|  |
| --- |
| Response Form to the Consultation Paper  |
| MiFID II/MiFIR review report on the development in prices for pre- and post-trade data and on the consolidated tape for equity instruments |

**Responding to this paper**

ESMA invites comments on all matters in this paper and in particular on the specific questions summarised in Annex 1. Comments are most helpful if they:

* respond to the question stated;
* indicate the specific question to which the comment relates;
* contain a clear rationale; and
* describe any alternatives ESMA should consider.

ESMA will consider all comments received by **06 September 2019.**

All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading ‘Your input - Consultations’.

**Instructions**

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

1. Insert your responses to the questions in the Consultation Paper in the present response form.
2. Please do not remove tags of the type <ESMA\_QUESTION\_MDA\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
3. If you do not wish to respond to a given question, please do not delete it but simply leave the text “TYPE YOUR TEXT HERE” between the tags.
4. When you have drafted your response, name your response form according to the following convention: ESMA\_MDA\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_MDA\_ABCD\_RESPONSEFORM.
5. Upload the form containing your responses, in Word format, to ESMA’s website ([www.esma.europa.eu](http://www.esma.europa.eu) under the heading “Your input – Open consultations” 🡪 “Consultation on Position limits and position management in commodities derivatives”).

**Publication of responses**

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publically disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA’s rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA’s Board of Appeal and the European Ombudsman.

**Data protection**

Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading [Legal Notice](http://www.esma.europa.eu/legal-notice).

**Who should read this paper**

All interested stakeholders are invited to respond to this consultation paper. This consultation paper is primarily of interest to users of market data and trading venues, but responses are also sought from any other market participant including trade associations and industry bodies, institutional and retail investors.

**General information about respondent**

|  |  |
| --- | --- |
| Name of the company / organisation | Refinitiv |
| Activity | Other Financial service providers |
| Are you representing an association? |[ ]
| Country/Region | International |

**Introduction**

***Please make your introductory comments below, if any***

<ESMA\_COMMENT\_MDA\_1>

We generally support the EU’s efforts to improve market efficiency by reducing the costs of accessing data for market participants with the aim of helping European retail customers participate in the market.

There is confusion between rising costs associated with increased usage and actual pricing of data, in this case exchange data. Our view is that increased usage of data is widespread and leading some participants to assume that data is becoming more expensive. The reality is more nuanced and there is a mixture of factors at play. As we will set out, the industry is making more use of the data it is already consuming; it is consuming an increased variety of data; and as markets accelerate, so does the volume of data produced by a venue on any given day. All this contributes to an increased spend on data, but it is not necessarily the case that data is becoming more expensive.

As to whether the cost of data is rising specifically due to MiFID II, we see no clear evidence of that. However, where price changes have occurred, we make the point that the pricing of data is set exclusively by the venue. Any efforts to reduce the cost of market data, must be addressed to the owners of market data.

A consolidated tape (CT) has been mooted as a solution to a number of concerns in the European market, including:

* The cost of market data
* Aggregation challenges in an increasingly fragmented market
* Data quality challenges

Without clear guidelines on what a CT is intended to achieve, and measures of success that track against those goals, there is a serious risk of adding to industry costs and complexity.

On data costs, it is highly unlikely that market participants would cease to use the enhanced data feeds from the vendors, or direct feeds from exchanges**,** meaning that they would be forced to pay for a service that they would not necessarily use in real-time. These costs would ultimately be passed on to savers and investors. Similarly, imposing revenue caps on exchanges would distort competition and lead to a deterioration in service over time as the cap would act as a disincentive to investment in technology and innovation.

In terms of data aggregation, any solution for a CT/ CTP should be based on market forces and demand. Proposals to regulate revenue or to mandate use of a CT would have a negative affect on the market and on end users. In particular, proposals to mandate the use of a CT would be difficult to enforce and place undue cost on market participants for very limited value. In our view, a real-time feed from a CT is unlikely to be of much value to the market because the feed is unlikely to be quick enough to serve large segments of the market, and the data will not be enhanced enough to be of value.

