

CA Cheuvreux unveils its ambitions for 2010

The broker held a meeting yesterday in Paris with more than 70 issuers and 500 investors. It provided an opportunity to review the MiFID and the company's avenues of development

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At its Pan Europe conference yesterday, Crédit Agricole's European equities brokerage subsidiary reviewed the changes in the brokerage business related to the Markets in Financial Instruments Directive (MiFID). For François Simon, CA Cheuvreux's chairman and chief executive officer, *"this directive has met its objectives relatively well in terms of stimulating market competition and lowering transaction costs for the end client."* Even if this decline seems more the consequence of a general improvement in execution policies and liquidity rather than the direct consequence of the observed decline in market-access costs.

In response to the debate on the directive's review, *"it seems to us crucial to achieve consolidated and unified post-trade transparency,"* added Jean-Claude Bassien, the deputy chief executive officer, prior to speaking of the need for other improvements to ensure both *"as much as possible the equal treatment of all players in terms of access to the various markets"*, and also *"that security constraints are applied identically across all markets"*.

In this context, and despite a 25% decline in its revenues in 2009, the broker explained that, while maintaining its leadership in research, it had won market share in execution, to rank as the market leader in France and near the top five for European equities with between EUR 2 billion and EUR 3 billion handled daily. *"In particular thanks to the rapid reorganisation of our execution services with centralisation in London for big caps and the maintenance of local execution for small and mid-caps,"* added company executives.

In 2010, CA Cheuvreux's development efforts for both research and execution will be focused on the United Kingdom and European and Middle Eastern emerging countries, with a more global offer in terms of execution. Accordingly, global program-trading is currently under development in a joint venture with CLSA, Crédit Agricole's Asian brokerage firm. This product offer will in particular address the demand of large international funds that must be able to rapidly adjust the scope of their portfolios without changing their structure, and which must therefore go through brokers with access to all markets. Clients of the product range will be able to access more than 120 market platforms compared with 90 currently with CA Cheuvreux.