

Alacra Reference Data Alert

APRIL 2014

Inside the LEI—Part II

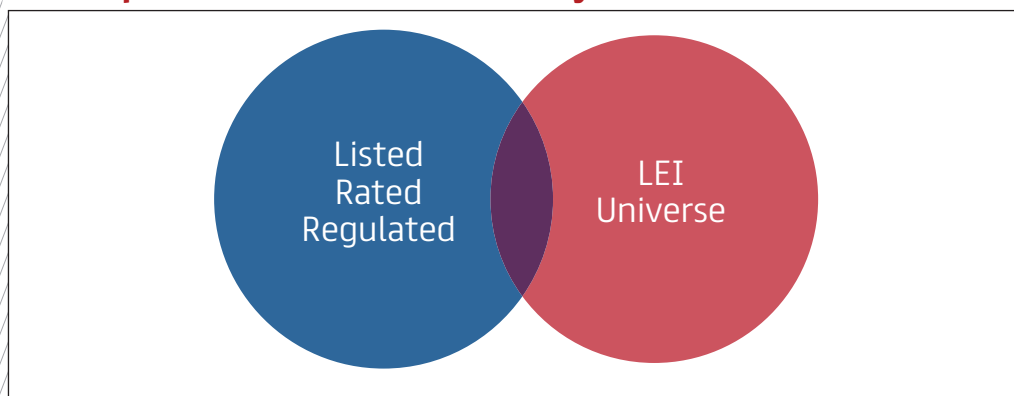
A few weeks ago Alacra published *Inside the LEI*, which focused on the entities that had received pre-LEIs from the four largest pre-LOUs: the DTCC's GMEI utility in the United States, the London Stock Exchange in the UK, WM Datenservice in Germany and INSEE in France. This update includes information from two additional pre-LOUs: the Dutch Chamber of Commerce and the Irish Stock Exchange. Future issues will cover additional pre-LOUs.

Alacra has been integrating the pre-LEI files from the endorsed pre-LOUs as the data has been published. In response to customer demand we have been adding these entities to the Alacra Authority File, our reference database that previously contained only rated, regulated and listed companies globally. Although there are many use cases for the Alacra Authority File, the most common are to facilitate entity identifier mapping and to identify low-risk clients and counterparties.

We continue to be surprised by the types of entities that are receiving pre-LEIs as well as the types of entities that are not. About 25% of pre-LEI entities are funds, trusts or SPVs. Many listed and regulated financial institutions have not registered yet. Very few rated entities have LEIs. The Dutch Chamber of Commerce has assigned pre-LEIs to many plant nurseries and dairy farms, which of course may be parties to financial transactions, but are unlikely to be contributors to systemic financial risk.

The data presented in this publication is as of March 18, 2014. Throughout the piece we have dropped the "pre" from pre-LEI and pre-LOU and refer to them as LEIs and LOUs.

