



DEPOSITARY RECEIPTS

# MARKET REVIEW AND STRATEGIC OUTLOOK

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# 2025 IN REVIEW

# KEY HIGHLIGHTS

Despite ongoing macro and geopolitical uncertainty, U.S. equity markets remained the primary destination for global capital in 2025, attracting international issuers and investors alike and reinforcing Depositary Receipts as a trusted and efficient structure for accessing the world's deepest pool of equity liquidity.

This continued investor engagement is reflected in the scale, growth, and composition of DR ownership globally, with active investors and North American capital remaining central to DR investment activity.

## 7490

There are 7,490 institutional holders of DRs as of Q4 2025

## 36%

The top 25 DR owners increased their DR Holdings YoY by 36% on average

## 80%

Active firms represent 80% of North American DR investment

## 46%

Growth styles represent 46% of North American DR investment

## 55%

Developing Market DR investment accounts for 55% of global investment in DRs, while Emerging Market DR investment accounts for 45%



In 2025, Depositary Receipts continued to play a role in U.S. equity capital markets, supporting significant issuance activity while also evolving through new products and expansion into new markets, positioning DRs for continued momentum ahead. In a year marked by shifting policy, rate dynamics, and evolving investor preferences, DRs remained a pragmatic bridge for global access. Our year in review showcases three advances: Canada DRs, GDN momentum, and DR IPO leadership, that reflect BNY's commitment to client outcomes and market innovation.

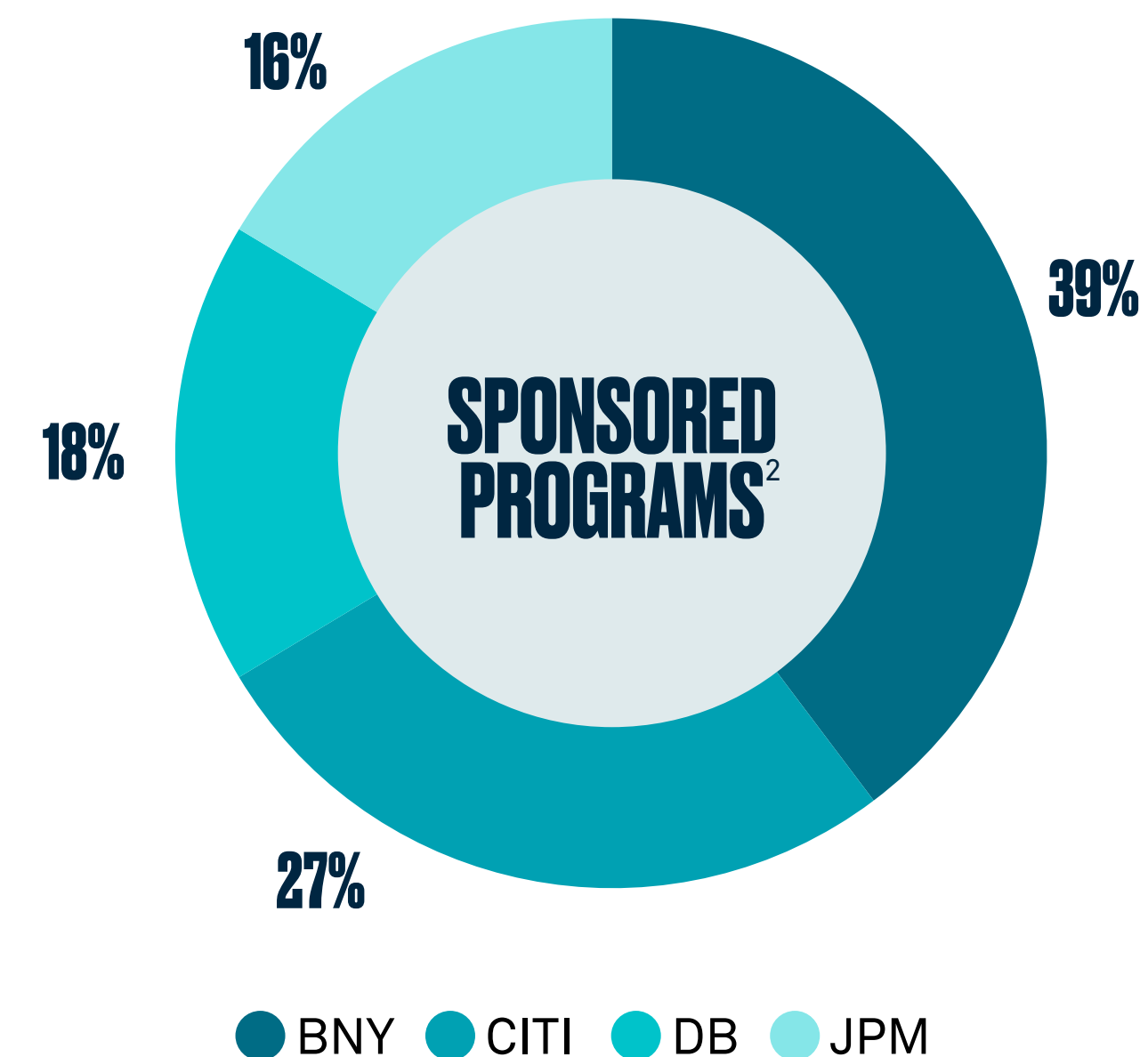
**Chris Kearns**  
Global Head, Depositary Receipts

# THE YEAR AT A GLANCE

BNY is proud to remain the #1 provider of Depositary Receipts globally, with over 1,600 total programs.

