

Global Trading Costs & Trade Flows

TRADING COSTS¹ (BPS)

DEVELOPED MARKETS

Region	3Q10	4Q10	1Q11	2Q11
MSCI_World	(30)	(28)	(28)	(24)
MSCI_N_America	(30)	(27)	(29)	(26)
MSCI_EAFE	(30)	(29)	(27)	(21)
MSCI_Europe	(27)	(26)	(25)	(17)
MSCI_EMU	(26)	(23)	(23)	(15)
MSCI_Far_East	(38)	(37)	(31)	(35)
MSCI_Pacific	(36)	(36)	(32)	(37)

Country	3Q10	4Q10	1Q11	2Q11
MSCI_US	(29)	(26)	(29)	(26)
MSCI_GB	(29)	(31)	(27)	(18)
MSCI_JP	(38)	(35)	(30)	(37)
MSCI_FR	(25)	(17)	(26)	(15)
MSCI_DE	(29)	(19)	(17)	(10)
MSCI_CA	(32)	(31)	(28)	(28)
MSCI_CH	(28)	(27)	(33)	(22)
MSCI_AU	(28)	(32)	(38)	(29)
MSCI_NL	(22)	(25)	(20)	(14)
MSCI_ES	(10)	(34)	(18)	(16)
MSCI_HK	(34)	(40)	(34)	(39)
MSCI_IT	(28)	(23)	(29)	(18)
MSCI_SE	(25)	(35)	(21)	(31)
MSCI_SG	(42)	(57)	(38)	(34)
MSCI_FI	(34)	(34)	(39)	(24)
MSCI_NO	(34)	(25)	(28)	(25)
MSCI_BE	(38)	(36)	(32)	(25)
MSCI_DK	(28)	(32)	(22)	(33)
MSCI_AT	(40)	(61)	(31)	(23)
MSCI_PT	(63)	(56)	(37)	(38)
MSCI_IE	(48)	(61)	(20)	(23)

Sector	3Q10	4Q10	1Q11	2Q11
Basic Materials	(35)	(34)	(34)	(22)
Consumer Cyclical	(34)	(30)	(33)	(26)
Consumer Non-Cyclical	(27)	(24)	(25)	(25)
Financials	(29)	(24)	(26)	(24)
Health	(28)	(28)	(25)	(27)
Industrials	(30)	(30)	(28)	(27)
Information Technology	(29)	(30)	(32)	(24)
Resources	(28)	(27)	(26)	(20)
Telecom Services	(31)	(23)	(26)	(22)
Utilities	(27)	(21)	(26)	(20)

EMERGING MARKETS

Region	3Q10	4Q10	1Q11	2Q11
MSCI_Emerging_Market	(48)	(52)	(48)	(48)
MSCI_EM_Asia	(47)	(52)	(48)	(48)
MSCI_EMFE	(46)	(51)	(47)	(49)
MSCI_BRIC	(46)	(50)	(45)	(46)
MSCI_EM_Latin_America	(50)	(46)	(45)	(45)
MSCI_EM_Europe	(61)	(63)	(57)	(41)
MSCI_Europe_Mid_East	(61)	(63)	(57)	(41)
MSCI_Eastern_Europe	(52)	(54)	(52)	(35)

Country	3Q10	4Q10	1Q11	2Q11
MSCI_CN	(43)	(50)	(41)	(47)
MSCI_KR	(47)	(47)	(42)	(50)
MSCI_TW	(52)	(48)	(54)	(48)
MSCI_BR	(53)	(43)	(47)	(46)
MSCI_IN	(52)	(61)	(56)	(41)
MSCI_ZA	(51)	(56)	(57)	(61)
MSCI_ID	(57)	(91)	(84)	(69)
MSCI_TR	(67)	(70)	(62)	(47)
MSCI_MY	(44)	(47)	(52)	(39)
MSCI_MX	(42)	(56)	(38)	(37)
MSCI_PL	(53)	(50)	(64)	(42)
MSCI_TH	(55)	(56)	(51)	(45)

Sector	3Q10	4Q10	1Q11	2Q11
Basic Materials	(52)	(57)	(57)	(60)
Consumer Cyclical	(59)	(62)	(53)	(61)
Consumer Non-Cyclical	(56)	(57)	(64)	(50)
Financials	(42)	(51)	(39)	(41)
Health	(68)	(51)	(66)	(49)
Industrials	(57)	(55)	(61)	(59)
Information Technology	(46)	(46)	(43)	(39)
Resources	(50)	(40)	(38)	(41)
Telecom Services	(32)	(43)	(50)	(37)
Utilities	(51)	(74)	(63)	(65)

TRADE FLOW^{1,2} (\$, MILLION)

