

SIFMA SURVEY HIGHLIGHTS IMPORTANCE OF MULTI-ASSET, BROKER-NEUTRAL ELECTRONIC TRADING PLATFORMS

The Securities Industry and Financial Markets Association (SIFMA) has released its first Annual European Equities e-Trading Survey. Based on interviews with nearly 100 leading buy-side institutions, the survey confirms that electronic trading is by far the leading method of equity execution in Europe, and shows that access to multiple sources of liquidity is the most important factor for buy-side firms when selecting electronic trading platforms.

Survey respondents identified several factors driving increased adoption of electronic trading among European asset managers and hedge funds, including:

- Greater efficiency
- Reduced costs
- MiFID / best execution requirements
- Greater control over order flow

The majority of respondents stated that the primary factor influencing their choice of electronic trading platforms was "access to multiple sources of liquidity / range of products offered," followed by speed of execution and ease of integration.

The survey also identified liquidity fragmentation, OMS/EMS integration and best execution policies as the three leading challenges facing buy-side trading desks.



Harrell Smith, co-head of product strategy at Portware

Commenting on the results, Harrell Smith, co-head of product strategy at Portware, says: "The survey highlights the buy-side's need for flexible, multi-asset and broker-neutral electronic trading platforms, a model that Portware has long endorsed. Since its founding in 2000, Portware has provided clients with a complete trading solution, including access to multiple brokers and market destinations, true cross asset trading, seamless integration with existing workflow applications and support for regulatory initiatives including MiFID and Reg NMS. Portware's flexible, open architecture allows firms to navigate an increasingly dynamic and technology-driven marketplace with a single, cost-effective trading solution."

Portware users enjoy numerous advantages over those using single dealer platforms:

Best execution and price improvement. As the only wholly independent, broker-neutral trading systems provider, Portware allows clients to pursue best execution and price improvement by routing orders to the most appropriate market center, including all dark liquidity pools and crossing networks. The system's open and flexible architecture also provides a framework for the development of algorithmic trading strategies that help traders achieve alpha and significantly reduce market impact. With integrated support for numerous broker- and vendor-sponsored transaction cost analysis (TCA) feeds, Portware clients can view, analyze and act on pre-trade TCA at the single stock and portfolio level, allowing them to efficiently gauge trading costs and route orders accordingly. These features, combined with real-time benchmarking capabilities, post-trade analytics and a consolidated trading environment, allow for the analysis of orders at any point during the trade workflow cycle and help firms address new regulatory initiatives, such as MiFID, with ease.

Consolidated liquidity. Portware provides access to over 300 electronic broker and market destinations (brokers, ECNs, ATs, MTFs, crossing networks, exchanges, etc.) from a single trading environment, greatly reducing inefficiencies, trading costs and workflow problems that plague users of multiple independent broker front-ends.

True multi-asset, multi-strategy support. Clients can trade multiple assets, including equities, futures, options and FX, on a single platform. Portware supports any kind of trading activity, including single stock, portfolio, index, program and pairs trading, while the system's virtually unlimited capacity for customization allows users to create a solution that meets their specific trading requirements.

Seamless integration. Portware connects to any proprietary or vendor data feed via robust, pre-certified feed handlers. Portware also integrates seamlessly with third-party or proprietary trade workflow applications (OMS's, risk systems, compliance modules, etc.), driving increased operational efficiencies and minimizing the risk of workflow-related losses.

Massive throughput capabilities. Portware's advanced, event based architecture allows users to operate efficiently in today's high-volume market. Built from the ground up to handle the kind of trade volumes and message traffic that are hallmarks of today's fast-moving market environment, Portware's advanced technology architectures offers unparalleled speed and throughput capacity.



Ary Khatchikian, president and chief technology officer, Portware

Ary Khatchikian, president and chief technology officer, Portware adds: "The results of SIFMA's recent survey indicate that firms are increasingly focused on reducing trading costs, increasing efficiencies, and pursuing best execution via flexible and scalable platforms. Portware has long recognized the need for such a solution. As the markets evolve, Portware will continue to deliver innovative solutions that meet our clients' changing business requirements."