

# European Capital Markets Institute

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Newsletter  
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ECMI welcomes new Members:



## MEMBERS SECTION

### ▪ **New Member:** New York Stock Exchange

NYSE Group, Inc. operates two securities exchanges: the New York Stock Exchange (the "NYSE") and NYSE Arca (formerly known as the Archipelago Exchange, or ArcaEx®, and the Pacific Exchange). NYSE Group is a leading provider of securities listing, trading and market data products and services. Its listed companies range from "blue-chip" companies, to world-leaders in technology, to young, high-growth enterprises. They meet and adhere to the overall highest listing standards.

### ▪ **New Member:** Bucharest Stock Exchange

The Bucharest Stock Exchange (BSE) is Romania's premier stock exchange. The BSE has gained considerable international exposure over the past decade by signing international cooperation agreements with European and Asian stock exchanges. In 2005, the BSE merged with RASDAQ, the local over-the-counter stock market which lists 4040 companies.

### ▪ **New Member:** Houston Consulting

Houston Consulting Europe is an international consulting team of exceptional quality which assists corporations and institutions on EU actions, policies and legislative developments affecting them. It was founded in 1997 and is based in Brussels.

## RESEARCH ACTIVITIES

### Recent research

### ▪ **ECMI Statistics** – ECMI Statistical Package 2006

ECMI in-house researchers finalized ECMI's maiden Statistical Package. The **ECMI Statistical Package** is a comprehensive collection of relevant statistical data on European capital markets covering equities, bonds and derivatives. Its aim is to **trace evolutions in European capital markets** over time, so as to highlight their ongoing transformation through structural changes brought about by competitive forces, innovation and regulation. Viewer-friendly graphs are presented to more easily visualize the **key trends in different market segments**, and to make quick cross-market comparisons. These graphs also have the advantage that they can easily be included in powerpoint or other presentation formats. It is sold to interested parties for €150 and is free for ECMI members. For info: [charles.gottlieb@ceps.be](mailto:charles.gottlieb@ceps.be)

### ▪ **ECMI Policy Brief 3: The MiFID Revolution**

The new Policy Brief by Jean-Pierre Casey and Karel Lannoo paints a portrait of the likely EU securities market landscape post-MiFID. Much of the available analysis on MiFID has focused on short-term adjustment and compliance costs, especially regarding IT investments. Yet MiFID represents a revolution in European securities markets that is likely to lead to deep and long-lasting structural changes. The analysis in this Policy Brief concentrates on ten predictions the authors make about the likely impact of MiFID on market structures, and the likely strategic responses of financial services firms. [Download paper.](#)

### RESEARCH ACTIVITIES Upcoming research

#### ▪ **ECMI Policy Brief 4 – Bond Market Transparency: To Regulate or not to Regulate...**

The outcome of the European Commission's ongoing review under MiFID art. 65.1 on whether to apply equity-style transparency requirements to fixed income and commodity markets will have important implications for the structure of bond markets. Jean-Pierre Casey assesses some of the pros and cons of introducing more transparency into the market and why it is important for industry-led initiatives to gather pace. The Brief will be published the first week of December.

#### ▪ **ECMI Policy Brief 5 – MiFID Client Classification**

Though it may at first resemble a boring legal exercise, the MiFID requirement that investment firms systematically classify their clients will have enormous ramifications for the way they operate their business. The change in client typology which will inevitably result from MiFID will affect marketing arrangements, advisory functions, documentation procedures, control systems and IT infrastructure. Jean-Pierre Casey analyses some of these important questions in Policy Brief 4, due out shortly.

#### ▪ **ECMI Regulatory Commentary 4**

Jean-Pierre Casey looks at the Commission's recent proposed directive on harmonizing the criteria national supervisors use in assessing cross-border mergers in financial services, particularly prudential aspects. The regulatory comment is due out shortly.

#### ▪ **ECMI Library**

ECMI is compiling an online library of key selected readings on various financial market policy areas, which is intended to facilitate the task of sorting through vast tracts of existing literature, consultation papers, etc. for ECMI members. The [library section](#) on the website has just been created for this purpose.

*The posted papers do not in any way necessarily represent the views of ECMI as an organization.*

### EVENT SECTION

#### ▪ **ECMI Workshop: One-Share-One-Vote: A means for corporate control?**

The concept of 'shareholder democracy' has dominated the EU policy debate on corporate governance since 2002. While this proposal has solid political and legal underpinnings, an altogether different picture emerges when one introduces economic considerations. ECMI is organising a seminar jointly with **ABP** and **Eurosif** to debate 'shareholder activism in particular. The event will be held at the Centre for European Policy Studies on **7 December 2006**. [Download programme](#). Contact Isabelle Tenaerts to register: [itenaerts@ceps.be](mailto:itenaerts@ceps.be)

#### ▪ **ECMI Roundtable: Recommendations of US Committee on Capital Markets Regulation**

The European Capital Markets Institute and CEPS are pleased to invite ECMI Members to a special roundtable on **11 December 2006** from **12h30 – 14h00** with: Hal Scott, Nomura Professor and Director of International Financial Systems at Harvard Law School and Director of the Committee on Capital Markets Regulations, to be commented on by David Wright, Director of Financial Markets in DG Markt, European Commission. Contact Isabelle Tenaerts to register: [itenaerts@ceps.be](mailto:itenaerts@ceps.be)

#### ▪ **ECMI-CEPS Seminar with SEC Commissioner Atkins**

Commissioner Atkins recently discussed developments in securities markets regulation in the US and transatlantic regulatory challenges at ECMI on **27 September 2006** Policy Studies. Minutes are available to ECMI members.

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