

# London Stock Exchange

## Exchange Information

<b>Country</b>	United Kingdom
<b>Contact Details</b>	Web: <a href="http://www.londonstockexchange.com">www.londonstockexchange.com</a>  London Stock Exchange 10 Paternoster Square London EC4M 7LS  Tel: +44 (0)207 797 1000 Fax: +44 (0)207 334 8954
<b>Trading Hours</b>	07:50 to 16:35
<b>Currencies Quoted</b>	Mostly in GBP (Pence), except for: DTS (Dutch Trading Service): € (Euro) IOB (International Order Book): \$ (USD)
<b>Routing Link Status</b>	Automated
<b>Other Equity Exchanges in Country</b>	PLUS (previously OFEX)

### Overview of Market Structure:

There are a number of market models offered by the London Stock Exchange. SETS, SEAQ, and SEATS trade UK equities. The International Order Book (IOB) and International Retail Service (IRS) trade international equities. EUROSETS trades the leading Dutch stocks.

SETS (the Stock Exchange Electronic Trading System) is an electronic order-driven system used to trade the UK blue chip stocks included in the FTSE 100 and the most liquid FTSE 250 securities. The SETS order book matches buy and sell orders on a price/time priority.

SETSm is an electronic hybrid trading service, with both market maker and anonymous orders, which is now used for a number of instruments, including:

- FTSE Mid Cap index securities not traded on SETS
- FTSE Small Cap index securities
- Liquid AIM securities including all of FTSE AIM UK 50 index constituents
- Liquid dual listed Irish securities
- Exchange Traded Funds
- Exchange Traded Commodities

SEAQ (Stock Exchange Automated Quotation System) is a quote driven system for those stocks that are not liquid enough to trade on SETS or SETSm. The service is based on two-way (bid/offer) continuous quotes, offered by at least two competing market makers.

SETSqx (Stock Exchange Electronic Trading Service – quotes and crosses) is the new trading platform for less liquid stocks and replaced SEATS Plus on June 18 2007

IOB (International Order Book) is an order-driven system for trading liquid GDRs and ADRs.

ITBB (International Bulletin Board) also lists international securities (mostly from Asia) and is operates an order-driven system but with market maker support.

## Trading Schedule

Market Hours: 08:00 to 16:35

SETS/SETSmm	Time	Action
<b>Opening Auction</b>	07.50-08.00 (Please note that there is a random end to the auction of between 0-30 seconds)	Limit, auction market and hidden orders can be entered, modified, and deleted. No trades occur until auction matching at 08.00
<b>Continuous Trading</b>	08.00-16.30	Orders can be entered, modified, and deleted. Trades continuously occur as orders match at price/time priority.
<b>Closing Auction</b>	16.30-16.35 (Please note that there is a random end to the auction of between 0-30 seconds).	Limit, auction market and hidden order entry, modification and deletion. No trades occur until auction matching at 16.35.
<b>Post-Trading</b>	16.35-17.00	Order deletion only.
<b>Automatic Execution Suspensions</b>	<ul style="list-style-type: none"> <li>• Auctions: A <u>Price Monitoring Auction Extension</u> (5 minutes plus random 30-second end period) occurs when the indicative crossing price is &gt;5% than the last automated order book trade (&gt;3% during the closing auction for some large cap -SET1- stocks). There can only be one such extension to the opening auction, but two to the closing auction. If market orders remain unexecuted following the auction match, a <u>Market Order Extension</u> lasting 2 minutes will occur to give market participants more time to enter orders that will execute against this surplus.</li> <li>• Continuous Trading: SETS: An Automatic Execution Suspension Period (5 minutes plus random 30-second end period) occurs during continuous trading when an order entered exceeds 5% from the last automated order book trade. SETSmm: An Automatic Execution Suspension Period (5 minutes plus random 30-second end period) occurs during continuous trading when an order is entered for a price which deviates from the last automated order book trade by 25%.</li> </ul>	

