

# Thomson Financial Global Capital Markets

## First Quarter 2005

## Forward March

***Underwriting Volumes Hold Firm Despite Tougher Market Conditions  
Citigroup Leads Global Debt & Equity Underwriting  
Morgan Stanley Top US IPO Bookrunner***

**March 31, 2005** - Coming on the heels of better-than-expected earnings for many brokerage firms during the February-ending quarter, Wall Street's investment banking and underwriting operations continued on an upbeat path in the quarter ending March 31. Issuance of global debt, equity and equity-related securities exceeded \$1.6 trillion in 2005's opening period. While that figure represents a 5.2% drop from the year-earlier underwriting total of \$1.70 trillion, the current results stand as the second-best quarterly showing for securities underwriting. Compared to the preceding quarter when underwriting issuance totaled \$1.34 trillion, the current period posted a 19% gain. The results were perhaps more impressive given the financial and economic environment of the past three months. First, most major market averages posted losses for the quarter and thus failed to add to the gains achieved during the closing months of 2004. For example, after posting a 9.3% gain in the final period of 2004, the S&P 500 gave up over 3% in value this period. Secondly, oil prices climbed from under \$44 a barrel at the start of 2005 to around \$54 a barrel in mid-March and eased to under \$53 a barrel by quarter's close. Finally, borrowing costs climbed as the Federal Reserve continued to raise interest rates. At the start of the year, yields on the 10-year Treasury stood at 4.22% and briefly dipped below 4% in early February only to close the quarter near the 4.6% level.

Among bookrunners, Citigroup continued to rank as the industry leader during the opening quarter. The firm was responsible for more than \$148 billion in underwriting volume and ranked as the top bookrunner in many security classes. Among the areas where Citigroup placed first for the quarter were global bonds, global high yield debt, global investment grade corporate debt and global US federal credit agency issuance. Morgan Stanley, with \$110.9 billion in underwriting business to its credit, moved into second place in the current quarter compared to a third-place finish during the first quarter of 2004. The firm was top ranked in several categories including global IPOs and US common stock for the quarter. Deutsche Bank AG climbed into third place this quarter with over \$108 billion in underwriting volume compared to a sixth-place finish during the opening quarter of 2004. For disclosed fees, Citigroup ranked first with over \$308 million for the quarter, Morgan Stanley ranked second with \$300 million and Merrill Lynch took third place with \$231 million as a result of their strong showing in the global equity and equity-related market.

Some security classes began the year on a strong note. Global investment grade corporate debt issuance exceeded \$237 billion in January only to slip to under \$172 billion the following month. In the US market, investment grade corporate underwriting started the year with \$63 billion in issuance during the opening month but fell to \$37 billion in February, the lowest monthly total since April 2004 when monthly issuance totaled \$35.4 billion. However, by quarter's end there were signs of recovery as issuance rebounded in March to over \$67 billion in the US investment grade market. In all, global investment grade corporate issuance reached \$599 billion for the quarter slightly more than the record-setting \$594 billion set in the first quarter 2004. Investment grade corporate debt issuance in the US market this quarter was \$168 billion compared to \$204 billion a year ago.

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### Quick Navigation

- [Press Release](#)
- [League Tables](#)
- [Who's No. 1?](#)
- [Debt Scorecard](#)
- [Equity Scorecard](#)

Likewise, the global high yield corporate debt market ended the quarter on a positive note. Since November 2004, when monthly volume reached \$19.3 billion, issuance went on a three-month slide whereby in February global high yield underwriting volume sank to under \$11.8 billion. By March, monthly borrowing levels improved to approach \$13 billion. In the global asset-backed market, issuance topped \$249 billion, up from the \$215 billion registered in the opening quarter of 2004 but below the record-setting \$285 billion set during the final quarter of 2005. Global equity and equity-related underwriting volume reached \$111.9 billion.

Global syndicated lending volume posted an improvement from year earlier results. This quarter's total of \$616 billion represents a 32.6% gain from the \$465 billion in loan activity during the first quarter of 2004. JP Morgan was the top bookrunner for the quarter with \$81 billion in lending to its credit. Citigroup took second place with \$68 billion and Banc of America Securities LLC secured third place with just over \$60 billion in lending business. Financial borrowers represented the leading sector this quarter with almost \$100 billion in loans, followed by energy and power companies with \$97 billion in borrowing and industrials with \$78 billion. US syndicated lending climbed to over \$253 billion this quarter from \$207 billion in completed loans during the opening quarter of 2004. In the US leveraged lending market volume totaled \$107.6 billion this quarter. JP Morgan ranked as the top bookrunner with \$22.7 billion in lending followed by Banc of America Securities with \$20.7 billion and Citigroup with \$12.9 billion. The recent results were an improvement from first quarter 2004 total of \$85.2 billion but off from the fourth quarter when US leveraged lending exceeded \$143 billion.

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**GLOBAL DEBT, EQUITY & EQUITY-RELATED (A1)**

\* Global debt, equity & equity-related volume decreased to \$1.6tn during the first three months of 2005 from \$1.7tn in the year ago period, an overall decrease of 5%

\* Although the top ten bookrunners of global debt, equity & equity-related offerings in the first quarter of 2005 remained unchanged from the year ago period, there were a number of changes in their order of appearance. The share of the market held by the top ten fell from 65.9% in 2004 to 60% this year.

