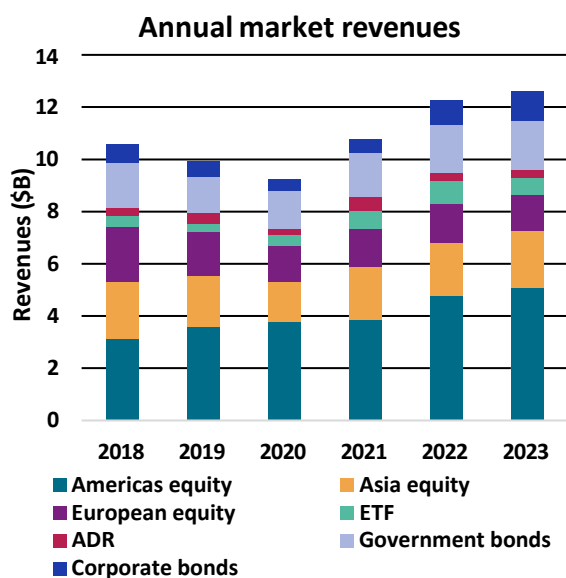


Unlocking value: exploring the current dynamics of the securities lending market.

Following a banner year of market revenues during 2023, what does 2024 have in store for all members of the securities lending value chain?

In 2023, the market saw its highest revenues in over 15 years. However, not all participants in the securities lending value chain benefited equally, as market concentration in a relatively small number of stocks resulted in significant revenue disparities.



Throughout the first quarter of 2024, stock markets have maintained their ascent, driven by decreasing inflation, dovish central bank remarks, and additional waves of enthusiasm surrounding artificial intelligence. Consequently, securities lending activity has dwindled, and market revenues have moderated. Short interest in EMEA equities reached its lowest point in a decade during Q1 2024, while specials activity in the Americas remained lackluster. Across Asia, securities lending markets faced several challenges, including short selling bans and regional economic downturns.

Heading into Q2, securities lending activity has been on the rise; nevertheless, several challenges persist. Regulatory changes and the transition to T+1 settlement across the Americas will continue to affect all stakeholders in the value chain. Geopolitical risks are on the rise globally,

and markets are continually adjusting their expectations regarding future interest rates.

Despite these challenges, the securities lending market remains adaptable and responsive to change. New markets and opportunities are emerging, while advancements in data and technology are revolutionizing workflows and decision-making processes. Additionally, ongoing product innovation is creating new sources of liquidity.

To learn more about how the securities lending value chain is unlocking value please join us at our upcoming Securities Finance Forum at One Moorgate Place on May 16th, 2024, between 12:30pm – 7:00pm where market leaders will be discussing the past, present, and future of the securities lending markets. To register and to see the agenda please click [HERE](#).

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