



Inside Market Data

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With New Funding, Orbital Insight Expands Satellite Image Analysis for Commodities

Orbital Insight, a startup provider of market intelligence derived from analysis of satellite imagery, will this week go public and unveil plans to expand its services by providing data on oil storage, agricultural markets and construction in China, following a new round of series A funding.

The new investment from Sequoia, Bloomberg Beta and Lux Capital—all of which participated in Orbital Insight's original seed funding around a year ago—and Google Ventures totals

\$8.7 million, and will enable the vendor to build and market new content services, while also allowing it to obtain valuable customer feedback about its services.

Currently, the vendor tracks the number of cars in the parking lots of 60 retail stores to see where consumers are shopping, then provides updated estimates of store sales, delivered as a spreadsheet.

"One of the projects we're kicking off using the series A funding is an oil storage [>3](#)

Money.Net Builds Chat Connectivity to Symphony, Adds Twitter-Enhanced Commodities Mapping Tool

New York-based low-cost market data display vendor Money.Net is partnering with Goldman Sachs-backed messaging platform Symphony and incorporating new mapping functionality that will allow firms to use Twitter to monitor global oil refineries, as part of the vendor's ongoing efforts to build a low-cost alternative to legacy market data terminals.

Unlike traditional terminals such as Bloomberg Professional and Thomson Reuters' Eikon, which typically cost between \$1,500 and \$2,000 per month, the Money.Net platform is priced at \$50 per user per month, and users can subscribe

on a month-to-month basis, instead of having to sign multi-year subscriptions.

The platform is designed to provide the same data coverage, analysis and news content as traditional providers at a lower price. But more importantly, the vendor will provide additional functionality that goes beyond that offered by other providers, says Money.Net chief executive Morgan Downey, who joined the vendor a year ago from Bloomberg, where he was global head of commodities (*IMD*, Feb. 5, 2014).

As an example of additional functionality, Money.Net is currently partnering with [>3](#)

Aequitas NEO Gets Reg Nod for Data Fees, But Preps Initial Fee Waiver to Boost IPOs

Startup Canadian stock market Aequitas NEO Exchange will offer its market data free of charge under a fee waiver program from when the market goes live on March 27 until it achieves a five percent market share of the Canadian market, after receiving regulatory approval from the Ontario Securities Commission to introduce new market data fees.

Upon launch, Aequitas NEO plans to offer trading in a range of its own listings, as well as in all securities listed on the Toronto Stock

Exchange and TSX Venture Exchange markets. Aequitas will make Level 1 and Level 2 displayed market data for securities listed on Aequitas available free of charge to professional and retail investors alike, in a bid to encourage trading in companies that IPO on the exchange.

"If capital raising companies choose to list with us, they will have the maximum possible exposure because we will not charge for their data, which means that even if our [>10](#)

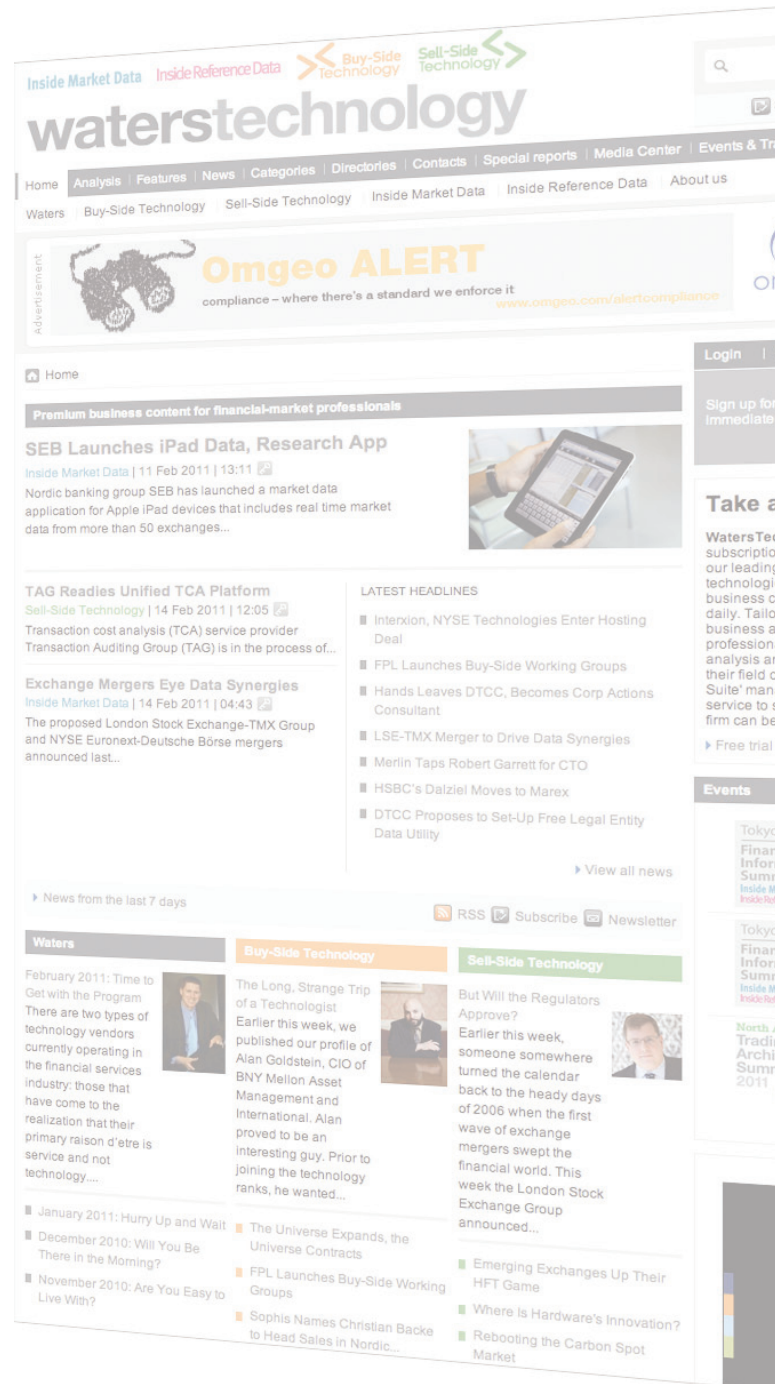
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With New Funding, Orbital Insight Expands Satellite Image Analysis

