

Guidelines for the publication of real-time trading information and calculation of prices, etc. for bonds NASDAQ OMX Copenhagen

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| 1. Pre-trade information | 1.1 | Pre-trade information is published for the ordinary bond sub-market and the sub-market for quoting in government bonds. |
| | 1.2 | The accumulated order volumes for a number of price levels for the buy and sell orders in the SAXESS system are published <u>without</u> indication of the identity of the members. The number of price levels depends on the information product selected. |
| 2. Post-trade information | 2.1 | The individual transactions effected in or reported to the SAXESS system are published via the SAXESS trade ticker immediately after a transaction has been recorded. However, certain transactions are published with a delay. |
| | 2.2 | Among other things, the ticker contains the following information: <ul style="list-style-type: none">■ Order book identity■ Time of the transaction■ Price■ Volume■ Settlement date |
| | 2.3 | Publication of transactions reported to the ordinary sub-market for bonds involving DKK 100 million in market value or more may be delayed until after the market has closed. Corporate bonds involving not less than DKK 20 million in market value may be published after the close of the market. |
| | 2.4. | Transactions reported to the sub-market for quoting in government bonds involving nom. DKK 3 million or more are published not later than 18:00 on the day of the transaction. |

- 3. Price basis for the daily Official List and expiration prices**
- 2.5 After the conclusion of each transaction, information on the accumulated turnover for the trading day concerned is distributed. Moreover, the last price paid and the highest and lowest prices paid are currently updated throughout the day.
 - 3.1 Only published order book transactions and reported standard trades are included in the calculation of average prices.
 - 3.2 Only published order book transactions and reported standard trades (and in certain cases bid and ask prices) are included in the price basis for the calculation of derived variables such as expiration prices, true yield, duration, etc.
 - 3.3 In respect of calculation of average prices and the price basis for the calculation of derived variables such as expiration prices for derivatives products, true yield, duration, etc, NASDAQ OMX may disregard transactions
 - a) reported with prices that deviate so much from the market price that they are deemed to be misleading as to the actual price level,
 - b) effected in the SAXESS system, where the prices of these transactions deviate so much from the market price that they are deemed to be misleading as to the actual price level.
 - 3.4 All order book transactions and reported transactions – except for repos – are included in the total turnover from the time such transactions are published.
 - 3.5 Transactions marked as repos in the transaction report are included in the repo turnover, which is calculated separately.

**4. Definition of 4.1
SAXESS terms**

The **last price paid** is defined as the latest price paid at any time for transactions executed in the trading system or reported during "continuous trading" as standard trades. The "last price paid" is published for the ordinary bond sub-market, the sub market for corporate and other bonds, the structured bonds – retail – sub market and the sub-market for government bonds. The "last price paid" is updated by:

- I. All published order book transactions and
- II. All published reports where the following requirements have been met:
 - a. The trade class is standard,
 - b. The transaction has been reported during "opening hours" – i.e. during continuous trading,
 - c. The transaction was concluded at a later time than the transaction which most recently gave rise to an updating of the last price paid.

The "last price paid" is zeroed every trading day and the updating is begun in connection with the outcry match (the equilibrium price will be the day's first value of the last price paid) or alternatively, at the beginning of continuous trading for sub-markets without outcry.

4.2 **The SAXESS average price** is calculated as the turnover-weighted average of transactions that are order book trades or reported as standard trades and published during the opening hours. The SAXESS average price is calculated per order book.

4.3 **The average price** is calculated as a turnover-weighted average of published transactions that are order book trades or reported as standard trades. The average price is calculated per ISIN. The period will be the opening hours fixed from time to time by NASDAQ OMX Copenhagen.

Large trades with delayed publication which are published just before closing are included in the average price. This average price is calculated only once every day and after the market has been closed.

4.4 **Best bid and ask prices** (the spread) in the SAXESS system at the closing of the order book on the trading day in question are defined as the highest buying price and the lowest selling price, respectively, from the ordinary sub-market and the sub-market for quoting in government bonds, respectively. A selling price (ask price) is only published where this is higher than the registered buying price (bid price). Otherwise only the buying price is published.

4.5 **High and low market prices** are calculated on the basis of the transactions which update the SAXESS average price and are thus the highest price and the lowest price, respectively, among the transactions which have updated the SAXESS average price of the trading day.

4.6 **Opening and closing prices.** The opening price is defined as the first price paid for a published order book transaction on the ordinary sub-market, the sub market for 'corporate and other bonds' or the sub-market for quoting in government bonds during continuous trading or reported and published as an on-exchange trade by a member. Closing prices are defined as the "last price paid" at time of closing. If no "last price paid" exists on the relevant day, an indicative closing price might be calculated based on bid and offer prices. Bids and offers must comply with the following criteria:

- during the three opening hours prior to closing there must be both bid and offer prices for at least 95 % of that period
- the order volume must be at least one round lot for both bids and offers
- maximum time weighted spread allowed is two points
- both bids and offers must be valid at the closing of the market

For bonds in the structured bonds - retail - sub market the indicative closing price is calculated as the mid price of the best bid and offer prices at close, if the following criteria are met:

- during the opening hours there must be both bid and offer prices for at least 85 % of that period

- the order volume must be at least five (5) round lots for both bids and offers
- maximum time weighted spread allowed is four (4) points
- both bids and offers must be valid at the closing of the market

If an indicative closing price is calculated, that price will be considered the official closing price for that day.

4.7

The year-end price is defined as the most recently calculated average price of a calendar year.

5. Definition of other terms 5.1

The **all trades average price**, which is not an official price as it includes OTC trades, is calculated as a turnover-weighted average of all transactions included in the average price for bonds and all reported OTC standard transactions published during the opening hours.

Also trades with delayed publication are included in the all trades average price at the time of execution, i.e. before publication takes place. The all trades average price is calculated and published on a continuous basis, but without information about the volume traded. After closing of the market the final value of the all trades average price is published inclusive of the volume traded.

6. Price basis for the calculation of yields, etc 6.1

The true yield, duration and other derived calculations based on bonds are calculated on the basis of the following prices:

- 1) The average price
- 2) The best bid price

Where both prices exist on the same day, the prices are ranked in accordance with the above order of succession. In the Official List the price used will be in bold type.

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