Consultation Response

FCA CP 25/31: The framework for a UK equity consolidated tape

FEBRUARY 2026

The Association for Financial Markets in Europe (AFME) welcomes the opportunity to comment on **the FCA's consultation on the framework for a UK equity consolidated tape**. 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. We advocate stable, competitive, sustainable European financial markets that support economic growth and benefit society.

AFME is the European member of the Global Financial Markets Association (GFMA) a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association (ASIFMA) in Asia.

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Questions

Question 1: Do you agree we should introduce an equity CT including post-trade data and the attributed pre-trade best bid and offer? Y/N. Please give your reasons.

Yes.

AFME strongly supports inclusion of both post-trade and attributed pre-trade data from launch. This is essential for commercial viability, transparency, and resilience.

A post-trade-only equities CT would not meet a sufficient number of use cases to drive commercial viability of the CT. Real-time post-trade data is already made available by many exchanges but attracts limited subscribers.

We therefore support the inclusion of pre-trade, complete, real-time data from central limit order books across all instruments and all segments, including open auction, continuous trading and the close.

We strongly believe that the benefits of a pre-trade equities tape significantly outweigh the challenges (technical or otherwise) associated with its implementation. Further, the CT, if it is designed to include pre-trade data, will improve the resilience of UK wholesale markets by establishing a universally trusted source of bids and offers. In the event of a market outage, the CT will become an essential element in a network of systems and controls that will enable trading to move to alternative trading venues with minimal disruption. The provision of pre-trade data can enable secondary market trading to continue if an outage were to impact the primary market (pre-trade data would show market participants which venue would be the best alternative at any point in time).

Question 2: Do you agree we should not introduce a real-time post-trade only equity CT, regardless of its likely speed of delivery? Y/N. Please give your reasons.

Yes.

As noted in our response to Q1, AFME believes a post-trade-only CT would not be commercially viable and add little value. Real-time post-trade data alone does not meet front-office needs and would not attract sufficient users.

Question 3: Do you agree, on the basis of the evidence currently available, we should not introduce an equity CT with a greater depth of pre-trade data? Y/N. Please give your reasons.

No.

AFME continues to believe that 5 levels of pre-trade book depth from lit order-book venues with full attribution (identifying the venue) would contribute to improved transparency and resilience, especially for less liquid instruments.

We note that the European Commission have recently brought forward proposals to expand the depth of the EU equity CT to 5 levels of trading venue prices, with full attribution. AFME is supportive of an aligned scope and functionality between the EU and UK tapes to maximise the value that they provide to users.

Question 4: Do you have any initial views on whether an outage of the equity CT proposed in Question 1 would affect your ability to trade – subject to further evaluation once the equity CT is live?

AFME members will typically continue to consume data feeds directly from exchanges with the information that will also be included on the tape, in order to comply with best execution obligations and adequately service clients' needs. For AFME members, therefore, an outage of the equity CT, will not have a business-critical impact on their ability to trade.

Question 5: Subject to further assessment of its feasibility, in principle do you think it would be helpful for the FCA to publish end-of-day consolidated post-trade data before the equity CT goes live? Y/N. Please give your reasons.

Yes.

AFME supports this as an interim measure to improve transparency ahead of CT launch, provided data is machine-readable and free of restrictive licensing. We also emphasise that such an initiative should not delay the delivery timeline for the full equity CT.

Question 6: Do you agree with our proposal not to require revenue sharing arrangements between the equity CTP and data contributors? Y/N. Please give your reasons.

Yes.

The commercial viability of the equity CT is contingent on cost-effectiveness for both the CTP and prospective end users. We believe that this can be best achieved through a regulatory requirement for data contributors to provide high-quality, accurate and timely data, without requiring revenue sharing or payment-for-data arrangements.

If revenue sharing is considered by the chosen CTP, it should be fair, non-discriminatory, and deferred: Any model should be fair to all contributors, not distort competition, and only apply after the CT is established and self-supporting, and limited to recovering direct connectivity costs incurred by data contributors.

