Overview of Markets and Data
The London Stock Exchange is one of the world’s leading equity exchanges and a leading provider of services that facilitate the raising of capital and the trading of shares. It is the most international equities exchange by trading in the world and Europe's largest pool of liquidity.

Our Information Services division sells price data and other information on securities and trading to a range of customers including brokers, institutions, companies, investors and specialist information vendors. It also enables customers to access our technology networks, such as Extranex™ and our STX™ private telephone service for market participants.

The following pages will provide you with an overview of how we can meet your market and data needs.

Essential Market Data
- direct from source

Helping to enable your business to do business

You want to benefit from a diverse range of trading services and markets
Markets overview
Order book trading
Quote-driven trading
Hybrid trading
Order Routing Service

You want access to essential real time market data
Infolect™ overview
Level 1
Level 1 plus
Level 2
Other Infolect services
Becoming a distributor
You want access to key business support tools

Analytic and historical products
SEDOL Masterfile™

You want an integrated network and communication service

Extranex
STX

solutions to meet your needs
Our markets

The Exchange has five trading services for trading UK shares and four trading services for trading overseas shares. The Exchange’s Retail Service Provider (RSP) Gateway can support trading in all these products. Securities can be assigned to different trading services according to their liquidity or any other defined method to ensure that buyers and sellers are efficiently brought together. Figure 1 provides an overview of our markets including the trading structures and the securities traded.

![Figure 1: Trading services offered on the London market](image)

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Order book trading

SETS
Stock Exchange Electronic Trading Service (SETS™) is our fully electronic order book trading service. The order book is the central price formation and trading service for the securities comprising the most liquid FTSE 250. The order book allows participants to submit orders displaying their willingness to buy or sell quantities of shares at specific prices, or to execute against displayed orders. Orders can be submitted either on behalf of clients or for participants own proprietary trading purposes.

We hold details of all orders in the system centrally. Participants add orders or execute against existing orders by sending messages electronically to SETS. Executions occur automatically in accordance with strict price and time priority so that investors can be confident that their orders will be executed fairly.

1 TYPICAL SETS DISPLAY (see page 24)
SETSmm

SETSmm is the London Stock Exchange’s new trading service for mid-cap and small-cap securities. It is a hybrid combining an electronic order book supported by continuous liquidity provision from committed market makers.

SETSmm combines the best features of the existing SETS and SEAQ trading services; as such it appeals to market users who want to trade electronically, as well as those customers who use the market making system. SETSmm is the principal source of price discovery for those securities that trade on the service.

If you would like any detailed information on our markets or have any comments regarding the SETSmm service, please contact either your Account Manager or visit: www.londonstockexchange.com/engb/products/membershiptrading/tradingservices.
International Order Book (IOB) - Depository Receipts
The International Order Book (IOB) offers an order-driven trading service for the most liquid international securities by means of depository receipts.

IOB is based on the existing SETS order book service albeit with the optional non-anonymous orders (for the purposes of IOB this is known as a ‘named’ order) for use by member firms dealing in a principal capacity where the identity of the member firm is displayed alongside the order.

The basic information eg Previous Close, Trade High etc is the same as SETS, except for the use of named orders.

Covered Warrants
Covered warrants is centred on an order-driven trading service for securitised derivatives in the UK.

We support two methods of price discovery and trading for covered warrants:

1. Order book - This provides a continuous trading environment centred on order execution against committed principals, effectively an electronic market-making structure.

2. Retail Service Providers (RSP) Issuers may have covered warrants admitted to the Exchange and provide price discovery through mechanisms other than the order book, such as the RSP Gateway. Transparency for these warrants will be through the dissemination of reference data and trade reports through Infolect, and closing prices entered at a specific time on the order book.

Eurosets - Dutch Trading Service
Order driven trading service offering a competitive secondary market trading in liquid, large and mid-cap Dutch equities.

It is based on the SETS order book with the additional opportunity for members to use named orders if they wish when dealing in a principal capacity where the identity of the members firm is displayed alongside the order.

International Bulletin Board (ITBB)
The International Bulletin Board (ITBB) is an order-driven trading service for less liquid, secondary listed international equity market securities.

The service has similar trading functionality to the existing IOB service, ie the ability of member firms to enter orders and to electronically execute trades. Trades which have executed electronically will be published immediately.

