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**Subject:** MIS

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Imagine this is already on the radar but...

Some of the information that analysts have asked for to understand our business looks to be reasonable requests - (that's not to say we should comply if it adversely impacts our competitive position). On that basis we should probably be looking at it internally regularly as one of the views of performance, risk etc.

Should we ask the divisional MIS groups to provide a monthly update of the pertinent data and incorporate it into our monthly performance reports globally and regionally.

e.g. Movement rec:

- \*  
opening position by asset type
- \*  
purchases
- \*  
sales
- \*  
conversion to other asset type
- \*  
MTM
- \*  
closing

Analysis of marks by credit level vs previous month

Analysis of inputs into level three asset valuations vs previous month and impact of each change on mark/P&L

For these input assumptions we may be able to get industry consensus/ third party views e.g. defaults forecast, housing index forecast etc.

One last thing. I think we need to have another look at our definition of long inventory at risk in the daily balance sheet and disclosure scorecard. We currently start at what is in our net inventory remove gross ups etc to come to inventory at risk. We don't include any of the assets on repo 105/108 which are not on our balance sheet currently but which are still at risk. So we are understating what we have at risk by a material amount especially around quarter ends.

Dom

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