



THE PURPLE

EQUILEND DATA & ANALYTICS Q1 2023 REVIEW

ISSUE XII

SECURITIES FINANCE

Q1 2023 REVENUE

Jan 1 to Mar 31, 2023

GLOBAL

\$2,759,315,352

+27% YOY

AMERICAS

\$1,698,451,447

+37% YOY

EMEA

\$556,139,676

+37% YOY

ASIA PACIFIC

\$504,724,229

+2% YOY

Figures represent lender to broker activity only.



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We are now over a quarter of the way through 2023, and it's proving to be a lucrative one for the securities lending community. Q1 revenue is up 27% year over year following a near-record 2022. The Americas led regionally, increasing 37% over Q1 2022. There certainly has been a lot of activity impacting the lending markets to review from Q1: from the regional banking turmoil, to AMC's merger of common and preferred shares, to two Fed rate hikes and beyond.

Our 12th issue of The Purple provides a deep dive into the drivers of Q1 revenue while also exploring the rise in corporate debt revenue and the impact of the Silicon Valley Bank collapse on the lending markets. We have also highlighted EquiLend's new Competitive Bid functionality on our premier trading platform, NGT.

To our clients, thank you again for your continued support and as always, we welcome your feedback on The Purple and all of our Data & Analytics Solutions offerings.

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AMERICAS

Figures displayed represent lender to broker activity only from Jan 1 to Mar 31, 2023. Deltas represent year on year change. All currency values are in USD and fees in bps.

LENDABLE

\$21.86 Trillion **+15.5%**

ON LOAN

\$1.67 Trillion **-4.4%**

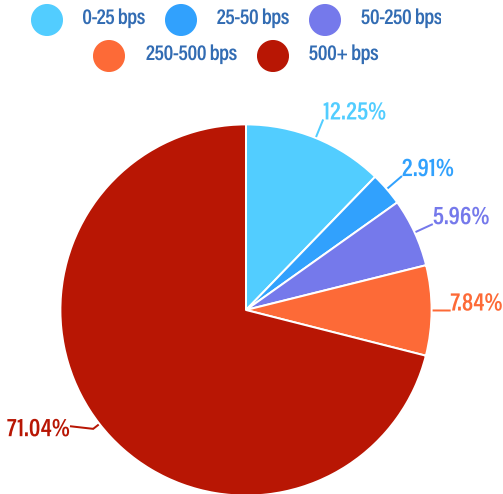
REVENUE

\$1.70 Billion **+37.1%**

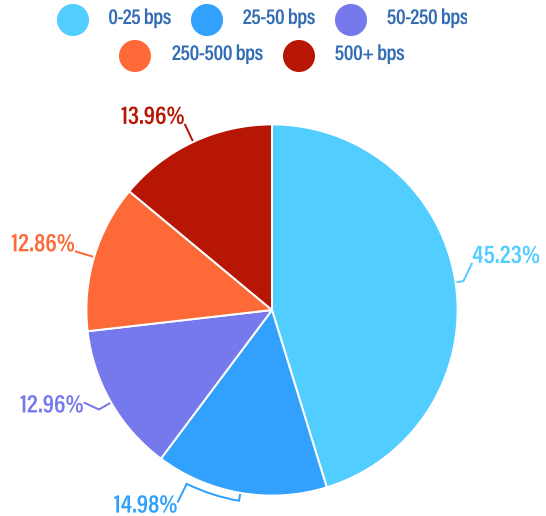
FEEES

40.33 bps **+40.9%**

Equity Revenue By Fee Band



Fixed Income Revenue By Fee Band



Top Equity Earners

	Security	Revenue (USD)
	AMC ENTERTAINMENT	180,608,344
	BEYOND MEAT INC	67,684,590
	LUCID GROUP INC	61,113,435
	GAMESTOP CORPORATION	46,565,061
	MICROSTRATEGY	42,304,529
	UPSTART HLDGS INC	32,694,297
	QUANTUMSCAPE CORP	27,615,213
	SIRIUS XM HOLDINGS	26,295,218
	BED BATH AND BEYOND	24,497,132
	EVGO INC COM	22,557,735

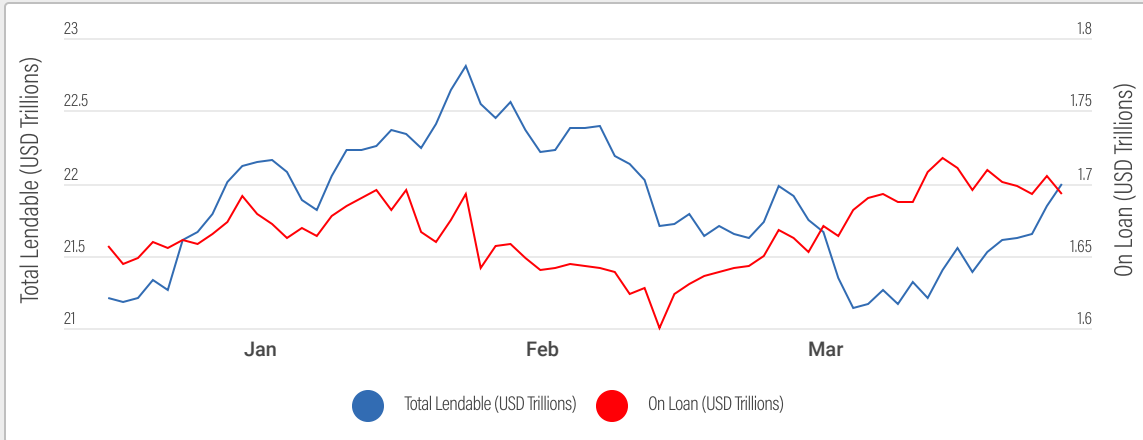
Top Corporate Debt Earners

	Security	Revenue (USD)
	SIX F 5.5% 15/04/2027	3,202,249
	MPH A 5.75% 01/11/28	2,991,751
	MICRO 0.125% 15/11/24	2,763,586
	BOOKI 0.75% 01/05/25	2,621,067
	DEXCO 0.25% 15/11/25	2,377,151
	WOLVE 9% 15/11/26	2,228,311
	3M CO 4% 14/09/48	1,957,111
	AVIS 5.375% 01/03/29	1,925,462
	FLUOR 4.25% 15/09/28	1,514,972
	UNITE 6.875% 01/03/29	1,428,680