In terms of data quality, our view is that onus must be on the data owners to conform to established and agreed standards rather than expect a new third party (the CTP) to perform clean-up operations.

Use of the CT should therefore focus on where demand is greatest. For example, the greatest use for a CT may come as part of firms’ post-trade processes, such as market surveillance, best-execution analysis, a tape of record and so forth. Given that these processes are not a real-time requirement, and post-trade data is required to be provided for free after 15 minutes (suggesting that a CTP would be unable to make money for this service), consideration could be given to a CTP providing this data for these purposes or other commercial purposes to investment firms and credit institutions on the basis of RCB, but providing the data for free to individual retail investors who will not use the data for commercial purposes.

To understand our response we feel it is helpful to explain Refinitiv’s role in the market.

Refinitiv was formed on 1st October 2018 as a result of the sale by Thomson Reuters Corporation of a 55% controlling interest in its Financial & Risk business to private equity firm Blackstone Group LP. Refinitiv powers and connects the global financial community to transact and manage risk in a safe, effective and efficient way. Refinitiv is a leader in the supply of market and financial data, news, analytics and workflow solutions that serve the trading and investment markets. Refinitiv offers a comprehensive range of solutions through three primary business lines: (1) Data and Analytics, (2) Venues, Transactions and Workflow Solutions and (3) Risk. Refinitiv services are generally available globally, including throughout the EEA.

Through its various services, Refinitiv captures, consolidates and delivers data on more than 12.7 million fixed income securities, approximately 57,000 public companies representing approximately 99% of the global public market capitalization, and approximately eight million private companies.

Data provided by Refinitiv is heavily enhanced from the basic pre- and post-trade data provided by the exchanges and trading venues. For example, the raw data provided by the exchanges can form as little as 50 per cent of some of the data streams provided by Refinitiv. What is more, Refinitiv aggregates multiple exchange feeds into an aggregated, normalised service, thus saving the user time and money in coding to different exchanges and needing to aggregate and normalise data across different data models. The service is fully supported 24/7 and allows market participants to consume one feed covering all the markets they are active in, rather than needing to consume and support multiple individual feeds. Users have the choice to purchase the individual exchange feeds, or to purchase our enhanced feeds. The value of these services is determined by the market and subject to intense competition.

Data vendors provide services such as enhancing market data as well as providing sophisticated analytics. The provision of this data is a commercial service that carries no risks to consumers or to the functioning of the market. Indeed, if participants just want to consume exchange feeds, they are at liberty to do so. Market participants generally only consume an exchange feed directly (collocated) for ultra-low-latency, high frequency trading (HFT).

We believe that our role aggregating, normalising, storing and disseminating data for customers plays an important role in improving market efficiency and, ultimately, lowering participation costs for all market participants, including European retail customers.

<ESMA\_COMMENT\_MDA\_1>

**Questions**

1. : Have prices of market data increased or decreased since the application of MiFID II/MiFIR? Please provide quantitative evidence to support your answer and specify whether you are referring to equity and/or non-equity instruments.

<ESMA\_QUESTION\_MDA\_1>

A number of exchanges have increased their fees to Refinitiv post the application of MiFID II/MiFIR. However, these increases appear to be in line with previous years.

<ESMA\_QUESTION\_MDA\_1>

1. : If you are of the view that prices have increased, what are the underlying reasons for this development?

<ESMA\_QUESTION\_MDA\_2>

In answering this question, it is important to distinguish between the overall cost of data for market participants, versus the price of the particular data sets that are the subject of this Consultation Paper. There is no question that availability and use of data is increasing across the board, and so firms will be paying more for their overall data requirements than before. This is different to the price of the data fields which are in focus for a Consolidated Tape.