The currency of trading for the respective securities is determined on a security-by-security basis and follows the home market (for ADRs and GDRs the currency will typically be US dollars).
Quote-driven trading

SEAQ
Stock Exchange Automated Quotation (SEAQ) service is the official trading service for small to mid-cap domestic securities not traded on SETS or SETSmm.

The key features are continuous buy and sell prices displayed by named, registered market makers. In addition registered market makers are obliged to deal at displayed prices not less than the normal market size (NMS) for the security when dealing with another market maker, and up to the quote size when executing a trade with a broker dealer acting in an agent capacity.

International Retail Service (IRS)
International Retail Service is a quote driven trading service giving brokers and their clients access to most key European and US blue chip stocks. Prices for the nearly 350 stocks traded on IRS are in Sterling and settlement takes place in CREST Depository Interest form at the domestic UK amount.
Hybrid trading

We offer member firms order-driven and quote-driven trading services such as SETS and SEAQ respectively. In addition to this we also offer services that combine both these elements to form a ‘Hybrid Trading Service’.

A market that is considered hybrid is SEATS Plus.

SEATS Plus

SEATS Plus (Stock Exchange Alternative Trading System) is a hybrid trading service for less liquid domestic securities and smaller or growing companies (Alternative Investment Market - AIM). This service offers the enhanced execution capabilities of an order-driven service combined with guaranteed liquidity provided by a market maker (a maximum of one market maker is allowed, otherwise the security is moved to SEAQ). Trades can be executed electronically or via the telephone with a registered market maker.

Order Routing Service

RSP - Gateway

RSP Gateway provides a central facility for routing quote and execution messages between private client brokers and Retail Service Providers (RSP). RSPs register to provide prices in specific securities but unlike our other services they are not obliged to provide continuous prices throughout the trading day. Brokers can request quotes from their preferred RSPs or all the RSPs they have an existing relationship with.

In order to access these services, RSP participants need to be member broker participants and may be members or non-members.
Infolect provides real-time information essential for trading on the London Stock Exchange. The depth and breadth of the data delivered reflects our highly liquid and rapidly growing markets.

We deliver Infolect data as a number of separate services tailored to the specific needs of individual customers. These services provide essential information to companies trading in UK and international securities, and will add value to any business with an interest in the activity of our markets.

Infolect delivers core data from source, so you can make decisions with confidence and run your business effectively.
Round the clock, dedicated support
You'll receive knowledgeable and effective support from your dedicated account manager and team of Infolect product managers as well as round the clock technical support from our Service Delivery team. We also offer comprehensive user-friendly documentation with clear guidance on how to get the most from the Infolect service.

This documentation can be viewed in the 'technical library' section of www.londonstockexchange.com.

A variety of delivery options
Implementing the service for new customers is straightforward: you can take your Infolect information feed directly from the Exchange via Extranex, our own global network service built using industry-standard Internet Protocol (IP) technology, or receive the data through your preferred data vendor. You may wish to take both options for added peace of mind. In general there are two types of subscribers to our market data services:

- Distributors who include our market data services as part of wider packages of information that they provide to clients.
- End users who subscribe to our market data services for their own use.

Unrivalled depth and breadth of information
Infolect includes a fully visible, complete order book, trade prices and sizes from the UK's primary price formation mechanism. In addition to the core market data, we complement the broadcast with a series of added value information to save you time and money.

Reliable and dependable data feed
Our systems ensure timely, secure and reliable information and trading services for all participants in the market. The result is an orderly market and a level playing field for all participants.

Flexible and easy-to-use data
Infolect data is both flexible and consistent. You can subscribe to differing levels of information depending on your needs, and manipulate the data you receive in the way that suits you. All information is sent in standard message formats and includes different international data identification codes to enable global trading.

Superior Performance
Infolect is our fast, highly performant, leading information delivery system, and is the key to getting critical, real-time market data to end users in a timely manner. Delivering data quickly provides greater execution assurance, as you can be more confident in hitting the orders you are intending to hit when acting on the data, because there is a reduced window for the data to be "out of date". Delivering data in a timely manner also leads to a greater level of market transparency, because the data being disseminated is closer to the actual state of the order book as there is a short period of time for change.

In this technological age of millisecond performance and the advent of algorithmic trading systems, the Exchange allows users to exploit the data to its full potential by disseminating it to customers with minimal latency.
The solution to your market data needs

We are continually looking to work closely with our customers to enhance and grow the range of market data available via Infolect. This has recently culminated in the introduction of a new range of value-added information and a new service - Level 1 Plus, providing even more depth and coverage on market activity. Our Infolect services are outlined in detail below.