Question 7: Do you think there is a case for being able to view, via the equity CT:
a: All quotes that equity SIs are required to make public under Article 15 of UK Markets in Financial Instruments Regulation (MIFIR, Regulation (EU) No 600/2014).
b: The BBO of SI quotes in each liquid equity instrument.
c: The subset of SI quotes made public under Article 15 of MiFIR that are within the BBO for an instrument?
Y/N. Please give your reasons.

No.

Systematic internalisers are a bilateral trading mechanism deploying risk capital to individual clients. Public pre-trade transparency is a hallmark of multilateral trading mechanisms which is utilized to encourage a match between a buyer and a seller on such a venue. The regulatory obligations applicable to multilateral mechanisms (i.e. pre-trade transparency) were extended to bilateral mechanisms without regard to the fundamental differences between the two. Accordingly, the public quotes provided today are primarily to fulfil a regulatory obligation, rather than offering a meaningful reflection of SIs' appetite or capacity to provide liquidity in a particular instrument, or how SIs interact with their clients. This creates an inherent tension between the obligation to provide public quotes and the reality of how SIs provide liquidity.

The FCA highlights "straightforward and affordable access" to market data as a principal policy objective of the equity CT. We note that the regulatory quotes provided by most SIs are already generally available to all potential market data users in an accessible, free and consolidated format through a service offered by an APA. We therefore do not see that the inclusion of SI quotes would be significantly contributory towards this policy objective, or do more than raise the CTP's costs. We further note that responses to the discussion paper in CP 25/20 indicate that there is no substantial demand for SI quotes to be included.

Mandating that the CTP must consume, process and publish quotes from all SIs would introduce additional costs and complexity of the implementation project for the CTP, and may impact the commercial attractiveness of providing the tape. In AFME's view, the incremental informational benefits of including SI quotes on the tape do not outweigh the costs to the CTP. Higher costs incurred by the CTP will reflected in the costs to users of the tape, limiting its attractiveness and therefore its success and sustainability.

Given that we do not think there is substantial demand for SI pre-trade data, or that the cost- to-benefit proposition for the CTP is satisfied, whichever of the three options (a to c) is opted for, would still require all SI quotes to be consumed by the CTP and so none of the options would address our concerns.

AFME recognises that another key policy objective of the equity CT is to help "advertise" the true scale of UK equity markets. We believe that the inclusion of SI activity in the CT's post-trade data is sufficient to deliver this objective.

Furthermore, we note that the FCA in the CP has expressed concern about the potential impact of further declines in the levels of CLOB trading. While we do not believe that the FCA should take steps to protect or support specific trading mechanisms (but instead believe that investors should be able to choose the mechanisms and services that provide the best results for them), we query whether mandating the inclusion SI quotes on the tape might lead to reductions in CLOB trading, or at least be seen to do so.

Adding public quotes to the tape creates a false equivalence between Lit venues and SIs. At present, we believe risk liquidity is an additional mechanism in the toolkit available to market participants and not a direct substitute to lit markets. The perception of equivalence between both types of liquidity on the tape could potentially divert order flow away from CLOBs.

Instead, we believe that declines in CLOB trading are a result of more fundamental shifts in markets (such as passive investing) and are better attributed to the execution results obtained by investors when trading on CLOBs. We are concerned that any further declines in CLOB trading as a result of existing broader market trends might be wrongly attributed to SI quotes being included on the tape, and that this might lead to calls for new restrictions on SI trading, an outcome we would not support.

Accordingly, we are not convinced that including SI quotes on the tape is necessary, has any substantial level of demand, or is needed to fulfill the stated regulatory objectives. It will complicate the tape, make it more expensive and lead to no greater levels of transparency as this information is already readily available.

Question 8: Is there any information you can provide about the potential costs for SIs of providing their quotes to the equity CTP; or the complexity and costs for the CTP of being required to publish a subset of SI quotes or the BBO from amongst SI quotes?