◀1 product—similar to what Gen-scape does when it flies helicopters over the Cushing oil storage, but we'll be doing that for 10,000 to 20,000 oil storage sites around the world," says James Crawford, founder and chief executive of Orbital Insight. "Besides oil, we are looking at other commodities, such as corn yield... and precipitation, and so on," he says, adding that during prototype testing, Orbital Insights actually beat USAD on predicting corn yields. Also over the next year, the vendor will seek to quantify how much advantage its data provides compared to data from other sources.

Crawford says the product will appeal most to hedge funds and the prime brokers that serve them, as well as some mutual funds and banks that rely on macro signals such as consumer spending and oil prices. These firms would then treat it as an objective dataset and combine it with other content—such as on-site consumer surveys of what shoppers bought and how well a store met customers' expectations or is on top of the latest fashion trends—to determine whether a retailer will have a successful or unsuccessful season.

The vendor will also use satellite

imagery to monitor construction activity in China, which has had a major impact on demand in the global commodities markets, by observing new projects and computing building size—based on measuring shadows at certain times of day—for 30 metropolitan cities in China. In addition, Crawford says the funding will provide extra flexibility to engage with customers about what they really want available in the platform. For example, it could also be used to track outputs of factories, or container traffic through ports. "There's a lot of good information on shipping, but not about exactly what's on those ships," he says.

Crawford says the ability to move quickly into new markets is a result of the commoditization of satellite technology and imagery, and the ability to analyze those images. "Until a couple of years ago, each satellite image cost a couple of thousand dollars, and you might spend a couple of days looking at each. Now, that has been flipped—we're already looking at a million images. So we go from looking at the parking lots of major chains to estimating quarterly sales for those retailers," he says.

Max Bowie

EXCHANGE WATCH

Poon Replaces Poon at HKEx Data

Hong Kong Exchanges and Clearing (HKEx) has named former head of market data Daniel Poon managing director and head of cash and derivatives clearing within the exchange's global clearing division.

Poon became head of market data in 2012 when his predecessor Bryan Chan moved to become chief executive of the China Exchanges Services Company—a joint venture with the Shanghai and Shenzhen exchanges—and subsequently managing director of HKEx's Global Markets division. Poon joined HKEx in 2001 from TD Waterhouse Hong Kong, where he was managing director, prior to which

he was comptroller and head of operations at TD Bank in Tokyo.

He now reports to Calvin Tai, head of global clearing for Asia, and is responsible for cash and derivatives clearing operations, depository and nominee services, and clearing support services, accounting for around 150 HKEx staff.

Winnie Poon, formerly senior vice president of market data in the market operations group of the exchange's Global Markets division and a 22-year HKEx staffer, has taken over as head of market data. She reports to Roger Lee, head of market operations in HKEx's global market.

Max Bowie

Money.Net

◀1 Symphony—the secure messaging platform being created by the \$66 million acquisition of Palo Alto-based messaging software vendor Perzo by 14 major financial firms led by Goldman Sachs—to build interoperability between its own chat system and Symphony's network of 64 banks and other professionals in the financial services sector.

"One of the biggest challenges facing a chat provider like Symphony is getting people to log in regularly. One of the reasons Bloomberg chat is so successful is because it automatically boots up when you log in to the Bloomberg terminal.... So we are working with Symphony on functionality that will automatically boot up Symphony when you log in to Money.Net," Downey says.

