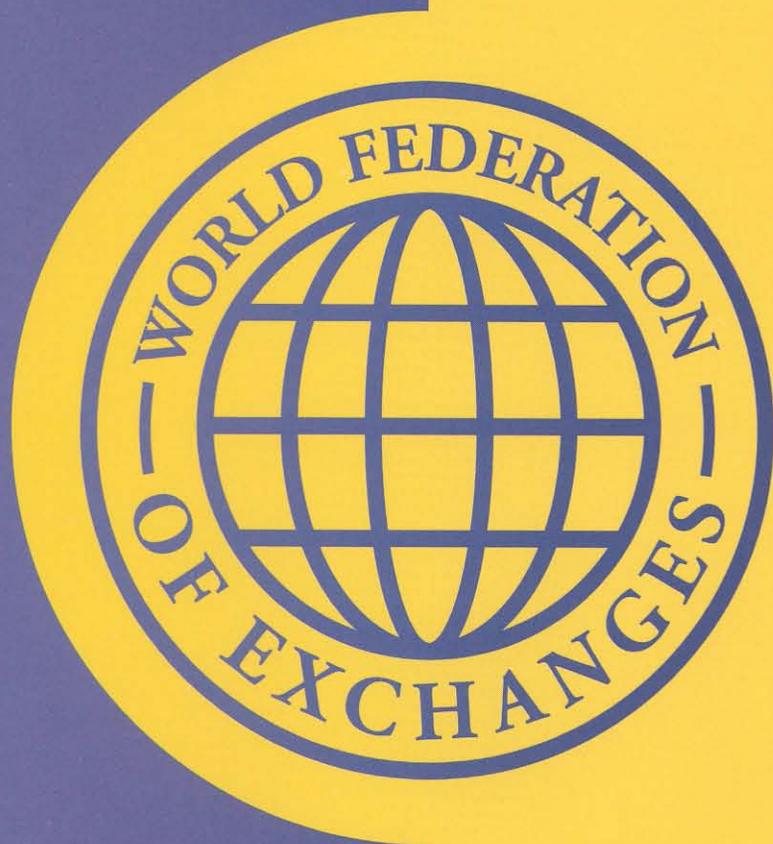


# Cost & Revenue Survey 2006



October 2007



## WFE Members

(as of October 2007)

American Stock Exchange	Jakarta Stock Exchange
Athens Exchange	JSE Limited
Australian Securities Exchange	Korea Exchange
Bermuda Stock Exchange	Ljubljana Stock Exchange
BME Spanish Exchanges	London Stock Exchange
Bolsa de Comercio de Buenos Aires	Malta Stock Exchange
Bolsa de Comercio de Santiago	NASD
Bolsa de Valores de Colombia	NASDAQ Stock Market
Bolsa de Valores de Lima	National Stock Exchange of India Limited
Bolsa de Valores do São Paulo	NYSE Group Inc.
Bolsa Mexicana de Valores	New Zealand Exchange Ltd.
Bombay Stock Exchange Ltd.	OMX
Borsa Italiana SpA	Osaka Securities Exchange
Bourse de Luxembourg	Oslo Børs
Bourse de Montréal	Philippine Stock Exchange
Budapest Stock Exchange Ltd.	Shanghai Stock Exchange
Bursa Malaysia	Shenzhen Stock Exchange
Cairo & Alexandria Stock Exchanges	Singapore Exchange
Chicago Board Options Exchange	Stock Exchange of Mauritius
Colombo Stock Exchange	Stock Exchange of Tehran
Cyprus Stock Exchange	Stock Exchange of Thailand
Deutsche Börse AG	SWX Swiss Exchange
Euronext	Taiwan Stock Exchange Corp.
Hong Kong Exchanges and Clearing	Tel-Aviv Stock Exchange
International Securities Exchange (ISE)	Tokyo Stock Exchange
Irish Stock Exchange	TSX Group
Istanbul Stock Exchange	Warsaw Stock Exchange

Every effort has been made to ensure that the information in this Survey is accurate at the time of printing, but the Secretariat cannot accept responsibility for errors or omissions.



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# MEMBER EXCHANGES' COST & REVENUE SURVEY 2006

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## SUMMARY

### ➤ MEMBER EXCHANGES' FINANCIAL FIGURES AND MARKET INDICATORS (2001 – 2006)

#### 2001 - 2006 Financial figures (USD billion)

	2001	2002	2003	2004	2005	2006	2005-2006 % change
<b>Revenues</b>	7,29	8,29	9,57	10,66	11,23	15,57	<b>38,6%</b>
<b>Costs</b>	5,75	6,60	7,82	7,85	7,67	9,59	<b>25,1%</b>
<b>Net income</b>	2,00	1,59	1,75	1,94	2,55	4,39	<b>72,0%</b>
<b>Equity base</b>	8,28	11,77	13,49	18,46	16,24	19,31	<b>18,9%</b>

#### 2001 - 2006 Equity market indicators (USD billion)

	2001	2002	2003	2004	2005	2006	2005-2006 % change
<b>Market capitalization</b>	26 905	22 834	31 326	36 863	41 410	50 635	<b>22,3%</b>
<b>Share trading volume</b>	38 314	33 117	32 968	42 266	54 765	69 829	<b>27,5%</b>
<b>Performance</b> (WFE global average index)	-19%	-18%	38%	15%	10%	24%	-

### ➤ 2006 COST AND REVENUE MAIN FINDINGS

- ⇒ **Revenues reached a record USD 15.5 bn, up 39% compared to 2005**
- ⇒ **Profitability of exchanges reached highest levels:**
  - Net income was up 72% and reached USD 4.3 billion
  - Average pre-tax earnings margin was 39%
  - Average ROE for the industry reached a new high of 22.7%
- ⇒ **Costs were significantly up by 25.1% at USD 9.5 bn, compared to 2005**
  - This is in part explained by the cost structure of US cash exchanges
- ⇒ **The trend towards listing accelerated with six new exchanges going public in 2006**
- ⇒ **Listed exchanges for the first time represented the majority of membership**
- ⇒ **Listed exchanges represented 75% of revenues and costs of the industry**
- ⇒ **EAME exchanges and listed exchanges tended to outperform industry averages**
- ⇒ **Trading revenues remained the top contributor to revenues (49%), followed by services (27%)**
- ⇒ **Exchange rate variation inflated most indicators quite significantly (the US dollar was down compared to most other currencies, especially the euro)**





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## INTRODUCTION

As in 2005, the dollar exchange rate movements particularly affected figures in 2006, but this time in the opposite way. The US dollar was up 15% against the euro in 2005, but down almost 11% in 2006. As these variations can affect quite significantly the performance percentage from 2005 to 2006, a second variation indicator has been calculated using the 2005 change rates for 2005 and 2006 figures. This allows an examination of variations regardless of the foreign exchange effect.

Given the breadth of their business lines, members in Europe account for a significant part of revenues (47% of total revenues), the dollar variation against European currencies (the dollar was also down 12% compared to the British pound) has an important impact on figures. Thus, the variations of 2006 figures are amplified by the dollar drop; and when using the 2005 exchange rates, the percentages of variation are less important.

It should also be emphasized that the industry is highly concentrated, as the top 10 exchanges by revenues accounted for more than 70% of the total revenues in 2006.

Attention should be paid to the relative difficulty of comparing financial figures among exchanges, and also over a period of several years. Financial reporting standards differ from market to market, with some members using IFRS while others follow national GAAP standards.

Although most members' fiscal year is based on the civil year, some are not, and they reported figures covering only part of 2006. When this occurred, they gave full 12 months information up to that reporting date.

Also, mergers and concentrations have occurred in markets in recent years, complicating the analyst's ability to make clear historical comparisons.

It is, for example, difficult to compare Euronext's figures on an historical basis, as the group has regularly been enlarged since its inception, with the additions of the London-based derivatives Liffe market and the Lisbon Exchange. The same remark could be made for Deutsche Börse with the acquisition of Clearstream. The fact that some exchanges report consolidated financial data while others continue to show figures for their exchange alone further complicates the picture of the group, even as the individual portraits remain clear when seen one by one.

Furthermore, the regular addition of new members to the Federation's membership also alters the multi-year comparisons. Most members operate cash equity markets, some have also developed derivatives markets. Three members are mostly active on derivatives (Bourse de Montréal, CBOE, ISE).

NASDAQ has become a member of WFE in 2006, its financial figures are included in this report for the first time, and those numbers are large.



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This survey is based on the responses of 48 Federation members.

Athens Exchange	JSE Limited
Australian Stock Exchange	Korea Exchange
BME Spanish Exchanges	Ljubljana Stock Exchange
Bolsa de Comercio de Buenos Aires	London Stock Exchange
Bolsa de Comercio de Santiago	Malta Stock Exchange
Bolsa de Valores de Colombia	NASDAQ
Bolsa de Valores de Lima	National Stock Exchange of India Limited
Bolsa de Valores do São Paulo	NYSE Group Inc.
Bolsa Mexicana de Valores	OMX
Borsa Italiana SpA	Osaka Securities Exchange
Bourse de Luxembourg	Oslo Børs
Bourse de Montréal	Shanghai Stock Exchange
Bursa Malaysia	Shenzhen Stock Exchange
Cairo & Alexandria Stock Exchanges	Singapore Exchange
Chicago Board Options Exchange	Stock Exchange of Mauritius
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Euronext	Taiwan Stock Exchange Corp.
Hong Kong Exchanges and Clearing	Tel-Aviv Stock Exchange
Irish Stock Exchange	Tokyo Stock Exchange
Istanbul Stock Exchange	TSX Group
International Securities Exchanges (ISE)	Warsaw Stock Exchange
Jakarta Stock Exchange	Wiener Börse AG

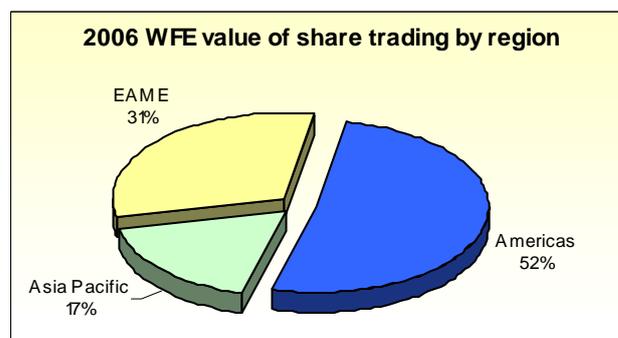
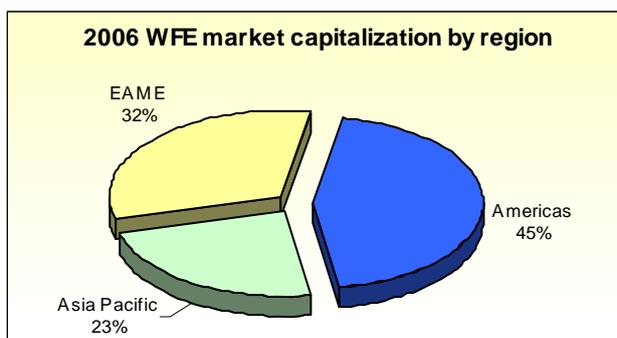
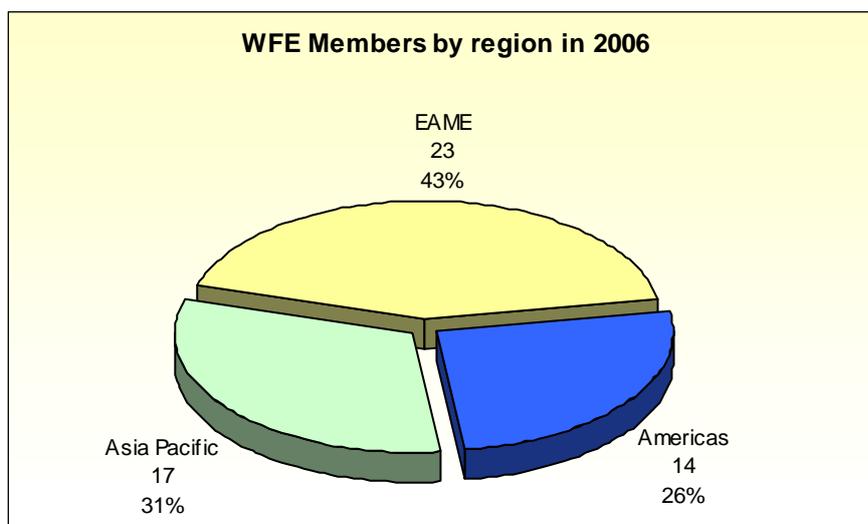
When information was missing, the Secretariat checked members' annual reports and financial statements, in order to include as many data as possible, when available.



# 1. OVERVIEW OF WFE MEMBERSHIP <sup>1</sup>

## 1.1. DISTRIBUTION OF EXCHANGES BY REGION

The following graph is a reminder of how members are spread around time zones, and their relative weight in terms of market capitalization and cash equity trading volume on the markets they operate. The Americas time zone represented 26% of WFE members, but 45% of total market capitalization and 52% of its total share trading<sup>2</sup> volume.



The market capitalization and value of share trading percentages above are based on WFE total membership.

<sup>1</sup> The lists of members by legal status, high/low income and top 10 markets are provided in Annex 1.

<sup>2</sup> The figures used are WFE ones, the market capitalization excludes investment funds and warrants. For more details, please refer to WFE Annual Report.



Compared to 2001, the Americas share has been slightly declining (from 56% of total market capitalization to 45%), whereas the one from the EAME region (from 29% to 32%) and the one from Asia Pacific (from 15% to 23%) has increased.

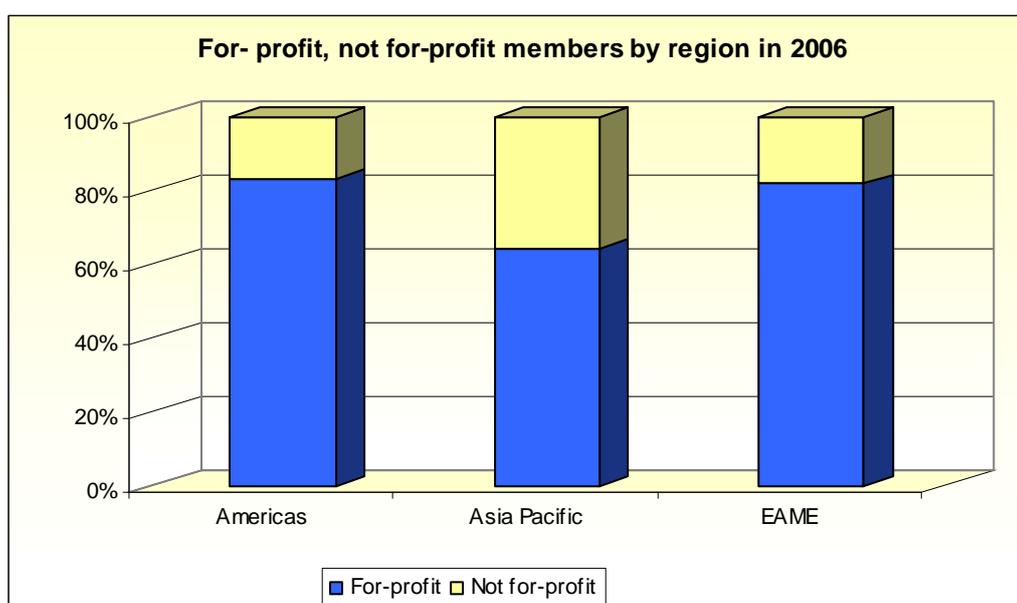
The evolution of share trading is on the contrary stable as in 2001, the relative weight of each region was the following: Americas, 51%; EAME region, 32%; and Asia Pacific, 16%. It should be noted that these figures also reflect the evolution of WFE membership.

## 1.2. DEVELOPMENT OF FOR-PROFIT EXCHANGES

### 37 Federation's members were for-profit entities in 2006

More than 75% of responding exchanges operated on a for-profit basis in 2006. They were 63% in 2000, and only 38% in 1998.

#### 1.2.1 Distribution by geography



The Asia-Pacific still has an important proportion of not-for-profit members.

#### 1.2.2 Distribution by market size

All of the 10 largest equity markets (by market capitalization and trading volume) were run on a for-profit basis in 2006.

#### 1.2.3 Distribution of exchanges' legal status by total revenues

All of the 10 largest markets by revenues were run on a for-profit basis in 2006.