Issuer and investor engagement remained strong in 2025, as reflected in both sponsored and unsponsored DR activity. BNY launched 13 new sponsored programs, maintaining our leadership position in the market.

At the same time, investor-driven demand accelerated activity in unsponsored DRs, with 161 new BNY programs launched during the year, anchored by the opening of the Canadian market and expanded adoption of GDNs across global fixed income.



## \$6.6T

in DR value traded, with total volume of 271B<sup>1</sup>

## 13

New BNY sponsored DR programs created in 2025<sup>2</sup>

## 161

New BNY unsponsored DR programs created in 2025<sup>3</sup>

## 2,885

Total DR programs<sup>2</sup>

## \$498B

BNY DR AUC as of 4Q25 (assets under custody)

## 74%

BNY unsponsored program coverage

1. Bloomberg as of December 31, 2025. DR Volume and Value traded for the entire ADR market

2. BNY and other depositary bank websites, as of March 31, 2026

3. Includes new unsponsored GDN programs

# DEPOSITARY RECEIPTS PRODUCT INNOVATION & MARKET EXPANSION

In 2025, Depositary Receipts continued to evolve beyond traditional equity access, with innovation focused on expanding investor reach, broadening asset classes, and opening new markets for issuers and investors alike.

Global Depositary Notes (GDNs) saw continued growth, with increased adoption across sovereign and corporate debt issuers and the successful expansion into new country markets, reinforcing GDNs as a scalable solution for accessing international fixed income investments through U.S.-dollar-denominated, globally settled instruments.

Market expansion remained a key theme, highlighted by the launch of American Depositary Receipt programs on Canadian equities in 2025, extending the DR framework into new jurisdictions and providing issuers with additional flexibility to connect with global capital while maintaining local market structures.

# OPENING CANADA: NEW ACCESS, NEW LIQUIDITY

Responding to investor demand, BNY opened Canada as a new Depositary Receipt market for access to Canadian equities in a U.S.-dollar-denominated, U.S.-settled format via U.S. trading and settlement infrastructure.

The launch expanded investor choice while preserving local market structures, enabling scalable access through both unsponsored and sponsored DR programs.

## UNSPONSORED PROGRAM EXPANSION

**42** Unsponsored DR programs established across several sectors

Designed to meet demand from asset managers, brokers, and platforms restricted to U.S.-traded securities

## SPONSORED PROGRAM MOMENTUM

**1st** Level I DR program established in February 2026 (First Phosphate Corp.)

**1st** Canadian issuer to list ADRs on Nasdaq in April (Nicola Mining Inc.)

Active pipeline of additional sponsored programs expected as market participation continues to build

## KEY BENEFITS TO INVESTORS, ASSET MANAGERS & BROKERS

- USD Trading & Settlement - traded and settled in U.S. dollars via DTC
- Opens Canadian equities to a wider pool of U.S. and global investors, including those restricted to U.S.-listed securities
- Efficient Issuance & Cancellation - ADRs can be created (issued) or redeemed (cancelled) at any time via standard CDSX/DTC workflows
- Supported by BNY's global DR platform, used in over 60 markets with robust operational and regulatory controls

# GDNs: FROM LAUNCH TO LIFT-OFF

Driven by investor demand, Global Depositary Notes (GDNs) moved into an expansion phase in 2025, with new sovereign and corporate issuance across multiple emerging markets.

Activity was driven by investor demand for internationally-settled access to local-currency debt, supported by established international clearing infrastructure and growth in the GDN framework.

## 2025 BNY GDN MARKET FOOTPRINT

**5** Markets live: Indonesia, Paraguay, Peru, Nigeria, and Costa Rica

**65** GDN programs established on sovereign and corporate bonds during 2025

## WHAT ARE GLOBAL DEPOSITARY NOTES

Global Depositary Notes (GDNs) are negotiable securities created by a depositary bank that can represent an international corporate or sovereign entity's locally traded debt. They are denominated in U.S. dollars and are eligible for settlement in Euroclear/Clearstream/DTC.

## NEW MARKET OPEN: COSTA RICA

- First BNY GDN issuance in Costa Rica, marking a new market entry for the BNY product
- Over \$1B equivalent in sovereign issuance delivered through the GDN structure\*
- Demonstrates scalability of GDNs for opening new local debt markets to international investors while preserving domestic issuance frameworks

\*As of year end

## KEY BENEFITS

- Expands local debt market to a greater pool of international investors
- Interest and principal obligations remain in local currency
- Allows institutional investors to diversify their portfolios through increased access to emerging market debt securities
- Investors can trade, settle and receive interest and principal in USD
- The GDN and respective local bond (which can be received upon cancellation), are fungible, increasing liquidity

## FIRST CORPORATE GDN: TIGO

- Establishment of BNY's first corporate GDN, supporting Tigo's local-currency bond issuance
- Extends GDN activity by BNY beyond sovereign debt into corporate issuers
- Illustrates growing adoption of GDNs as a practical solution for accessing international capital without local custody requirements for investors

# DEPOSITARY RECEIPTS 2025 OWNERSHIP SNAPSHOT

DR ownership remains concentrated among large active managers, with North American investors continuing to drive scale and year-on-year growth.