The vendor also recently released version 1.0 of an interactive commodities mapping tool, dubbed Commodity Trader Alert System, which enables users to track events such as outages or accidents at 700 global oil refineries. Unlike current tools in the market that rely on data from refineries and traditional news sources to populate their maps, Money.Net's platform also draws on geo-tagged data from Twitter to provide on-the-ground information, Downey says.

"Say there is a rumor of an oil explosion at refinery in Saudi Arabia. To confirm that story might take a traditional news provider a day to get a reporter on the ground, but by then, the markets have moved. In CTAS, users can view tweets that are geo-tagged in a five-mile radius around the refinery, and users can tweet back and ask questions such as 'What color is the smoke?' or 'Have you seen any fire trucks?' The user becomes a real investigative trader," he adds.

To offer its service at such a reduced price point, Money.Net is leveraging cloud and Big Data computing technology not currently used by the major terminal providers. "Everyone knows the current model is broken and that the industry is funding inefficient builds at the major terminal providers. We are going to look back on the 2000s and be amazed that people ever paid \$2,000 a month for a terminal," Downey adds.

Faye Kilburn

Fresh Season, Fresh Faces, Fresh Ideas

Regular readers will know that I like to (over) use metaphors to make a point, and one old chestnut I return to again and again is Formula One racing. Though most often employed by myself and others to illustrate low-latency issues, the sport—which gets underway this weekend in Australia—has a variety of uses to entertain or polarize any audience. But the one I'm going to focus on is that the first race of this year's season is as much a mixer for the new faces in the sport this year as it is a reunion for the old hands.

With race seats at the top teams sewn up well in advance, the fresh faces tend to be at the lower end of the grid, and include Britain's Will Stevens and Spain's Roberto Mehri both driving for the Marussia team, and Brazil's Felipe Nasr at Sauber, alongside Marcus Ericsson (though Sauber may have a third fresh face in the form of former test driver Guido van der Garde, who took the team to court to enforce what he says is a contract to race for the team full-time this year). Finally, two of the new faces are nonetheless familiar: the Toro Rosso team has a completely new driver lineup yet with established pedigree—Max Verstappen, son of former Benetton F1 driver Jos Verstappen, and Carlos Sainz Jr., son of world rally champion Carlos Sainz. And these aren't the only family legacies in F1: McLaren's Kevin Magnussen and Mercedes' Nico Rosberg are both following in the footsteps of their fathers—former Stewart GP driver Jan Magnussen and 1982 F1 champion Keke Rosberg, respectively.

Of course, while a racing legacy might help you get a seat in a team, it isn't necessarily a guarantee of success. And no doubt some of the fresh-faced companies in this week's IMD are well aware of this fact as they seek to elbow their way into competitive markets.

For example, Toronto-based startup exchange Aequitas NEO can be confident that its management team has previously launched successful exchange ventures—including Alpha Group, which was acquired by TMX Group. And while the management doubtless understands the competitive nature of the market it is entering in terms of winning trade flows and listings business from incumbent exchanges—including Alpha itself—they seem confident of the market's potential to win at least a five percent market share, since this is the threshold at which Aequitas will begin charging fees for its market data, which will be distributed free of charge until it crosses that milestone.

Money.Net isn't exactly a new face, but the low-cost vendor is certainly giving itself a facelift of sorts to compete with big-name terminal providers on functionality as well as cost, and in this case, connecting to Goldman Sachs-backed secure chat and messaging platform Symphony to boost its presence among messaging participants—something that chief executive Morgan Downie knows well, having joined the vendor last year from Bloomberg, whose ubiquitous messaging application was one of the drivers for Markit and Symphony creating

their own competing platforms.

Meanwhile, the emergence of companies such as Orbital Insight continue to provide fresh faces delivering new sources of content and new ways of deriving and analyzing data—in this instance, by analyzing publicly-available satellite imagery to derive estimates for store sales, crop yields, and construction projects, and delivering results in the form of numbers that traders and analysts can confidently use to support investment decisions.

And in a shameless but short plug for the events side of our business, we hope to see a good mix of old hands and fresh faces at our North American Financial Information Summit on May 20 in New York, both in terms of speakers and attendees. Entry for individuals from qualifying end-user firms is free, so if you haven't yet booked the day in your diary, please consider this a save-the-date reminder. Either way, we hope to see as many of you there as possible, and to hear your fresh ideas about tackling old and new market data issues.



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Exegy Ramps Up Data Capacity, Monitoring in 4th-Gen Appliance

St Louis, Mo.-based hardware ticker plant vendor Exegy has released the fourth generation of its hardware-accelerated market data platforms and ticker plant appliances, which will deliver nine times as much raw data input capacity and 10 times as much processing power as previous versions, along with enhanced data monitoring, to enable customers to gain better insight into their operations and data quality.

The fourth-gen appliances, which are typically deployed by financial firms at co-location or proximity datacenters to deliver low-latency and normalized exchange data, include new network interface hardware that will enable more processing tasks to be directly offloaded to hardware, as well as updated FPGA cards that will boost the system's ability to pull in nine times as much raw market data as before. The new FPGA appliances also have 10 times as many configurable logic gates as Exegy's existing FPGAs, meaning that users can more quickly perform computational processes such as data normalization, book building and quote generation.