Overlap between Alacra Authority File and LEI Universe

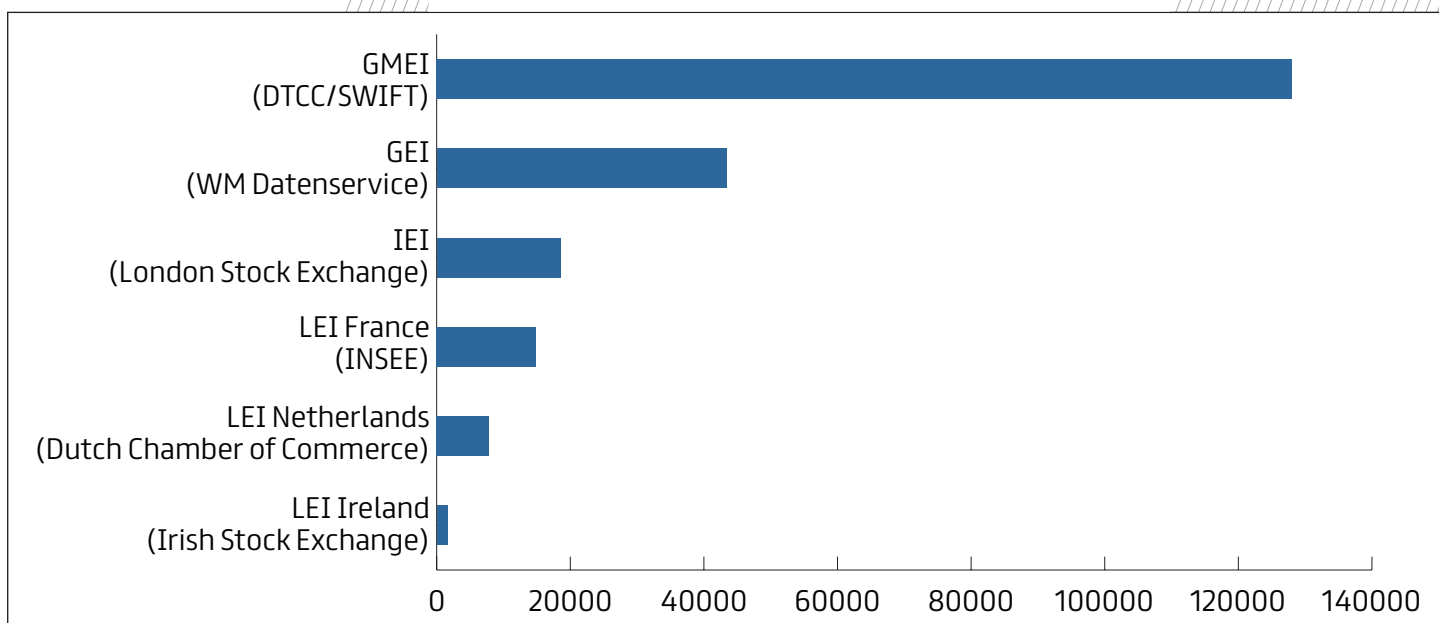


Listed, Rated, Regulated universe=216,709

Total LEI universe=212,155

Overlap between two universes=17,772

LEIs Assigned by LOU



The chart above shows the LEIs assigned by each of six currently endorsed LOUs. The GMEI has assigned twice as many LEIs as the rest of the LOUs combined.