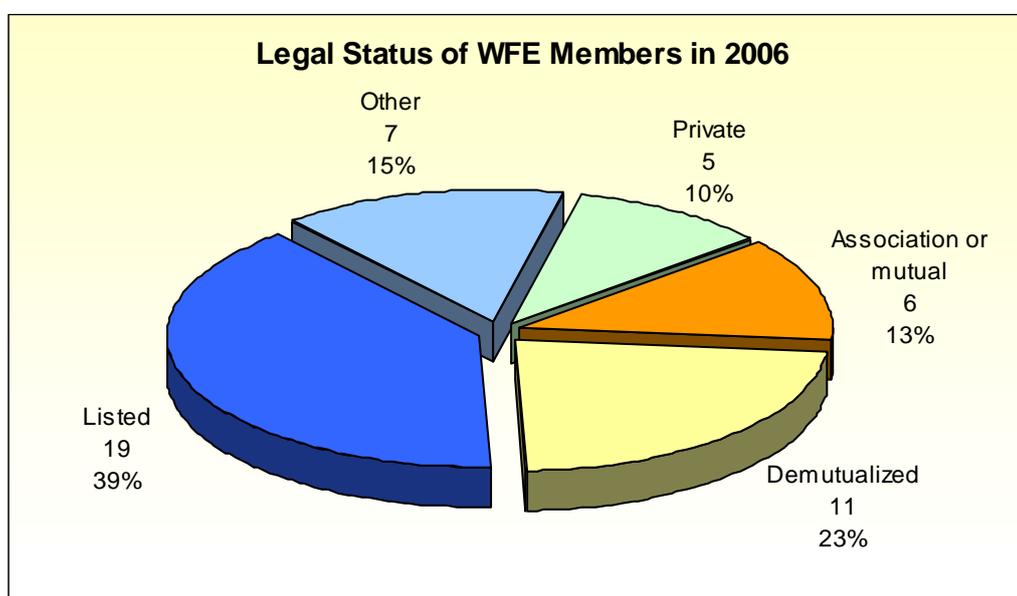


### 1.2.4 *Distribution by economic development*

In high-income countries, more than 90% of the bourses operated on a for-profit basis in 2006. In low-middle income economies, for-profit exchanges represented the majority (52%).

### 1.3. **DISTRIBUTION OF RESPONDING EXCHANGES BY LEGAL GROUPS**

**Five new exchanges listed in 2006 – The Listed legal status is now the largest group and represents almost 40% of membership**



The five exchanges that listed were:

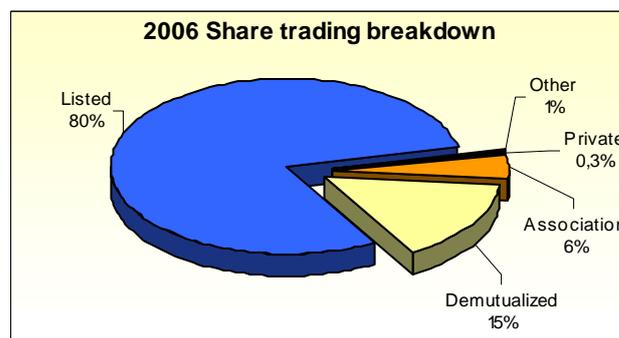
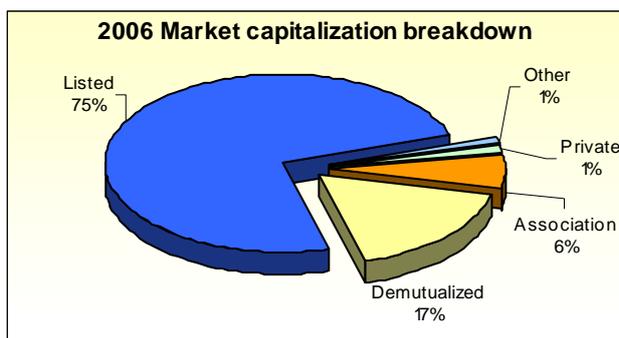
- BME Spanish Exchanges
- Bourse de Montréal
- Bursa Malaysia
- JSE Limited
- NYSE Group Inc.

Although these listings confirm the trend observed in the industry for several years, the increase in listed members is spectacular. As most newly listed members used to be demutualized (except for NYSE, which belonged to the private category), this legal structure now only represent 23% of members, compared to almost 30% in 2005. Altogether, the 30 listed and demutualized exchanges represent more than 60% of total membership. The other categories are stable.



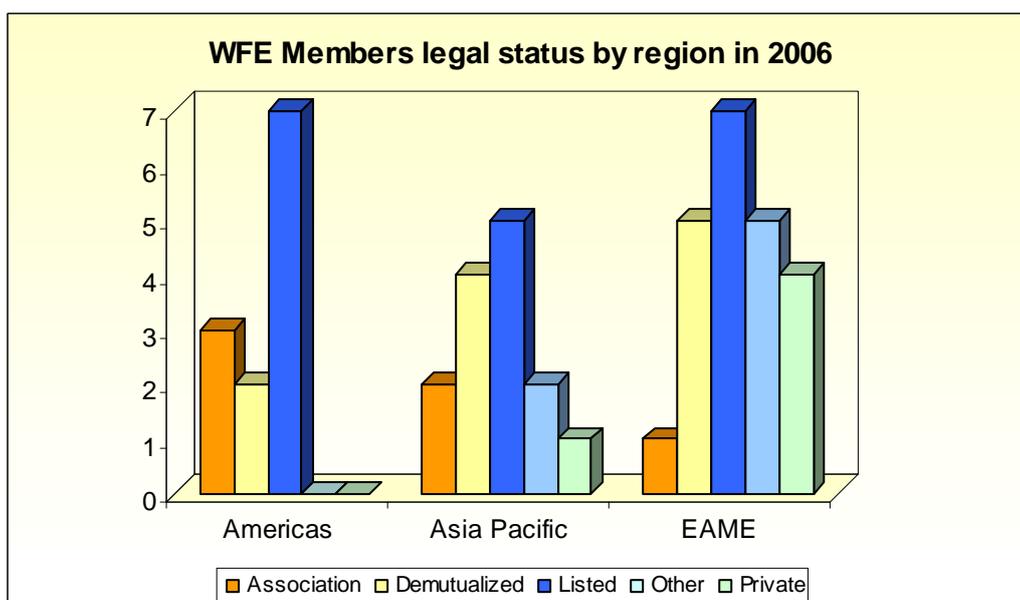
Given the magnitude of change this year, the comparisons based on legal structure between 2006 and 2005 are done on the same sample for the two years; it is the 2006 legal structure which constitutes the reference sample for comparing the two years.

The weight of listed exchanges when looking at market capitalization and share trading value is now very dominant. The fact that NYSE, and to a lesser extent BME Spanish Exchanges, switched to listed had a significant impact, as they both were in the top 10 in terms of market capitalization and share trading revenue.



### 1.3.1 Distribution of exchanges' legal status by region

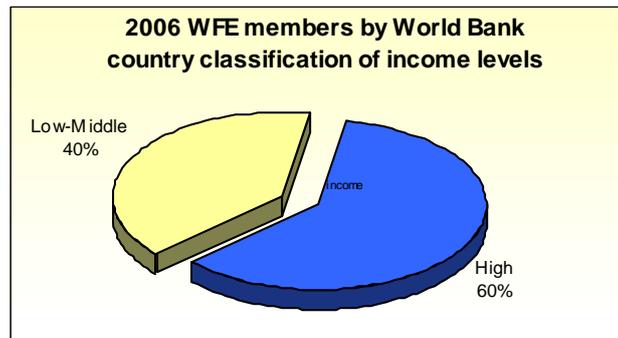
EAME still concentrates most of the responding members (22), compared to Asia/Pacific (14) and the Americas (12).





#### 1.4. DISTRIBUTION OF EXCHANGES BY WORLD BANK INCOME CATEGORIES

In this breakdown we use the World Bank classification and make two groups: high and low-middle income countries.





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## 2. FINANCIAL PERFORMANCE<sup>1</sup>

### 2.1. GENERAL REMARKS ON THE FIGURES

The presentation of the general performance (raw revenue and cost figures) for 2006 will be reviewed according to different categories. Exchanges' data were aggregated according to the following categories:

- Profit objective
- Legal status :
  - Private, limited companies
  - Demutualized
  - Publicly listed exchanges
  - Associations or mutuals
  - “Other” legal status

The definitions of these legal categories are explained in the annex 1.

- Regions :
  - The Americas
  - Europe/Africa/Middle East (EAME)
  - Asia-Pacific
- Size (top 10 exchanges by market capitalization, top 10 by trading volume, top 10 by revenues)
- Economic development (following the World Bank country classification)

The reader should bear in mind that the percentages observed when grouping members in these ways are quite constant when looking at other figures beyond the two revenue and cost indicators. The survey will then only emphasize and focus on specific breakdowns for essential figures, or when they diverge significantly from the general figures observed for revenues and costs.

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<sup>1</sup> All financial and market figures are indicated in USD terms.



## 2.2. GENERAL PERFORMANCE

**Revenues were up 39% at USD 15.5 bn – Costs were up 24% at USD 9.5 bn**

The total revenues in 2006 reached a new record at USD 15.56 billion, up 39.4% compared to the previous year. Using the 2005 USD exchange rate for 2006 figures, in order to attenuate the dollar variation, revenues were up 32%. As explained in the introduction, this difference in variation is in line with the US dollar depreciation compared to European currencies.

This record performance is in line with very favorable market conditions in 2006<sup>1</sup>:

- **The total value of share trading volume was up 27.5%**
- Total equity market capitalization was up 22.3%

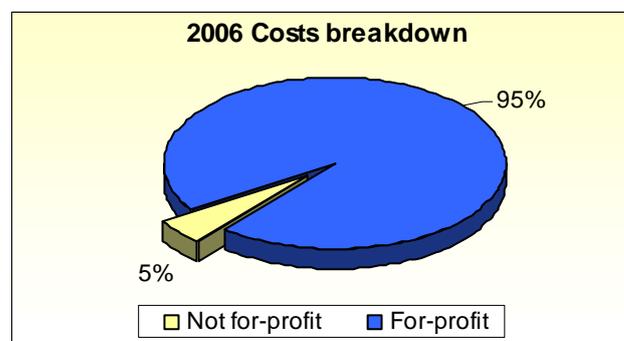
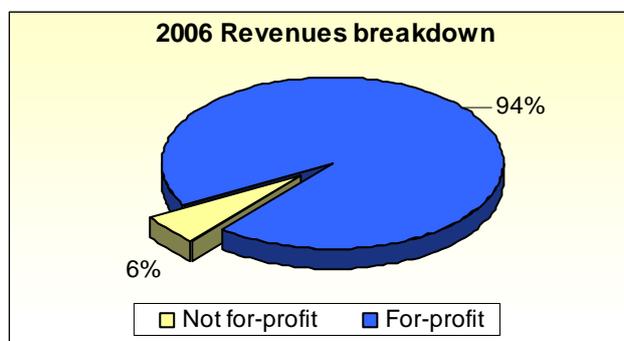
Overall costs are up 25% in 2006 (but only 19% in constant USD terms). This quite unusual trend in this mostly fixed costs' industry can be explained by the significant increase of costs reported by NYSE and NASDAQ.

We assume that this change comes mainly from the market structure in the US, where exchanges also act as brokers and then report **variable costs** such as brokerage, clearing and exchange fees. Exchanges also have liquidity payments or liquidity rebates which are paid to liquidity providers. As a result their costs seem much more correlated to their trading volumes, and thus have a more important variable portion.

When calculating the same indicator without NYSE and NASDAQ, total costs in 2006 are only up 13%, and 4.5% in constant USD terms.

### 2.2.1 Review by profit objective

The overwhelming weight of for-profit markets in 2006 costs and revenues is not a surprise, given the fact that the top 10 markets in terms of revenues are for-profit. (Actually, all the 16 largest exchanges by revenues are for-profit.) The fact that NYSE became for-profit in 2006 clearly had a major impact on this breakdown.

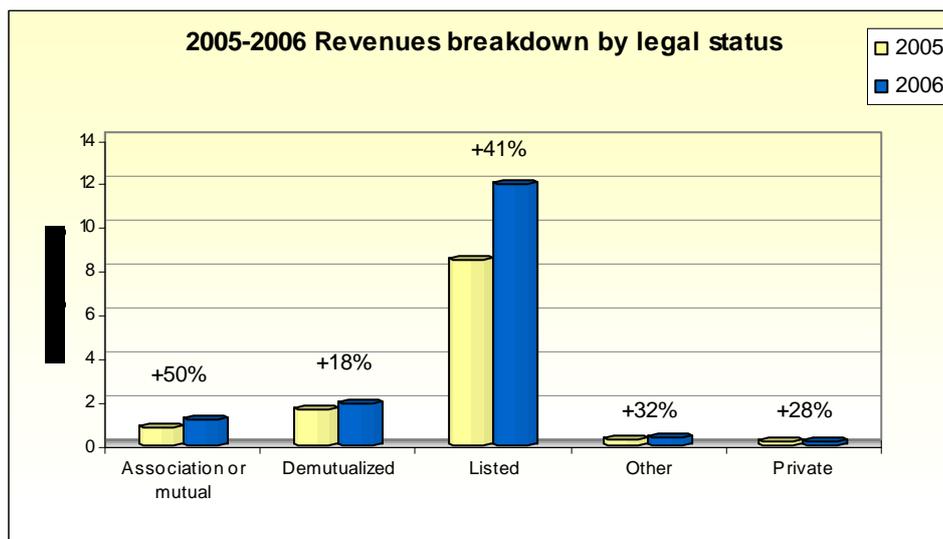


<sup>1</sup> See section 3 for more markets indicators.

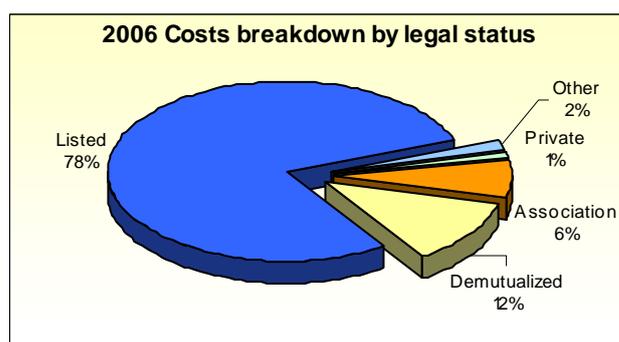
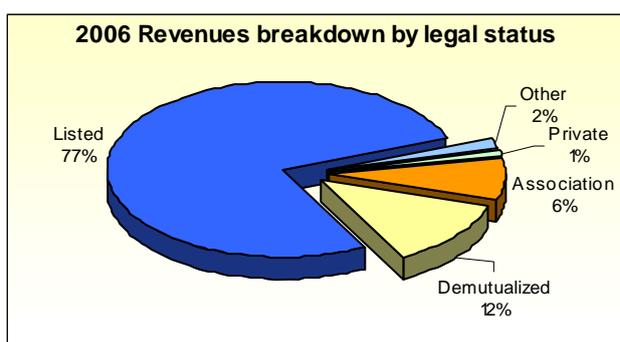
### 2.2.2 *Review by legal status*

As noted the previous years, there is no clear relationship between the legal status of WFE members and their financial performance. In 2006, listed exchanges obviously had the largest increase in absolute value, but not in relative terms.

The revenues of all legal structures increased significantly in 2006. Listed exchanges revenues increased from USD 8.4 billion in 2005 to almost 12 billion (up 41%). The association/mutual and listed status had the strongest growth, +50% and +41% respectively.



The distribution of costs and revenues among each legal status reflects the weight of listed exchanges.



The fact that the exchange industry is very concentrated should be kept in mind especially when looking at legal status specific breakdowns. In some categories a few members financial figures are very dominant.

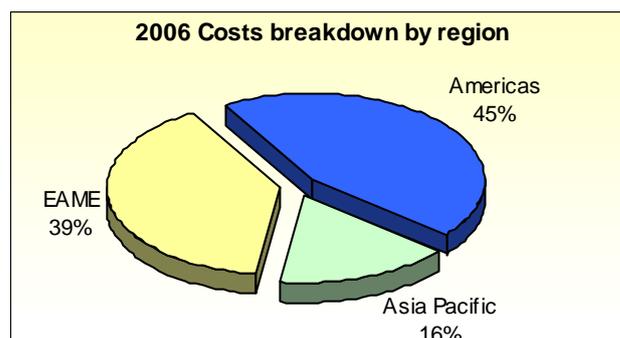
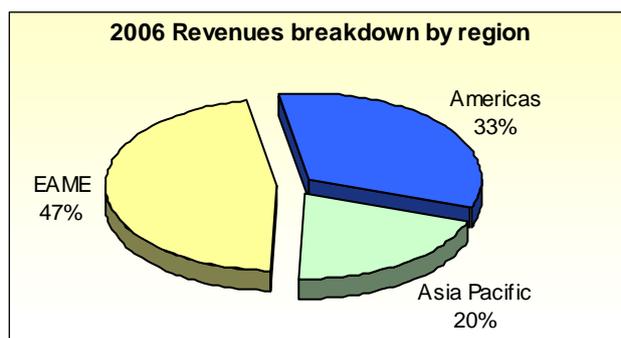
- The **demutualized** group is more diverse, and is largely dominated by Tokyo Stock Exchange, whose revenues accounted for one third of the total of this group in 2006. Borsa Italiana and Korea Exchange, respectively, accounted for around 19% and 17%.