INVESTOR GEOGRAPHIC REGION	INSTITUTIONAL HOLDERS	DR EAUM (\$B)	DR EAUM YR BEFORE (\$B)
North America	4,763	\$930.5	\$712.9
Europe, Middle East & Africa	1,683	\$200.1	\$157.1
Asia Pacific	670	\$73.2	\$61.9
Latin America	374	\$10.8	\$5.8
<b>TOTAL</b>	<b>7,490</b>	<b>\$1,214.7</b>	<b>\$937.7</b>

TOP 10 INSTITUTIONAL DR HOLDERS	NUMBER OF DR HOLDINGS	DR EAUM (\$B)	DEVELOPED DR EAUM (\$B)	EMERGING DR EAUM (\$B)
Fidelity Management & Research Company, LLC	222	\$59.0	\$36.6	\$22.3
Fisher Investments	86	\$46.8	\$38.6	\$8.2
Capital International Investors	40	\$28.9	\$17.8	\$1.0
Capital World Investors (U.S.)	44	\$25.7	\$13.6	\$12.0
Dodge & Cox	43	\$17.8	\$14.3	\$3.5
BlackRock Fund Advisors	286	\$16.7	\$10.4	\$6.3
Dimensional Fund Advisors, L.P. (U.S.)	272	\$15.3	\$10.5	\$4.8
Wellington Management Company, LLP	116	\$14.8	\$10.1	\$4.5
Primecap Management Company	19	\$14.5	\$10.0	\$4.5
Baillie Gifford & Company, LTD	49	\$13.3	\$9.5	\$3.4

## \$1.2T

Global DR investment total at year-end 2025

## \$930B

North American DR investment total for 2025

## \$217B

North American DR investment growth year on year

## 80%

North American active investors represent 80% of NA ownership

# THE INDEX SNAPSHOT FOR DEPOSITARY RECEIPTS<sup>1</sup>

Issuers thinking about listing in the U.S. often look at the growth of index funds when they consider how and where they want to list. Different index funds may hold both DRs or ordinary shares, and generally determine holdings based on the issuer's domicile, not their listing location.

Of the top 20 indices that include DRs, the FTSE Global All Cap, Nasdaq 100, and MSCI World Index have seen the largest increases in equity assets under management (EAUM) tracking over the last year<sup>1</sup>.

MSCI indices lead all the index managers in terms of the total EAUM tied to their underlying indices. There are nearly 90 unique MSCI indices that include ADRs, which have a total of \$2.16T in passive EAUM tracking them across ~250 funds.

## \$4.6T

There are approximately 2,400 index funds globally that invest in ADRs. Total EAUM for these indexes is \$4.6T.

The largest index funds (based on EAUM) that invest in ADRs include:

## \$568B

Vanguard Total International  
Stock Index Fund

## \$328B

Invesco  
QQQ Trust

## \$162B

iShares Core  
MSCI EAFE ETF

## 90

There are nearly 90  
unique MSCI indices  
that include ADRs

## \$2.16T

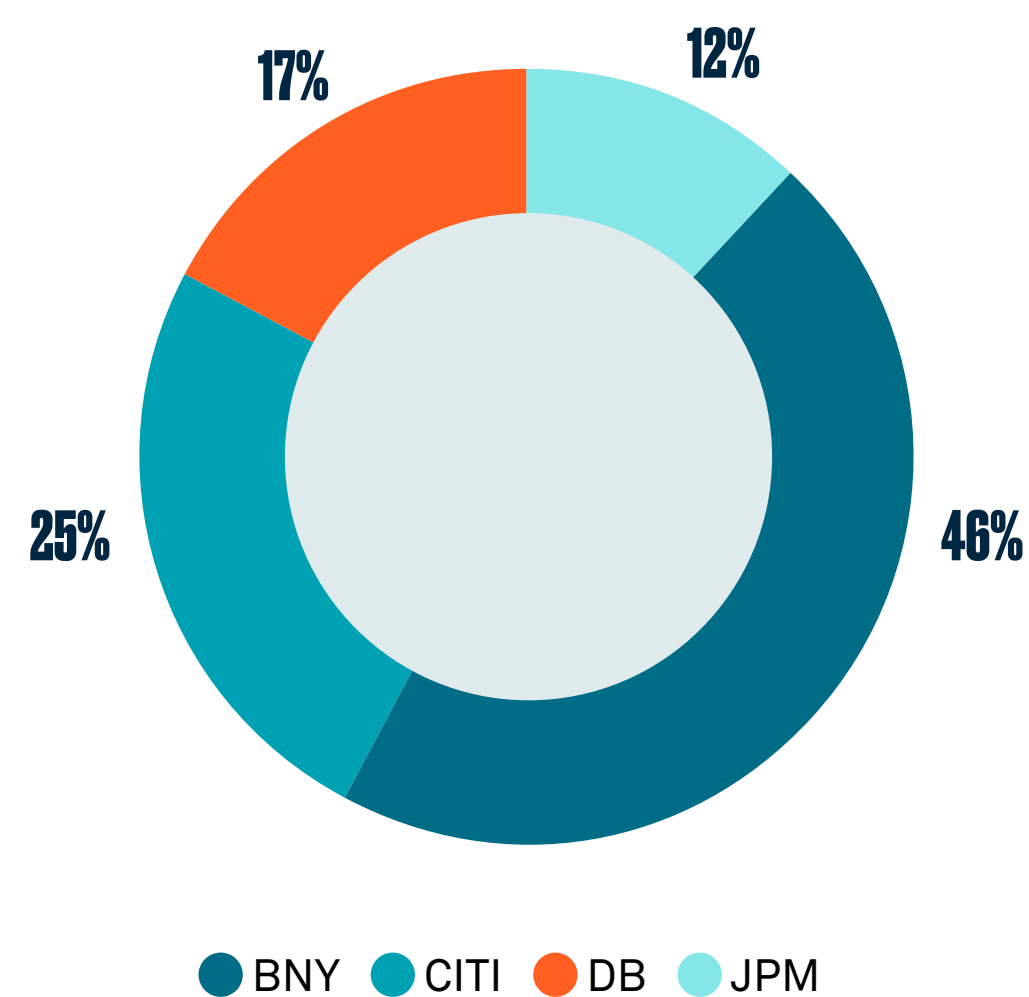
The MSCI indices represent  
a total of \$2.16T in passive  
EAUM tracking them across  
~250 funds

# IPO & TRANSACTION LEADERS INTO 2026

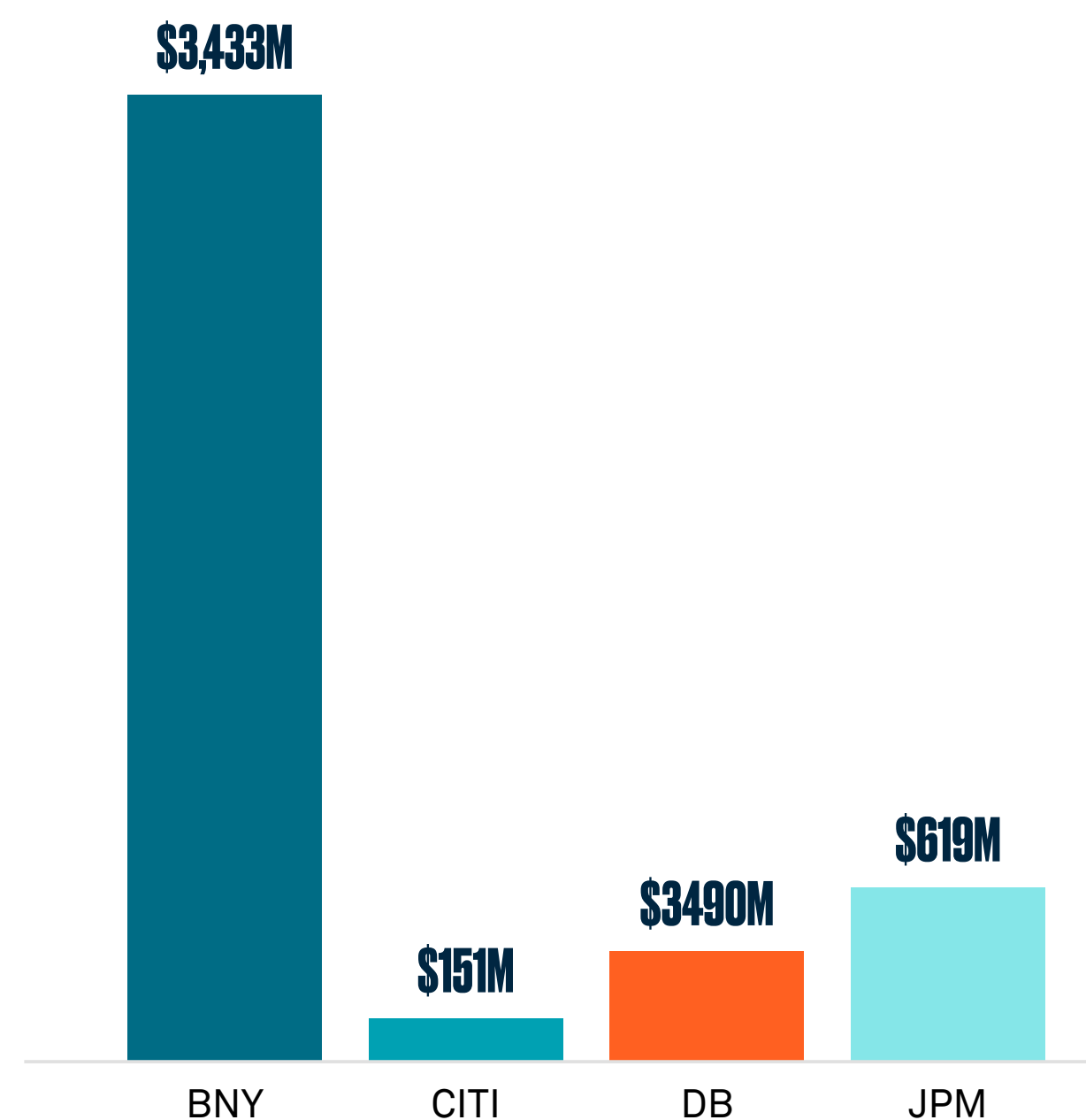
With investor demand and index participation continuing to support new issuance, BNY's leadership in the DR IPO market remained clear, reflected in both the scale and consistency of execution across transactions.

