



Securities Lending Quarterly Review
Q3-2010

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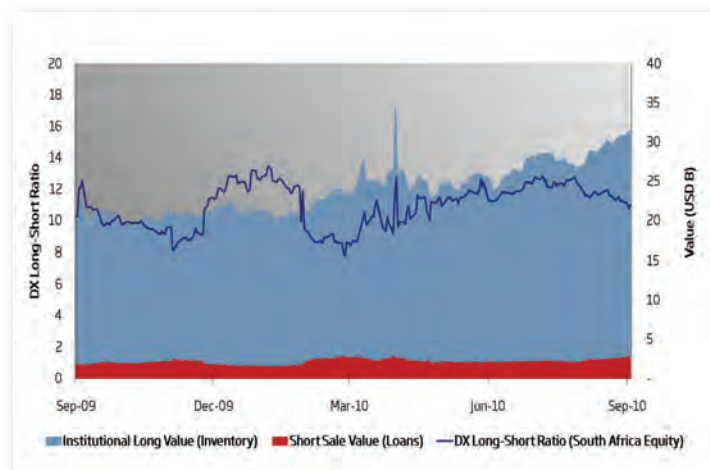
South Africa

The value of lending supply increased steadily by half in the year to date, during which time stock on loan rose from its annual low to over USD 3bn. Despite this appreciation, the LongShort Ratio is back to where it started at the beginning of the year with supply greater than demand by 10 to 1, although short sentiment has increased slightly in the last quarter. Utilisation has held steady over the European summer months and the SL fee over the year has appreciated to 60bp. Supply of government bonds has risen steady this year, while demand has fluctuated.

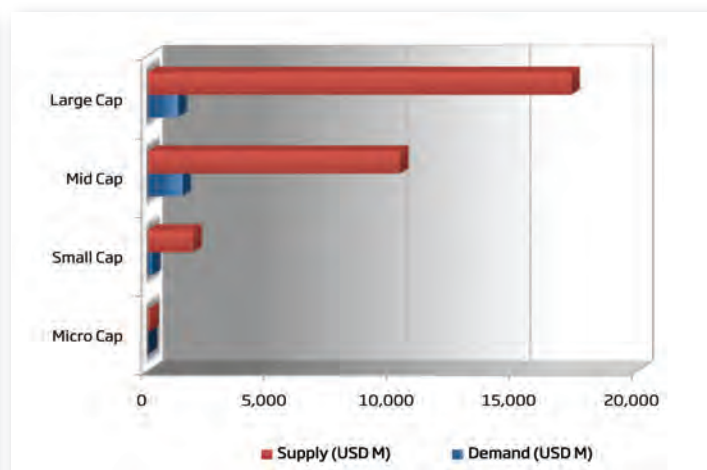
- 1) Data Explorers may not have captured many SA domiciled lenders' and as such the lendable asset base and total balances of SA securities could be far greater than shown in the graphs.
- 2) Some charts and graphs may show greater figures for balance on loan than lendable assets - the reason for this is that there may be borrowers contributing data to the Data Explorers database borrowing assets from lenders who do not contribute data to the system.