GLOSSARY

LEI

Legal Entity Identifier

LOU

Local Operating Unit

GMEI

Global Markets Entity Identifier

INSEE

National Institute of Statistics and Economic Studies

LSE

London Stock Exchange

IEI

International Entity Identifier

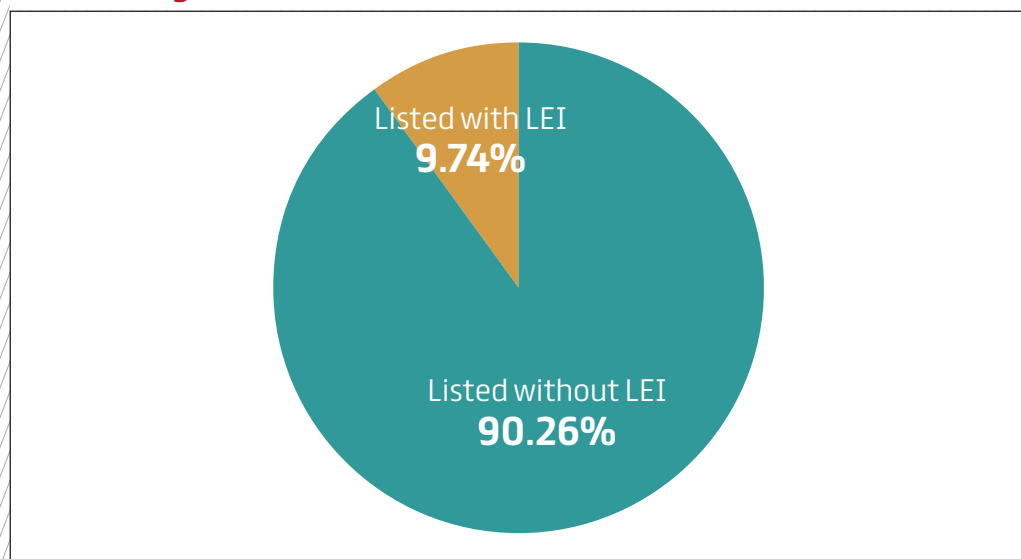
GEI

General Entity Identifier

GLEIS

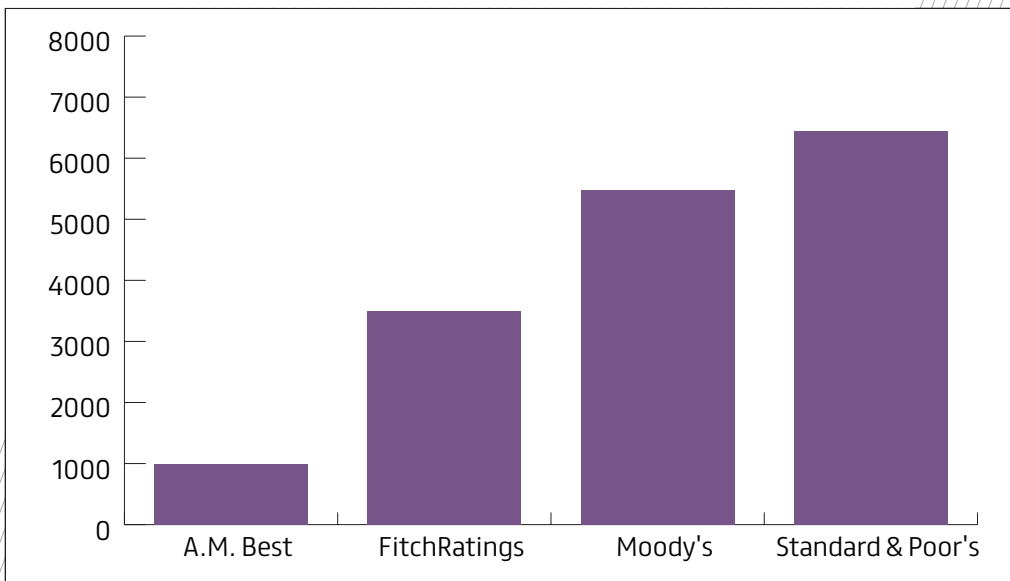
Global Legal Entity Identification System

Percentage of Listed Entities with LEI



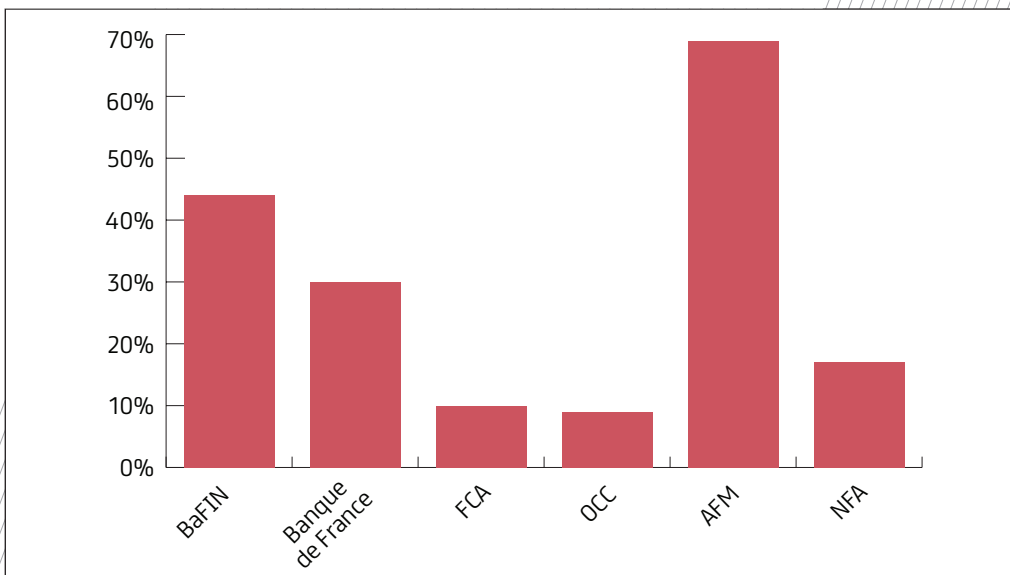
Alacra tracks all entities that have either a listed equity or debt security anywhere in the world, currently about 85,000 entities. To date, less than 10% of these entities have been assigned an LEI.