AMERICAS

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On Loan Vs Lendable



Top Sectors By Revenue

Consumer Discretionary



Communication Services



Information Technology



Financials



Industrials



Health Care



\$296.63M

\$241.04M

\$132.70M

\$125.19M

\$99.17M

\$93.61M

\$82.24B

\$39.57B

\$82.07B

\$74.56B

\$65.40B

\$60.97B

144.72 bps

248.61 bps

64.70 bps

69.68 bps

61.35 bps

61.65 bps

Revenue (USD)

Loan Value (USD)

Fees (bps)

Market Breakdown

EQUITY	Market	Lendable	Delta	On Loan	Delta	Fees	Delta	Revenue	Delta
	UNITED STATES	\$15.71T	26.5%	\$631.72B	2.5%	76.15	35.7%	\$1.19B	40.3%
	CANADA	\$704.37B	-9.1%	\$61.17B	23.2%	70.65	12.7%	\$99.88M	39.9%
	LATIN AMERICA	\$45.86B	20.2%	\$1.73B	35.9%	152.28	69.6%	\$6.49M	132.1%

FIXED INCOME	Market	Lendable	Delta	On Loan	Delta	Fees	Delta	Revenue	Delta
	UNITED STATES	\$4.43T	-3.5%	\$830.18B	-8.4%	14.57	32.3%	\$338.11M	28.9%
	CANADA	\$800.55B	-12.5%	\$129.47B	-16.2%	13.75	20.4%	\$43.99M	1.0%
	LATIN AMERICA	\$171.64B	-6.0%	\$12.74B	-15.4%	52.32	130.6%	\$16.49M	95.1%

LENDABLE

\$5.01 Trillion -11.8%

ON LOAN

\$569.98 Billion -12.1%

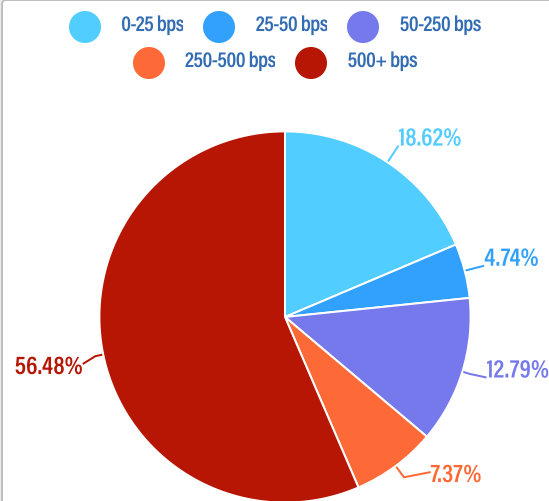
REVENUE

\$556.14 Million +26.6%

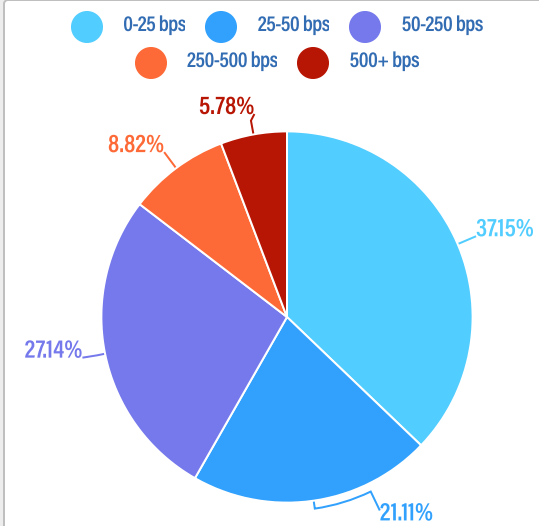
FEES

39.61 bps +42.5%

Equity Revenue By Fee Band



Fixed Income Revenue By Fee Band



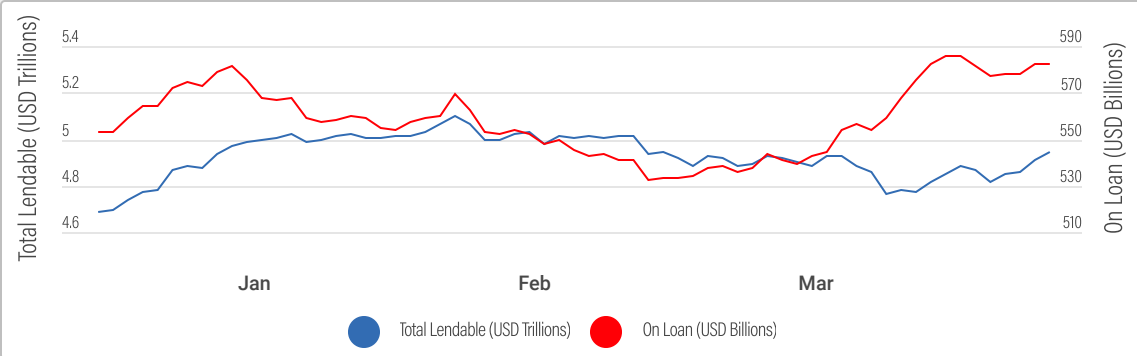
Top Equity Earners

	Security	Revenue (USD)
	ROCHE HOLDINGS AG	17,421,916
	TUI AG ORD REG SHS NPV (DI)	14,847,776
	TOTALENERGIES SE	12,216,690
	NOVARTIS AG	10,778,884
	IDORSIA LTD	10,706,438
	EQUINOR ASA	8,523,376
	SAMHALLSBYGGNADSBOLAGET	7,970,547
	NORDEA BANK ABP NPV	6,415,785
	SVENSKA HANDELSBANKEN	6,328,499
	VARTA AG NPV	5,627,320