Data in general has exploded – not only in volume, but in velocity and variety. This includes market data, for which the landscape has become more complex. The number of venues, the changing business models, the fragmentation of liquidity and the technological advances have introduced many more flavours and nuances in the content that venues now produce and sell. The content in the feeds, the volume and the latency have all evolved by an order of magnitude. At the same time customers are consuming more data in general to fuel their businesses – whether to seek alpha, trade electronically, improve risk management, deliver on regulatory requirements or conduct data science and innovation. The buy-side in particular is becoming more real time in its data needs – whether for risk management or for portfolio management. It is possible that the collective impact of several regulations has required the buy-side to get more involved in data management and data sourcing, e.g. the buy-side took on more of their own transaction reporting. Refinitiv would highlight the following factors in the increased cost of market data:

• Fragmentation of data: The competition between trading venues encouraged in MiFID I has contributed to the fragmentation of liquidity for most instruments where the same instrument is traded across many trading venues and in multiple currencies. The consequence of this is the need for clients to pull data from all the relevant venues to obtain a complete picture of the market, thus increasing the costs that they incur.

• Latency and coverage variations: with the advent of high frequency trading and new trading techniques, exchanges have introduced new services, with high speed and enhanced data feeds carrying a premium price. What used to be a simple world of ‘real-time’ vs. ‘delayed’ feeds is now a very nuanced world where trading venues offer a spectrum of feeds with different latencies and details about the market. Feeds range from carrying top of book, to various aspects of the book and different latencies and proximities to ingest that data. In other words, ‘real-time’ is no longer one monolithic feed. Broadly speaking however, there is a demand for streaming feeds of varying latencies and depths of data, and a demand for feeds that are accessed as needed (i.e. inquiry/response or querying of databases for data that may be anywhere from seconds to years old). The former is primarily trading-related, while the latter is primarily for longer term investment strategies, trading risk and compliance, or developing/researching investment and trading strategies. This results in a broader range of services available to suit client activities.

• Trading Venues market data: the revenue from market data is not insignificant for venues. Most venues have a variety of market data feeds: whereas some must be consumed by market participants to meet their regulatory obligations (e.g. best execution), the trading venues have deployed many more feeds and fees to complement these basic ‘must have’ feeds with enhanced feeds at premium price points for more sophisticated use cases.

• Increased capacity required to carry market data: Market data updates have almost trebled from 3m to 8m messages per second in EMEA since Jan 2015, and are projected to double again by 2020. Whilst newer technology may be cheaper, this does not remove the need to continually invest to manage the growth in traffic which all participants need to fund, including the exchanges.

The data provided by vendors such as Refinitiv is much broader and deeper than the pre- and post trade price data provided by the exchanges and is heavily derived and enhanced. By way of example, coverage of a single exchange may have 50% of the fields sourced from the exchange and 50% derived by us, providing enhanced service and market insight to our customers. Customers are always able to source data directly from the exchange – via a direct feed – but frequently prefer to have an aggregated, normalised service from Refinitiv or an alternative because of the inherent value of the derived data and the ease of consumption of an aggregated, supported service, as against coding to, consuming and supporting multiple individual exchange feeds, which is more expensive. Market participants generally only consume an exchange feed directly (collocated) for ultra-low-latency, high frequency trading (HFT).

To this end, Refinitiv:

• sources, manages, distributes and supports many different types of data across products and asset classes (including fixed income, equity, commodities, FX, derivatives);

• connects to over 595 exchanges in 111 countries, aggregating and distributing across the globe;

• converts data received in multiple formats into a single standard data model with additional “derived” data and standard symbology;

• creates proprietary analytics and insight, metadata, an aggregated view across markets, and connects the data to other datasets to create insights;

• builds and maintains a network to allow a client to use a single connection to access the data they need;

• provides monitoring, controls and administration of the data and the network;

• invests in new technology to allow the data to be searched and combined flexibly;

• invests in the infrastructure with the capacity to carry a rapidly growing volume of data;

• provides the data as feeds to be consumed in the clients’ or third-party applications;

• provides its own applications to view and analyze the data;

• provides service and support globally, 24 hours per day;

• provides a mechanism for exchanges and other data providers to collect fees for the content distributed by Refinitiv.

These value add services go significantly beyond the reduced set of fields that a customer would receive from a CTP and represent considerable value over and above the direct sourcing of an individual exchange feed.

