SMALL MARKET, BIG OPPORTUNITY:

How they can drive economic growth?

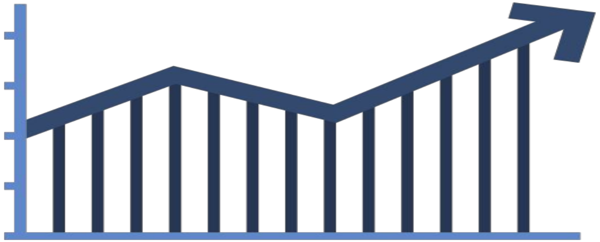
PATRICK L. YOUNG

Marketplace builder
Exchange Invest CEO
Author, Capital Market Revolution!
Founder of The Exchange of Information

WHY MARKETS MATTER

EXCHANGE INVEST

Total Size of Economy of DPRK (North Korea)



$21 BILLION

Total Value of KPop Worldwide

$8-$9 Billion

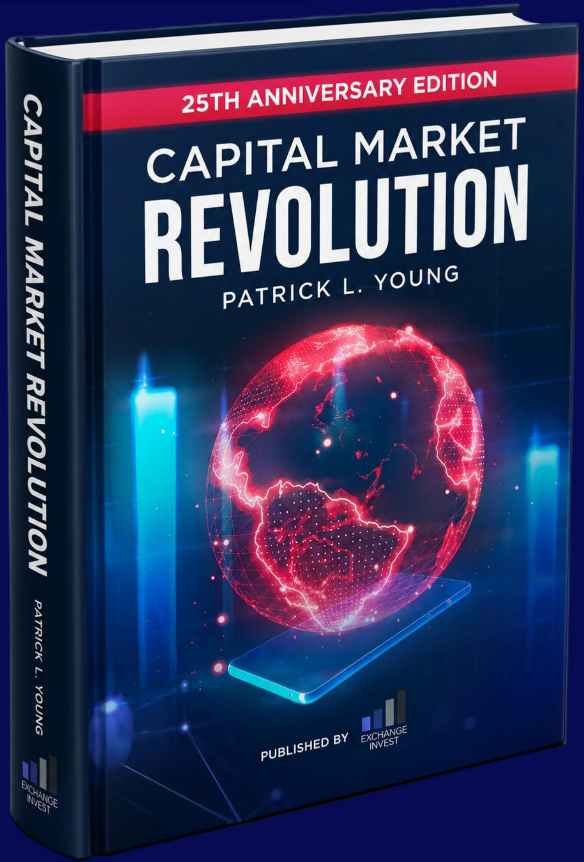
AKA KPop alone is worth circa 40% of the DPRK economy.

BLACKPINK


In 1940
60%
of current jobs
DIDN’T EXIST!
Source: Autor, Chin, Salomons & Seegmiller, New Frontiers: The Origins and Content of New Work, 1940-2018, NBER/MIT.

“The” Revolution T+9137 Days Later

EXCHANGE INVEST




"The trouble with weather forecasting is that it's right too often for us to ignore it and wrong too often for us to rely on it."
Patrick L Young
EVN
СКОПСКО

MEGATRENDS RESHAPING EXCHANGES

New economies. New capital. A more connected world.

ECONOMIC GROWTH

GROWTH CREATES NEW MARKETS

North Macedonia
GDP
$12.6bn → $19.1bn
2019 → 2025

+52%
nominal growth
(+12% real growth)

THE BANK CYCLE

FINANCE MOVES BEYOND BANKS

MSE + EBRD:
equity + corporate
bonds
alongside bank
finance.

GREAT POWER DYNAMICS

MARKETS FOLLOW ECONOMIC POWER

USA · CHINA · EU

AI & DATA CENTRES

COMPUTE BECOMES MARKET INFRASTRUCTURE

97%
5G coverage

91%
broadband
penetration

Vezilka AI Centre
EuroHPC access

AEROTROPOLIS

CONNECTIVITY CREATES COMMERCE

North macedonia
Exports + imports
= 149% of gdp
2023 | world
bank/WDI

MARKET INTERACTION

MARKETS NEVER STAND STILL

LOCAL MARKET →
REGIONAL
ECOSYSTEM

A small exchange
can be part of
a bigger opportunity.

MARKET DATA

MARKETS BECOME DATA BUSINESSES

MSE BEST Net:
prices · depth ·
trades · turnover

Data turns
transparency
into opportunity.