\* Global non-convertible debt offerings comprised 93% of total debt, equity & equity-related offerings in the first three months of 2005 compared to over 91% in the first quarter of 2004.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
Citigroup	148,179.2	9.2	507	1	10.1	-0.9
Morgan Stanley	110,912.0	6.9	317	3	7.8	-0.9
Deutsche Bank AG	108,349.7	6.7	379	6	6.4	0.3
JP Morgan	100,900.7	6.3	355	4	7.1	-0.8
Lehman Brothers	100,734.8	6.2	306	5	6.6	-0.4
UBS	91,889.2	5.7	318	8	5.9	-0.2
Goldman Sachs & Co	84,454.4	5.2	214	9	4.9	0.3
Merrill Lynch & Co Inc	77,963.2	4.8	320	2	7.9	-3.1
Credit Suisse First Boston	77,953.3	4.8	311	7	5.9	-1.1
Barclays Capital	67,491.5	4.2	198	10	3.3	0.9
<b>Top 10 Totals</b>	<b>968,828.0</b>	<b>60.0</b>	<b>3,225</b>	<b>1,125,816.1</b>	<b>65.9</b>	<b>-5.9</b>
<b>Industry Total</b>	<b>1,614,162.3</b>	<b>100.0</b>	<b>4,754</b>	<b>1,704,420.5</b>	<b>100.0</b>	

**GLOBAL DISCLOSED FEES (A2)**

\* Disclosed fees from global debt, equity & equity-related offerings decreased 39% compared to the opening quarter of 2004 as overall volume decreased from previous record levels. Citigroup took the top spot with \$308.7mn in disclosed fees during 2005, compared to \$468.1mn in the year ago period.

\* Goldman Sachs' equity franchise accounted for over 76% of its overall disclosed fees for 2004 earning the firm a third place ranking.

\* Disclosed fees from equity and equity-related offerings comprised 64.8% of the global total compared to 49.1% during the first quarter of 2004.

Bookrunners	Jan 1, 2005 - Mar 31, 2005		Jan 1, 2004 - Mar 31, 2004		
	Amount (\$ mils)	# of Issues	Amount (\$ mils)	# of Issues	Rank
Citigroup	308.7	131	468.1	238	2
Morgan Stanley	300.2	102	511.7	145	1
Merrill Lynch & Co Inc	228.9	167	329.4	272	4
JP Morgan	213.2	113	298.8	200	6
UBS	190.2	131	279.1	182	7
Goldman Sachs & Co	181.0	63	300.2	101	5
Daiwa Securities SMBC	138.3	68	150.3	68	11
Credit Suisse First Boston	125.4	68	345.7	126	3
Lehman Brothers	112.0	71	262.9	114	8
Deutsche Bank AG	102.9	86	203.3	172	10
<b>Top 10 Totals</b>	<b>1,900.8</b>	<b>1,000</b>	<b>3,149.5</b>	<b>1,618</b>	
<b>Industry Total</b>	<b>2,919.1</b>	<b>1,419</b>	<b>4,827.3</b>	<b>2,389</b>	

## GLOBAL EQUITY & EQUITY-RELATED (C1)

\* Global equity & equity-related issuance totaled \$111.8bn in the first quarter of 2005, representing a 23.6% decrease from the same time period last year. Financials was by far the most active industry during the first quarter 2005 with \$38.1bn in total proceeds, representing a market share of 34.1%. This is the largest share of the market for any industry sector since the dot com boom, when high technology companies accounted for 42.2% of the market in first quarter 2000.

\* Merrill Lynch was the top-ranked bookrunner for equity & equity-related issues during the first quarter of 2005, raising \$12bn in proceeds, for 10.8% share of the market, an increase of 2.5 market share points. JP Morgan finished the first quarter in fourth place with \$10.7 bn in proceeds, after finishing eighth in the first quarter of 2004. This represents an increase of 4.9 market share points, the largest gain of any of the top ten banks.

\* After dominating the equity markets in 2004, common stock issues again led the way, taking an 84.1% share of the market. Follow-on offerings represented 61.7% of all proceeds raised, marking the first time that any equity instrument comprised greater than 60% of the market since convertibles accounted for 72.5% during the first quarter of 1990.

\* In January 2005, Kuwait Petroleum Corp disposed of its equity stake in Sanofi-Aventis for proceeds of \$3.5bn, registering as the largest deal of the quarter. Morgan Stanley and UBS served as bookrunners on the offering.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
Merrill Lynch & Co Inc	12,094.3	10.8	47	4	8.3	2.5
UBS	12,007.7	10.7	62	5	8.2	2.5
Morgan Stanley	11,854.9	10.6	39	1	13.3	-2.7
JP Morgan	10,749.9	9.6	53	8	4.7	4.9
Goldman Sachs & Co	10,167.5	9.1	40	2	10.2	-1.1
Citigroup	9,609.6	8.6	56	3	10.0	-1.4
Lehman Brothers	4,655.6	4.2	20	7	5.1	-0.9
Credit Suisse First Boston	4,039.5	3.6	24	9	4.5	-0.9
Nomura	3,976.7	3.6	27	10	3.3	0.3
Deutsche Bank AG	3,524.7	3.2	29	6	6.4	-3.2
<b>Top 10 Totals</b>	<b>82,680.4</b>	<b>74.0</b>	<b>397</b>	<b>108,662.0</b>	<b>74.0</b>	<b>-1.4211E-14</b>
<b>Industry Total</b>	<b>111,895.4</b>	<b>100.0</b>	<b>698</b>	<b>146,576.6</b>	<b>100.0</b>	

## GLOBAL CONVERTIBLE OFFERINGS (C9)

\* JP Morgan led all bookrunners of convertible offerings during the first three months of 2005, with \$3.7bn raised, more than doubling the \$1.8bn raised by second-place Morgan Stanley. JP Morgan's movement represents an increase of 17 market share points over the first quarter of 2004, when the firm ranked seventh.

\* Overall convertible activity decreased nearly 48% to \$16.0bn compared to \$30.8bn raised in the first quarter of 2004. The collective market share of the top five bookrunners increased from 53% last period to 62.1% this period, indicating a consolidation in the number of bookrunners bringing convertible deals to market.

