



EUROPEAN SAVINGS BANKS GROUP
GROUPEMENT EUROPEEN DES CAISSES D'EPARGNE
EUROPÄISCHE SPARKASSENVEREINIGUNG

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European Savings Banks Group (ESBG)

Response to CESR on consolidation of market transparency data

(Ref: CESR/06-134)

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Profile European Savings Banks Group

ESBG (European Savings Banks Group) is an international banking association that represents one of the largest European retail banking networks, comprising about one third of the retail banking market in Europe, with total assets of €4,716 billion (1 January 2005). It represents the interests of its members vis-à-vis the EU Institutions and generates, facilitates and manages high quality cross-border banking projects.

ESBG members are typically savings and *retail* banks or associations thereof. They are often organised in decentralised networks and offer their services throughout their *region*. ESBG member banks have reinvested *responsibly* in their region for many decades and are one distinct benchmark for corporate social responsibility activities throughout Europe and the world.



The European Savings Banks Group (ESBG) welcomes this opportunity to comment on possible consolidation of market transparency data.

Publication:

- What are the costs and benefits of firms publishing their transparency information in a uniform format?

We believe that it would be useful if market data is published according to uniform technical specifications as this could help investors to understand any publication and to avoid possible misunderstandings.

In practical terms, we regard the 24h format to display the trading time as a good solution for the majority of firms (we are only aware of the 12h format being used in the UK).

Furthermore, the type of instrument identifier should be the International Securities Identifying Number (ISIN).

Finally, the standards for displaying price and quantity should remain as they are (notably: a comma for decimal numbers and no separator for whole numbers).

- What is the minimum length of time transparency information needs to remain published (and accessible)?

We consider that this question depends on the utility of the published data. In general, pre-trade information should remain published as long as it is valid. As regards post-trade information, a period of approximately one week should be sufficient. After more than one week the information has no longer much value for the market and it becomes unreasonable to keep it published due to increasing costs for data storage.

- What steps could firms take in order to ensure the information they publish is accurate/reliable?

The quality of data depends on the quality of the trading system used. Firms should therefore use a standardised interface.

Consolidation:

- What are the markets needs for consolidation?

In our view, any potential consolidation of data should be left up to the market forces. To that end, we do not see a need for CESR to establish a standard for data consolidation such as recommending the use of a specific format (e.g. FIX) for the data publication. On the contrary, we believe that Level 1 of the MiFID does not allow for any such kind of “harmonisation”. In addition to that, we warn that imposing such standards would most likely lead to higher costs f especially for smaller firms, since one size does not fit all.

- What are the obstacles for consolidation?



We consider that the market will be able to overrun all the obstacles in case it proves that there is demand from investors for a mechanism of consolidated information. Regarding the choice of a structure, we consider that the market itself will decide which structure is the best for collecting the information.

- What is needed to remove the obstacles and by whom?

No comment.

- Timing and prioritisation of the necessary actions

No comment

- What costs would arise by moves to facilitate consolidation and who would bear them?

No comment.

- CESR's role in the process

We believe that CESR's role should be very limited. At this stage we believe that the market should be the unique driving force in the process.