Securities Lending Returns in MSCI Japan

The MSCI Japan Index measures the performance of the large and mid cap segments of the Japanese stock market. The index covers approximately 85% of the free float-adjusted market capitalization in Japan. 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 as well as the level of short interest in the index constituents. There are currently 321 securities in the index and all are on loan.

SL Returns to Lendable (bps) - Quarterly Comparison

Indexed Short Interest track the daily change in short interest relative to market capitalization calculated for the MSCI index with an Index base date: 1st Jan 2015.

Top Sectors by SL Revenue and SL Return to Lendable for May 2020

**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 as active on a daily basis for individual market areas within the index.

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.

SL Return weighting 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.