

## **Securities lending by Swissquote: Extra income from the securities you already own**

**Swissquote, the Swiss leader in online banking, offers its clients a new opportunity for additional income: They can lend their investment assets to reputable financial institutions for a monthly income while continuing to receive dividends and retaining the right to sell their securities at any time.**

Individual stocks and ETFs (exchange traded funds) are among the most attractive investment instruments, promising long-term value growth and returning profit participation in the form of dividends or other payments. By temporarily lending them out, clients can generate an additional income.

Swissquote is introducing securities lending for all its private clients right from within their bank account and app. No minimum deposit is required for qualification. Initially, shares and certain ETFs are eligible for lending. Swissquote intends to expand this option to more asset categories in the future. Depending on demand, the net client return rate for loaned securities can be up to 1% yearly with monthly pay-outs. For some securities the return can even exceed 5%.

Participation requires explicit registration with the acceptance of an agreement, including explanations on the risks. Swissquote clients can activate the "Securities Lending" option for their entire portfolio online or exclude specific securities via customer service. Swissquote remains the customer's interaction counterpart throughout the process.

Securities are only lent to reputable, top-tier banks and financial institutions, who often borrow securities to ensure the smooth running of capital markets. For instance, they may borrow assets to support the timely settlement of trades or as collateral. During the loan period, customers still profit from any value increase and receive – in addition to the lending income paid by the borrower – any income earned by the assets themselves, including dividends in the form of cash payments. They can also sell their assets anytime. However, they cannot vote in shareholder meetings during the loan period and may receive cash payments in lieu of regular dividends.

Securities lending is mainly demand-driven and depends on a match with an interested borrower. Generally, assets with a liquid supply are in low demand while rarer assets have a greater potential to be loaned out and yield greater returns. While they are on loan, Swissquote holds a collateral equivalent to 105% of the value of the loaned assets as a guarantee. The loan ends either by decision of the involved parties or when the customer decides to sell his loaned-out asset.



For this new offering, Swissquote partners with the securities lending specialist Sharegain. Based in the financial hubs of London and New York City, Sharegain provides years of experience in this field and direct access to interested borrowing institutions.

Jan De Schepper, Chief Sales and Marketing Officer of Swissquote says: "Securities lending has long been an attractive option only for investors with large investments. Following a successful launch in Luxembourg, Swissquote is now opening this opportunity for all its clients (except US clients) regardless of portfolio size. They profit from convenient extra passive income from the securities they already own."

Boaz Yaari, Founder and CEO of Sharegain states: "We are delighted to partner with the fantastic team at Swissquote and deliver greater value to them and their clients. For too long, securities lending has benefited only the largest financial institutions."

More details can be found [here](#).

#### **Swissquote – The Swiss Leader in Online Banking**

Swissquote is Switzerland's market leader in online banking. Over three million financial products can be traded on its innovative platforms. Swissquote's core competencies include global stock market trading, trading and custody of crypto assets, Forex trading as well as savings and investment solutions. In addition, Swissquote is active in the payment card, mortgage and leasing markets. In addition to its headquarters in Gland, Switzerland, Swissquote has offices in Zurich, London, Luxembourg, Malta, Bucharest, Cyprus, Dubai, Singapore and Hong Kong. Swissquote holds banking licences both in Switzerland (FINMA) and Luxembourg (CSSF). Its parent company, Swissquote Group Holding Ltd, is listed on the SIX Swiss Exchange (symbol: SQN). The Swissquote Group and PostFinance each own 50% of the fintech app Yuh.

#### **About Sharegain**

Sharegain is a leading securities lending and capital markets infrastructure FinTech. Sharegain is democratizing the \$3 trillion securities lending market through its unique Securities Lending as a Services (SLaaS) solution, which empowers every investor with income-generating solutions that were previously the preserve of big financial institutions. Sharegain's end-to-end digital solution combines full control and transparency with minimal overheads or up-front costs, enabling online brokers, private banks, asset managers and custodians to lend their stocks, bonds and ETFs, and generate additional revenue for their own business and their clients.

[www.sharegain.com](http://www.sharegain.com)

#### **For further information**

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