The extra capacity will enable a single appliance to normalize and distribute market data from all US options feeds, including the Options Price Reporting Authority's consolidated quote and trade feed, and direct, full-depth market-by-order feeds from exchanges, to meet demand from large banking clients and market makers for a complete view of the market with a minimal datacenter footprint.

"Market makers and options traders have been challenged more than... other asset classes due to the rapid increase in

market data to describe their markets," says Exegy chief executive James O'Donnell. "We have customers who are traders and market makers in all options markets, and it's absolutely critical for them to be able to see across all the markets at all times."

As well as allowing clients to process greater volumes of data, the new appliances feature enhanced data monitoring functionality, which will provide users with more granular operational statistics on raw and normalized market data rates, and increased data quality checks, says David Taylor chief technology officer at Exegy.

"We are enhancing the granularity and range of statistics that can be gathered from the appliance to give our own staff and customers the opportunity to monitor them," Taylor says. "For example, for burst statistics, we not only have the ability to measure rates once a second to once a millisecond or beyond that, but we can also provide multiple sampling windows for the creation of rates, so customers can do more precise capacity planning."

The appliances will include a new interface with visualization tools for users to actively monitor their market data infrastructure, though firms can also choose to offload the process to Exegy if they prefer. "Customers can co-manage the monitoring systems as much or little as they like," Taylor says. "Some customers do quite a bit, and others take a hands-off approach."

The new devices are currently being rolled out to clients at no additional monthly service fee, though they are subject to an upfront installation charge.

Faye Kilburn

Hyndman Exits Nasdaq

Brian Hyndman, senior vice president of global data products at Nasdaq OMX, will leave the exchange at the end of March to spend more time with his family. Hyndman joined Nasdaq 11 years ago as part of its \$190 million acquisition of SunGard's Brut ECN, and has since held various senior roles in Nasdaq's data business, as well as serving as SVP of the exchange's transaction services, where he was responsible for managing the operations of its US equities trading platform. Nasdaq has yet to announce Hyndman's successor, and is transitioning his responsibilities to other members of the exchange's global information services team, who will now report directly to **Salil Donde**, executive vice president and head of global information services.

Former Markit, TRACE Exec Lefferts Makes Swift Move

David Lefferts, former managing director of global client management at data vendor Markit, has joined payments utility Swift as managing director of market initiatives for the Americas, with responsibility for evolving its products and services to meet client needs. Before joining Markit in 2006, Lefferts was vice president of TRACE and fixed income strategy at industry regulator FINRA, responsible for the authority's TRACE fixed income reporting service and datafeed, prior to which he was an executive director at brokerage firm Instinet. Based in New York, Lefferts reports to Swift Americas chief executive and global head of securities **Chris Church**.

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Velocimetrics Adds AHA Accelerated Data Compression to TipOff Latency Tech

Latency monitoring technology provider Velocimetrics has added a compression card from AHA Products Group (AHA) into its TipOff latency monitoring appliance, to enable customers to capture 40 million market data updates per second and store five times as much data as before.

Velocimetrics acquired an exclusive worldwide license to sell TipOff in the financial sector last July after the platform's original developer, UK-based latency monitoring technology provider TS-Associates, was placed in administration.

Previously, TS-Associates used software-based data compression, but by leveraging the AHA374 GZIP compression/decompression card from AHA to capture traffic from applications and networks, Velocimetrics can now provide hardware-accelerated compression within TipOff. The card captures data at a rate of 40 gigabits per second, up from 22Gbps previously, and compresses the data by up to 80 percent.

"The card takes the data and compresses it, but it's the software we have developed behind it that makes it most interesting," says Steve Rodgers, engineering lead at Velocimetrics, and former chief technology officer at TS-Associates. "The software utilizes the compression that AHA offers, and takes the compacted data and stores it on disk at a much lower volume."

This means customers can store five times as much data as before on a single 2U appliance, which will provide cost savings in the form of reduced heat, power

and rack space requirements in datacenters. The card is likely to appeal to any customers looking to store and analyze large volumes of data, Rodgers adds.

AHA is a specialized provider of application-specific integrated circuits (ASICs), circuitboards, and core communications IT, which is why Velocimetrics chose to partner with the vendor rather than build a compression card itself, Rodgers says. "It's not the kind of thing that's easy to build.... You have to come from a specialized background to do this. A few years ago, we implemented software-based compression, but it takes up valuable CPU resources on the appliances. This hardware-accelerated data capture allows us to squeeze out more performance."

The improvements to data capture and storage rates will enable TipOff users to better monitor growing volumes of market data, and ensure that 100 percent of data is captured in the event of market disruptions such as exchange glitches.

