

NEW YORK EXTENDS IFC LEAD

IFC rankings

The gap between New York in first place and London in second has widened in The Banker's IFC rankings, while Amsterdam and Chicago show the greatest improvement on the 2011 list.

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With the European sovereign debt crisis extending into another year, the Libor scandal shaking the banking world and the global economy remaining flat, little appears to have changed when it comes to the appeal of the world's leading international financial centres (IFCs). *The Banker's* ranking of financial hubs shows no movement in the top five positions, with New York retaining the lead thanks to its performance in indicators such as volumes of international debt securities issued, stock market capitalisation and assets under management. London is still in second place, but at a larger distance from its North American rival.

The most notable mover in the top 10 is Amsterdam, which has climbed up to ninth place from 13th last year. The Dutch capital has retained its appeal as a business location – it sits in fourth place in the business friendliness table, the same position it held last year – and has climbed up the financial markets table, reaching sixth place from ninth in the 2011 ranking. It has jumped to fifth place in the assets under management ranking, after not featuring in the top 10 at all last year.

Further down the ranking, Chicago has jumped five positions to 15th place, up from 20th last year. The US city comes third in the North American rankings, after New York and Toronto.

Frankfurt leads again the new foreign listings ranking, followed by Mexico City. Last year's second largest IFC by this measure, New York, now sits in fourth place, behind London in third.

LONDON STILL TOP IN EUROPE

Frankfurt and Amsterdam's improved performances have not threatened London's leading IFC status in western Europe. The UK capital remains the top financial hub in the region and the most sought after IFC by foreign direct investors, and it has retained its title as the most business-friendly IFC in the world. Frankfurt and Amsterdam have, however, displaced Paris from the >>

INTERNATIONAL FINANCIAL CENTRES RANKING

Location	2012		2011		Movement	
	Position	Score	Position	Score	By position	By score
New York	1	70.11	1	65.49	0	4.62
London	2	65.36	2	64.77	0	0.59
Singapore	3	48.71	3	49.05	0	-0.34
Frankfurt	4	45.18	4	43.57	0	1.61
Hong Kong	5	44.64	5	43.47	0	1.17
Dubai	6	42.38	8	40.68	2	1.7
Toronto	7	41.39	7	41.67	0	-0.28
Sydney	8	40.58	11	39.99	3	0.59
Amsterdam	9	40.5	13	39.37	4	1.13
Paris	10	40.29	6	43.02	-4	-2.73
Zurich	11	39.56	9	40.12	-2	-0.56
Luxembourg	12	39.5	10	40.02	-2	-0.52
Dublin	13	38.7	14	37.64	1	1.06
Tokyo	14	38.57	12	39.54	-2	-0.97
Chicago	15	38.23	20	35.7	5	2.53
Copenhagen	16	38.16	15	37.25	-1	0.91
San Francisco	17	36.9	19	35.84	2	1.06
Boston	18	36.82	16	36.71	-2	0.11
Geneva	19	35.7	22	35.6	3	0.1
Vienna	20	35.58	18	36.05	-2	-0.47
Brussels	21	35.54	24	35.18	3	0.36
Melbourne	22	35.52	20	35.7	-2	-0.18
Oslo	23	35.28	25	35.16	2	0.12
Montreal	24	35.15	23	35.51	-1	-0.36
Doha	25	34.8	26	34.91	1	-0.11
Manama	26	34.73	29	33.21	3	1.52
Edinburgh	27	34.58	27	34.46	0	0.12
Seoul	28	34.38	17	36.69	-11	-2.31
Stockholm	29	33.83	28	33.36	-1	0.47
Mexico City	30	33.39	34	31.84	4	1.55
Prague	31	32.94	31	32.39	0	0.55
Madrid	32	32.77	33	32.17	1	0.6
Munich	33	32.74	30	32.59	-3	0.15
Johannesburg	34	32.1	35	31.45	1	0.65
Kuala Lumpur	35	31.97	42	29.17	7	2.8
Beijing	36	31.95	37	30.56	1	1.39
Shanghai	37	30.53	43	28.86	6	1.67
Budapest	38	30.48	36	31.12	-2	-0.64
Osaka	39	30.05	32	32.23	-7	-2.18
Moscow	40	29.83	39	30.05	-1	-0.22
Bangkok	41	29.14	41	29.5	0	-0.36
Warsaw	42	28.84	40	29.59	-2	-0.75
Milan	43	28.5	38	30.47	-5	-1.97
Lisbon	44	28.03	44	27.89	0	0.14
Shenzhen	45	26.45	45	25.54	0	0.91
São Paulo	46	25.7	48	24.43	2	1.27
Athens	47	24.71	46	25.05	-1	-0.34
San Jose	48	24.17	49	24.1	1	0.07
Mumbai	49	23.82	47	24.68	-2	-0.86
Jakarta	50	23.78	50	23.33	0	0.45
Manila	51	23.56	51	22.65	0	0.91
Buenos Aires	52	23.3	52	22.3	0	1
Rio de Janeiro	53	22.49	53	20.63	0	1.86