DEVELOPED MARKETS

Region	3Q10	4Q10	1Q11	1Q11
MSCI_World	1,656,478	1,816,345	1,672,510	1,573,154
MSCI_N_America	1,058,129	1,123,533	1,026,586	977,970
MSCI_EAFE	598,348	692,812	645,924	595,184
MSCI_Europe	422,563	489,533	465,396	451,487
MSCI_EMU	218,641	279,910	260,154	280,232
MSCI_Pacific	174,286	201,602	179,279	142,920
MSCI_Far_East	137,701	161,217	150,725	110,522

Country	3Q10	4Q10	1Q11	1Q11
MSCI_US	996,006	1,049,400	951,425	909,642
MSCI_GB	129,209	132,283	129,838	108,534
MSCI_JP	104,863	119,187	117,464	81,220
MSCI_FR	76,061	101,080	86,854	100,915
MSCI_DE	63,552	83,663	76,684	87,894
MSCI_CA	62,123	74,133	75,161	68,328
MSCI_CH	49,301	46,585	45,946	36,591
MSCI_AU	36,433	40,146	28,288	32,144
MSCI_NL	22,182	24,594	25,514	23,542
MSCI_ES	19,938	25,790	24,517	20,061
MSCI_HK	21,610	28,187	23,951	19,537
MSCI_IT	16,574	20,745	23,111	21,838
MSCI_SE	13,348	16,520	14,531	13,566
MSCI_SG	11,227	13,843	9,311	9,765
MSCI_FI	6,495	6,852	8,843	7,240
MSCI_NO	5,514	7,027	7,950	6,893
MSCI_BE	6,250	8,769	7,549	12,171
MSCI_DK	6,550	7,208	6,978	5,671
MSCI_AT	1,743	2,912	2,492	2,554
MSCI_PT	2,456	2,673	1,997	1,834
MSCI_IE	2,466	1,964	1,682	1,262

Sector	3Q10	4Q10	1Q11	2Q11
Basic Materials	105,879	126,036	113,090	108,157
Consumer Cyclical	220,031	271,622	235,307	213,852
Consumer Non-Cyclical	145,140	149,407	135,693	136,182
Financials	314,053	349,245	314,298	290,017
Health	155,307	148,181	144,458	145,741
Industrials	188,751	215,217	200,785	181,304
Information Technology	217,825	210,613	199,846	181,137
Resources	190,976	218,368	214,069	206,405
Telecom Services	61,731	63,816	59,500	54,791
Utilities	56,393	63,076	55,306	55,076

EMERGING MARKETS

Region	3Q10	4Q10	1Q11	2Q11
MSCI_Emerging_Market	195,722	237,725	199,138	191,193
MSCI_EM_Asia	147,670	179,854	149,454	147,403
MSCI_EMFE	130,711	158,282	131,893	132,489
MSCI_BRIC	100,014	122,141	96,825	91,091
MSCI_EM_Latin_America	26,062	31,873	26,739	22,811
MSCI_EM_Europe	10,782	14,080	12,846	11,817
MSCI_Europe_Mid_East	10,782	14,080	12,846	11,817
MSCI_Eastern_Europe	4,458	5,866	6,067	5,900

Country	3Q10	4Q10	1Q11	2Q11
MSCI_CN	63,072	75,516	58,386	59,521
MSCI_KR	31,544	39,757	35,274	37,243
MSCI_TW	22,381	26,077	23,710	23,049
MSCI_BR	19,742	24,774	20,557	16,495
MSCI_IN	16,959	21,571	17,560	14,914
MSCI_ZA	10,477	11,165	9,751	8,665
MSCI_ID	5,861	7,912	6,943	6,281
MSCI_TR	6,323	8,214	6,778	5,916
MSCI_MY	4,520	5,820	4,775	4,081
MSCI_MX	3,888	4,911	4,187	3,721
MSCI_PL	2,185	3,221	3,010	3,241
MSCI_TH	2,182	1,819	1,788	1,134

Sector	3Q10	4Q10	1Q11	2Q11
Basic Materials	22,308	28,681	24,943	23,250
Consumer Cyclical	19,806	24,961	19,493	20,999
Consumer Non-Cyclical	10,273	13,351	10,228	11,153
Financials	60,928	70,944	55,530	53,144
Health	2,559	3,471	2,163	2,619
Industrials	18,955	23,427	20,397	18,993
Information Technology	24,220	28,878	25,179	24,033
Resources	20,272	26,206	24,088	21,684
Telecom Services	12,546	12,096	12,266	10,760
Utilities	5,335	7,306	6,053	5,703

Global Trading Costs & Trade Flows

TRADE FLOW RATIO³ (BUY/SELL,%)

