

April 2008

## Dear Reader

Securities lending and borrowing (SLB) is a dynamic, rapidly growing market and the number of participants is continuously increasing. For market participants, the burgeoning interest in this business field means on one hand a broader range of counterparties and trading opportunities but, on the other, more and more directives, increased standardization, heightened competition and the related pressure to maximize profits. As a result of these developments, there is growing demand for a fast means of accessing SLB facilities as well as for efficient trading and settlement processes. Electronic markets, such as Eurex SecLend, that offer innovative systems are being increasingly sought.

In order to keep pace with this long-term trend and simultaneously afford participants future-oriented solutions, the Eurex SecLend team has been reinforced in the area of sales & marketing.

Samuel Akermann joined the team in July 2007 and is working as an Account Manager in the areas of Eurex SecLend and the Eurex Repo CHF market. Samuel previously worked as a Key Account Manager for a U.S. foreign exchange company based in Zurich.

We are also pleased to welcome Malcolm Stevens as Sales Manager for Eurex SecLend. Malcolm joined the team in January 2008 and is based in London to develop the British Isles market. Malcolm's experience spans over 25 years in the European financial markets with names as Reuters, Knight Ridder Thomson Financial and SunGard.

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With its reinforced team of experienced, specialized and committed professionals, Eurex SecLend is pleased to support market participants by offering them profitable, tailor-made solutions for trading efficiently via an electronic marketplace.

Should you have any questions or require further information in the regard, please feel free to contact the Eurex SecLend team at T +41-58-854-2066 or via [info@eurexsecend.com](mailto:info@eurexsecend.com).

## Interview with Roland Schoch, Head of Collateral Trading, Bank Vontobel AG, Zürich

**Dear Mr. Schoch, you are an expert in the Securities Lending business. Could you please introduce yourself to our readers?**

*I've been working in the Securities Lending Business since 1991; having started my career at SBC Zurich which later on merged with UBS. Then I worked four and a half years at Bank Julius Baer where after I joined Bank Vontobel AG, Zurich, where I have been in charge of the Securities Lending Business since 2004.*



**In the last few months the financial world has been shaken by the sub-prime crisis in the United States. What are the impacts of this crisis on the Securities Lending Market?**

*Indeed the Securities Lending and Repo markets have been affected by the sub-prime crisis as well and we are currently facing a difficult time. Discussions with credit and risk specialists regarding risk limits and collateral parameters are an important part of our daily job. The collateral management teams have to make sure that at any time they have sufficient collaterals on their books – and of increasing importance: collaterals of the right quality.*

**What has changed in your daily work due to the current market situation?**

*We can only again address that the demand for good collateral quality including cash has changed dramatically over the past few months. Therefore as a lender Bank Vontobel AG is taking advantage of higher fees paid, especially on the bonds side and for cash transactions. Of course we would also have to mention at this point, that on the other side the financing costs increased heavily for borrowers. For Bank Vontobel AG it is absolute essential to know with whom we do business with – so our business partners' history, financials, reputations, etc. are extremely important to us.*

**Following a crisis such as this, do you envisage integrated electronic markets like Eurex SecLend establishing a stronger position compared to the conventional OTC market?**

*We believe that you need to have access to both markets in order to be successful – OTC and electronic platforms for best usage of efficiency and to be able to offer state-of-the-art professional services. In the difficult market environment we are facing these days it is important to react as quickly as possible and to trade immediately. This means you need to have quick access to all kind of securities including cash. Eurex SecLend covers all the before mentioned criteria.*

**In your view, does Eurex SecLend cover your expectations of an electronic Securities Lending market?**

*As already mentioned before, we absolutely believe so! Bank Vontobel would only wish to see more and more participants who actively use these tools and to benefit from it.*

**Many thanks Mr. Schoch for taking time to speak with us.**

## Customizing the Trade Slip

To customize the Trade Slip, proceed as follows:

Click on “Tools” on the menu bar and then select “Market Trade Slip Setup...”. (figure 1)



figure 1

The “Trade Slip Setup” window allows customization of the printable trade slips by selecting and removing relevant items. The items can be sorted by using the “Move Up” and “Move Down” buttons. (figure 2)

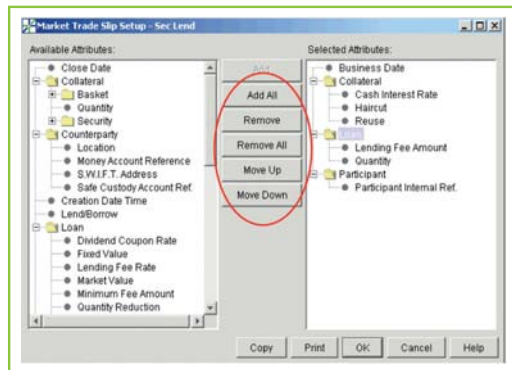


figure 2

To review the new setup before starting the Trade Slip generator (figure 4), click on “Print” and choose between:

- “Test slip to printer” to print a sample
- “Open in browser” to generate an online overview (figure 3)

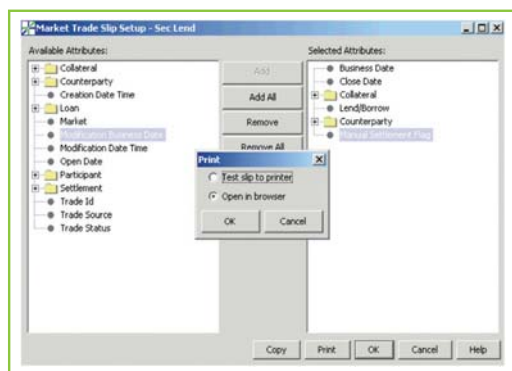


figure 3

To run the Trade Slip generator: Click “Tools” on the menu bar and select “Market Trade Slip”. (figure 4)



figure 4

## New Participants on Eurex SecLend

We welcome Cater Allen International Ltd, London and Paloma Securities Ltd, London as new Eurex SecLend participants from January 2008.

## Eurex Wednesday Night Fever Event @ the 17th Annual ISLA/RMA Conference on International Securities Lending in Prague on May 7, 2008



**We welcome you to celebrate with Eurex!**

As every year at the ISLA/RMA Conference on International Securities Lending we are organizing the "Eurex Wednesday Night Fever".

This year the event will take place at the Club Duplex ([www.duplex.cz](http://www.duplex.cz)) in Prague.

The invitation with further information will be provided in the delegate's bag at the conference.

## Your Direct Line to Eurex SecLend

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## Upcoming Events and Training from April to September 2008

	Place	Date
Repo & SecLend Bar	Zurich	April, 15
Eurex Wednesday Night Fever	Prague	May, 7
Euro'08 Repo & SecLend Bar	Frankfurt	June, 24
Repo & SecLend Bar	Vienna	September, 9
Pre-Summit Repo & SecLend Bar	Luxembourg	September, 30
Eurex SecLend Training	Zurich	April, 29
Eurex SecLend Training	Zurich	July, 8
Further Eurex SecLend Training		on request



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