Number of Rated Entities Assigned an LEI



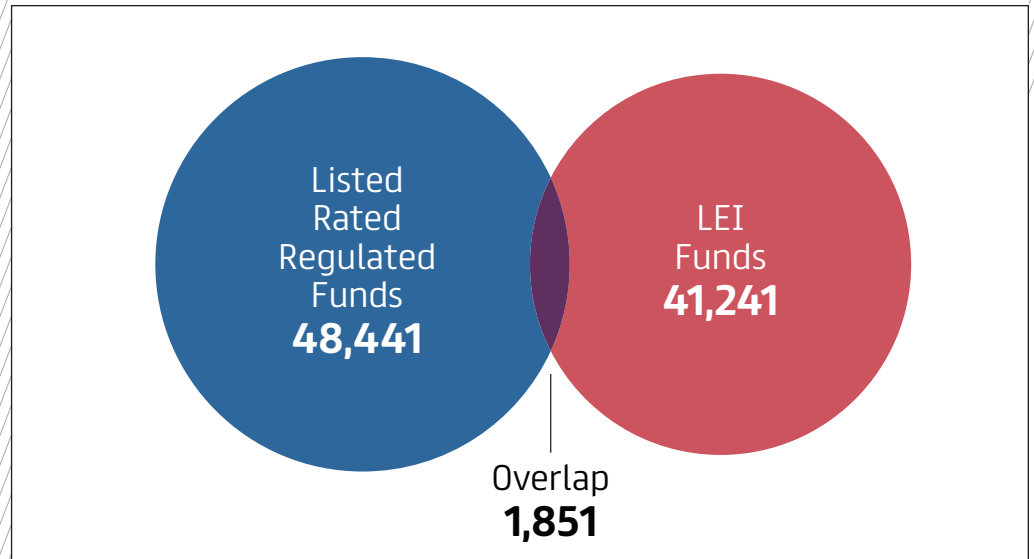
Alacra tracks the universe of rated entities as part of the Alacra Authority File and our Entity Identifier Mapping services. Between the four rating agencies presented here there are over 68,000 rated entities. About 10% of the A.M. Best universe, 30% of the Fitch universe, 13% of the Moody's universe and 14% of the S&P universe have been assigned an LEI.

Percentage of Regulated Entities That Have Been Assigned an LEI



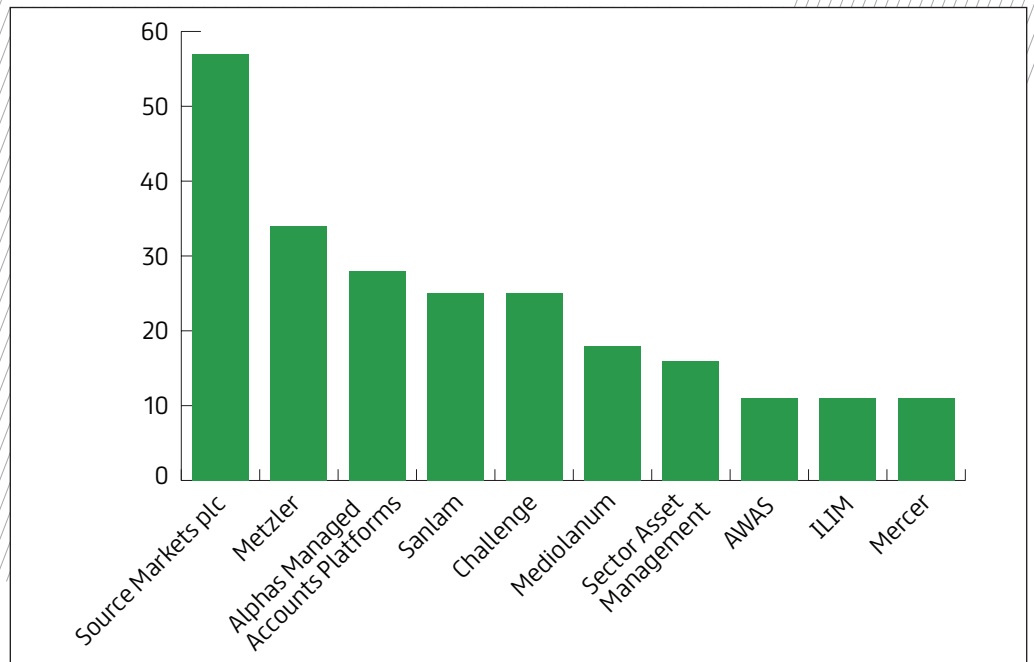
Almost 70% of the entities regulated by the Netherlands Authority for Financial Markets (AFM) have been assigned an LEI. Alacra tracks entities regulated by about 50 bank regulators worldwide; the percentage of these entities with assigned LEIs remains quite small.