Top Corporate Debt Earners

	Security	Revenue (USD)
	TEVA 5.125% 09/05/29	805,847
	THYSS 2.5% 25/02/25 '3	679,180
	ARCEL 4.25% 16/07/29	666,624
	HSBC 6.25% 5%-FRN T1	648,067
	NOBIA 3.625% 15/07/2026	525,183
	PAYSA 4% 15/06/29	522,434
	ITALY 0% 15/12/2024	417,142
	FNAC 2.625% 30/05/26	414,246
	TK EL 7.625% 15/07/28	411,103
	SCHNE 0% 15/06/2026	396,542

On Loan Vs Lendable



Top Sectors By Revenue

Industrials	Health Care	Consumer Discretionary	Financials	Energy	Materials
\$61.41M	\$55.94M	\$47.61M	\$31.75M	\$29.18M	\$21.68M
\$32.79B	\$21.04B	\$25.48B	\$27.57B	\$17.58B	\$18.04B
79.00 bps	104.32 bps	75.49 bps	48.29 bps	74.30 bps	49.50 bps

■ Revenue (USD)
 ■ Loan Value (USD)
 ■ Fees (bps)

Market Breakdown

EQUITY	Market	Lendable	Delta	On Loan	Delta	Fees	Delta	Revenue	Delta
	Switzerland	\$395.31B	-13.0%	\$27.55B	-16.1%	86.52	571%	\$58.47M	45.8%
	Sweden	\$157.02B	-17.3%	\$17.07B	9.9%	123.77	31.1%	\$50.44M	46.8%
	United Kingdom	\$860.75B	-6.6%	\$23.63B	-21.7%	77.45	111.0%	\$45.99M	66.9%
	Germany	\$348.71B	-9.1%	\$40.45B	26.0%	43.89	0.1%	\$43.86M	26.8%
	France	\$535.53B	0.9%	\$43.24B	11.1%	38.08	13.8%	\$39.45M	24.7%

FIXED INCOME	Market	Lendable	Delta	On Loan	Delta	Fees	Delta	Revenue	Delta
	United Kingdom	\$423.47B	-18.9%	\$74.80B	-24.4%	26.05	66.7%	\$51.55M	34.0%
	France	\$307.52B	-16.6%	\$76.79B	-20.8%	24.59	28.3%	\$46.47M	-0.3%
	Germany	\$243.74B	-15.1%	\$85.46B	-17.3%	21.06	13.0%	\$44.53M	-7.8%
	Italy	\$115.87B	-16.7%	\$29.31B	22.5%	18.46	22.8%	\$13.43M	49.2%
	Spain	\$92.73B	-21.2%	\$18.93B	-22.7%	18.49	86.2%	\$8.64M	30.8%

ASIA PACIFIC

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LENDABLE

\$2.91 Trillion **-6.3%**

ON LOAN

\$254.93 Billion **+7.3%**

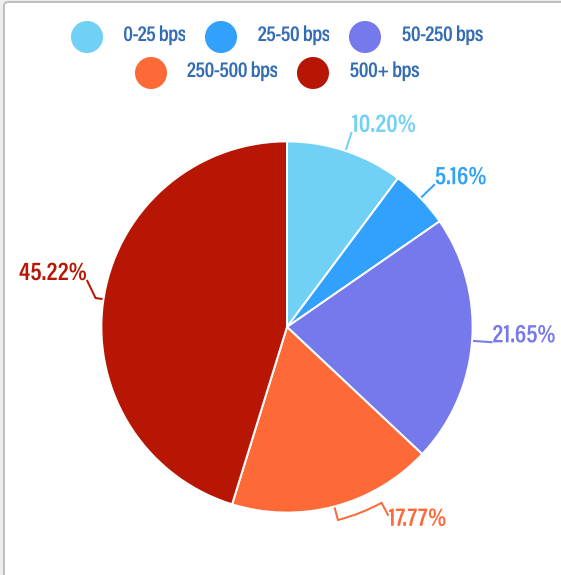
REVENUE

\$504.72 Million **+2.1%**

FEES

80.68 bps **-4.9%**

Equity Revenue By Fee Band

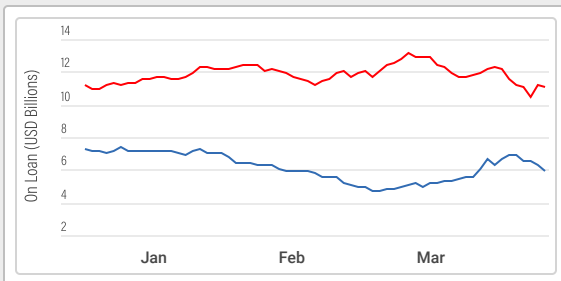


Top Equity Earners

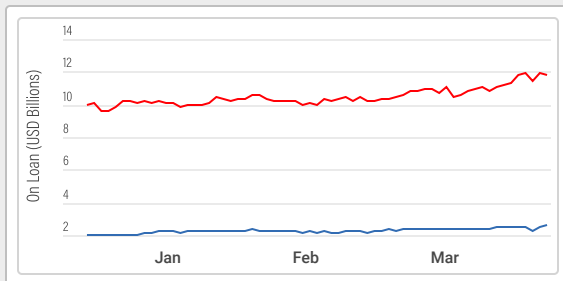
Security	Revenue (USD)
JAPAN POST BANK CO LTD NPV	7,202,657
POP MART INTL GRP LTD	6,254,844
TIANNENG POWER INTERNATIONAL LTD	5,619,151
EAST BUY HOLDING LIMITED	5,552,880
CHINA AIR LINES	4,740,208
SMOORE INTL HDGS LTD	4,705,378
NAN YA PRINTED CIRCUIT BOARD CORP	4,115,016
SHANGHAI JUNSHI BIOSCIENCES CO	4,085,349
SNOW PEAK INC NPV	4,063,708
EVA AIRWAYS	3,270,722

