



Inside Market Data

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DATA DISPLAY & ANALYTICS

- 3 Millistream Tapped by Real Estate Portal for Web Data, Index Calculation

INDEXES

- 5 Bucharest Stock Exchange Expands Indexes

ADMIN & MANAGEMENT

- 6 Screen to Broaden InfoMatch Base for Two-Pronged US Push

DELIVERY TECHNOLOGIES

- 7 WSI Preps Access to Xceptor Data Management Tools via iPads, Cross-Platform Support

DELIVERY TECHNOLOGIES

- 8 Thomson Reuters Adds Bilateral Chat to Eikon Messenger

CONTENT FOCUS

- 9 RepRisk Readies User-Specific ESG Risk Products, Tests New Rating Metric

COLUMNS

- 4 **OPENING CROSS**
Simplicity Is the Best Policy
- 5 **HERD**
- 6 **SCROLLING NEWS**

Burton-Taylor: Data Spend Grows 4% in 2014; FactSet Overtakes Interactive Data

Global spend on market data and analysis reached almost \$26.5 billion last year, up four percent over 2013, according to a new study from Burton-Taylor International Consulting analyzing data vendors' revenues.

The increase is an improvement on last year's growth of 1.1 percent, and may be higher in real terms: the growth was likely suppressed by at least one percent as a result of the strong US dollar, says Douglas B. Taylor, managing partner at Burton-Taylor.

US-based companies like Thomson Reuters report their revenues and earnings in US dollars, "so if they have a client in Russia paying in rubles, then because the dollar is so strong, their revenue from that company goes down," Taylor says, adding that this suppression is likely to have curtailed the increase in global market data spend by between one and two percent.

According to the report—which provides detailed breakdowns of revenues from 13 major vendors—the fastest-growing ven- [>3](#)

Unfazed by Exit of New CEO Korhammer, SR Labs Plots 2015 Product Roadmap

Veteran financial technology and market data industry executive Richard Korhammer resigned as chief executive of New York-based low-latency data platform and feed handler provider SR Labs in February, after less than six months in the role, as the vendor prepares to roll out new historical tick capture and market simulation products.

SR Labs officials decline to comment directly on Korhammer's departure but confirm that the vendor is now looking to appoint his replacement.

Korhammer joined SR Labs in September

last year, following a \$53 million injection of funding from private equity firm Insight Venture Partners in 2013 and SR Labs' subsequent acquisition of the Wombat data platform business from Intercontinental Exchange's NYSE Technologies division last year. He is best known as the CEO and founder of order management and market data platform provider Lava Trading, which he set up in 1999 and sold to Citigroup in 2004, where he remained for two years following the sale as managing director of global equities electronic trading. [>3](#)

ISE Preps New Datafeeds Ahead of Mercury Options Market Launch

The International Securities Exchange is preparing to roll out a raft of new market data feeds in conjunction with the launch of its new Mercury options market, which is scheduled to go live in the first half of 2015, pending regulatory approval from the US Securities and Exchange Commission.

Full details of the instruments to be traded on Mercury are yet to be determined, but it is understood that the new exchange will trade the same equity options already traded on

ISE's primary and ISE Gemini markets. However, Mercury will operate under an alternative pricing and market structure, which will enable the exchange to serve different segments of the options market not currently active on ISE or ISE Gemini. The exchange has yet to release full details of the new structure.

Mercury will leverage the same T7 trading platforms used by ISE to operate its other markets, and will also offer the same kinds of market data feeds to provide consist- [>10](#)

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Hosted by Inside Market Data, Inside Reference Data, Buy-Side Technology, Sell-Side Technology and Waters magazine, the WatersTechnology series of events are the leading financial data management and technology conferences for information and systems professionals working at financial trading firms around the world.

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Date: 21 April
Location: New York

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Date: 19 May
Location: London

North American
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Inside Reference Data
Date: 20 May
Location: New York

Toronto
Trading Architecture Summit
Date: June
Location: Toronto

Asia Pacific
Trading Architecture Summit
Date: June
Location: Singapore

Buy-Side Technology Asian Summit
Date: June
Location: Singapore

Toronto
Financial Information Summit
Inside Market Data
Inside Reference Data
Date: 23 June
Location: Toronto

European
Financial Information Summit
Inside Market Data
Inside Reference Data
Date: 15 September
Location: London

Buy-Side Technology North American Summit
Date: October
Location: New York

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Trading Architecture Summit
Date: November
Location: London

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Date: December
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Burton-Taylor: Data Spend Grows

<1 dors with the highest compound annual growth rate (CAGR) during 2014 were Platts, Moody's Analytics, Markit, S&P Capital IQ, and Morningstar.