For SIs, the materiality of the cost would be contingent on how they would be required to contribute data. It would be significantly more complex and costly for the CTP if SIs were required to connect directly to the CTP. If existing platforms, which already publish SI public quotes, could be leveraged, this would reduce costs and complexity. However, this again raises the question of whether republishing data which is already readily accessible for free in a consolidated format would be a meaningful value-add for the equity CT.

We emphasize that if SI quotes are included in the CT, it would be essential that users are able to filter out quotes from the different types of contributors. This will allow them to access and filter the data that is most relevant to their particular use case(s) for the tape.

Question 9: Do you agree with our proposed latency requirements for data contributors? Y/N. Please give your reasons.

No.

We recognise that the geographical concentration of UK data centers would make a faster latency more achievable in the UK compared to the EU, but on balance, AFME believes that functional alignment between the EU and UK equity CTs should be prioritized. Accordingly, we propose that the latency requirement for data contributors should be 100ms.

We note that the FCA proposes a maximum latency of 50ms between timestamp of the order/transaction and transmission to the CTP, which aligns with Article 3 of the European Commission delegated regulation[1]; however, the industry has interpreted that the EU transmission protocol quality requirements also provide for an additional 50ms latency between publication by the data contributor

[1] https://finance.ec.europa.eu/document/download/27c1392d-042f-449a-a2c6-32935239ebdc_en?filename=mifir-rts-2025-3102_en.pdf

and receipt by the CTP, as outlined in Annex 1[2]. This does not appear to have been included in the FCA's proposal.

We agree that the broadcast speed requirement should apply from the time when APA received data and not from the execution timestamp as the reference point. It is only from that point that an APA is able to proceed to transmission and public dissemination and therefore the execution timestamp is not an appropriate determinant.

Question 10: Do you think there are specific types of trading protocol that should be subject to a higher latency requirement? Y/N. If yes, explain which types of flow and why.

No.

AFME does not support differentiated latency by protocol. Due to the time involved in centralizing and consolidating data from disparate sources, a CT cannot satisfy highly latency-sensitive use cases such as algorithmic trading, smart order routing or high frequency trading. Firms engaging in latency sensitive activities will likely continue to source their market data via direct feeds. For this reason, we do not see a need for stricter latency requirements for specific trading protocols.

Question 11: Do you see any potential challenges in UK data contributors meeting these requirements, including around cancellations and amendments? If so, do you think the alternative options outlined would help reduce these challenges? Please also provide any further suggestions.

As outlined in our response to Q9, we are supportive of initially applying a 100 millisecond latency requirement for data contributors, to align the UK and EU equity CTs.

Question 12: Do you agree with our proposal that, once an equity CTP receives details of a relevant order or trade, it must publish this data within 100 milliseconds with a daily confidence interval of 99.99%? Y/N. Please give your reasons.

Yes.

We support this proposal to promote alignment with the EU equity CT.

However, we continue to believe that the eventual aspiration for both the EU and UK equity CTs should be to achieve 100ms latency covering the entire transmission period from data providers to the end user.

Question 13: Do you think there is a case for having separate latency standards for pre- and post-trade data? Y/N. Please give your reasons.

No.

As a general principle, we support both pre- and post-trade data being made available as close to real time as technically possible.

Question 14: Do you agree we should have a single CTP for the first 5-year contract period for the equity CT? Y/N. Please give your reasons.

Yes.

A single CTP, subject to strong governance and regulatory oversight, will ensure a truly consolidated view and avoid fragmentation. Multiple CTPs would risk inconsistent or overlapping product scopes, higher costs, and undermine the purpose of consolidation.

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[2] https://finance.ec.europa.eu/document/download/8c260c26-d17b-4e6b-9431-d1a3325f416b_en?filename=mifir-rts-2025-3102-annex_en.pdf

Question 15: Do you agree 5 years is an appropriate period for the length of a contract to operate an equity CT? If not, what length of time do you suggest and why? Y/N. Please give your reasons.

Yes.