You can subscribe to Infolect at three different levels, choosing the service that best matches your needs:

**Level 1**
Offers real-time best prices and a range of key added value information and other market data

**Level 1 Plus**
New added-value official source allowing users to understand more about the underlying market depth and liquidity of securities

**Level 2**
Our most comprehensive service providing the full depth of the market and essential for trading
Many other services including the Reference Data Service (RDS™) and the Regulatory News Service (RNS™) are also available via Infolect. Please see the 'Other Infolect services’ section for more details.
A range of key added-value information and other market data.

Opening price
Automatic Trade Based Opening Price: Contains the opening price for order-based securities based on automatic trade prices. Best Based Opening Price: Contains the opening price for quote-driven securities based on mid-prices.

Trade high and low
Contains the highest and the lowest trade price for a tradable instrument.

Mid price high and low
Contains the highest and the lowest mid-prices for a tradable instrument.

VWAP from Trades
A volume-weighted average price message based on volume traded at each price for order book trades.

All trades VWAP
Contains a cumulative Volume-Weighted Average Price (VWAP) for all publishable tradable instruments during the current day. Infolect currently distributes a VWAP message (5VW) for all automatic trades, whereas this message will perform calculations for all configured trade types.

Cumulative Volumes
The cumulative number and volume of automatic and manual trades for all instruments (exc. SEATS Plus).

Uncrossing Price and Volume
The indicative uncrossing price and corresponding uncrossing volume broadcast during auction calls and immediately following uncrossing.

Daily Official List (DOL) prices
A single, full extraction of end of day quotations on every business day, or a daily extraction of quotations that have been updated since the previous day.
LEVEL 1 PLUS

New added-value official source data for those that use the best bid and offer and appreciate having the value of additional market insight.

Enhanced Best Price
Based on the existing Best Price message we include fields for volume and number of orders at best bid and best offer prices, and bid and offer market order indicators.

Buy/sell Percentages
Total order volumes on each side of the book expressed as percentages in real time, highlighting the relative weight of buyers and sellers in the market.

Money Flow Per Security
Cumulative value of trades executed and the value of orders residing on each side of order book for each security in real time. Provides an indication of the underlying liquidity of a security at a particular point in time.

Time-Weighted Average Spread (TWAS)
Hourly calculated average spread weighted by the length of time a spread applies. Gives an indication of how the liquidity of the security has changed throughout the day.

The Level 1 Plus service also includes all existing Level 1 content.

LEVEL 2

Providing comprehensive quote and order details giving users the most in depth view of our markets.

UK Orders and Quotes
Comprehensive quote and order details for all UK markets, maintained for over 3,500 tradeable instruments including equities, covered warrants, ADRs and the International Retail Service (IRS).

International Orders
Comprehensive order details for more than 500 tradeable instruments on the International Order Book (IOB) and the International Bulletin Board (ITBB).

The Level 2 service also includes all existing Level 1 Plus and Level 1 content.
Other Infolect services

Reference Data Service (RDS)
Keeps constant track of trading system changes. The Reference Data Service (RDS) provides details of the security changes (e.g. SEDOL™ code, security additions/deletions, NMS changes, name changes, participants and market maker registrations) made to the trading system, and subsequently broadcast via Infolect. RDS provides essential house-keeping information to you whether you connect directly to the Exchange or take Infolect data from a vendor. The RDS service is delivered by e-mail. Reports are sent regularly throughout the day, though customers may subscribe only to the 18.00 hrs report if they wish.

RNS: company news as it breaks
RNS is the market leader in publishing companies’ regulatory announcements as they happen. Announcements include year-end and interim results, major contracts and boardroom moves, directors’ dealings and takeover situations. RNS offers fast and accurate release, delivering more than 120,000 announcements a year to a global audience of terminals, as well as key financial websites and databases.

RNS is available to market data distributors, either delivered across Extranex, our own fully supported network or via a licensed distributor. Distributors pay an annual licence fee but no additional data charges.

Call the Vendor Sales team on +44 (0)20 7797 4444, STX 34444 or email vendorsales@londonstockexchange.com.
Becoming a distributor

More than 200 distributors supply London Stock Exchange data and information services to around 97,000 screens around the world. We offer a number of different licence options for companies wishing to redistribute our data.

Vendors can decide to redistribute various levels of data (e.g. Level 1, Level 1 plus or Level 2) and can also choose to distribute UK and/or international data.