FactSet's revenues reached an estimated \$945 million in 2014, outperforming Interactive Data—which reported revenues of \$939.2 million—for the first time to become the third-biggest player in the market data industry behind Bloomberg and Thomson Reuters, Taylor says.

"FactSet has had a couple of down years where its year-on-year CAGR was lower, but historically the company has grown at around eight percent every year. FactSet can stand toe-to-toe with Bloomberg on customer support, and they have an excellent product, so when you factor in that they can sell at a different price point, you can see why it is a compelling answer to some people," Taylor adds.

Revenues at Moody's Analytics peaked at \$844 million as the vendor demonstrated the strongest combination of year-on-year growth (17 percent) and five-year CAGR (11.6 percent), driven largely by its enterprise risk business, which grew 25 percent in 2014. This trend is reflected in the fastest-growing group of market data consumers—risk and compliance users—among whom demand rose by 10.2 percent in 2014.

Thomson Reuters' revenues were an estimated \$6.85 billion in 2014, marking the first time that the vendor's Financial

& Risk Division has achieved positive net sales since 2008. The growth is likely a result of an improved response to the vendor's flagship Eikon desktop terminal, Taylor says. "It's clear that the market is starting to accept Eikon as a viable alternative... and I think it's good for the market that Thomson Reuters can stabilize and compete head-to-head with Bloomberg," he adds.

Meanwhile, Bloomberg recorded an estimated \$8.5 billion in revenues in 2014, and added more than 5,500 new data terminals—up from 3,500 in 2013, but down from the 14,000 new terminals added in 2010—bringing the vendor's total installed terminal base to 324,399 positions.

"Bloomberg is more challenged than everybody else because they have more at risk, and it's hard to turn a ship that big," Taylor says. "Its terminal business may be the best in the world, but it's always hard to sell an expensive product. Thomson Reuters, on the other hand, has shown positive net sales, the attitude at the company is positive, and the willingness of the market to look at Eikon is improving. For the first time since 2008, I feel there is a positive vibe in the industry," Taylor adds.

IMD readers can access a free preview of the report by visiting www.burton-taylor.com/research and using the code FINMARKET2015IMD.

Faye Kilburn

DATA DISPLAY & ANALYTICS

Millistream Tapped by Real Estate Portal for Web Data, Index Calculation

Swedish market data provider Millistream has partnered with Swedish real estate publisher and website Fastighetsnytt to provide the publisher with a complete hosted market data solution and to calculate two versions of its FSBX real estate index.

Fastighetsnytt is a magazine and website focusing on providing news about the real estate industry, as well as information on Swedish real estate stocks.

Under the terms of the partnership, Millistream will provide a complete hosted market data web platform with continuously updating prices for the stock of companies active in the real estate markets—such as developers, financing firms or infrastructure companies—listed on the Stockholm Stock Exchange. Millistream will develop and host the solution which will provide updated stock prices, graphs showing price and market movements, **>10**

Unfazed by CEO Exit, SR Labs Plots 2015 Roadmap

<1 SR Labs chief operating officer Dipanjan Chatterjee, says the vendor will continue to focus on growing its product lines, now that it has fully integrated Wombat's assets with its own technology.

For example, by the end of the second quarter of this year, SR Labs will launch a historical tick capture service—which leverages Wombat's SuperFeed consolidated feed of



Richard Korhammer

data from exchanges and SR Labs' data recording and playback services—to provide customers such as large banks with historical raw tick data covering US equities markets.

"A lot of our customers have tried to do this in-house, but it's very expensive because you have to build connectivity to every exchange. So we are going to start collecting raw US equities data, and we will provide that to the major banks for back testing and compliance," Chatterjee says.

The vendor also plans to build a global exchange simulator, which will enable users to test their feed handlers against simulated feeds that mimic direct exchange market data feeds, but do not require costly licenses associated with genuine exchange feeds.