DISINTERMEDIATION

CAPITAL GETS CLOSER TO THE MARKET

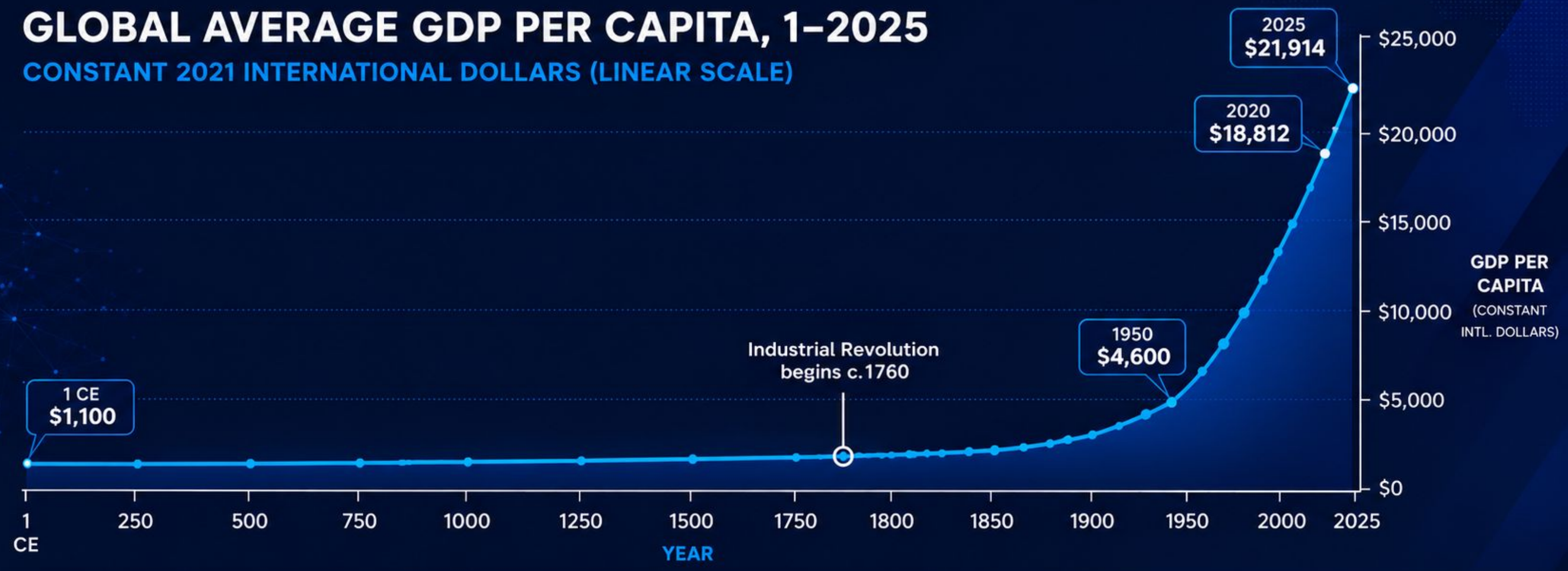
Corporate bond
market
% of GDP
North Macedonia
0.1%
vs EU
2.7%
(27× smaller)

FOCUS:

THE MEGATREND OF GROWTH

GLOBAL AVERAGE GDP PER CAPITA, 1–2025

CONSTANT 2021 INTERNATIONAL DOLLARS (LINEAR SCALE)

