



Dowgate MTF Data Charges & Transparency Policy

Version 2020.01

Background

The Commission Delegated Regulation 2017/567 sets out a number of data provision obligations on trading venues¹, including the requirement to provide market data on a reasonable commercial basis in a non-discriminatory way. As part of the requirements, market operators, such as the Dowgate MTF, are required to disclose the price and other terms and conditions for the provision of market data in a manner which is easily accessible to the public. This policy sets out how the Dowgate MTF complies with its data provision obligations and transparency publication requirements.

Providing Market Data²

Market data is made available to the public via the Dowgate MTF transparency portal which can be accessed here:

<https://transparency.dowgate.com/transparency.aspx>

All trading venues are required to make data, where not subject to a waiver or deferral, free to the public no later than 15 minutes after the relevant order or trade. To comply with this requirement and in order to ensure that data isn't stale, the Dowgate MTF will flash the relevant information on the public sites here:

<https://transparency.dowgate.com/PreTrade.aspx>

<https://transparency.dowgate.com/posttrade.aspx>

Once published, after a period of time, this information will be archived. The transparency archive is freely available to the public. Should you wish to access the archived data, please complete the registration form by clicking on the below link and you will be issued with the relevant access details.

<https://transparency.dowgate.com/login.aspx?reg=reg>

Charging Principles³

The pricing structure will take into account the following requirements:

- Information must be available to the public;
- on a "reasonable commercial basis"; and
- venues must ensure non-discriminatory access to the information.

¹ Commission Delegated Regulation 2017/567 – Articles 6 – 11

² Commission Delegated Regulation 2017/567 – Article 6

³ Commission Delegated Regulation 2017/567 – Article 7 & 8

In relation to the above therefore we will allow non-participants access to such data on the basis of the "cost of producing and disseminating data and adding a reasonable margin".

In relation to non-discriminatory access, we will make market data available at the same price and on the same terms and conditions to all customers falling within the same category in accordance with published criteria. Further, the price to such customers will be proportionate to the value which it represents to those customers – with specific reference to the use made by the customer of the market data i.e. the principal will be based on the "use made by the individual end-users" of the data (Articles 7 to 9 of Commission Delegated Regulation 2017/567).

Non-discriminatory Customer Categories

Taking the above into account, we will establish a Customer Category list, in relation to the following:

Tier 1: Customers who wish to use such market data in their commercial products (note that this will be subject to any permissible restrictions in relation to our IP rights with regards to such data). Commercial products will include both specific financial instruments and also the provision of data related services, such as market analysis. The rates charged in this regard will reflect the "end use" of the data and will therefore be higher than the rates charges customers in Tier 2.

Tier 2: Customers who wish to use such market data for investment decision making purposes. In relation to this group of customers, there will be further sub-divisions for:

- portfolio managers and other types of collective investment manager;
- natural persons;
- principal and agency dealers; and
- other institutional investors.

Cost of producing & disseminating data⁴

In order to quantify our costs, thought has to be given to the costs of producing & disseminating the data. The I.T. costs of producing and maintaining the systems to disseminate the relevant data feeds could be high in terms of manpower and system build. Costs will therefore be reflective of I.T. support time, business continuity and other systems in place to ensure the appropriate ongoing dissemination of the data feed. Fees will also need to be reflective of the compliance and legal time involved in data analysis, on-boarding new market data clients as well as policing the appropriate use of the data in line with the contracts.

⁴ Commission Delegated Regulation 2017/567 – Article 11 (e)

Reasonable Margin

Taking account of the above, it is considered that a reasonable margin could be in the region of [30%] on top of the costs of producing and disseminating the data. This would allow for sufficient contingency to permit the firm to manage any unexpected systems costs incurred in relation to the above.

Data charges⁵

The data charges are set out in Schedule 1. Please note, these data charges are completely separate from the execution charges of the MTF which are set out in a separate rate card. In this way we ensure that our fees for data are unbundled from other MTF fees⁶.

Content of & revenue made from market data⁷

Market operators are required to publish information on the content included in the market data and the revenue obtained from that market data. This information is set out in Schedule 2 of this policy.

⁵ Commission Delegated Regulation 2017/567 – Article 11

⁶ Commission Delegated Regulation 2017/567 – Article 10

⁷ Commission Delegated Regulation 2017/567 – Article 11 (c) & (d)

Schedule 1 – Market Data: Price sheet

Dowgate MTF has a two-tier approach to market data charges, with different charges for those who wish to use such market data in their commercial products (Tier 1) and those who wish to use our market data for investment decision making purposes (Tier 2). This price covers both pre and post trade market data on a per organisation basis.

Tier 1 Clients

Asset class	Data Charges
Debt securities	£1,000 p/m
Derivatives	£1,000 p/m

Tier 2 Clients

(a) Principal and agency dealers

Asset class	Data Charges
Debt securities	£500 p/m
Derivatives	£500 p/m

(b) Portfolio managers and other types of collective investment manager

Asset class	Data Charges
Debt securities	£350 p/m
Derivatives	£350 p/m

(c) Other institutional investors (i.e. building societies)

Asset class	Data Charges
Debt securities	£200 p/m
Derivatives	£200 p/m

(d) Natural persons

Asset class	Data Charges
Debt securities	£50 p/m
Derivatives	£50 p/m

Schedule 2 – Data Transparency

Content of the market data

Requirement	Publication
Number of instruments covered	1,160
Total turnover of instruments covered	27,442,000,000
Pre-trade / Post-trade market data ratio	1:6
Additional data provided in addition to market data	None
Date of last licence fee adaptation	01 July 2018

Revenue from market data

The total revenue earned from market data and the proportion of revenue as a percentage of our total revenue is set out in the table below:

Type	Figure
Revenue generated from market data	£0.00
Revenue as % of total revenue	0%

*As at 31 January 2020