The simulator, which will be customizable to enable users to set up rules to mimic the specific behavior of each individual exchange, will help users to reduce costs associated with paying for direct feeds that are needed to test feed handlers and algorithmic trading strategies, says Christopher Archbell, sales director at SR Labs, who joined the vendor as a result of the Wombat acquisition.

Faye Kilburn

Simplicity Is the Best Policy

In Upton Sinclair's *The Jungle*, the author chronicles some of the finer points of sausage making in the early 20th Century, leaving us with the inescapable conclusion that there was nothing fine about what went into 20th Century sausages. Today, sausage packets contain mandated (and usually long) lists of ingredients and nutritional information. But has that transparency made us feel safer? What's BHT? And should I be worried that it's an ingredient in jet fuel as well as a food preservative? Whatever happened to simplicity?

You may well ask the same thing about the financial markets in which we operate. When did everything become so complex? And when did my data become so sophisticated that it's damaging to my (budgetary) health? Because increased sophistication comes with a price tag. For example, the humble steering wheel, which in Formula One racing has evolved from a circle of leather-coated metal designed only to turn the car's wheels into a space-age control panel where steering is merely one of its functions, controlling everything from gear shifts to fuel flow to brake bias. The cost of this extra sophistication is estimated at a cool \$50,000.

Of course, sophistication and simplification go hand in hand. While the F1 steering wheel becomes very sophisticated, it also simplifies the driving experience by placing all the controls in one obvious place. A similar argument would be how in the index world, index providers are developing countless numbers of

new index benchmarks. From a sophistication perspective, this produces a mire of indexes to wade through. However, from a simplicity perspective, there's a better chance that you'll find something that suits your particular investment style. This is a balancing act that all providers must perform, including the Bucharest Stock Exchange, which is currently in the process of expanding its index business.

Meanwhile, the International Securities Exchange is offsetting any increase in complexity resulting from a new set of datafeeds for its upcoming Mercury options market by making sure those feeds conform to the same types and formats that its subscribers are familiar with from its main markets, thus simplifying the process of connecting to the new market.

Dutch data software vendor Screen InfoMatch is also simplifying connectivity, by adapting its InfoMatch inventory management platform to suit the needs of different groups of users. For example, whereas the product has always had good traction among large banks and asset managers, the vendor sees parallel uses at exchanges, energy companies, and even private equity firms, all of whom have data management requirements, but which may not have been as conscious as seasoned bank execs that their usage and spend had become so complex.

And UK-based Web Services Integration is using HTML5 to boost cross-platform support for its Xceptor vendor

management platform—the benefit of which is that users would have access to all of Xceptor's functionality from other devices, such as Apple iPads.

So in reality, there are dual forces at work, and that every step towards greater sophistication and complexity is balanced by a step towards making more sophisticated results easier to work with and understand. After all, as the Screen InfoMatch example shows, simply pursuing ever-increasing sophistication for a specific audience results in being bound to the whims of that audience, whereas making something simple enough that anyone can use it opens it up to new, broader audiences.

In this age of mandated transparency, it seems that the very need to mandate transparency tells us that we should be making things simpler. At the end of the day, remember that we're all making sausages, and no one will thank us for making the best sausage in the world if the ingredient list is filled with unknown compounds or if the cooking instructions are overly complicated.



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Bucharest Stock Exchange Expands Indexes

The Bucharest Stock Exchange is preparing to expand its index business with the launch later this year of a corporate governance index and a benchmark index for its new AeRo startup marketplace, as well as a second total return index that will go live on March 23.

In the next calendar quarter, the Bucharest Stock Exchange will roll out a corporate governance index that ranks listed companies according to transparency, quality of reporting, most predictable dividends and forecasts, and general compliance with the local Corporate Governance Code.

"At present, we calculate price and total return indexes, as transparency plays a critical role in the 'investibility' and liquidity of a share. We have put in the last period lots of efforts in redesigning the Corporate Governance Code and all its implementation structure to make it work more efficiently," says Bucharest Stock Exchange chief executive Ludwik Sobolewski.

In addition, later this year the exchange will launch a dedicated index for the newly launched AeRO market, an alternative trading platform for startups and small to medium-sized enterprises to finance their projects and growth.