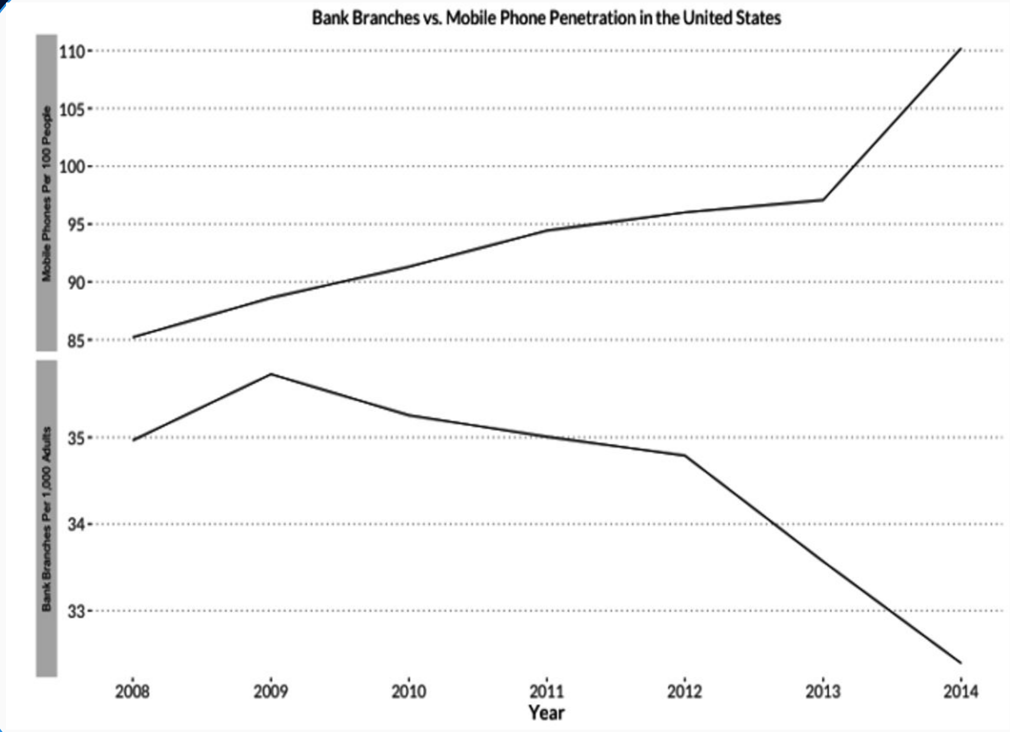


SOURCE: Our World in Data, based on Maddison Project Database 2023 (Bolt and van Zanden – v12.1), World Bank, OECD, IMF and national accounts.

Note: 1 CE = year 1 of the Common Era (Anno Domini).

2008 WASN'T JUST A CRASH

It was a turning point in how financial power is distributed.



1 **PEAK BANKER POWER**

2008 as the symbolic high-water mark of the branch-led banking model.

2 **REGULATORY MONOPOLY EROSION**

Technology starts moving financial activity beyond the traditional bank branch.

3 **A MICROPAYMENT WORLD**

Finance becomes digital, mobile and increasingly granular.

