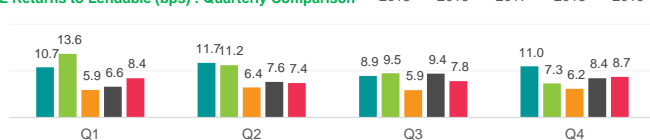


# Securities Lending Returns in MSCI AC Asia Pacific Ex Japan

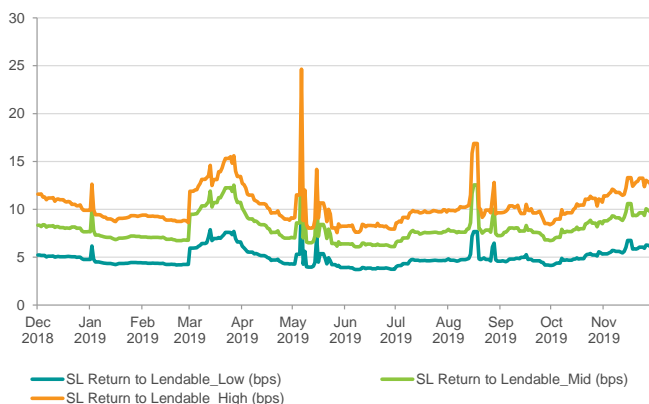


The MSCI AC Asia Pacific Ex Japan Index measures the performance of the large and mid cap segments across 4 of the 5 developed markets countries (Ex Japan) and 9 emerging markets countries in Asia Pacific. The index covers approximately 85% of the free float-adjusted market capitalization in each country. IHS Markit provides the securities lending return made from securities in the index since 2015 and further provides a break down by fee categories, top sectors & countries as well as the level of short interest in the index constituents. There are currently 620 securities on loan out of the 1271 securities in the index

SL Returns to Lendable (bps) : Quarterly Comparison



SL Returns to Lendable : Dec 18 to Nov 19



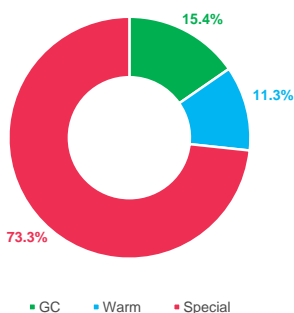
Indexed Short Interest	2015	2016	2017	2018	2019
End of Year Levels	134.8	142.0	142.5	142.1	92.4
YOY change	34.8%	5.3%	0.4%	-0.3%	-35.0%

Index base date : 1st Jan 2015

Period	SL Return to Lendable_Low (bps)	SL Return to Lendable_Mid (bps)	SL Return to Lendable_High (bps)
Annualized	2019 2018	2019 2018	2019 2018
Jan	4.5 4.4	7.2 6.9	9.3 8.7
Feb	4.3 4.0	6.9 6.3	9.0 7.8
Mar	6.8 4.2	10.9 6.6	13.6 8.0
Apr	5.0 4.1	8.1 6.5	10.3 8.2
May	4.8 4.3	7.7 6.8	9.9 8.6
Jun	3.8 6.0	6.3 9.5	8.1 12.6
Jul	4.5 5.7	7.4 9.2	9.5 12.9
Aug	5.2 5.8	8.4 9.4	11.0 13.6
Sep	4.7 5.9	7.6 9.6	9.7 13.6
Oct	4.9 5.5	7.9 8.8	10.1 12.0
Nov	5.9 5.3	9.5 8.5	12.3 11.4
Dec	- 5.0	- 8.1	- 10.8
YTD	4.9 5.0	8.0 8.0	10.3 10.6
Full Year	4.9 5.0	8.0 8.0	10.3 10.6
Dec 18 - Nov 19	5.0	8.0	10.3

## SL Revenue Contribution by Fee Categories

Annual Contribution by Fee Categories: Dec 18 to Nov 19



Period	GC Contribution		Warm Contribution		Special Contribution		Warm Securities		Special Securities	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Month	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Jan	20%	20%	11%	13%	69%	67%	99	90	134	96
Feb	21%	23%	11%	16%	68%	62%	100	92	116	91
Mar	13%	22%	8%	13%	79%	64%	98	90	114	96
Apr	17%	22%	9%	14%	74%	64%	94	91	112	96
May	17%	21%	15%	12%	68%	68%	98	93	107	98
Jun	18%	15%	17%	9%	65%	76%	96	114	99	134
Jul	14%	15%	14%	10%	72%	74%	99	113	90	134
Aug	13%	14%	10%	10%	77%	76%	96	108	87	144
Sep	14%	13%	12%	10%	74%	77%	93	108	83	144
Oct	13%	15%	12%	11%	75%	75%	107	112	75	142
Nov	10%	16%	9%	11%	81%	73%	104	104	80	146
Dec	-	18%	-	12%	-	70%	-	104	-	137

## Top Sectors & Countries by SL Revenue and SL Return to Lendable for Nov 2019

Top 3 Sectors by SL Return to Lendable	SL Return to Lendable (bps)
Automobiles & Components	146.0
Consumer Durables & Apparel	118.6
Pharmaceuticals, Biotechnology & Life Sciences	17.0

Top 3 Countries by SL Return to Lendable	SL Return to Lendable (bps)
Indonesia	145.8
China	25.6
South Korea	23.8

Top 3 Sectors by SL Revenue	SL Revenue Contribution
Automobiles & Components	30%
Consumer Durables & Apparel	21%
Pharmaceuticals, Biotechnology & Life Sciences	7%

Top 3 Countries by SL Revenue	SL Revenue Contribution
South Korea	34%
China	29%
Hong Kong	21%

### Notes

- SL Return to Lendable\_Low: Returns from securities lending relative to lendable value from all the lender funds who are part of the IHS Markit Securities Finance group
- SL Return to Lendable\_Mid: Returns from securities lending relative to lendable value from only those lender funds with active loans in respective market areas that are part of the index. Funds are classified as active on a daily basis for individual market areas. This metric is used in the report unless stated otherwise
- SL Return to Lendable\_High: Returns from securities lending relative to lendable value from only those lender funds with the highest loan value that represent 80% of the cumulative loan value in respective market areas that are part of the index. Funds are classified on a daily basis for individual market areas within the index.
- Indexed Short Interest: Indexed Short Interest tracks the daily change in short interest relative to market capitalization calculated for the MSCI index with an index base date of 1st Jan 2015 where the index is set to a base value of 100
- Country Classification: Country classification for common equity securities done by IHS Markit Securities Finance is based on the country in which the security is traded with the exception of depository receipts which are based upon the country of domicile
- Fee Classification: Securities with value weighted average securities lending fee of <= 35 bps are classified as GC, > 35 bps & <= 150 bps are classified as Warm and > 150 bps are classified as Special. This fee classification is done on a daily basis