"We are a small but fast-developing market, and we want our index development strategy to follow the same pattern. In this way, the Bucharest Stock Exchange index universe will satisfy the numerous, various and most demanding investors' needs," Sobolewski says.

Meanwhile, on Monday, March 23, the exchange will launch its second total return index, BET-XT-TR, which reflects

the price performance of the 25 most-traded Romanian companies, as well as those companies' gross dividends and cash distributions, giving local and foreign investors a broader picture of the opportunities available on the Romanian capital market.

BET-XT-TR will be calculated in real time, and updated after each trade via the Bucharest Stock Exchange's data products and services, as well as via data vendors connected to the exchange. "Starting March 23, the day of its launch, the historical two-year values for the index will be available in the dedicated index section of the Bucharest exchange webpage, together with its composition, daily weighting and index methodology. Here, information will be also available on the quarterly rebalancing adjustments of the index and on the adjustments determined by corporate events," Sobolewski says.

Broad Exposure

The exchange launched its first total return index, the BET Total Return index (BET-TR), in September, which tracks the capital gains and the total returns of the exchange's 10 most liquid stocks.

BET-XT-TR offers a broader number of companies compared to BET-TR, as well as broader exposure to a different factor assumed when tracking or benchmarking an index—the dividend revenues factor—which delivered a 16 percent better return for the BET-XT-TR index between January 2013 and February 2015 compared to the price-based BET-XT index, Sobolewski says.

Joanne Faulkner

EOX Data Sales and Marketing Director Shipp Sails to DataGenic

UK-based commodities data and analytics provider DataGenic has hired **Jeff Shipp** as sales manager for the Americas, responsible for growing the vendor's presence among US financial services firms. Shipp joins DataGenic from EOX Holdings, the market data arm of over-the-counter energy and commodities broker consortium OTC Global Holdings, where he served as director of sales and marketing for the vendor's EOXLive centralized data warehouse. Before joining EOX in 2011, Shipp was director of sales and marketing at IVG Energy, where he managed sales of the vendor's gas and power forwards, correlations and volatilities data, prior to which he was ales director at Chicago-based investment research and data provider Morningstar's energy and commodities data subsidiary Logical Information Machines, and served as a quantitative analyst at Whiteside Energy, and an account manager at Trading Technologies. Based in Houston, Texas, Shipp reports to DataGenic sales director **Don Muzzy**.

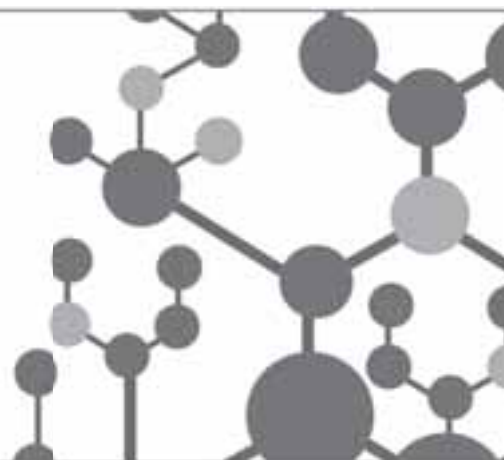
Correction

Last week's *Inside Market Data* incorrectly stated that Money.Net had partnered with Symphony to build connectivity to the vendor's chat platform. In fact, Money.Net is building its own platform that will be configurable with other chat systems, including Symphony, though the vendors have no official partnership. *Inside Market Data* apologizes for the error.

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Screen to Broaden InfoMatch Base for Two-Pronged US Push

Dutch market data inventory and usage monitoring platform vendor Screen InfoMatch is preparing enhancements to its core InfoMatch platform to appeal to different user bases as part of its strategy to grow its business in the US, and has hired a new business development executive in the region to execute on its plans.

Abhi Anuket joined the vendor last month as director of business strategy, responsible for identifying new opportunities that the vendor can compete for, reporting to Netherlands-based chief executive Peter Fruitema. Anuket holds a number of advisory roles at technology vendors, and has also held market data and reference data solutions and sales roles at Barclays Bank, Icap and Thomson Reuters. He replaces Zarina Jackson, who left the vendor last September.

Anuket says his appointment was a “strategic move” to expand into new areas and react to any other vendors of inventory platforms in other industries seeking to expand their products into financial services, by first expanding InfoMatch to new industries and user types.