BNY helped the most DR IPOs, raised the most by value and the most per IPO for 2024, 2025, and Q1 2026

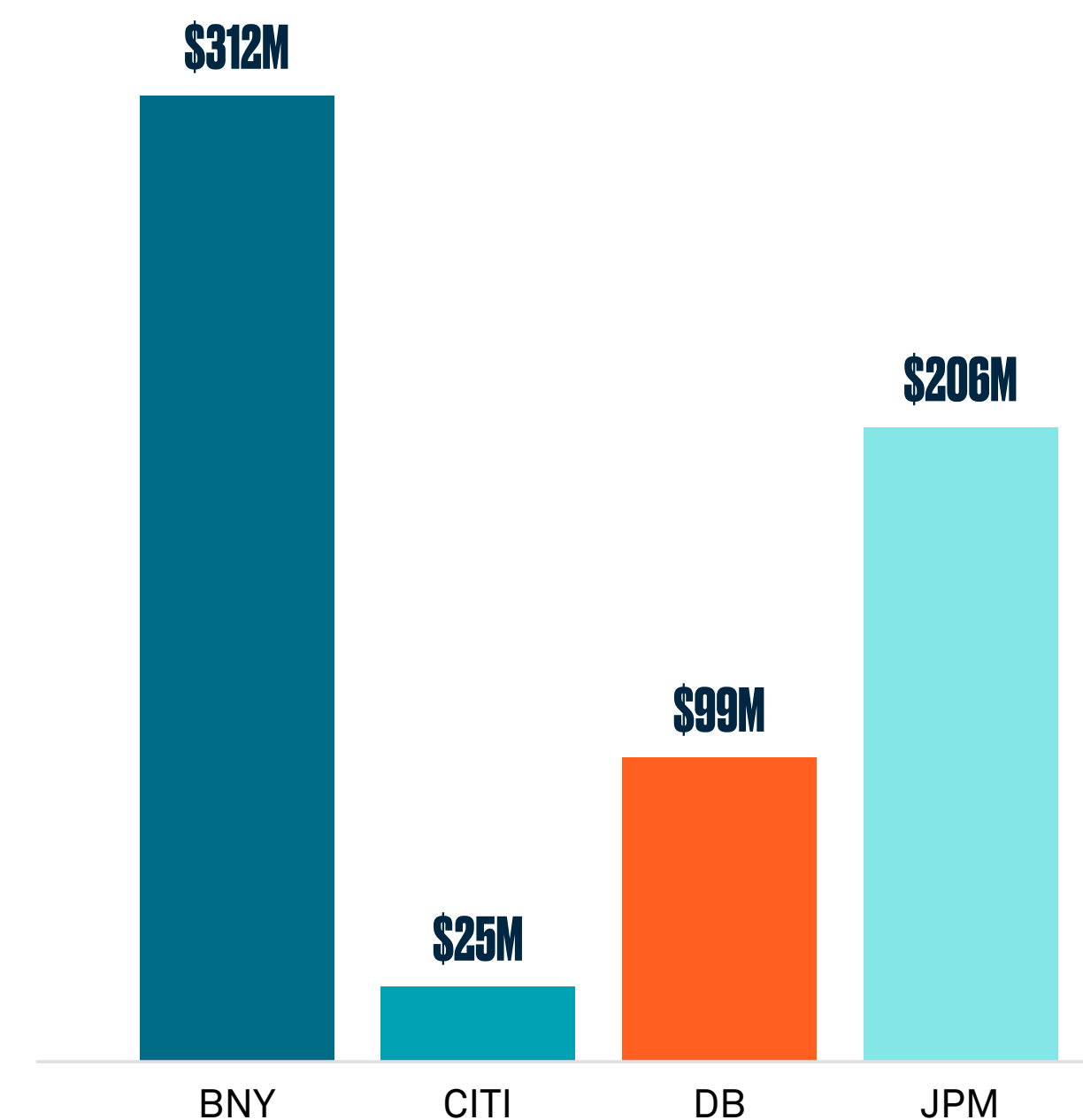
## #1 IN NUMBER OF IPOs



## #1 IN TOTAL VALUE RAISED



## #1 IN VALUE RAISED PER IPO



# BNY EXPERTISE: TRANSACTIONS

Across the full DR lifecycle, from IPOs to secondary and restricted transactions, BNY leads the DR market by delivering execution certainty, scale, and expertise in the most complex global transactions.