"Customers are looking to capture traffic at multiple locations. For market data specifically, that might be the traffic when it comes into a co-location site then through the firewall, then into a feed handler, and subsequent to that, into pricing engines to trade gateways," Rodgers says. "When market conditions start to disrupt, the overall volumes at these points tend to increase, so customers want to capture the 100 percent truth of what's out there."

Faye Kilburn

WALLBOARD

March 19: European Regulation Roadshow. Paris. Organized by Incisive Media. Details at:

waterstechnology.com/events

March 25: FISD Paris. Paris. Organized by FISD. Details at: siaa.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

>>Beast Apps, Icap, CME Ally on OTC vs. Exchange-Traded Analysis Tool

The Beast Apps has unveiled RapidRV, a real-time market data product that enables users to identify and analyze relative value opportunities between over-the-counter and exchange-traded futures markets, developed in partnership with the market data arm of interdealer broker Icap and CME Group. Built on The Beast Apps' high-speed market data delivery and analytics engine, RapidRV allows users to view live streaming futures prices for CBOT deliverable swap futures, CME Eurodollar futures and CBOT US Treasury futures from CME

alongside OTC interest rate swaps and US Treasury bond prices from Icap's GovPX and SwapPX data services, to analyze opportunities between the two marketplaces. The tool features real-time displays and calculators for viewing market data, relative values and hedge ratios between the markets for multiple hedging strategies, and calculates the "cheapest to deliver" Treasury security for corresponding CBOT Treasury futures.

>>Fitch Unveils Heatmap for Monthly CDS Changes

Fitch Solutions, the data arm of ratings agency Fitch, has launched a new interac-

tive tool on its "The Why? Forum" portal that will enable users to view month-on-month changes in credit default swaps (CDS) aggregated by country. The tool displays average monthly CDS changes for all available countries, updated on a weekly basis.

>>Markit Buys Halifax Housing Index

UK-based data vendor Markit has acquired the Halifax House Price Index from Lloyds Banking Group for an undisclosed sum. Under the deal Markit acquires the index and associated intellectual property, and will become the index administrator, while Halifax—Lloyds' property loans and

CenturyLink Taps Cognilytics Buy for Big Data Analytics Biz

Datacenter, internet and hosting provider CenturyLink is forming a new vertical to provide cloud-based, managed predictive analytics and Big Data services to financial firms, following the acquisition of San Jose, Calif.-based Big Data technology and analytics provider Cognilytics for an undisclosed sum at the end of last year.

At the time of the acquisition, CenturyLink planned to integrate Cognilytics' predictive analytics, data visualization and Big Data deployment management tools with its own network, cloud and managed services infrastructure.

Since then, the vendor has decided to "verticalize" Cognilytics' business, and will create a new business vertical offering predictive analytics and Big Data technology packages to financial services clients.

The first of the new financial services packages will comprise Cognilytics core capabilities, while the second will introduce additional features, says Manav Misra, chief knowledge and science officer at CenturyLink Cognilytics.

Cognilytics was formed as a result of the financial crisis, when firms trading residential mortgage-backed securities had

an inaccurate view of their risk, Misra says. For example, the first product offered by the vendor combined data on 15 million mortgages with unemployment figures, credit scores, and data from social media to create predictive models that forecast what would happen to each loan every month of its life going forward.

The vendor now offers a library of time-series, risk, credit risk, market risk and liquidity risk models, which will be the initial focus of its first new financial services packages. "We have tremendous strength in predictive analysis that can be used to predict what is likely to happen to securities, so we are going to bring that right on to the CenturyLink cloud network and managed services, and provide an end-to-end solution," Misra says.

In the second phase, CenturyLink will provide a centralized, managed data platform to enable users to aggregate their data in one place, though Misra says there is no date for when this will be available.

"At the high level, the driver is that a lot of trading companies have to repeat the same processes over and over again when it comes to market data. Lots of people are

creating their own warehouses where they are accumulating data and building models, but our vision is to provide a central space where people put in their data, then we provide sets of models and they can build their own models," he adds.

Before Cognilytics was acquired by CenturyLink, it worked with partners to deliver hosted services to customers, but now the vendor can leverage CenturyLink's infrastructure to provide an end-to-end hosted offering.

"We are definitely trying to integrate the two," Misra says. "One of the key purposes of the acquisition was to leverage the synergies between the two organizations. CenturyLink has traction in the infrastructure space, we offer expertise in data decisions, and our mission statement is to help customers monetize data as a strategic asset, understand data and structure it better."

He says the offering will be available to larger companies, but is mostly likely to attract mid-tier customers who want to perform predictive Big Data analytics using a single hosted platform.

Faye Kilburn

DELIVERY TECHNOLOGIES

McKay Launches Slough–Frankfurt Microwave Route

Oakland, Calif.-based microwave connectivity provider McKay Brothers has established a new microwave route between datacenter provider Equinix's LD4 facility in Slough, near London and its FR2 facility in Frankfurt to provide connectivity to firms executing low-latency trading strategies between the two financial hubs.