For example, the vendor has begun targeting InfoMatch at exchanges, and already has a large, unnamed exchange using it to support its billing by uploading all vendor reports into the platform, and to find out where Screen can improve the product by understanding which products are most used in specific regions.

In addition, Anuket says the vendor plans to expand InfoMatch to other types

of companies, such as those in the energy industry that use market data, but have not had the same focus on managing their inventory as those in the capital markets space. Anuket also plans to use his experience and contacts in the private equity world to expand InfoMatch to use by private equity firms that also have data management requirements.

“We’re already in investment management and wealth management—why leave out private equity management? The environment is pretty much the same, but they have different standards,” he says, adding that the vendor is currently having conversations with private equity firms about the data they need and how to structure any changes into the product roadmap. “We are in the early days of analyzing how to tweak the product... so it will still be some time before we have a handle on it.”

In the meantime, Screen is pursuing a dual go-to-market strategy with Anuket and the staff of Market Data Insights, a consulting firm set up last year that provides data management tools on an as-a-service basis for smaller firms, using InfoMatch to perform the underlying inventory analysis and profile databases. In fact, Fruitema says Screen can tap into MDI’s skill in these areas to help set up initial client profiles, whether the user ultimately picks an on-site deployment or a managed service, whereas Screen may have missed opportunities in the past by not offering a managed service.

Max Bowie

WALLBOARD

March 25: FISD Paris. Paris. Organized by FISD. Details at: siia.net/events

April 21: North American Trading Architecture Summit. New York. Organized by Incisive Media. Details at: waterstechnology.com/events

April 21: Sell-Side Technology Awards. New York. Organized by Incisive Media. Details at: waterstechnology.com/events

April 23: Tokyo Financial Information Summit. Tokyo. Organized by Incisive Media. Details at: waterstechnology.com/events

May 19: Buy-Side Technology European Summit. London. Organized by Incisive Media. Details at: waterstechnology.com/events

May 20: North American Financial Information Summit. New York. Organized by Incisive Media. Details at: waterstechnology.com/events

May 20: Inside Market Data and Inside Reference Data Awards. New York. Organized by Incisive Media. Details at: waterstechnology.com/events

SCROLLING NEWS

>>NYSE Announces May 18 Go-Live for ‘Integrated’ Feeds

The New York Stock Exchange has announced that its new NYSE and NYSE MKT (formerly Amex) Integrated feeds, will go live on May 18, 2015, after beginning formal testing in mid-February. The feeds combine NYSE and NYSE MKT data with content from other NYSE data services in an industry standard format, and leverages NYSE’s XDP protocol. In a notification sent to users, the exchange advises customers to perform certification testing with sample market data before the feeds go live, and


to participate in production testing sessions scheduled for May 2, May 9 and May 16 to test connectivity and configuration.

>>Xignite Adds OTC Markets Level 1 Delayed Data

San Mateo, Calif.-based web services data provider Xignite has signed a license to distribute 15-minute delayed Level 1 data from New York-based over-the-counter equity market operator OTC Markets, to provide Xignite clients with delayed best bid and offer and security information for stocks traded on its OTCQX, OTCQB and OTC

Pink platforms. Matthew Fuchs, executive vice president of market data and strategy at OTC Markets, says Xignite’s cloud platform is “a natural fit” for the market’s delayed data, and expands OTC Markets’ distribution network via Xignite’s “accessible” API.

>>Thomson Reuters Launches Copper Data Service

Thomson Reuters will this month launch a new service dubbed GFMS Mine Economics (Copper) as part of its GFMS Mine Economics Package, to provide users of its Eikon desktop terminal with 

WSI Preps Access to Xceptor Data Management Tools via iPads, Cross-Platform Support

London-based data management technology vendor Web Services Integration (WSI) plans to release a new version of its Xceptor vendor data manager platform for the end of 2015 that will provide more cross-platform support and will automatically integrate data across multiple platforms, following the official launch of its 4.0 version on March 19.

WSI co-founder and technical director Dan Reid says Xceptor already gives clients access to operational user tools that allow them to do more without the need for technical intervention that a lot of other products require. However, over time, the platform's existing use of HTML5 gives WSI the potential to introduce further significant enhancements to the user experience, he says.