BRANCHES ↓ MOBILE ↑
FINANCE MOVED FROM A PLACE → TO A DEVICE

Great Power Innovation

USA

ChatGPT

Claude

CHINA

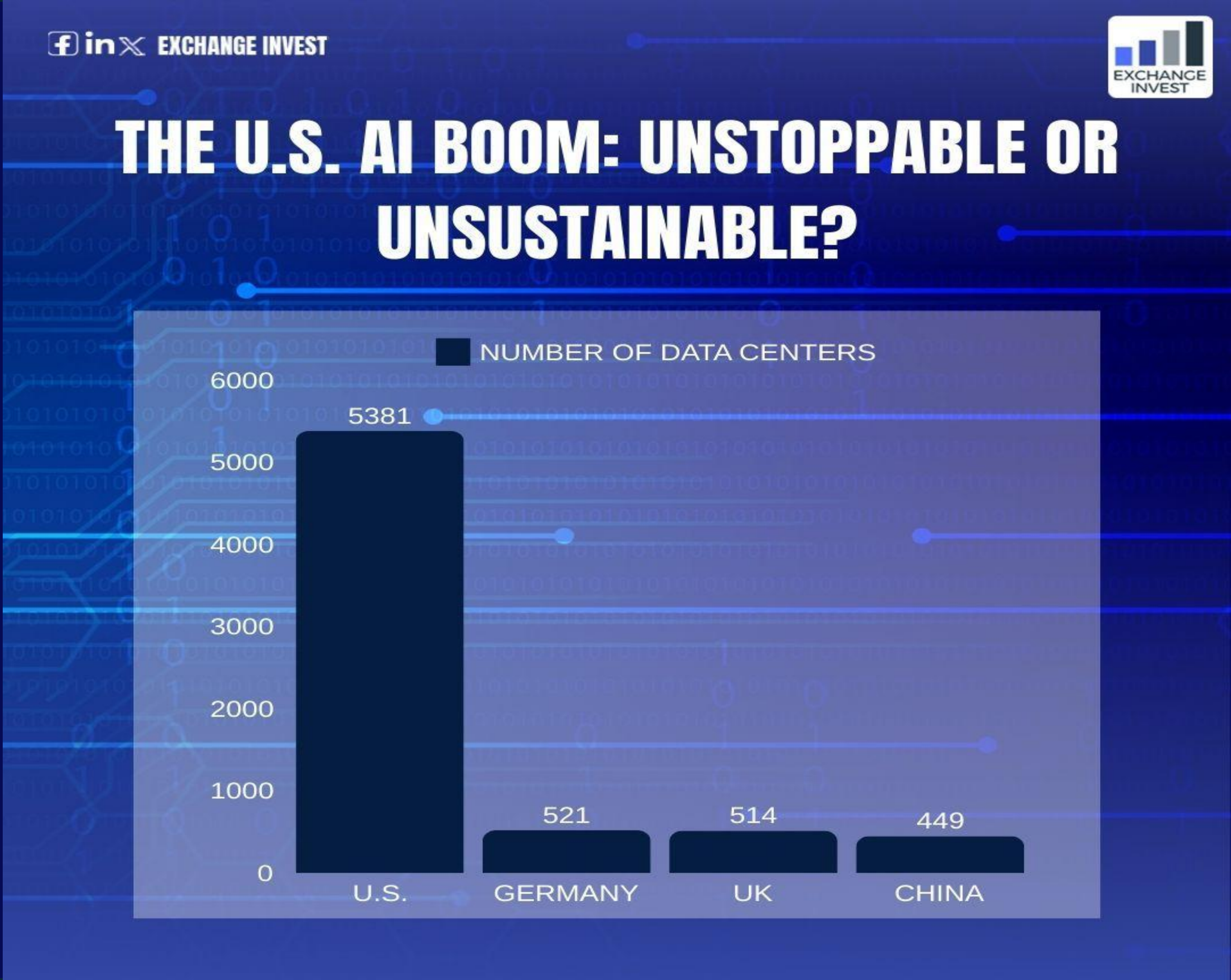
deepseek

Qwen

EU

DATA

Data turns
transparency
into opportunity.