\* Financials was the most active industry sector, with \$5.3 billion raised on 13 issues. The sector comprised of 33.5% of the volume compared with 19% during the same period of 2004. Fueling this increased market share was the January mandatory exchangeable offering by Allianz, valued at \$2bn. The deal, which ranked as the largest convertible offering of the first quarter, was led by JP Morgan.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
JP Morgan	3,886.8	22.7	16	7	6.2	16.5
Morgan Stanley	1,814.9	10.6	8	1	13.2	-2.6
UBS	1,766.5	10.3	8	3	11.0	-0.7
Nomura	1,760.6	10.3	4	9	5.7	4.6
Deutsche Bank AG	1,160.1	6.8	10	5	8.6	-1.8
Merrill Lynch & Co Inc	943.9	5.5	10	2	11.2	-5.7
Citigroup	896.1	5.2	5	4	9.0	-3.8
BNP Paribas SA	775.9	4.5	2	-	-	#VALUE!
Credit Suisse First Boston	735.7	4.3	5	11	3.6	0.7
Goldman Sachs & Co	498.0	2.9	3	8	6.0	0.0
<b>Top 10 Totals</b>	<b>14,238.5</b>	<b>83.1</b>	<b>71</b>	<b>22,958.6</b>	<b>74.5</b>	<b>8.6</b>
<b>Industry Total</b>	<b>17,153.7</b>	<b>100.0</b>	<b>75</b>	<b>30,852.1</b>	<b>100.0</b>	

**GLOBAL COMMON STOCK - US ISSUERS (C3)**

\* The overall volume of common stock by US issuers during the first three months of 2005 totaled \$27.3bn from 136 issues, a 27% decline compared to results from the same time last year, when issuance totaled \$37.4bn from 204 issues.

\* March's \$2.5bn follow-on offering for Halliburton, a Texas-based oil and gas services provider, topped the list of global common stock offerings by US issuers for the first quarter of 2005. The deal was led by three of the top five bookrunners: JP Morgan, Citigroup and Goldman Sachs. An offering from Genworth Financial followed closely behind, raising \$2.1bn in proceeds via Morgan Stanley, JP Morgan and Merrill Lynch.

\* Morgan Stanley finished in the top spot for global common stock by US Issuers during the first quarter of 2005, with \$4.3bn raised from 15 issues, despite a decline of 3.7 market share points. During the first three months of 2004, the firm also ranked first with \$7.3bn from 26 issues. Merrill Lynch moved into second place from sixth place during the first quarter of 2004 with a 6.9 market share point increase from 20 US common stock issues, the most of any firm this year.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
Morgan Stanley	4,297.2	15.7	15	1	19.7	-4
Merrill Lynch & Co Inc	3,821.0	14.0	20	6	7.3	6.7
JP Morgan	3,140.0	11.5	16	5	7.6	3.9
Citigroup	3,119.1	11.4	18	3	9.9	1.5
Goldman Sachs & Co	2,641.5	9.7	12	2	12.9	-3.2
UBS	1,539.4	5.6	17	8	4.8	0.8
Friedman Billings Ramsey Group	1,329.7	4.9	6	11	3.5	1.4
Lehman Brothers	1,184.3	4.3	9	4	7.7	-3.4
Credit Suisse First Boston	963.6	3.5	6	7	7.1	-3.6
Deutsche Bank AG	731.9	2.7	5	12	2.8	-0.1
<b>Top 10 Totals</b>	<b>22,767.7</b>	<b>83.3</b>	<b>124</b>	<b>31,121.7</b>	<b>83.3</b>	<b>1.4211E-14</b>
<b>Industry Total</b>	<b>27,386.7</b>	<b>100.0</b>	<b>136</b>	<b>37,371.4</b>	<b>100.0</b>	

**GLOBAL INITIAL PUBLIC OFFERINGS - US ISSUERS (C6)**

\* US companies raised \$10.2bn during the opening quarter of 2005, a 46% increase over the same time last year, when 41 companies also went public, raising nearly \$7bn in proceeds.

\* Morgan Stanley ranked first for initial public offerings by US issuers with \$1.7bn in proceeds on seven issues, a major market share decrease from last year's opening quarter, when the firm accounted for nearly 37% of the market. Merrill Lynch served as bookrunner on five of the top 10 initial public offerings this year, grossing \$1.4bn in proceeds, for a second place finish.

\* Huntsman Corp's \$1.5bn initial public offering in February via Citigroup, CSFB, Merrill Lynch and Deutsche Bank, ranked as the top deal of the quarter. With Huntsman Corp contributing to the overall tally, Materials ranked as the top sector during this period with a 30% share of the market. Telecommunications and Financials rounded out the top three with 24% and 17%, respectively.

\* Citigroup moved from ninth place during the first three months of 2004 to third place this quarter, an increase of 8.2 market share points behind five offerings, including Huntsman Corp, PanAmSat Holdings and Alpha Natural Resources. Deutsche Bank entered the top ten this quarter at the number seven rank from 18th during the same time period last year, a 4.7 market share point increase.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
Morgan Stanley	1,652.2	16.3	7	1	36.7	-20.4
Merrill Lynch & Co Inc	1,409.3	13.9	7	4	9.0	4.9
Citigroup	1,179.3	11.6	5	9	3.4	8.2
Goldman Sachs & Co	1,001.7	9.9	7	6	6.6	3.3
JP Morgan	873.6	8.6	6	3	9.2	-0.6
Credit Suisse First Boston	668.4	6.6	3	2	10.5	-3.9
Deutsche Bank AG	513.9	5.1	2	18	0.4	4.7
Friedman Billings Ramsey Group	476.6	4.7	2	5	8.9	-4.2
Banc of America Securities LLC	465.9	4.6	4	-	-	4.6
Lehman Brothers	421.2	4.2	3	8	3.6	0.6
<b>Top 10 Totals</b>	<b>8,662.1</b>	<b>85.5</b>	<b>46</b>	<b>6,158.7</b>	<b>88.3</b>	<b>-2.8</b>
<b>Industry Total</b>	<b>10,158.1</b>	<b>100.0</b>	<b>41</b>	<b>6,977.5</b>	<b>100.0</b>	

**GLOBAL DEBT (B1)**

\* The global bond market raised \$1.5tn in proceeds from 4057 issues down 6.3 % from the first quarter of 2004 when 5111 issues were brought to market for \$1.6 trillion.

