



Press Release, September 15, 2004

# Helsinki, Tallinn and Riga stock exchanges to adopt common Nordic cash trading platform

**On September 27, 2004, the Helsinki, Tallinn and Riga stock exchanges will harmonize their cash markets by adopting the SAXESS™ cash trading system already used by the Stockholm Stock Exchange, thus taking the next step in OMX's vision of a fully integrated Nordic Baltic securities market.**

The cash market integration will generate benefits for members, enhance liquidity and promote trading in Finnish and Baltic equities. As a result of the integration, exchange members and investors will gain easy access to Finnish, Swedish and Baltic securities through one access point to the common trading system, and will also benefit from harmonized rules.

The harmonization of cash markets is in line with the creation of one Nordic Baltic market and includes benefits such as:

- Harmonized trading hours for the Helsinki and Stockholm stock exchanges (09:00-17:30 CET).
- Harmonized trading day structure through the introduction of a closing call at the Helsinki, Tallinn and Riga stock exchanges.
- Implementation of the NOREX Member Rules at the Helsinki Stock Exchange and the harmonization of the Tallinn and Riga rulebooks with NOREX Member Rules.
- Introduction of a Joint Baltic Market with jointly marketed securities, harmonized listing rules between the Riga and Tallinn stock exchanges and a cross-border delivery-versus-payment link between the Estonian and Latvian CSDs.
- BALTIX, the new pan-Baltic index.
- RIGSE and VILSE, new capitalization-based total return indexes in Latvia and Lithuania.

Through a wider Nordic cooperation, the NOREX alliance, securities from seven exchanges can be traded on the same platform with harmonized rules. The NOREX alliance is made up of the exchanges in Stockholm, Helsinki, Tallinn, Riga, Copenhagen, Oslo and Iceland.

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### **Trading hours at OMX Exchanges as of September 27**

In conjunction with the launch of the SAXESS trading system in Helsinki, the trading hours of the equity and derivatives markets at the Stockholm and Helsinki stock exchanges will be harmonized. The structure of the equity trading day will also be harmonized through the introduction of a closing call at the Helsinki, Tallinn and Riga stock exchanges. Due to decreased demand, the evening trading session at the Helsinki Stock Exchange will be discontinued.

<b>Equities and other securities, CET</b>	<b>Stockholm and Helsinki</b>	<b>Tallinn and Riga</b>	<b>Vilnius</b>
Opening call	08:45-9:00	08:45-9:00	08:25-08:30
Opening prices	09:00	09:00	08:55
Continuous trading	09:00-17:20	09:00-12:50	09:00-13:00
Closing call	17:20-17:30	12:50-13:00	
Closing prices	17:30	13:00	13:00
<b>Derivatives, CET</b>	09:00-17:20	-	-

### **Opening and closing calls**

A call is a type of electronic auction attended by buyers and sellers of shares. Among other benefits, the call procedure facilitates efficient pricing and reduces the risk of price fluctuations. The call is open, meaning that buyers and sellers can see the current equilibrium price of a share. Buy and sell prices become visible at the start of the morning call.

### **SAXESS trading platform**

Trading on the exchanges within OMX Exchanges and other NOREX exchanges is carried out in the electronic trading system SAXESS\*, which was developed by OMX Technology. SAXESS is a modern high-performance trading system that supports multiple exchanges running concurrently in multiple currencies. The system supports all common trading models, order types and instrument types.

*\*To be implemented on September 27, 2004 in Helsinki, Tallinn and Riga. The Vilnius Stock Exchange is expected to adopt SAXESS in 2005.*

### **NOREX Member Rules**

The NOREX Member Rules are a result of the harmonization of the rules in force on the NOREX exchanges and they contain member terms and rules for trading in equities and bonds. The NOREX Member Rules are available at [www.norex.com](http://www.norex.com).

As of September 27, the Helsinki Stock Exchange's rulebook will consist of two parts: NOREX Member Rules and issuer rules. Compared to the current rules of the Helsinki Stock Exchange, there will be some changes including the lowering of the size limit for block trades in shares, in line with the other NOREX exchanges. Block trade rules will also be introduced for other equity instruments. The Tallinn and Riga stock exchanges will harmonize their current trading rules with NOREX trading and membership rules.



### **The Joint Baltic Market**

The Tallinn, Riga and Vilnius stock exchanges will form a joint Baltic market to simplify access and minimize investment barriers when operating on Estonian, Latvian and Lithuanian markets. The Joint Baltic Market will feature a common Baltic list of securities, a common index of Estonian, Latvian and Lithuanian markets and harmonized listing, trading and disclosure rules for Estonia and Latvia. A cross-border DVP link will be established between the Estonian and Latvian depositories. There will be further benefits when the Vilnius Stock Exchange adopts the common trading platform in 2005.

### **The new Baltic index - BALTIX**

The BALTIX Index is a capitalization-weighted chain-linked total return index. The index is calculated daily using the most recent official closing prices of all shares listed on the Main Lists of the Riga, Tallinn and Vilnius stock exchanges and comparing the compound market capitalization plus dividends paid to the corresponding data of the previous trading day. The index constituents are subject to quarterly weight limits of 10 percent of the compound market capitalization. The index base value was set at 100.00 points on January 1, 2000. The index is calculated using prices in Euro (EUR).

### **The new RIGSE and VILSE indexes**

The RIGSE Stock Index and the VILSE Stock Index are capitalization-weighted chain-linked total return indexes. RIGSE is calculated on a continuous basis from the most recent prices of all shares listed on the Riga Stock Exchange's Main List and I-List and VILSE is calculated on a daily basis using the most recent closing prices of all shares listed on the Vilnius Stock Exchange's Official and Current Lists. Old Latvian and Lithuanian (except for LITIN-10) indexes will be discontinued.

The index calculation methodology of the RIGSE and VILSE indexes is harmonized with Finnish and Estonian total return index methodology. No weight limits are applied to the index constituents. The index base values were set at 100.00 points on January 1, 2000.

### **About OMX**

OMX owns and operates the largest securities market in the Northern Europe and is a leading provider of marketplace services and solutions for the financial and energy markets. OMX consists of two divisions: OMX Exchanges and OMX Technology. OMX Exchanges owns and operates the stock exchanges in Stockholm, Helsinki, Tallinn, Riga and Vilnius as well as the central securities depositories in Finland, Estonia and Latvia. Through OMX Exchanges OMX offers access to 80 percent of the Nordic and Baltic securities market. For more information please visit [www.omxgroup.com](http://www.omxgroup.com).