"HTML5 is designed to support cross-platform deployment. One of the things we're looking to do to move the

product forward is to bring some of the product capabilities to devices such as iPads. We would like to be in a position where an operations person can have, from their phone, where they are at all points in time, a dashboard that shows the status of the transactions that are flowing through Xceptor," Reid says.

In terms of WSI's roadmap for potential software plans, Reid says WSI is beginning a phased rollout of Xceptor that will culminate in a new release by year-end. "At the end of March, we will embark on some pilots which will be employed onto our cloud system. In early May, we are planning to release the data hub component sector [the vendor's range of tools for transforming between different vendor data formats, and for automating complex processes] on the 4.0 platform to all of our clients, and throughout the remainder of 2015, we will be planning

to roll out the other software components, so the plan is by the end of 2015 we will be completely moved on to the new platform and by that point we will have version 4.1."

Ease of Use

Overall, the updated Xceptor platform will offer users a completely new and clean user interface design, and a focus on common activities that users engage in within the product. "In practical terms, we've taken on board feedback that users like to be able to drag and drop things around the software, [and] we've maximized the usable screen space that can be used for undertaking day-to-day tasks. We've reduced the number of clicks that have to be used on the system. Overall, the product is more intuitive and will be faster and easier to use," Reid adds.

Joanne Faulkner



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Thomson Reuters Adds Bilateral Chat to Eikon Messenger

Thomson Reuters has integrated bilateral chat functionality into its Eikon Messenger tool, which allows users from two organizations to participate in a single chat conversation, to help firms maintain compliance when using their instant messaging systems.

The bilateral chat feature enables users of the Eikon desktop and the standalone version of the Thomson Reuters Eikon Messenger to initiate bilateral chats—with access restricted to only one or two organizations—by clicking on a new ‘Create a Bilateral Chat’ icon within the platform and inviting the required participants.

Thomson Reuters will screen invited participants against an internal database of organizations’ parent entities, subsidiaries, joint ventures and affiliates to ensure that conversations are restricted to no more than two firms. If an existing bilateral chat member attempts to invite a participant from a third organization into the conversation, they receive an error message explaining that the invitation has been blocked, says Lesli Fairchild, head of compliance and administration for collaboration services at Thomson Reuters. Likewise, a third party will not be able to view the bilateral chat unless they are invited.

“Unilateral chats can be used within a bank to allow... trading desks to ‘follow the sun,’ or to connect sales with research teams—or even by IT teams to

help them support front-office users,” Fairchild says, adding that the most common uses for bilateral chats would be for communication between a bank’s sales desk and its customers, or between trading desks and brokers.

“In reality, phone calls or emails—the only real alternatives—are even harder to monitor for abuse. Most organizations have come to realize that instant messaging tools help banks do business in the most efficient and timely manner—two things no bank can afford to ignore.”

Lesli Fairchild, head of compliance and administration for collaboration services, Thomson Reuters

Thomson Reuters added the new functionality—which is already available to Messenger clients—in response to recent regulatory investigations into the unauthorized use of multilateral chats. In particular, the proliferation of different instant messaging systems across the industry has led to an increase in users adopting multiple identity and organizational affiliations, which creates a significant compliance challenge.

Multilateral chats have legitimate use cases, such as to support debt syndication activities, but can be open to abuse—for example, chat rooms accessed by traders from multiple firms for the sole purpose of manipulating markets—which is the root cause of industry concern, Fairchild says.

“The initial knee-jerk reaction by some institutions to block all chats as a method to detect and prevent such abuses... is impractical because communicating this way is critical to the way the financial industry does business. In reality, phone calls or emails—the only real alternatives—are even harder to monitor for abuse. Most organizations have come to realize that instant messaging tools help banks do business in the most efficient and timely manner—two things no bank can afford to ignore,” she adds.

Common Problem

To create the bilateral chat functionality, Thomson Reuters worked with a number of financial institutions that Fairchild declines to name, but describes as being “some of the largest investment banks in the world [that were] all trying to solve a common problem—the need to enable legitimate business without adopting the legions of resources needed to support and administer complex approvals processes.”