Source for all tables: The Banker/IDI Intelligence

OUTWARD FDI IN FINANCIAL SECTOR (2006-11)

Rank	Location	Score
1	New York	10
2	London	9.13
3	Paris	4.02
4	Zurich	2.78
5	Mumbai	2.35
6	Frankfurt	2
7	Toronto	1.98
8	Tokyo	1.93
9	Vienna	1.75
10	Moscow	1.45

INWARD FDI IN FINANCIAL SECTOR (2006-11)

Rank	Location	Score
1	London	10
2	Hong Kong	8.98
3	Dubai	7.83
4	Singapore	7.73
5	New York	5.91
6	Shanghai	5.43
7	Beijing	4.44
8	Moscow	2.68
9	Sydney	2.43
10	Dublin	2.4

INTERNATIONAL DEBT SECURITIES

Rank	Location	Score
1	New York	10
2	London	5.53
3	Frankfurt	3.11
4	Amsterdam	3.06
5	Paris	3.02
6	Madrid	2.27
7	Dublin	1.65
8	Milan	1.63
9	Toronto	1.07
10	Sydney	0.88

COST FACTORS

Rank	Location	Score
1	Copenhagen	9.44
2	Johannesburg	9.17
3	Wellington	9.07
4	Manama	8.99
5	Chicago	8.59
6	Dublin	8.58
7	Montreal	8.57
8	San Francisco	8.51
9	Boston	8.51
10	Toronto	8.49

ASSETS UNDER MANAGEMENT

Rank	Location	Score
1	New York	10
2	London	6.96
3	Chicago	3.82
4	Sydney	3.33
5	Amsterdam	1.87
6	Toronto	1.81
7	Paris	1.8
8	Boston	1.64
9	Edinburgh	0.72
10	Melbourne	0.47

FINANCIAL MARKETS

Rank	Location	Score
1	New York	6.62
2	London	5.15
3	Frankfurt	3.31
4	Luxembourg	3.14
5	Mexico City	2.55
6	Amsterdam	2.55
7	Singapore	2.38
8	Paris	2.31
9	Sydney	2.17
10	Toronto	2.07

NEW FOREIGN LISTINGS

Rank	Location	Score
1	Frankfurt	10
2	Mexico City	3.21
3	London	2.3
4	New York	1.87
5	Taipei	1.12
6	Toronto	1.02
7	Luxembourg	1.02
8	Singapore	0.75
9	Sydney	0.7
10	Hong Kong	0.43

STOCK MARKET CAPITALISATION

Rank	Location	Score
1	New York	10
2	Tokyo	2.82
3	London	2.77
4	Shanghai	2
5	Hong Kong	1.91
6	Mumbai	1.69
7	Toronto	1.62
8	Moscow	1.32
9	Paris	1.31
10	São Paulo	1.04

BUSINESS FRIENDLINESS

Rank	Location	Score
1	London	8.42
2	Singapore	8.33
3	Paris	8.1
4	Amsterdam	7.83
5	Seoul	7.83
6	Hong Kong	7.76
7	Toronto	7.74
8	Wellington	7.57
9	Frankfurt	7.57
10	New York	7.46

FOREIGN LISTINGS (% OF TOTAL LISTINGS)

Rank	Location	Score
1	Luxembourg	10
2	Mexico City	8.04
3	Prague	4.48
4	Singapore	4.42
5	Dubai	3.61
6	Amsterdam	2.9
7	New York	2.48
8	London	2.28
9	Brussels	2.26
10	Oslo	2.03

PRE-TAX PROFITS

Rank	Location	Score
1	Beijing	10
2	New York	5.52
3	Tokyo	4.43
4	London	4.05
5	Toronto	3.54
6	Paris	3.54
7	São Paulo	3.53
8	San Francisco	3.52
9	Hong Kong	3.39
10	Sydney	3.29

TOTAL BANK ASSETS

Rank	Location	Score
1	Beijing	10
2	Tokyo	9.47
3	London	8.01
4	Paris	7.36
5	New York	6.97
6	Frankfurt	4.96
7	Zurich	3.03
8	Toronto	2.47
9	Edinburgh	2.42
10	Madrid	2.21

Note: tables represent a selection of indicators used to compile the global IFC ranking. All tables represent individual data points used to compile the IFC global ranking, except for financial markets, business friendliness and cost factors, which are based on multiple data points. Top IFCs in individual data point tables are assigned a score of 10 and lower ranking IFCs' scores are assigned in relation to the distance to the top scorer. Similar methodology applies to multiple data point tables, but here scores are also calibrated according to the weighting given to that group of data in the overall ranking.

