TP Icap shelves Parameta sale talks despite investor pressure

TP Icap Group, the London-listed interdealer broker, has shelved talks about a sale of its data division despite coming under pressure to return more cash to investors.

Sky News understands that TP Icap held discussions with a number of potential buyers – including large buyout funds – of Parameta, its high-margin data operation in recent months.

The process, which was never publicly disclosed by the company, has now been called off, according to several people close to it.

Some City shareholders had been urging TP Icap to offload Parameta in order to return as much as £1.5bn through special dividends or share buybacks.

TP Icap's board is said, however, to have resisted those demands on the back of improved trading and a rebound in its share price, which has risen by nearly one-third over the past year.

On Wednesday morning, shares in the interdealer broker were trading at around 178.5p, giving it a market value of around £1.4bn.

Last year, Phase 2 Partners, a US-based hedge fund, wrote to Richard Berliand, the TP Icap chairman, lambasting the company's "disastrous share price decline".

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TP Icap raised hundreds of millions of pounds in 2021 to fund the purchase of Liquidnet, a US equities trading business.

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The group was formed from the merger of the broking arms of Tullett Prebon and Icap, the firms respectively founded by City heavyweights Terry Smith and Lord Spencer.

A spokesman for TP Icap declined to comment.