



# International Order Book

London Stock Exchange operates the International Order Book (IOB), a dedicated Depository Receipt service trading around \$700m a day.

The IOB offers cost-efficient, secure and transparent access to invest in some of the world's fastest growing markets. Some of the most heavily traded securities on the London Stock Exchange are IOB instruments.

— World leading technology, deep pool of liquidity and Central Counterparty clearing service provide opportunities to approximately 100 members trading on the IOB.

- The IOB allows direct access to securities from 44 countries in Central and Eastern Europe, Asia and the Middle East and is the largest market in Russian instruments outside of Moscow.
- Ability to net clearing and settlement of executions to reduce costs hereby allowing more competitive order pricing and enhanced levels of liquidity.
- Member firms can register as market makers in any IOB security. For those registering in the uncleared segment there are the additional advantages of no monthly registration fee and reduced order book trading fees.

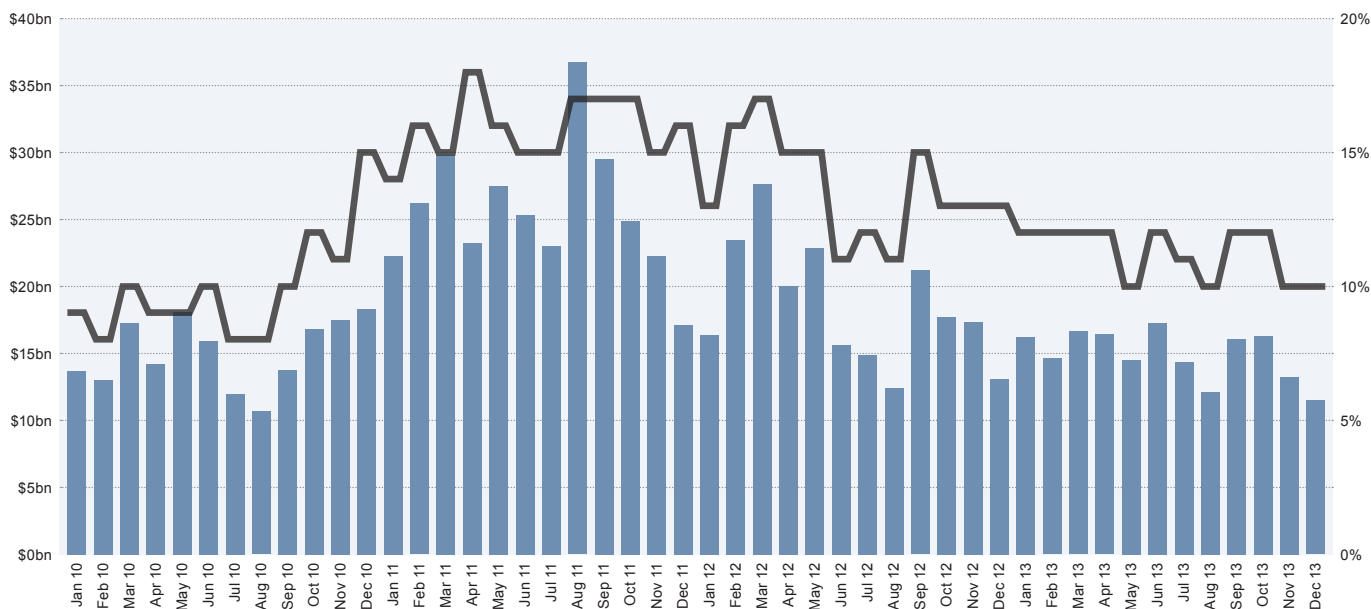
## 44

countries represented

## \$700m

traded every day

### Monthly turnover



#### Graph key

- IOB order book turnover (\$bn)
- IOB as % of total order book trading



### Trading segment: IOBE electronic trades cleared; IOBU electronic trades uncleared

07:00 London time	07:50	08:00*	15:30 <sup>†</sup>	15:40*	16:00 <sup>†</sup>	17:15 <sup>†</sup>
<b>Pre-trading</b> Off-book trade reporting available from 07:15	<b>Opening auction</b> Orders can be entered and deleted but will not execute until opening auction completes	<b>Regular trading</b> Matched electronic orders will execute, subject to ruling circuit breakers	<b>Closing auction</b> If no closing auction, previous order book execution sets closing price	<b>Closing price crossing session (CPX)</b> Additional opportunity to trade at closing auction price	<b>Post-close</b> Orders may be deleted Off-book trade reporting ends at 17:15 <sup>†</sup>	

\* Subject to 30-second random period(s) and any price or market order extensions.