RANKINGS

AFRICA

Rank	World rank	Location	Score
1	34	Johannesburg	32.1

ASIA-PACIFIC

Rank	World rank	Location	Score
1	3	Singapore	48.71
2	5	Hong Kong	44.64
3	8	Sydney	40.58
4	14	Tokyo	38.57
5	22	Melbourne	35.52
6	28	Seoul	34.38
7	35	Kuala Lumpur	31.97
8	36	Beijing	31.95
9	37	Shanghai	30.53
10	39	Osaka	30.05
11	41	Bangkok	29.14
12	45	Shenzhen	26.45
13	49	Mumbai	23.82
14	50	Jakarta	23.78
15	51	Manila	23.56

NORTH AMERICA

Rank	World rank	Location	Score
1	1	New York	70.11
2	7	Toronto	41.39
3	15	Chicago	38.23
4	17	San Francisco	36.9
5	18	Boston	36.82
6	24	Montreal	35.15

CENTRAL AND EASTERN EUROPE

Rank	World rank	Location	Score
1	31	Prague	32.94
2	38	Budapest	30.48
3	40	Moscow	29.83
4	42	Warsaw	28.84

LATIN AMERICA

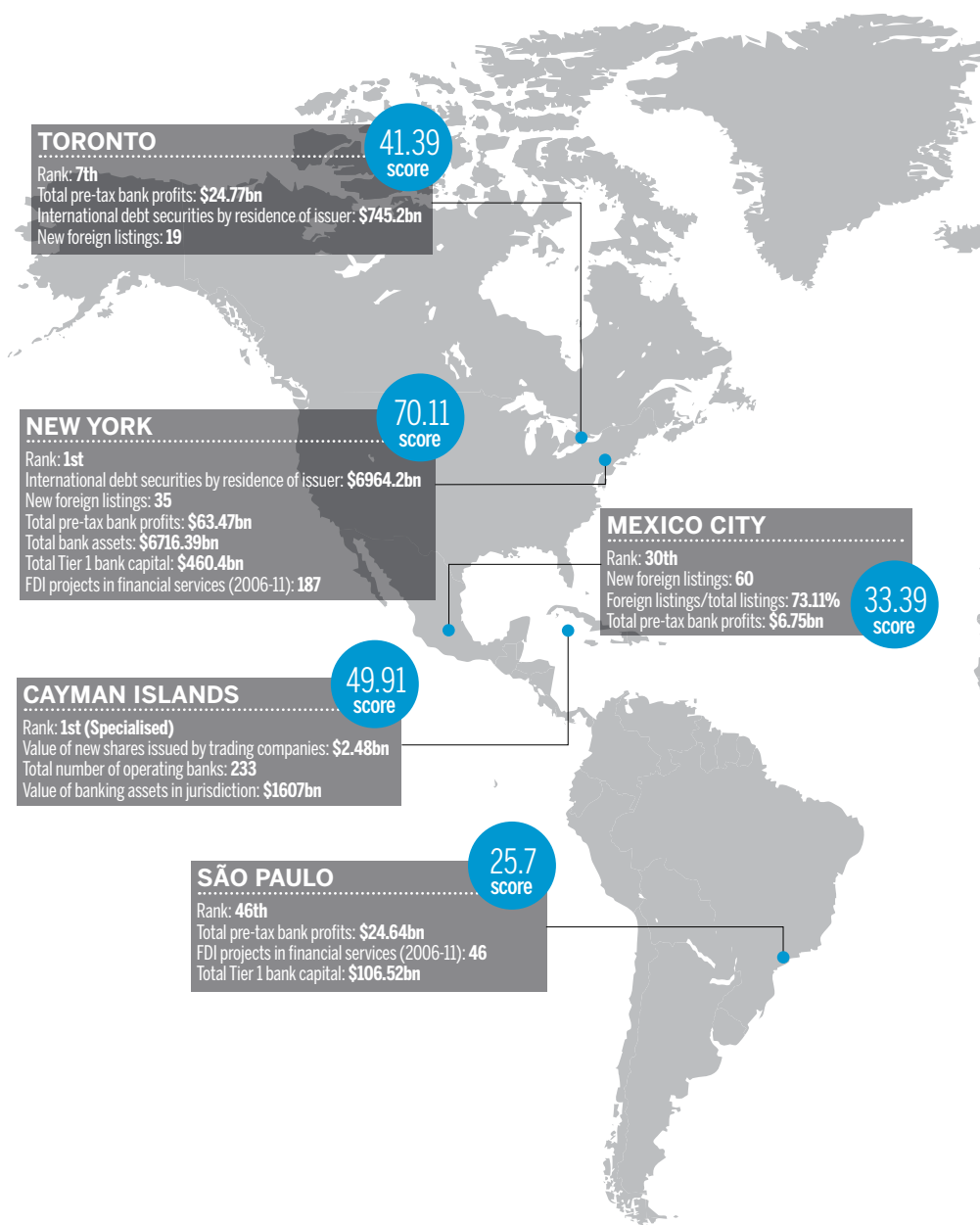
Rank	World rank	Location	Score
1	30	Mexico City	33.39
2	46	São Paulo	25.7
3	48	San José (Costa Rica)	24.17
4	52	Buenos Aires	23.3
5	53	Rio de Janeiro	22.49

