

MiFID II Costs & Charges Disclosure

Fixed Income Financing

Repos & Stock Borrowing or Lending – Ex Ante

The Fixed Income Financing (FIF) Business comprises repo and reverse repo, and other securities lending products. MiFID II Costs and Charges obligations apply to transactions in products that are 'financial instruments' as defined under MiFID II.

Price Formation

Price formation in the FIF business generally takes the following approach:

- Firstly, formation of an instrument price which takes into account factors including the following: observable market prices, executed transactions, market data, and observable trade flows. For FIF products the instrument price is the mid-price.
- Followed by the application of Costs and Charges to form the final client price. The difference between the mid-price and the final client price shall therefore constitute the Costs and Charges to the client

Costs and Charges

The costs and charges applied to the customer represent the costs incurred by the Bank across multiple factors, including but not limited to the agreement term, collateral risk, counterparty risk, country risk, view on short term interest rates and regulatory capital requirements. The costs and charges amount will generally also include a return for the bank based on the Bank's pre-defined target return on equity or Balance Sheet. Please contact your Barclays Salesperson to discuss this further.