Five years creates an appropriate investment and incentive horizon for a CTP to amortise build costs, stabilise operations and deliver measurable data quality improvements, while avoiding lock-in risks.

We emphasise that there should be appropriate measures included in any re-tender process to remove any competitive advantages for the incumbent (e.g., orderly transfer of historical data; transparent changeover processes).

Further to this, we are supportive of the FCA's proposal for a post-implementation review after 2 years of the CT being in operation.

Question 16: Do you agree the CTP should not have to pay data contributors for accessing their data? Y/N. Please explain your reasons.

Yes.

As outlined in our response to Q6, mandatory, no charge data contribution will maximise the commercial viability of the CT for prospective providers. This should be accompanied by appropriate requirements to ensure the quality, accuracy and timeliness of the data provided.

Question 17: Do you agree the licensing structure we adopted for the bond CT would also work for the equity CT, in particular do you think we need additional provisions relating to access for retail clients to real-time data? If you think there should be differences in the licensing scheme for equities, please set out the changes you think are necessary and their rationale.

Yes.

There are several important elements of the licensing structure for the bond CT which we believe are also relevant for the equity CT.

- Single, simple licensing framework with clear definitions of "direct use" vs "re-use," public price list, and enterprise level licensing options so firms aren't managing device/user counts.
- High pricing transparency from bidders and guardrails on price changes (e.g., no increases beyond inflation during the 5 year term; economies of scale should lower unit prices as adoption grows).
- Testing licenses & simple categories to accelerate adoption (e.g., low cost "discovery" tier, professional vs retail).

It is important that the CT is designed to promote use by retail clients, by ensuring real-time data is available for free or at a very low cost via simple channels and unbundled from other data products. These principles should be embedded in the licensing structure.

Question 18: Do you agree an equity CTP should not be required to make its data available for free after 15 minutes? Y/N. Please give your reasons.

Yes.

AFME supports removing the 15 minute free requirement, on the basis that retail users will have free or very low-cost access via simple channels.

Question 19: Do you agree that consumption of the equity CT should not be compulsory? Y/N. Please give your reasons.

Yes.

Voluntary consumption preserves firms' ability to tailor data stacks. As noted elsewhere in our response, latency sensitive use cases will still rely on direct feeds. Mandating consumption risks duplicative costs and obscures whether the CT is fit for purpose.

Question 20: Do you agree an equity CTP should not be subject to rules on pricing on a reasonable commercial basis? Y/N. Please give your reasons.

Yes.

AFME supports disapplying RCB requirements to the equities CTP. As the FCA concluded for the bonds tape in CP23/33, a rigorous, competitive tender with a binding contract is a clearer and more effective way to constrain CTP pricing than relying on the inherently ambiguous concept of “reasonable commercial basis.” The same logic applies to equities: the auction should set explicit pricing constraints that the appointed CTP must adhere to, with the contract specifying if/how prices may be adjusted (e.g., for general inflation), any limited circumstances for increases, and appropriate notice provisions. This approach provides certainty and enforceability while avoiding renewed debates about what RCB “really” means.

Any residual concerns can be addressed through the FCA’s post implementation review two years after go-live, which should test whether the CTP’s pricing and charging mechanisms are operating as intended and enable targeted remedies if issues emerge. In short, maintaining consistency with the bond tape by relying on a transparent, competitive auction and a binding tender contract, supplemented by a scheduled review, offers stronger, more practical pricing discipline than re introducing RCB for the equities tape.

Question 21: Do you have any comments on the treatment of ETNs and ETCs for equity and bond CTs?

ETNs/ETCs should not be included in the equity CT, on the basis that they are part of the non-equity transparency regime and the changes necessary to support their inclusion would pose technical challenges and increase costs with little benefit to users.

Question 22: Do you agree that all equity trading venues and all APAs publishing trade reports for equities should be required to provide data to the CTP, and new trading venues and APAs should provide data as soon as possible after they start operating? Y/N. Please give your reasons.

Yes.

Please refer to our response to Q6.