MIDDLE EAST

Rank	World rank	Location	Score
1	6	Dubai	42.38
2	25	Doha	34.8
3	26	Manama	34.73

WESTERN EUROPE

Rank	World rank	Location	Score
1	2	London	65.36
2	4	Frankfurt	45.18
3	9	Amsterdam	40.5
4	10	Paris	40.29
5	11	Zurich	39.56
6	12	Luxembourg	39.5
7	13	Dublin	38.7
8	16	Copenhagen	38.16
9	19	Geneva	35.7
10	20	Vienna	35.58
11	21	Brussels	35.54
12	23	Oslo	35.28
13	27	Edinburgh	34.58
14	29	Stockholm	33.83
15	32	Madrid	32.77
16	33	Munich	32.74
17	43	Milan	28.5
18	44	Lisbon	28.03
19	47	Athens	24.71

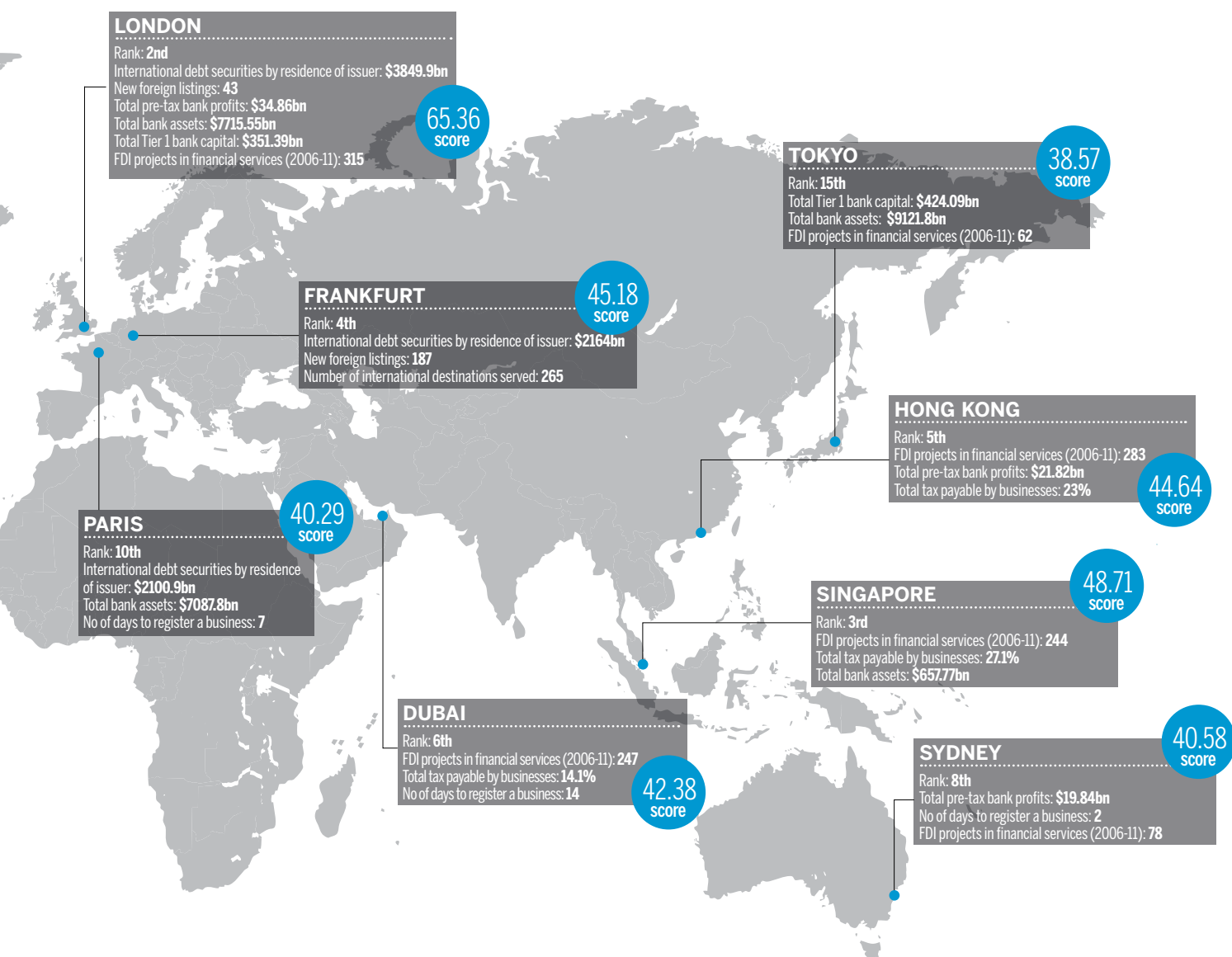


second place it occupied in last year's western European regional ranking, pushing it down to fourth place.

Singapore, Hong Kong and Sydney retain the top three places in the Asia-Pacific regional ranking. Beijing and Shanghai sit in eighth and ninth place in the regional table, respectively, with Beijing recording the largest number of banking assets of any IFC in the global ranking. Shanghai is fourth in the global stock market capitalisation table and sixth in the inward foreign direct investment (FDI) ranking.

In Latin America, Mexico City leads the regional ranking, thanks mainly to the high level of internationalisation of its stock exchange. It is still São Paulo, however, that hosts the largest stock market in the region and the Brazilian IFC ranks 10th in the global stock market capitalisation table.

In the Middle East, Dubai continues to lead the way, faring particularly well in terms of attracting FDI to its financial sector. As was the case in the 2011 regional




rankings, Doha (Qatar) and Manama (Bahrain) follow in second and third place, respectively.