- The **listed** group, which is now the most important one in terms of number of members, is largely dominated by DBAG and NYSE, which represented, respectively, 23% and 19% of the total revenues in 2006. They are followed by NASDAQ and Euronext, both around 13% of the total revenues of the group.
- In the **other** group, Istanbul Stock Exchange, the Stock Exchange of Thailand, and Warsaw Stock Exchange accounted for 87% of this group's total revenues in 2006.

### 2.2.3 *Review by regions*

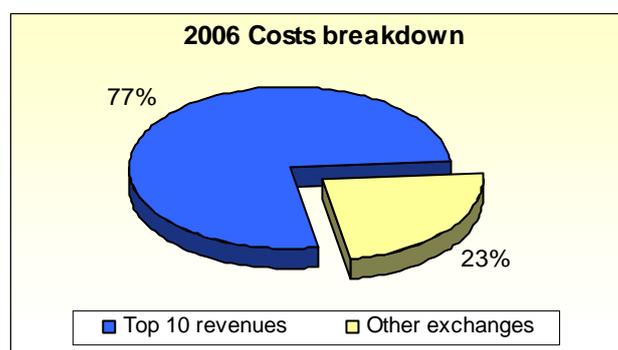
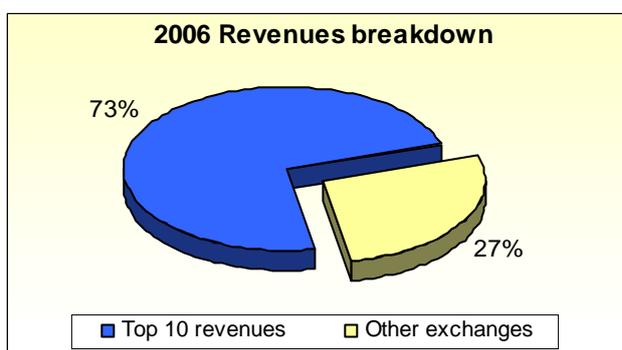
With almost half of global figure, the EAME region is the main contributor to total revenues. Its share in both revenues and costs slightly decreased compared to 2005, because of the increase of the weight from the Americas. The different weight of each region for revenues and costs is noteworthy, especially the Americas (33% of total revenues, but 45% of total costs) and the EAME region (47% of revenues, but 39% of costs). Given the weight of NYSE and NASDAQ, which combined represented more than 75% of revenues<sup>1</sup> in the Americas, and which increase of costs noted and explained on page 13, this imbalance is logical.



<sup>1</sup> And 85% of the total costs of the Americas

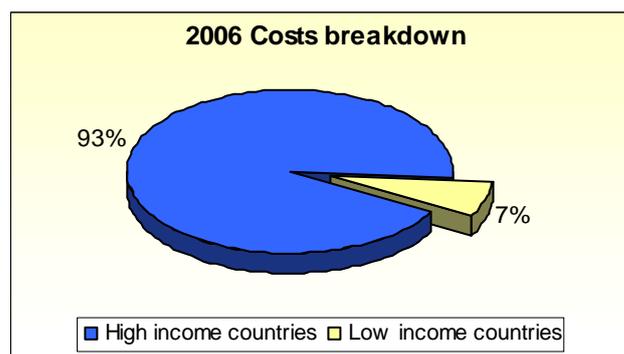
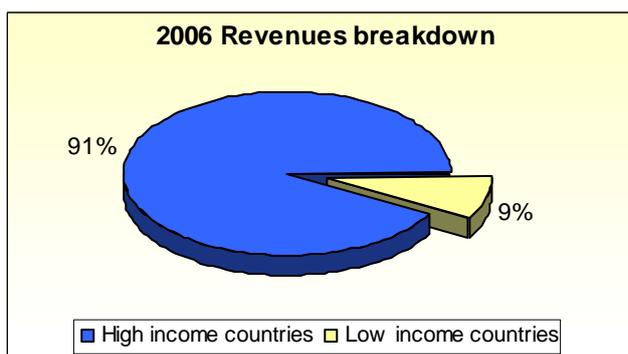
### 2.2.4 *Review by size*

Breaking down revenues and costs by exchanges' size shows how much the industry is concentrated, as the top ten exchanges in terms of revenues represented 73% of the total revenues and 77% of the total costs in 2006. This breakdown is in line with the one from last year, with a slight increase of the concentration as regards to the top 10 market in terms of market capitalization and trading volume. The breakdown using top 10 exchanges with respect to market capitalization or trading volume, the results are the same.



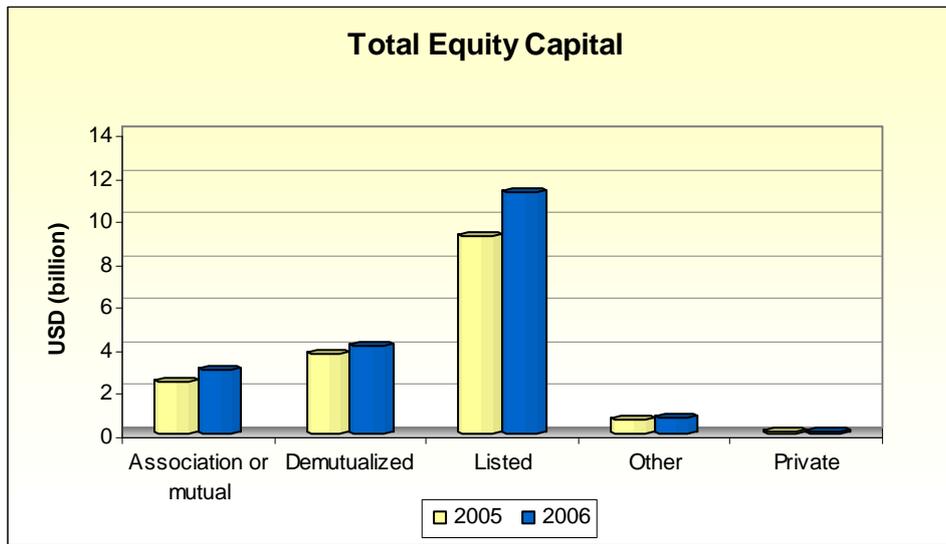
### 2.2.5 *By economic development*

Exchanges located in high income countries generated more than 90% of both total revenues and total costs.



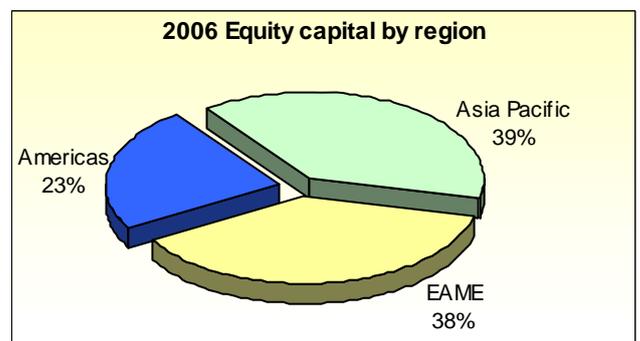
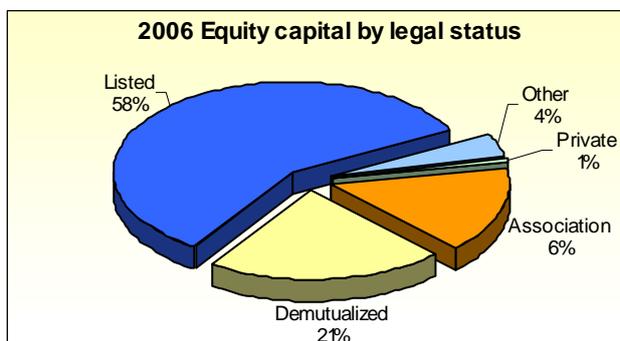
### 2.3. EQUITY CAPITAL

Total equity capital of members increased significantly, by 18.9%, compared to the previous year, at USD 19.3 billion (in constant USD terms, the increase was around 12%).



As the graph clearly shows, this increase is mainly due to listed exchanges. When looking closely at this group, it appears that the increase is mainly due to NYSE and NASDAQ, which both had a significant increase of additional paid-in capital in their balance sheets. When excluding these two exchanges, the total equity increase was only 6.5%, and was stable in constant USD terms.

As noted in previous surveys, there is a high concentration of equity capital among members. Listed exchanges accounted for 58% of the industry total.



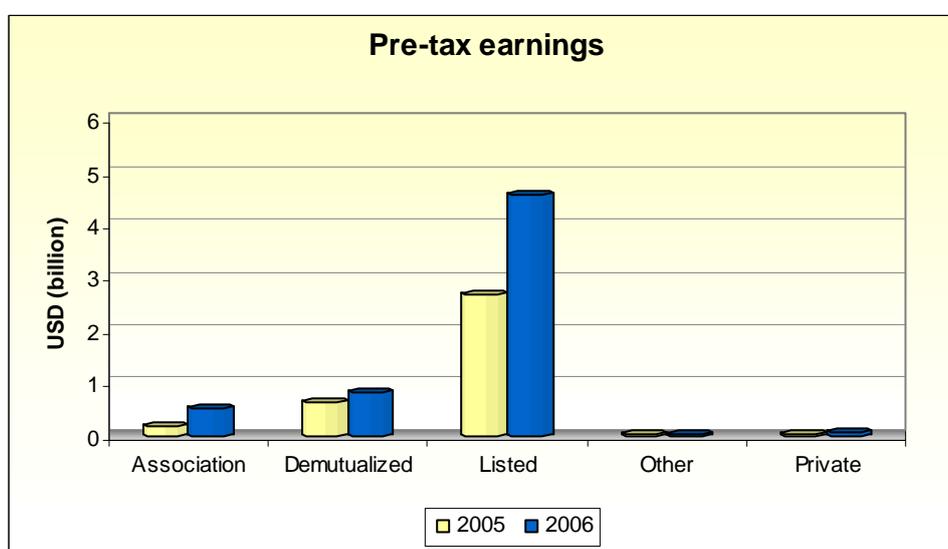


## 2.4. PRE-TAX EARNINGS AND NET INCOME

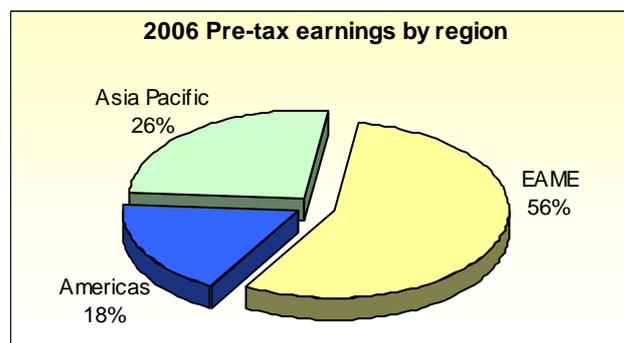
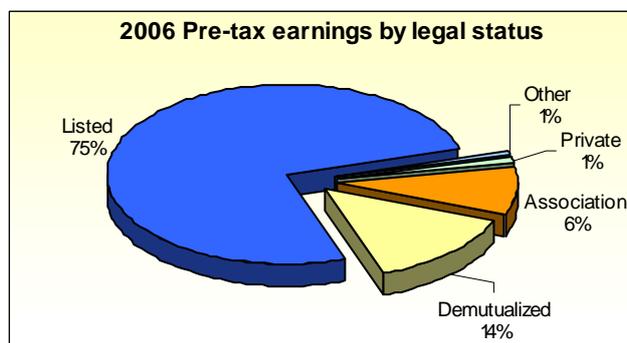
As noted last year, the profitability of exchanges increased at a higher pace than revenues, reflecting the industry's mainly fixed-cost structure.

### 2.4.1 Pre-tax earnings

Pre-tax earnings increased significantly by 66% (55% in constant USD terms) between 2005 and 2006, and reached USD 6 billion. Without the foreign exchange effect, they would still have been up more than 50%. The association and private groups outperformed this average, with increases above 100%.

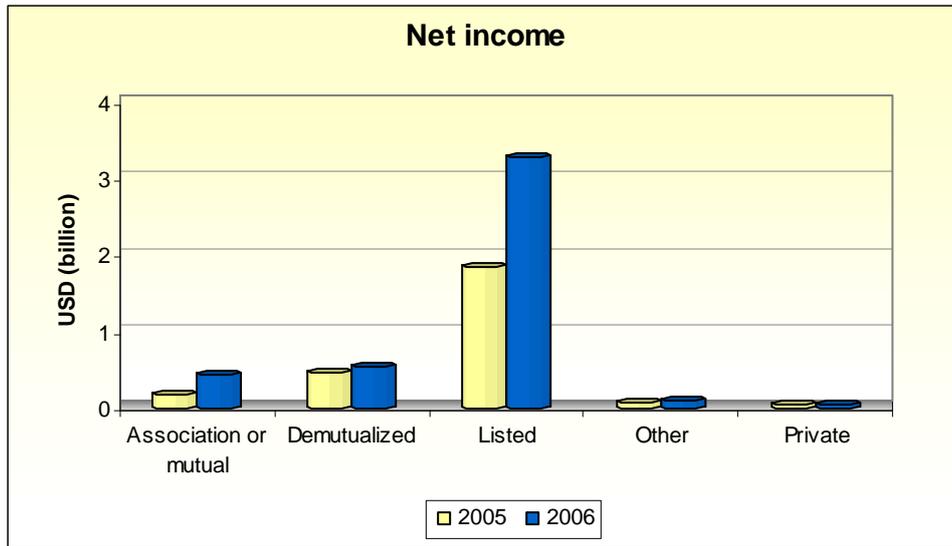


Listed exchanges accounted for 75% of the Federation's members' total pre-tax earnings. The EAME region represented 56% of the total.

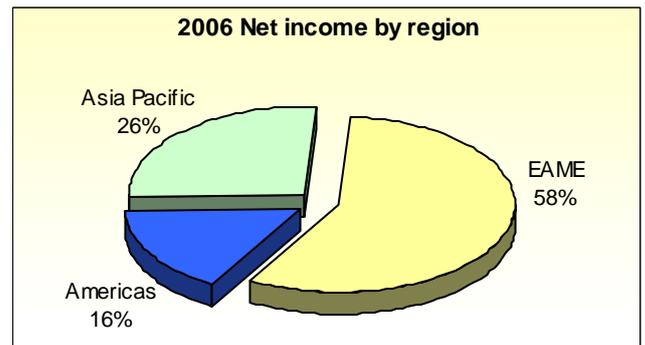
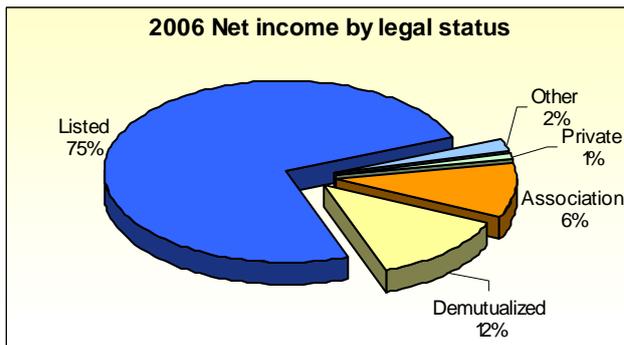


### 2.4.2 *Net income*

Net income saw very strong growth, and increased by 71% to USD 4.3 billion (+60% in constant USD terms).



