SECURITIES LITIGATION & CONSULTING GROUP

Structured Products Research Report

Report Prepared On: 08/02/13

Structured Product Details

Name	Buffered Plus linked to NASDAQ-100 Index
Issue Size	$924,800
Issue Price	$10
Term	13 Months
Annualized Coupon	0.00%
Pricing Date	April 23, 2009
Issue Date	April 30, 2009
Valuation Date	May 25, 2010
Maturity Date	May 28, 2010
Issuer	Barclays
CDS Rate	205.13 bps
Swap Rate	1.91%
Reference Asset	the NASDAQ-100 Index
Initial Level	1,344.41
Dividend Rate	0.75%
Implied Volatility	30.14%
Delta[1]	0.52
Fair Price at Issue	$9.53
Realized Return	17.35%
CUSIP	06740C394
SEC Link	www.sec.gov/Archives/edgar/data/312070/000119312509088528/d424b2.htm

Related Research

Research Papers:

www.slcg.com/research.php

- *"Are Structured Products Suitable for Retail Investors?"* December 2006.
- *"Structured Products in the Aftermath of Lehman Brothers,"* November 2009.
- *"What TiVo and JP Morgan Teach Us about Reverse Convertibles,"* June 2010.

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Buffered Plus linked to NASDAQ-100 Index

Description

Barclays issued $924,800 of Buffered Plus linked to NASDAQ-100 Index on April 30, 2009 at $10 per note.

These notes are Barclays-branded Buffered PLUS securities that do not pay periodic coupons, but instead pay a single amount at maturity depending on the final level of the NASDAQ-100 Index.

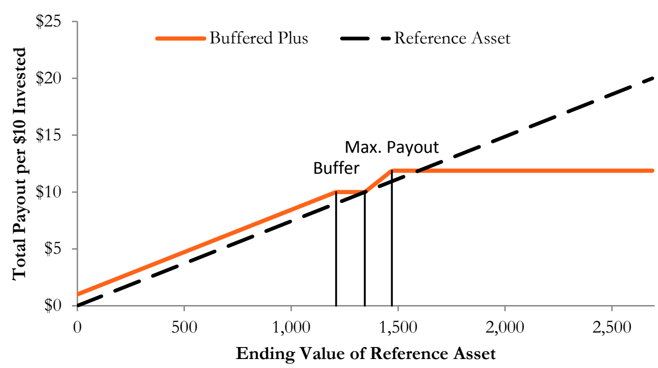
If on May 25, 2010 the NASDAQ-100 Index level is higher than 1,344.41, but lower than 1,470.78, the notes pay a return equal to the percentage increase in the NASDAQ-100 Index multiplied by 2.0, up to a cap of 18.80%. If on May 25, 2010 the refe is below 1,344.41 but not below 1209.97, investors receive $10 face value per note. If the NASDAQ-100 Index level on May 25, 2010 is lower than 1209.97, investors receive face value per note reduced by the amount the reference asset is below 1209.97 as a percent of the initial level, 1,344.41.

Valuation

This product can be valued as a combination of a note from Barclays, one short out-of-the-money put option, two long at-the-money call options, and two short out-of-the-money call options. For reasonable valuation inputs this note was worth $9.53 when it was issued on April 30, 2009 because the value of the options investors gave Barclays plus the interest investors would have received on Barclays's straight debt was worth $0.47 more than the options investors received from Barclays.

There is no active secondary market for most structured products. Structured products, including this note, therefore are much less liquid than simple stocks, bonds, notes and mutual funds. Investors are likely to receive less than the structured product's estimated market value if they try to sell the structured product prior to maturity. Our valuations do not incorporate this relative lack of liquidity and therefore should be considered an upper bound on the value of the structured product.