The route provides roundtrip latency of 4.64 milliseconds, and is part of ongoing efforts by McKay to expand its service in Europe, after the vendor launched a new wireless route between Frankfurt and Basildon in November, which—after engineering work in January—delivers roundtrip latency of 4.192 milliseconds.

McKay chief operating officer Jim Considine says the new Slough-Frankfurt route will appeal to firms executing automated trading strategies between LD4 and FR2, where Deutsche Börse hosts the matching engines for its Xetra cash and Eurex derivatives markets.

"Our customers are a really broad and diverse universe of proprietary traders, hedge funds, market makers and banks. [For them] this is all about low latency. The route allows firms to improve market making by arbitraging prices between instruments traded at LD4 in Slough and FR2 in Frankfurt," Considine says.

The route is now live, and though Considine declines to provide details of fees to use the service, he says the cost is significantly less than if firms were to build the wireless routes themselves.

Demand for the route is being driven by the need for microwave connectivity between the financial hubs hosted in Frankfurt and Slough, and by the need for independent network providers in the region, he says. "Some routes in Europe are owned by trading firms who sell services. McKay Brothers' mission is to level the playing field on access to the fastest infrastructure. But we also think firms pre-

fer to support an independent company such as ours, as opposed to one owned by a competitor," he adds.

In the coming months, McKay's sister company Quincy Data—an Oakland, Calif.-based provider of low-latency microwave-delivered market data—will make its Quincy Extreme Data service available via the new route. Users in LD4 will be able to receive order-by-order book and trade data on select Eurex futures contracts via Quincy's normalized feed with one-way latency of just over two milliseconds.

Considine says the route represents the lowest known latency on the market, but adds that the vendor will continue to make performance improvements to its entire network over the course of the year. "We continue to make every effort to squeeze out excess latency, and we also have plans to open other official points of presence in the UK," he says.

Faye Kilburn

Airex Content Market Preps Major Data Expansion in '15

Online financial content marketplace Airex is planning a significant expansion of data available via its platform over the course of this year, after announcing three content distribution deals within the past week, and aims to have “many hundreds of vendors” offering services via Airex by year-end, officials say.

For vendors that are already part of Airex, the platform offers a “revolutionary opportunity to reach new markets that were previously beyond their reach, and to generate new revenues with higher margins and little or no risk,” says Airex chief executive Stephen Kuhn.

Meanwhile, for customers, Airex is adding new products that correspond to the needs of its investor clients—initially composed primarily of small- to medium-sized professional investors, including hedge funds, registered investment advisors, and private equity professionals. “They’re interested in products they haven’t had access to before, couldn’t afford, or didn’t even know existed,” Kuhn says. “This includes research, analytics, idea generation—anything that can help them do their jobs more quickly and efficiently to help drive better results, and to free time for client development.”

Aside from the latest content partners on the platform—municipal bond data provider Lumesis, trading firm Maxim Group, and exchange-traded fund data specialist XTF—Airex is continuing to add providers to its Financial Air dataset on a weekly basis, and expects the

number of products available on Airex to dramatically grow throughout 2015 and beyond.

“By the end of the year we expect to have many hundreds of vendors,” Kuhn says. “At the end of the year, every company in the world will be able to list their product on Airex... so there’s going to be massive scale.”

The most recent of these is Lumesis, a Stamford, Conn.-based provider of data, analytics and compliance solutions for the municipal bonds market, which will make its Diver Advisor Municipal Bond Report and Diver weekly commentary on the municipal bond markets. The Diver Advisor Municipal Bond Report provides comprehensive information on specific bonds from up to 20 distinct sources, arranged by each bond’s CUSIP code, while the free weekly commentary provides insights on how market factors, timely data, and events may affect the municipal market and overall economy.

“We are proud to now include Diver Municipal Bond Reports on Airex, bringing this excellent product to a whole new set of potential customers,” Kuhn says. “We have created a cloud-based marketplace that brings premier providers like Lumesis together with global investors ranging in size from institutional to individuals. The ease of search has allowed many investors, especially smaller investors, to discover products that they never knew existed, which could have a huge positive impact on their revenues.”

The Lumesis launch follows two previous deals from Airex announced last week—a partnership with investment banking, securities and asset management firm Maxim Group, which will see the company listing its US equity research on the market, and a deal to carry New York-based exchange-traded fund data provider XTF’s Factsheets for Exchange Traded Funds, which includes ETF analytical data, ETF Ratings and research tools, as well as white-labeled ETF centers, screeners, and factsheets. Maxim is the most recent addition to the growing list of sell-side research and other data on the platform—which also includes content from Deutsche Bank—as part of Maxim’s strategy to broaden the audience for its equity research.

A ‘Mall’ for Financial Data

“We’re an online shopping mall, [an] our number one goal is to have our anchored tenants, the shops and the vendors that will attract other great vendors and customers.... We’ve started with a lot of the big names—Deutsche Bank, Standard & Poor’s, for example—and will continue to add more with new announcements,” Kuhn says. “But our platform is also compelling for the smaller vendors as well as it gives them democratized access to a marketplace that is being served through a direct sales model but which should be addressed through an online digital marketplace.”