\* Global Investment Grade issuance accounted for the largest slice in the global fixed income market with \$635.6bn in proceeds, representing a 42.5% market share up 0.2% market share points compared to the same time period last year. Asset-backed issues ranked the second capturing 16.5% of the market, an improvement of 2.7% compared to the first quarter of 2004.

\* United States issuers raised 45% of the total volume with \$676.2bn in proceeds, a drop from first quarter of last year when U.S Issuers held 49% of the market share with \$763.4 billion in proceeds.

\* Citigroup remains solid at number one, even with a 12.7% decline in proceeds. Citigroup's total proceeds came from 449 deals totaling \$138.6 bn, 67 fewer deals than the first quarter of the last year. Deutsche Bank advanced four positions from six to two with a 4.6 % increase in total proceeds.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
Citigroup	138,569.6	9.2	451	1	10.2	-1.0
Deutsche Bank AG	105,225.0	7.0	351	6	6.5	0.5
Morgan Stanley	99,057.1	6.6	278	4	7.3	-0.7
Lehman Brothers	96,079.1	6.4	286	5	6.8	-0.4
JP Morgan	90,150.7	6.0	302	3	7.4	-1.4
UBS	79,881.5	5.3	256	8	5.6	-0.3
Goldman Sachs & Co	74,286.9	4.9	174	9	4.4	0.5
Credit Suisse First Boston	73,913.9	4.9	287	7	6.1	-1.2
Barclays Capital	67,356.5	4.5	196	10	3.6	0.9
Merrill Lynch & Co Inc	66,268.9	4.4	274	2	7.9	-3.5
<b>Top 10 Totals</b>	<b>890,789.2</b>	<b>59.2</b>	<b>2,855</b>	<b>1,021,855.8</b>	<b>65.8</b>	<b>-6.6</b>
<b>Industry Total</b>	<b>1,503,066.9</b>	<b>100.0</b>	<b>4,057</b>	<b>1,557,856.2</b>	<b>100.0</b>	

**GLOBAL HIGH YIELD CORPORATE DEBT (B4)**

\* Global High Yield Corporate debt volume reached \$39.3bn during the first three months of 2005 compared to \$47.9bn during the same time period last year. The proceeds raised during the first quarter of 2005 ranked as the third best opening period on record and the eighth best quarterly total ever.

\* Bermuda-based satellite communications provider, Intelsat Ltd raised over \$3bn in the global high yield markets during the first quarter of 2005. The firm's \$2.55bn offering in January ranked as the fifth largest high yield offering on record and contributed financing for its pending buyout by private equity firms Apax, Apollo, Madison Dearborn Partners, and Permira.

\* For the second time in the last ten years Citigroup began the year as the top bookrunner for global high yield corporate debt. The first quarter of 2005 is the third consecutive quarter in which the firm was the top bookrunner, bringing 33 deals to market, the highest number of issues over that span and the most among all bookrunners this quarter. JP Morgan moved into the second position from fourth with an increase of 3.4 market share points, the largest increase within the top ten.

\* The Materials sector ranked as the leading industry group in the high yield debt markets with \$6.6bn in proceeds from 19 issues, a gain of 3.6 market share points compared to first quarter 2004. Media & Entertainment, the top sector during first quarter 2004, lost 9.3 market share points.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
Citigroup	5,624.8	14.3	33	2	12.7	1.6
JP Morgan	5,449.9	13.9	30	4	10.5	3.4
Credit Suisse First Boston	4,630.3	11.8	25	1	13.2	-1.4
Deutsche Bank AG	4,367.9	11.1	23	3	11.5	-0.4
Banc of America Securities LLC	4,112.6	10.5	28	6	9.4	1.1
Lehman Brothers	2,370.3	6.0	14	8	5.8	0.2
Goldman Sachs & Co	2,286.1	5.8	12	9	4.6	1.2
UBS	2,023.6	5.2	17	7	6.7	-1.5
Morgan Stanley	1,812.1	4.6	10	5	10.2	-5.6
Merrill Lynch & Co Inc	1,615.2	4.1	12	11	3.4	0.7
<b>Top 10 Totals</b>	<b>34,292.8</b>	<b>87.3</b>	<b>204</b>	<b>42,198.9</b>	<b>88.0</b>	<b>-0.7</b>
<b>Industry Total</b>	<b>39,298.3</b>	<b>100.0</b>	<b>135</b>	<b>47,968.7</b>	<b>100.0</b>	

**US INVESTMENT GRADE CORPORATE DEBT (F9)**

\* The opening quarter of 2005 marked the lowest first quarter for investment grade corporate debt since 2000. Overall proceeds fell over 17% to \$168.3bn during the first three months of 2005 from \$204.4bn during the same period last year, the highest quarterly volume on record. Issuers from the Financials industry comprised the largest share of the market with \$137.2 billion, nearly 85% of total issuance.

\* The composition of the top five bookrunners remained unchanged, with the exception of Banc of America who moved into the fifth position, from eighth a year ago, replacing Lehman Brothers, which dropped from fourth to sixth. Overall market share for the top ten bookrunners decreased 3.7 market share points, illustrating a further bookrunner deconsolidation in the investment grade market.