Funds in the Alacra Authority File vs. Funds with an LEI



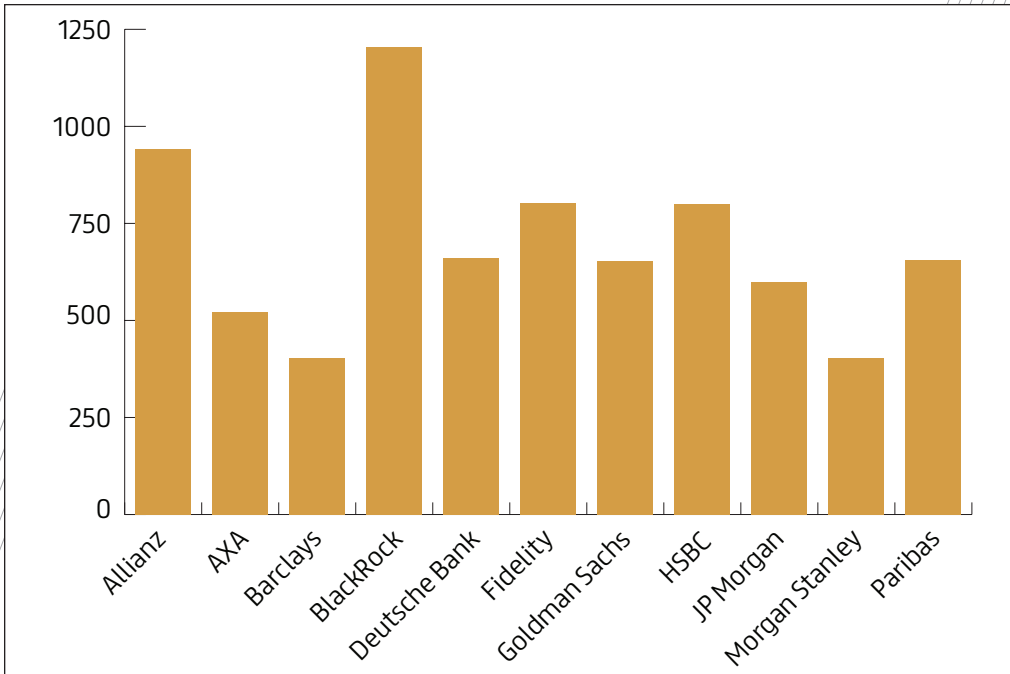
Although not all LOUs are differentiating corporate and other types of entities from funds and fund managers, one thing that is clear from our analysis of the data is that there are a tremendous number of funds with LEIs. And the funds that have LEIs are a small subset of all the funds that exist.

Irish Stock Exchange—Top Fund Families



About 25% of the entities assigned an LEI by the Irish Stock Exchange are funds.