## BANCOLOMBIA S.A.

Colombia - May 2025

- Large-scale ADS exchange supporting a full corporate structure reorganization with seamless 1-for-1 ADS exchange ensuring uninterrupted investor ownership
- Exchange of 29,343,327 Bancolombia ADSs for Grupo Cibest ADSs on a 1-for-1 basis

**CORPORATE  
STRUCTURE CHANGE**

## ANGLO AMERICAN PLC/ ANGLO AMERICAN PLATINUM LIMITED

South Africa - June 2025

- High-profile spin-off of a major corporate issuer executed through ADS issuance
- Cross border shareholder distribution issued 10,963,944 ADSs of Anglo American Platinum Limited

**CORPORATE  
SPIN-OFF**

## HALYK BANK

Kazakhstan - November 2025

- One of the largest LSE GDR secondary offerings for an EM financial institution in recent years, and first GDR closing since 2021
- Delivered 17.6 million ADSs, valued at \$405.4 million, supporting sustained international investor demand

**REGS/144A SECONDARY  
PUBLIC OFFERING**

## GRUPO FINANCIERO GALICIA S.A.

Argentina - June 2025

- Significant restricted ADS release supporting secondary market liquidity
- Executed the transfer of 11.7 million previously restricted ADSs, valued at \$635.9 million

**SALE OF  
RESTRICTED ADSS**

# BNY EXPERTISE: IPOs INTO 2026

“Thank you so much for always providing us with advice from a neutral and impartial market perspective during our IPO, even as we heard a variety of opinions from various perspectives. Your leadership...and your proactive advice during the final difficult phase, were key to bringing this deal to fruition.” - APAC CFO

## CHAGEE HOLDINGS LTD

China - April 2025

- First and largest DR IPO of 2025
- Issued and delivered 16.9 million ADSs, representing a \$473 million U.S. IPO

## GRUPO AEROMEXICO

Mexico - November 2025

- Second largest DR IPO of 2025 by deal value, reinforcing momentum in DR issuance
- Issued and delivered 12.3 million ADSs, representing a \$233 million primary capital raise, to global underwriters Barclays and Morgan Stanley

## AGOMAB

Belgium - February 2026

- Single-listed biotech IPO with the establishment of a Level III ADR program, supporting access to U.S. investors
- Issued and delivered 12,500,000 ADSs, representing \$200 million in transaction value
- Highlights continued capital markets access for European biotech issuers amid improving IPO conditions

## PAYPAY

Japan - March 2026

- Largest ADR IPO to date 2026; underscoring renewed momentum in cross-border issuance
- Issued 63,235,295 ADSs, representing \$1.01bn in total transaction value
- Demonstrates the continued relevance of DRs for cross-border technology listings

IPO | NASDAQ |  
CONSUMER SERVICES

IPO | NYSE |  
CONSUMER SERVICES

IPO | NASDAQ |  
HEALTHCARE

IPO | NASDAQ |  
TECHNOLOGY

# 2026 OUTLOOK



# MARKET OUTLOOK 2026

## iFLOW MARKET COMMENTARY

### Key Themes:

- U.S. equity capital remains deep and liquid, supporting incremental demand for global issuers.
- Volatility is creating dispersion, expanding the opportunity set across sectors.
- Policy divergence is rising globally, opening more relative-value and cross-border allocation opportunities.

#### US

Current GDP Forecast 1.8%  
 Bloomberg Consensus 2.3%  
**Energy strength offsets slowing growth as policy remains on hold.**  
 Higher energy prices and uncertainty are weighing on growth and confidence, but resilient earnings in energy and industrials and deep capital markets continue to underpin U.S.

#### EUROZONE

Current GDP Forecast 0.6%  
 Bloomberg Consensus 1.1%  
**Stagflation risks dominate as energy exposure weighs on outlook.**  
 Europe remains highly sensitive to energy shocks, with limited policy flexibility, soft growth, and investors increasingly cautious on equities and the euro.

#### APAC

Current GDP Forecast 4.8%  
 Bloomberg Consensus 5.2%  
**Targeted policy support amid volatility, with divergence across markets.**  
 Commodity pressures and currency weakness are shaping the region, while China pursues selective easing, Japan continues gradual normalization, and manufacturing-heavy markets face headwinds.

#### LATIN AMERICA

Current GDP Forecast 2.5%  
 Bloomberg Consensus 2.4%  
**Commodity exposure supports flows, but political risk remains elevated.**  
 Carry and commodity dynamics continue to attract investor interest, with strong performance in select markets offset by ongoing political and policy uncertainty.