<ESMA\_QUESTION\_MDA\_2>

1. : Following the application of MiFID II/MiFIR, are there any market data services for which new fees have been introduced (i.e. either data services that were free of charge until the application of MiFID II or any new types of market data services)?

<ESMA\_QUESTION\_MDA\_3>

Other than the APA services we are not aware of any new types of market data services introduced post application of MiFID II.

<ESMA\_QUESTION\_MDA\_3>

1. : Do you observe other practices that may directly or indirectly impact the price for market data (e.g. complex market data policies, use of non-disclosure agreements)? Please explain and provide evidence.

<ESMA\_QUESTION\_MDA\_4>

We have seen exchanges create new or tighten existing Non-Display restrictions on their data. Policies which originally covered perhaps index creation and/or application usage of real-time data have expanded not only to cover the use of delayed and sometimes even closing and historical data in those use cases, but can now cover up to 8 or so different use cases under the umbrella of Non-Display usage, each potentially with their own unique definition and fee structure / unit of count.

<ESMA\_QUESTION\_MDA\_4>

1. : Do you agree that trading venues/APAs/SIs comply with the requirement of making available the information with respect to the RCB provisions? If not, please explain which information is missing in your view and for what type of entity.

<ESMA\_QUESTION\_MDA\_5>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_5>

1. : Do you share ESMA’s assessment on the quality of the RCB information disclosed by trading venues, APAs and SIs? If there are areas in which you disagree with ESMA’s assessment, please explain.

<ESMA\_QUESTION\_MDA\_6>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_6>

1. : Do you agree that the usability and comparability of the RCB information disclosed could be improved by issuing supervisory guidance? If yes, please specify in which areas you would consider further guidance most useful, including possible solutions to improve the usability and comparability of the information.

<ESMA\_QUESTION\_MDA\_7>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_7>

1. : Do you think that the current RCB approach (transparency plus) can deliver on the objective to reduce the price of market data or should it be replaced by an alternative approach such as a revenue cap or LRIC+ model? Please justify your position and provide examples of possible alternatives.

<ESMA\_QUESTION\_MDA\_8>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_8>

1. : Do you consider that a revenue cap model as presented above might be a feasible approach to reduce the cost of market data? Which elements would be key for successfully implementing such a model?

<ESMA\_QUESTION\_MDA\_9>

We do not believe a revenue cap model would be an optimal approach. We believe that such a model would have the effect of:

• Distorting competition;

• Acting as a disincentive for exchanges to invest in innovation and technology, which would have the effect of eroding the quality of service provided by the exchanges.<ESMA\_QUESTION\_MDA\_9>

1. : Did data disaggregation result in lower costs for market data for data users? If not, please explain why?

<ESMA\_QUESTION\_MDA\_10>

We have observed no meaningful demand for, development nor take up of disaggregated data services. <ESMA\_QUESTION\_MDA\_10>

1. : Why has there been only little demand in disaggregated data?

<ESMA\_QUESTION\_MDA\_11>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_11>

1. : Do trading venues and APAs comply with the requirement to make available data free of charge 15 minutes after publication? If not, please explain in which areas you have identified deficiencies

<ESMA\_QUESTION\_MDA\_12>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_12>

1. : Do you consider it necessary to provide further supervisory guidance in this area (for instance by reviewing Q&As 9 and/or 10) Please justify your position and explain in which area further guidance may be needed? Please differentiate between pre- and post-trade data.

<ESMA\_QUESTION\_MDA\_13>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_13>

1. : Do you agree that the identified reasons, in particular the regulatory framework and competition by non-regulated entities, make it unattractive to operate an equity CT?

<ESMA\_QUESTION\_MDA\_14>

We believe that the lack of a clear purpose for a CTP, coupled with the limited rewards and strict regulatory requirements identified in the consultation paper, make for a challenging business case for a potential CT provider.

