

Brussels, 13 February 2009

FESE publishes – European Equity Market Share Report

Summary

The implementation of the **Markets in Financial Instruments Directive** (MiFID) resulted in greater competition and consequently a degree of fragmentation in the execution of equity trades. The comparison of the trading figures of different venues is a crucial part of assessing the success of competing trading venues. The ability to do such a comparison reliably is of interest to the industry and the media as a whole and is crucial to any analysis of the impact of the Directive on the **equity trading landscape**.

FESE plays a **unique role** in providing trading data and has been making trading statistics from all its members **public for free for decades**. To ensure that this data remains **accurate and complete**, FESE has been continually adapting its methodology to new developments, and has recently brought it in line with MiFID.

As a strong proponent of **the quality and consistency of trading information**, FESE believes that a comparison of trading figures must be based on a **comprehensive and robust methodology** that gives the full picture of the European equity markets. Despite numerous attempts to provide such a picture by several parties, there has been no initiative until now that managed to bring together data deriving from a **harmonised set of statistics methodology agreed by all the trading venues involved**. As a result, data used to analyse the market in the recent year has not always been reliable, containing a significant degree of double counting and other errors.

Today, FESE fills this important gap by publishing the first issue of its new European Equity Market Share Report.

For the first time in the industry, this report gathers data from **all the trading venues using the same methodology** – thereby resulting in a fully comparable set of data. The Report includes the data from all the market segments operated by FESE members (including Regulated Markets and Multilateral Trading Facilities) as well as from all the major MTFs operated by investment firms in the European market. For the first time, the European industry will benefit from a report **which follows the same statistics methodology agreed by all the trading venues involved, both RM and MTFs, operated by both market operators and investment firms**. This allows for an accurate comparison of trading statistics across trading venues.

Given the importance of **data quality to policy and supervision**, we aim to continue to cooperate closely with the European Commission and CESR in this process.

Both the FESE Members and the investment firm operators of MTFs involved have demonstrated a firm commitment to comply with the needs of the market in a cooperative spirit. **Judith Hardt, Secretary General of FESE**, said: “We are confident that this project will address the concerns of market participants in the aftermath of MiFID and will restore a reliable picture of trading data across Europe, reinforcing FESE’s unique role in ensuring the quality of data in European markets”.

Structure

The **European Equity Market Share** Report will be published on a monthly basis.

Statistics are structured in 2 tables: **Electronic Order Book** and **Off-Electronic Order Book** which provide an invaluable source of comparison for equities in Europe. In order to meet the needs of the market, FESE will continue to work towards increasing the granularity of the Off-EOB category. In addition, a Dark Pool category will be included shortly.

European Trading Statistics January 2009 European Electronic Order Book Equity Trading

Market Operator	Trading Days	Trades	Turnover (EURm)	Trades		Turnover (EURm)	
				Year to Date	Year to Date	Year to Date	Year to Date
Athens Exchange	20	622,181	2,343.6	622,181	2,343.6	622,181	2,343.6
Borsa Italiana	21	4,696,580	37,528.4	4,696,580	37,528.4	4,696,580	37,528.4
Bratislava Stock Exchange	19	42	0.3	42	0.3	42	0.3
Bucharest Stock Exchange	20	62,705	33.2	62,705	33.2	62,705	33.2
Budapest Stock Exchange	20	228,615	957.1	228,615	957.1	228,615	957.1
Bulgarian Stock Exchange	20	15,854	24.6	15,854	24.6	15,854	24.6
Cyprus Stock Exchange	20	21,012	43.5	21,012	43.5	21,012	43.5
Deutsche Börse	21	7,512,620	85,926.2	7,512,620	85,926.2	7,512,620	85,926.2
Euronext	21	13,234,199	114,059.0	13,234,199	114,059.0	13,234,199	114,059.0
Irish Stock Exchange	21	83,163	652.1	83,163	652.1	83,163	652.1
Ljubljana Stock Exchange	20	10,473	27.0	10,473	27.0	10,473	27.0
London Stock Exchange	21	13,817,214	107,038.9	13,817,214	107,038.9	13,817,214	107,038.9
Luxembourg Stock Exchange	21	1,774	29.0	1,774	29.0	1,774	29.0
Malta Stock Exchange	20	435	1.8	435	1.8	435	1.8
OMX Nordic Exchange	21	4,016,359	38,448.3	4,016,359	38,448.3	4,016,359	38,448.3
Oslo Børs	21	1,329,029	12,341.1	1,329,029	12,341.1	1,329,029	12,341.1
Prague Stock Exchange	21	159,961	1,282.2	159,961	1,282.2	159,961	1,282.2
SIX Swiss Exchange	20	439,199	2,535.5	439,199	2,535.5	439,199	2,535.5
Spanish Exchanges (BME)	21	2,479,842	66,574.8	2,479,842	66,574.8	2,479,842	66,574.8
SWX Europe	20	2,550,083	42,252.6	2,550,083	42,252.6	2,550,083	42,252.6
Warsaw Stock Exchange	20	796,750	2,094.2	796,750	2,094.2	796,750	2,094.2
Wiener Börse	20	352,075	2,261.2	352,075	2,261.2	352,075	2,261.2

