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## **Thailand Depository offers bond lending and borrowing**

Thailand Securities Depository Co., Ltd. (TSD) now provides bond lending and borrowing. The service, which began on December 25, 2006, will boost liquidity in the bond market, lower TSD members' costs, reduce processing time, and minimize settlement defaults.

TSD's bond lending and borrowing service began on December 25, 2006. Initially the service will include only those bonds deposited at TSD, TSD CEO Ms.Sopawadee Lertmanaschai said.

Depository members can send lending or borrowing requests electronically, which will be matched and confirmed by the system. Subsequently the lent or borrowed securities will be transferred online.

The securities price will be mark-to-market daily, and collateral will be sought on the following day if there's a discrepancy. TSD will report and monitor any corporate actions required by counterparty contracts. The service includes status reporting through the borrowing period, follow-up, and coordination in cases of default.

"TSD believes that this service will enhance liquidity in the bond market and eliminate the necessity and cost of members developing and staffing their own systems. Moreover, it will increase the industry's efficiency and minimize settlement defaults," TSD CEO said.

For more information on TSD's new service, please see [www.tsd.co.th](http://www.tsd.co.th)

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