

ORB

Information for retail investors

January 2015



Offering increased efficiency and transparency in trading bonds for private investors

London Stock Exchange's electronic Order Book for Retail Bonds (ORB) was launched in February 2010 in response to growing private investor demand for easier access to bond trading. It offers a cost-effective, transparent and efficient platform for concentrating on-screen liquidity and facilitating price discovery in a wide range of UK fixed income securities.

More than 80 gilts and over 50 corporate bonds (tradable in denominations of £1,000 or similar) are now available for trading on our electronic Order Book. ORB also offers an efficient and well established mechanism for corporate issuers wishing to distribute bonds to retail investors.

- **An open and transparent market model for trading in retail-size**
 - Dedicated market makers are committed to quoting two-way prices in a range of retail bonds throughout the trading day and all other registered member participants are also able to enter orders onto the book
 - Private investors are able to see prices on-screen and trade bonds in a similar way as they currently trade shares
- **Regulation and market supervision**
 - All bonds available on ORB are London-listed and admitted to the FCA-Regulated Main Market
 - All trading on ORB is subject to London Stock Exchange's highest standards of market supervision and monitoring
- **Standardisation of market structure**
 - Standard settlement calendars following T + 1 for gilts and T + 2 for corporate bonds
 - Tick size – the minimum price movement for all bonds tradable on ORB is standardised at 0.01
- **New opportunities for issuers wishing to offer retail bonds to UK investors in a cost-effective and efficient way**
 - The development of a liquid, transparent secondary market for retail bonds has brought into focus the benefits of retail issuance programmes as an additional source of funding for companies wishing to raise capital from a wider pool of investors

Accessing the electronic Order Book for Retail Bonds

ORB has segments for gilts (UKGT) and corporate bonds (UKCP and INCP).

It offers an electronic order-driven model, similar to SETS, with continuous two-way pricing provided by market makers (submitted as named executable quotes), where other market participants are able to enter market orders and limit orders. A list of ORB market participants is available on London Stock Exchange's website.



**LONDON
STOCK
EXCHANGE**