Payoff Curve at Maturity

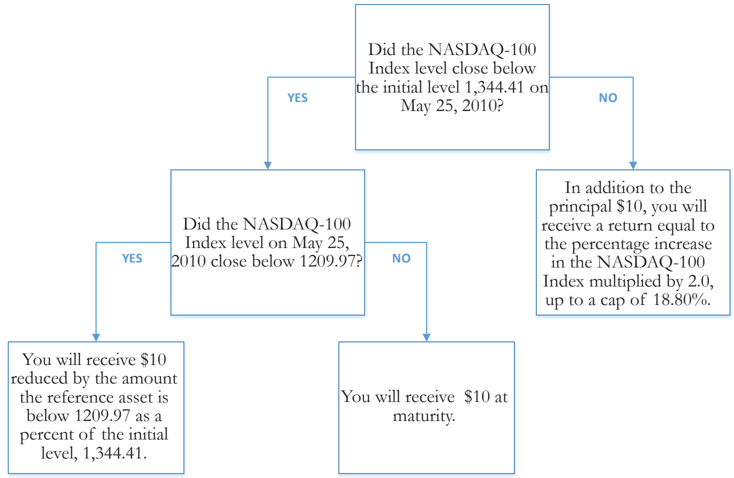


The payoff diagram shows the final payoff of this note given the NASDAQ-100 Index level (horizontal axis). For comparison, the dashed line shows the payoff if you invested in the NASDAQ-100 Index directly.

Principal Payback Table

The NASDAQ-100 Index	Note Payoff
0.00	$1.00
134.44	$2.00
268.88	$3.00
403.32	$4.00
537.76	$5.00
672.21	$6.00
806.65	$7.00
941.09	$8.00
1,075.53	$9.00
1,209.97	$10.00
1,344.41	**$10.00**
1,478.85	$11.88
1,613.29	$11.88
1,747.73	$11.88
1,882.17	$11.88
2,016.62	$11.88

Maturity Payoff Diagram

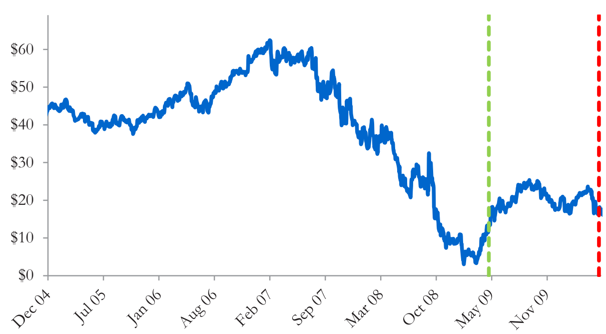


The contingent payoffs of this Buffered Plus.

Analysis

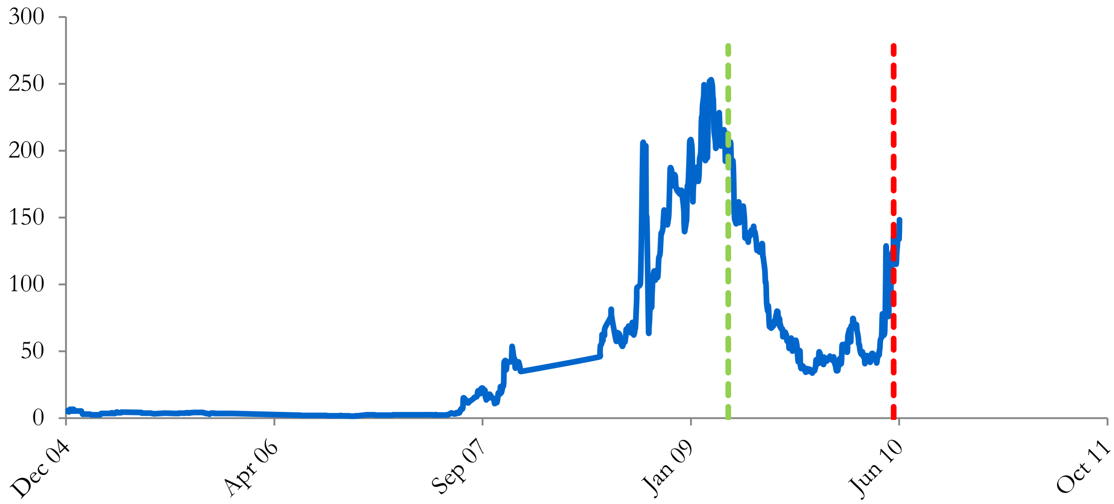
This Buffered Plus pays investors the increase in the NASDAQ-100 Index multiplied by 2.0 capped at 18.80%, but if the NASDAQ-100 Index declines over the term of the note, investors will suffer losses equal to the percentage decline in the NASDAQ-100 Index. In addition, investors bear the credit risk of Barclays. Investors purchasing this Buffered Plus effectively sell at-the-money put and out-of-the-money call options to Barclays, buy at-the-money call options, and a zero-coupon note from Barclays. This Buffered Plus is fairly priced if and only if the market value of the options investors received from Barclays equals the market value of the options investors gave Barclays plus the interest investors would have received on Barclays's straight debt.