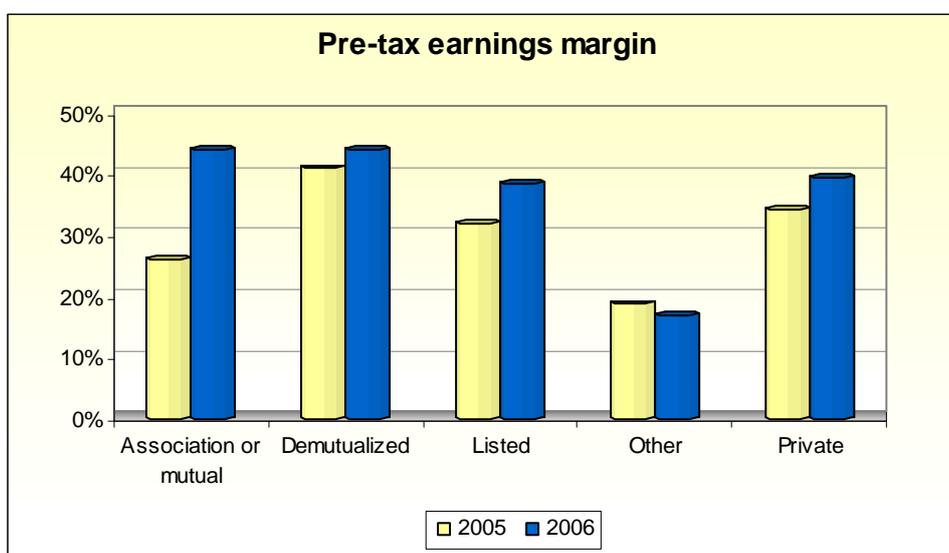
Listed exchanges accounted for 75% of total net income. The EAME region represented 58% of the total net income spread across WFE membership. The EAME region and the Americas had stronger percentage rate increases than the Asia Pacific, whose relative share declined from 31% to 26% between 2005 and 2006.



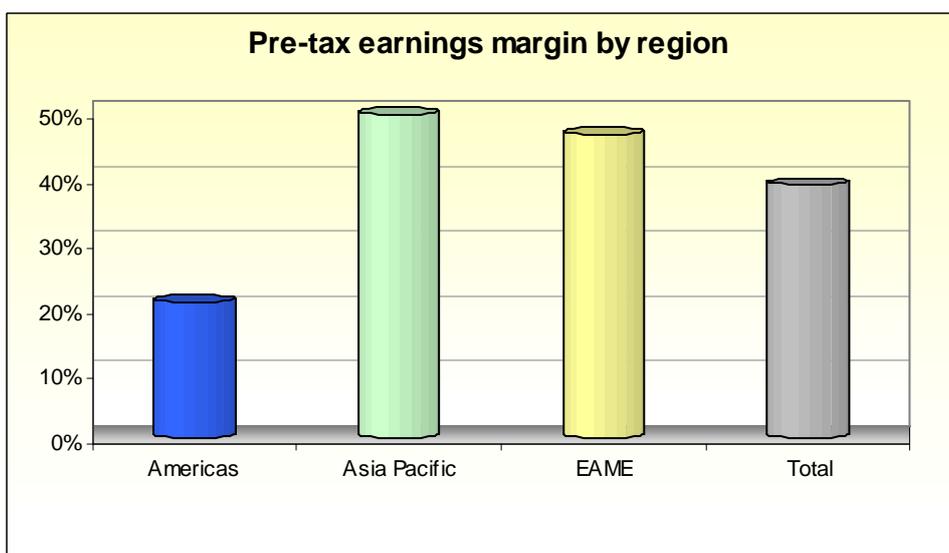
### 2.4.3 Pre-tax earnings margin

Looking at the pre-tax earnings margin (pre-tax earnings/revenues), the industry average increased from 32% to 39% in 2006. The increase is in line with the faster progression of pre-tax earnings compared to revenues.

Association or mutual and demutualized exchanges outperformed the average margin, with impressive ratios of 44%. Listed exchanges slightly underperformed this ratio with a 38% margin.



The geographical breakdown shows that the EAME and Asia-Pacific regions outperformed the average margin.

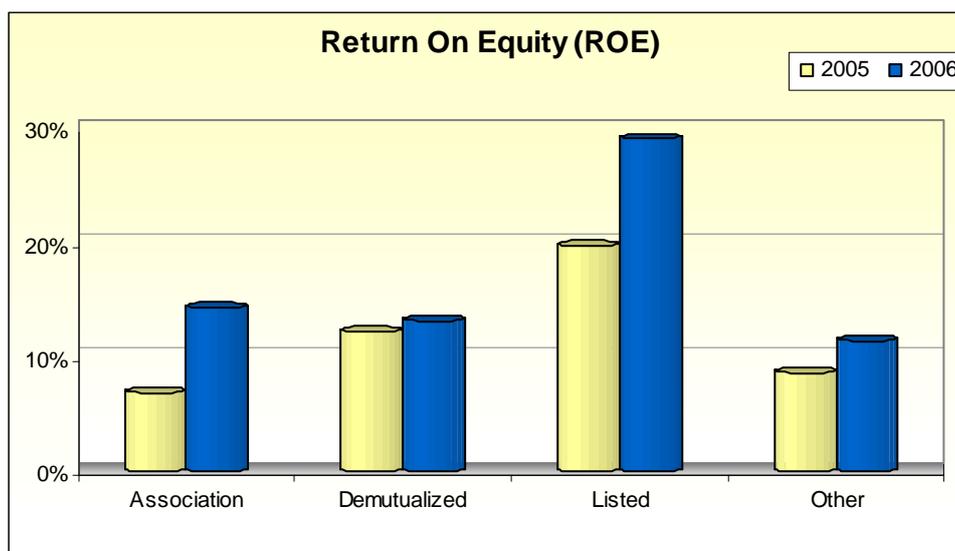




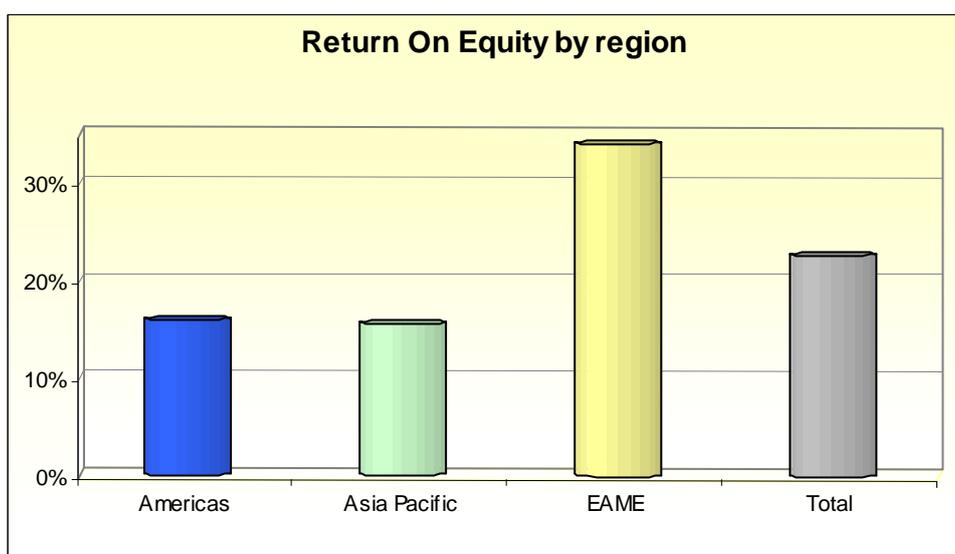
## 2.5. PROFITABILITY (ROE)

**The industry average ROE reached a record 22.7% in 2006**

Given the excellent performance of responding exchanges in terms of net income, the average ROE increased from 15.7% to 22.7% in 2006. All categories increased their ROE significantly and listed exchanges came in at the highest level, at 29.1%<sup>1</sup>.



In terms of geographical breakdown, the EAME clearly outperformed the industry average with a 34.1% ROE, while the two other regions both came in at around a 16% ROE. Again, as mentioned, this reflects in part their operation of different exchange related business lines.



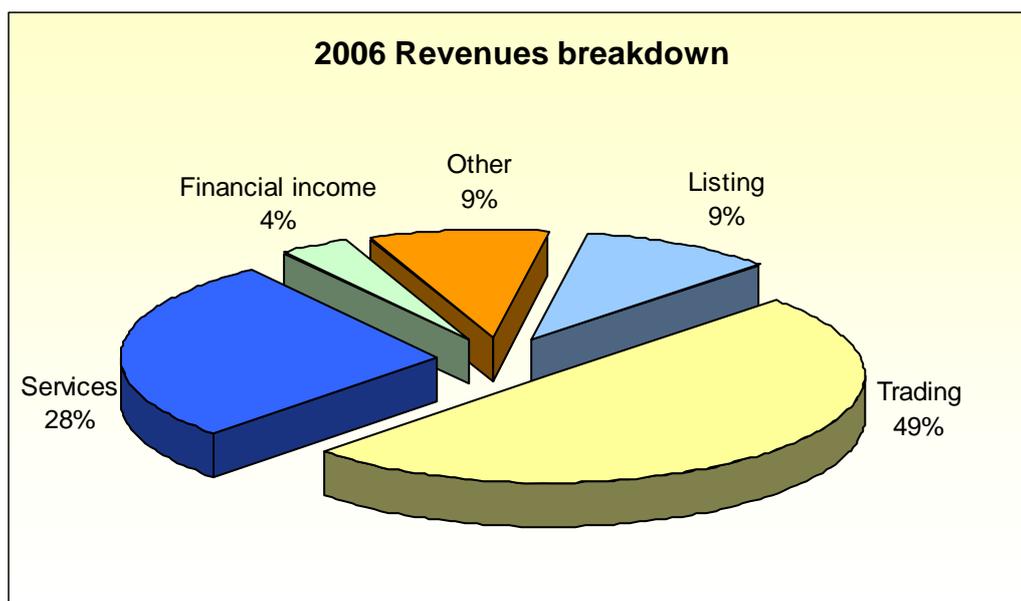
<sup>1</sup> It was not possible to compute the private group figures because of missing data.



### 3. REVENUES

#### 3.1. TOTAL REVENUES BREAKDOWN

Revenues derived largely from trading (49%) and services (28%)



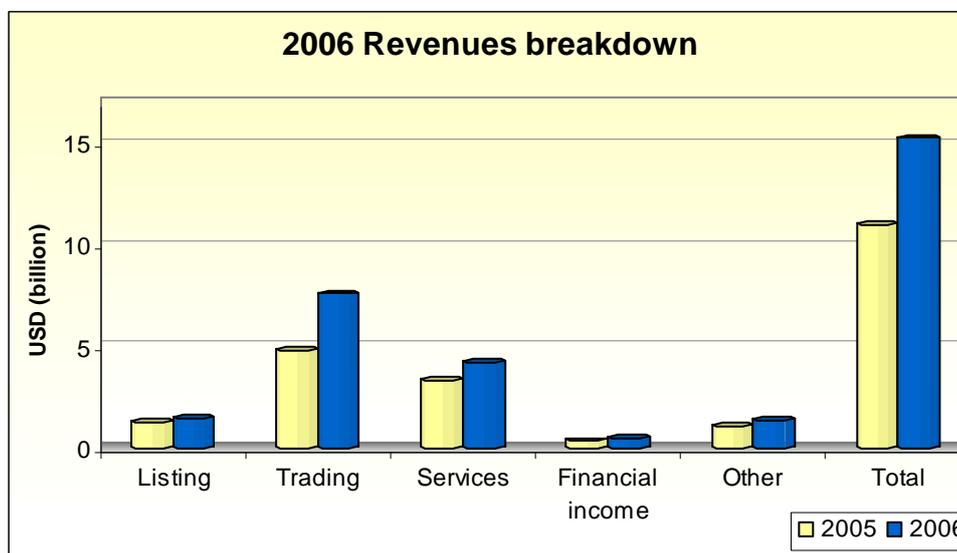
All lines of revenues were up in 2006. Trading revenues had highest growth, up 58%. Next were the revenues generated by financial income, up 44% off a small base. Trading revenues represented almost half of the total revenues (49.9%) in 2006 compared to 43.7% in 2005. Listing and services revenues were both up, +12.6% and 25.9% respectively, but their relative share declined from 12.1% to 9.8% and 30.3% to 27.5% between 2005 and 2006. The “other” revenues figures are quite biased, as NYSE accounted for 60% of them in 2006.

This trend is explained by the active performance of primary and secondary markets (see below), but it can also be explained by the weight of NASDAQ, which has significant revenues deriving mostly from its trading activity<sup>1</sup>. Also, derivatives markets are more and more important within WFE membership, and three of its members do not report listing revenues (Bourse de Montréal, CBOE, and ISE, which represented together 3.4% of the total revenues in 2006)

<sup>1</sup> As indicated in the introduction, NASDAQ financial figures are included for the first time in this survey.



2006 Revenues breakdown (USD million)				
		% change '05/'06 (USD)	% change (constant terms)	% of total revenues
Listing	1 514	12,6%	8,4%	9,9%
Trading	7 660	58,3%	49,9%	49,9%
Services	4 232	26,0%	17,5%	27,6%
Financial income	539	44,7%	35,5%	3,5%
Other	1 401	22,7%	20,0%	9,1%



### 3.1.1 General market performance in 2006

The impressive 2006 revenues figures can be explained in good part by the strong performance of financial markets in 2006. Volumes, market capitalization and indices were all significantly up. Though the elasticity may vary, they are clearly correlated to the revenues generated by exchanges from trading and services revenues.

The following figures are based on WFE total membership (i.e. including those few not responding to this survey)



Domestic equity market capitalization (USD bn)		
		% change 2005/2006
Americas	22 652 861	13,9%
Asia/Pacific	11 837 629	27,1%
EAME	16 144 758	32,3%
<b>WFE</b>	<b>50 635 248</b>	<b>22,3%</b>

Share trading volumes (USD bn)		
		% change 2005/2006
Americas	35 909 046	20,9%
Asia/Pacific	12 081 468	37,1%
EAME	21 839 429	34,5%
<b>WFE</b>	<b>69 829 944</b>	<b>27,5%</b>

Average index performance in 2006		
	(in USD)	(in local currency)
Americas	17,0%	16,8%
Asia/Pacific	27,1%	24,6%
EAME	33,8%	19,5%
<b>WFE global Average</b>	<b>23,8%</b>	<b>19,1%</b>

Market cap. of new listings in 2006 (in USD bn)		
		% change 2005/2006
Americas	309 961	33%
Asia/Pacific	640 979	100%
EAME	384 634	-29%
<b>WFE</b>	<b>1 335 574</b>	<b>22%</b>

Number of newly listed companies in 2006		
		% change 2005/2006
Americas	822	-3,2%
Asia/Pacific	789	-17,4%
EAME	1 055	8,3%
<b>WFE</b>	<b>2 666</b>	<b>-4,0%</b>

Number of listed companies in 2006		
		% change 2005/2006
Americas	11 253	0,6%
Asia/Pacific	18 894	3,0%
EAME	10 488	0,7%
<b>WFE</b>	<b>40 635</b>	<b>1,7%</b>

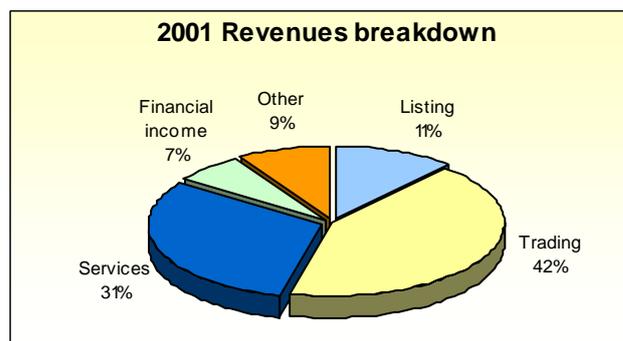
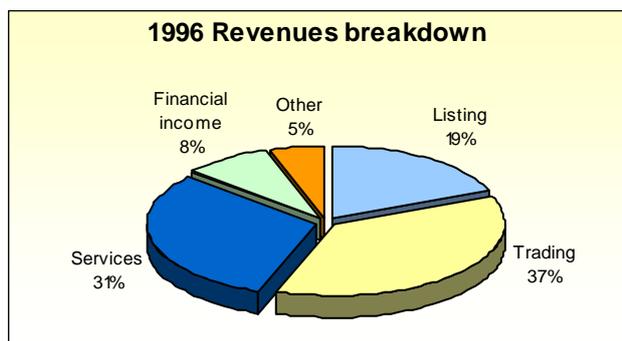
Primary markets still had good activity in 2006, but the figures are less striking than those from the secondary markets. That probably explains the fact that trading revenues strongly outperformed listing revenues in terms of percentage growth.

### 3.1.2 *Historical trends*

The growth trend of revenues has been accelerating, as revenues were up 72% between 1996 and 2001, and doubled between 2001 and 2006. From 1996 to 2006, total revenues more than tripled (from USD 4.2 bn to 15.5 bn), though. WFE membership has changed in composition in the period, too.