THE RISE OF AIR CARGO

1975 → 2005 | 30 years of globalisation

154%
GLOBAL GDP
GROWTH

355%
WORLD TRADE
GROWTH

1,395%
AIR CARGO VALUE
GROWTH

HIGH-VALUE TRADE TOOK TO THE AIR

More than
ONE THIRD
of goods traded globally by value moves via air freight

≈ $3 TRILLION
not $3 billion
value

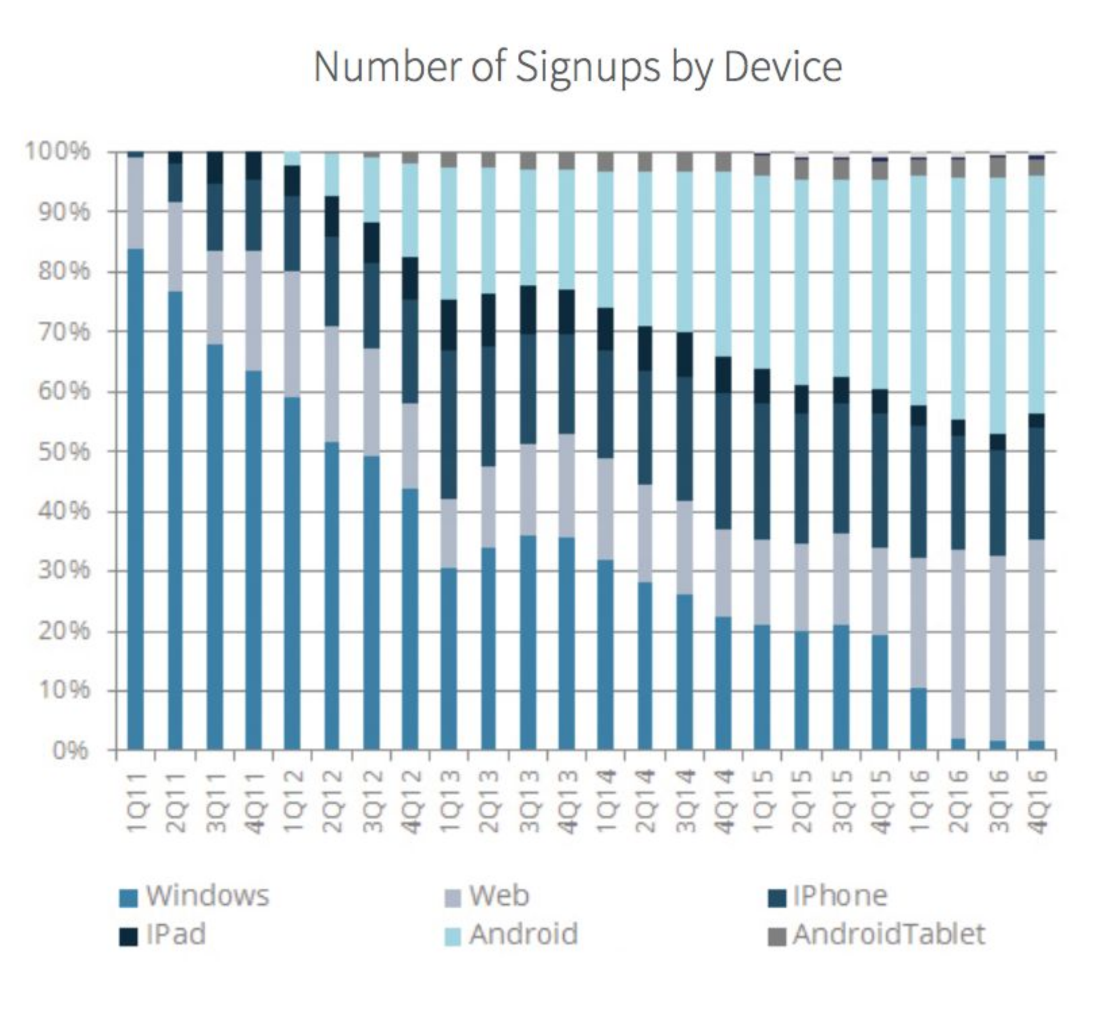
BARELY
1%
OF THE WEIGHT

High value. Almost no weight.

Air cargo became the infrastructure of high-value global trade.

Source: John Kasarda & Greg Lindsay, Aerotropolis; wording verified against Mail & Guardian excerpt, 2011.

But Nothing Stands Still In a Revolution!



A QUESTION OF DATA

UNDERSTANDING DIGITAL DEPTH

ESSENTIALLY FINANCE IS NOW GENERATING

MORE DATA PER ANNUM

THAN ALL MARKETS FROM

ANCIENT EGYPT / PHOENICIA TO 1990

— PER YEAR!

DISINTERMEDIATION

"Somewhere out there is a bullet with your company's [/COUNTRY'S!] name on it."

GARY HAMEL

EXCHANGE INVEST

EXCHANGES ARE AT THE EPICENTRE OF COMMERCE

& THE MODEL FOR E-COMMERCE:

airbnb

TEMU

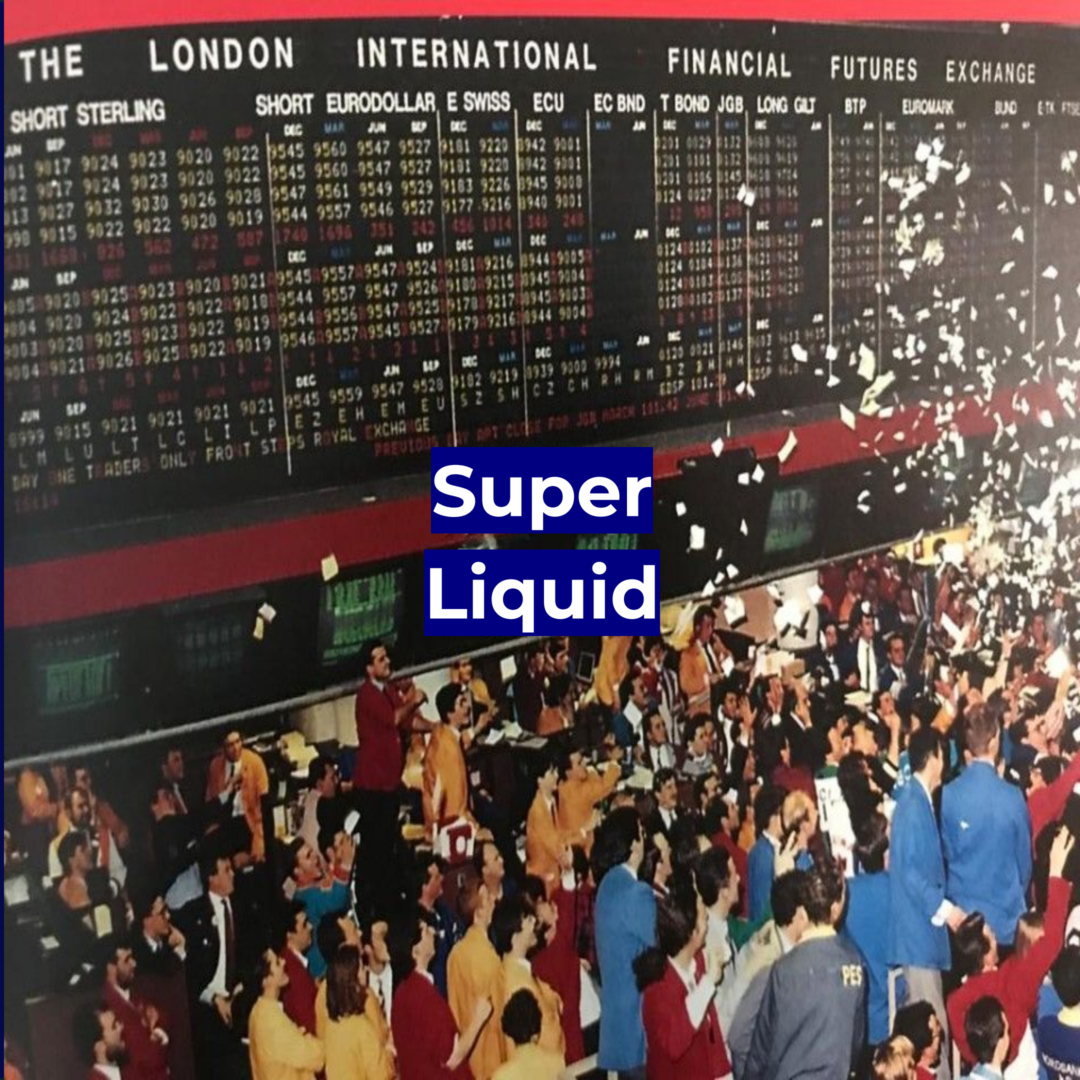
ebay

UBER

The Golden Age of Exchanges

- Albeit many legacy providers badly positioned
- Or Under Stockholm Syndrome
- Or Plain Denial

UNDERSTANDING YOUR MARKET



The Balcerowicz Doctrine

LESZEK BALCEROWICZ

Deputy Prime Minister & Minister of Finance, Poland

1989–1991 | 1997–2000

THE BALCEROWICZ DOCTRINE

How policy helped build Poland's capital market

PRIVATISATION → PUBLIC MARKET

Use the national exchange as a core channel for state privatisation.

PENSIONS → DOMESTIC CAPITAL

95% of pension-fund portfolios initially required to be invested in domestic securities.*

Pension funds became important buyers of Polish equities and helped drive demand for new listings.

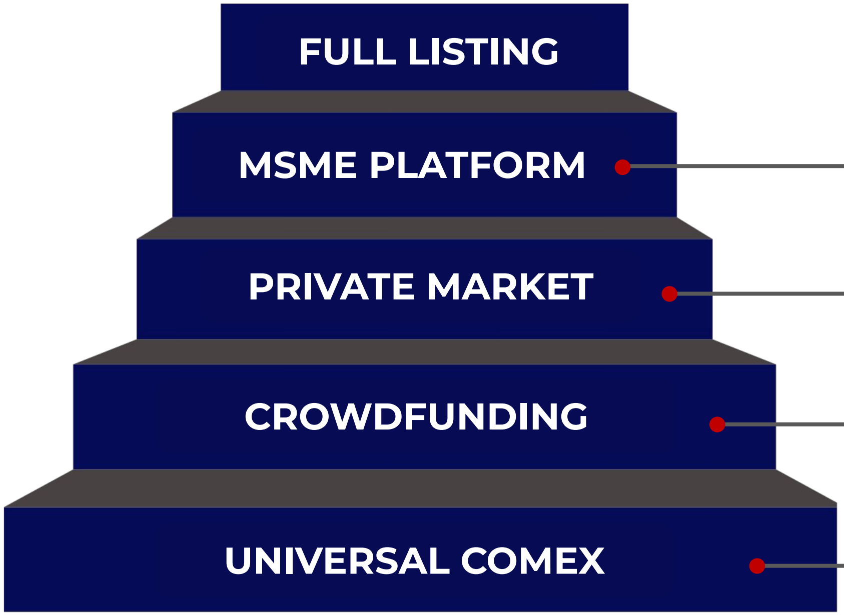
KEY LESSON

GOVERNMENT POLICY CAN BUILD MARKET DEPTH

ISSUERS + DOMESTIC SAVINGS + MARKET INFRASTRUCTURE = A STRONGER NATIONAL EXCHANGE

YOUNG'S STAIRCASE OF CAPITAL

EXCHANGE INVEST



Public MSME market which can lead to IPO anywhere

An option for syndication via deal room etc.

Simple small scale lending and investment with secure CSD settlement

Generates Import / Export trade with reputation management / Escrow & data which can serve as a basis for securities....

