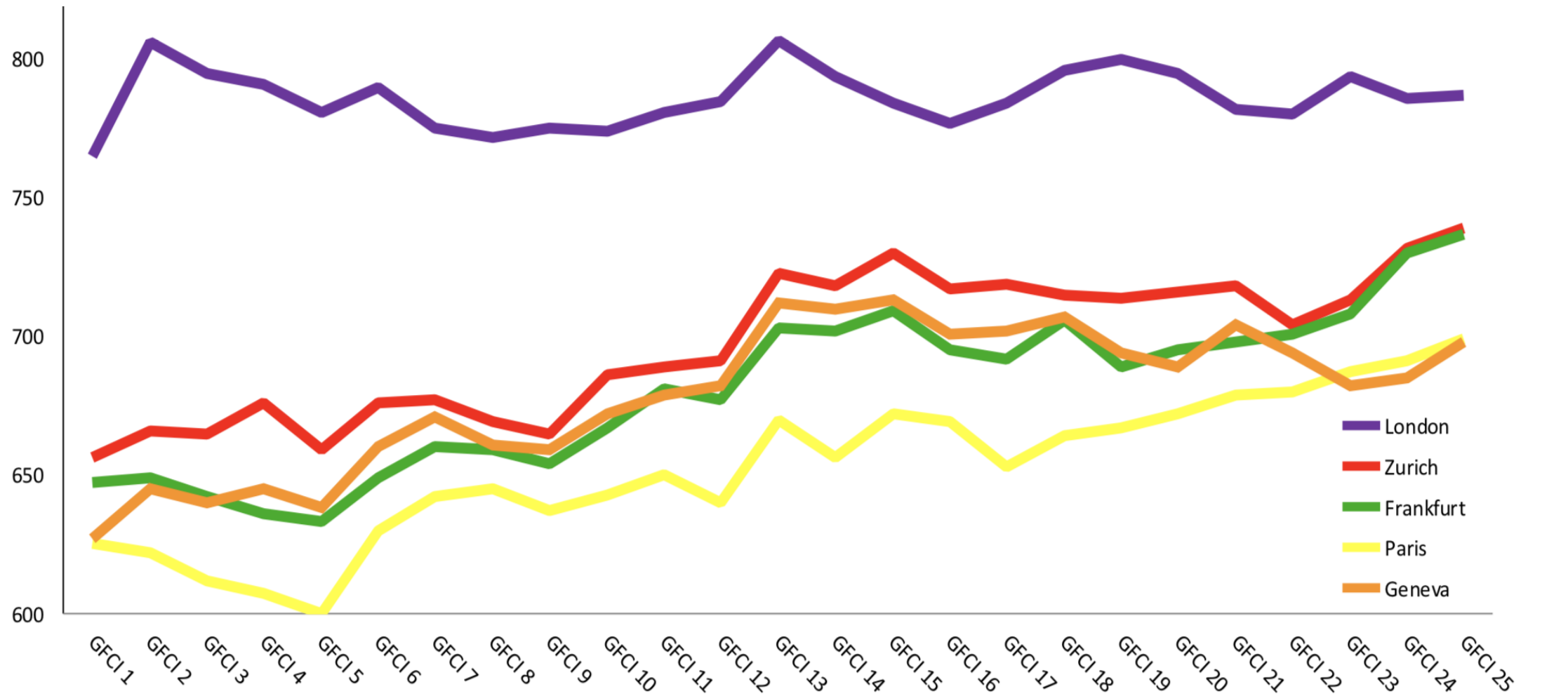
Source: Bertelsmann Stiftung, 21 March 2019. Estimating the impact of Brexit on European countries and regions. Model based on 2016 prices.