\*Citigroup retained the top spot for investment grade corporate debt for the twentieth consecutive quarter despite a loss of 2.5 market share points over the comparable period in 2004. Goldman Sachs moved to the third position with a gain of 4.0 market share points, the largest in the top ten. Banc of America, Deutsche Bank and Wachovia all made major market share gains during the opening period, with an average gain of 2.7 market share points.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
Citigroup	31,070.5	18.5	120	1	21.0	-2.5
JP Morgan	20,904.5	12.4	69	2	14.7	-2.3
Goldman Sachs & Co	19,568.3	11.6	47	5	7.6	4.0
Morgan Stanley	14,683.6	8.7	54	3	11.6	-2.9
Banc of America Securities LLC	14,096.4	8.4	48	8	5.7	2.7
Lehman Brothers	12,577.0	7.5	42	4	9.6	-2.1
Wachovia Corp	9,402.5	5.6	38	11	2.9	2.7
Deutsche Bank AG	9,365.3	5.6	40	10	2.9	2.7
Merrill Lynch & Co Inc	7,929.6	4.7	33	7	6.7	-2.0
Credit Suisse First Boston	5,875.8	3.5	28	6	7.3	-3.8
<b>Top 10 Totals</b>	<b>145,473.5</b>	<b>86.5</b>	<b>519</b>	<b>183,766.8</b>	<b>90.0</b>	<b>-3.5</b>
<b>Industry Total</b>	<b>168,330.7</b>	<b>100.0</b>	<b>441</b>	<b>204,373.5</b>	<b>100.0</b>	

**ALL US FEDERAL CREDIT AGENCY DEBT (H1)**

\* After a record-setting opening quarter in 2004, the Federal Credit Agency market plunged 53% from \$367.8bn to \$173.7bn this quarter. This depressed market generated the lowest first quarter volume since 2000, when only 1,154 new issues were brought to market for \$130.3bn in total proceeds.

\* As the Federal Credit Agency market contracted, the top 5 underwriters changed dramatically and have taken a larger portion of the market. Despite bringing less deals to market in the first quarter of 2005, Citigroup jumped from ninth in the first quarter 2004 to first this quarter. Citigroup's 10% increase in proceeds from \$18.8bn at the end of the first quarter in 2004 to \$20.6bn this quarter resulted in a market share increase of 6.8 points. UBS moved from second to fifth with \$16.5bn brought to market and a 9.5% share of the market. Lehman Brothers entered the top five to take the fourth position with \$13.9bn in proceeds after finishing in seventh and bringing \$19bn to market in the first quarter of 2004.

\* Federal Home Loan Bank remained the top issuer of agency debt with \$86.1 billion which represents a 47% drop in issuance from the first quarter of 2004 when \$162.2 billion was issued by the bank.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
Citigroup	20,567.5	12.0	71	9	5.1	6.9
UBS	16,322.7	9.5	120	5	7.1	2.4
Lehman Brothers	14,299.1	8.4	105	7	5.2	3.2
JP Morgan	13,740.0	8.0	88	4	8.2	-0.2
Deutsche Bank AG	13,152.1	7.7	86	2	9.6	-1.9
Morgan Stanley	12,826.9	7.5	91	3	8.3	-0.8
Barclays Capital	9,784.6	5.7	30	13	2.2	3.5
Goldman Sachs & Co	9,536.7	5.6	46	6	6.0	-0.4
Merrill Lynch & Co Inc	8,959.2	5.2	131	1	11.5	-6.3
First Tennessee Bank	6,538.3	3.8	187	8	5.2	-1.4
<b>Top 10 Totals</b>	<b>125,727.1</b>	<b>73.4</b>	<b>955</b>	<b>251,519.8</b>	<b>68.4</b>	<b>5</b>
<b>Industry Total</b>	<b>171,190.1</b>	<b>100.0</b>	<b>1,747</b>	<b>367,798.2</b>	<b>100.0</b>	

**US MORTGAGE-BACKED SECURITIES (F11)**

\* US Mortgage-backed securities issuance remained on par with last year's first quarter with total proceeds of \$187.4bn compared to \$187.7bn in the year ago period. The overall market was comprised of Non-Agency RMBS (45.2%), Agency MBS (41.4%) and Commercial MBS (10.6%). In 2004's opening quarter, Agency MBS dominated an analysis of underlying assets with 62.5% of the overall market.

\* Morgan Stanley took the top spot in Commercial MBS underwriting with \$4.2bn during the first quarter of 2005 compared to \$3.4bn in the year ago period. UBS took top spot in both Agency MBS and non-agency MBS underwriting with \$10.9bn and \$12.3bn respectively.

\* Despite a drop in individual market share, UBS, Bear Stearns and Lehman Brothers all remained in the positions held in the year ago period. Royal Bank of Scotland moved into the top five, from seventh to fourth place, with proceeds of \$17.9bn compared to \$11.7bn a year ago.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
UBS	23,332.2	12.5	27	1	14.1	-1.6
Bear Stearns & Co Inc	21,806.6	11.6	28	2	12.2	-0.6
Lehman Brothers	19,179.2	10.2	25	3	11.0	-0.8
Royal Bank of Scotland Group	17,904.1	9.6	19	7	6.2	3.4
Banc of America Securities LLC	16,868.8	9.0	28	5	8.6	0.4
Credit Suisse First Boston	16,036.5	8.6	23	9	5.5	3.1
Morgan Stanley	11,711.0	6.3	18	6	7.8	-1.5
Citigroup	10,587.6	5.7	19	4	8.7	-3.0
Goldman Sachs & Co	10,351.7	5.5	18	8	5.7	-0.2
Countrywide Securities Corp	6,688.8	3.6	13	13	2.8	0.8
<b>Top 10 Totals</b>	<b>154,466.5</b>	<b>82.6</b>	<b>218</b>	<b>154,954.0</b>	<b>82.6</b>	<b>.0</b>
<b>Industry Total</b>	<b>187,412.7</b>	<b>100.0</b>	<b>241</b>	<b>187,664.1</b>	<b>100.0</b>	

**US ASSET-BACKED SECURITIES (F14)**

\* Continuing a pattern of exceptional growth, volume of US Asset-backed securities increased 20.2% to \$226.5bn during the first three months of 2005 compared to \$188.5bn in the year ago period. Despite a marked increase in overall proceeds raised, the number of issues steadily decreased, bringing average deal size to \$680mn compared to \$496mn.

