

NYSE Euronext Monthly Market Quality Statistics

MARCH 2012

Market Quality indicators

	Market Centre	CAC 40	AEX-Index	BEL 20	PSI 20	Blue Chips ¹	Domestic SMEs ²
Presence time at EBBO (%)	NYSE EURONEXT	77%	72%	77%	88%	77%	91%
	MTF AVERAGE	48%	44%	45%	36%	43%	23%
	BATS EUROPE	44%	36%	32%	32%	33%	13%
	CHI-X	76%	72%	64%	43%	64%	25%
	EQUIDUCT	25%	24%	26%	22%	23%	32%
	TURQUOISE	47%	44%	56%	48%	51%	20%
EBBO with greatest size (%)	NYSE EURONEXT	33%	23%	33%	57%	33%	85%
	MTF AVERAGE	2%	2%	2%	1%	2%	1%
	BATS EUROPE	0%	0%	0%	1%	0%	0%
	CHI-X	7%	7%	5%	2%	6%	2%
	EQUIDUCT	0%	0%	0%	0%	0%	1%
	TURQUOISE	0%	0%	3%	2%	2%	1%
Spread (bps)	NYSE EURONEXT	7.59	6.46	9.42	64.27	7.79	
	MTF AVERAGE	15.71	26.46	48.02	210.18	23.74	
	BATS EUROPE	15.32	19.68	67.94	126.67	28.15	
	CHI-X	7.88	6.58	15.57	135.71	9.47	
	EQUIDUCT	30.93	70.65	88.02	503.38	42.91	
	TURQUOISE	8.71	8.92	20.54	74.94	14.43	
Displayed Market Depth (EUR)	NYSE EURONEXT	45,945	42,156	27,472	22,768	46,725	
	MTF AVERAGE	17,596	23,161	13,160	6,514	17,210	
	BATS EUROPE	14,038	19,831	10,041	6,265	14,337	
	CHI-X	25,279	34,155	16,070	7,639	26,668	
	EQUIDUCT	13,413	17,109	15,046	7,126	12,929	
	TURQUOISE	17,652	21,549	11,482	5,027	14,908	
Volatility (%)	MARKET	21%	18%				

Reference period: 1 March to 31 March 2012

Source: TAG Audit - NYSE Euronext

¹ Blue Chips: Blue Chips are classed as those securities that belong to the AEX-Index, AMX-Index, BEL 20, CAC40, PSI 20, and SBF120 indices.

² Domestic SMEs: small and mid-caps. More than 1,000 domestic SMEs are listed and traded on NYSE Euronext, of which between 50 and 130 are also traded on BATS Europe, Chi-X, Equiduct and Turquoise. Due to the wide range in product scope for domestic SMEs, the comparison of indicators across market centres must need to be done cautiously. For example, the average presence time at EBBO across MTFs depends on the securities available.

³ Market: CAC 40 Volatility Index and AEX Volatility Index on Bloomberg at end of month

General Methodology

TAG Audit, an independent and unbiased provider of trade performance and market quality assessment for the securities industry, uses a snapshot methodology to reproduce the European electronic order book by taking the quotes from various venues based on one time stamp. The daily market quality indicator of one security is the simple average of the indicator for each millisecond.

Currency: the statistics published in this report are based on the Euro.

Index: the market quality indicators for indices or pool of indices are calculated using the same methodology across all the stocks included in those indices, to the millisecond. The market quality indicators are not weighted by volume traded or market capitalisation.

Blue chips and small & mid-caps: the statistics on spreads and market depth are weighted by daily volumes for the month, per venue. More specifically, the daily indicators are weighted by the daily security market share on the total monthly volume of the compartments per venue. Blue chips are classed as those securities that belong to the AEX-Index, AMX-Index, BEL 20, CAC 40, PSI 20, and SBF120 indices.

Market Quality Indicators used:

Presence time at EBBO (European Best Bid and Offer): measures the percentage time during the trading session when a venue quotes the best European bid and ask across all venues referenced in TAG. The indicator is the average of the presence time at European best bid and at European best ask.

Example: If NYSE Euronext's presence time at EBBO on the CAC 40 is 80%, it means that on average, NYSE Euronext quoted the best bid and best ask among all the other European trading venues for 80% of the time for the whole trading day on all stocks in the CAC 40.

Quoted spreads in basis points: measures the difference between best bid and offer on the trading venue. Please note that it is difficult to compare spreads between different trading venues as spreads are highly dependent on the population of stocks, which may be interlinked between venues.

Market depth: measures the displayed average amount available in Euro on both sides, bid and ask, iceberg orders excluded.

Example: If NYSE Euronext's market depth on AEX is €44,000, it means that market investors can access at least €44,000 on both the bid and ask sides on NYSE Euronext for the stocks in the AEX-Index.

EBBO with greatest market size: measures the percentage time during the trading session when a venue has simultaneously the best bid and the best ask (EBBO), with the greatest market depth on both sides. It is thus the best choice that any market can offer.

Example: if NYSE Euronext's presence time at EBBO with greatest market size is 36% on the CAC 40, it means that on average, NYSE Euronext quoted the best bid and best ask with the highest market depth among all the other trading venues 36% of the time for the whole trading day on all stocks in the CAC 40. Thus, 36% of the time, investors will not find a venue better than NYSE Euronext to execute their orders.

Volatility: captures implied volatility embedded in the prices of out-of-the-money index call and put options available on the NYSE Liffe European derivatives market. It is calculated in a transparent manner, using only one external parameter, the risk-free interest rate. The volatility has a great impact on the presence time at EBBO and on spreads. If the volatility rises, the presence time at EBBO on all venues will decrease.

Disclaimer: This publication is solely intended as information and does not constitute an offer, solicitation or recommendation to commit to any other transaction or to buy or sell any financial products to any person. All proprietary rights and interest in or connected with this document are vested in Euronext N.V. Although this information has been compiled with care, neither Euronext nor its affiliates shall accept any responsibility for any errors, omissions or other inaccuracies in this information, nor shall it be bound in any way by the contents of this publication. In the event of incomplete or incorrect transmission, please notify the sender.