
Press release

Banks' Role in European Capital Markets Must Be Properly Recognised

29 June 2026

We note today's statement by the E6 group calling for increased transparency in equity markets and measures aimed at establishing what it describes as a "level playing field" between banks and trading venues. While we support the objective of promoting strong, efficient and globally competitive European capital markets, we are concerned that several of the proposals risk impairing banks' ability to provide additional liquidity in EU equity markets and deliver improved outcomes for investors.

Banks are not exchanges, and it is critical that policymakers appreciate this distinction when considering whether there is a regulatory playing field that needs to be levelled. Unlike exchanges, which match buying and selling interests, banks commit their own capital by taking the other side of a trade, providing investors with immediacy of execution, certainty of execution, and reduced market impact. The liquidity they provide is therefore additive and complementary to that offered by exchanges—it does not detract from it.

A successful capital market should not be assessed solely on the basis of market share in trade execution. On the contrary, a diversity of trading mechanisms supports the overall competitiveness, efficiency, and attractiveness of capital markets. This diversity is also present across other major global jurisdictions and is actively supported by investors because it provides them with value and flexibility in execution.

Any regulatory reforms should be evidence-based and subject to robust impact assessment to avoid inadvertently reducing the willingness or ability of banks to commit capital in support of client activity, as this would be to the detriment of investors.

We therefore urge policymakers to focus on the core objectives of the MISP: fostering genuine pan-European market integration rather than protecting national market infrastructures; simplifying regulation rather than introducing complex and unnecessary rule changes; and enhancing the global competitiveness of EU equity markets by preserving investors' access to a diverse range of trading mechanisms.

– Ends –

AFME Contacts

Rebecca Hansford
Head of Communications and Marketing
Rebecca.Hansford@afme.eu

+44 (0)20 3828 2693

Notes:

1. The Association for Financial Markets in Europe (AFME) is the voice of the leading banks in Europe's financial markets, providing expertise across a broad range of regulatory and capital markets issues. We represent over 150 leading global and European banks and other significant market players. Our members play a vital role in Europe's financial ecosystem, underwriting around 90% of European corporate and sovereign debt, and 85% of European listed equity capital issuances. Importantly, AFME members are market makers, providing liquidity, which is essential for ensuring financial markets can function efficiently. We also represent law firms and other associate members which advise market participants and support AFME's legal and regulatory initiatives. For more information please visit the AFME website: www.afme.eu

Association for Financial Markets in Europe

London Office: Level 10, 20 Churchill Place, London E14 5HJ, United Kingdom T: +44 (0)20 3828 2700

Brussels Office: Rue de la Loi 82, 1040 Brussels, Belgium T: +32 (0)2 883 5540

Frankfurt Office: c/o SPACES – Regus, First Floor Reception, Große Gallusstraße 16-18, 60312, Frankfurt am Main, Germany
T: +49 (0)69 710 456 660

www.afme.eu

2. Follow us on X, formerly Twitter [@AFME_EU](https://twitter.com/AFME_EU)

Association for Financial Markets in Europe

London Office: Level 10, 20 Churchill Place, London E14 5HJ, United Kingdom T: +44 (0)20 3828 2700

Brussels Office: Rue de la Loi 82, 1040 Brussels, Belgium T: +32 (0)2 883 5540

Frankfurt Office: c/o SPACES – Regus, First Floor Reception, Große Gallusstraße 16-18, 60312, Frankfurt am Main, Germany
T:+ 49 (0)69 710 456 660

www.afme.eu