

Financial Markets – Global Securities Finance

Synthetic Portfolio Solutions

Synthetic Portfolio Solutions (SPS) offers leveraged exposure to financial assets via OTC swaps or CFDs. This is commonly referred to as “synthetic” exposure as the counterparty receives all of the economic returns of a security without buying or selling it physically. Synthetic positions can replicate long or short positions in single securities, baskets, indices or entire portfolios of securities and can offer advantages over physical holdings or other derivatives. Resets and maturities can be customised to meet client demands and corporate actions and dividends are included in the swap returns. The range of underlying securities includes Equities, ETFs, ADRs/GDRs, Warrants & REITS.

Advantages of SPS

- **Enhance Returns** by trading on margin
- **Gain Market Exposure** without the associated costs of conventional equity trading
- **Establish Short Positions** without the administration of physical short selling or borrowing stock
- **Cost Savings** on custody and settlement charges
- **Trade Structures are Open Ended** there is no expiry or costly ‘rolling’ of contracts
- **Corporate Actions and Dividends** are reflected as an economic benefit when trading SPS
- **Capital Release** leverage your balance sheet and use your capital more efficiently, whilst maintaining your exposure to the stock, index, or custom basket, by replacing the physical position with an SPS structure
- **UCITS Compliant** - for leverage & short exposure
- **Preferred legal structure** – ISDA based documentation
- **Segregated Margin** – available
- **Multiple Currencies** - SPS Structures can be executed in most major currencies allowing clients to appropriately manage their risk.

NB – There are no voting rights with CFD

Electronic Order Routing

Orders in international equities, ETFs and Depository. Receipts can be routed electronically to ING with the option of Direct Market Access (DMA) or using International Execution and Connectivity (IE&C) desk. This London-based team also provides a 'one-stop shop' for order placing and post-execution support. The systems and networks that ING supports for the receipt of order flow are extensive and include Autex ATR, Bloomberg, Charles River, EzeCastle, Fidessa, Latent Zero, MacGregor, Reuters 3000 Xtra, TNS, ULLINK and VisualTrader.

Trading SPS with ING

- **Global Coverage** – ING offers SPS on global equities with unparalleled access to emerging markets
- **Rating** – ING Bank N.V has an A rating, in an AAA rated country
- **Top Tier Securities Lending** – Broad access to a range of securities, from International & Domestic Lenders
- **Flexibility** – ING can structure terms, resets & reporting to suit client needs
- **Execution** – via ING or external brokers (subject to approval)
- **Give-ups** – Via Bloomberg, Excel, Email or Traiana & UnaVista
- **Reporting** – Online, FTP or email consolidated & flexible reporting
- **EMIR Reporting** – ING offers delegated reporting solutions
- **Complete Synthetic Solution** – Settlement, reporting and FX are all handled in-house
- **Market Access** – Through its global footprint and local market knowledge, ING can offer access to both industrialized and EM
- **Integrated Platform** – Benefit from a global securities financing product with access to equity lending and repo, tri-party repo, equity swaps and fixed income
- **CFDs via a CCP** – ING was a founding member of LCH's CCP service. Giving clients the option of transacting via a CCP – subject to c/p approval and on-boarding

Flexibility

ING's client focused approach and dedicated SPS team provide complete synthetic trading flexibility. In addition to arranging reporting (viewable in a variety of formats including our dedicated client portal), ING can customize the trade term, resets and commission structure to meet client requirements. Furthermore, ING allows clients to trade SPS in difficult to access and costly markets around the globe. The product is supported by ISDA documentation, with an additional CFD product annex.

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	CFDs		Execution			CFDs		Execution																	
	Long	Short**	ING	3rd Party Broker		Long	Short**	ING	3rd Party Broker																
Austria	✓	✓	✓	✓	Bulgaria	✓	Limited	✗	✓																
Belgium	✓	✓	✓	✓	Czech Republic	✓	✓	✓	✓																
Denmark	✓	✓	✓	✓	Estonia	✓	Limited	✗	✓																
Finland	✓	✓	✓	✓	Greece	✓	✓	✓	✓																
France	✓	✓	✓	✓	Hungary	✓	✓	✓	✓																
Germany	✓	✓	✓	✓	Poland	✓	✓	✓	✓																
Italy	✓	✓	✓	✓	Romania	✓	Limited	✗	✓																
Ireland	✓	✓	✓	✓	Russia	✓	✓	✓	✓																
Luxembourg	✓	✓	✓	✓	Slovakia	✓	Limited	✗	✓																
Netherlands	✓	✓	✓	✓	South Africa	✓	✓	✓	✓																
Norway	✓	✓	✓	✓	Turkey	✓	✓	✓	✓																
Portugal	✓	✓	✓	✓	Argentina	DR	DR	✗	✗																
Spain	✓	✓	✓	✓	Brazil	DR	DR	✗	✗																
Sweden	✓	✓	✓	✓	Chile	DR	DR	✗	✗																
Switzerland	✓	✓	✓	✓	Mexico	✓	Pending	✗	✗																
UK	✓	✓	✓	✓	Uruguay	DR	DR	✗	✗																
Australia	✓	✓	✓	✓	Israel	✓	Pending	✓	✗																
China A	✓	DR	✓	No GU's allowed	US	✓	✓	✓	✓																
Hong Kong	✓	✓	✓	✓	Canada	✓	✓	✓	✓																
India	DR	DR	✗	✗	**Subject to availability, restrictions may apply																				
Indonesia	✓	✓	✓	✓	<table border="1"> <tr> <th colspan="4">Acceptable Instruments:</th> </tr> <tr> <td>Equities</td><td></td><td>Listed Certs</td><td></td> </tr> <tr> <td>ADRs/GDRs</td><td></td><td>REITS</td><td></td> </tr> <tr> <td>ETFs</td><td></td><td>Wts</td><td></td> </tr> </table>					Acceptable Instruments:				Equities		Listed Certs		ADRs/GDRs		REITS		ETFs		Wts	
Acceptable Instruments:																									
Equities		Listed Certs																							
ADRs/GDRs		REITS																							
ETFs		Wts																							
Japan	✓	✓	✓	✓																					
Korea	✓	✓	✓	✓																					
Malaysia	✓	Limited	✓	✓																					
New Zealand	✓	✓	✓	✓																					
Philippines	DR	DR	✓	✗																					
Singapore	✓	✓	✓	✓																					
Taiwan	DR	DR	✓	✓																					
Thailand	✓	✓	✓	✓																					

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