Offshore Vs Onshore Loan Balance

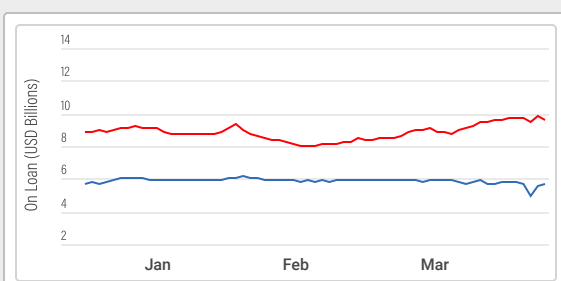
Australia



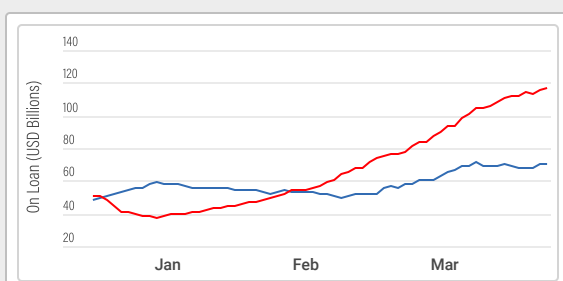
Korea



Taiwan



Japan

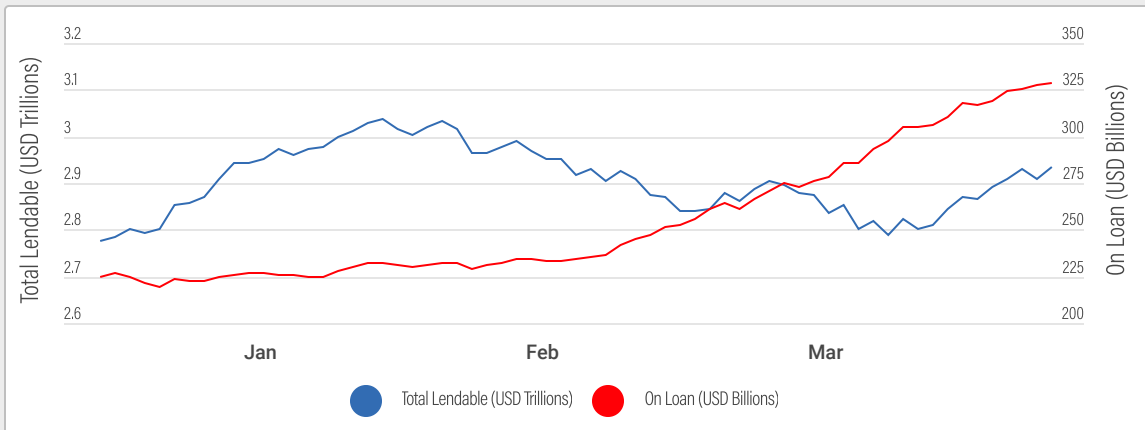


● Onshore ● Offshore

ASIA PACIFIC

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On Loan Vs Lendable



Top Sectors By Revenue

Information Technology



\$105.73M

\$28.85B

149.21 bps

Industrials



\$71.55M

\$38.39B

76.50 bps

Consumer Discretionary



\$66.66M

\$33.02B

82.19 bps

Health Care



\$45.94M

\$15.06B

124.25 bps

Financials



\$41.92M

\$25.48B

67.36 bps

Materials



\$36.04M

\$16.27B

90.46 bps

Revenue (USD)

Loan Value (USD)

Fees (bps)

Market Breakdown

	Market	Lendable	Delta	On Loan	Delta	Fees	Delta	Revenue	Delta
EQUITY	Japan	\$1.13T	-7.7%	\$127.29B	18.8%	52.34	16.5%	\$161.32M	37.8%
	Taiwan	\$97.78B	-17.4%	\$14.72B	-17.3%	278.54	-5.9%	\$100.96M	-22.2%
	Hong Kong	\$583.18B	-4.9%	\$29.85B	0.1%	12712	42.2%	\$93.41M	42.6%
	Korea, Republic of	\$163.19B	-15.2%	\$12.70B	-7.9%	167.65	-29.4%	\$52.27M	-35.2%
	Australia	\$460.67B	3.5%	\$18.50B	-13.4%	68.42	-16.5%	\$31.10M	-27.6%
	Thailand	\$31.93B	8.0%	\$1.54B	-15.8%	336.59	-9.3%	\$12.77M	-23.7%
	Singapore	\$59.43B	5.6%	\$2.27B	26.5%	88.80	-14.4%	\$5.02M	9.1%
	Malaysia	\$9.99B	-15.5%	\$460.61M	-11.5%	404.76	-21.5%	\$4.60M	-28.3%

Q1 2023 for the Record Books

David Poulton & Keith Min

Product Specialists, Data & Analytics Solutions

The Data and Analytics division of EquiLend has observed many revenue-impacting corporate events in recent years; Naspers in 2021 and 3M last year, to name a few. Both of which resulted in huge rate spikes over record date as lenders and borrowers actively participated. What happens when a meme stock with a massive retail following decides to merge its common stock with freshly issued preferred shares...? A huge arbitrage opportunity, a class action lawsuit, and a securities lending top earner that single handedly drove average fees and revenue to new heights. Join the Data and Analytics team for a look back on AMC Entertainment and other drivers for the \$2.8 billion in revenue generated for lenders in Q1 2023, the most in a quarter since Q2 2018.