Global Financial Institutions with Large Numbers of LEIs Assigned



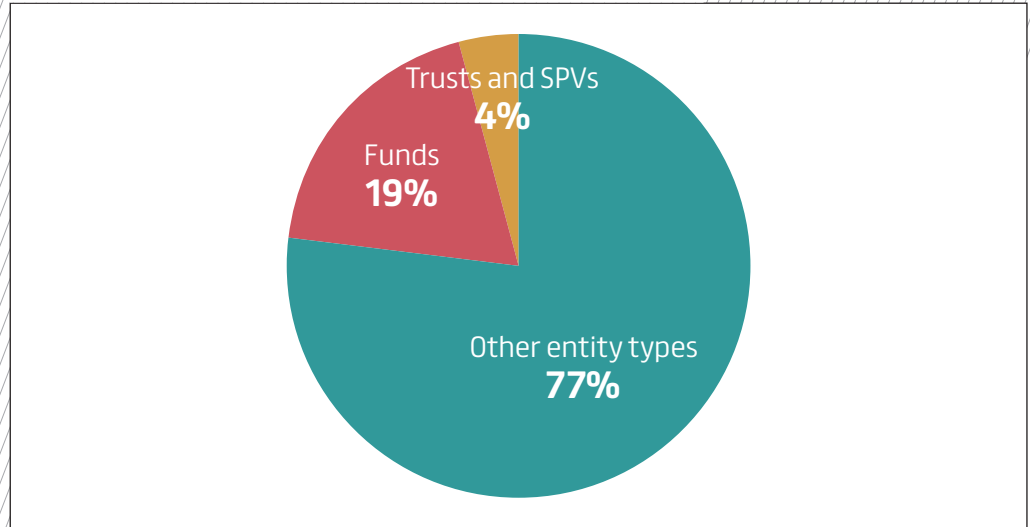
When Lehman Brothers went bankrupt it had over 7000 legal entities in over 40 countries. None of the world's largest financial institutions are approaching that number of registered entities. BlackRock is the leader because of the large number of funds they have registered.

Dutch Legal Entities

DUTCH	ENGLISH TRANSLATION	COUNT
Gemeente	Municipality / Town	20
Koninklijke	Royal	29
Kwekerij	Nursery / Plantation	61
Landbouwbedrijf	Farm / Agricultural Company	18
Melkveebedrijf	Dairy Farm / Cattle Farming	41
Melkveehouderij	Dairy Farm / Dairy Farming	14
Scheepvaartonderneming	Shipping Enterprise / Shipping	44
Zeevisserijbedrijf	Sea Fishery / Sea Fishing Company	6