As defined thus far a CT would not allow market participants to cancel other data existing services, because a CT would not be of sufficient latency to power trading use cases and for those only using post trade data, the data is available for free on a delayed basis. As we noted in our answer to question 2, data vendors derive and enhance a significant amount of the data provided to end users; the data provided by the exchanges and potentially by a CT forms only a part of that data set. Users have the choice to just consume data provided by exchanges, or to consume the enhanced data and normalised service provided by vendors. Generally speaking, users choose to consume the enhanced, aggregated and normalised data as this is of greater value, and lower cost, to their operations and activities.

.<ESMA\_QUESTION\_MDA\_14>

1. : Do you consider that further elements hinder the establishment of an equity CT? If yes, please explain which elements are missing and why they matter.

<ESMA\_QUESTION\_MDA\_15>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_15>

1. : Please explain what CTP would best meet the needs of users and the market?

<ESMA\_QUESTION\_MDA\_16>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_16>

1. : Do you agree that real-time post-trade data is available from both trading venues and APAs as well as data vendors and that the data is currently not covering 100% of the market, i.e. including all equity trading venues in the EU and all APAs reporting transactions in equity instruments? If not, please explain.

<ESMA\_QUESTION\_MDA\_17>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_17>

1. : Do you agree that post-trade data is provided on a timely basis and meets the requirements set out in MiFID II/MiFIR and in the level 2 provisions? If not, please explain.

<ESMA\_QUESTION\_MDA\_18>

We have not identified or encountered issues relating to the timely publication of the post-trade data in equities or non-equities.

<ESMA\_QUESTION\_MDA\_18>

1. : Do you agree with the issues on the content of data and the use different data standards identified or do you consider that important issues are missing and/or not correctly presented?

<ESMA\_QUESTION\_MDA\_19>

We agree that consistency and comparability between the market data policies and contracts is lacking. The issues we see in non-equities data are incorrect price formatting/values, price vs yield, basis points vs %, incorrect notional currency in FX. Of the seven types of quality issues listed in paragraph 150, the one we observe most often is incorrect or implausible price or quantity.

There are several efforts underway across the industry to bring some consistency in this regard:

• Individual providers are refreshing their policies and associated contracts to bringing more logic and consistency to them

• An FISD working group has issued recommendations to an FISD providers working group (primarily around exchange policies) outlining key areas of desired standardization/consistency.

• Refinitiv is also participating in a working group on Digital Rights Management with a mixture of sell-side firms, a buy-side firm and an exchange to establish a standard vocabulary for machine readable policies. This is in the proof of concept stage and is planned to be discussed at an industry workshop in early September.

As and when these groups create standards, ESMA should support the adoption of these standards and require them in reporting.

<ESMA\_QUESTION\_MDA\_19>

1. : Do you agree that the observed deficiencies make it challenging to consolidate data in a real-time data feed? If yes, how could those deficiencies best be tackled in your view?

<ESMA\_QUESTION\_MDA\_20>

We agree that these deficiencies make it more challenging to consolidate data and add to the challenges in publishing this data.

Refinitiv suggests that contributing firms and APAs need to be responsible for ensuring the accuracy of the data.

<ESMA\_QUESTION\_MDA\_20>

1. : What are the risks of not having a CTP and the benefits of having one?

<ESMA\_QUESTION\_MDA\_21>

The intended purpose of a CT has so far not been defined in a consistent manner. In order to understand the benefits of having a CT and therefore risks of not having one, it is necessary to clearly set out what its intended purpose is. Data vendors provide competitive solutions to the needs of their customer at a significantly lower cost than consuming individual sources and integrating them onsite/ inhouse. Customers derive value from the services a vendor provides which are not part of the EU CTP mandate. In the case of Refinitiv, these include converting data received in multiple formats into a single standard data model with additional “derived” data and

standard symbology; creating proprietary analytics and insight, metadata, an aggregated view across markets, and connecting the data to other data sets to create insights; building and maintaining a network to allow a client to use a single connection to access the data they need; providing monitoring, controls and administration of the data and the network; investing in new technology to allow the data to be searched and combined flexibly; investing in the infrastructure with the capacity to carry a rapidly growing volume of data; providing the data as feeds to be consumed in the clients’ or third-party applications; providing its own applications to view and analyze the data; providing service and support globally, 24 hours per day; providing a mechanism for exchanges and other data providers to collect fees for the content distributed by Refinitiv.