Besides the miscellaneous “other revenues” category, trading revenues (+387%) and services (+219%) showed the strongest growth since 1996.

The historical perspective confirms the long-term trends already observed: listing and financial income revenues are proportionally declining; trading revenues have been growing and remain very dominant. The main difference concerns services, which have slightly declined in relative terms from 31% to 28% of total revenues in 2006 compared to 2001.



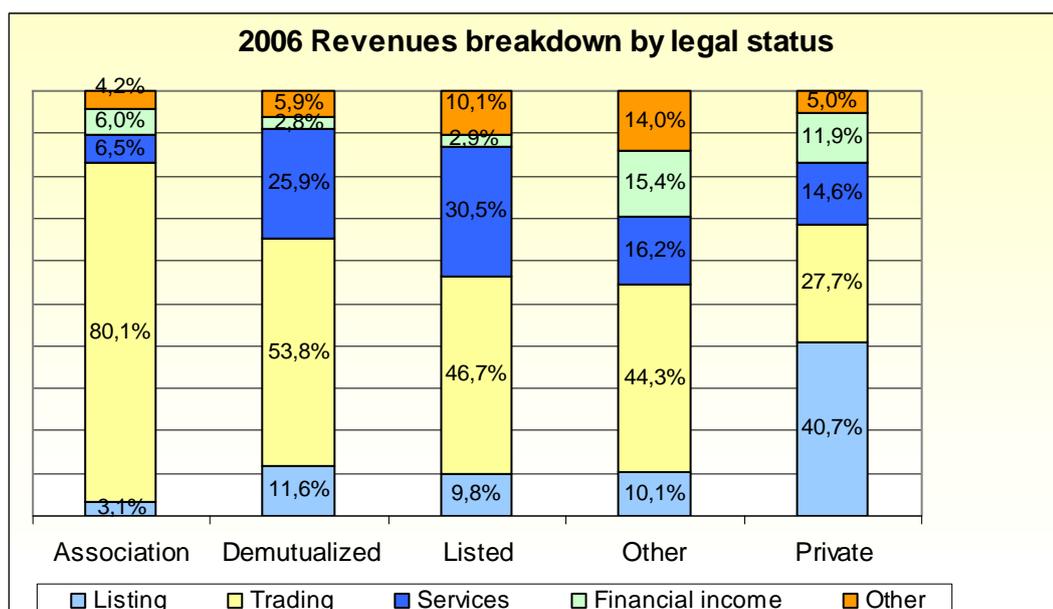
### 3.1.3 Revenues breakdown by legal status

Trading revenues contribute an overwhelming 80% of the total revenues of association or mutual exchanges. This striking figure is due to the fact that these exchanges have a similar revenues breakdown where trading revenues are very dominant.

The demutualized and listed exchanges, which are the two main contributors to total revenues, logically have a breakdown in line with the industry average.

The “other” exchanges category has important relative revenues from financial income, mainly because of the weight of this line of revenues for the Stock Exchange of Thailand.

The surprising relative importance of listing revenues among private exchanges can be explained by the relative important weight of these revenues for the Irish and Luxembourg exchanges with their product range for bonds, public funds and certain other financial products.





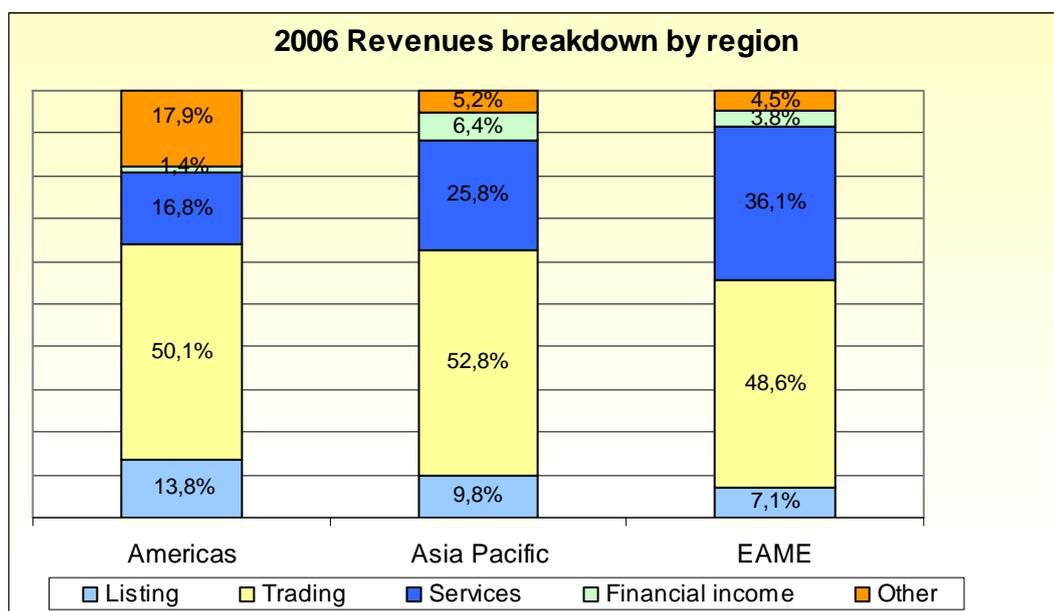
### 3.1.4 Revenues breakdown by region

The figures from the Americas are obviously dominated by NYSE and NASDAQ. Both exchanges have significant listing revenues, which explain how they make up almost 14% of the region's total revenues. In addition, and as noted above, the high level of the "other" revenues is due to the importance of these reported by NYSE.

As noted last year, Asia-Pacific distinguishes itself because of the importance of trading revenues. These revenues are especially dominant for Korea Exchange, Shanghai Stock Exchange, Shenzhen Stock Exchange, and Taiwan Stock Exchange Corporation. The relative share of the trading revenues of the two largest exchanges of the region, Tokyo Stock Exchange and Hong Kong Exchanges and Clearing, are below the region average, but the relative share of their listing and services revenues are above.

EAME regional revenues are characterized by a relatively lower share of listing revenues, and a higher share of services revenues. This is partly explained by the weight of DBAG and its revenues structure which in total is characterized by very low listing revenues and high services revenues.

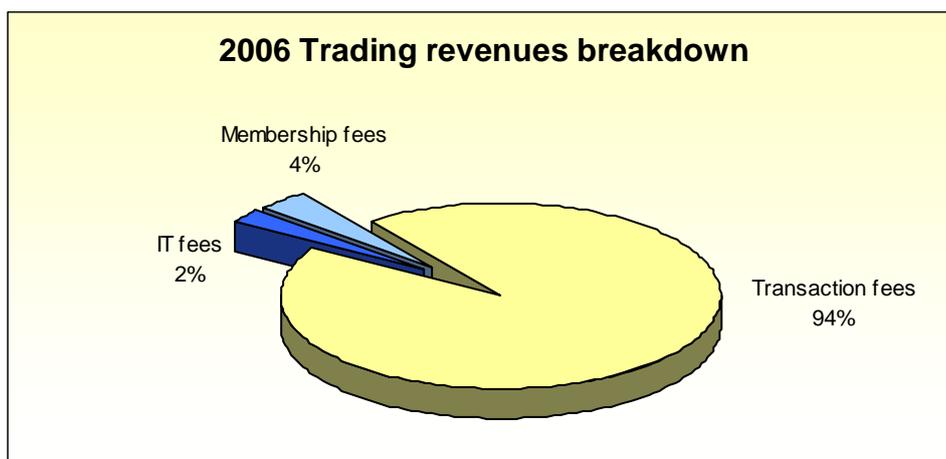
Among the other top 10 exchanges in the EAME region, the London Stock Exchange is the only one to have listing revenues well above the average. Borsa Italiana also has a dominant part of its revenues generated by services, as well as BME Spanish Exchanges. Euronext figures are largely dominated by trading revenues.



### 3.2. DETAILS ON TRADING REVENUES

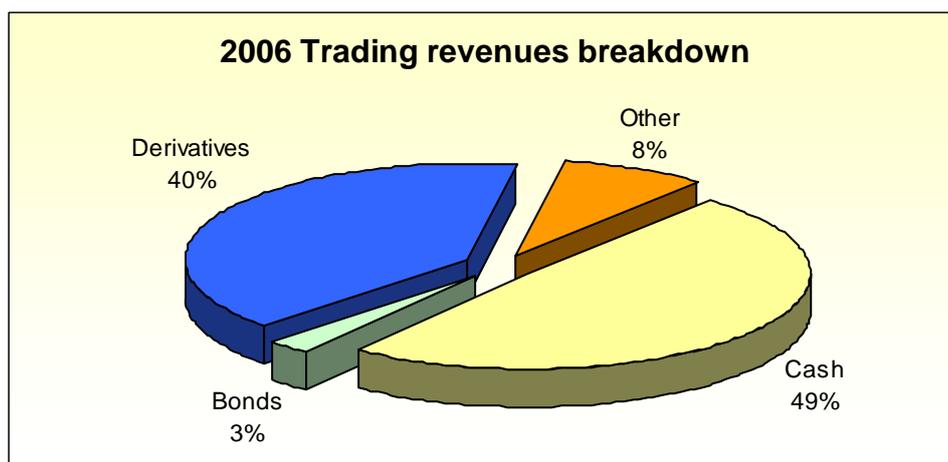
Trading revenues were up 58% across WFE membership in 2006, whereas share trading volume was up 27% during the same period. Without the foreign exchange effect, the growth of trading revenues is almost 50%.

The breakdown of trading revenues shows them to be mainly transaction fees.



### 3.2.1 Trading revenues by product

Revenues generated by cash products were largely dominant in 2006, as they represented almost 50% of the total trading revenues. Derivatives revenues were still important at around 40%. Bonds and other product revenues appeared quite marginal, by contrast.



The results here give a good rough idea of the proportion of each product's weight, but it should be noted that like for several other detailed questions, only some of the respondents provided detailed figures here, and that the sample of answers does not represent all WFE members answering the questionnaire. It is also important to stress that trading revenues generated by the cash markets are most likely under-estimated, because some major markets mostly active in cash did not provide any details on this breakdown.

Taking into account this limitation, it is interesting to compare the evolution of trading revenues between 2005 and 2006. Within our non-exhaustive but homogeneous universe of data two-year period sample, trading revenues generated by cash products were up 88% between 2005 and 2006, compared to 39% for revenues from derivative products. As a result, in 2005 cash and derivative revenues respectively accounted for 39% and 44% of the total trading revenues, compared to 49% and 40% in 2006. There has been a swing between these two lines of products. This contrasted evolution could be linked to the strong volumes on cash markets noted above.



Volumes on derivatives markets were still very high and growing in 2006, but slightly less than cash markets. Although it is difficult to compare the development of cash and derivative markets, it is interesting to compare the following figures from the 2006 IOMA Derivatives Market Survey with the market indicators provided above on page 25. Futures contracts have been growing very strongly, but options contracts had more limited growth (about 10%, but 20% when excluding the very dominant Korean market):

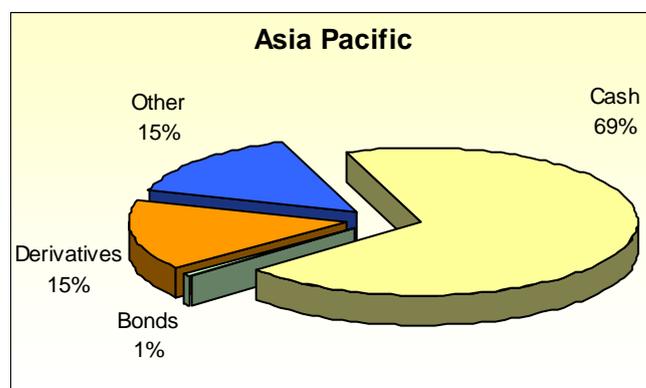
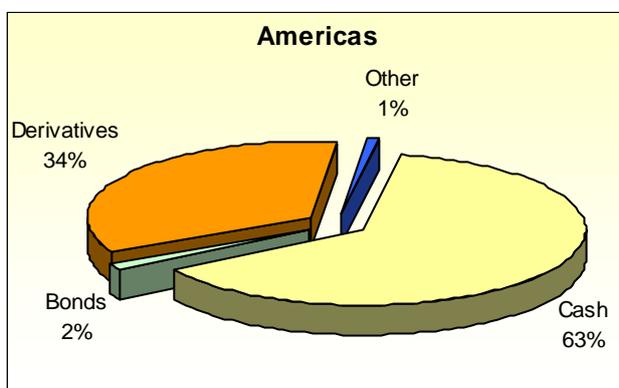
Number of derivative contracts traded			
	2005	2006	% change 2005/2006
Options (million contracts)	5 981	6 626	10,8%
Futures (million contracts)	3 878	5 020	29,4%
<b>Total</b>	<b>9 859</b>	<b>11 646</b>	<b>18,1%</b>

### 3.2.2 Trading revenues by region

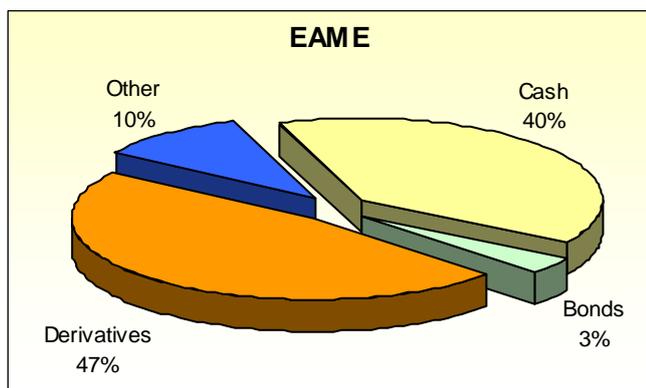
The following figures only gave a rough idea of how trading revenues are split according to region, because some responding exchanges did not provide detailed figures on their trading revenues. They should be taken only as an indication, and not as an exactly accurate picture. The Americas and Asia Pacific trading revenues are largely based on cash markets (63% and 69% respectively). Thanks mainly to the contributions of CBOE and ISE, revenues from derivatives represented 34% of the total trading revenues<sup>1</sup>, and would probably be even higher if some exchanges had provided detailed figures.

The figures from Asia are the ones to be taken with the most cautions as one major exchange very active in derivatives and another one mostly active in cash did not provide a detailed breakdown.

The derivatives revenues in Europe are dominant here but most likely over-estimated, as one major exchange mostly active in cash markets did not report detailed figures. When taking this exchange into account, revenues generated by cash markets reached 45% against 43% for derivatives.



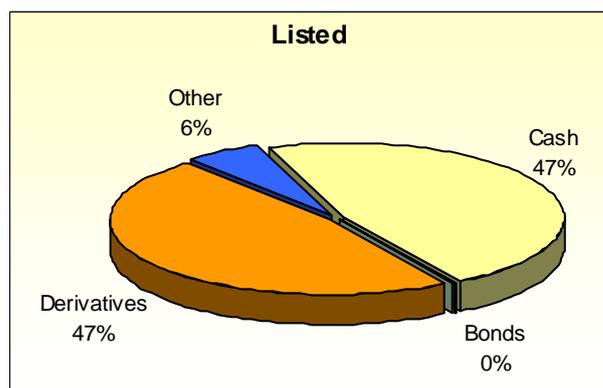
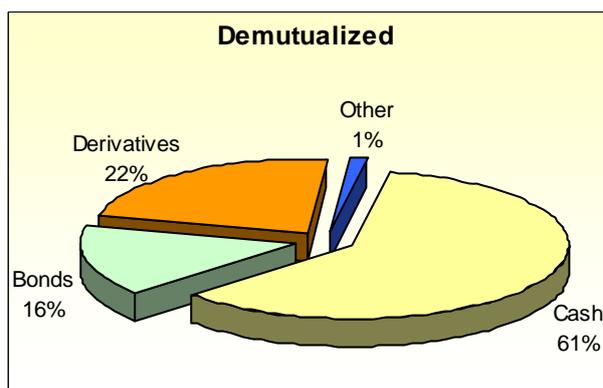
<sup>1</sup> This report excludes figures from CME and CBOT which last year were not WFE members.



