
Press release

AFME supports further improvement to ESMA Annual Statistics Report data

21 December 2021

Following the publication of [ESMA's Annual Statistics Report](#) (ASR) on 17 December, the Association for Financial Markets in Europe (AFME), issued the following statement:

AFME supports ESMA's continued efforts to provide a detailed overview of trading activity in securities markets through the publication of its Annual Statistics Report (ASR). However, AFME notes there remain challenges relating to the granularity of data which is available to ESMA. The result is that the annual report does not yet provide a clear and accurate understanding of where to find liquidity in EU equity markets.

AFME also notes that ESMA has taken the decision to present data relating to trading in EU shares both including and excluding UK trading venues as well as Systematic Internalisers (SIs) and Over The Counter (OTC). Nevertheless, the main issue remains that none of this data accurately represents the reality of the trading landscape since it does not capture the liquidity truly available to market participants. At this stage, it therefore does not provide a basis upon which future policy decisions can be built.

Rick Watson, Head of Capital Markets at AFME, Rick Watson, commented,

"ESMA has acknowledged that data currently at its disposal does not allow for a clear picture of existing market structure to be drawn and is seeking to address this via a review of the regulatory reporting framework for equity trading. We believe that this review will prove beneficial not only in the context of data published in future ASRs, but also as a vital step to ensuring the successful delivery of a pre- and post-trade consolidated tape for equities."

"In the absence of accurate consolidated data on the EU trading landscape for equities, AFME publishes its [own quarterly analysis of share trading](#) according to execution mechanism. This analysis uses data flags and identifiers to provide a more refined and, in our view, accurate representation of addressable market liquidity across Europe, including the EU27, the UK and Switzerland. Our data shows that on-venue trading for Q3 2021 represented 82% of overall trading activity, while trading on SI and OTC represented 10% and 8% respectively."

– Ends –

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About AFME

AFME (Association for Financial Markets in Europe) promotes fair, orderly, and efficient European wholesale capital markets and provides leadership in advancing the interests of all market participants. AFME represents a broad array of European and global participants in the wholesale financial markets. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. AFME participates in a global alliance with the Securities Industry and Financial Markets

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Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association (ASIFMA) through the GFMA (Global Financial Markets Association). For more information please visit the AFME website: www.afme.eu. Follow us on Twitter [@AFME_EU](https://twitter.com/AFME_EU)