This consultation correctly identifies the limited reward for providing an equity CT as well as the potentially high costs, particularly if the CTP were to have to pay similar licencing costs for data redistribution as faced by data vendors currently. A real-time post-trade CT for equities and equity-like instruments will not represent a substitute for existing sources of pre- & post-trade data and as such will not have any effect in reducing data costs.

The consultation paper states a “*CTP would invest in improving the quality of the data reported in order to provide meaningful information to market participants.*”

A CTP will not in itself be able to address poor quality data received from venues or APAs unless it is granted the relevant authority to enforce data standards. In its absence, NCAs and ESMA will need to set these standards and enforce them in order to improve the quality of data.

The consultation paper also states that “*a CTP would provide such data (consolidated post-trade data for the same (type of) instrument traded on different venues or OTC) in an easily accessible and immediately usable format). As a result, post-trade information related to the trading activity on and off-venue for any equity and equity-like instrument would be available in a single place and in the same format, and at lower prices compared to obtaining the data from every single trading venues and APA*.” The cost of consolidating the data would be borne by a CTP in the same way as borne by a data vendor today for the consolidation of a subset of instruments. Lower prices would only be available if the fees charged by the owners of the data- venues and APAs- are price regulated. In the absence of price regulation at the level of the venue, a CTP would have to charge the sum of all the prices of the constituent venues and APAs in addition to the considerable cost of consolidation (which includes connectivity, rights management, data normanialsation and aggregation, suppory and service and distribution). As per our responses elsewhere in this submission, Refinitiv believes that the focus on solving for the cost of a CT is misguided.

The CP further states “*Last but not least, the CTP would be required to provide data for free 15 minutes after publication.*” Potential uses for this cross venue data would be for types of Best Execution analysis and for use in monitoring for types of market abuse across venues by firms in meeting their surveillance monitoring under MAR. For this type of analysis, the 15-minute delay is not an issue and low or zero cost is important. There could be benefits to the market in providing this data, however, it is questionable whether this service would be able to cover the cost of a non-real time CTP.

<ESMA\_QUESTION\_MDA\_21>

1. : Would you be supportive of an industry-led initiative to further improve data quality and the use of harmonised standards or would you prefer ESMA guidance? Please explain.

<ESMA\_QUESTION\_MDA\_22>

We are supportive of an industry-led initiative and were an active participant in the creation of the Market Model Typology (MMT) Initiative. In our view ESMA guidance is best based on the output of such an initiative given the complex and technical nature of defining such standards.

<ESMA\_QUESTION\_MDA\_22>

1. : In addition to the standardisation of the reporting and format, as described before, did you identify any further relevant data quality issue to be considered for the successful establishment of CTPs?

<ESMA\_QUESTION\_MDA\_23>

We would concur that venues and APAs contributing trade data to a CTP should be required to do so using a standard format and mechanism, that would be separate to the existing and non-standardised market data feeds provided by them.This would involve an element of additional cost for the venues but would reduce costs for the CTP in having to normalise feeds from 70+ venues.

<ESMA\_QUESTION\_MDA\_23>

1. : Do you agree that the mandatory contribution from trading venues and APAs to a CTP would favour the establishment of CT?

<ESMA\_QUESTION\_MDA\_24>

Given that a CTP is mandated to include all venues and APAs then their contribution to the CTP should also be mandatory.

<ESMA\_QUESTION\_MDA\_24>

1. : Do you have preferences between the option of (i) requiring trading venues and APAs to contribute data to the CT, or, in alternative (ii) setting forth criteria to determine the price that CTPs should pay to TVs and APAs for the data? If so, please explain why.

<ESMA\_QUESTION\_MDA\_25>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_25>

1. : Do you agree that the mandatory consumption could favour the establishment of a CT? If not, please explain your concerns associated with the mandatory consumption.