Barclays's Stock Price



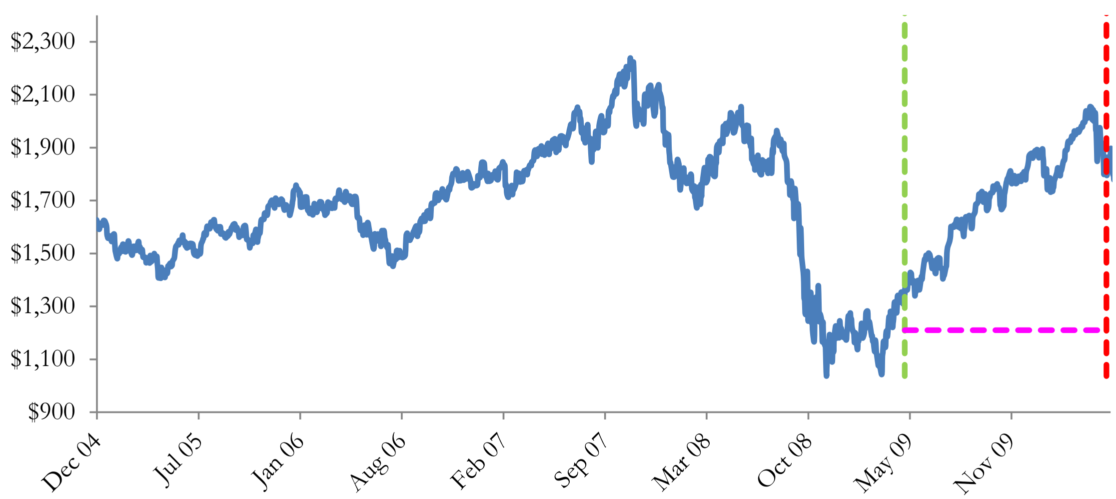
The graph above shows the adjusted closing price of the issuer Barclays for the past several years. The stock price of the issuer is an indication of the financial strength of Barclays. The adjusted price shown above incorporates any stock split, reverse stock split, etc.

Barclays's CDS Rate



Credit default swap (CDS) rates are the market price that investors require to bear credit risk of an issuer such as Barclays. CDS rates are usually given in basis points (bps). One basis point equals 0.01%. Higher CDS rates reflect higher perceived credit risk, higher required yields, and therefore lower market value of Barclays's debt, including outstanding Buffered Plus. Fluctuations in Barclays's CDS rate impact the market value of the notes in the secondary market.

The NASDAQ-100 Index Level

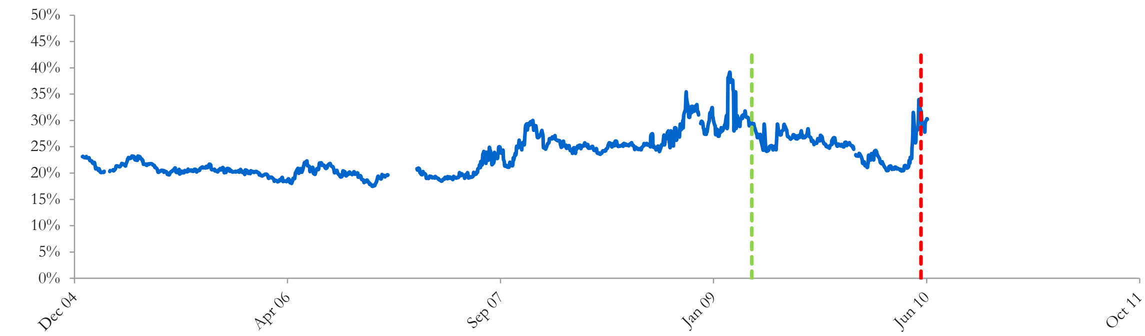


The graph above shows the historical levels of the NASDAQ-100 Index for the past several years. The final payoff of this note is determined by the NASDAQ-100 Index level at maturity. Higher fluctuations in the NASDAQ-100 Index level correspond to a greater uncertainty in the final payout of this Buffered Plus.