Distributors of London Stock Exchange market data can take this directly from us at source. This is via Extranex, our own global network service built using industry-standard Internet Protocol (IP) technology delivered across our fully supported network. You can also receive data from a licensed distributor.

Our sales team can advise you on the services and licences that will best suit you.

You can call the Vendor Sales Team on +44 (0)20 7797 4444, STX 34444 or email vendorsales@londonstockexchange.com.

We look forward to helping you.
Key support tools

We provide a range of analytic, historic and reference data products which are key support tools for business. These products provide a wide range of valuable, accurate data direct from source, covering information ranging from corporate events to statistical and trading reports.

Trade Analytics

The End-of-day Summary service provides summarised trading activity for instruments listed on the London Stock Exchange, including opening prices, closing prices, mid-price high/low, trade price high/low and volume information.

The Tick Data product provides details of intra-day tick-by-tick trading (time and sales) information and best price data since September 1996. The data is available for all securities traded on the London Stock Exchange, providing a clean source of data for use in the formulation of trading strategies and algorithms.

The Rebuild Order Book data service provides intraday order information and trading data. The service facilitates the reconstruction of the London Stock Exchange order book system, and contains order detail, order deletion and trade detail information that is published for automatic trades throughout the trading day. The service allows enhanced data modelling for technical and quantitative analysis of securities and markets on the London Stock Exchange. It also allows more complex analysis than tick data permits by providing access to Level 2 information, thus full market depth.

Participant Products

The Market Share Service provides Member Firms with detailed, flexible and timely market share statistics on trading volumes and associated market share rankings. In an increasingly competitive environment, understanding your market share is of key importance. By accessing this service it has never been so easy to find out how you are performing in the market.

The Execution Quality Service provides retail brokers and RSPs with the ability to monitor, assess and compare execution performance for all of their trades in the UK equity market. It provides you with reports on how your execution performance compares with the rest of the market, allowing you to see how competitive you really are, as well as keep up to date on how each of your Retail Service Providers are performing.
The **Named Market Share Service** provides buy-side firms with detailed, flexible and timely market share statistics on trading volumes and associated market share rankings for participating sell-side member firms. The reports will enable buy-side firms to locate liquidity in small/medium cap stocks and help determine the percentages they can trade in a given security with minimum market impact.

The **Participant Trading Service** provides intraday, tick-by-tick trading data filtered specifically for that participant. The data, which is delivered at the end of each business day, will detail all of the trades that have been executed (for all UK listed securities traded on the London Stock Exchange) by the market participant for that day.

The **Company Fundamental Data Service** provides timely and comprehensive financial accounts, director, and broker estimate information on approximately 2,400 UK and Irish companies. Data is sourced directly from all final and interim company results announcements within hours of the announcement being made to the market as well as from company annual report and accounts documents. The data available includes income statement, balance sheet, cash flow, board membership, director dealings, company advisors, addresses, and multiple other types of company performance data including the financial impact of the introduction of International Financial Reporting Standards on the accounts of each company.

The **Market Reports Service** provides a daily report focusing on the market dynamics and trading activity of your publicly traded company and its peers. Other data includes broker forecasts and shareholder information. The service can be used to enhance board reports with consolidated performance data, to provide management with timely updates to information impacting your company’s share price, and to reduce data costs and the time spent consolidating this type of data.
### Valuation

**The Probate Calculator** is an online service used to instantly calculate the value of shares and dividends requested on specific dates for Probate purposes. It utilises the London Stock Exchange’s Daily Official List (DOL) data and can provide any price since June 1999. The service is carefully designed to also calculate and instantly populate the HM Revenue and Customs D7 form. The step-by-step process will help customers to select the correct shares, through to printing off the D7 form in the HM Revenue and Customs approved format.

The **Trade Validation Service** provides an on-line query-based service to enable customers to validate historic trading data. You can instantly validate historic trading data from 1st April 2001 to the present day through this service.

The **Historic Price Service** provides Daily Official list (DOL) quotations for securities traded on the London Stock Exchange. Quotations from 1 April 2001 to the present can be obtained online at www.historicpriceservice.com. Alternatively, you can send your request to products@londonstockexchange.com for any price from 1982 to the present.

### Reference

**Electronic Data Service** is an email-based service that provides historical turnover data for individual securities. It can be obtained on a daily, weekly and ad hoc basis.

