

THE CHANGING SECURITIES FINANCE MODEL

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The securities finance and securities lending model is changing.

Clients are now looking at new strategies and new ways to compete in the market where they are introducing either levered strategies or short strategies that require solutions very different than what they typically looked at in the past. In the past they really saw us as an agent lender, lending out their longs - generate some incremental income. But now we are providing higher value capabilities to them as they look to enhance their investment activities.

Regulation and regulatory reform are not complete and will continue. Clients need to first take stock of the collateral they have, what do they have to post, where do they have to post and then they need to move it. And then when they run out of eligible collateral then they need our help in either financing, to create cash to pledge, or transformation and take ineligible and convert it to eligible collateral and post.

BNY Mellon Markets is helping our clients find solutions, find new routes to market.

To learn more about BNY Mellon Markets securities financing solutions go to bnymellon.com/securitiesfinance.

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