\* The US Asset-backed securities market is comprised of Real Estate ABS, including home equity (53.6%), Auto Receivables (8%), CDOs (7%), Credit Card Receivables (6.1%) and Student Loan Receivables (4.6%)

\* Lehman Brothers emerged as the top bookrunner in the US Asset-backed market for the first quarter of 2005, with a slight increase in market share. Morgan Stanley and Bear Stearns moved into the top three, with market share gains of 4.3 and 3.9, respectively.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
Lehman Brothers	23,387.9	10.3	48	2	10.0	0.3
Morgan Stanley	21,672.0	9.6	32	10	5.3	4.3
Bear Stearns & Co Inc	19,420.2	8.6	29	11	4.7	3.9
Credit Suisse First Boston	17,750.1	7.8	41	8	7.0	0.8
Countrywide Securities Corp	17,674.8	7.8	17	4	8.6	-0.8
Merrill Lynch & Co Inc	17,665.7	7.8	26	7	7.3	0.5
Deutsche Bank AG	17,384.5	7.7	35	6	7.8	-0.1
Citigroup	16,740.4	7.4	37	1	10.7	-3.3
Royal Bank of Scotland Group	13,389.3	5.9	22	5	8.6	-2.7
Banc of America Securities LLC	10,840.7	4.8	27	9	5.8	-1.0
<b>Top 10 Totals</b>	<b>175,925.6</b>	<b>77.7</b>	<b>314</b>	<b>142,770.1</b>	<b>75.8</b>	<b>1.9</b>
<b>Industry Total</b>	<b>226,516.4</b>	<b>100.0</b>	<b>333</b>	<b>188,520.2</b>	<b>100.0</b>	

**GLOBAL LOANS (R1)**

\* The global lending market expanded by 32.6% during the first three months of 2005 compared to the same time period last year. Issuance was in line with last year at 1,803, one less than the same period in 2004. The largest deal in the first quarter of 2005 was a \$10.4bn term loan facility to Sanofi- Aventis via BNP-Paribas, Calyon, HSBC Holdings PLC and Societe Generale.

\* JP Morgan, Citigroup and Banc Of America Securities retained the top 3 rankings from the same time period last year but JP Morgan saw its market share decrease by 3.2 points.

\* Royal Bank of Scotland catapulted from the tenth ranking in 2004 to the eighth ranking in 2005 as it gained 1.1 market share points. Ninth-ranked Societe Generale and tenth-ranked Barclays Capital both managed to push into the top ten as they increased their market share by 1.5 and 0.4 points, respectively.

\* ABN AMRO dropped out of the top ten to rank 16th and saw its market share drop by 1.6 points and its proceeds decrease by 41.7% on half the issuance for the same period last year.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
JP Morgan	81,424.0	13.2	182	1	16.4	-3.2
Citigroup	68,061.1	11.0	138	2	9.9	1.1
Banc of America Securities LLC	60,722.8	9.9	234	3	9.6	0.3
BNP Paribas SA	34,771.5	5.6	71	6	4.7	0.9
Mizuho Financial Group	34,203.7	5.6	279	5	5.0	0.6
Deutsche Bank AG	27,851.3	4.5	47	4	5.7	-1.2
Sumitomo Mitsui Banking Corp	25,167.6	4.1	250	7	4.3	-0.2
Royal Bank of Scotland Group	23,364.9	3.8	68	10	2.7	1.1
Societe Generale	19,369.5	3.1	44	15	1.6	1.5
Barclays Capital	17,065.5	2.8	52	12	2.4	0.4
<b>Top 10 Totals</b>	<b>392,001.9</b>	<b>63.6</b>	<b>1,365</b>	<b>290,012.7</b>	<b>62.3</b>	<b>1.3</b>
<b>Industry Total</b>	<b>616,473.3</b>	<b>100.0</b>	<b>1,803</b>	<b>464,999.0</b>	<b>100.0</b>	

**US SYNDICATED LOANS (R11)**

\* The US syndicated lending market expanded by 22.6% compared to the same period last year and set an all-time record for proceeds raised in the first quarter as proceeds increased to \$253.5bn from \$206.7bn. This marked the third straight year that the market increased from the previous year and broke the previous record of \$240.1bn, which was set in 2001.

\* The popularity of short-term facilities dropped considerably in the first quarter of 2005 compared to last year amidst rising interest rates as proceeds of facilities with maturities of less than one year dropped by 23.2% from \$56.8bn to \$43.6bn.

\* The Energy and Power sector was the most active industry accounting for 17.5% of the market with \$34.7bn in proceeds and included 15 loan packages of \$1bn or more, including a \$5.4bn letter of credit facility to Exxon Mobil Corp led by JP Morgan and Citigroup. The Financials sector was the second most active industry with \$38.3bn in proceeds and accounted for 15.1% of the overall market.