Realized Payoff

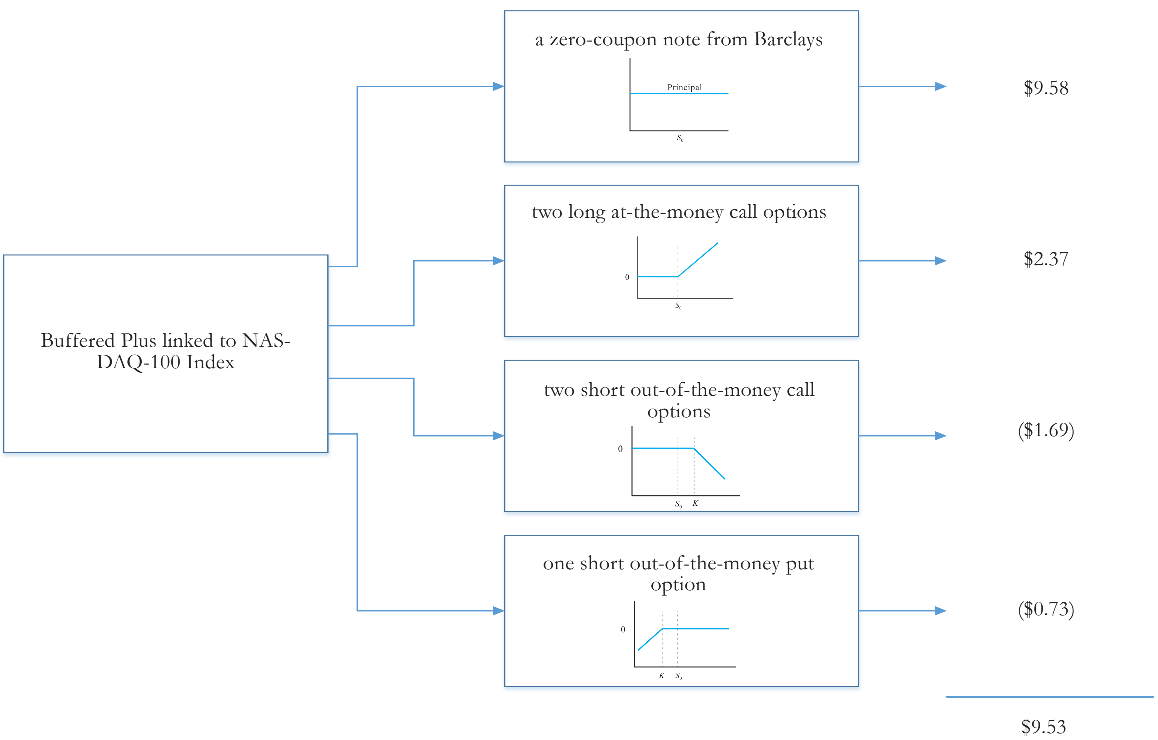
This note matured on May 28, 2010 and investors received $11.88 per note.

Reference Asset The NASDAQ-100 Index's Implied Volatility



The annualized implied volatility of the NASDAQ-100 Index on April 23, 2009 was 30.14%, meaning that options contracts on the NASDAQ-100 Index were trading at prices that reflect an expected annual volatility of 30.14%. The higher the implied volatility, the larger the expected fluctuations of the NASDAQ-100 Index level and of the Note's market value during the life of the Notes.

Decomposition of this Buffered Plus



This note can be decomposed into different components, and each component can be valued separately. The chart above shows the value of each component of this Buffered Plus.

1. Delta measures the sensitivity of the price of the note to the the NASDAQ-100 Index level on April 23, 2009.
2. CDS rates can be considered a measure of the probability that an issuer will default over a certain period of time and the likely loss given a default. The lower the CDS rate, the lower the default probability. CDS rate is given in basis points (1 basis point equals 0.01%), and is considered as a market premium, on top of the risk-free rate, that investors require to insure against a potential default.
3. Fair price evaluation is based on the Black-Scholes model of the the NASDAQ-100 Index on April 23, 2009.
4. Calculated payout at maturity is only an approximation, and may differ from actual payouts at maturity.
5. Our evaluation does not include any transaction fees, broker commissions, or liquidity discounts on the notes.