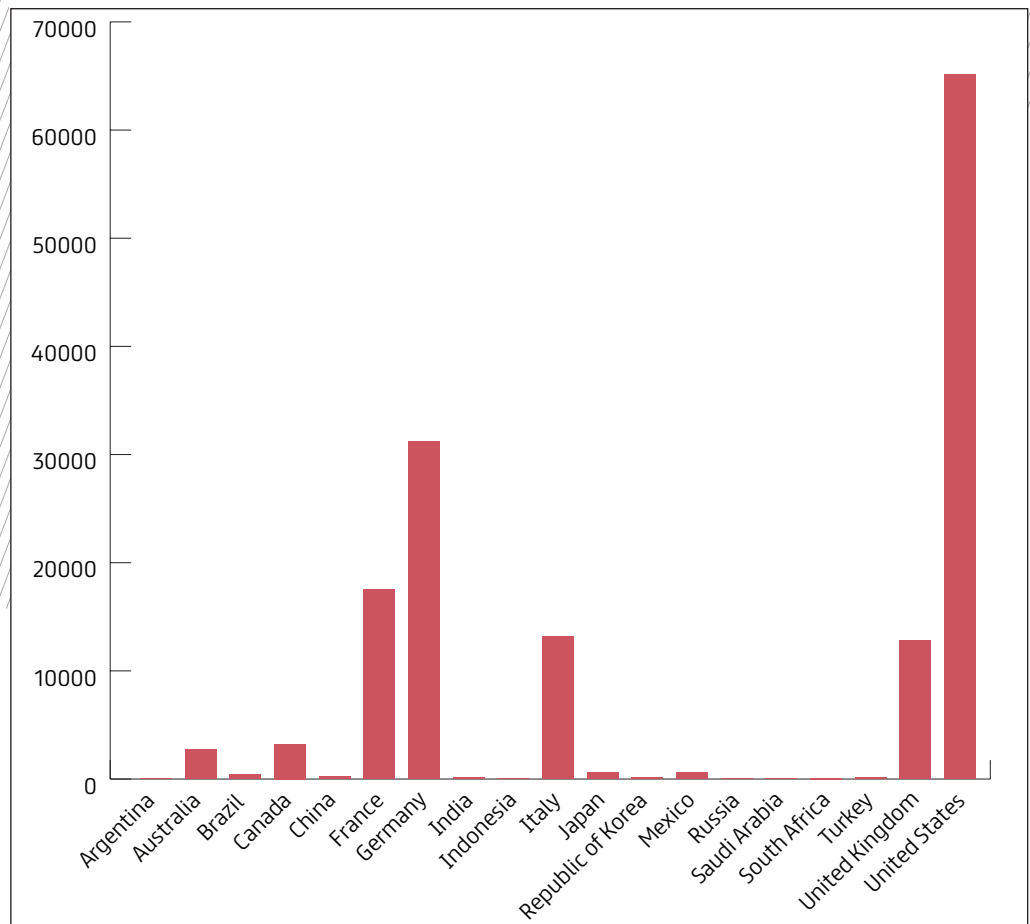
To date the Dutch Chamber of Commerce has assigned approximately 8,000 LEIs. Dutch companies have unusual naming conventions; often the type of business is followed by the actual name of the company. For example Kwekerij Overgaag (724500QYGL2RYB7SWM20), is a nursery that specializes in the cultivation and processing of red peppers. Kwekerij translates to nursery or plantation. Koninklijke is an honorary title given to companies in Belgium and the Netherlands by the monarchs of each country. So Koninklijke Gazelle N.V. (724500I80QX3J00UYH35) translates to Royal Dutch Gazelle, a bicycle manufacturer.

Percentage of LEI Entities That Are Either Funds, Trusts or SPVs



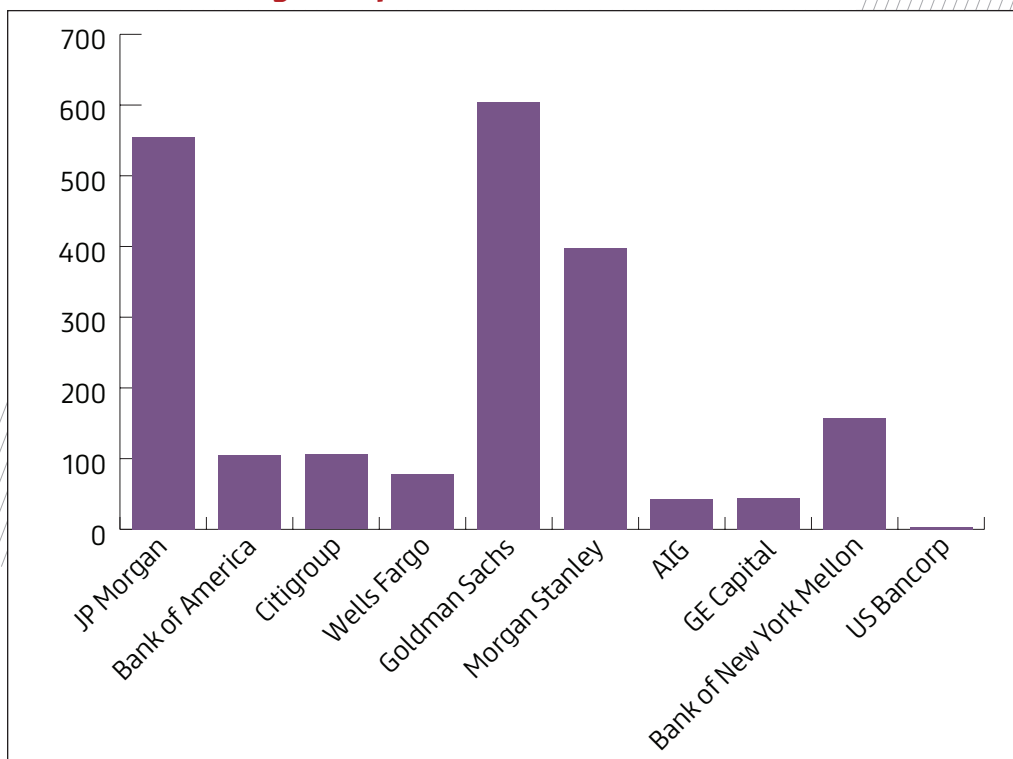
Since the March issue of Inside the LEI the percentage of funds, trusts and SPVs in the LEI universe has decreased slightly, from 25% to 23%. There are over 40,000 funds and over 8,000 Trusts/SPVs in the LEI universe.