\* The top six firms reclaimed their rankings from the comparable time period last year. Goldman Sachs moved into the top ten in seventh place after ranking 18th in the same period last year gaining 1.0 market share points and increasing proceeds by 180.7%.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
JP Morgan	68,435.2	27.0	157	1	31.1	-4.1
Banc of America Securities LLC	56,019.1	22.1	223	2	21.1	1.0
Citigroup	40,200.2	15.9	69	3	11.8	4.1
Wachovia Corp	15,882.6	6.3	63	4	7.0	-0.7
Deutsche Bank AG	9,359.0	3.7	29	5	3.3	0.4
Credit Suisse First Boston	7,472.8	3.0	31	6	3.1	-0.1
Goldman Sachs & Co	4,494.2	1.8	11	18	0.8	1.0
Lehman Brothers	4,212.0	1.7	15	9	1.5	0.2
Morgan Stanley	3,668.3	1.5	7	13	1.0	0.5
Wells Fargo Bank NA	3,335.0	1.3	10	12	1.0	0.3
<b>Top 10 Totals</b>	<b>213,078.4</b>	<b>84.3</b>	<b>615</b>	<b>168,798.7</b>	<b>81.7</b>	<b>2.6</b>
<b>Industry Total</b>	<b>253,449.8</b>	<b>100.0</b>	<b>651</b>	<b>206,732.7</b>	<b>100.0</b>	

**US LEVERAGED LOANS (R11A)**

\* The US leveraged lending market expanded by 26.3% in the first quarter of 2005 compared to the same period last year despite a 23% decline in issuance as proceeds increased to \$107.6bn from \$85.2bn.

\* JP Morgan reclaimed the top ranking as it increased its market share by 4.3 points and proceeds increased by 58.2%. Banc of America Securities dropped to second place as its market share decreased by 1.4 points.

\* Citigroup moved into third place as it enjoyed the largest change in market share with 5.3 points. Goldman Sachs moved up five notches to seventh place as it gained 2.1 market share points on proceeds that increased by 168.2%.

\* M&A financing was a vital factor in the expansion of the US leveraged lending market. Acquisition-related proceeds increased 164.8% compared to the same period last year as proceeds in the first quarter of 2005 increased to \$33.1bn from \$12.5bn.

Bookrunners	Jan 1, 2005 - Mar 31, 2005			Jan 1, 2004 - Mar 31, 2004		Chg in Mkt Share
	Proceeds (\$ mils)	Mkt Share	# of Issues	Rank	Mkt Share	
JP Morgan	22,694.3	21.1	76	2	16.8	4.3
Banc of America Securities LLC	20,619.5	19.2	111	1	20.6	-1.4
Citigroup	12,926.3	12.0	31	5	6.7	5.3
Deutsche Bank AG	8,454.0	7.9	26	4	7.9	0.0
Credit Suisse First Boston	4,880.3	4.5	26	6	6.7	-2.2
Wachovia Corp	4,531.9	4.2	33	3	9.1	-4.9
Goldman Sachs & Co	4,294.2	4.0	10	12	1.9	2.1
Morgan Stanley	3,668.3	3.4	7	14	1.6	1.8
Lehman Brothers	3,487.0	3.2	13	7	3.1	0.1
UBS	2,906.4	2.7	12	9	2.3	0.4
<b>Top 10 Totals</b>	<b>88,462.2</b>	<b>82.2</b>	<b>345</b>	<b>65,374.9</b>	<b>76.7</b>	<b>5.5</b>
<b>Industry Total</b>	<b>107,567.2</b>	<b>100.0</b>	<b>338</b>	<b>85,186.4</b>	<b>100.0</b>	

## Underwriting Leaders for First Quarter 2005

Market Sector	# 1 Ranked Bookrunner	Current Qtr Market Share (%)	Change in Market Share from Preceding Qtr (% pts)	Consecutive Quarters in Lead
<b>Stocks and Bonds</b>				
Global Debt, Equity & Equity-related (A1)	Citigroup	9.2	0.4	14
Global Disclosed Fees (A2)	Citigroup	10.6	-1.2	3
U.S. Debt, Equity & Equity-related (E1)	Citigroup	10.8	0.9	14
U.S. Disclosed Fees (E2)	Morgan Stanley	12.7	3.8	1
<b>Stocks</b>				
Global Equity & Equity-related (C1)	Merrill Lynch	10.8	2.1	1
Global Common Stock (C2)	Merrill Lynch	11.8	2.9	1
Global Initial Public Offerings (C5)	Morgan Stanley	13.1	10.1	1
Global Convertibles (C9)	JP Morgan	22.7	11.4	1
Global Equity & Equity-related - US Issuers(C1a)	Morgan Stanley	17.8	7.5	1
Global Common Stock - US Issuers (C3)	Morgan Stanley	15.7	3.7	1
Global Initial Public Offerings - US Issuers (C6)	Morgan Stanley	16.3	8.8	1
Global Convertibles - US Issuers (C9a)	Morgan Stanley	26.8	22.4	1
<b>Bonds</b>				
Global Debt incl. MBS, ABS & U.S. Tax Munis (B1)	Citigroup	9.2	0.5	14
Global High Yield Corporate Debt (B4)	Citigroup	14.3	-1.2	3
Global Investment Grade (B7)	Citigroup	11.1	-0.6	20
Global ABS (B11)	Lehman Brothers	9.8	3.1	1
U.S. Long-term Debt including MBS, ABS & Tax Munis (F3)	Citigroup	17.1	1.5	20
U.S. Investment Grade Corporate Debt (F9)	Citigroup	18.5	-2.8	20
U.S. High Yield Corporate Debt (F8)	JP Morgan	15.5	2.5	1
U.S. Federal Credit Agency Debt (H1)	Citigroup	11.9	8.5	1
U.S. Long-term Federal Credit Agency Debt (F7)	Citigroup	15.3	14.7	1
U.S. Mortgage-backed Securities (F11)	UBS	12.5	4.2	1
U.S. Asset-backed Securities (F14)	Lehman Brothers	10.3	2.8	1
<b>Syndicated Loans</b>				
U.S. Syndicated Loans (R11)	JP Morgan	27.0	-2.0	n/a
U.S. Leveraged Loans (R11a)	JP Morgan	21.1	-5.2	3