# London as a global financial centre



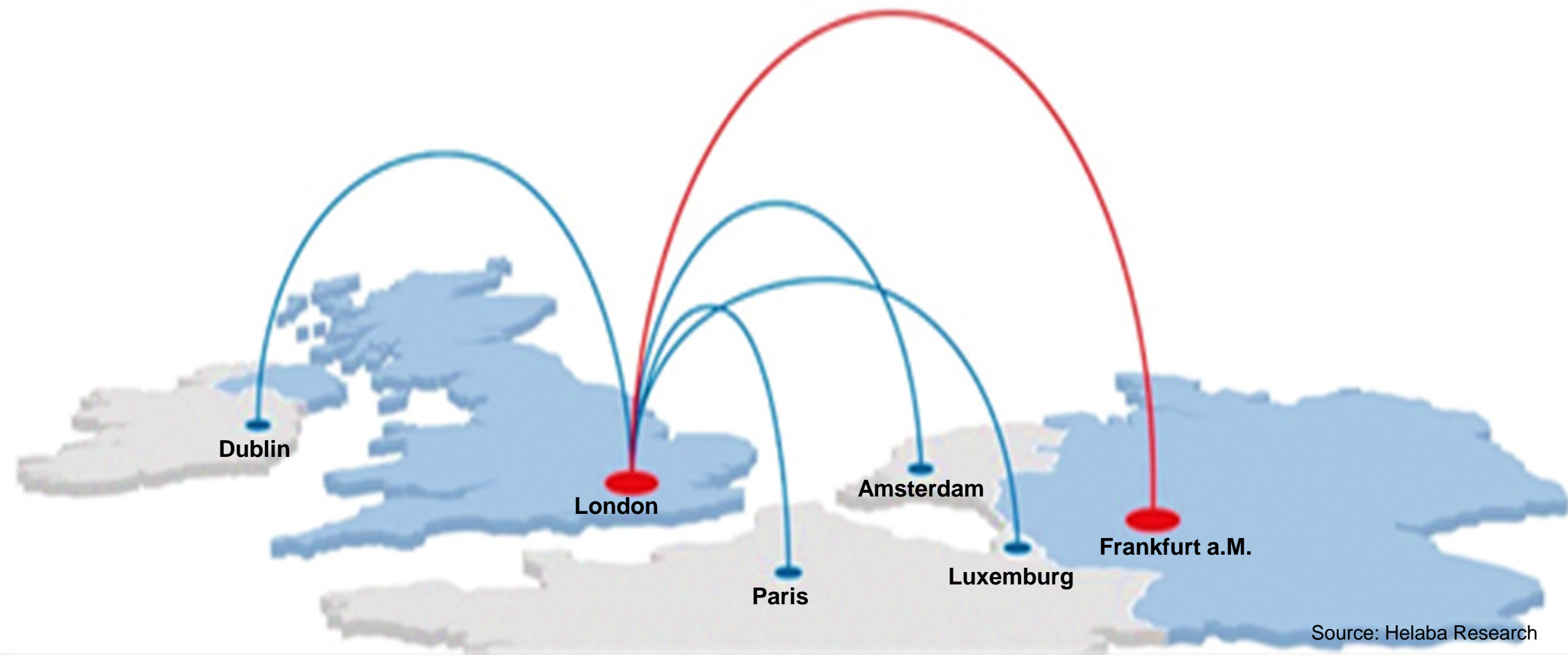
# Top 5 financial centres in Western Europe since 2007