### Events

**The Corporate Events Diary** is an online calendar for tracking upcoming corporate events affecting UK securities traded on the London Stock Exchange. It offers advance warning of both Stock Situation Notices and Ex-dividend status in a simple, easy-to-use calendar format.
SEDOL Masterfile

The London Stock Exchange has always played a key role in the reference data industry, allocating and administering SEDOL codes to the marketplace for over 35 years. The Exchange is also the UK representative of the Association of National Numbering Agencies (ANNA) and combined with SEDOL codes allocates global ISIN codes to all UK listed securities.

The SEDOL Masterfile service, which included the introduction of alphanumeric SEDOL codes, was launched in March 2004. Coinciding with the new service a number of enhancements were made to assist the industry in its drive to reduce cross-border trade failures and streamline manual processes. These included a new real-time allocation mechanism, greater coverage of instruments and additional identification data, including the ISIN code and Market Identifier Code (MIC) - providing customers with a unique market-level global security identifier.

The database is continually expanding to new instruments, geographical regions and asset classes, such as futures and options, global debt, warrants, funds and commodities.

SEDOL Masterfile can also accommodate additional third party data including sector codes, front office ticker codes and local back office codes and provides a platform to support a counterparty data service - ensuring SEDOL Masterfile is a comprehensive global reference data solution.

In recognition of the successful launch of SEDOL Masterfile it was also named “Project of the Year” at the Inside Market Data Awards in 2004.

For more information please contact us on +44 (0)20 7797 3009 or STX 33009, email sedol@londonstockexchange.com, alternatively visit www.londonstockexchange.com/sedol
Extranex
Connecting your systems to our systems, access to trading services, delivery of information services - all must be fast yet secure, uniform yet flexible. Extranex is the communication service from the London Stock Exchange, enhancing this connectivity and bringing to you increased technological capacity, compatibility and accessibility.

Built upon a resilient, private internet protocol network, the industry standard for data communications, Extranex enables us to develop new markets and deliver new products and services fast - responding to your needs as national and international customers.

Extranex is an international service, with a range of connection options and price levels to meet your requirements for access to London Stock Exchange services.

Direct connectivity via Extranex provides the fastest, most reliable and secure access to the Exchange’s services. Resilient telecommunication hubs have also been implemented in cities where a significant number of customers are located, such as Paris and Amsterdam, in order to encourage direct connections from international customers.

Your account manager can provide full support to aid the smooth introduction of the Extranex service for new customers or they can provide advice on any potential upgrades you may wish to discuss. They can also advise you on the opportunities for your business created by new Exchange products and services, accessed via Extranex.
STX
The STX private telephone network is used by over 300 member firms and other industry professionals, across the UK, Republic of Ireland, Channel Islands and Isle of Man. For a one-off connection charge and flat annual fee, regardless of how many calls are made, STX allows you to get in touch with a range of trading partners and puts the financial community at your fingertips.

STX is a secure, closed user group telephone network regulated by the Exchange. So it’s a safe and reliable environment for you to do business in.

With STX you can reach anybody on the network just by dialling 5 digits. While you dial, markets can move; so this speed is important.

Your unique STX number is also published in the STX directory, available both on-line through www.londonstockexchange.com/stx and in paper format and distributed to STX network users.

Connecting to STX is easy. STX lines can be integrated into any type or size of network. It’s flexible and uncomplicated. All you need to be connected is a telephone line.

STX - instant visibility, instant contact. A whole financial community on one network.
Screen displays
The following are typical examples of how this data can be displayed

1) SETS

2) SETSmm
3) IOB

Displays the buy side orders; named and limit
Displays the sell side price and volume of the order

4) SE AQ

Displays the buy side orders; named and limit
Displays the sell side price and volume of the order
Screen displays
The following are typical examples of how this data can be displayed

5) SEATS Plus

6) Level 1
7) Level 1 Plus

The data content and display of the example generic screen display below, is not prescriptive and display elements, such as buy/sell percentages and money flow values, may be shown in separate display areas on users information screens:

- **Money Flow Per Security** - cumulative value of trades executed and the value of orders residing on each side of the book.
- **Time-Weighted Average Spread (TWAS)** - hourly calculated average spread weighted by the length of time a spread applies.
- **Enhanced Best Price** - number and volume of orders at best bid/offer.
- **Buy/Sell Percentages** - total order volumes on each side of the book expressed as percentages.

How can we help you?

If you would like more information or would like to subscribe to any of the services detailed contact Information Sales:

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Contact us

SETSmm service
www.londonstockexchange.com/trading/services.asp

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