Joanne Faulkner

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◀6 mortgages business—will publish the monthly index for the vendor. The branding and methodology remains unchanged.

>>FME Taps Object Trading for Normalized Data, Trading

London-based market maker and proprietary trading company Financial Market Engineering is now accessing normalized market data from 13 markets across five co-location centers via trading technology and data platform provider Object Trading’s Direct Market Access (DMA) Service Platform, after going live with trading on the platform last week. By deploying the Object Trading DMA platform, FME is able to add

access to additional datafeeds and order execution connectivity from any of Object Trading’s 60 markets without having to build new infrastructure, leaving the company free to focus on developing its trading strategies.

>>CQG Adds Eris Connectivity

Denver, Colo.-based trading technology, data and analytics provider CQG has built a connection to swap futures exchange Eris Exchange’s SwapBook platform, allowing clients to access market data and analytics from Eris, and to route orders to Eris via CQG’s trading systems. In addition, using CQG’s Spreader tool allows those trading on Eris to also route orders to other markets,

such as BrokerTec, Nasdaq eSpeed and other platforms trading US Treasury bonds.

>>GlobalRisk Integrates Interactive Data for Real-Time Risk Exposure

GlobalRisk, a provider of real-time risk management and trade support software, is to use data from Interactive Data to provide brokers, hedge funds, futures commission merchants, clearinghouses and exchanges with greater visibility into trading activity and decision-making, and to minimize risk exposure. GlobalRisk captures Interactive Data’s real-time or delayed equities, futures and options data into its FirmRisk solution via Interactive Data’s Consolidated Feed,

Exchange Data Revenues Make Positive Start to 2015

Exchanges worldwide reported gains in market data revenues in the latest round of financial results, and were largely able to offset lower revenues in some business areas with new revenues from acquisitions.

The London Stock Exchange's information services business generated £100 million in revenues in Q4, with its FTSE index business generating £48.2 million of that, compared to £48.3 million in the previous quarter, and up against £44.2 million for FTSE in Q4 2013. Recent acquisition Russell Indexes, which LSE included in its results for the first time, generated £10 million in December. For the financial year, FTSE revenue rose 14 percent, though the LSE's overall real-time data revenue fell 11 percent in 2014, as a result of lower numbers of UK real-time professional users. Full-year revenue from other information products rose 14 percent to £92 million, driven by strong performance from other information products, such as UnaVista and SEDOL.

Canadian exchange group TMX reported a drop in information service revenue to C\$46.9 million, from C\$47.6 million in Q4 2013, primarily due to lower revenue recoveries related to under-reported usage of real-time quotes in prior periods—such as Q4 2013, when recoveries totaled C\$2.8 million—and lower index licensing revenue. However the decrease in information services revenue was partially offset from new revenue from the acquisition of Strike Technologies' microwave network business in October.

Euronext saw market data and index revenue grow by 5.4 percent over the previous year to €23 million in Q4, with revenues benefiting from various product launches since the start of 2014. Overall, the exchange posted an 11 percent increase in market data and index revenues to €93.3 million for full-year 2014 compared to 2013, as a result of strong client takeup of its Continental Derivatives data packages, delayed data and a record number of investment products licensed against Euronext indexes. Euronext also secured 120 new vendors distributing 15-minute delayed data, making a total of 375 vendors worldwide.

In Eastern Europe, the Warsaw Stock Exchange reported record revenues and significant increases in operating profit for 2014. Revenue from information services was PLN (Polish zloty) 38.2 million in 2014, an increase of 9 percent year on year. In Q4 2014, the revenue from information services was PLN 9.5 million, an increase of 1.7 percent over Q4 2013, and an increase of 2.8 percent over Q3 2014.

The Moscow Exchange also reported strong growth in revenue and net income overall for 2014. For the full year ending September 2014, "other revenue"—which comprises the sale of data, software and technical services—remained flat at RUB (Russian rubles) 966.9 million, with market data accounting for RUB 436.17 million of that total, up 44.8 percent over 2013.

Deutsche Börse generated net revenue

of €544.5 million in Q4 2014, with revenue from market data and services up from €93.6 million in Q4 2013 to €99 million in Q4 2014.

CME Group reported significant growth in every product area during Q4, with revenues for market data and information services up from \$76.5 million in Q4 2013 to \$89.6 million in Q4 2014. For the financial year, CME Group's total revenue jumped 22.4 percent year-over-year to \$841.1 million.

Fellow Chicago exchange CBOE Holdings also reported record Q4 and 2014 results. Operating revenues increased 17 percent to \$166.5 million for Q4 and 8 percent to \$617.2 million for the full year—a result of a 23.9 percent increase in transaction fees to \$122.7 million, a 10 percent increase in market data fees to \$7.7 million, and a 9.1 percent increase in "other revenues" to \$3.6 million for the year. These gains were offset by a 5.2 percent decline in access fees to \$14.5 million, a 2.1 percent decline in exchange services and other fees to \$9.4 million.

