

Subpenny Trading
(April 21-25, 2003)

Table 1
Frequency of Subpenny Executions on Amex, NYSE, and Nasdaq Stocks

Stocks Listed on:	% of Trades in Subpennies	% of Share Volume in Subpennies	Subpenny Trades (000s)	Subpenny Share Volume (millions)	Average Trade Size	
					Subpenny Trades	Penny Trades
Amex 1/	9.8	6.8	54	72	1,314	1,970
NYSE	1.0	1.8	81	154	1,898	1,117
Nasdaq	12.9	11.9	1,635	905	553	607

1/ ETF trades account for the majority of subpenny trades in Amex issues.

Table 2
Panel A: Percent of Subpenny Trades On Subpenny Increments

	.001	.002	.003	.004	.005	.006	.007	.008	.009	.0001 and .0009	All other hundredth increments	Total Sub-Penny Trades
Nasdaq	25.1	7.0	4.6	4.8	5.6	4.7	4.7	7.0	24.3	5.6	6.6	100%
Amex	15.2	10.1	9.1	8.2	9.1	8.9	9.0	10.0	19.4	0.7	9.3	100%
NYSE	18.9	10.1	2.6	3.3	7.8	2.9	2.5	10.8	18.3	0.5	22.3	100%

Panel B: Percent of Subpenny Share Volume On Subpenny Increments

	.001	.002	.003	.004	.005	.006	.007	.008	.009	.0001 and .0009	All other hundredth increments	Total Sub-Penny Trades
Nasdaq	19.4	7.0	4.9	4.1	10.1	4.2	5.1	7.2	18.7	3.4	15.9	100%
Amex	18.9	8.2	7.6	7.5	10.6	7.8	8.1	10.0	14.4	0.1	6.8	100%
NYSE	3.9	2.0	1.5	1.1	17.2	1.0	0.7	2.3	3.7	3.8	62.8	100%

Table 3

Panel A: Frequency of Subpenny Trades by Price Level for Nasdaq Stocks

Trade Price	Percent of Trades Executed in Subpennies	Percent of Subpenny Trades at 1/10 or 9/10 th cent	Total Number of Trades (000s)
< \$1.00	10.5	47.8	461
\$1-\$10	13.1	53.0	3,309
\$10-\$20	15.2	48.6	3,762
\$20-\$40	11.4	47.9	4,058
\$40-\$60	10.9	45.6	806
Over \$60	11.5	50.4	268

Panel B: Subpenny Share Volume by Price Level for Nasdaq Stocks

Trade Price	Percent of Volume Executed in Subpennies	Percent of Subpenny Share Volume at 1/10 or 9/10 th cent	Total Share Volume (000s)
< \$1.00	10.7	36.1	777,500
\$1-\$10	11.9	39.1	2,428,000
\$10-\$20	13.6	37.5	2,258,000
\$20-\$40	10.4	38.3	1,760,000
\$40-\$60	11.1	36.9	268,700
Over \$60	11.0	46.5	108,800

Table 4
Panel A: Frequency of Subpenny Trades by Stock Activity Level
 Nasdaq Stocks

Stocks by Share Volume	Percent of Trades Executed in Subpennies	Percent of Subpenny Trades at 1/10 or 9/10 th cent	Total Number of Trades (000s)
Top 20	22.1	44.5	3,205
21-100	14.4	51.2	3,577
101-1000	7.2	54.2	5,245
10001 +	4.8	74.7	637

Panel B: Subpenny Share Volume by Stock Activity Level
 Nasdaq Stocks

Stocks by Share Volume	Percent of Share Volume Executed in Subpennies	Percent of Subpenny Trades at 1/10 or 9/10 th cent	Total Share Volume (000s)
Top 20	18.0	38.9	2,650,000
21-100	11.5	40.6	2,112,000
101-1000	6.8	32.4	2,562,000
10001 +	1.4	42.2	275,400

Table 5
 Subpenny Executions in Nasdaq Stocks by Reporting Market

Trade Reported on:	% of Market Trades in Subpennies	% of Market Share Volume in Subpennies	Subpenny Trades (000s)	Subpenny Share Volume
Amex	0.0	0	0	0
CSE	40.2	36.1	832	340,600
ADF	16.2	18.0	187	83,400
CHX	2.1	0.9	2	677
PCX	.03	.05	.6	451
Nasdaq	8.7	9.3	613	479,800