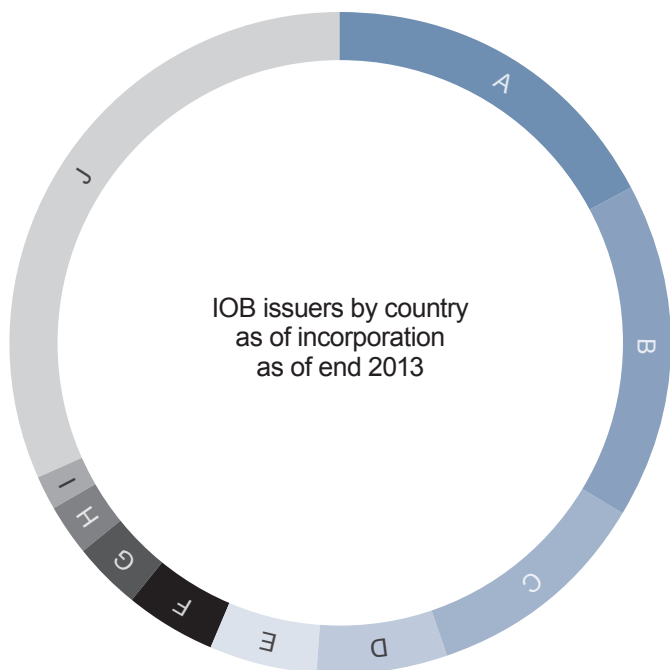
<sup>†</sup> These are standard-day times, see Millennium Exchange™ Business Parameters for full details of half-day closing, along with circuit breaker timings and thresholds: [www.lseg.com/tradingservices](http://www.lseg.com/tradingservices)

The IOB has a rich offering on securities outside Russia. For instance, over 1/3 of the issuers are from Asia with considerable liquidity on the order book and have accumulated significant share of trading on the IOB, compared to the home market and other venues.

Security	Country	Average daily number of electronic trades	Average daily turnover
<b>Most traded Russian securities</b>			
OAO GAZPROM <sup>‡§</sup>	Russia	9,114	\$139m
SBERBANK OF RUSSIA <sup>‡§</sup>	Russia	6,620	\$126m
LUKOIL (OAO) <sup>‡§</sup>	Russia	4,457	\$90m
OJSC OC ROSNEFT <sup>‡§</sup>	Russia	3,991	\$51m
MMC NORILSK NICKEL <sup>‡§</sup>	Russia	3,264	\$39m
JSC URALKALI <sup>‡§</sup>	Russia	3,626	\$31m
OJSC MAGNIT <sup>§</sup>	Russia	2,327	\$29m
OAO NOVATEK <sup>‡§</sup>	Russia	1,887	\$29m
JSC VTB BANK <sup>‡§</sup>	Russia	4,080	\$28m
SURGUTNEFTEGAZ <sup>‡§</sup>	Russia	2,322	\$15m
<b>Most traded non-Russian securities</b>			
SAMSUNG ELECTRONICS CO LD <sup>§</sup>	South Korea	1,077	\$28m
RELIANCE INDUSTRIES LD <sup>§</sup>	India	332	\$4m
STATE BANK OF INDIA	India	185	\$3m
ORASCOM TELECOM HOLDING, SAE	Egypt	210	\$2m
LARSEN & TOUBRO	India	153	\$1m
JSC KAZMUNAIGAS EXPLORATION PRODUCTION <sup>§</sup>	Kazakhstan	244	\$1m
KCELL JOINT STOCK COMPANY	Kazakhstan	101	\$1m
AXIS BANK LD	India	88	\$1m
ORASCOM CONSTRUCTION INDUSTRIES SAE	Egypt	71	\$1m
COMMERCIAL INTL. BANK (EGYPT) SAE	Egypt	70	\$1m

<sup>‡</sup> On-screen options and futures available in these names. See [www.lseg.com/derivatives](http://www.lseg.com/derivatives) for more details.

<sup>§</sup> Cleared-only trade reporting available in these names. See [www.lseg.com/derivatives](http://www.lseg.com/derivatives) for more details.



