

Trading systems merger raises competition concerns

News story

The CMA has found that ION's completed purchase of Broadway Technology raises competition concerns in the supply of electronic trading systems.



Both companies provide specialist trading systems to financial organisations, such as banks, that allows the trading of foreign exchange (FX) and fixed income securities (FI) such as government bonds.

The Competition and Markets Authority (CMA) has concerns relating to the supply of FI electronic trading systems. Based on evidence from the companies' own documents and feedback received from their customers, the CMA considers that ION is by far the largest supplier of these systems and Broadway is one of only two significant competitors.

The CMA's initial Phase 1 investigation has found that the deal could therefore leave customers facing a significantly reduced choice of supplier with the potential for higher prices or more onerous terms and conditions on their services.

Joel Bamford, CMA Senior Director, said:

We've examined a wide range of evidence during this investigation, and numerous customers have raised serious concerns. We consider ION to already be the largest provider of these products and they're buying one of their closest competitors.

We are therefore concerned that this merger could damage competition in a market which is critical to trading activities in the UK, leaving the merging companies' customers with a worse deal.

ION must now address the CMA's concerns within 5 working days. If they are unable to do so, the deal will be referred for an in-depth Phase 2 investigation.

For more information, visit the [ION Investment Group Limited / Broadway Technology Holdings LLC merger inquiry web page](#).

For media enquiries, contact the CMA press office on 020 3738 6460 or press@cma.gov.uk

Published 7 July 2020