All Eyes on Meme

When AMC Entertainment announced plans to equally merge the common stock, AMC, with their preferred shares, APE, a huge arbitrage opportunity arose due to the large spread between the stock price for AMC and APE, which was exacerbated by retail support for the common stock. Fees for borrowing AMC increased to unusually high levels as short positions became more difficult to source. Revenue for AMC common stock came in at \$181 million for Q1 2023, which was more than the next three top earners for the quarter combined. In early April, a settlement was reached ending any uncertainty of a merger, however as with similar corporate events in the past, revenue will continue to follow until the effective date of the merger.

Regionally, equities in North America had a stellar quarter. Revenue was up 40% as the cost of borrowing rose by 34% year-over-year. In EMEA, there was a 34% increase in revenue driven by a 32% increase in fees offsetting a 1% drop in loan values. Whilst APAC equities were the sole dip in the asset class, with Q1 2023 revenue down 1% year-on-year, there is plenty to look forward to in the region as the regulatory pressures eventually relax in South Korea and the Australia and Taiwan markets continue to shine as COVID restrictions finally ease.





Raising Rates: The Good

Throughout the first quarter of 2023 global banks have continued to raise interest rates to curb inflation. Lending revenue in the Corporate Debt asset class increased by 66% year-on-year, in response to the rise in yields. Investment grade debt (ratings AAA to BBB-) fared well with a 71% increase in revenue while high yield debt observed a 63% increase. As in 2022, fees were the primary driver increasing from 27 bps in Q1 2022 to 45 bps in the last quarter. According to [CME Group's FedWatch Tool](#), rate cuts in the US are plausible as early as Q3 of this year which should have an impact on corporate debt revenue in the coming quarters. Read more on this with a detailed analysis of Corporate Debt performance in the quarter later in this edition.

Raising Rates: The Bad

Loan balances for global government debt dropped dramatically by 13% in Q1 2023 as the top 5 markets each experienced near double-digit declines. While a 2-basis point increase in fees resulted in a 9% year-over-year increase in revenue, the first quarter of 2023 saw a decrease in revenue of 5% when compared to Q4 2022. The tables on the next page show the top 5 markets by revenue where US Treasuries earned more than UK, Canadian, German and French government debt combined. In each market the relative drops in balances are offset with an increase in fees resulting in year-on-year revenues in both positive and negative territory.

Raising Rates: The Ugly

The regional banking industry shook as Silicon Valley Bank collapsed in mid-March. The increasing interest rate environment heavily depreciated the US Treasuries held by the bank and plans to raise capital caused clients to withdraw their deposits. Since then, several other regional banks have been under the microscope and the impact on the securities lending market was immediate.

Many regional banks instantly became hard-to-borrow, resulting in a 13% revenue increase for the banking sector over Q1 of the prior year. The average fees increased by 2.5% and on loan balances dramatically increased by 10%, mainly driven by the last few weeks of the quarter. Additional coverage is available in this edition of the Purple, "Analyzing the Impact of the 2023 Banking Crisis on Securities Lending."

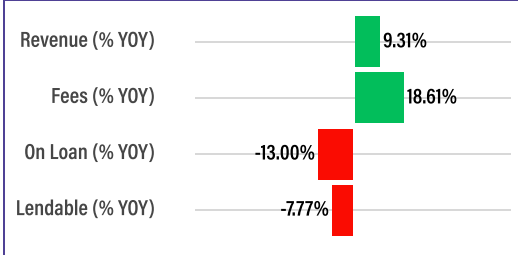
The team at EquiLend Data & Analytics is keen to explore new and exciting insights into the aggregated data that we collect, sanitize and share either directly with our clients, or the wider marketplace. In case you are not already following or subscribed our various social media and publicly available outlets we have listed below some useful links:

Click [here](#) to access our new Monthly Market Snapshots, which complement our more detailed quarterly infographics presented in [The Purple](#). DataLend Daily Market Updates are available on our Research page [here](#) or via our Twitter feed [here](#). Don't miss our series of "Securities Lending Perspectives" into the AMC/APE activities during Q1, along with other market intelligence on our [Research page](#). Please follow us on [LinkedIn](#) and bookmark our [press releases](#) for regular updates.