FROM ONE MSE TO ANOTHER

What Malta's market-building trajectory can tell North Macedonia

MALTA STOCK EXCHANGE		MACEDONIAN STOCK EXCHANGE
Population 588,254 | Exchange trading since 1992		Population 1.82m | Exchange founded 1995
≈80,000 individual investors	**INVESTOR REACH**	A much larger population — but a narrower domestic investor base
Primary conduit from day one	**GOVERNMENT BONDS**	Government bonds are listed — but not yet the same retail market-building engine
€3.5bn outstanding / issued market **≈90 issuers • 127 issues • avg. <€28m**	**CORPORATE BONDS**	**A market now emerging:** **TTK €1m (2025) • Iute €3m public offer (2026)**
≈€4.49bn equity market cap (H1 2025)	**EQUITY MARKET**	MKD 357.2bn / ≈€5.8bn listed-share market cap (end-2025)
1992: Government stocks → 1994: first corporate bond → 2026: deep local bond ecosystem	**MARKET TRAJECTORY**	Equities established → government bonds listed → corporate-bond ladder now beginning

THE MALTA LESSON

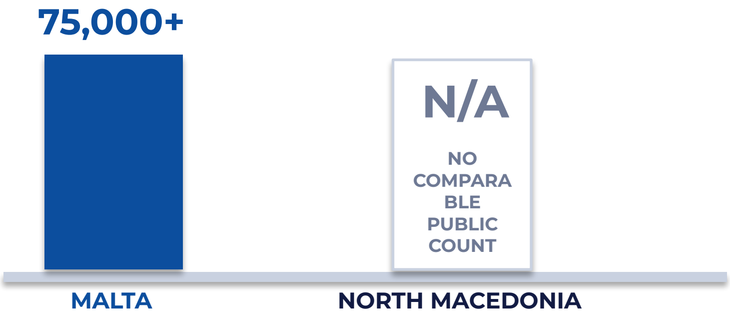
GOVERNMENT ISSUANCE → INVESTOR HABIT → CORPORATE BONDS → A DEEPER DOMESTIC MARKET

FROM ONE MSE TO ANOTHER

What Malta's market-building trajectory can tell North Macedonia

1 INVESTOR POOL

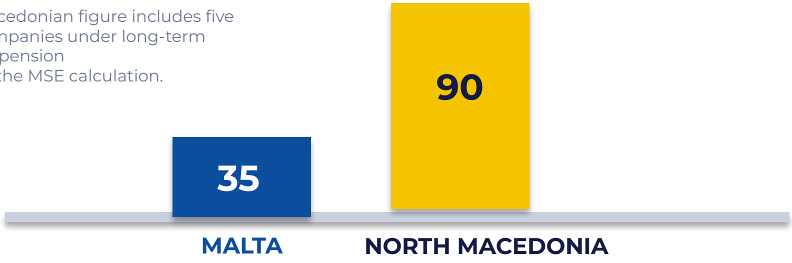
Registered individual/CSD investor accounts



Malta count is registered accounts; a directly comparable Macedonian total is not publicly reported.

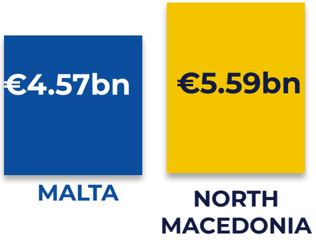
2 LISTED EQUITY ISSUERS

Macedonian figure includes five companies under long-term suspension in the MSE calculation.



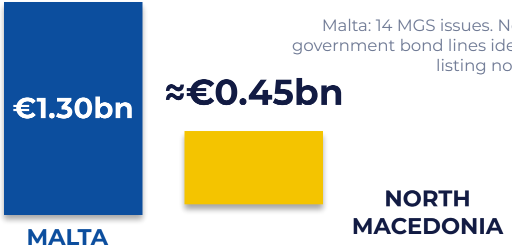
3 EQUITY MARKET CAPITALISATION

Listed shares only | €bn equivalent



North Macedonia: MKD 344.4bn listed-share capitalisation, converted at ~61.6 MKD/€.

4 GOVERNMENT BOND ISSUANCE / LISTINGS



Malta: 14 MGS issues. North Macedonia: 22 government bond lines identified from 2025 MSE listing notices.

KEY LESSONS

A | FINANCIAL CENTRES ARE ADDITIVE

B | MARKETS ARE HOLISTIC

C | GOVERNMENT SUPPORT & ISSUANCE MATTER

D | COOPERATION WORKS

E | SMALL BOURSES HAVE AN EDGE

F | BONDS MAKETH GREAT MARKETS!