36

A: Russian Federation

11

E: Egypt

4

I: Kazakhstan

34

B: India

9

F: Cyprus

65

J: Rest of the world

23

C: Taiwan

7

G: Turkey

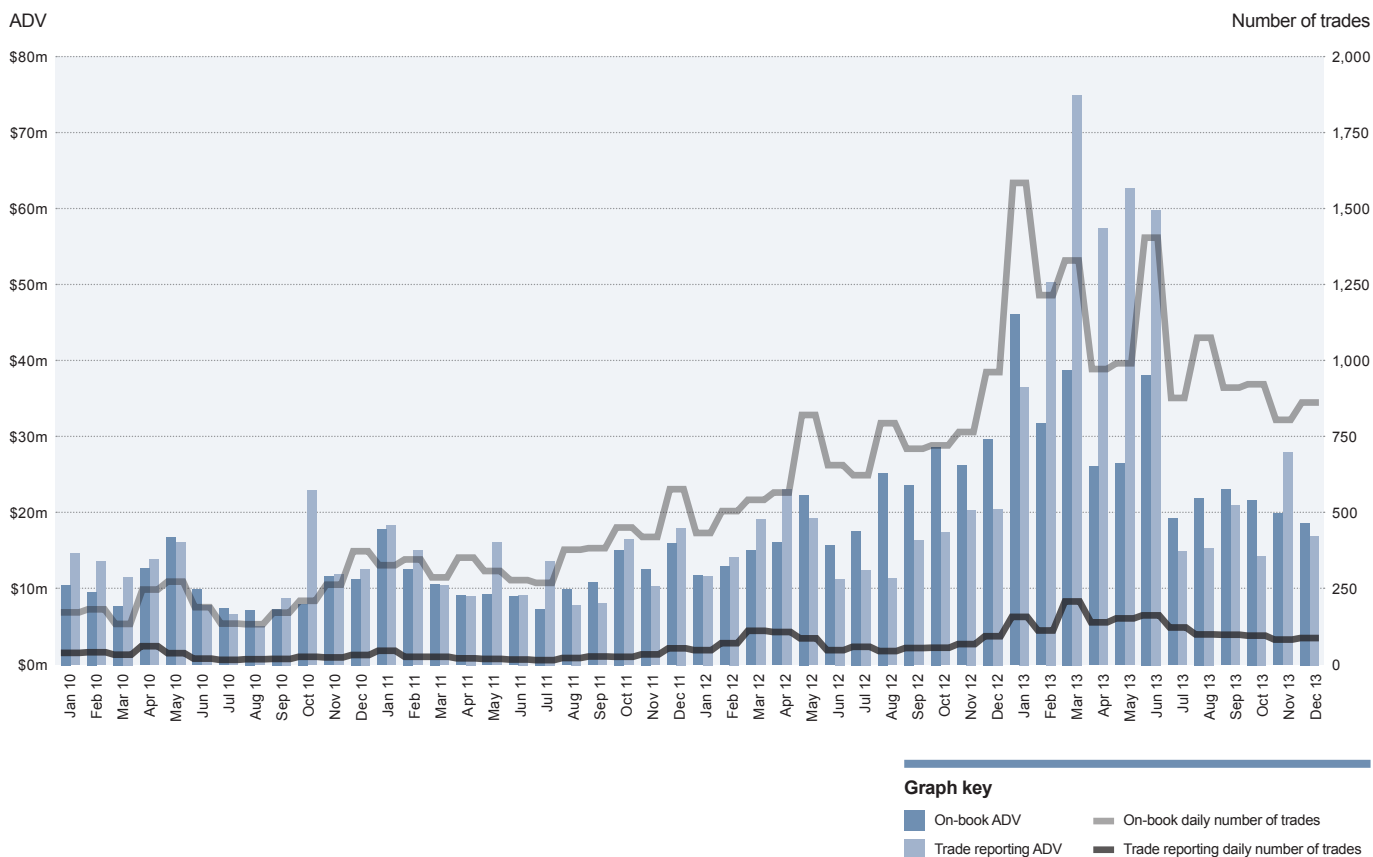
13

D: South Korea

5

H: Greece

## Samsung Electronics IOB order book trading and trade reporting



## International Order Book – key features and benefits

<b>Clearing and settlement</b>	<ul style="list-style-type: none"> <li>— Around 100 IOB securities are centrally cleared by LCH and settled by Euroclear SA. CCP allows full pre- and post-trade anonymity, protection from counterparty risk and a buyer protection service allowing participants to make elections ahead of settlement during a corporate action</li> <li>— 125 bi-laterally settled IOB securities with no CCP (of which over 3/4 are settled in Euroclear and remainder in DTC)</li> <li>— Currently T+3 standard settlement, moving to T+2 on 6 October 2014.</li> </ul>
<b>Trading system</b>	The IOB service benefits from common underlying technology infrastructure to SETS: Millennium Exchange™ offering an average round trip time of 121µs at 99th percentile.
<b>Order types</b>	<ul style="list-style-type: none"> <li>— Limit (persistent or non-persistent)</li> <li>— Market</li> <li>— Executable quotes (registered market makers only)</li> <li>— Iceberg (only reveal part of execution size at a displayed price level)</li> <li>— Hidden limit (no display of price or size for orders greater than US\$14k)</li> <li>— Hidden mid priced pegged</li> <li>— Stop loss</li> <li>— Stop limit</li> <li>— Passive order (won't execute against a lit order on initial entry).</li> </ul>
<b>Pricing</b>	On-book executions are charged at between 0.15 and 0.45 basis points depending on the participant's selected pricing package (subject to a minimum charge of up to 10p per order executed).
<b>Access</b>	Direct membership or via a broker (including DMA and Sponsored Access)
<b>Market hours (London time)</b>	<p>The IOB follows the London trading calendar, but has a separate settlement calendar observing US public holidays:</p> <ul style="list-style-type: none"> <li>— Opening auction 07:50–08:00*</li> <li>— Regular trading 08:00*–15:30</li> <li>— Closing auction 15:30–15:40*</li> <li>— Close price crossing session 15:40*–16:00</li> <li>— Off-book trade reporting 07:15–17:15.</li> </ul>
<b>Regulated status</b>	London Stock Exchange is a Recognised Investment Exchange regulated by the FCA. London listed DRs are traded on a regulated market. Non-London listed DRs and those "admitted to trading only" are traded on an MTF.

\* Subject to price monitoring extensions and a random period of up to 30 seconds.

## Contact

Full details are available through our website [www.lseg.com/iob](http://www.lseg.com/iob)

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