Q1 2023 Government Debt

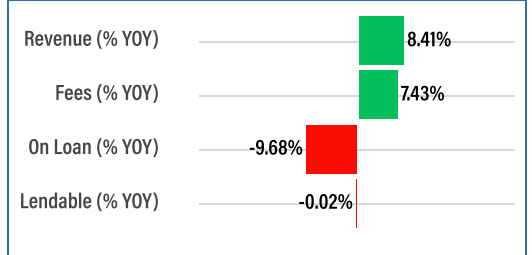
Global

Revenue (USD)	Fees (bps)
\$425,906,389	13.24



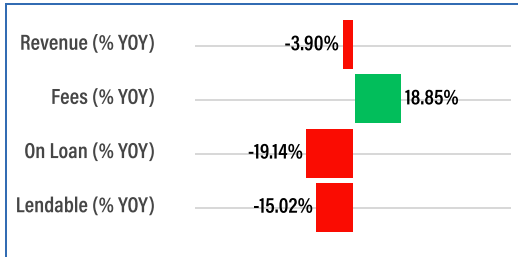
United States

Revenue (USD)	Fees (bps)
\$220,816,100	10.29



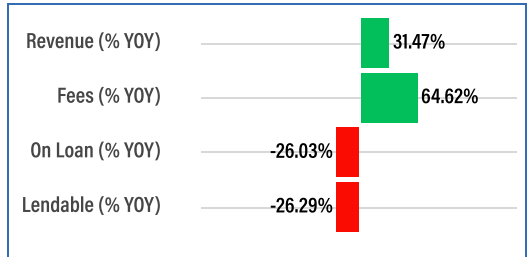
Canada

Revenue (USD)	Fees (bps)
\$37,343,986	13.61



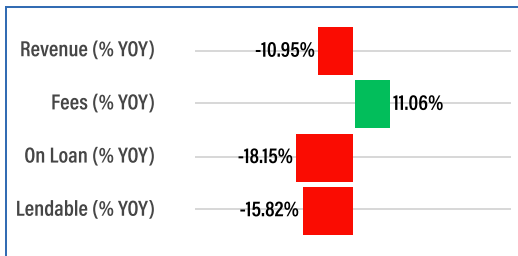
United Kingdom

Revenue (USD)	Fees (bps)
\$40,367,484	23.73



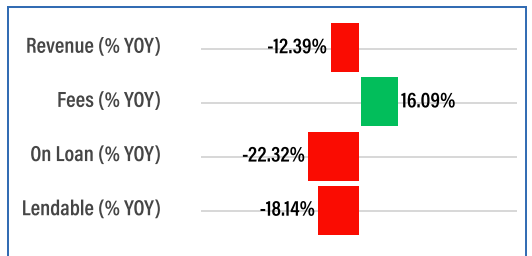
Germany

Revenue (USD)	Fees (bps)
\$31,583,123	16.77



France

Revenue (USD)	Fees (bps)
\$30,346,241	18.90



Analyzing the Impact of the 2023 Banking Crisis on Securities Lending



Alec Rhodes

Product Specialist, Data & Analytics Solutions

The collapse of Silicon Valley Bank sent shockwaves throughout both the U.S. and global financial sector. While the 2023 banking crisis will likely not be a watershed of the same magnitude as the collapses of 2008, it was a true test of the system and unsurprisingly had a significant impact on the securities lending market.

A Sudden Decline

Intrinsically, securities lending activity is analogous to the short selling market. As a result, it logically follows to turn a curious eye to banking sector securities lending data in the lead up to the March 10th tipping point, when a bank run led to the failure of Silicon Valley Bank.

Looking at SIVB specifically, short sellers did not appear to be overtly bearish, even as the stock's price tumbled significantly throughout 2022. Looking at the volume of loan activity in 2022, the average utilization of lendable shares was just 4.1% and was just 2.7% on March 8, 2023. From a fee perspective, lenders were also not placing a premium on the security, with the average fee to borrow SIVB firmly in the general collateral (GC) category.

The data for Signature Bank, which failed just two days after SVB, tells a similar story. The average industry utilization in the preceding year was only 2.1% and shares were lent to brokers at GC fees.

Immediate Impact

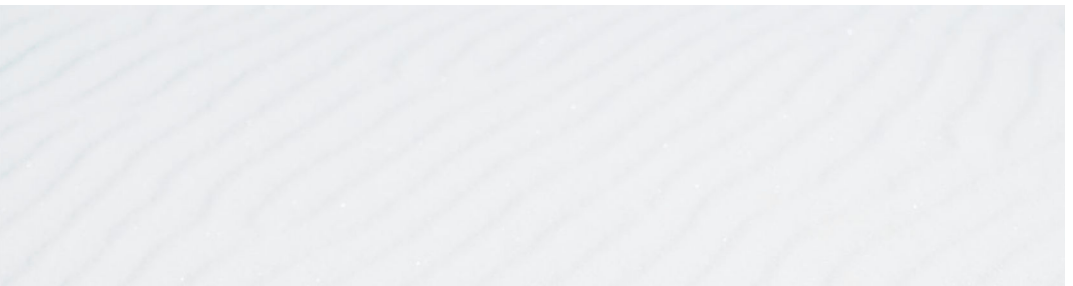
In the aftermath of Silicon Valley Bank's failure, a swathe of U.S. based regional banks as well as several large international banks became the focus of investor concern. Several of these institutions had recently faced capital challenges dealing with macroeconomic headwinds and were poised to bear the brunt of additional bank runs or systemic failures. The following chart compares average utilization and fee change for ten of the most impacted banking securities. It highlights the stark increase in loan activity since the failure of SVB compared to the rest of 2023.

		Since SVB Collapse (March 10 - March 29)		
		Fee Change vs Jan 1 - Mar 9	Avg. Utilization	Utilization Change vs Jan 1 - Mar 9
SI	SILVERGATE CAPITAL	+272%	74.7%	-17.4%
FRC	FIRST REPUBLIC BANK	+12387%	43.6%	+41.0%
PACW	PACWEST BANCORP	+6221%	32.4%	+30.3%
WAL	WESTERN ALLIANCE BANCORP	+3598%	10.8%	+9.8%
MCB	METROPOLITAN BANK	+1667%	4.6%	+2.1%
CSGN SW	CREDIT SUISSE GROUP (REGD)	+1657%	53.5%	+36.7%
CS	CREDIT SUISSE GROUP SPON ADR	+219%	58.0%	+9.9%
ZION	ZIONS BANCORPORATION	+1135%	9.3%	+7.4%
BOH	BANK OF HAWAII CORP	+563%	26.7%	+5.5%
UBSG SW	UBS GROUP AG (REGD)	+360%	7.4%	+5.1%

In response to the crisis, both central and multinational banks took extraordinary measures to secure depositors and infuse the system with much-needed liquidity. From a securities lending perspective, these stabilizing efforts seem to have been effective but have not eliminated uncertainty. Utilization and fees among regional banking securities remain high when compared to historical norms. However, broadly speaking, these metrics hit a relative peak on March 16th and experienced moderate cooling in the weeks since.