#### MIDDLE EAST & AFRICA

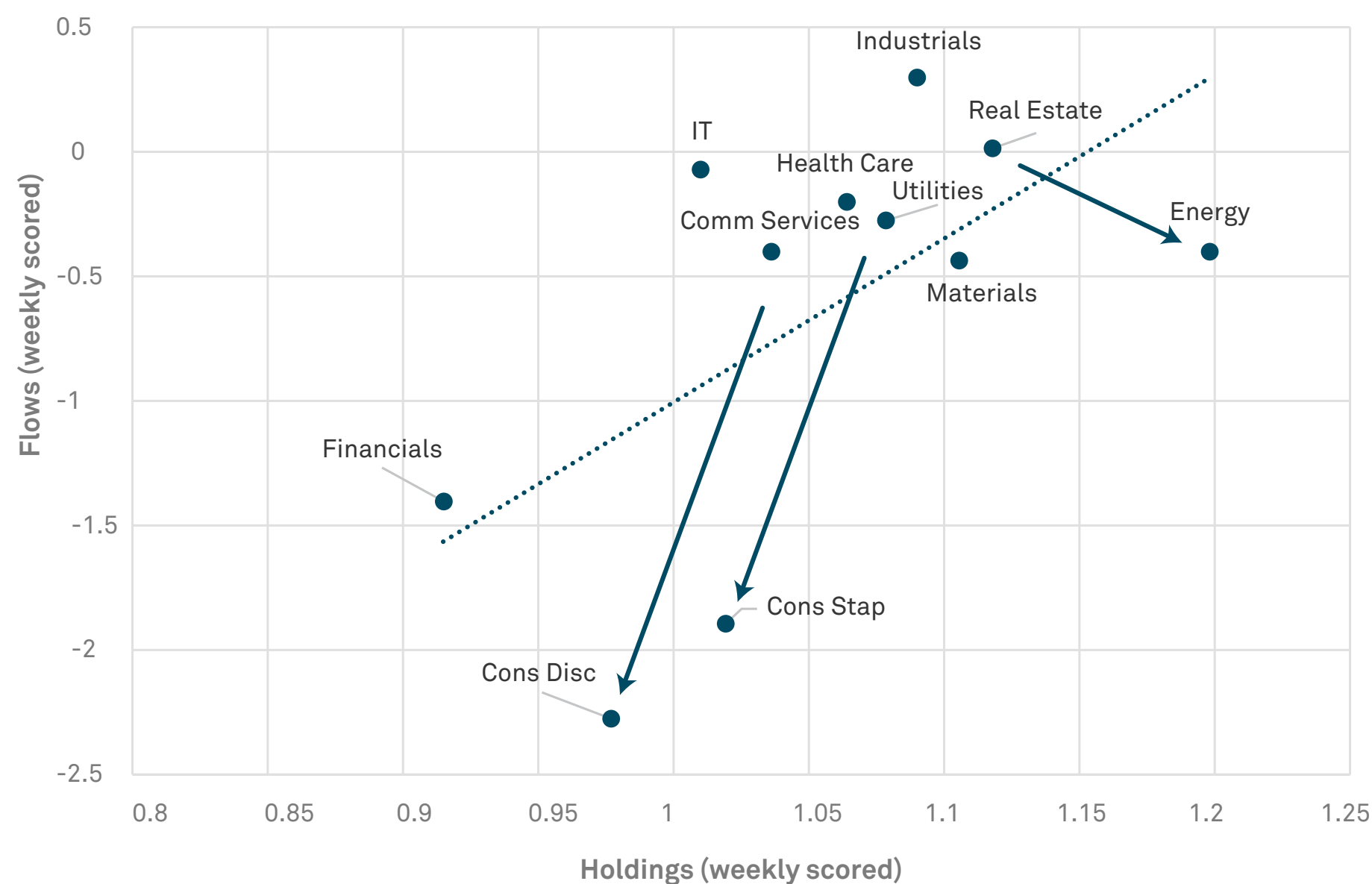
Current GDP Forecast 2.0%  
 Bloomberg Consensus 4.3%  
**Geopolitical shock drives elevated risk and policy uncertainty.**  
 The region sits at the center of current disruptions, with energy supply risks, declining sovereign performance, and highly uneven country-level outlooks.