DEVELOPED MARKETS

Region	3Q10	2Q10	1Q11	2Q11
MSCI_World	98%	95%	102%	99%
MSCI_N_America	98%	95%	100%	98%
MSCI_EAFE	98%	95%	106%	101%
MSCI_Europe	95%	87%	104%	99%
MSCI_EMU	93%	83%	112%	101%
MSCI_Far_East	104%	118%	114%	107%
MSCI_Pacific	104%	119%	114%	108%

Country	3Q10	4Q10	1Q11	2Q11
MSCI_US	98%	94%	99%	97%
MSCI_GB	97%	93%	92%	96%
MSCI_JP	102%	118%	118%	111%
MSCI_FR	91%	88%	110%	97%
MSCI_DE	97%	80%	119%	107%
MSCI_CA	97%	113%	111%	108%
MSCI_CH	85%	83%	93%	99%
MSCI_AU	106%	122%	113%	108%
MSCI_NL	83%	73%	112%	122%
MSCI_ES	104%	63%	93%	77%
MSCI_HK	112%	121%	103%	102%
MSCI_IT	79%	98%	133%	94%
MSCI_SE	147%	119%	95%	96%
MSCI_SG	102%	107%	98%	89%
MSCI_FI	107%	92%	116%	103%
MSCI_NO	123%	95%	115%	93%
MSCI_BE	113%	63%	102%	110%
MSCI_DK	88%	90%	90%	119%
MSCI_AT	122%	152%	96%	93%
MSCI_PT	101%	146%	132%	100%
MSCI_IE	100%	74%	60%	122%

Sector	3Q10	4Q10	1Q11	2Q11
Basic Materials	102%	106%	106%	108%
Consumer Cyclical	98%	95%	95%	97%
Consumer Non-Cyclical	89%	88%	88%	98%
Financials	105%	100%	100%	97%
Health	84%	84%	84%	106%
Industrials	104%	103%	103%	98%
Information Technology	93%	90%	90%	90%
Resources	100%	100%	100%	104%
Telecom Services	105%	81%	81%	95%
Utilities	89%	87%	87%	108%

EMERGING MARKETS

Region	3Q10	4Q10	1Q11	2Q11
MSCI_Emerging_Market	110%	112%	108%	100%
MSCI_EM_Asia	109%	108%	113%	99%
MSCI_EMFE	107%	107%	113%	98%
MSCI_BRIC	114%	107%	105%	99%
MSCI_EM_Latin_America	116%	135%	97%	103%
MSCI_EM_Europe	127%	100%	88%	110%
MSCI_Europe_Mid_East	127%	100%	88%	110%
MSCI_Eastern_Europe	149%	137%	93%	151%

Country	3Q10	4Q10	1Q11	2Q11
MSCI_CN	109%	97%	107%	97%
MSCI_KR	105%	119%	117%	94%
MSCI_TW	95%	114%	129%	97%
MSCI_BR	120%	131%	95%	104%
MSCI_IN	127%	119%	113%	104%
MSCI_ZA	98%	126%	111%	117%
MSCI_ID	102%	90%	101%	117%
MSCI_TR	114%	80%	84%	80%
MSCI_MY	158%	152%	91%	135%
MSCI_MX	105%	145%	113%	105%
MSCI_PL	219%	189%	81%	183%
MSCI_TH	143%	170%	124%	93%

Sector	3Q10	4Q10	1Q11	2Q11
Basic Materials	132%	116%	116%	81%
Consumer Cyclical	113%	122%	122%	88%
Consumer Non-Cyclical	114%	137%	137%	120%
Financials	114%	98%	98%	103%
Health	83%	133%	133%	132%
Industrials	110%	116%	116%	107%
Information Technology	86%	114%	114%	108%
Resources	97%	133%	133%	92%
Telecom Services	127%	86%	86%	117%
Utilities	114%	109%	109%	126%

NET TRADE FLOW⁴ (\$,MILLION)

DEVELOPED MARKETS

Region	3Q10	4Q10	1Q11	2Q11
MSCI_World	(20,233)	(44,237)	20,591	(7,134)
MSCI_N_America	(12,822)	(26,223)	648	(11,302)
MSCI_EAFE	(7,411)	(18,014)	19,943	4,168
MSCI_Europe	(10,860)	(35,261)	8,136	(1,223)
MSCI_EMU	(7,547)	(26,578)	15,178	1,305
MSCI_Pacific	3,718	17,136	11,681	5,381
MSCI_Far_East	2,600	13,033	9,906	3,925

