



Singapore Exchange bolsters Securities Borrowing and Lending service

23 September 2010 – Singapore Exchange (SGX) said today it is enhancing its Securities Borrowing and Lending (SBL) service to bring additional benefits for investors and SGX central depository account holders.

With the enhanced service, over 80% of the total listed stocks on SGX Mainboard and Catalist are now eligible for lending or borrowing via The Central Depository (CDP). The number of stocks eligible for lending increased from approximately 150 to over 600. Investors now have expanded opportunity to lend out their stocks and institutional borrowers can have access to a larger pool of different stocks from CDP.

Mr Lai Kok Leong, Vice President, Depository Services of SGX said, “Many retail investors keep shares directly with CDP. When these shares are pooled together, they form a substantial block which could be borrowed by institutional investors. By enhancing the service, retail depositors can gain a return on their stock holdings and access to institutional borrowers. With access to a large pool of stocks, institutional investors can consider new trading strategies. This will also improve overall liquidity of the stocks.”

CDP which currently safe keeps securities for retail investors and institutions will be the counterparty for all lenders and borrowers. This will provide a single point of processing for all activities including corporate actions as well as borrowing and lending of securities. Stock lending activity could help CDP account holders to lend out their shares to earn lending fees and improve the total earnings on their assets.

For the list of eligible stocks and to learn more about the opportunity with SBL, please visit: www.sgx.com/cdp