# Global ECM Scorecard

First Quarter 2005

Thomson Financial Standard League Tables	01/01/2005-03/31/2005		1/1/2004-12/31/2004		% Change in Proceeds
	Proceeds \$US mils	Number of Issues	Proceeds \$US mils	Number of Issues	
<b>Global Equity and Equity-related (C1)</b>					
United States (C1a)	33,931.0	167	53,880.5	268	-37.0%
Asia Pacific ex Australia (C1b)	14,250.8	194	24,321.0	270	-41.4%
Australia (C1c)	2,786.2	38	5,529.8	42	-49.6%
EMEA - Europe, Middle East & Africa (C1d)	44,146.5	134	40,077.5	233	10.2%
Japan (C1e)	11,985.8	115	18,032.5	157	-33.5%
Latin America (C1f)	1,228.9	7	70.0	1	1655.6%
<b>Global Common Stock (C2)</b>					
United States (C3)	27,386.7	136	37,371.4	204	-26.7%
Asia Pacific ex Australia (C4a)	11,973.9	177	19,844.0	244	-39.7%
Australia (C4b)	2,546.3	35	5,273.4	40	-51.7%
EMEA - Europe, Middle East & Africa (C4c)	37,666.2	122	36,580.9	218	3.0%
Japan (C4d)	11,014.5	106	12,336.6	127	-10.7%
Latin America (C4e)	1,228.9	7	0.0	0	
<b>Global Initial Public Offerings (C5)</b>					
United States (C6)	10,158.1	41	6,977.5	41	45.6%
Asia Pacific ex Australia (C7a)	4,088.0	94	6,778.1	150	-39.7%
Australia (C7b)	1,759.7	15	1,304.0	11	34.9%
EMEA - Europe, Middle East & Africa (C7c)	6,698.3	31	8,801.7	59	-23.9%
Japan (C7d)	2,458.8	43	4,265.3	46	-42.4%
Latin America (C7e)	175.0	1	0.0	0	
<b>Global Secondary Offerings (C8)</b>					
United States (C8a)	17,228.7	95	30,393.8	163	-43.3%
Asia Pacific ex Australia (C8c)	7,885.9	83	13,065.9	94	-39.6%
Australia (C8b)	786.6	20	3,969.3	29	-80.2%
EMEA - Europe, Middle East & Africa (C8f)	30,967.9	91	27,779.3	159	11.5%
Japan (C8d)	8,555.7	63	8,071.4	81	6.0%
Latin America (C8e)	1,053.9	6	0.0	0	
<b>Global Convertible Offerings (C9)</b>					
United States (C9a)	6,544.3	31	16,509.2	64	-60.4%
Asia Pacific ex Australia (C9b)	2,276.8	17	4,477.0	26	-49.1%
Australia (C9c)	239.9	3	256.5	2	-6.5%
EMEA - Europe, Middle East & Africa (C9d)	6,480.3	12	3,496.6	15	85.3%
Japan (C9e)	971.3	9	5,695.9	30	-82.9%
Latin America (C9f)	0.0	0	70.0	1	-100.0%

## Global DCM Scorecard

First Quarter 2005

Thomson Financial Standard League Tables	1/1/2005 - 03/31/2005		1/1/2004 - 03/31/2004		% Change in Proceeds
	Proceeds \$US mils	Number of Issues	Proceeds \$US mils	Number of Issues	
<b>All US Debt (F1)</b>					
US Long-term Debt (F2)	741,696.6	1,592	789,797.5	2,087	-6.1%
US Long-term Straight ex MBS, ABS & Munis (F3)	326,423.9	994	410,489.7	1,357	-20.5%
US Federal Credit Agency Debt (F7)	96,797.8	413	134,851.7	551	-28.2%
US High Yield Corporate Debt (F8)	30,509.3	113	43,444.0	169	-29.8%
US Investment Grade (F9)	168,230.7	440	204,373.5	604	-17.7%
Agency, Sovereign & Supranational Debt (F10)	29,105.0	19	25,412.9	23	14.5%
US Mortgage-backed Securities (F11)	187,412.7	241	187,664.1	286	-0.1%
US Asset-backed Securities (F14)	226,516.4	333	188,520.2	380	20.2%
US Taxable Municipal Debt (F15)	1,343.7	24	3,123.6	64	-57.0%
US Short-term Debt - including MBS, ABS (F16)	82,346.1	711	138,198.6	1,244	-40.4%
<b>All Global Debt (B1)</b>					
Global Long-term Debt (B2)	1,419,207.3	3,324	1,419,829.4	3,782	0.0%
Global Long-term Debt ex MBS, ABS & Munis (B3)	932,695.2	2,616	966,116.3	2,917	-3.5%
Global High Yield Corporate Debt (B4)	39,298.3	135	47,968.7	187	-18.1%
Global Investment Grade Corporate Debt (B7)	599,172.6	1,748	594,602.1	1,877	0.8%
US Federal Credit Agency Debt (B8)	96,797.8	413	140,438.3	557	-31.1%
Global Agency, Sovereign & Supranational Debt (B9)	194,419.9	305	178,305.0	272	9.0%
Global Mortgage-backed Securities (B10)	235,987.8	291	235,050.6	352	0.4%
Global Asset-backed Securities (B11)	249,180.6	395	215,538.9	450	15.6%
Global Short-term Debt (B14)	87,848.2	757	142,284.8	1,313	-38.3%