Analyzing KRE, a SPDR Series ETF which tracks regional banks among the S&P 500, cost-to-borrow has fallen 66% since the post-failure peak (as of March 29th). Interestingly, industry utilization of the ETF was nearly 100% in the run up to the SVB failure. This potentially indicates that investors saw short opportunities in the regional banking sector but weren't confident in which banks were at the greatest risk as the underlying constituents did not experience nearly the same demand.

As more time passes from the depths of the crisis, securities lending participants will be closely monitoring if and when activity returns to "business-as-usual" for these securities.



Corporate Debt Revenue Rises, Alongside Interest Rates & Inflation



Cameron Cole
Product Specialist, Data & Analytics Solutions

Global View

In a volatile macroeconomic environment, the fixed income market continued its robust securities lending performance in Q1 2023, generating \$666 million in revenue, up 25% YoY. The period continued to be characterized by rising interest rates and inflation, forcing fixed income yields up and presenting an opportunity for directional trading. As a result, corporate debt continued to drive significant revenue gains throughout Q1 2023, generating \$240 million, equivalent to a 66% increase compared to Q1 2022. The uptick in corporate debt revenue was largely driven by an 67% increase in fees, while on loan and lendable balances remained steady.

Increases in corporate bond revenue were seen across both investment grade and high yield (ratings below BBB) debt. Revenue from investment grade corporate issuances were up 71% YoY, generating \$105 million, primarily attributed to a 69% increase in fees. On the other hand, high yield corporate debt produced \$135 million in revenue in Q1 2023, a 63% YoY uptick, arising from a 73% increase in fees while on loan balances were down 5%.

NORTH AMERICA



Regionally, the bulk of the revenue increase came from bonds issued by North American corporations, generating \$124 million in lending revenue, equivalent to a 96% increase compared to the same period in 2022. This impressive performance was primarily driven by a 92% increase in fees YoY. On the other hand, falling bond prices were counterbalanced by a 13% increase in the on-loan quantity of corporate bonds, resulting in balances remaining flat YoY.

The largest revenue-generating corporates in the region were SIX FLAGS 5.5% 15/04/2027, MPH A LLC 5.75% 01/11/28 and MICRO 0.125% 15/11/24; with a combined revenue of \$8.9 million. Most notably, SIX FLAGS 5.5% 15/04/2027 revenue was up over 6,200% compared to Q1 2022, with fees and on loan balances up 2,777% and 121% respectively. At an issuer level, SIX FLAGS was the number two revenue generating company, although there may be a short play on the one issuance maturing in 2027 as all other issuances traded GC and the common stock (SIX) has seen low demand for an extended period. 3M COMPANY issuances took the top spot, with a combined revenue of \$5.7 million spread out across four issuances all earning more than \$500,000.

North America - Top 5 Revenue Generating Issuances v Issuers

Corporate Issuance	Revenue \$	Issuer	Revenue \$
SIX FLAGS ENT CORP NEW 5.5% GTD SNR 15/04/2027 USD	3,202,249	3M COMPANY	5,657,430
MPH ACQUISITION HLDGS LLC 5.75% GTD SNR 01/11/28 USD	2,991,751	SIX FLAGS ENT CORP	3,215,379
MICROCHIP TECHNOLOGY 0.125% CNV SUB 15/11/24 USD	2,763,586	MPH ACQUISITION HL	3,000,023
BOOKING HOLDINGS INC 0.75% CNV SNR 01/05/25 USD	2,621,067	MICROCHIP TECHN LGY	2,765,739
DEXCOM INC 0.25% CNV SNR 15/11/25 USD	2,377,151	BOOKING HLDGS INC	2,646,308



Corporate debt continued its strong performance in EMEA, generating \$86 million in revenue, an increase of 46% compared to Q1 2022. Revenue gains can be credited to a 45% increase in fees while lendable fell by a moderate 12% and on loan balances stayed relatively unchanged at \$71.2 million. Most of the revenue came from French, German and British corporation debt, with combined earnings of over \$40.3 million.

The top three revenue-contributing issuances in EMEA were TEVAL 5.125% 09/05/29, THYSS 2.5% 25/02/25 and ARCEL 4.25% 16/07/29; with an accumulative revenue of \$2.1 million. However, at the issuer level, the finance sector took centre stage with BNP PARIBAS and HSBC combined issuances generating \$1.5 million and \$1.4 million, respectively.

EMEA - Top 5 Revenue Generating Issuances v Issuers

Corporate Issuance	Revenue \$	Issuer	Revenue \$
TEVA PHARMACEUTICAL FIN NETH III B 5.125% GTD SNR 09/05/29 USD	805,847	BNP PARIBAS	1,507,154
THYSSENKRUPP AG 2.5% SNR 25/02/25 '3	679,180	HSBC HOLDINGS PLC	1,380,998
ARCELORMITTAL 4.25% SNR 16/07/29	666,624	UNIBAIL-RODAMCO-WE	1,231,486
HSBC HOLDINGS PLC 6.25%-FRN T1 PERP	648,067	TEVA PHARMACEUTI.3	1,226,634
NOBIAN FINANCE B.V. 3.625% GTD 15/07/2026 EUR	525,183	EURO INV BANK	1,044,233

APAC



DataLend continues to see an increase in demand for APAC corporate debt, generating \$24.9 million in Q1 2023. Fees across the region averaged at 88.33 bps while on loan balances remained steady at \$11.4 billion. A standout sector for Asian corporate debt is real estate. The top earning APAC issuance for Q1 2023 was LONGFOR GROUP HLDGS LTD 4.5% 16/01/28, netting \$539,000, with combined issuances earning over \$840,000 for the quarter. Likewise, real estate issuer COUNTRY GARDEN HOLDINGS corporate debt generated over \$1.5 million overall in Q1 2023, far outperforming all other issuers in the region.