### 3.2.3 Trading revenues by legal status

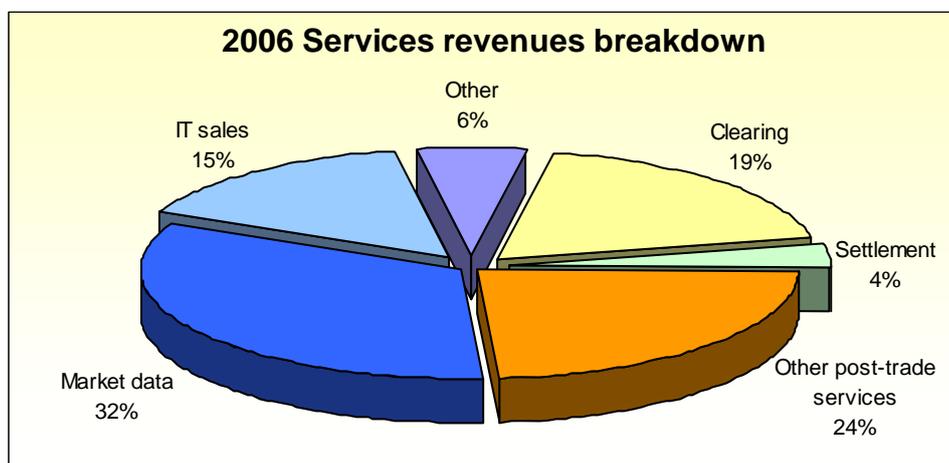
The limitations explained above applied even more when breaking down trading revenues according to legal status, because in addition to the lack of details in the answers of certain exchanges, the samples are sometimes very small. Thus, we only present here the two largest groups: listed and demutualized exchanges; otherwise, the figures were simply not relevant.

Listed exchanges showed more balance between cash and derivatives revenues, but the limitations explained above apply here as well, as within the demutualized sample one major cash exchange and one major derivatives exchange did not provide detailed figures. The cash revenues are most likely quite undervalued, as two major exchanges active in cash markets did not provide details on their trading revenues.



### 3.3. DETAILS ON SERVICE REVENUES

Revenues from services were up almost 26% compared to the previous year (+17% in constant 2005 USD terms).



Post-trade services as a whole<sup>1</sup> (clearing + settlement + other post-trade services) are actually the main contributor to service revenues, representing more than 40% of this category (41.8%) and more than 11% of total revenues. Altogether, they were up 30% in 2006 compared to 2005. These post-trade services revenues are highly concentrated, and DBAG represented more than half of the total in 2006.

Clearing revenues were up 45% in 2006, and 36% in USD constant terms. The following exchanges had significant clearing revenues in absolute value and significantly increased their clearing revenues in 2006 in relative terms, with a growth rate superior to 25%: Athens Exchange, BME Spanish Exchanges, DBAG, Hong Kong Exchanges and Clearing, and Singapore Exchange.

Settlement revenues were up 5.8% (-3.2% in USD constant terms). This line of revenues was affected this year by the figures from Euronext, which were down 58% because of the sale of CIK (the central securities depository of Belgium, was a wholly-owned subsidiary of Euronext) to Euroclear. Settlement revenues are mostly dominated by Borsa Italiana, and to a lesser extent Osaka Securities Exchange and SGX, and they all had significant growth in 2006 (above 25%).

The “other post trade services” were hugely dominated by DBAG, which account for 91% of the global total for this line of revenues.

<sup>1</sup> Taking these revenues as a whole make sense, since details of how revenues are spread between the three categories are not always available.



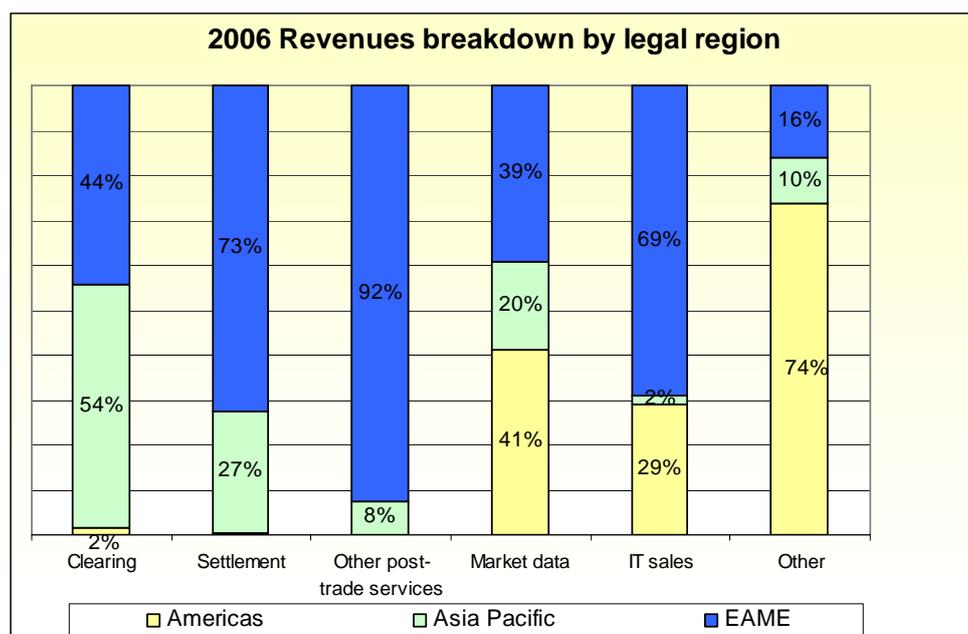
Revenues derived from market data still represent a large part of the services category of total revenues (32%); they were up 29% compared to 2005 (+24% without the foreign exchange effect). They are also highly concentrated among a few exchanges. DBAG, Euronext, NASDAQ, NYSE, Tokyo Stock Exchange and TSX Group account for 66% of the total revenues from this business line.

IT sales and services was the only line of services revenues down in 2006 (-5.5% and -12.1% in constant USD terms). Its relative share in services revenues fell from 20% to 15% between 2005 and 2006. This line of revenues is extremely concentrated among three exchanges: Euronext, NYSE, and DBAG<sup>1</sup>, which represented 86 % of this line of revenues. IT sales and services revenues from these three exchanges all decreased in constant USD terms, with only Euronext having been ask to slightly increase its figure thanks to the foreign exchange effect.

As noted in previous surveys, there is a clear long term tendency. Post-trade and IT revenues have been increasing their share over the last 10 years, whereas the market data portion has been decreasing. The former were extremely dominant (around 50% of the total services' revenues) until 2002. The acquisition of Clearstream by DBAG in 2002, and the full integration of its revenues in 2003, are largely responsible for this shift as post-trade services have been growing significantly since that time.

### 3.3.1 *Services revenues breakdown by region*

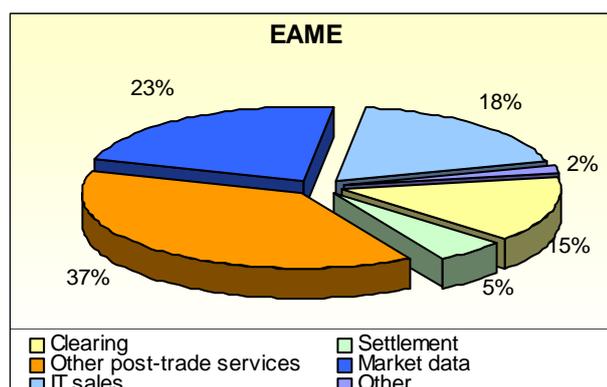
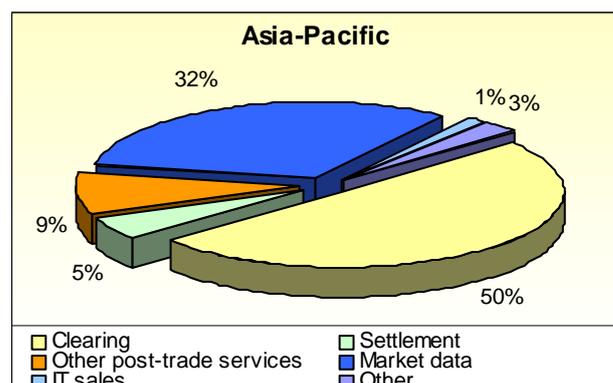
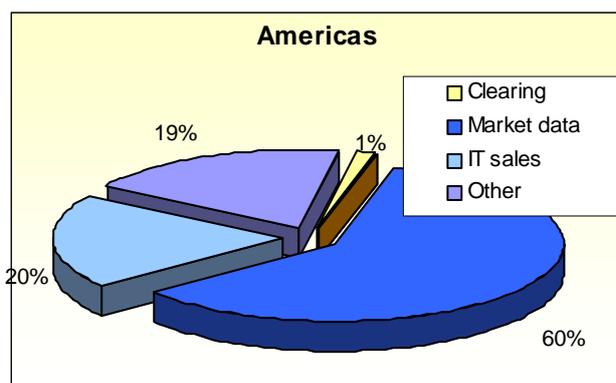
In terms of contribution to services revenues, the EAME region share represents more than 60% of the total, and is particularly important in post-trade services and IT sales. The growth of the services revenues line was significant in all regions: +23.6% in the Americas, +37.14% in Asia-Pacific, +23.6% in EAME (+11% without the change effect).



<sup>1</sup> In 2006, OMX only reported figures relative to its exchange segment, and thus IT sales figures were excluded.

As noted last year, the geographical breakdown shows important differences. The Americas revenues concentrate on market data and IT sales; this is clearly due to the organizational structure, where post-trade activities remain out of exchanges' scope of operations.

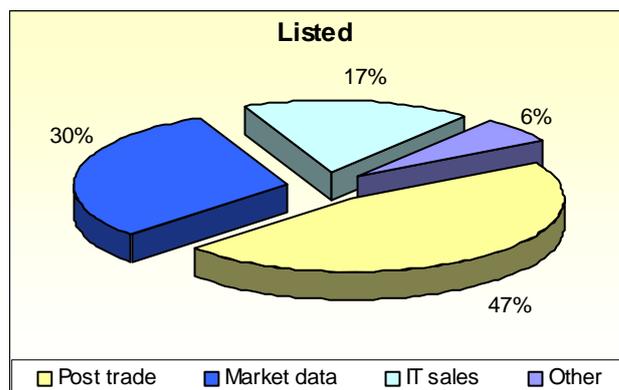
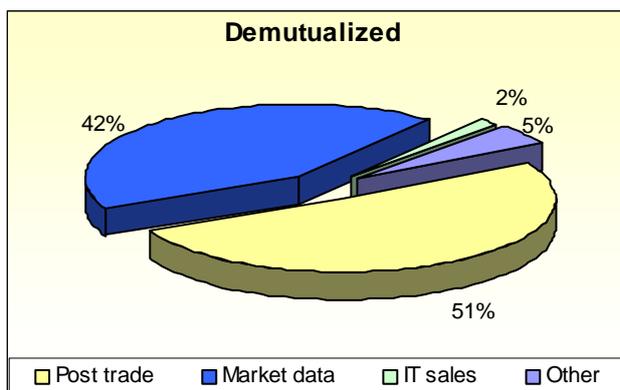
Asia-Pacific has the smallest percentage of IT sales and services revenues contributing to the total of all services revenues.



### 3.3.2 *Services revenues breakdown by legal status*

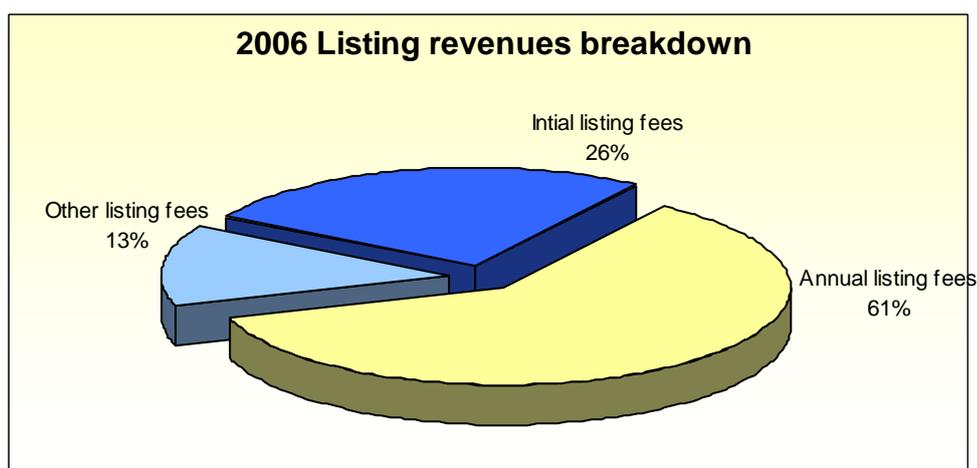
As explained above for trading revenues, we only present here the detailed figures of listed and demutualized exchanges.

Services revenues from listed exchanges showed more balance. The importance of post trade revenues within demutualized exchanges was mainly due to Tokyo Stock Exchange and Borsa Italiana.



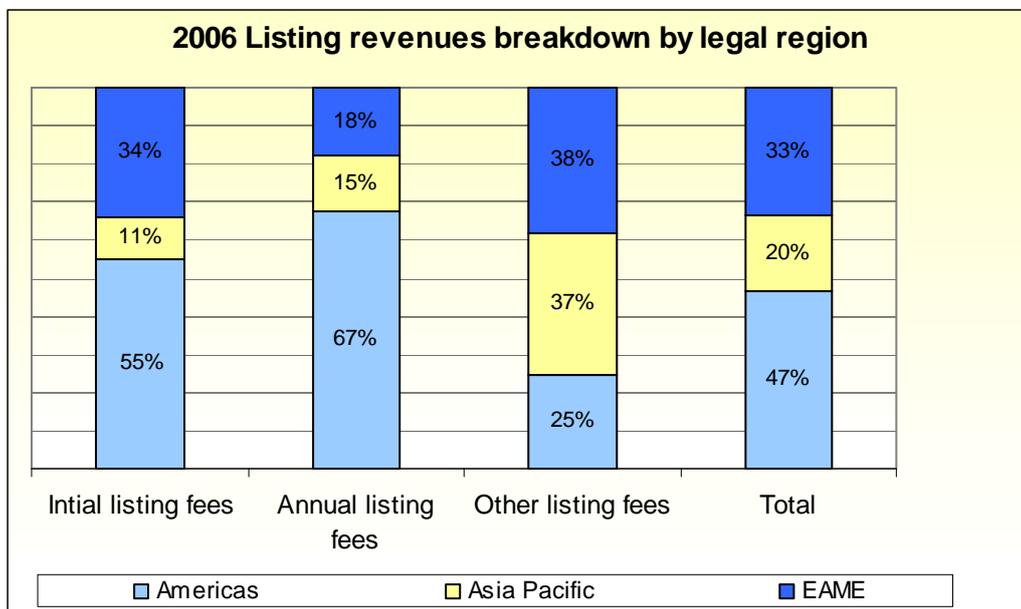
### 3.4. DETAILS ON LISTING REVENUES

Listing revenues were up 12.6% in 2006 (+8.3% in constant dollar terms), which was a good performance, although all the other lines of revenues had stronger growth.



As usual in the past, annual fees still represented the main percentage of listing revenues at 61%, up 9% in 2006 (+11.2% in constant dollar terms). The initial listing fees represented 26% of the total, but they were only up 1.6% in 2006 (and down 1.6% in constant USD terms). This result was coherent with primary market figures (see above page 25): the total number of companies was up 1.7% in 2006, the market capitalization of new listings up 22%, but the number of newly listed companies in 2006 was down 4%.

The “other listing fees” now represent 13% of the total listing revenues, and were significantly up, +29%. They include fees covering instruments such as warrants, investment funds, ETFs and other products. There is a clear dynamism in exchange sphere to develop new products and new sources of revenues related to issues.



