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CESR SECRETARIAT
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We welcome the opportunity to provide comments on the CESR's Call for Evidence concerning the Best Execution under MiFID (CESR/07-50b).

We thank the CESR for the work done since 2004 on MiFID implementation issue and its implication in giving guidelines for the level 3 implementation process.

Concerning Best Execution implementation, GL TRADE, as a solution provider and a data vendor, only focuses on the technical and functional feasibility of this implementation. Therefore, we will only answer to the consultation questions concerning consolidated data and transparency issues linked to execution monitoring.

Data Retention implications of Article 21(5) of Level 1 (demonstrating compliance)

95. An investment firm that is subject to Article 21 must demonstrate on a client's request that it has executed that client's orders in accordance with its execution policy. Firms have indicated that they are concerned about the implications of this requirement for data retention, specifically that they will be required to retain data on available prices or quotes for every transaction. Other firms take the view that Article 21(5) requires only that the firm demonstrate that it followed its policies and procedures by, for example, showing that an order was routed to an electronic system that checks relevant venues for the best net price, in accordance with the information provided to its clients. It will be important for regulators to take a convergent view on this debate.

Call for evidence

96. Developments in respect of data consolidation, pre- and post trade-transparency and execution quality data will also be relevant for demonstrating compliance. CESR is interested in receiving suggestions and feedback from industry on possible implementation approaches in this area with a view to promoting supervisory convergence on these important points after implementation of MiFID.

We completely agree with CESR on recital 95, nevertheless we would like to take the opportunity of this consultation to discuss the point of pre and post trade transparency and market data recording for best execution demonstration.

As a data vendor, GL TRADE decided to become a Pan European Data Aggregator and to offer, free of charge, market data collection services to all institutions seeking to publish prices within the framework of MiFID.

Any institution operating an internal order matching system, multilateral trading facility (MTF) or regulated market can call on GL TRADE services, which will collect data and distribute it via GL NET (600 institutions connected) or other networks. This service will not only enable such institutions to meet their transparency obligations, but will also facilitate access to their liquidity.

Our clients have a great concern in receiving this market data and complying with their best execution obligation, both for order execution and client reporting. Discussing their MiFID issues, a significant part of our clients would like to be able to compare executed orders to the market conditions, either to justify execution quality to a client or to benchmarks

That's why in addition to the real time data aggregation, GL TRADE plan to record the complete market data broadcasted by the European venues and store it during the 5 years during which the investment firm has to record information about its order execution. This service has already been tested and benchmarked. We know that it is technically feasible.

Considering that the liquidity will be fragmented with MiFID, this recorded data is used to compute execution benchmarks (VWAP, LHOC, etc...) on the relevant markets. For instance if an order was executable on "RM A" & "MTF B" and was finally executed on "RM A", the VWAP displayed will take into account the liquidity of A and B. We try to solve this way the relevance of such execution quality indicator.

GL TRADE welcomes all discussion with CESR or its member to present in depth the data we are recording and to discuss what could be our contribution to the market consolidation and a better regulation for European securities.

Sincerely,

GL TRADE SA.

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