Multilateral Trading Facility	Trading Days	Trades	Turnover (EURm)	Trades		Turnover (EURm)	
				Year to Date	Year to Date	Year to Date	Year to Date
BATS Europe	21	993,474	4,780.5	993,474	4,780.5	993,474	4,780.5
Chi-X	21	8,039,865	47,284.0	8,039,865	47,284.0	8,039,865	47,284.0
NASDAQ OMX Europe	21	193,270	624.2	193,270	624.2	193,270	624.2
Turquoise	21	3,489,444	25,935.0	3,489,444	25,935.0	3,489,444	25,935.0

Source: BATS Europe, Chi-X, FESE, NASDAQ OMX Europe and Turquoise

Footnotes:

Domestic and Foreign figures are included

All the figures above comply with the FESE Statistics Methodology

European Trading Statistics

January 2009

European Off-Electronic Order Book Equity Trading

Market Operator	Trading Days	Trades	Turnover (EURm)	Trades Year to Date	Turnover (EURm) Year to Date
Athens Exchange	20	n/a	109.0	n/a	109.0
Borsa Italiana	21	n/a	n/a	n/a	n/a
Bratislava Stock Exchange	19	60	0.1	60	0.1
Bucharest Stock Exchange	20	9	3.2	9	3.2
Budapest Stock Exchange	20	3	0.5	3	0.5
Bulgarian Stock Exchange	20	345	9.4	345	9.4
Cyprus Stock Exchange	20	5	4.4	5	4.4
Deutsche Börse	21	1,131,258	120,830.1	1,131,258	120,830.1
Euronext	21	n/a	n/a	n/a	n/a
Irish Stock Exchange	21	22,986	1,440.6	22,986	1,440.6
Ljubljana Stock Exchange	20	39	10.5	39	10.5
London Stock Exchange	21	497,250	79,242.9	497,250	79,242.9
Luxembourg Stock Exchange	21	//	//	//	//
Malta Stock Exchange	20	0	0.0	0	0.0
OMX Nordic Exchange	21	211,757	4,702.2	211,757	4,702.2
Oslo Børs	21	4,464	795.8	4,464	795.8
Prague Stock Exchange	21	8	5.4	8	5.4
SIX Swiss Exchange	20	1,434	476.5	1,434	476.5
Spanish Exchanges (BME)	21	14,854	23,155.0	14,854	23,155.0
SWX Europe	20	7,068	4,151.3	7,068	4,151.3
Warsaw Stock Exchange	20	242	58.0	242	58.0
Wiener Börse	20	//	//	//	//

Multilateral Trading Facility	Trading Days	Trades	Turnover (EURm)	Trades Year to Date	Turnover (EURm) Year to Date
BATS Europe	21	//	//	//	//
Chi-X	21	59,585	1,123.9	59,585	1,123.9
NASDAQ OMX Europe	21	//	//	//	//
Turquoise	21	//	//	//	//

Source: BATS Europe, Chi-X, FESE, NASDAQ OMX Europe and Turquoise

Footnotes:

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Methodology

The data fragmentation generated by MiFID implementation created a **need for a common statistics methodology** to allow a reliable comparison across all the different types of venues in Europe. European exchanges have been using a common robust methodology for many years which they have recently adapted to MiFID. In line with FESE's leadership in ensuring the quality of data in Europe, in the 4Q of 2008 the FESE Economics and Statistics Committee started cooperating with a number of new trading venues, which have committed to using the **FESE Statistics Methodology**, thus establishing a comparable set of data across all European venues for the first time.

Some characteristics of the FESE Statistics Methodology are described below:

- **Evolving methodology:** The turning point for the FESE Statistics Methodology occurred in 2000 when the convergence of markets microstructure toward the homogeneous model of the electronic order book first led to an important increase in the harmonisation of European trading statistics. The Methodology has evolved over time in line with regulatory developments, statistical improvements and the evolution of the industry.
- **European standard in terms of number of venues using it:** The FESE Statistics Methodology currently represents the European standard for the reporting of comparable trading statistics. It is now used by not only all the market operators of Europe - the 24 members of FESE, who represent close to 40 securities exchanges from all the countries of the EU, Iceland, Norway, and Switzerland - but also the main MTFs operated by investments firms.
- **Worldwide Standard:** Moreover it is becoming a world-wide standard since, following close statistical cooperation between FESE and the World Federation of Exchanges, the Methodology has largely been adopted by the WFE to represent the trading statistics of exchanges around the world in a harmonised manner.
- **Common currency:** The Methodology allows for a straight-forward comparison in a common currency, the Euro. It includes for the readers' convenience a clear identification of the type of exchange rate used by every market based in a non-Euro country.
- **Publicly available for free:** To ensure transparency of information for the users of FESE statistics, the methodology is publicly available for free at the FESE website (where also all historical figures are available with flexible access) at: <http://www.fese.eu/en/?inc=art&id=51>

For further information:

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