

MiFID related microstructure changes at the OMX Nordic Exchange

As communicated earlier the OMX Nordic Exchange will implement changes in the market microstructure from November 1, 2007. The different areas are described below.

Deferred publication

Depending on the implementation of the Directive on Markets in Financial Instruments (MiFID) by the Member States, it may allow a regulated market to defer publication of large transactions. This is an exemption from publishing transactions as close to real-time as possible – or at least – no later than within 3 minutes.

In order to be eligible for the exemption in MiFID, the following requirements have to be met:

Transaction is between an investment firm dealing on own account and a client of that firm, and the size of the transaction is equal to or exceeds the relevant minimum qualifying size as specified in the table below.

The OMX Nordic Exchange will implement new deferred publication thresholds as proposed in MiFID. The criteria that will be used as of November 1, 2007 are shown in the table below.

		Class of shares in terms of average daily turnover (ADT)			
		ADT < €100,000	€100,000 ≤ ADT < €1,000,000	€1,000,000 ≤ ADT < €50,000,000	ADT ≥ €50,000,000
		Minimum qualifying size of transaction for permitted delay			
Permitted delay for publication	60 minutes	€10,000	Greater of 5% of ADT and €25,000	Lower of 10% of ADT and €3,500,000	Lower of 10% of ADT and €7,500,000
	180 minutes	€25,000	Greater of 15% of ADT and €75,000	Lower of 15% of ADT and €5,000,000	Lower of 20% of ADT and €15,000,000
	Until end of trading day (or roll-over to noon of next trading day if trade undertaken in final 2 hours of trading day)	€45,000	Greater of 25% of ADT and €100,000	Lower of 25% of ADT and €10,000,000	Lower of 30% of ADT and €30,000,000
	Until end of trading day next after trade	€60,000	Greater of 50% of ADT and €100,000	Greater of 50% of ADT and €1,000,000	100% of ADT
	Until end of second trading day next after trade	€80,000	100% of ADT	100% of ADT	250% of ADT

Until end of third trading day next after trade		250% of ADT	250% of ADT	
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Deferred publication will apply to off order book trades made on the exchange.

The new deferred publication thresholds will be available for testing as from July 31, 2007 and product launch will be on November 1, 2007.

For further information concerning deferred publication:

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Block Trade Criteria Change

The Nordic Exchange will introduce a change in criteria and new minimum sizes for Block Trades on November 1, 2007 according to MiFID

Today's rules in Norex Member Rules (NMR) for block trades, which relates to 250 Round Lots or larger, and that could be executed outside the current spread. Manual trade which relates to less than 250 Round Lots must be at or within the spread in the order book at the time of the trade. On Helsinki Stock Exchange the value is 500,000 euros or less.

From November 1, 2007 the block trade size will be based on the Average Daily Turnover of the particular share. Each share will be put in one of the five columns in the table below. Based on that the share will be given a minimum size of a trade that is qualifying as a block (i.e. quantity of securities multiplied by the price).

MiFID: Trades large in scale compared to a normal market size

Class in terms of average daily turnover (ADT)	ADT < €500,000	€500,000 ≤ ADT < €1,000,000	€1,000,000 ≤ ADT < €25,000,000	€25,000,000 ≤ ADT < €50,000,000	ADT ≥ €50,000,000
Minimum size of order qualifying as large in scale compared with normal market size	€50,000	€100,000	€250,000	€400,000	€500,000

Block Trade will apply only to off order book trades made on the exchange.

The Block Trade Criteria change will be available for testing as from July 31, 2007, and product will be launched on November 1, 2007.

For further information concerning Block Trade Criteria Change:

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