



Japan's SuMi Trust Joins EquiLend's Sec Lending Platform

Electronic securities lending and borrowing platform EquiLend has nabbed its first Japanese domestic bank- Sumitomo Mitsui Trust -- as a client.

The mandate is a major win for EquiLend which is trying to expand its footprint in the Japan where international firms such as BlackRock and Goldman Sachs are also clients.

Japan trails the U.S. as the second largest market for EquiLend in terms of number of transactions completed by banks and broker dealers who operate in that market. Of the 25,000 transactions recently completed in a single day, 10 percent came from Japan-based firms while 79 percent came from the U.S. Japan represents EquiLend's largest market in Asia-Pacific followed by Australia.

"Having a bank of SuMi Trust's stature join the platform is a strong endorsement of EquiLend's suite of trading services and represents an important move for the business in the Japanese marketplace," says Brian Lamb, chief executive of the New York- headquartered EquiLend which is promoting itself to other Japanese banks.

SuMi Trust, as Sumitomo Mitsui Trust, is best known, went live on the EquiLend platform on March 30. The statement on SuMi Trust, issued by EquiLend, did not specify which office of the bank was using EquiLend and provided no details on SuMi Trust's securities lending practices. Nobuyoshi Fujii, senior manager in the London branch of SuMi Trust, was cited as praising the use of the EquiLend platform for "significant improved efficiencies," which would benefit clients.

SuMi Trust is one of the largest domestic custodian banks in Japan with \$770 billion in assets under custody; in addition to custody, it provides pension plan advisory and investment management. Officials at the Japanese bank could not be reached for further comment to elaborate on the merits of joining EquiLend, which has an additional 70 bank and brokerage customers.

As agents working on behalf of institutional investors, custodian banks are responsible for tracking down borrowers for the securities their clients want to lend to make extra revenues. Doing so through the EquiLend platform replaces a process which would otherwise be done by agent banks through phone, fax or proprietary emails to multiple potential borrowers. Users can list which securities they want to lend and borrow and the lenders and borrowers can be matched up when the lender agrees to a particular borrower's terms; it's a one-to-many approach.

Written by Chris Kentouris, Editor-in-chief (Chris can be contacted through Chris.Kentouris@hotmail.com)