Question 23: Do you agree with our proposed pre-trade input table for the information trading venues have to provide to the equity CTP? If not, please set out the amendments you think we should make and the reasons for those amendments.

AFME supports the following proposals made by the FIX Working Group:

- Timestamps: Nanosecond granularity should be permissible, aligning the CT with the same granularity as trading venues.
- Update date and time – the definition for this field should be aligned with the most recent version of the EU’s RTS 1. For aggregated orders, the timestamp should be based on the order rather than the timestamp of the calculation.
- Side – the symbol for BUY should be BUYI
- Trading phase –the symbol for ‘OTHR’ could be amended to ‘OTSP’ which would align with the EU codes. We have also noted that the following codes ‘UDUC’ Undefined Auction, ‘SOAU’ - Scheduled Opening Auction and ‘SCAU’ - Scheduled Closing Auction are not included in the list.

Question 24: Do you agree with our proposed pre-trade output tables for the information the equity CTP will need to publish? If not, please set out the amendments you think we should make and the reasons for those amendments.

Yes.

Question 25: Do you agree APAs should not be required to send to the CTP information about the time at which they received details of a trade from a client? Y/N. Please give your reasons.

No.

We believe it would be helpful for this information to be published, to provide CT users with visibility of the end-to-end system latency. We note that European CT framework already requires APAs to provide this information enabling similar latency monitoring. Aligning UK approach with this existing EU requirement would support consistency for firms operating cross-border, although we note that this additional data field to consume and publish requires some incremental cost.

Question 26: Do you agree an equity CTP should be required to print the date and time at which it has published a trade? Y/N. Please give your reasons.

Yes.

This improves auditability and traceability for users and regulators.

Question 27: Do you agree an equity CTP should not be required to flag trades they or an APA think are potentially incorrect? Y/N. Please give your reasons.

Yes.

We believe that this requirement should not be included in the mandate of the CTP. It should be at the CTP's discretion to determine an appropriate process for managing potential errors. In general, AFME members support robust error-handling and reconciliation processes, but believe this could be managed bilaterally between the CTP and data contributors rather than requiring public flagging.

Question 28: Do you agree data contributors should provide regulatory data on the status of instruments and trading systems to the CTP for publication by the CTP? Y/N. Please give your reasons.

Yes.

Information on trading system and instrument statuses helps support market continuity and resilience.

However, we note that our expectation is that these requirements are only applicable to trading venues and not other types of data contributor.

Question 29: Do you agree we should align our fields for regulatory data with those adopted by the EU? If not, what changes do you think we should make to the fields?

Yes.

As a general principle, AFME supports convergence between the EU and UK equity CTs. This lowers integration costs and simplifies operations for cross-border firms.

Question 30: Do you agree an equity CTP should be required to make available a database of historical post-trade data? Y/N. Please give your reasons

Yes.

Historical post trade data is a core feature for many of the anticipated use cases for equity CT (e.g. compliance monitoring, analytics, research).

Further consideration should be given as to the extent to which the CTP will have discretion to determine fair use restrictions for historical post trade data.

Question 31: Do you agree we should require an equity CTP to make available a database of the pre-trade data it publishes? Y/N. Please give your reasons, in particular indicating use cases you think that such a database might serve.

Yes.

This data is also necessary for many of the anticipated use cases for the equity CT. Its publication will support risk management, best execution, and market quality analysis.

It would be helpful if the FCA could clarify our assumption that this requirement would not retroactively apply to data from prior to the go-live date of the equity CT.

Question 32: If you agree with Question 31, do you think the coverage of the pre-trade database should be restricted and, if so, how?

No response.

Question 33: Do you agree SYSC 15A should apply to a single equity CTP? Y/N. Please give your reasons.

Yes.

In principle, the equity CTP will be providing a core market utility function and should be subject to the highest operational resilience standards.

Question 34: If we were to allow multiple equity CTPs, do you think it would be necessary to apply SYSC 15A to them? Y/N. Please give your reasons.