Country	3Q10	4Q10	1Q11	2Q11
MSCI_US	(12,002)	(30,766)	(3,139)	(14,056)
MSCI_GB	(1,879)	(5,058)	(5,305)	(2,239)
MSCI_JP	1,217	9,899	9,617	4,243
MSCI_FR	(3,547)	(6,217)	4,321	(1,520)
MSCI_DE	(987)	(9,110)	6,592	3,177
MSCI_CA	(820)	4,544	3,787	2,753
MSCI_CH	(4,113)	(4,462)	(1,567)	(275)
MSCI_AU	1,121	4,035	1,691	1,280
MSCI_NL	(1,995)	(3,807)	1,403	2,368
MSCI_ES	345	(5,840)	(933)	(2,545)
MSCI_HK	1,261	2,687	365	233
MSCI_IT	(1,971)	(229)	3,233	(639)
MSCI_SE	2,529	1,399	(389)	(268)
MSCI_SG	122	447	(76)	(551)
MSCI_FI	211	(285)	657	111
MSCI_NO	578	(183)	568	(248)
MSCI_BE	377	(1,978)	67	580
MSCI_DK	(428)	(379)	(350)	502
MSCI_AT	174	605	(47)	(88)
MSCI_PT	17	503	277	(1)
MSCI_IE	(1)	(291)	(420)	125

Sector	3Q10	4Q10	1Q11	2Q11
Basic Materials	963	3,903	3,903	4,188
Consumer Cyclical	(2,077)	(7,437)	(7,437)	(2,916)
Consumer Non-Cyclical	(8,077)	(9,638)	(9,638)	(1,454)
Financials	8,222	(256)	(256)	(4,197)
Health	(13,106)	(13,028)	(13,028)	4,109
Industrials	3,654	3,501	3,501	(1,669)
Information Technology	(7,905)	(10,725)	(10,725)	(9,929)
Resources	(232)	502	502	4,000
Telecom Services	1,418	(6,799)	(6,799)	(1,341)
Utilities	(3,319)	(4,365)	(4,365)	2,101

EMERGING MARKETS

Region	3Q10	4Q10	1Q11	2Q11
MSCI_Emerging_Market	9,513	13,072	8,085	415
MSCI_EM_Asia	6,416	7,171	8,798	(1,069)
MSCI_EMFE	4,424	5,331	7,761	(1,374)
MSCI_BRIC	6,737	3,987	2,486	(517)
MSCI_EM_Latin_America	1,893	4,715	(455)	368
MSCI_Eastern_Europe	872	923	(214)	1,193
MSCI_Europe_Mid_East	1,283	32	(820)	541

Country	3Q10	4Q10	1Q11	2Q11
MSCI_CN	2,763	(1,176)	2,039	(1,059)
MSCI_KR	723	3,508	2,693	(1,097)
MSCI_TW	(550)	1,656	3,015	(403)
MSCI_BR	1,824	3,335	(572)	314
MSCI_IN	1,992	1,840	1,038	305
MSCI_ZA	(110)	6,224	507	690
MSCI_ID	70	(408)	28	502
MSCI_TR	411	(891)	(606)	(652)
MSCI_MY	1,012	1,206	(219)	613
MSCI_MX	88	904	250	90
MSCI_PL	817	995	(325)	951
MSCI_TH	386	473	189	(42)

Sector	3Q10	4Q10	1Q11	2Q11
Basic Materials	3,040	2,091	773	(2,426)
Consumer Cyclical	1,239	2,522	2,052	(1,319)
Consumer Non-Cyclical	652	2,085	76	1,004
Financials	4,015	(709)	916	683
Health	(231)	489	159	358
Industrials	863	1,735	1,102	650
Information Technology	(1,871)	1,878	1,587	871
Resources	(297)	3,744	2,135	(868)
Telecom Services	1,472	(911)	(1,005)	822
Utilities	351	320	444	646

Global Trading Costs & Trade Flows



¹ Trading Cost and Trade Flow are both derived from ITG's Group Peer Universe.

² Trade Flow is the total trade value for all constituents within the specific MSCI Index. We include indexes with trade flow that exceed \$1,000 Million.

³ Trade Flow Ratio is the ratio of Trade Flow for buys divided by Trade Flow for sells.

⁴ Net Trade Flow is the subtraction of Trade Flow for sells from the value of Trade Flow for buys.

Tradewatch Global data is derived from Investment Technology Group's Peer Universe. The Peer Universe features a transaction database of nearly 22.78 million trades (\$2.11 trillion) compiled solely from aggregated trade data from ITG's Transaction Cost Peer Universe. The data are sourced directly from buy-side institutions and may include some soft-dollar, CSA and other payment over and above execution-only commissions. The information presented is based on "order creation" time stamp recorded in client order management systems and encompasses four quarters of global equity trading data for the period ended June 30, 2011. Trading costs and trade flow are calculated for the theoretical portfolios using MSCI indices as the basis for constructing these portfolios. Certain index data here are the property of MSCI. Without prior written permission of MSCI, this information and other MSCI intellectual property may only be used for your internal references, may not be produced or disseminated in any form and may not be used to create any financial instruments or products or any indices. This information is provided on an "as is" basis, and the user of this information assumes the entire risk of any use made of this information.

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