

Personal Shares Boards / Paulypilot's Pub - Share Ideas

URL: <http://boards.fool.co.uk/thanks-for-all-your-help-guys-this-is-how-it-11799195.aspx>

Subject: Re: GM Bonds - A Real Lemon?

Date: 08/01/2010 16:37

Author: HaiderAli

Number: 125666 of 138677

Thanks for all your help guys. This is how it panned out.

First of all when BSL claimed the stock was suspended, I sent them Was link to FINRA, showing it was trading, also told them that other Fools had been able to trade. They said that FINRA may just been reporting interbroker deals.

Not good enough.

They wanted to know who the brokers were.

I sent them details given by Was and others about their brokers and expected them to contact them to find out who the market maker was.

No good. They wanted the name of the marketmaker. Also if I could not find a marketmaker, then they were willing to send me the certificate and leave me to my own devices!

I phoned FINRA, but they only advise PIs about whether or not brokers are any good, they don't know the identities of marketmakers for a particular stock.

So I ended up phoning one of the brokers and spoke to a very helpful lady (no numbers to press, no muzak, no putting on hold for 20 minutes, I could get used to this). Initially I asked if I could just do one deal with them, but when it became clear that setting up a new account could take some time, I said it was obviously of no commercial benefit to them, but could they just tell me the market maker for General Motors bonds? She called back 20 mins later with a name.

Sent this to Barclays.

They said that they'd try, but no guarantees. Later a BSL dealer called and seemed a bit put off that I did not have a contact name at the marketmaker. She seemed to be under the impression that I had arranged everything and they'd pick up the £100+ commission.

Deals today seemed to be going for around US\$6, I got 5.75, but am really glad to be shot of them. May have made some sense to hold, at least some, but given BSL's incompetence, it wasn't worth it.

OK I know that I should not expect more from these discount brokers, but their charges for this deal were not discount by any means, IMHO. Log paid \$35 compared to my £100+. The upshot is that they're obviously geared to a certain type of business and if you're trying to do anything out of the ordinary, it throws them.

For people like me who may want to do this once or twice a year, the question would be whether setting up a new account would be worth it, I've already moved some of my accounts to another broker, because BSL used to have problems with certain shares in ISAs. But now I'd never do a foreign trade with BSL again.

Anyway thanks a lot to Was and everyone else who contributed. From around US\$1, this has been a great result.

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