Faye Kilburn

SCROLLING NEWS

<6 production analysis for 87 copper mines in 23 countries. The service provides production activity data sourced directly from copper mining companies, as well as global copper industry cost data, links to news stories relating to specific mines and mining companies, quarterly production trends, analysis of supply curve quartiles and margins, company rankings based on attributable production; and company pages with mine-by-mine production and cost data. GFMS was previously known as Fields Mineral Services prior to its 2011 acquisition by Thomson Reuters.

>>Barchart Cultivates Successful Farming Partnership for Agri Data App
AgriCharts, the agricultural commodities business of Chicago-based data vendor

Barchart, has launched a new agricultural data and news mobile app aimed at farmers and agribusinesses. Dubbed AgMobile, and developed in partnership with agricultural news provider and publisher Successful Farming, the app contains AgriCharts’ intraday cash grain bids sourced from local elevators, along with futures quotes, charts, news and weather data, and is available in versions for Apple iOS and Android mobile devices.

>>HKEx, LME and Borsa Istanbul Agree LCH, Data Deals

The London Metal Exchange (LME) and Borsa Istanbul have struck deals for Borsa Istanbul to acquire the LME’s stake in clearinghouse LCH.Clearnet, and for Borsa Istanbul to partner with the LME and parent

group Hong Kong Exchanges and Clearing (HKEx) on dissemination of market data. Under the terms of the agreements, the LME will license LME steel billet settlement data to Borsa Istanbul, and will work with the Turkish exchange to develop future products and services for the steel market. Borsa Istanbul will also have the right to disseminate real-time pricing data from LME and HKEx.

>>Dataminr ‘Mines’ Industry Vets for \$130M Funding

New York-based Dataminr, which derives real-time breaking news and data from Twitter streams, has raised \$130 million from a range of institutions and individual investors to help it meet demand for its products, expand into new markets and integrate

RepRisk Readies User-Specific ESG Risk Products, Tests New Rating Metric

Zurich-based environmental, social and governance (ESG) risk data provider RepRisk is planning to diversify its offering over the course of this year to provide multiple products that cater to specific groups of end users.

Until now RepRisk has maintained a single database—dubbed the ESG Risk Platform, which the vendor launched in 2006—that covers the risk profiles of more than 50,000 public and private companies, and 12,000 projects across multiple industry sectors worldwide.

However, in response to a diversifying customer base and a growing need for ESG data for different use cases in the capital markets industry, the vendor is now creating products targeted at specific users, such as investors and risk managers who are interested in supply chain information, as well as users who need to monitor their own firms' reputational risk profile and report internally to management.

"We started off as due diligence risk monitoring tool for the financial sector, and now our data is a treasure chest of information on over 50,000 companies, but the expectations of our customers have evolved," says Alexandra Mihailescu Cichon, head of business development and marketing at RepRisk. "Now there

are lots of different needs for such information, so we are moving strategically from being a one-product company to being a multi-product company. The transition is one that we are undertaking now, and we are working to package and visualize the data in different ways."

The first of the new products, which is still in development, is a suppliers screening report that will enable users to screen and prepare quarterly reports on the risk profiles of suppliers to companies that they are interested in investing in. Clients will be able to use these risk profiles to assess any change to a company's risk profile at the specific point when it begins working with a new supplier, or monitor their risk profiles over time.

The vendor has been receiving interest from multinational financial firms looking at supply chain relationships, which has been "a big issue" since the 2013 Savar building collapse in Bangladesh, which Mihailescu Cichon says made companies realize that current supply chain disclosures were insufficient and meant that companies were not fully aware of their risk exposure. "Now, multinationals have woken up to the fact that there is potential unknown risk in the supply chain, so they are looking for information providers," she adds.

The vendor is also developing investment and portfolio screening reports to provide investment management clients with views not only of the "hot spots" of ESG risk, but also of the aggregate measure of risk in their portfolios. Meanwhile, in the latter half of this year, RepRisk will release a Director's Brief targeted at executives and directors, which will provide a four- to five-page quarterly report of their own company's ESG risk, as well as a comparative analysis against their peers.

Finally, the vendor will launch a new metric based on its RepRisk index to help users better understand ESG risk. Currently, the vendor's index assigns a score of between zero and 100 to companies, countries or sectors, whereas the new metric will adopt the AAA to B rating scheme commonly used by the major ratings agencies.

