

H1 revenues were close to an all-time high

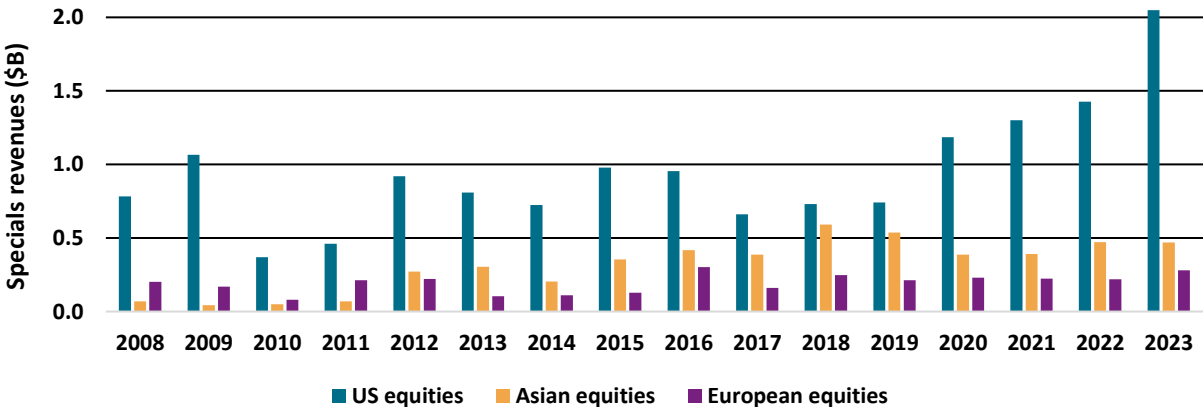
Securities lending specials revenues climbed to an all-time high during H1 2023, pushing total revenues to the second-best half year ever.

During the first half of the year, securities finance revenues reached levels not seen since 2008. Whilst being a little way off 2008 levels, the best year on record for revenues (H1 2008 \$8.4B), securities lending generated **\$7.02B** during H1 2023.

During Q1, \$3.414B was generated (+27% YoY) and during Q2 \$3.605B (+7% YoY) was generated. Over the period, strong average fees helped to push revenues higher. Across all equities, H1 average fees were 87bps (+19% YoY) whilst across government bonds average fees stood at 18bps (+34% YoY). Corporate bonds continued to experience strong demand and commanded an average fee of 46% (+47% YoY).

One of the strongest drivers of revenues throughout H1 was seen in the specials market (loan agreed with a fee > 500bps). US equity specials experienced their best half year period ever, generating \$2.049B in revenues. This represents a 44% increase YoY.

Equity specials revenues by region (\$B)



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All the top ten generating stocks over the H1 period were US equities. AMC alone generated in excess of \$450M over the first six months of the year as the arbitrage opportunity between the preference and ordinary shares sent utilization and average fees higher.

Top 10 Equity revenue generators - H1 2023

Ticker	Name	SL Revenue (\$M)	Market	Sector	SEDOL
AMC	Amc Entertainment Holdings Inc	456.41	US Equity (Others)	North America Media and Entertainment	BH4HLL3
BYND	Beyond Meat Inc	126.63	US Equity (RUSSELL 2000)	North America Food, Beverage & Tobacco	BJ1FDK7
LCID	Lucid Group Inc	116.71	US Equity (Others)	North America Automobiles & Components	BPOTR77
UPST	Upstart Holdings Inc	93.38	US Equity (RUSSELL 2000)	North America Financial Services	BL53QN5
GME	Gamestop Corp	76.96	US Equity (Others)	North America Consumer Discretionary Distribution & Retail	BOLLFT5
SIRI	Sirius Xm Holdings Inc	60.06	US Equity (Others)	North America Media and Entertainment	BGLDK10
NKLA	Nikola Corp	59.90	US Equity (RUSSELL 2000)	North America Capital Goods	BMBM6H7
MSTR	Microstrategy Inc	56.04	US Equity (RUSSELL 2000)	North America Software & Services	2974329
FSR	Fisker Inc	51.42	US Equity (RUSSELL 2000)	North America Automobiles & Components	BNKD957
QS	Quantumscape Corp	50.66	US Equity (Others)	North America Automobiles & Components	BMC7328

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Heading into the second half of the year, elevated average fees continue to produce healthy returns. As the economic situation starts to evolve with a decline in the pace of interest rate hikes, a reduction in inflation and ever-increasing equity markets driven higher by the interest in artificial intelligence, H2 is shaping up to be just as interesting as H1.

For more information on how to access this data set, please contact the sales team at:

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