Building a Smarter Fixed Income Data Strategy

The fixed income data stack is overdue for a reset.
Here's what smarter firms are doing differently.

Inside the Guide:

- Stop Treating Data Strategy Like Vendor Cleanup
- When "Good Enough" Coverage Becomes a Business Risk
- More Data Isn't the Answer. Actionable Data Is.
- From Fragmented Inputs to Connected Workflows
- Built for AI, Automation, and Better Decisions

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Executive Summary: Building a Smarter Fixed Income Data Strategy

What a Successful Data Management Blueprint looks like

In fixed income, data stacks tend to expand slowly, then all at once. One provider is added for quotes, another for reference data, another for pricing, another for BWICs, another for portfolio monitoring, and before long, firms are managing a patchwork of systems that do not fully align.

That approach may work for a while. But “good enough” data infrastructure rarely stays good enough for long, especially as firms face growing pressure to consolidate vendors, control data costs, and reduce operational complexity.

For data procurement teams, the challenge is not simply finding places to cut. It is helping the business determine which providers are essential, which gaps create risk, and which relationships can support a more scalable data strategy over time.

In Celent's "**Investment Data Ecosystems: Reimagining Strategies and Tactics for Beyond the Here and Now**" report, firms that modernize their data ecosystem around business-first objectives, stronger operating models, and more standardized architectures are better positioned to reap the benefits of their investments, shorten payback periods, and increase ROI on data and AI initiative.

What is at stake now is not just efficiency, but trust. If firms want to power AI models, predictive analytics, automation, and better decision-making, they need data that is consistent, clean, and reliable. Fragmented fixed income vendor stacks often introduce conflicting formats, duplicate records, inconsistent identifiers, uneven coverage, and more manual normalization.

This practical guide to fixed income data management explains how reduced layering leads to improved decision-making and a more streamlined data strategy. The result is a weaker data foundation and less confidence in the output.

The most successful firms take a different approach to choosing the right provider and building a stronger data strategy.

They modernize around business outcomes, not vendor line items

Globally, the pressure to consolidate is growing as market data costs keep climbing. In Europe, AFME's **Fixed Income Market Data Costs: The Burden Continues to Rise** reports that fixed income market data spend increased 44% over six years, while global spending on financial market data and news reached $44.3 billion in 2024 and $49.2 billion in 2025. But the goal is not to reduce providers for the sake of it. Done well, consolidation creates a cleaner, more connected data foundation that helps teams make better decisions and move faster.

Successful firms do not begin by asking which vendors can be cut. They start by asking what the business needs to do better: faster price discovery, stronger pre-trade visibility, better execution, more confidence in evaluated and predictive pricing, broader asset class coverage, and less manual effort across trading, research, risk, and operations.

PwC research report **Why private markets platforms must now scale with intent** highlighted persistent data fragmentation as a major challenge in financial markets, while its **2024 Global Investor Survey** shows investors increasingly expect firms to deploy AI at scale. Together, those trends strengthen the case for fewer, stronger data providers that can support cleaner, more connected workflows.

In fixed income especially, where market structure is already fragmented, firms do not benefit from recreating that fragmentation inside their own data architecture.

They prioritize providers that make data actionable, not just available

More data does not automatically create more value. What matters is whether the data can help teams act.

The best firms are moving away from a checklist mentality and putting more weight on whether a provider improves the way decisions get made. That includes how quickly teams can surface insights, compare levels, validate pricing, monitor markets, and identify risks or opportunities. It also means bringing more context to pricing itself. For example, the **SOLVE Confidence Score** quantifies the uncertainty behind a predicted price, while **SOLVE Relative Value Analysis™** places that price in market context. Together, they turn predictive pricing into a more transparent and actionable workflow, helping traders and portfolio managers navigate volatility, size trades more effectively, and execute with greater confidence.


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Case Study

E-Trading Platform Drives 70% Greater Trading Profitability with Predictive Pricing in Municipal Bonds

Executive Summary

A large U.S. electronic trading platform for fixed income operates one of the most active municipal bond trading desks in the market. The firm manages an inventory of several thousand municipal bonds and supports both pre-market pricing and continuous intraday trading across investment-grade municipal securities. As market structure evolved and liquidity in municipal bonds remained fragmented, the client sought a more accurate and comprehensive approach to pricing—one that could scale across a broad universe of CUSIPs and trade sizes.

The initiative was led by senior leadership responsible for fixed income trading operations, algorithmic pricing tools, and regulatory and compliance requirements. The team needed a solution that could improve pricing precision at scale, integrate into an evolving electronic trading workflow, and support both pre-trade decisioning and real-time execution.

After a rigorous evaluation, the firm selected SOLVE Px™, executing a multi-year agreement to deploy both API and front-end tools across the trading desk.

+70% Greater Trading Profitability
>900k Municipal Bonds Covered
<3 bps Median Absolute Pricing Error

The Challenge: Actionable Pricing, Speed, and Confidence in Munis

A leading e-trading platform needed a faster, more reliable way to price a large municipal bond inventory in the morning and reprice bonds throughout the day as trading activity changed. In a market with over 900,000 municipal bonds and uneven transparency, the team needed predictive pricing they could trust across a broad universe, including less-liquid names.