<ESMA\_QUESTION\_MDA\_26>

Given that the content of the CT data will be post-trade data only the demand for its use in real-time would be extremely limited. There are use cases for which its use could be mandated such as Best-Ex validation and in certain types of trade surveillance. But to mandate its use in real-time for these would seem disproportionate. Given that the CTP must make its data available for free after 15 minutes removes any issue of unreasonable cost to those firms mandated to use it but doing so removes any potential revenue for the CTP. We would therefore suggest that market professionals should be required to pay for access to the data regardless of whether it is real-time or delayed on terms that are established by the Commission to be reasonable but that would cover the operational cost of the CTP. Access to the data by individual retail investors should be facilitated at low or zero cost whilst, clearly, they cannot be mandated to use this.<ESMA\_QUESTION\_MDA\_26>

1. : Would mandatory consumption impact other rules in MiFID II and if yes, how?

<ESMA\_QUESTION\_MDA\_27>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_27>

1. : Do you consider it necessary that the CT covers all trading venues and APAs and the whole scope of equity instruments or would you be supportive of limiting the coverage of the CT? Please provide reasons for your preference and explain your preferred approach.

<ESMA\_QUESTION\_MDA\_28>

We believe that market demands should drive the scope of market data consumption and should not be determined on behalf of the market. Requirements for market data- including variations relating to the inclusion of venues, instruments and type of data- varies by customer and is influenced by fluctuating market conditions.

Moreover, we currently do not anticipate limited coverage consolidated tape(s) – like real-time full coverage CTs- to generate actual market demand that would warrant their establishment by private enterprises. <ESMA\_QUESTION\_MDA\_28>

1. : Do you agree with ESMA’s preferred model of real-time CT? If you consider that, on the contrary, the delayed or tape of record CT are preferable, please indicate the reasons of your preference.

<ESMA\_QUESTION\_MDA\_29>

Following rigorous analysis, we are currently unable to determine the value and actual market demand for a real-time CT under current market conditions. In our view, restricting a CT to a delayed service at a modest fee to cover the CTP’s overheads for professional users to meet their Best Execution and Trade Surveillance obligations, whilst providing it free of charge for retail users, would limit its costs. <ESMA\_QUESTION\_MDA\_29>

1. : Are there any measures (either technical or regulatory) that can be taken in order to mitigate the latency impacts?

<ESMA\_QUESTION\_MDA\_30>

The latency of this type of data is not relevant as it will not drive real-time trading decisions. <ESMA\_QUESTION\_MDA\_30>

1. : Do you agree that the CT should be operated on an exclusive basis? To what extent should other entities (e.g. APA or data vendors) be allowed to compete with the CTP?

<ESMA\_QUESTION\_MDA\_31>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_31>

1. : Should the contract duration of an appointed CTP be limited? If yes, to how many years?

<ESMA\_QUESTION\_MDA\_32>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_32>

1. : Please indicate what would be, in your view and on the basis of your experience with TVs and data vendors, a fair monthly or annual fee to be charged by a CTP for the real-time consolidation per user?

<ESMA\_QUESTION\_MDA\_33>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_33>

1. : Would you agree with the abovementioned model for the CT to charge for the provision of consolidated date and redistribute part of the revenues to contributing entities? If not please explain.

<ESMA\_QUESTION\_MDA\_34>

Refinitiv encourages policy makers and regulators to preclude artificially creating incentives for venues to be established for the primary purpose of profiting from an inclusion into a CT.

<ESMA\_QUESTION\_MDA\_34>

1. : How would Brexit impact the establishment of a CT? Would an EU27 CTP consolidating only EU27 transactions be of added value or would a CT that lacks UK data not be perceived as attractive?

<ESMA\_QUESTION\_MDA\_35>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_35>

1. : In your view, how would an EU27 CT impact the level playing field between the EU27 and the UK? Please explain.

<ESMA\_QUESTION\_MDA\_36>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_MDA\_36>