Investors' Take on Market Structure Issues

November 17, 2016

Executive Summary:

There are many market structure issues that have been much discussed topics since the passage of Reg NMS, such as high-frequency trading, dark liquidity, co-location, and fee structures.

Other subjects such as the recently implemented Tick Size Pilot Program and a potential knock-on effect from the Markets in Financial Instruments Directive II (MiFID II) in Europe have also become an important part of the conversation.

As part of our annual Trade Desk Optimization Study this year, Greenwich Associates interviewed 55 buy-side traders to assess their opinions of these market structure issues.

Methodology:

From June through September 2016, Greenwich Associates interviewed 55 buy-side equity traders in the U.S. to learn more about trading desk budget allocations, trader staffing levels, OMS/EMS/TCA platform usage, and the impact of market structure changes on the sector.

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