FCA Consultation on the SI regime for bonds and derivatives including Discussion Paper on equity markets (CP25/20)

The APA Association response

The following responses were submitted to the FCA in September 2025.

Question 12: Should this type of scenario be treated as a form of RFMD for trade reporting purposes?

The APA Trade Association supports changes to reporting rules that enhance the ability of market participants to obtain a complete view of executed volume. Any form of bilateral activity involving addressable liquidity that is not captured by trading venue activity should fall within the scope of post-trade transparency.

The APA Trade Association believes the same transparency requirements should apply to synthetic orders, irrespective of whether execution takes place on a trading venue, an external SI, or an internal SI. This consistent treatment would promote data completeness across all execution channels.

Question 15: Are there any other issues related to the quality of post-trade reporting for equities that you would like to bring to our attention?

The APA Association believes that further clarity on the correct use of the 'SINT' flag for the 'Venue of execution' field would benefit the market. Anecdotally, 'SINT' is sometimes applied to all trades executed with a firm registered as a Systematic Internaliser (SI), rather than being limited to cases where the trade itself was executed in the capacity of an SI. This risks undermining the accuracy and consistency of post-trade data.

In addition, since the introduction of the Designated Reporting Regime, SIs themselves may not be obliged to publish trades through an APA. This can lead to inaccuracies in EQU reporting, which the APA compiles at the end of the day and aggregates by the MIC of the individual SI. The APA may not always be aware of the specific SI associated with a trade flagged as 'SINT'.

If there remains a requirement for EQU reporting— the APA Association is mindful of ESMA's plan to remove EQU/ETR reporting in favour of using transaction reporting for transparency calculations—the issue could be addressed through either of the following adjustments, depending on the level of granularity required:

1) Fully aggregated EQU reporting – Require APAs to combine all activity into a single EQU report, regardless of whether the Venue of execution is SINT or XOFF.

2) Aggregate EQU reporting – require APAs to combine all SI activity into a single EQU report, reported under 'SINT' in the same manner as the aggregated 'XOFF' report; or

Either of these options would improve the reliability and usability of EQU post-trade data.

About APARMA

The APA Association, APARMA, represents common APA interests on regulations and laws impacting APA businesses in the EU and UK and the associated supervisory framework to ensure efficient dialogue with regulatory policymakers. APARMA focuses on developing and supporting the adoption of best practices with the common aim of improving industry data quality. APARMA aims to assist authorities and regulators with advice on practicalities related to implementing laws and rules, bearing in mind the practicalities of the data sets involved. Its six members are affiliates of Bloomberg, Cboe Europe, London Stock Exchange, MarketAxess, Nasdaq Nordic and Tradeweb Markets.

david.bullen@aparma.org www.aparma.org
C/o MarketAxess Post Trade Services BV
Herengracht 280, 1016 BX Amsterdam, Netherlands