<b>IOB &amp; ITBB (Continuously traded stocks)</b>	<b>Time</b>	<b>Action</b>
<b>Pre-Opening</b>	IOB: 08.50 – 09.00 ITBB: 08.45 – 09.00 (Please note that there is a random end to the auction of 0-30 seconds).	Orders can be entered, modified, and deleted. No trades occur until auction matching at 09.00.
<b>Continuous Trading</b>	09.00 – 15.30	Orders can be entered, modified, and deleted. Trades continuously occur as orders match in time/price priority.
<b>Closing Auction</b>	15.30 – 15.40 (Please note that there is a random end to the auction of between 0-30 seconds).	Order entry, modification and deletion. No trades occur until auction matching at 15.40.
<b>Automatic Execution Suspensions</b>	<p>Continuous Trading: An Automatic Execution Suspension Period (5 minutes plus random 30-second end period) occurs during continuous trading when an order entered exceeds the following thresholds from the last automated order book trade.</p> <p>+/- 10% for securities at or above \$5 or €5 +/- 25% for securities below \$5 or €5</p> <p>Auctions: A first price monitoring extension and/or a market order extension and/or a second price monitoring extension may occur if appropriate. This will be followed by a check on the total volume that would execute if auction matching took place. If this volume figure is less than a pre-determined multiple of the Normal Market Size ('NMS') of the security, then auction matching will not occur.</p> <p>The pre-determined multiples for the volume check is:</p> <ul style="list-style-type: none"> <li>▪ 0.5 x NMS for securities with an NMS of 5,000 or more</li> <li>▪ The aggregate executable volume of 2,500 for securities with an NMS of below 5,000</li> </ul>	

<b>IOB &amp; ITBB (Auction stocks)</b>	<b>Time</b>	<b>Action</b>
<b>Auction call</b>	08.50 - 11.00	Orders can be entered, modified, and deleted. No trades occur until auction matching at 11.00
<b>Mid-morning match</b>	11.00 - 11.01	The auction uncrossing has a random end of up to 60 seconds
<b>Auction call</b>	11.00 - 14.00	Orders can be entered, modified, and deleted. Trades continuously occur as orders match at price/time priority.
<b>Pre-US match</b>	14.00 – 14.01	The auction uncrossing has a random end of up to 60 seconds.

<b>Auction call</b>	14.01 – 15.40	Orders can be entered, modified, and deleted. No trades occur until auction matching at 15.40.
<b>Closing match</b>	15.40 – 15.41	The auction uncrossing has a random end of up to 60 seconds.
<b>Automatic Execution Suspensions</b>	The pre-determined percentage movement for price monitoring extensions is +/- 5%.  The volume check facility will not apply for auction only stocks.	

<b>Trading Schedule SEAQ</b>	<b>Time</b>	<b>Action</b>
<b>Pre-mandatory quote period</b>	07.30-08.00	Market maker quotes are indicative.
<b>Mandatory Quote Period</b>	08.00-16.30	Market maker quotes must be firm. Closing prices disseminated at 16:30.
<b>Peculiarities</b>	<p>The following obligations apply to market makers:</p> <ul style="list-style-type: none"> <li>• To display the prices at which they are prepared to buy or sell shares of a particular company to which they are registered;</li> <li>• Quote a size equal to or greater than the normal market size ('NMS');</li> <li>• Be prepared to deal, at that price in up to the size quoted, with all enquiring member firms that are acting on behalf of clients. However, market makers are not obliged to quote a price in domestic securities to firms dealing for their own account (as principal). When the enquiring customer is itself a market maker registered in that security, this obligation is limited to dealing in up to the minimum quote size (1 x NMS).</li> </ul> <p>Brokers wishing to respond to a bid or offer must contact the market maker to arrange the transaction. Once agreed, the trade must be reported to the Exchange within 3 minutes of execution in accordance with the rules.</p>	