LEI Registrations in the G20



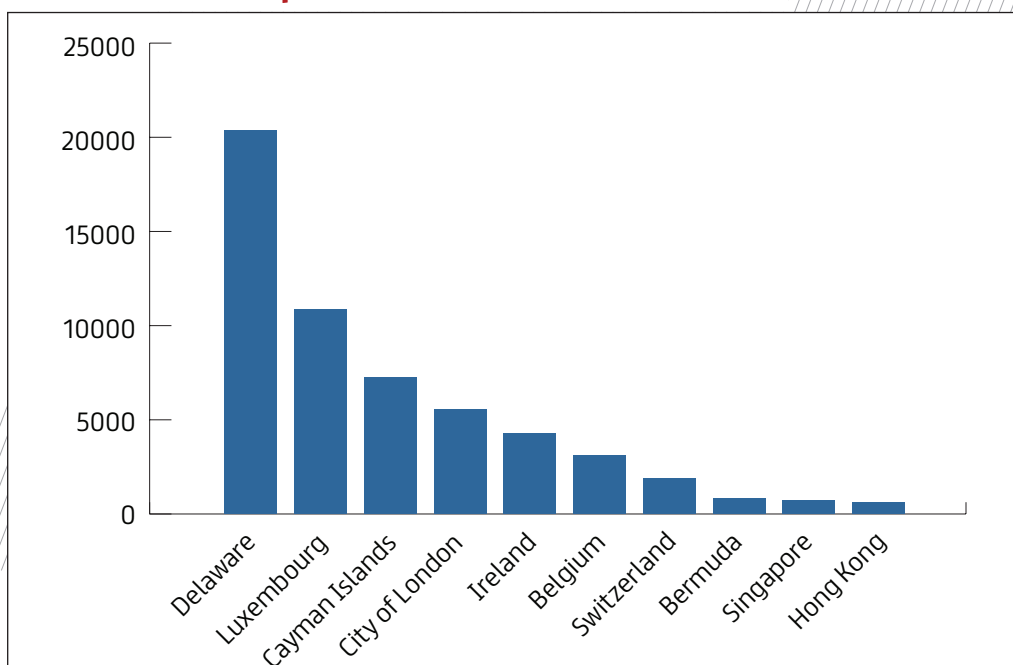
The creation of the GLEIS had originally been proposed by the FSB and endorsed by the G20. Yet outside the US and the largest economies in Europe, LEI registrations continue to be negligible.

Number of LEIs Issued to the Top 10 US Bank Holding Companies



Goldman Sachs and JP Morgan have been strong LEI proponents; it's no surprise that they have the greatest number of their entities registered for LEIs among the largest US bank holding companies.

LEI Entities with Registered Domicile in a Top 10 Tax Haven



Over 20% of the 200,000+ entities that have been assigned an LEI are registered in one of the world's top 10 tax havens.

LEI Fun Facts



There are 13 former Bear Stearns entities that have been issued LEIs.

The GMEI has assigned pre-LEIs to 9 Yeshivas, more than 50 country clubs and over 20 museums, including the Cincinnati Baseball Museum and the National Football Museum in Canton Ohio.



The Corporation Trust Company, Wilmington Delaware is the registered address of over 9000 GMEI pre-LEI entities.

In the GEI data, Baden-Württemberg is spelled 20 different ways.



Over 60 wind farms have been assigned an LEI.

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