CASE STUDY

E-Trading Platform Drives 70% Greater Trading Profitability with Predictive Pricing in Municipal Bonds

In a recent case study, a large U.S. electronic trading platform for fixed income operates one of the most active municipal bond trading desks in the market. They use SOLVE Px to support morning inventory pricing and intraday execution across thousands of municipal bonds. During a side-by-side comparison against its internal pricing model, the firm found that using **SOLVE Px would have produced greater profitability on 70% of trades**. The result was not simply more data. It was more actionable pricing: broader coverage across 900,000+ municipal bonds, sub-3 bps median absolute pricing error, real-time bid/mid/offer predictions, and confidence scores that helped traders prioritize higher-conviction decisions.

That difference becomes clear in live trading workflows. Firms should look for providers that help them:

- Support pre-trade and portfolio workflows, not just static data consumption
- Reduce manual normalization and reconciliation
- Connect data across workflows instead of forcing teams into separate silos

The right provider should not just deliver more fields. It should help create a clearer picture of the market, especially when the market goes quiet, and give teams the confidence to act when pricing, liquidity, and execution decisions matter most.

ON-DEMAND WEBINAR

From Model to Market: Turning AI-Driven Fixed Income Insights into Action

How fixed income leaders are closing gaps in their pricing data and building a more defensible view of the market.

Watch On-Demand Now!

They choose partners that can help simplify the future, not just patch the present

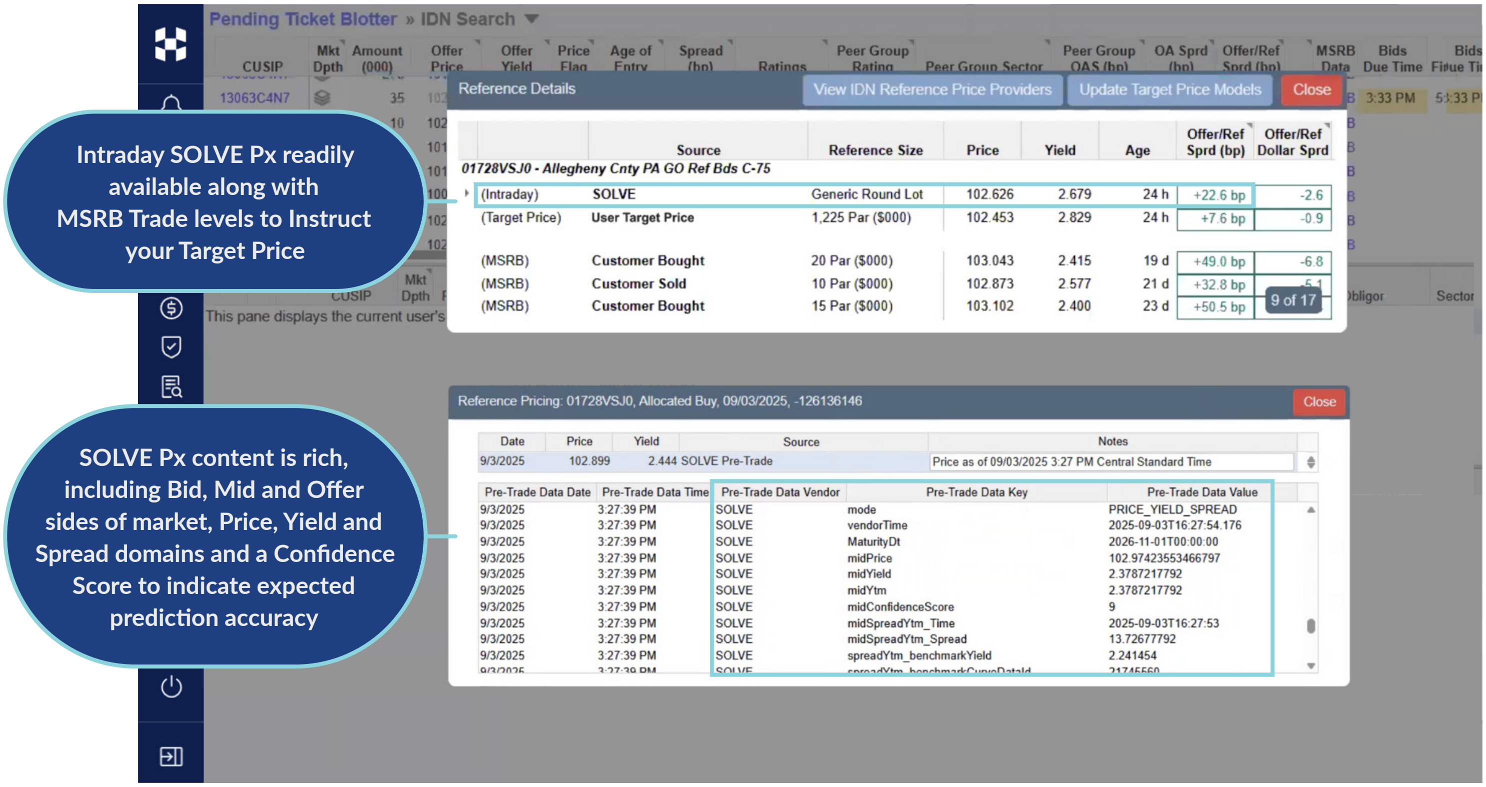
The strongest firms think beyond immediate gaps. They choose providers that can support a more streamlined operating model over time.

