



Direct Edge moves closer to U.S. exchange status

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NEW YORK, Sept 14 (Reuters) - Direct Edge's applications to operate two stock exchanges appeared for public comment on the U.S. Securities and Exchange Commission's web site on Monday, bringing the privately held alternative venue a step closer to becoming a formal exchange operator.

Direct Edge matched nearly 13 percent of U.S. equity trades on its two platforms last month, up from 5.7 percent a year earlier. It is behind New York Stock Exchange parent NYSE Euronext (NYSE.N: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) and Nasdaq Stock Market parent Nasdaq OMX (NDAQ.O: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) in market share but ahead of BATS Exchange, which is also privately owned.

The SEC will accept comments on Direct Edge's application until about the end of October. The company, which runs the EDGX and EDGA platforms, filed the applications with the regulator in May.

Known as an electronic communication network, or ECN, Direct Edge helped spark a pricing war among exchanges over the last couple years. It has said exchange status would allow it to expand into other products and regions, and help it reap revenue from selling market data.

Direct Edge is owned by Goldman Sachs Group Inc (GS.N: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)), JPMorgan Chase & Co (JPM.N: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)), Knight Capital Group Inc (NITE.O: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)), hedge fund Citadel, and the International Securities Exchange, an options market owned by Deutsche Boerse's (DB1Gn.DE: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) Eurex. (Reporting by Jonathan Spicer; editing by John Wallace)