

1. Record Nr.	UNINA9910788338703321
Autore	Aitken James
Titolo	Deleveraging After Lehman : : Evidence From Reduced Rehypothecation // James Aitken, Manmohan Singh
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2009
ISBN	1-4623-1340-X 1-4527-1879-2 9786612842641 1-4518-7190-2 1-282-84264-1
Descrizione fisica	1 online resource (13 p.)
Collana	IMF Working Papers
Altri autori (Persone)	SinghManmohan
Soggetti	Suretyship and guaranty Economic stabilization Finance: General Investments: General Industries: Financial Services Banks Depository Institutions Micro Finance Institutions Mortgages Financial Institutions and Services: Government Policy and Regulation International Monetary Arrangements and Institutions Corporation and Securities Law General Financial Markets: Government Policy and Regulation International Financial Markets General Financial Markets: General (includes Measurement and Data) Pension Funds Non-bank Financial Institutions Financial Instruments Institutional Investors Investment Banking Venture Capital Brokerage Ratings and Ratings Agencies Finance Investment & securities Collateral

Securities
Hedge funds
Brokers and dealers
Financial institutions
Financial markets
Loans
Financial instruments
Financial services industry
Stockbrokers
United States

Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Description based upon print version of record.
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	Contents; I. Introduction; II. Rehypothecation in the United States and the United Kingdom; III. Rehypothecation After Lehman's Bankruptcy; Tables; 1. Collateral Received that can be Pledged is Decreasing; 2. Securities Lending by Major Custodians; IV. Conclusion; Appendix; 1. Securities Exchange Act's Rule 15c3-3; References
Sommario/riassunto	Rehypothecation is the practice that allows collateral posted by, say, a hedge fund to their prime broker to be used again as collateral by that prime broker for its own funding. In the United Kingdom, such use of a customer's assets by a prime broker can be for an unlimited amount of the customer's assets. And moreover, there are no customer protection rules (such as in the United States under the Securities Act of 1933). The paper shows evidence that, following Lehman's bankruptcy, the extent of rehypothecation has declined substantially, in part because investment firms fear losing collateral if their prime broker becomes insolvent. While less rehypothecation reduces counterparty risk in the system, it also reduces market liquidity.