

Innovative directions of the T&CS market development

Perminov Stanislav*, Valentina Djakona

ISMA University of Applied Sciences, Latvia

**Corresponding author's e-mail: psb70@protonmail.com*

Abstract

A significant number of market participants can act as a securities trustee, but each of them has a restriction on working with certain types of assets or property. Banks occupy a special place in the system of trustees.

The current trend and innovative element in the development of the trust management and custody services market is the management of cryptocurrency wallets. Crypto asset management is a fairly new service in custody management.

In the presented article, the author analyzes the participants in these relations, and also identifies the main problems in the provision of a new service.

Keywords: trust manager, trust management market, crypto asset management, innovations, legal package of regulatory acts

1 Introduction

Determination of the essence and characteristics of trust management, the practice of its implementation requires the identification of the main participants and elements of this process. It is worth identifying the main subjects and objects that do not change depending on the characteristics of the country's economic activity:

- the founder of the management
- asset manager
- the beneficiary

First of all, the functions of the manager are implemented through:

- identification of risks of investment activity and their assessment, impact on financial instruments selected for capital;
- expansion of the investment portfolio and its diversification;
- relative independence of decision-making on relative capital in trust;
- systematic and regular decision-making in the process of capital management;
- the manager acts for a certain fee or commission specified in the contract.

Thus, we can note that a significant number of market participants can act as a trustee, but each of them has a restriction for working with certain types of assets or property. Banks in the system of trustees occupy a special place, since, on the one hand, they have a more reliable organizational form in the eyes of the population, on the other hand, they are rather limited in the types and number of trust management operations, which is regulated by the general legislation on banking and the specifics of the work itself.

The current trend and innovative element in the development of the trust management and custody services market is the management of cryptocurrency wallets. It should be noted that this service is formed not only in relation to cryptocurrencies, but also to other values, however, it is the management of cryptoassets that is a fairly new service in custody management.

This innovative form of trust management is formed as

a result of changes in the rules for the functioning of the financial market as a whole, the emergence of cryptocurrency as a separate structural element. As a result, using a separate wallet for cryptocurrencies is justified, since the wallet is a digital storage (MyEtherWallet, Electrum, MyCrypto, Bitcoin.com, BTC.com, Jaxx, Coinomi, Atomic Wallet and others).

The development of managed crypto wallets is a consequence of the development of the cryptocurrency market itself. In general, as a result of research, it was determined that 0.3% of the world currency is crypto money and, according to forecasts, the growth of the total mass of cryptocurrency in general and among bank deposits will be observed at an average annual level of more than 32% by 2024. However, now only 9% of the total investment is in crypto money.

In developed countries, custody services are a separate market. At the same time, developing countries have not yet developed a legal package of regulatory acts and this market is outside the scope of government regulation. This allows for a wider set of tools, but also means a lower level of client protection.

Overview

This paper discusses the issues of trust management of securities:

- trustees,
- cryptocurrency as an innovative form of trust management,
- problems of legal regulation in the field of trust management of crypto wallets

Decision

In general, such trends are supported by other global banks as well. American banks are also joining this initiative, which became especially active after the permission of the United States Foreign Exchange Office (OCC) to store and manage client's virtual assets. However, it should be noted that the management of cryptocurrencies is still at the stage of formation of regulatory and regulatory support and

causes a lot of disputes and misunderstandings in both legal and economic aspects.

Conclusion

In general, we can note that the subject-object structure of the market for financial services and trust management services may differ depending on the history and practice of

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its implementation in the economic relations of a particular country, within which both the structure of market participants and their rights, and the main objects can be determined. In general, we can note that the management of crypto wallets is a new direction in the development of the T&CS market, has great prospects and requires the development of a regulatory framework on the scale of the market.