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First of all I want to thank all of you for your presence here today, and special thank to Eurofonds-FUNDCLASS for the organization of this event which once again emphasizes the importance of investment funds in today's markets.

People tend to forget what is an Exchange. They tend to think as an Exchange being just a trading platform, and even more recently for the last 10/15 years an Exchange as being an equity trading platform and nothing else. In fact an Exchange is more than that. The key functions are the primary market allowing basically companies to raise capital, to find investors to fund their developments. Have an access to a broad range of instruments and products. That's the first primary market listed functions for a national Exchange.

The second remark that's the most known one, is allowing a secondary trading of those products, mainly mention full liquidity, efficient liquidity, good pricing and at the end of the day it means the ability to sell back what you have been buying on primary markets.

Third function which is **very hip**, also mainly forgotten, is the market operation and surveillance, of these markets, ensuring a fair and an orderly trading in the markets, that's very important and forgotten, and nothing is done today without having a proper surveillance
Specially when you create competition you need to probably supervise these **stuff** of competition.

Market data, again one of the elements, of some Exchange which is hardly known.

You can trade, but if you don't provide any information, pre-trading and post-trading, it's very hard to trade.

You can find trades done, but if you want to be able to decide, if it's the right price, know at which conditions you can trade, and you can know what is the value you have been trading.

So market data is an important element, important key function of an Exchange.

Indices, again very useful information to investors, it's very useful to know exactly how you can benchmark the products you're buying, how they behave compared to other products.

Last but not least, that function which is developing quite quickly nowadays which is Technology Services; an Exchange can't be anymore a physical place. There are still some physical places; we have one in the US, one in Asia, but today an Exchange, like wires, nowadays is to be based on the development of technology, giving access to a wider network of **cosmos**, requires you to adopt, and at the very early stage, the right technology to give access to the users at the same time you provide right data to end-users.

So what have been the key milestones of the NYSE Euronext ?

Basically we have been developing a lot of services, over the last 20 years, but we have been also, that's one of the key features of NYSE-Euronext, is adapting to the environment.

We have seen, since the Euro, that Europe is globalizing, from a financial point of view.

What does it mean ? Globalizing meaning the willingness of the European Commission to get to one single financial market.

Not a single Exchange, many platforms. So one of the reason why we have seen suddenly all these discussions in Europe about the MIFID Directive, it's about getting Europe integrated from a financial point of view, getting Europe one platform, one platform every investor could access, every company could raise capital, and everyone could trade.

So the story of NYSE-Euronext has been this one.

In 2000, we have created Euronext **through** the merger of between the French Exchange, the Dutch Exchange, and the Belgium Exchange.

In 2002, the opposition of Liffe to have a physical exchange in London and the integration of the Portuguese Exchange

In 2007 the merger of the NYSE the larger US Exchange.

All these are with the same view, providing benefits, integrating markets, on the same platform to get the level of scale required by the investors, by investment community, by yourselves.

Diversifying the offer of products and services, again geographical integration has been complemented by diversification of products tradable on our platforms. To respond to that different from evolving investment needs. So we have today one of the most diversified Exchange in the world. Looking at the european side of NYSE-Euronext on our regulated markets, as of January this year, you had :

- 836 listed companies, the market cap of 2.25 trillion euros,
- in terms of ETFs, exchanged traded funds, 621 listed ETF, on more than 350 indices,
- structured products, more than 20 000 listed warrants and certificates on the platform,
- 189 listed funds, and that's not the ETF, the other funds that are traded today in Holland,
- Bonds, more than 4 000 bonds listed today.

So, range of products, accessibility, geographical diversification, and integration.

Future developments: what's next ?

Potential merger with DeutscheBorser, announced merger and signed agreements between two boards for a combination between NYSE-Euronext and DeutscheBorser.

Same rational in the continuity of NYSE-Euronext history.

