

Association of Corporate Treasurers
British Bankers' Association
International Securities Lending Association
London Investment Banking Association
London Stock Exchange
Securities Lending and Repo Committee

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New guide to the securities lending markets published

A new guide to securities lending markets has been published in London today, commissioned by the Association of Corporate Treasurers, British Bankers' Association, International Securities Lending Association, London Investment Banking Association, London Stock Exchange and the Securities Lending and Repo Committee. The spread of organisations behind the publication reflects support from all sides of the market. The National Association of Pension Funds and Association of British Insurers have also welcomed it.

The publication aims to describe securities lending markets, with an emphasis on the United Kingdom, although UK markets are highly international in terms of both participation and securities lent and borrowed. The intended audience is those with an interest in securities lending, including trustees of pension or other funds that already lend their securities or might consider doing so, managers of companies whose securities are lent, financial journalists and the authorities.

David Rule, Chair of the Securities Lending and Repo Committee said, 'Securities lending provides liquidity to the equity, bond and money markets, placing it at the heart of today's financial system. This increase in liquidity reduces the cost of trading, thereby increasing market efficiency and benefiting all. I welcome this publication, which provides an authoritative introduction to the markets.'

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Notes to Editors

The executive summary is attached and can be found at

<http://www.bankofengland.co.uk/markets/execsummary.pdf> The full report can be found at <http://www.bankofengland.co.uk/markets/securitieslending.pdf> The report will also be available shortly on the websites of the commissioning organisations and of Spitalfields Advisers Limited at <http://www.spitalfieldsadvisors.com> of which the author, Mark Faulkner, is Managing Director and co-founder.

The Association of Corporate Treasurers (ACT) is an organisation of professionals in corporate finance, risk and cash management operating internationally. Formed to promote the study and best practice of finance and treasury management, it has over 3,300 members and 1,200 students in more than 40 countries. Its education and examination syllabi are recognised by both practitioners and bankers as the global standard setters for treasury education.

The British Bankers' Association (BBA) is the leading trade association in the banking and financial services industry representing banks and other financial services firms operating in the UK. It has 250 members, three quarters of whom are of non-UK origin, representing 60 different countries. BBA members hold 90% of the UK banking sector's assets and represent 95% of all banking employment in the UK. Given its international membership and location in the world's leading financial centre, the BBA covers a wide variety of UK, European and international issues.

The International Securities Lending Association (ISLA) was established in 1989 to represent the common interests of Securities lenders. ISLA assist in the orderly, efficient and competitive development of the International securities lending market.

The London Investment Banking Association (LIBA) is the principal trade association in the UK for firms active in the investment banking and securities industry. The Association represents the interests of its Members on all aspects of their business and promotes their views to the authorities in the United Kingdom, the European Union and elsewhere. LIBA's membership covers virtually all the major investment banks operating in the UK.

The London Stock Exchange (LSE) is one of the world's leading equity exchanges and a leading provider of services that facilitate the raising of capital and the trading of shares. The London Stock Exchange is the most international equities exchange by trading in the world and Europe's largest pool of liquidity. By the end of 2003, the market capitalisation of UK and international companies on its markets amounted to £3.3 trillion, with £3.6 trillion of equity business transacted over the year. The London Stock Exchange is a Recognised Investment Exchange (RIE) under the Financial Services and Markets Act 2000 and is supervised by the FSA.

The Securities Lending and Repo Committee (SLRC) is a committee comprising market practitioners, infrastructure providers and the UK authorities which provides a forum in which structural developments in the stock lending and repo markets can be discussed and recommendations made.

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