

# Comunicato Stampa

DIFFUSO A CURA DEL SERVIZIO SEGRETERIA PARTICOLARE DEL DIRETTORIO E COMUNICAZIONE

Rome, 8 July 2019

## **The Bank of Italy will provide a securities lending service directly**

Starting on 15 July 2019, the Bank of Italy will directly provide a securities lending facility for Italian government bonds purchased under the Eurosystem's monetary policy programmes (PSPP and SMP), along with the main international central securities depositories (ICSDs) that have carried out this activity until now and will continue to do so on behalf of the Bank.

Through this facility the Bank of Italy, as is the case for the other Eurosystem national central banks, aims mainly at increasing the number of counterparties, reducing the cost of borrowing high-quality liquid assets and improving the liquidity and efficiency of the government bond market.

In providing this service, the Bank of Italy will be part of a regulated market, guaranteed by a central counterparty, according to the prevailing market standards. The Bank will operate through the regulated MTS Repo platform and Cassa di Compensazione e Garanzia (CC&G), trading anonymously vis-a-vis the other participants in this market.

Lending can also take place bilaterally ('over the counter'). With this procedure, the Bank also offers securities lending for other euro-area government bonds pertaining to non-monetary policy portfolios.

Bilateral lending can take place with counterparties that have already stipulated (or will stipulate) a master agreement with the Bank (EMA or GMRA) that covers repo and reverse repo transactions. Those who are interested in signing such an agreement can email the Bank at: [GER.prs@bancaditalia.it](mailto:GER.prs@bancaditalia.it).

For further information, please see the page on the Bank of Italy's website regarding Securities Lending that can be found in the section entitled 'The implementation of monetary policy and Emergency Liquidity Assistance' (<https://www.bancaditalia.it/compiti/polmon-garanzie/cspp/index.html?com.dotmarketing.htmlpage.language=1>).