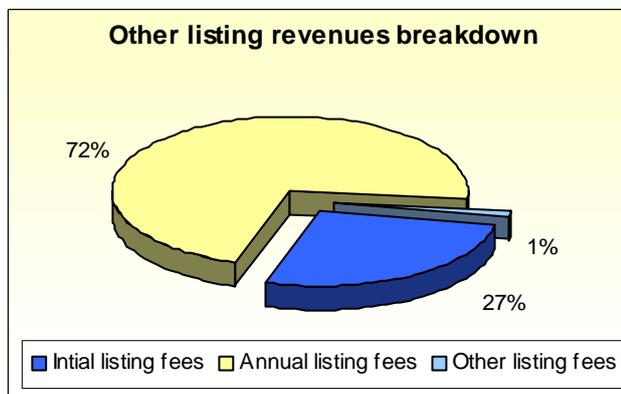
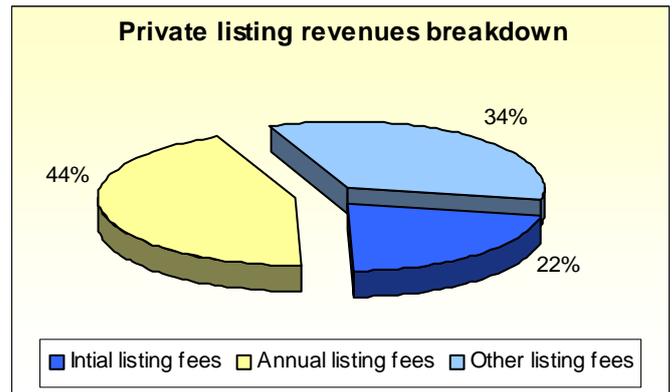
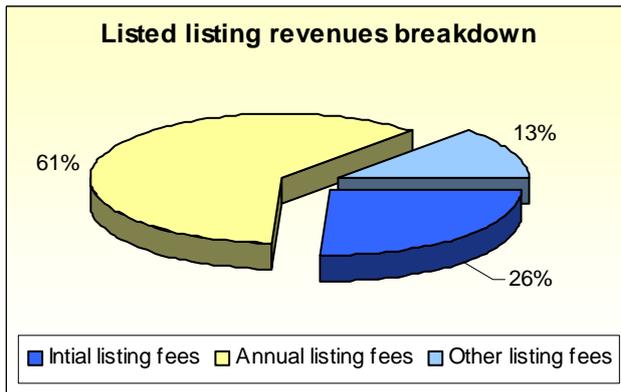
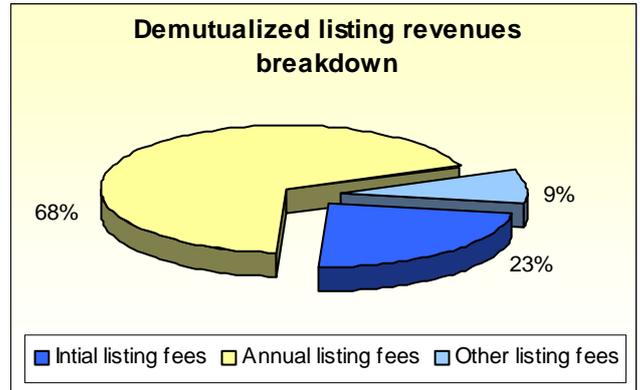
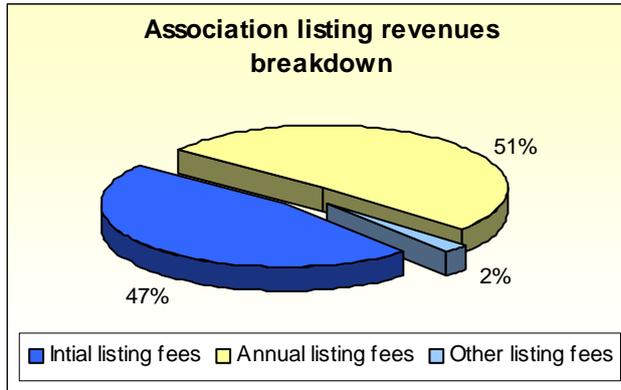
The Americas were still the main contributor to listing revenues, as they accounted for nearly half (47%) of the total in 2005, followed by EAME (33%) and Asia-Pacific (20%). The EAME region has the strongest percentage growth at 22%, the foreign exchange effect being important (+10% in constant USD terms), compared to 9% for the Americas and 7% for Asia Pacific.

All regions increased marginally revenues derived from initial listing fees. Except for the Americas, the two other regions increased significantly (above 40%) their other listing fees.

### 3.4.1 Listing revenues breakdown by legal status

The results are quite in line with the industry average, although there are important variations from one group to another. Due to the heterogeneity of exchanges within a given group, and the lack of detailed answers in some instances, one should be very cautious in interpreting the results.

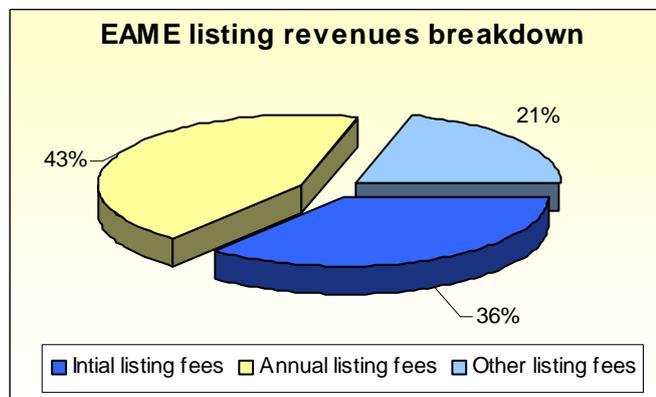
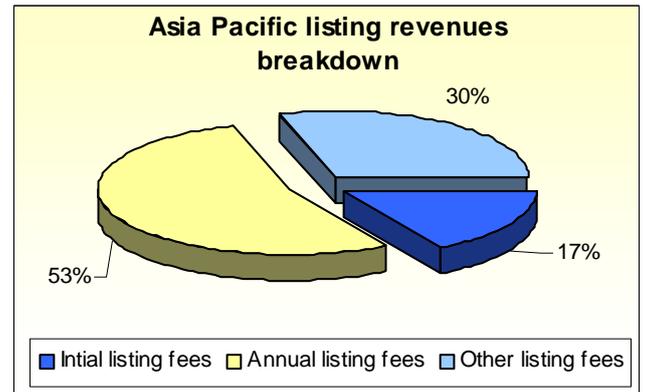
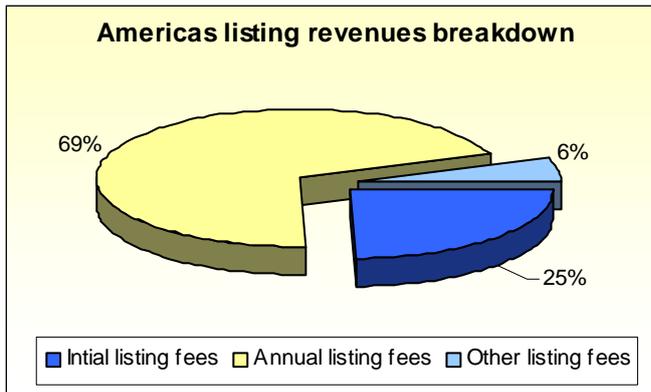
For instance, the result of the association breakdown is largely dominated by the result of SWX, which has relatively significant initial listing fees. The breakdown of the private group is largely dominated by the figures from the Luxembourg and the Irish Stock Exchange.





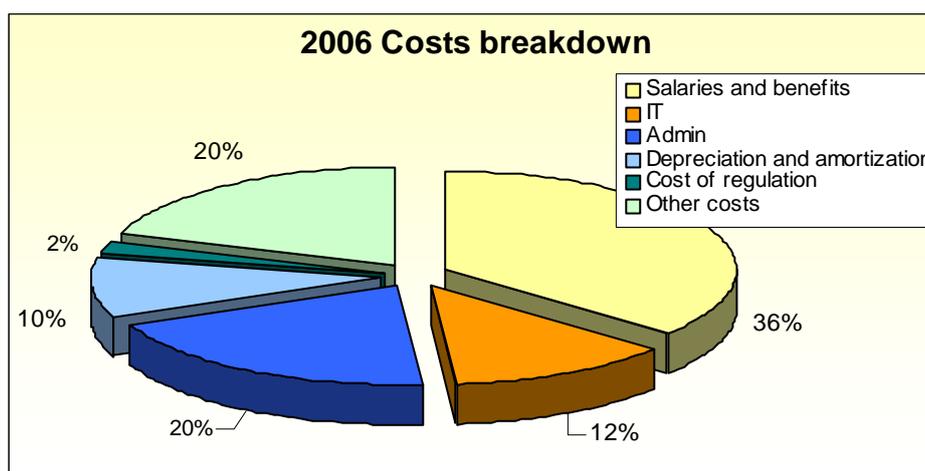
### 3.4.2 Listing revenues breakdown by region

Given the important relative weight of annual fees revenues from NYSE and NASDAQ, they dominated figures from the Americas. The EAME region had the most balanced input.



## 4. COSTS

Total costs were up 25% in 2006 (+19% in constant USD terms). As noted in the section 2.2 *General performance* (p.13), this unusually important increase reflected mostly the importance of variable costs within the costs structure of NYSE and NASDAQ. When excluding costs from these two exchanges, total costs are only up 13% (4.5% on USD constant terms) in 2006.



The weight of the main costs lines are the same ones observed the previous year, with salaries and benefits representing the major share of costs for exchanges in 2006 (36%), followed by administrative (20%) and “other” costs (20%). These “other” costs line is increasing significantly, as its weight went from 15% to 20% of the total costs. The variable costs mentioned above are mostly present within this line of costs.

Except for the “other” costs, most of the costs lines are only slightly increasing:

- +14.6% for salaries and benefits (+8.3% in constant USD terms),
- +12.8% for administrative costs (+3.4% in constant USD terms),
- +10.3% for IT (+3.5% in constant USD terms),
- +1.9% for depreciation and amortization (-3.2% in constant USD terms).

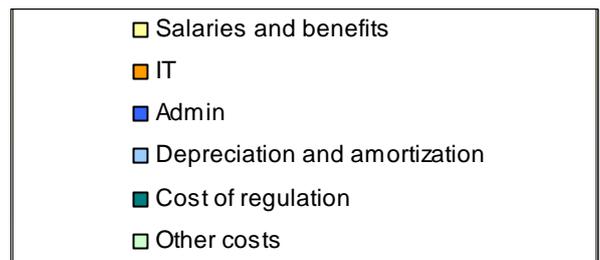
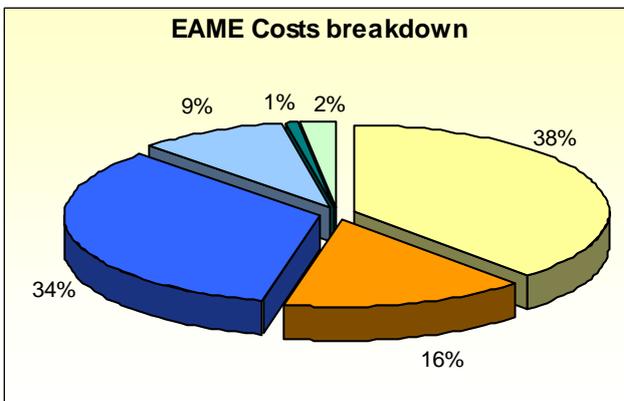
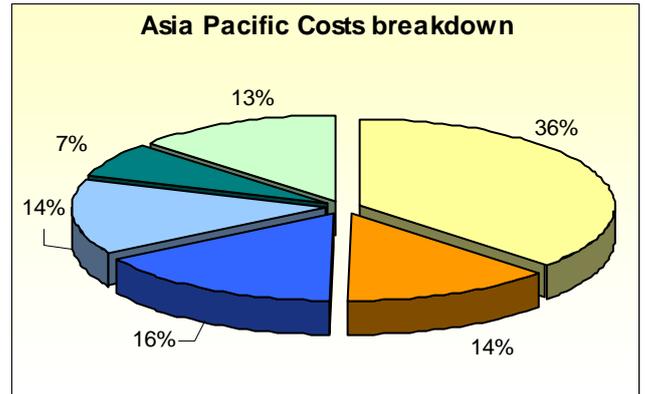
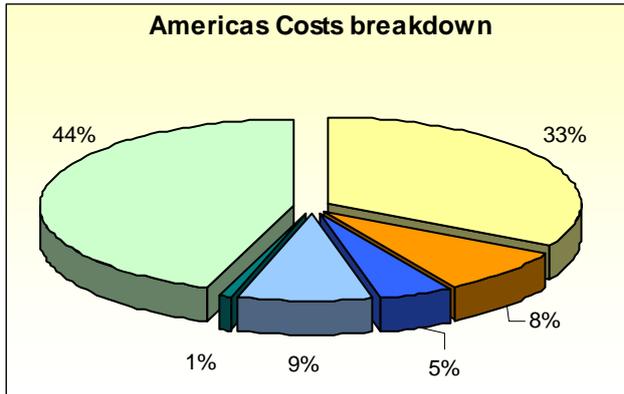
Direct costs attributed to regulation represent less than 2% in 2006 of the total costs, but were significantly up compared to 2005, because of the increase reported by the Shanghai and Shenzhen exchanges. More information follows on page 41.

Costs of regulation reported include regulation expenses paid to regulators and all in-house regulatory expenses. It should be noted that not all exchanges provide a figure and that figures provided are often a best estimate because analytical accounting of these costs are not always possible.



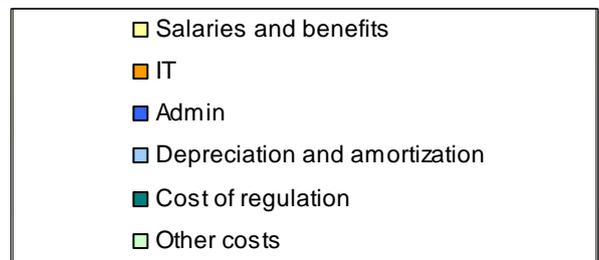
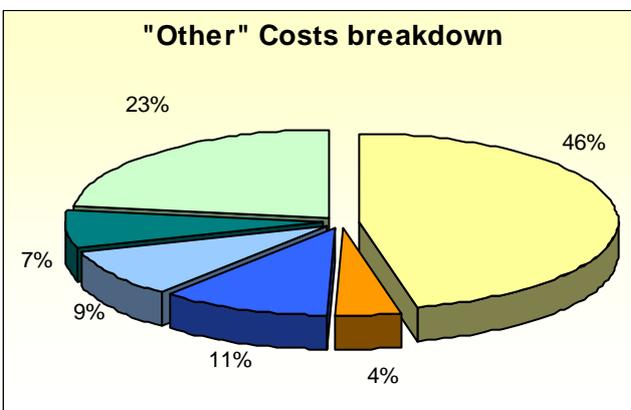
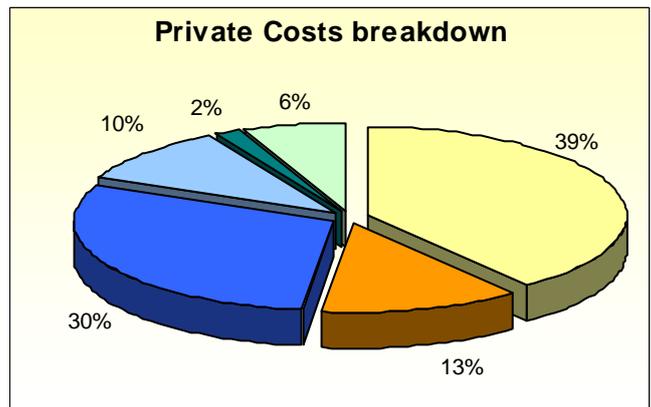
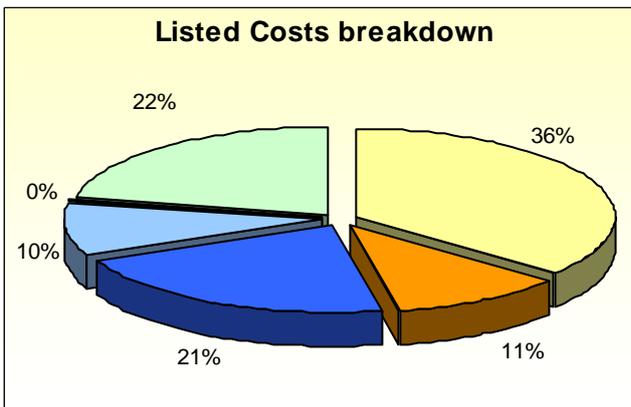
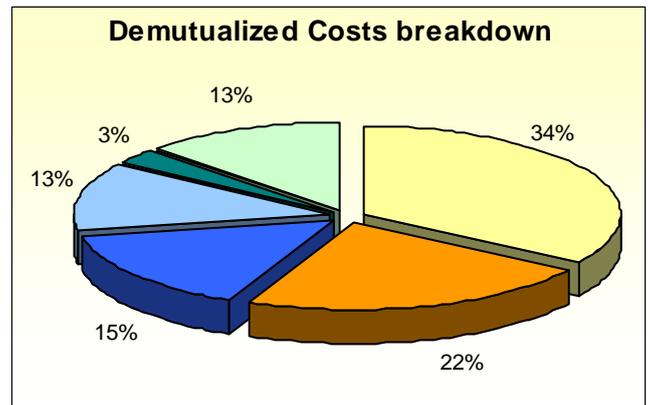
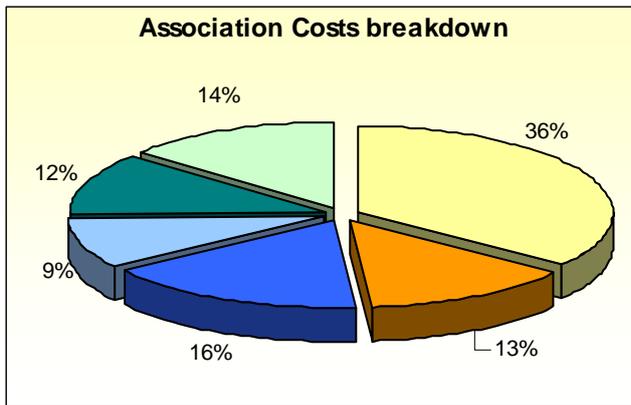
#### 4.1. COSTS BREAKDOWN BY REGION

As for other detailed breakdowns, data gathered at the Secretariat were sometimes incomplete. The following breakdowns are given here for general information, and are not an accurate reflection of precise data. Not surprisingly, the importance of the “other” costs were largely dominant in the Americas for the reason explained above.