Although we agree in principle that in a scenario in which there are multiple CTPs, the impact of an issue at any of them would be lessened, applying SYSC 15A would help ensure that all CTPs meet a common and proportionate standard of operational resilience and incident reporting However, we reiterate our support for a single equity CTP, which we believe will provide the greatest consistency, clarity and efficiency for the market.

Question 35: Do you agree with our proposal to amend MAR 9.2B.2R on conflicts of interest for CTPs? Y/N. Please give your reasons.

Yes.

In principle AFME supports a strong governance framework to be applied to the CTP. These measures could include a consultative committee with user majority, transparency of operating costs, and publication of meeting minutes.

Question 36: Do you agree the equity CTP should send us a report on its operation on a quarterly rather than 6-monthly basis? Y/N. Please give your reasons.

Yes.

More frequent reporting will strengthen oversight; we do not believe 6-monthly reporting is adequate.

Question 37: Do you agree with our proposals to add requirements on automated alerts and a mechanism for data users to raise concerns about potential issues with the data published by the equity CTP? Y/N. Please give your reasons.

Yes.

The FCA's proposals for proactive alerts and ability for users to provide feedback will help improve data quality and confidence in the tape.

Question 38: Do you agree with our proposals for specific data quality requirements for an equity CTP? Y/N. Please give your reasons.

Yes, we agree the equity CTP should be subject to data quality requirements and that those requirements should be consistent with the requirements placed on the data submitters in relation to automated price and volume alerts.

Question 39: Do you agree with removing the reference to 15 minutes in MAR 9.2B.33R(2)? Y/N. Please give your reasons.

Yes.

Please refer to our response to Q18.

Question 40: Do you agree data contributors should be required to send the specified input data to the CTP and the CTP should be able to choose to receive the information in one of the ways that a data contributor currently uses to publish transparency data? Y/N. Please give your reasons.

Yes.

Where possible, it is sensible to leverage existing tech stacks to minimise the implementation burden for data contributors. This will also provide increased flexibility for the CTP.

Question 41: Do you agree data contributors should not be required to send the specified input data to the CTP using a format adhering to the ISO 20022 methodology? Y/N. Please give your reasons.

Yes.

The content of the data provided is of paramount importance. In this regard, AFME supports close alignment with the EU on data input tables.

There should be flexibility in the methodology by which this input data is sent to the CTP. The use of industry standard formats and channels already in use could help reduce implementation costs, without impacting the informational quality of the equity CT.

Question 42: Do you agree we should have standards on the transmission of data to the CTP across performance, reliability, security and compatibility and do you have any comments on the standards we have proposed?

Yes.

Standards should be proportionate, align with industry norms, and respect asset specific needs.

Question 43: Do you agree with having the same requirements on the formats for the dissemination of the equity CT as the bond CT in the UK? Y/N. Please give your reasons.

Yes.

In principle we agree with this proposal.

Question 44: Do you agree with reducing the notice period a CTP for bonds or equities should give of price changes to 30 days? Y/N. Please give your reasons.

No.

We don't see any rationale for this change. A 30-day notice period may be insufficient for firms to implement the necessary internal changes to support the price changes.

Question 45: Do you agree with our proposal to amend MAR 9.2B.14R, MAR 9.2B.33R(3) and MAR 9.2B.38R so they apply to the equity CT and/or CTP? Y/N. Please give your reasons.

Yes.

Conceptually, this proposal makes sense and will help ensure regulatory consistency and clear obligations for equity CT.

Question 46: Do you agree firms should consider whether using CT data can improve their best execution arrangements and monitoring but there is no need to add a provision in the Handbook on this? Y/N. Please give your reasons.

Yes.

AFME believes that CT data can be a useful tool to support best execution monitoring, but it should not be mandatory. Indeed, this would imply mandatory consumption of the equity CT, which as per our response to Q19 we do not support.

Question 47: Do you agree we should delete references to a CTP in the UK version of RTS 3? Y/N. Please give your reasons.

Yes.

In principle, we support the removal of outdated or duplicative references for clarity and consistency with the new CT framework.