"People see RepRisk's score of zero to 100, and they ask what 12 means, or what 64 means. The new rating is easy to understand, and we are providing it not just for all the companies in our database, but also for country and sector exposure," Mihailescu Cichon says.

The new rating metric is currently in beta testing and will be launched later this year.

Faye Kilburn

SCROLLING NEWS

new datasets to enhance its Twitter-based signals and broaden its offering. The funding was led by Fidelity Management and Research Company, Credit Suisse Next Investors, and existing investors Venrock and Institutional Venture Partners. In addition, the funding round includes investment from WorldQuant Ventures, Glynn Capital and Goldman Sachs, as well as from notable individual investors: former Morgan Stanley chief executive John Mack, former Citigroup CEO Vikram Pandit, and former Thomson Reuters CEO Tom Glocer.

>>Xignite Shares Data Toys in FinTech Sandbox

San Mateo, Calif.-based web services data provider Xignite will provide free market data for six months—including global exchange

data, financial analytics, proprietary news, third-party content and historical earnings estimates—to FinTech Sandbox, a Boston-based non-profit provider of financial market data, to provide early-stage financial services and financial technology companies and entrepreneurs with data to support product development and testing. Xignite is one of seven data providers providing data to FinTech Sandbox, alongside Thomson Reuters, SIX Financial Information, FactSet Research Systems, Benzinga, Tradier, and Plaid.

>>cPacket Preps Active Data Load Monitoring

Network monitoring technology provider cPacket has announced plans to unveil a new service in the second quarter of this

year, dubbed Active Test, which proactively identifies performance disruptions to data networks, enabling network operations professionals to ensure networks are functioning correctly and delivering the best experience for end users. The Active Test service complements existing passive monitoring tools by stress-testing networks using above-baseline behavior, allowing operations staff to create customized traffic profiles to emulate any stress level, and test the impact of different traffic scenarios on networks and applications that might go unnoticed under normal loads and operating conditions. Active Test will be available as a free firmware upgrade, and will be standard on the vendor's range of cVu-NG monitoring switches.

Real Estate Portal Taps Millistream for Web Data, Index Calculation

and also basic facts and company information, such as upcoming reports, calendar events and dividends.

Index Opportunity

The second component of the deal will see Millistream calculate Fastighetsnytt's proprietary FSBX real estate index. Millistream chief executive Per Rastin says the vendor will calculate two indexes on



Per Rastin

a continuous basis—a price index, and a total return index that incorporates the value of dividends so investors can view their total return (price gains plus dividend payouts) over a period of several years.

“For us the deal is interesting because it is the first index that we

calculate for someone, and this can be an interesting market for us where different actors need indexes calculating,” Rastin says, adding that Millistream may look to form more partnerships where it can serve as an index calculator if the contract with Fastighetsnytt is successful.

Joanne Faulkner

ISE Preps New Feeds Ahead of Mercury Market Launch

ency to trading members.

The exchange will offer a TOP Quote feed, which provides real-time best bid and offer data; a Depth of Market feed, which provides the aggregated volumes of all quotes and orders to four levels of depth; an Order feed, which provides a snapshot of every order resting on the book for simple instruments; and a Trade feed, that provides real-time last trade price and quantity, along with other trade statistics.

All four datafeeds are available in the exchange's proprietary binary protocol, while the TOP Quote feed is also available in the industry standard FIX/FAST Protocol, though ISE will phase out this protocol over the course of this year in favor of the binary protocol. The exchange began a program to migrate all of its FIX/FAST-based propriety market data feeds to the new binary protocol in July 2013, in order to deliver market data

on average 18 microseconds faster than previously.

ISE decided to offer the same feed formats for Mercury as for ISE and Gemini to provide synergies for members already familiar with the existing feeds, says Jeanine Hightower, business development officer at the exchange's parent group, ISE Holdings.

“Providing the same feeds will create synergies for existing pools of market makers and members as they have already coded to the other feeds. So they can reuse all the codes they have written before and easily start to participate,” Hightower says. “They still need to test, but its terms of reusing codes, it's a very easy transition.”

ISE has yet to announce a specific launch date for Mercury, but its member test environment is already up and running for members and participants to begin testing, officials say.

Faye Kilburn



Jeanine Hightower

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