#### 4.2. COSTS BREAKDOWN BY LEGAL STATUS

The same warnings about detailed breakdown also apply when looking at the legal status breakdown.



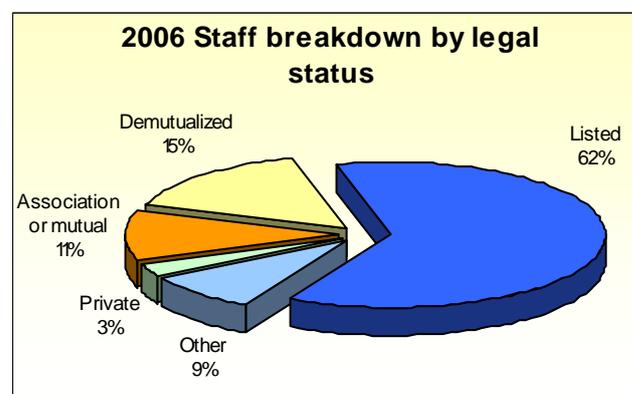
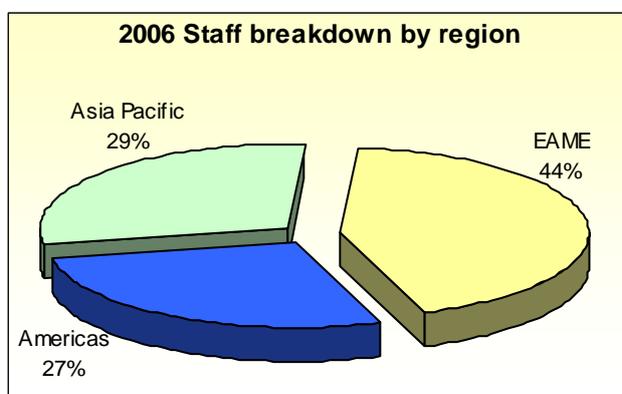
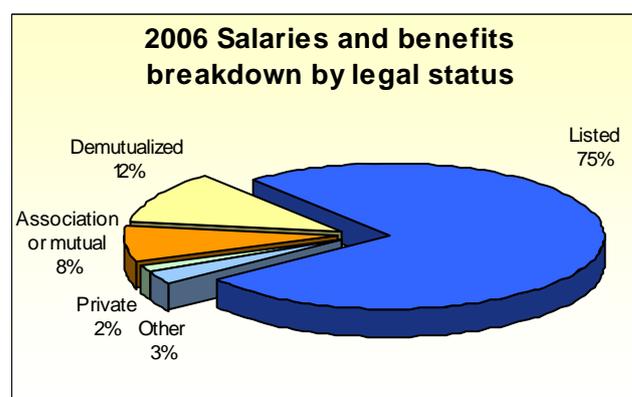
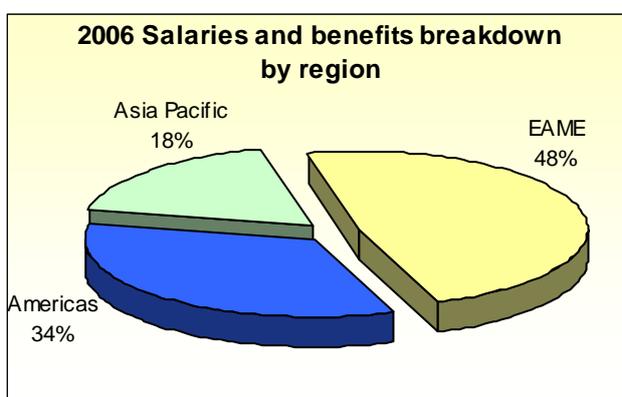


### 4.3. SALARIES AND BENEFITS

Salaries and benefits were up 14.6% in 2006 (but up 6.6% in constant USD terms). They were up in all three regions in the same proportion. With the dollar effect, they are only up around 9% in Asia Pacific and 4% in the EAME region, but still up 13% in the Americas.

When looking at the evolution of the number of staff, responding exchanges employed more than 23 000 persons (down 1.5% compared to the previous year). The number of staff is actually stable in Asia-Pacific and the EAME region (+1.65% and +0.35% respectively) but down 7% in the Americas. When detailing figures according to legal status, the variation ranged between -1.5% and +6%, with the exception of listed exchanges where staff was down 4%. This is mainly due to the figures from NYSE, which had a significant decrease in its headcount in 2006.

Number of staff in 2006		
		% change 2005/2006
Americas	6 528	-7,3%
Asia/Pacific	6 958	1,7%
EMEA	10 287	0,4%
<b>WFE</b>	<b>23 773</b>	<b>-1,5%</b>





The geographical breakdown of the number of staff and the salaries and benefits are in line with their relative weight of revenues and costs. The EAME region represents 44% of staff and 48% of salaries and benefits, the Americas 27% and 34%, and the Asia Pacific 29% and 18%, respectively.

In terms of legal structure, demutualized exchanges represent around 15% of staff, 12% of total salaries and benefits, to be compared to their 12% share in total revenues and total costs. Listed exchanges account for 62% of total staff, but 75% of salaries and benefits (to be compared with 77% of revenues and 78% of costs.) As noted last year, though it would be very approximate to calculate productivity ratio, the revenues generated per employee in listed exchanges is clearly above the average while the cost of labor at these exchanges is also clearly above the industry average.

The remaining groups have proportional ratio of staff and salaries, with the exception of “other” exchanges with 9% of staff and 3% of benefits and salaries, and to a lesser extent, associations and mutuals.

#### **4.4. ADMINISTRATION**

Administrative costs were up 12.8% in 2006. The geographical breakdown shows that the Americas and Asia-Pacific were in line with this trend, the EAME region also (+12.6%) but not in USD constant terms (+0.9%)

#### **4.5. IT**

IT costs were up 10.3% in 2006, with a noteworthy geographical variation:

- The Americas were down 6.2%
- Asia-Pacific was up 1.6%
- The EAME region was up 23.1% (11.3% in constant USD terms).



## FOCUS ON REGULATORY COSTS

This year's survey included a special focus on regulatory costs. The main findings are the following ones.

### 1. Cost lines not determined solely by exchange management

About 40% of responding exchanges indicated that some of their costs were not determined solely by exchange management. Most of the times, these costs lines relate to the contribution paid to the regulator. They also relate to the regulatory duties of the exchange, investor protection funds, etc.

### 2. Actors involved in setting or reviewing fees

Out of 46 responding exchanges, the following actors were quoted as setting or reviewing certain exchange fees that can be charged:

Regulator	43%
Competition authorities	8%
Central Bank	3%
Other	10%

Among the sample, most of the main fees are quoted:

- Listing fees
- Market data fees
- Transaction fees
- Regulatory fees
- Market surveillance fees
- Regulatory fine revenues
- Clearing and settlement fees

One or most of these are concerned, depending on the jurisdiction.

### 3. Regulatory costs

The direct regulatory costs reported globally account for around 2% of the total costs, but the average weight of regulatory costs among the 25 responding exchanges that provided indications of such costs was **7%** of their total costs.

All the indirect regulatory costs cannot be taken into account (e.g. an exchange updating its trading systems following a regulatory change.)

***NB Since detailed breakdowns of costs were not available for all exchanges, the above ratios are very approximate.***



## ANNEX 1 : FURTHER INFORMATION ON RESPONDING MEMBERS

### 1. Respondents corporate details

#### Corporate structure

Almost half (49%) of the respondents reported figures for a consolidated group of companies, not only the exchange itself; members are clearly broadening the scope of the original exchange business, and adopting more complex corporate structures.

#### Shareholders

As regards significant shareholders (at least 5% of the capital), the principal categories reported are the following. Member participants are still the category most often represented, but they are now closely followed by institutional investors.

<i>Member participants</i>	50%
<i>Institutional investors</i>	46%
<i>Listed companies</i>	20%
<i>Individual investors</i>	7%
<i>Management and employees</i>	8%
<i>Other</i>	30%

#### Use of profits

Profits are mainly retained and often used for paying dividends<sup>1</sup>.

<i>Re-invested</i>	63%
<i>Dividends</i>	54%
<i>Rebates</i>	4%
<i>Other</i>	17%

#### Fiscal year

Eight exchanges reported figures from a fiscal year different than the civil year. When this occurred, they gave full 12 months information up to that reporting date.

<sup>1</sup> The table shows the use of profits, not the proportion of profits affected to each category and therefore the table does not add up to 100%



## **2. Market access, concentration and fees**

### **Market access**

The number of intermediaries having access to the responding exchanges' markets is highly variable, from 8 for the Bermuda Stock Exchange to more than 1200 for CBOE. The average number is about 130.

### **Intermediaries' concentration**

As already pointed out, the exchange industry is highly concentrated. The brokerage industry is also highly concentrated, and the figures reported are impressive. Exchanges were asked to provide percentages of total trading volume of the 5, 10 and 15 most active members on their markets.

On this point, around 30 exchanges answered for cash markets and 20 for derivatives. The figures were computed by using the average of various percentages without any weighting.

<b>Concentration (<u>cash markets</u>)</b>	<b>2006</b>
1. Percentage of total trading volume of the <b>5</b> most active members	<b>46%</b>
2. Percentage of total trading volume of the <b>10</b> most active members	<b>66%</b>
3. Percentage of total trading volume of the <b>15</b> most active members	<b>73%</b>

<b>Concentration (<u>derivatives markets</u>)</b>	<b>2006</b>
1. Percentage of total trading volume of the <b>5</b> most active members	<b>53%</b>
2. Percentage of total trading volume of the <b>10</b> most active members	<b>70%</b>
3. Percentage of total trading volume of the <b>15</b> most active members	<b>79%</b>

The results speak for themselves, derivatives markets having an even higher concentration.



### **Fees structure**

Cash transaction fees are mainly based on the value traded, or a combination of value and number of transactions.

<b>Cash transaction fees based on:</b>	
Value traded	58%
Combination of value and number of transactions	21%
Combination of value and other structure criterion	8%
Number of transactions	5%
Shares traded	3%
Other	5%

The structure of derivatives' fees is mostly based on number of contracts or value traded.

<b>Derivatives transaction fees based on:</b>	
Number of contracts	55%
Value traded	31%
Combination of value and contracts traded	10%
Other	3%



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## ANNEX 2 : DEFINITION AND COMPOSITION OF MEMBERS GROUPS

### 3. Legal category definitions

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- *Private, limited companies* are bourses registered as private companies, generally with a paid-up share capital. Intermediaries are almost always the sole owners of the exchange, and their ownership and intermediation rights and activities are strongly linked.
- The second category includes exchanges registered as private, limited companies which have “*demutualized*,” but which are not listed. The demutualization of an exchange is a process by which a non-profit member-owned organization is transformed into a for-profit shareholder corporation. Ownership is somewhat more open.
- The third category regroups the *publicly listed exchanges*. A bourse goes public when its shares are listed on an exchange and are freely negotiable among investors.
- The fourth category is made of bourses that are registered as *associations, or mutuals*. These member cooperatives generally have no share capital, and access to membership is restricted.
- The fifth category encompasses exchanges with *an “other” legal status*, including, for example, those which still have a government or semi-government agency structure and belong to the state.

These five categories reflect as closely as possible the present reality in the regulated financial exchanges industry.



#### 4. Composition of exchange groups

The main groupings used to analyze responses in the course of this survey were composed by the following bourses :

##### *a) WFE Exchanges by legal status at end-December 2006*

##### Private, limited companies mainly owned by members (5 bourses):

Bourse de Luxembourg Irish Stock Exchange Jakarta Stock Exchange	Stock Exchange of Mauritius Tel Aviv Stock Exchange
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##### Demutualized, but not publicly listed Exchanges (11 bourses):

Bolsa Mexicana de Valores Bolsa de Valores de Colombia Borsa Italiana Korea Exchange Ljubljana Stock Exchange National Stock Exchange of India Limited	Oslo Børs Stock Exchange of Tehran Taiwan Stock Exchange Corporation Tokyo Stock Exchange Wiener Börse
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##### Publicly Listed Exchanges (19 bourses):

Athens Exchange Australian Stock Exchange BME Spanish Exchanges Bolsa de Comercio de Santiago Bolsa de Valores de Lima Bourse de Montréal Bursa Malaysia Deutsche Börse AG Euronext Hong Kong Exchanges and Clearing	International Securities Exchange (ISE) JSE Limited London Stock Exchange OMX Osaka Securities Exchange NASDAQ NYSE Group Inc. Singapore Exchange TSX Group
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##### Associations, mutuals (6 bourses):

Bolsa de Comercio de Buenos Aires Bolsa de Valores do São Paulo Chicago Board Options Exchange	Shanghai Stock Exchange Shenzhen Stock Exchange SWX Swiss Exchange
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##### “Other” legal group Exchanges (7 bourses):

Cairo & Alexandria Stock Exchanges Colombo Stock Exchange Cyprus Stock Exchange Istanbul Stock Exchange	Malta Stock Exchange Stock Exchange of Thailand Warsaw Stock Exchange
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*b) WFE Members operating in high income economies<sup>1</sup>:*

Athens Exchange Australian Stock Exchange BME Spanish Exchanges Borsa Italiana SpA Bourse de Luxembourg Bourse de Montréal Chicago Board Options Exchange Cyprus Stock Exchange Deutsche Börse AG Euronext Hong Kong Exchanges and Clearing Irish Stock Exchange International Securities Exchange (ISE) Korea Exchange Ljubljana Stock Exchange	London Stock Exchange Malta Stock Exchange NASDAQ NYSE OMX Osaka Securities Exchange Oslo Børs Singapore Exchange SWX Swiss Exchange Tel-Aviv Stock Exchange Tokyo Stock Exchange TSX Group Wiener Börse AG Taiwan Stock Exchange Corp.
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*c) WFE Members operating in low-middle income countries:*

Bolsa de Valores do São Paulo Bolsa de Comercio de Buenos Aires Bolsa de Comercio de Santiago Bolsa de Valores de Colombia Bolsa de Valores de Lima Bolsa Mexicana de Valores Bursa Malaysia Cairo & Alexandria Stock Exchanges Colombo Stock Exchange Istanbul Stock Exchange	Jakarta Stock Exchange JSE Limited National Stock Exchange of India Shanghai Stock Exchange Shenzhen Stock Exchange Stock Exchange of Mauritius Stock Exchange of Tehran Stock Exchange of Thailand Warsaw Stock Exchange
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<sup>1</sup> This table as well as the following one is based on World Bank classification.

*d) Top 10 members by domestic listed equities market capitalization in 2006:*

*(USD billion)*

NYSE	15 421
Tokyo Stock Exchange	4 614
NASDAQ Stock Market	3 865
London Stock Exchange	3 794
Euronext	3 708
Hong Kong Exchanges	1 715
TSX Group	1 701
Deutsche Börse	1 638
BME Spanish Exchanges	1 323
SWX Swiss Exchange	1 212

*e) 10 largest members by share trading value in 2006:*

*(USD billion)*

NYSE	21 789
NASDAQ Stock Market	11 807
London Stock Exchange	7 583
Tokyo Stock Exchange	5 825
Euronext	3 805
Deutsche Börse	2 742
BME Spanish Exchanges	1 941
Borsa Italiana	1 596
SWX Swiss Exchange	1 396
Korea Exchange	1 340

*f) 10 largest members by revenue in 2006:*

*(USD million)*

Deutsche Börse AG	2 786
NYSE	2 376
NASDAQ Stock Market	1 658
Euronext	1 560
London Stock Exchange	684
Tokyo Stock Exchange	633
Hong Kong Exchanges and Clearing	537
BME Spanish Exchanges	394
Borsa Italiana	371
SWX Swiss Exchange	347



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