APAC - Top 5 Revenue Generating Issuances v Issuers

Corporate Issuance	Revenue \$	Issuer	Revenue \$
LONGFOR GROUP HLDGS LTD 4.5% SNR 16/01/28	539,367	COUNTRY GARDEN HLD	1,515,640
BAIDU INC 2.375% SNR 23/08/31	534,675	SOFTBANK GROUP CO	875,522
ALIBABA GROUP HOLDING LTD 2.125% SNR 09/02/31	481,067	BAIDU INC	850,363
MEITUAN 2.125% SNR 28/10/25	382,758	LONGFOR GROUP HLDG	842,149
TSMC ARIZONA CORPORATION 3.25% GTD SNR 25/10/51 USD	357,494	SINOPEC GRP OVR818	818,144

Following a banner year in 2022, corporate debt continued its solid revenue performance in Q1 2023 as rising interest rates and inflation persist. However, in the wake of several high-profile bank collapses, future central bank rate hikes have been questioned prompting some to speculate rate cuts towards the end of 2023, the impact of which remains to be seen.

Competitive Bid: Leveraging Real-Time Trading Data



Rebecca Branca
Product Specialist, Data & Analytics Solutions

Kickstarting in mid-March 2023, NGT, EquiLend’s renowned trading platform, launched an exciting new workflow for clients – Competitive Bid. In an effort to drive greater automation in the specials market, Competitive Bid allows both Lenders and Borrowers to indicate hard-to-borrow flags when they initiate trades. Users can access Competitive Bid through a new screen within the current NGT UI or by ingesting a fully automated solution in their prop system. While in the Competitive Bid screen, users also have the benefit of viewing securities and assets that have been marked as “competitive” from other parties. Since its launch, 72% of Competitive Bid trades have been executed at rates greater than 300 bps!

Outside of a new trade initiation type, Competitive Bid leverages the technology of the EquiLend Data & Analytics suite to integrate data from across the wider EquiLend product suite, which covers the complete trade and regulatory lifecycle. Alongside a list of their active orders, users can compare their book to recent transaction level metrics provided by NGT, including the ability to view the Highest Bid and Lowest Offer submitted via Competitive Bid for a given security today. Piped in directly from EquiLend’s Post-Trade Suite, users can also view their open contracts, outstanding quantities and weighted average fees with each counterpart on competitively listed securities.

To provide greater market transparency, Competitive Bid leverages data from two Data & Analytics solutions: DataLend and Real-Time Data. The DataLend data supplies Competitive Bid users with unparalleled insights into inventory availability, upcoming corporate events and industry utilization on a security level basis to allow for greater control over their trading decisions. Additionally, the Real-Time dataset allows users to be better informed and enhance their trading decisions intraday by showcasing the latest executed trades across the industry along with the current Lender-to-Broker benchmark rate.

Competitive Bid Screen

REAL-TIME DATA

The screenshot displays the EquiLend Competitive Bid Screen for security BBY. It includes several key sections:

- Sec ID Table:** Lists securities such as GHE, BLNK, EVGO, and BBY with their respective bid and IOI counts.
- Insights Panel:** Provides key metrics like DL Rate (25.78%), % of Available Shares (<1%), and Highest Bid/IOI (2,304.83%).
- Real-Time Data Panel:** Shows lender-to-broker summary and today's transactions with columns for Loan Quantity, Rebate (%), Fee (%), and Type.
- Outstanding Loan Summary:** A table at the bottom right showing Outstanding Loan Qty (1,080,800) and Outstanding Weighted Fee (%). A callout box highlights these values.

Outstanding Loan Qty	Outstanding Weighted Fee (%)
1,080,800	23.27
74,800	24.15

POST-TRADE SOLUTIONS

Insights

- DL Rate: 25.78 %
- % of Available Shares: <1% (6,000 of 4,822,492)
- My Last Transaction: 1,100 @ 24.00 %
- Highest Bid/IOI: 2,304.83 %
- Lowest Offer: 27.83 %
- No Of Bids/IOIs: 10
- No Of Offers: 11
- Industry Utilization: 92 %
- GICS Sector: Consumer Discretionary
- Upcoming Corporate Action(s)

DATALEND

NGT

DATALEND

For more information on using EquiLend Competitive Bid on NGT, contact us at EquiLendCRM@equilend.com.

At a glance, the release of Competitive Bid demonstrates EquiLend’s understanding of the necessity for innovation in the securities lending space. With the development of Competitive Bid coming to fruition, the project also highlights the importance and advantage of integrating the many solutions found here at EquiLend for our team and especially our end users. As momentum for Competitive Bid continues to build, our mission continues to be the close monitoring of the growing wants and needs of our clients to drive innovation across EquiLend.

Top 10 Traded Securities on EquiLend Competitive Bid		
Rank	Ticker	Security Description
1	CACC	CREDIT ACCEPTANCE CORPORATION COM
2	MSTR	MICROSTRATEGY COM CLASS A
3	WBX	WALLBOX N V A
4	BYND	BEYOND MEAT INC COM
5	SBBB SS	SAMHALLSBYGGNADSBOLAGET I NORDEN ABSER'B'NPV
6	EMBRACB SF	EMBRACER GROUP AB SER'B'NPV
7	SBBB SF	SAMHALLSBYGGNADSBOLAGET I NORDEN ABSER'B'NPV
8	LAC CN	LITHIUM AMERICAS CORP COM NPV
9	JWN	NORDSTROM INC COM NPV
10	SINCH SF	SINCH AB NPV

Competitive Bid in First Month Live	
Total Offers	6,919
Total Bids	1,709
Unique Lender Orgs	30
Unique Borrower Orgs	29
Unique Users	546

Region	Americas	EMEA
Total Offers	5,825	1,094
Total Bids	1,311	398
Lender Org Count	18	21
Borrower Org Count	29	12
User Count	182	142



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