That means looking at whether a fixed income data provider has the flexibility and coverage to serve multiple teams, multiple workflows, and multiple stages of decision-making. It means asking whether the relationship can reduce future complexity instead of introducing new dependencies.

Case Study: From Months to Days in Muni SMA Investing
A leading global asset manager integrated SOLVE Px through InvestorTools Perform® to bring real-time, size- and side-specific predictive pricing directly into its municipal trading workflow. **The result was a nearly 90% reduction in SMA investment time**, from 90–100 days down to 10–15 days, while also enabling faster ETF basket evaluation, greater secondary market confidence, and more scalable customization across client portfolios.

This is where firms separate tactical fixes from strategic moves. While a point solution may solve one issue today, the right data partner helps unify workflows over time, making it easier for firms to move from market insight to action without added disruption. The **SOLVE and Investortools partnership** is one example, bringing pre-trade quote data and predictive pricing directly into existing fixed income workflows so portfolio managers, traders, and analysts can make decisions, improve execution, and manage portfolios more efficiently.

SOLVE Px predictive pricing seamless within Investortools' Dealer Network (IDN) and portfolio management system



A good consolidation strategy should leave a firm with:

- fewer disconnected systems
- less overlap across vendors
- more consistency across teams
- better scalability as workflows evolve
- a stronger foundation for growth, automation, and faster decision-making

ON-DEMAND WEBINAR

Unlocking efficiency in municipal trading: Predictive pricing, automation, and client perspectives.

Hear directly from the buy side on how data and technology are shaping a new era of municipal trading.

Watch On-Demand Now!

They refuse to settle for “good enough” coverage

Many firms live with partial coverage because each individual gap seems manageable. A missing bond here. Limited depth there. Delayed visibility in one corner of the market. A separate workflow for another asset class.

But over time, those gaps add up. The firms that make smarter provider decisions look beyond whether a dataset is merely usable. They ask whether it is broad enough, deep enough, timely enough, and flexible enough to support real decision-making across the business.

In fixed income, that means evaluating questions like:

- Does the provider offer meaningful breadth across the markets we actually trade and monitor?
- Is the data deep enough to support trading, portfolio management, risk, valuation, and research workflows?
- Can the provider support both daily monitoring and live market decision-making?
- Will this scale as our needs expand across corporates, municipals, structured products, private credit, or other areas?
- Can the data move easily into the systems and workflows our teams already use?

This is where provider quality matters. SOLVE’s advantage is the combination of breadth and depth of coverage across fixed income markets, giving firms the ability to reduce fragmentation without sacrificing the richness of the data they rely on. Just as important, that data needs to be accessible in the ways teams already work.

The Takeaway: Build for the Decisions the Business Needs to Make

A smarter fixed income data strategy is not built by adding another feed, cutting another vendor, or accepting "good enough" coverage because it gets the job done today. It is built by asking where data can create more confidence, more speed, and more consistency across the business.

For firms evaluating a new provider, the question should be: **will this make our data more actionable, connected, and scalable?** For firms facing pressure to consolidate, the question should be: **can we reduce complexity without reducing the quality, coverage, or usability our teams depend on?**

The strongest data partners help firms do both. They bring together broad market coverage, predictive insight, workflow integration, and flexible delivery in a way that supports real decisions across trading, portfolio management, risk, valuation, and analytics.

That is the standard fixed income firms should be working toward: not simply more data, and not simply fewer vendors, but a cleaner foundation that helps teams act with greater confidence today and scale more effectively tomorrow.

Clarity Powered Through Millions of Data Points

SOLVE Quotes processes 30M+ quotes a day—instantly.

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Trusted by Leading Financial Institutions

SOLVE delivers clarity to the fixed income market through data, analytics, and workflow solutions.

About SOLVE

SOLVE is the leading market data platform provider for fixed-income securities, trusted by sophisticated buy-side and sell-side firms worldwide. Founded in 2011, SOLVE leverages its AI-driven technology and deep industry expertise to offer unparalleled transparency into markets, reduce risk, and save hundreds of hours across front-office workflows. With the largest real-time datasets for Securitized Products, Municipal Bonds, Corporate Bonds, Syndicated Bank Loans, Convertible Bonds, CDS, and Private Credit, SOLVE empowers clients to transform the way they bring new securities to market, trade on secondary markets, and value highly illiquid securities. Headquartered in Connecticut, with offices across the globe, SOLVE is the definitive source for market pricing in fixed-income markets.

For more information, visit **solvefixedincome.com**.

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