

Industry Stakeholder Group on Consolidated Tape publishes its first Progress Report

Etrading Software's advisory group promotes meaningful market transparency

ETS is proud to present the first progress report of its Industry Stakeholder Group (ISG). The ISG comprises leading representatives from UK and EU market data contributors, investment firms and vendors. The ISG plays a pivotal role in the design, governance, and operational processes of the intended ETS Consolidated Tape bids, ensuring that the model is crafted by the industry, for the industry. The ISG represents and demonstrates the merits of meaningful collaboration between industry stakeholders.

The ISG currently consists of 20 firms representing buy-side, sell-side and market infrastructure stakeholders.

Members highlighted several key themes as part of the Progress Report:

- **End-to-End Timings:** The need for latency requirements tailored to bond market structure, with an emphasis on measuring latency times in seconds rather than milliseconds.
- **Data Consumption Preferences:** investment firms expressed a desire for seamless integration of CTP data with existing Order Management Systems (OMS) and Execution Management Systems (EMS), including connectivity with third-party providers.
- **Transmission and messaging standards:** The need for alignment with existing common industry transmission and messaging standards to avoid additional operational pitfalls.
- **Implementation Strategy:** A "Big Bang" approach is favoured for implementation rather than a prolonged transition period, allowing immediate access to transparency data from the start of the new transparency regimes.
- **Connectivity Costs:** Connectivity costs for market data contributors and users post-award were discussed by the ISG, suggesting that a fair revenue-sharing model should include reimbursing excess margin back to contributors and users.
- **Data Quality Assurance:** The ISG discussed ETS' plans for quickly identifying, flagging and ranking erroneous data working closely with data contributors. This approach is aimed at ensuring rapid publication and rectification while maintaining data accuracy and integrity.

With the commitment to operate on a cost-plus utility basis and strong governance principles, the ETS CT model aims to democratise access to vital bond market data. This initiative not only enhances transparency but also fosters a collaborative environment in a rapidly evolving market structure.

On the ISG recommendations, Sassan Danesh, CEO of ETS commented:

“We are delighted to confirm our acceptance of the recommendations of the ISG and will be incorporating them into the design of our CT”.

Matthijs Geneste, Head of European Regulatory Data Services added:

“The ISG is voluntary and non-exclusive. We are committed to ensure that every interest is represented in a CT design reflecting a changing bond market structure, aimed at supporting use cases across the broader industry. “



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