Source: Global Financial Centres Index, 25 March 2019



# Brexit banks are packing their bags

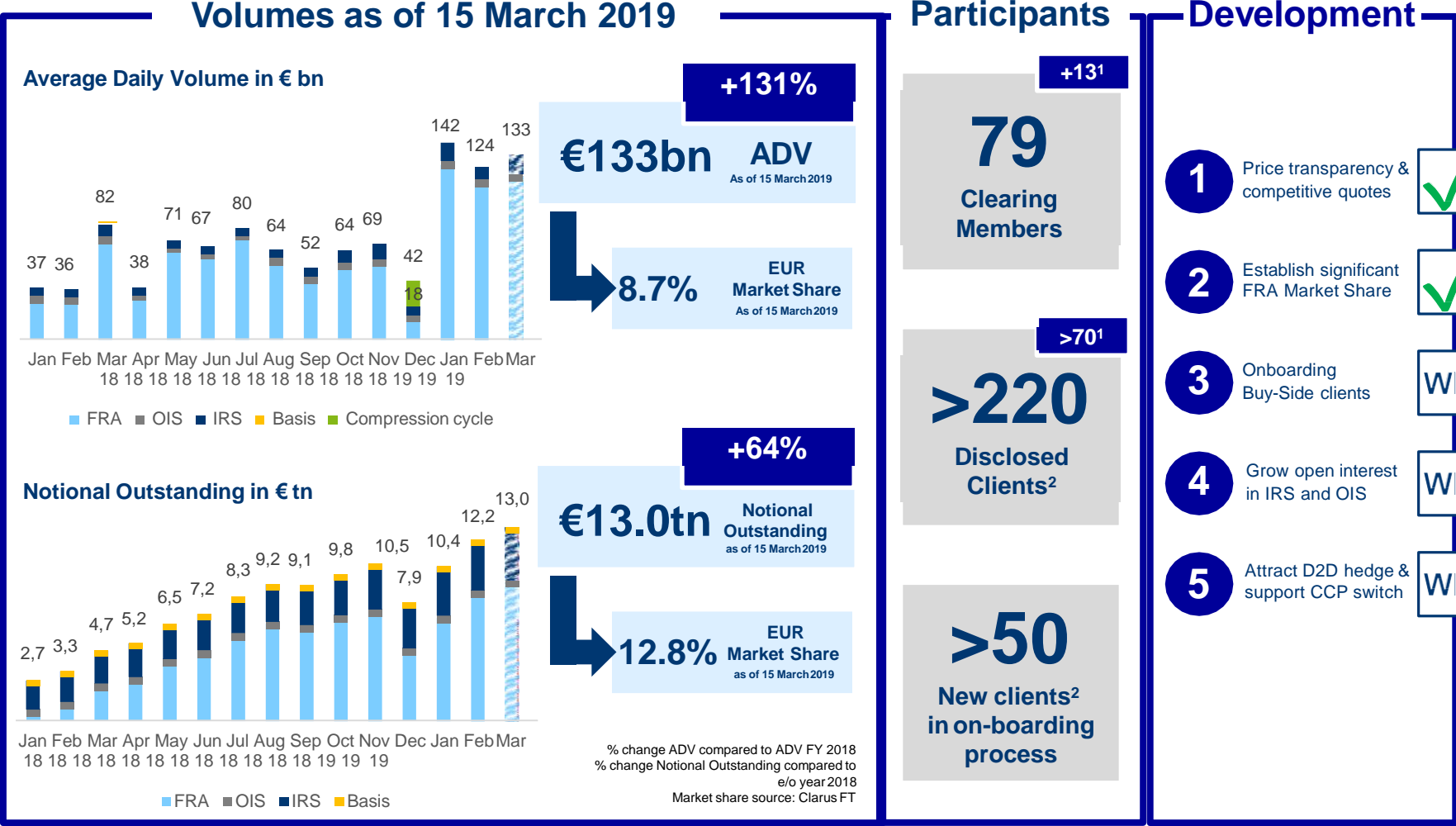


# Frankfurt takes the lead to become EU's leading financial centre

- Already **48 applications** with BaFin
- New: **30 banks establish EU headquarters** in Frankfurt
- About **EUR 750 - 800 bn. additional balance sheet volume**
- Up to **10,000 new positions** by 2024
- **Flexibility of BaFin** regarding transfer of business
- Lowed **dismissal protections** for material risk takers



# OTC IRD Volume Development at Eurex Clearing



1 Reflects newly admitted clients since 1 Jan 19  
2 Multiple Clearing relations of the same entity are not counted





# Welcome to Frankfurt!



Frankfurt Main Finance e.V.  
Colosseo  
Walther-von-Cronberg-Platz 16  
60594 Frankfurt am Main  
[www.frankfurt-main-finance.com](http://www.frankfurt-main-finance.com)

Hubertus Väth (Managing Director)  
Telephone: +49 (0) 69 94 41 80 31  
Fax: +49 (0) 69 94 41 80 90  
E-Mail: [hubertus.vaeth@fmfinance.com](mailto:hubertus.vaeth@fmfinance.com)