<b>Trading Schedule EUROSETS</b>	<b>Time</b>	<b>Action</b>
<b>Opening Auction</b>	06.30-08.00 (Please note that there is a random end to the auction of between 0-30 seconds).	Limit, auction market and hidden orders can be entered, modified, and deleted. No trades occur until auction matching at 08.00
<b>Continuous Trading</b>	08.00-16.25	Orders can be entered, modified, and deleted. Trades continuously occur as orders match.
<b>Closing Auctions</b>	16.25-16.30 (Please note that there is a random end to the auction of between 0-30 seconds).	Limit, auction market and hidden order entry, modification and deletion. No trades occur until auction matching at 16.30.
<b>Trading at Last</b>	16:31-16:40	Limit, auction market and hidden order entry, modification and deletion permitted. Orders will match at the imported closing auction price.
<b>Automatic Execution Suspensions</b>	The opening auction is subject to one Market Order Extension and one Price Monitoring Extension (price tolerance level =10%). Market order extensions are not possible during the closing auction. An Automatic Execution Suspension Period (up to 5 minutes plus random 15-second end period) occurs during continuous trading. The price monitoring threshold is 10%.	

## Order Information

<b>Order Types Allowed</b>	<b>Continuous Trading</b>	<b>Auctions</b>	<b>Through Instinet</b>	<b>Price Required</b>
<b>Parked orders – MOC and OPG</b>	Yes	Yes	Yes	Yes
<b>Limit</b>	Yes	Yes	Yes	Yes
<b>Market (At Best)</b>	Yes	No	Yes (At Best EOE)	No
<b>Iceberg (Hidden)*</b>	Yes	Yes	Yes	Yes
<b>Auction Market (at any price)</b>	No	Yes	Yes	No
<b>FOK (Fill or Kill)</b>	Yes	No	Yes	No
<b>EOE (Execute &amp; Eliminate)</b>	Yes	No	Yes	No
<b>GTC (Maximum Expiry)</b>	Yes	N/a	Yes (valid for the day only)	No

\* Minimum display size is 40% of the stock's Normal Market Size (NMS)

## Pricing Information

Tick sizes	Dynamic Tick Sizes apply which implies that if stocks break through a level in the tick table, the tick size of the stock will change intra day	
<b>Price Increment</b>	SETS/SETSmm/SETSqx(SET1) £ less than 10 10 - 199.9 200 – 499.75 500 – 999.5 1000+	£ 0.01 0.1 0.25 0.50 1.00
	SETS/SETSmm/SETSqx(SET1) €/\$ less than 0.1 0.1 – 4.9975 5 – 9.995 10+	€/\$ 0.0001 0.0025 0.005 0.01
	SETS/SETSmm/SETSqx(excluding SET1) £ Less than 10 10 – 499.75 500 – 999.5 1000 +	£ 0.01 0.25 0.50 1.00
	SETS/SETSmm/SETSqx(excluding SET1) €/\$ Less than 0.1 Less than 5 – 9.9975 5 – 9.995 10 +	€/\$ 0.0001 0.0025 0.005 0.01
	IOB & ITBB Less than 5 5 - 50 50- 100 100+	\$ 0.0025 0.01 0.10 0.25
	EUROSETS € Less than 50 50 -100 100-500 500+	€ 0.01 0.05 0.10 0.5
	SEAQ/AIM & IRS £ Less than 10 10 +	£ 0.0001 0.25

## Lot Sizes

	<b>SETS, SETSmm, SEAQ</b>	<b>EUROSETS</b>	<b>IOB</b>
<b>Round Lot Sizes</b>	1	1	1
<b>Minimum Order Size</b>	1	1	50
<b>Maximum Size</b>	n/a	400 x NMS	n/a

## Indices

Indices	Constituents	Adjustments
<b>FTSE 100</b>	Top 100 stocks weighted by market cap.	The index is re-weighted every day. Index constituents are reviewed quarterly
<b>FTSE 250</b>	The top 250 stocks outside the FTSE 100 weighted by market cap..	The index is re-weighted every day. Index constituents are reviewed quarterly.