G | PUT PENSION CAPITAL TO WORK

Exchanges connect Capital to Possibility

CORPORATE BONDS: MACEDONIA NOW HAS A LIVE PROOF POINT

€3m

ISSUE SIZE

30,000 bonds × €100.

8.5%

FIXED COUPON

Five-year senior unsecured bonds.

€100

MINIMUM

One bond — accessible denomination.

MSE BEST

PUBLIC OFFER

Minimum-price auction through MSE trading infrastructure.

NOT EVERY GROWTH COMPANY NEEDS TO SELL EQUITY.

A functioning corporate-bond ladder can diversify company funding, create investable assets for institutions and establish a public credit track record before an eventual IPO.

WHY CAPITAL MARKET DEVELOPMENT SHOULD BE A NATIONAL PRIORITY

EXCHANGE INVEST

NORTH MACEDONIA — THE STARTING POINT

$19.1bn

GDP — 2025

Small economy; every additional financing channel matters.

3.5%

GDP GROWTH — 2025

Growth creates a financing need beyond retained earnings.

67.8%

EXPORTS / GDP

An unusually open economy: companies compete internationally.

87%

FINANCIAL ASSETS / GDP

Yet financial intermediation remains relatively weak.

The Economy Is International.
The Capital Market Is Growing Deeper.

WHY AN EXCHANGE MATTERS

Turns domestic companies into visible, priced, governed investable assets — particularly valuable in an export-led economy.

WHY FINANCING MIX MATTERS

Banks remain dominant. Equity and bonds diversify funding and improve resilience when credit conditions change.

WHY TRANSPARENCY MATTERS

Reliable public reporting reduces information asymmetry and can lower required returns and borrowing spreads.


In 1940
60%
of current jobs
DIDN’T EXIST!
Source: Autor, Chin, Salomons & Seegmiller, New Frontiers: The Origins and Content of New Work, 1940-2018, NBER/MIT.

EXCHANGE INVEST

In 1970

90%+ of current

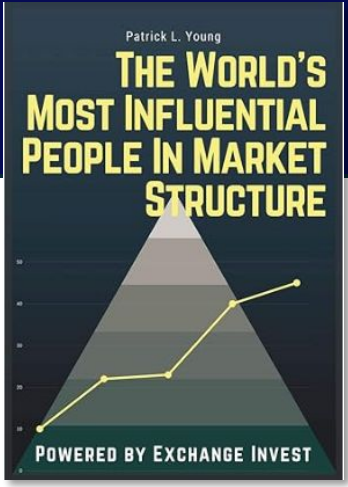
markets

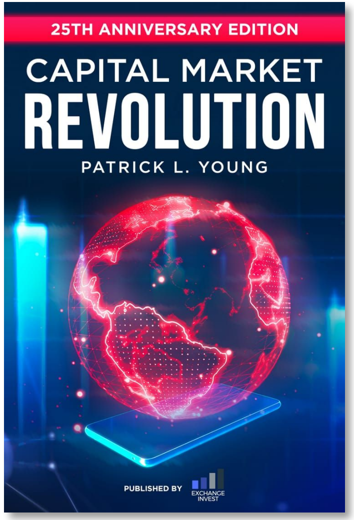
WERE NOT TRADED

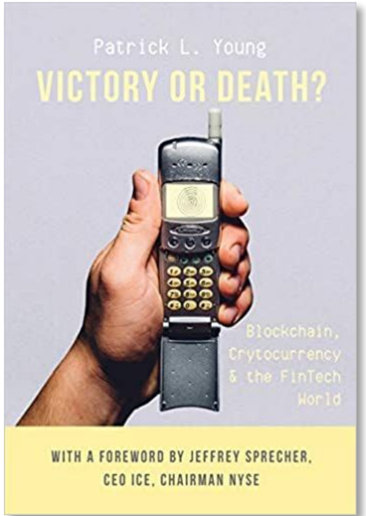
THIS IS A WORLD OF OPPORTUNITY

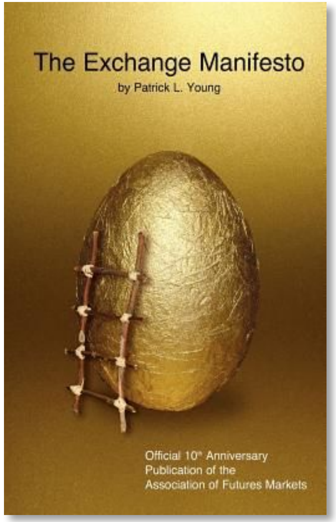
EXCHANGE
INVEST

EXCHANGE INVEST









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EXCHANGE
INVEST