A rival plans to take on the ASX as Australia's third trading venue

Joyce Moullakis *Associate editor*

Apr 6, 2026 – 8.00pm

The ASX is set to come up against another rival trading venue for stocks, as the National Stock Exchange of Australia ramps up its plans, seeking to gain support from brokers and investors to challenge the main bourse and up-for-sale competitor Cboe Australia.

The NSX, acquired last year by the owner of the Canadian Securities Exchange, CNSX Global Markets, will on Tuesday announce an upgrade of its equities platform to facilitate trading of ASX-listed stocks. As part of the plan, the NSX is in talks with the corporate regulator and stockbrokers, and the exchange has identified a data centre location in Sydney from which it plans to operate.

National Stock Exchange of Australia's Max Cunningham believes the trading venue can be a strong rival to the ASX and Cboe. **Oscar Colman**

Asked about the execution of NSX's plans and whether prices would fall across the industry, chief executive Max Cunningham said: "We are highly confident that in a short number of years we will carve out a niche. Broker connectivity will help with a growing listings pipeline of venture listings.

"The only way you can disrupt is with lower pricing and better service. That's the rule for disruption."

Cunningham was the former head of listings at the ASX.

RELATED QUOTES

ASX **$52.885** ▲ 0.22%

1 year 1 day

Updated: Apr 7, 2026 – 2.38pm. Data is 20 mins delayed.

View ASX related articles →

The developments at NSX come after the ASX was lambasted in a landmark report last week [https://www.afr.com/companies/financial-services/inquiry-slams-insular-defensive-asx-and-orders-it-to-rebuild-culture-20260401-p5zkhp] for having an “insular and defensive culture”. The final report submitted to the Australian Securities and Investments Commission, spearheaded by Commonwealth Bank director Rob Whitfield, said the ASX was too focused on meeting minimum standards, highlighting a need for accelerated investment and quicker cultural change.

Australia’s only other equities trading venue, Cboe, was put up for sale last year by its Chicago-based parent, alongside the firm’s Canadian operations. The exchange has captured about 20 per cent of Australian equities trading, but its share has been relatively stagnant in the past 18 months.

Cboe’s Australian push included listing exchange-traded funds, and last year it received a licence to add public companies to its ranks [https://www.afr.com/markets/equity-markets/listings-showdown-looms-after-asic-approves-cboe-for-company-ipos-20251007-p5n0la]. There are fears, however, Cboe may shut its Australian operations if a buyer can’t be secured.

A Cboe spokeswoman declined to comment but during a quarterly earnings call in February, the firm’s chief financial officer, Jill Griebenow, said the Australian operations were being run “as usual”.

"We have seen strong initial interest from potential buyers, and we will continue working towards an outcome that delivers a positive solution for all parties," she said.

But Cboe and the NSX have found it challenging to make inroads against the ASX, a situation exacerbated by weaker volumes of initial public offerings in the past four years. The NSX is home to about 50 listed companies and has connections to 19 broking firms.

Cunningham said the NSX's new technology and market infrastructure would help it become a trading venue for ASX stocks, while also boosting the former's attraction as a listing destination for larger companies. He said the NSX had identified "different angles and opportunities".

Aquis, Europe's challenger exchange, is partnering with NSX to provide a trade order matching engine, "advanced market surveillance tools" and greater order capacity.

Cunningham said NSX had been working on plans to trade ASX stocks for more than a year, rather than seeking to capitalise on recent instability at rival exchanges.

Brokers largely welcomed the move, but some cautioned NSX required a compelling pitch to get the industry on board.

Matt Leibowitz, the chief executive and co-founder of trading platform Stake, highlighted that greater competition between trading venues would benefit customers through lower fees, but said limited liquidity for smaller stocks was a more pressing issue in the market.

"We want to create some competition so that there are venues that push each other. We've seen that in the US, where multiple venues have created great outcomes," he said.

"[In Australia] it actually needs to be coupled with structural changes encouraging liquidity, different product types, options. The dearth of liquidity as you go down the list of names is actually a bigger problem than the price of a trade."

Although Australia has only two trading venues, the US has about 70 owned by exchanges, while Canada has 20 and the United Kingdom has about eight.

Karl Morris, stockbroking firm Ord Minnett's chief executive, said his concerns with new trading venues centred on whether they could deliver an edge beyond just better pricing.

"That sort of connectivity and complexity is something we are worried about," he added. "The problem we've got is that the ASX has not covered itself in glory over the last couple of years ... The No. 1 thing we all want is making sure the infrastructure works as best it can."

The NSX is close to signing a deal to operate out of an Equinix data centre in the Sydney suburb of Alexandria, sources with knowledge of deliberations said on the condition of anonymity. That location is used by banks, brokers and Cboe, which the NSX hopes will mean lower costs for firms using it due to fewer connections and leases.

Lee Muco, who runs online trading houses Bell Direct and Bell Potter Online, said NSX's plans suggested the exchange may also promote cross-border listings and introduce products across areas such as exchange-traded funds or pre-packaged investment strategies.

"Competition is usually helpful whether that's for new product to fill an unmet client investment need, or it's just to ensure that all the parties are putting their best foot forward," he added.

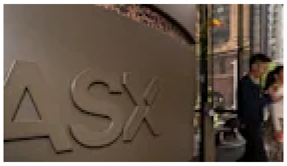
Muco also noted the ASX was next month winding up its mFund product, which allows investors to buy and sell unlisted managed funds, potentially leaving a gap in the market.

RELATED

Opinion | Joyce Moullakis Governance [/topic/corporate-governance-1m02]

Most directors prefer to be on private boards, and that is a big worry

https://www.afr.com/companies/financial-services/sound-the-alarm-most-public-company-chairs-prefer-a-private-role-20260325-p5x91z



Regulation [/topic/regulation-hos]

Inquiry slams 'insular, defensive' ASX and orders it to rebuild culture

https://www.afr.com/companies/financial-services/inquiry-slams-insular-defensive-asx-and-orders-it-to-rebuild-culture-20260401-p5zkhp

Joyce Moullakis is an associate editor writing across company news, policy issues, investment banking, private equity and financial services. *Connect with Joyce on Twitter. Email Joyce at joyce.moullakis@nine.com.au*