Question 48: Do you agree the equity CTP, and APAs in relation to equity trades, should be subject to the same clock synchronisation requirements as trading venues? Y/N. Please give your reasons.

Yes.

We are generally supportive of this proposal, as it is aligned with EU requirements.

CBA Question 1: Do you have any comments on our cost benefit analysis?

We recognise the significant effort undertaken by the FCA to develop a robust analytical framework to assess the costs and benefits of the CT, particularly given the inherent challenges in estimating demand for a new market-wide utility such as the CT. In that spirit, we offer the following observations which we hope may support further refinement.

Policy options: We welcome the FCA's recommendation that there is a "market failure" for the provision of market data, which is a persistent and longstanding concern for AFME members. In our response to the FCA Survey on the CT, we emphasized that the costs of market data have increased significantly in the past five years and that the CT would not address the broader issue of market data costs for firms consuming direct feeds from exchanges. In orderto best address this issue, we urged the FCA to consider reviewing the reasonable commercial basis ("RCB") framework at the earliest opportunity rather than waiting until after the CT launch. We remain of the opinion that it would be inadvisable for any market participant to assume that the establishment of the equities CT would address market data costs.

We were therefore disappointed that the CBA did not contain any meaningful consideration of a review of the RCB framework as a policy option to address the market failure. AFME encourages the FCA to commit to accelerated reform of the RCB framework, in parallel with CT implementation, to ensure that the CT does not emerge in a market environment where data remains prohibitively expensive.

With respect to the CBA analysis of potential 'waterbed effects' we note that the FCA's conclusion that venues lack market power to increase prices for listings does not seem to address the distinct position venues hold in relation to proprietary market data. While AFME agrees that execution and listing services are typically subject to competitive pressures, this competitive constraint does not extend to venue-specific data products such as low-latency direct feeds and depth of book data. Venues retain significant pricing power over these products, and AFME's previous analysis demonstrates that UK market data fees have continued to rise regardless of competitive dynamics in trading services.

Design Options: In the FCA's analysis of different design options for the CT, there are two main variables in each scenario: number of layers of depth of pre-trade data (ranging from 0-5) and maximum latency for dissemination (ranging from 20-200 milliseconds). The published version of the CBA seems not to have included a separate attribution of the incremental costs associated with increased depth or reduced latency (Scenarios 2, 3 and 4), making it difficult to assess the true cost/benefit tradeoffs between design options.

Given industry feedback, a realistic potential model for the CT could involve combining the latency parameters of Scenario 2 with the five layers of depth assumed under Scenario 4, yet the CBA does not seem to model this configuration or quantify its cost.

CBA Question 2: Do you agree with the assumptions made in our cost benefit analysis?

Survey: It appears unclear how many firms responded to the demand side survey (out of the 250 contacted). Greater transparency around response volumes and sample representativeness would help market participants better understand how the demand curve was constructed. With regards to the cost estimates, we encourage the FCA to engage further with the winning bidder of the EU equity CT, who may be well positioned to provide deeper insights into potential costs.

Market structure impacts: In the CBA, the FCA highlights concerns that the CT might cause a shift away from CLOBs towards other execution mechanisms. The FCA concludes there is not sufficient evidence to support this, but commits to monitoring market structure changes post implementation. It is not clear whether the FCA separately considered the impact on market structure of each of the different design scenarios. In particular, the inclusion of SI quotes as proposed in scenario 4, there would clearly be a greater potential impact to market structure. As noted in our response to Question 7, we believe this is something that warrants further consideration by the FCA.

Cost Synergies: The CBA generally seems to assume that the CTP will need to build the platform "from scratch". Without prejudice to the selection process for the CTP, we wish to note that a provider already operating a similar CT in another jurisdiction or for another asset class, would likely benefit from significant synergies in both the development and operation of a UK equities CT which we believe would result in very different cost assumptions.

CBA Question 3: Are there any significant costs or benefits to the market that we did not adequately consider in our cost benefit analysis?

No.

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