The ranking of specialised financial centres finds the Cayman Islands still in the top position, followed by Guernsey in second place. The Bahamas has moved up to third position, leapfrogging Cyprus which has dropped to fifth.

METHODOLOGY

The Banker's ranking of international financial centres is based on data ranging from financial markets indicators to economic potential to business environment factors. The ranking focuses on the level of international business and the value offered to international institutions seeking to expand their international operations.

In recognition of the fact that data for specialised financial centres is seldom consistent with that for mainland financial centres, *The Banker* has surveyed each specialised IFC and has compiled a separate table using data relevant to these locations. Publicly available data sources were used as well as The Banker Database and fDi Intelligence. 

SPECIALISED FINANCIAL CENTRES RANKING

Location	2012		2011		Movement	
	Position	Score	Position	Score	By position	By score
Cayman Islands	1	49.909	1	42.59	0	7.32
Guernsey	2	37.056	2	34.48	0	2.58
Bahamas	3	36.332	5	34.18	2	2.15
Jersey	4	35.715	4	34.29	0	1.43
Cyprus	5	34.472	3	34.42	-2	0.05
Isle of Man	6	27.071	7	24.91	1	2.16
Mauritius	7	26.489	6	29.78	-1	-3.29
Bermuda	8	24.907	8	19.68	0	5.23
Liechtenstein	9	23.498	n/a	n/a	n/a	n/a
Gibraltar	10	19.366	9	19.08	-1	0.29
Barbados	11	15.831	10	16.77	-1	-0.94
Monaco	12	11.405	13	9.18	1	2.23
Andorra	13	11.399	12	10.34	-1	1.06
Turks and Caicos	14	11.040	14	8.23	0	2.81
St Vincent and the Grenadines	15	6.076	15	6.90	0	-0.82
Montserrat	16	4.894	16	6.26	0	-1.37
Grenada	17	3.16	16	11.58	-1	-8.42