

## SmartStream partners banks to launch Systematic Internaliser Registry

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**The SmartStream Reference Data Utility (RDU) in collaboration with a group of Approved Publication Arrangements (APAs), including Bloomberg, Deutsche Boerse, NEX Regulatory Reporting, TRADEcho, Tradeweb and Trax today launch a detailed Systematic Internaliser (SI) Registry.**

The service enables SIs to register the financial instruments for which they are providing SI services in a centralised database through their APA.

The Markets in Financial Instruments Directive II (MiFID II) regulatory protocols require that industry participants identify whether trading counterparties are SIs for the financial instrument that they are trading, so that they can determine which counterparty must report the trade. The problem is acute for both buy-side and sell-side participants as no mechanism is defined in the MIFID II framework to collect the necessary data to determine which counterparty should report.

The SI Registry has been in operation since the 3rd January 2018 for participating APAs and contributing SIs and offers a comprehensive set of data from more than 50 SIs, with further SIs registering daily. APAs and contributing SIs have been using the SI Registry to help ensure that the correct counterparty reports the trade. The service is open to all APAs and all SIs. ESMA and a number of National Competent Authorities have been made aware of the SI Registry initiative.

The SmartStream RDU has now been selected to operate the SI Registry and from today the data is available for all market participants to use. This helps all trading firms to meet their post-trade transparency obligations and allows buy-side firms to identify upfront whether they or their selected brokers will be required to report the trade.

“This is a great example of how industry collaboration can overcome a gap in the regulatory information register. The APAs are the obvious consolidation point for us to publish the details of the SI services that we offer and we are pleased to be part of this initiative and to see others joining,” says Andrew Bowley, Head of Regulatory Response and Market Structure Strategy, at Nomura.

“This SI Registry is a welcome development and addresses a major functional gap for us in the post MIFID II market infrastructure - SI determination pre-trade. Provided it’s available on fair and reasonable terms it will allow investment managers to confidently, accurately and rapidly identify who is an SI before they trade. Armed with this, and the venue trading option, investment managers should be able to avoid the significant cost of building their own in-house trade reporting capabilities and yet still confidently comply with applicable regulations,” says Andrew Munro, Global Head of Fixed Income Trading at Janus Henderson Investors.

“It’s been very rewarding to see key industry players pulling together in this group very quickly and contributing significant time and effort to resolve gaps in the market infrastructure introduced by MiFID II. We look forward to expanding those that benefit from this Registry and being able to help close other gaps if required,” says David Bullen, Systematic Internaliser Registry Data Group.

Peter Moss, CEO of The SmartStream Reference Data Utility, adds: “We are pleased to be part of this initiative and believe that this is the perfect use case for an industry utility like the SmartStream RDU. It is a natural addition to the broader range of MiFID II reference data services that we already provide to our customers and offers essential transparency for the market to function cost effectively”.