HSBC Principal/Agency Lending and Borrowing

Long Short Ratio



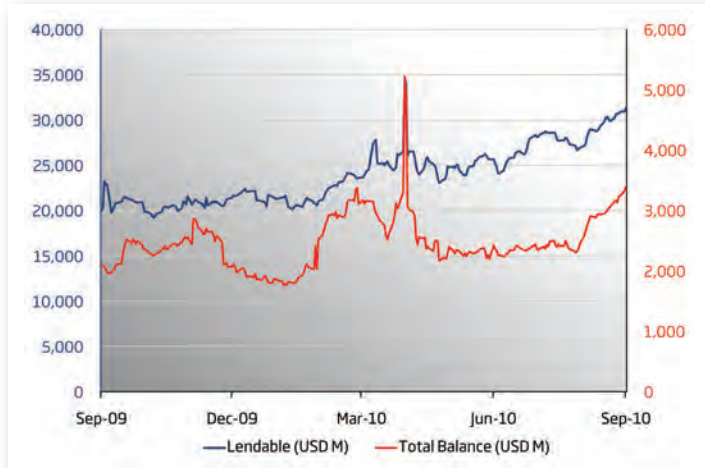
Supply - by market cap



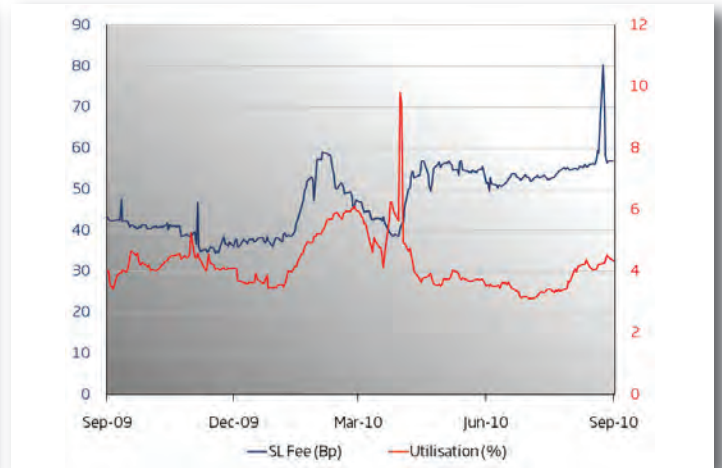
Securities lending market statistics

Asset Class	As at end September 2010		Group Average Results Quarter Ended September 2010			
	Lendable Assets (USD m)	Total Balance (USD m)	Utilisation (%)	SL Fee (bp)	Securities Lending Return to Lendable (bp)	Total Return to Lendable (bp)
South Africa Equity	31,321.10	3,383.50	3.68	54.69	1.70	1.88
ZA Equity (JSE 40)	25,202.00	2,255.40	3.21	39.68	1.09	1.28
ZA Equity (Others)	6,119.00	1,128.10	5.71	82.00	4.30	4.48
South Africa Govt Bonds	4,175.50	980.80	14.64	17.60	1.80	2.29

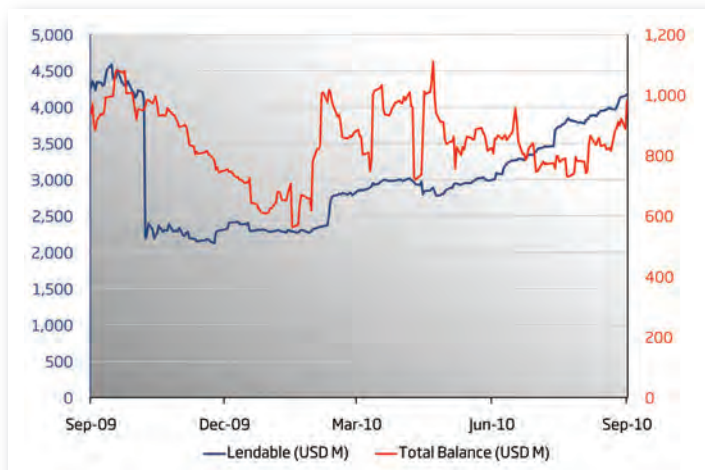
Equity - supply and demand



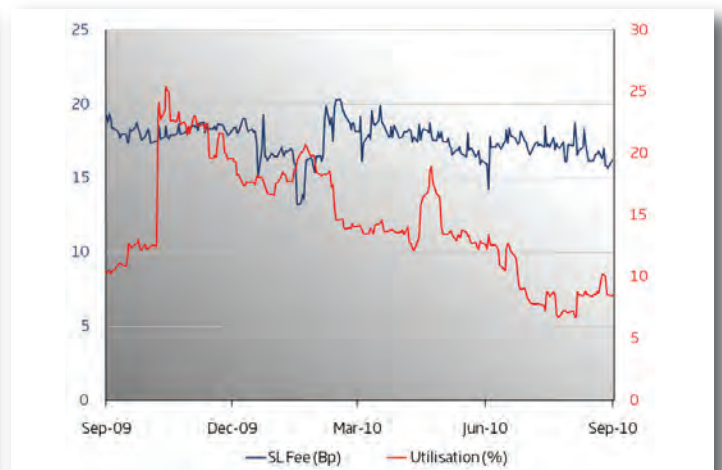
Equity - revenue



Government Bond - supply and demand

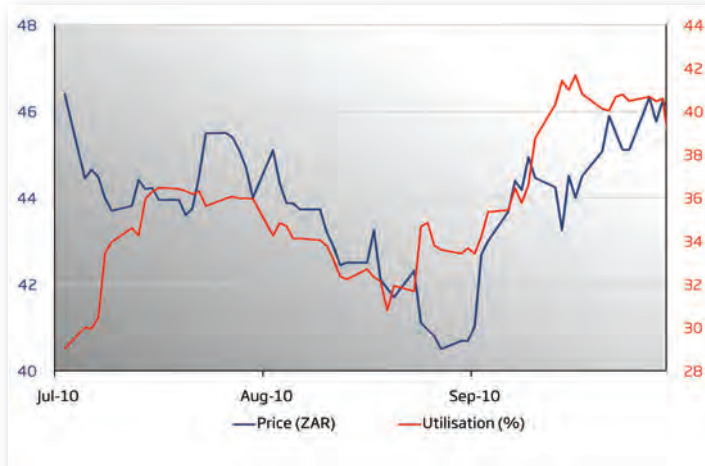


Government Bond - revenue



Security of the quarter

Northam Platinum Ltd



Security ranking by total return

Rank	Stock Description
1	Northam Platinum Ltd
2	Kumba Iron Ore Ltd
3	Anglo Platinum Ltd
4	Massmart Holdings Ltd
5	Nedbank Group
6	Great Basin Gold Ltd
7	Netcare Ltd
8	Gold Fields Limited
9	Steinhoff International Holdings Ltd
10	Bhp Billiton Plc



HSBC Principal /Agency Lending and Borrowing

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