## Trade Reporting

<p><b>SETS/SETSmm</b></p>	<p>All trades on SETS are published automatically and immediately on execution.            Trades conducted off-order book must be reported within 3 minutes and will be published immediately (with exceptions).</p> <p>Agency crosses and trades in stocks that are in takeover situation will always be published immediately with no possible delay.</p> <p>Trade reporting deadlines:</p> <table border="1" data-bbox="505 905 1320 1125"> <thead> <tr> <th>TRADE TIME</th> <th>WHEN REPORTED</th> </tr> </thead> <tbody> <tr> <td>Between 07:16 and 07:59</td> <td>By 08:00 or within 3 minutes whichever is later</td> </tr> <tr> <td>08:00 and 17:15</td> <td>Within 3 minutes or by 17:15 whichever is earlier</td> </tr> <tr> <td>17:16 and 07:15 next day</td> <td>By 07:45 during next reporting period</td> </tr> </tbody> </table>	TRADE TIME	WHEN REPORTED	Between 07:16 and 07:59	By 08:00 or within 3 minutes whichever is later	08:00 and 17:15	Within 3 minutes or by 17:15 whichever is earlier	17:16 and 07:15 next day	By 07:45 during next reporting period
TRADE TIME	WHEN REPORTED								
Between 07:16 and 07:59	By 08:00 or within 3 minutes whichever is later								
08:00 and 17:15	Within 3 minutes or by 17:15 whichever is earlier								
17:16 and 07:15 next day	By 07:45 during next reporting period								
<p><b>SETS/SETSmm</b></p>	<p>Trades executed off-order book must be trade reported as follows:</p> <ul style="list-style-type: none"> <li>• Between a member firm acting as principal and a member firm acting as agent, the principal shall trade report</li> <li>• Between two member firms both acting as principals the seller shall trade report</li> <li>• Between two member firms both acting as agents, the seller shall trade report</li> <li>• Between a member firm and a non member firm, the member firm shall trade report</li> <li>• Between two member firms of which one is a designated fund manager, the member firm which is not a designated fund manager shall trade report.</li> <li>• Between a market maker and a member broker dealer, market maker reports.</li> <li>• Between a market maker and a member broker dealer, market maker reports.</li> </ul>								



<b>IOB</b>	<p>All trades on IOB are published automatically and immediately on execution.</p> <p>Trades conducted off-order book must be reported within 3 minutes and will be published immediately unless the trade qualifies for a publication delay:</p> <ul style="list-style-type: none"> <li>• &gt;4 x NMS delayed for 2 hours</li> <li>• &gt;8 x NMS delayed until 07.15 the next day</li> </ul> <p>≥50 x NMS delayed up to 5 business days or 90% offset</p>
<b>SEAQ</b>	<p>SEAQ trades must be reported as follows:</p> <ul style="list-style-type: none"> <li>• Between two market makers, the seller reports</li> <li>• Between a market maker and a member broker dealer, market maker reports</li> <li>• Between two member broker dealers, the seller reports</li> </ul> <p>Between a member and non-member, the member reports</p>

## Clearing and Settlement

<b>Clearing and Settlement</b>	
<b>Normal Settlement Cycle</b>	T + 3

© 2008 Instinet, LLC and its affiliated companies. All Rights Reserved. Instinet is a registered service mark in the United States and other countries throughout the world. Approved for distribution in Europe by Instinet Europe Limited which is authorized and regulated by the Financial Services Authority. Instinet, LLC, member [FINRA/SIPC](#), offers brokerage services under the brand name Instinet, LLC.

This information is provided for informational purposes only. It does not take into account the particular investment objectives, financial situation, or needs of any individual or entity. Under no circumstances is it to be used or considered as an offer to purchase or sell any security, or as a solicitation or recommendation of the purchase, sale, or offer to purchase or sell, any security. While the information has been obtained from sources deemed reliable, neither Instinet nor its licensors, nor any other party through whom the user obtains any such information: (i) makes any guarantees that it is accurate, complete, timely, or contains correct sequencing of information; (ii) makes any warranties with regard to the results obtained from its use; or (iii) shall have any liability for any claims, losses, or damages arising from or occasioned by any inaccuracy, error, delay, or omission, or from the use of the information or actions taken in reliance on the information. Reproduction or redistribution of this information is prohibited except with written permission from Instinet. System response times may vary for a number of reasons including market conditions, trading volumes and system performance.