

## Dubai Financial Market Launches Centralized Securities Lending and Borrowing (SLB) Program to Enhance Market Liquidity and Investor Access

- New Securities Lending and Borrowing (SLB) Model offers a transparent, centrally cleared framework to enhance liquidity, deepen market efficiency, and support investor access.
- Operated by Dubai Clear as central counterparty (CCP), the model ensures robust risk management and is fully aligned with international best practices and governance standards.

Dubai, UAE – 7 May 2025 – Dubai Financial Market (DFM) today announced the official launch of its Centralized Securities Lending and Borrowing (SLB) Program, a strategic market infrastructure initiative aimed at enhancing market liquidity, supporting price discovery, and broadening investor participation in Dubai’s capital market.

The SLB Program is operated by Dubai Clear, DFM’s wholly owned subsidiary, which serves as the central counterparty (CCP) for all such SLB transactions. The program introduces a centralized, transparent and fully regulated framework for the loan and borrowing of eligible securities, in line with Dubai Clear’s SLB rules and aligned with international best practices for risk management and governance.

“By introducing a robust and transparent SLB framework, DFM is addressing a critical component of market development, enabling institutional and soon, retail investors to engage in securities lending and borrowing within a secure and regulated environment,” said **Hamed Ali, CEO of DFM and Nasdaq Dubai, adding**, “This initiative is part of our broader strategy to deepen market liquidity, strengthen market infrastructure, and support the growth of a sustainable and diversified investor base in line with global best practices.”

The program allows long term investors to make eligible securities available for borrowing while Borrowers, including hedge funds and market makers, can access these securities to implement trading and liquidity enhancement strategies. Loan transactions are executed through a centralized matching mechanism and settled with the CCP, ensuring full anonymity between counterparties.

The SLB Program features comprehensive risk management protocols, including margining requirements, collateral management, all underpinned by Dubai Clear's capabilities as a CCP. These safeguards significantly reduce counterparty and operational risks for all participants.

This initiative was unveiled during the 2025 Capital Market Summit, DFM's flagship event bringing together global and regional leaders to shape the future of financial markets. The introduction of the Centralized SLB Program underscores DFM's commitment to innovation, investor protection, and long-term market growth.

**-Ends-**

**About Dubai Financial Market:**

Dubai Financial Market (DFM) was established as a public institution with its own independent corporate body. DFM operates as a secondary market for the trading of securities issued by public shareholding companies, bonds issued by the Federal Government or any of the local Governments and public institutions in the country, units of investment funds and any other financial instruments, local or foreign, which are accepted by the market. The DFM commenced operations on March 26, 2000 and became the first Islamic Shari'a-compliant exchange globally since 2007. Following its initial public offering in November 2006, when DFM offered 1.6 billion shares, representing 20 per cent of its paid-up capital of AED 8 billion, DFM became a public joint stock company, and its shares were listed on 7 March 2007 with the trading symbol (DFM). Following the IPO, the Government of Dubai retained the remaining 80 per cent of DFM Company through Borse Dubai Limited. [www.dfm.ae](http://www.dfm.ae)

[Insert Dubai Clear boilerplate]

**For further information, please contact:****Noora Alsoori**

Communications and Public Relations

Dubai Financial Market

Tel: +971 4 305 5437

E: [nalsoori@dfm.ae](mailto:nalsoori@dfm.ae)

**Shruti Choudhury**

Associate Director

Edelman Smithfield

M: +971 54 586 7874

E: [dfmedelmansmithfield@edelman.com](mailto:dfmedelmansmithfield@edelman.com)