# OUTLOOK: SECTOR ROTATION IFLOW MARKET COMMENTARY

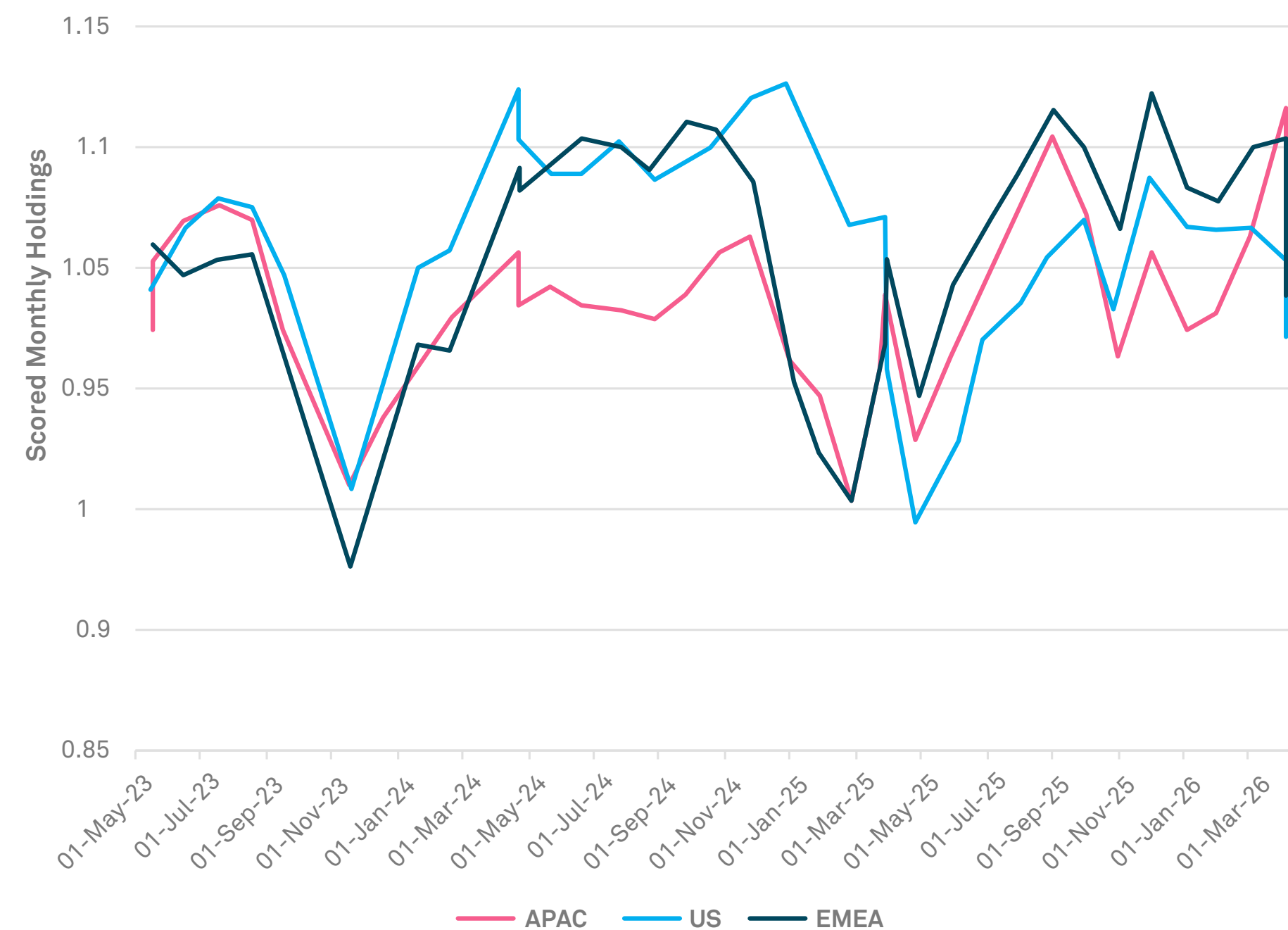
Markets entered 2026 with a clear shift away from broad based risk appetite toward selectivity and sector rotation, supported by moderating rate expectations and sustained AI-led capital investment.

Positioning has rotated away from mega-cap growth toward Energy, Industrials, Materials, and Utilities, reflecting late-cycle dynamics, geopolitical risk, and inflation sensitivity. U.S. assets have remained defensively overweight, while cyclical and commodity linked exposures across APAC and select emerging markets have attracted incremental flows.

**US EQUITY SECTOR FLOWS AND HOLDINGS  
PRE AND POST-IRAN WAR**



**EQUITY HOLDINGS**



Source: iFLOW is the expression of this unique vantage point. Based on anonymized and aggregated information, iFlow draws on \$52.1T in assets under custody and/or administration\*

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# OUTLOOK: IPOs iFLOW MARKET COMMENTARY

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Against the backdrop of the previous page, the global IPO market has transitioned from caution to a measured but durable recovery.

Following a strong rebound in 2025, issuance in early 2026 has been increasingly concentrated in larger-scaled transactions from experienced issuers, with Private Equity emerging as a key source of supply.

Technology—particularly AI infrastructure, software, and cybersecurity—continues to lead, while Industrials, Defense, Insurance, and Fintech broaden the issuance mix. Regulatory adjustments in the U.S. and Hong Kong and renewed cross-border demand for U.S. liquidity are reinforcing momentum.

Source: iFLOW is the expression of this unique vantage point. Based on anonymized and aggregated information, iFlow draws on \$52.1T in assets under custody and/or administration\*

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For depositary receipt investors, these conditions favor ADR and GDR exposure tied to liquid, sponsor-backed issuers, particularly those aligned with cyclical sectors and U.S. listing venues. As rotation shapes capital flows and issuance follows, Depositary Receipts remain central to accessing liquidity, flexibility, and global opportunity.

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# CONTACT US

As global issuers and investors navigate a more selective, opportunity-rich market, Depositary Receipts remain a critical bridge to U.S. liquidity.

Contact us to learn more about Depositary Receipts Opportunities:

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