The landscape is in Europe we have around 132 alternative trading platforms in europetoday. 3 years later after MIFID, 132 platforms trading the same products. Not a single platform to consolidate the data, not a single view of where the products are traded, what are the volumes, what are the prices. So our ambition is still the same. Try to create this integration across Europe.

Equally we are sharing the same views with DeutscheBorser on that sight. And if you look at the complementarity of the 2 groups in terms of activity and scope:

- DeutscheBorser is a leader in derivatives in Europe, strong index portfolio, and a very strong post-trade expertise as well as a world class technology;
- On our side, NYSE-Euronext, we are the first global listing **venue**; we are leading cash equities venues. World class technology, as well as strong derivatives in Europe and in the US.
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What are the benefits you should expect as participants?

First regulated market in the world would be available to you. Largest global capital raising venue for equities and hopefully for bonds. 23.10

In hand spanned European trading in all asset classes, one platform, one connection, diversified asset classes in Europe, the links would be available in the US. Indeed, from a technology point of view you could access in the US market subject to the regulatory approvals.

Deeper and more liquid and transparent markets and a scale effect, synergies, cost efficiency, ultimately **tested** on market participants.

The governments structure of such a big company has been already defined obviously. In terms of shareholding structure, 60% would be on the German side , and 40% on the NYSE-Euronext side.

The board would reflect such a shareholding structure. The executive team would be a fully balanced 50-50 between NYSE-Euronext and DeutscheBorser.

Balanced organization in terms of location, we know that Europe is not one location.

We have to respect this approach in Europe. And that's we have done in the past and would continue to do.

In Paris you have the equity's trading and you have the technology piece. So for time being this deal has been announced, it would be subject obviously to regulatory pools and all the Authorities to approve such a deal. Now we have an initiative which is NYSE Bond Match. It is a platform which is financial bonds and corporate bonds.

Our view is that today the fixed income market, corporate bonds market is completely on the worst situation of the **incomplete** OTC. Meaning it allows people to trade. It does not allow enough transparency, enough ability to value your own portfolio. So whatever you buy, you don't know exactly what the value of what you have bought, and you don't have it as frequently enough to be able to value your portfolios. Meaning your investors, your asset managers, when they want to value their portfolio, it is really hard to get there.

The platform we have been defining with the help of **able** participants, including the buy side, would be an MTF , **M** Trading Platform; it won't be a regulated market, it would a platform dedicated for the whole sale, it would be based on what we have seen today on the equities markets.

Full transparency, opened to buy side and sell side, it won't be a purely intermediated platform. That's a unique feature. Whenever the market becomes mature, you don't need to have intermediaries as a mandatory step to get in; it's opened to the buy side. The market surveys, that been mentioned earlier, said that one of the key functions would be perform on this market, the trades would be guaranteed by a cleaning house. This is another feature you can't see on OTC, meaning those trades would be guaranteed. Meaning if you are not delivered you won't pay. At the same time you can't face through such a platform, a situation where the investors find themselves with the Lehman problems.

Governance of the platform, quite unique model by which NYSE-Euronext give up its own rights, on the governance to a strategic committee to define the way this platform should work: the market model, the fees, the structure, the products, the participants. It is a unique way of associating the buy side and the sell side, as well as the issuers to the governance of such a platform.

Technology: we are going to use the existing technology that we have, which should make it less costly for everyone to connect.

What are the benefits that you would see as investors?

Access to international, Euro denominated corporate, financial and convert bonds with a minimum outstanding of above 500 million euros.

You should expect more transparency, better prices that would serve finally for the investors including the asset managers as a benchmark. You would get a price and you will know at which price those products are traded.

You won't have similar risk as you can have when you trade OTC.

Finally, the experience of what we have been doing in developing for the last 20 years which is technology, ability to trade, ability to provide distribution.

That's a very practical example of what we, as an Exchange, can deliver, and obviously it is not just for the trading community, it would help all the asset managers, all the funds to know what they have in their portfolio. We provide those prices in a very open way and not in a limited club of participants.