The Japan Exchange Group reported third quarter income from information services—which primarily consists of fees for market information provided to data vendors and income related to the index business—increased 0.3 percent year-on-year to ¥12,000 million. Revenues from co-location usage fees and proximity usage fees rose by 12.9 percent to ¥2126 million.

Joanne Faulkner

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then runs stress tests and analytics on the data, and calculates intraday risk exposure, which gives firms a better understanding of risk exposure on an account or a product, or on trading cost and revenue.

>>ClearStructure Adds Fitch Ratings to Portfolio Management Platform

Danbury, Conn.-based financial technology provider ClearStructure Financial Technology has made global credit ratings from Fitch Solutions, the data vendor arm of ratings agency Fitch, available via its Sentry PM portfolio management platform, to enable users to better assess the creditworthiness of issuers, bonds and loans. The

data covers sovereigns, banks, corporates and structured finance, and is available on ClearStructure's specialized Sentry platforms for asset managers, CLO managers, hedge funds and loan trading.

>>StatPro Releases Upgraded Revolution Data Model

UK-based data and portfolio analytics vendor StatPro has introduced a new market values data model with data validation screens as part of the March release of its cloud-based Revolution desktop. StatPro now supports market values-based holdings data for portfolios, in addition to the existing quantity-based holdings data and the security

weights and returns data. The update has also added the capability to import portfolio total assets independently to holdings. Total assets will be compared to the sum of the market value of the underlying holdings as part of the data reconciliation process. The new release has seen changes to the software's administration section, and support for multiple net asset value series data, as well as a new processes and data validation methods to support the new market values data model. The introduction of data controls provides a mechanism to easily investigate and trace data issues to either a user's data source or data transformations that occurred within Revolution.

Aequitas NEO Gets Reg Nod for Data Fees, But Preps Initial Fee Waiver to Boost IPOs

◀ competitors pick up and trade that security, it is very difficult for them to charge for that data as well,” says Joacim Wiklander, chief trading and data officer at Aequitas NEO Exchange.

Displayed Level 1 and 2 data for TSX-listed and TSXV-listed securities—where “displayed” refers to use in a screen-based device such as a data display or trading application by an individual user—will be available free of charge for non-professional users and waived for professional users until Aequitas NEO reaches five percent market share.

The fee waiver is designed to incentivize dealers and financial advisors to trade Canadian securities and facilitate capital raising by issuing companies, by reducing their cost of doing business, including reducing the cost of market data, which Aequitas NEO officials say is as a “significant part of [market participants’] cost burden.”

Once the exchange achieves five percent market share, it will introduce professional data fees. Level 1 fees for TSX-listed securities on the exchange’s lit and NEO books will cost C\$4 each per user per month, or C\$6 combined, while Level 2 data for each market will be available for C\$6 per user per month,

or C\$10 for both markets combined. Meanwhile, Level 1 data for TSX Venture Exchange-listed securities traded on Aequitas’ lit and NEO order books will cost C\$2.50 each per user per month, or C\$4 combined, with Level 2 data for each market available for C\$3 per user per month, or C\$5 combined. Aequitas NEO will operate a MISU (multiple-instance-single-user) model, so users can display its data on multiple devices without incurring additional fees.

Aequitas NEO Exchange will not charge fees for non-display use of data on its proprietary listings securities. However, for TSX-listed and TSX Venture Exchange-listed securities, clients using the non-display data for trading purposes will be required to pay C\$1,500 per user per month for securities traded on its Lit Book and NEO Book, respectively, and C\$2,500 combined. Those using the data for analysis purposes will be required to pay C\$750 per user per month each for its NEO and lit Book, and C\$1,000 combined.

Finally, Aequitas NEO plans to introduce a redistribution fee for the distribution of full depth of book pre- and post-trade data, but will waive distribution fees for Aequitas NEO-listed securities,

while fees for TSX- and TSX Venture Exchange-listed securities will vary by tiers—starting at C\$300 per month for between one and 100 users, and rising to a maximum of C\$2,250 per month for more than 10,001 users—depending on the number of users consuming that data.

Aequitas NEO established its fee schedule in response to Canadian real-time displayed market data fees, which officials say are “considerably” out of line with other capital markets around the world, and which have also led to investors minimizing their exposure to Canadian market data.

“There is a current stranglehold on the dissemination of trading information in Canada, and it has resulted in prohibitive and virtually monopolistic pricing. This prevents numerous investors, including the vast majority of Canadian retail investors and their advisors, from seeing in real-time the full picture of what is really happening in the markets,” says Jos Schmitt, president and chief executive of Aequitas NEO Exchange, in a statement. “There is a real need for something new and different in the Canadian market data space.”

Faye Kilburn

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North American
Financial Information Summit
Inside Market Data
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
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Inside Reference Data
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Inside Market Data
Inside Reference Data
Date: 15 September
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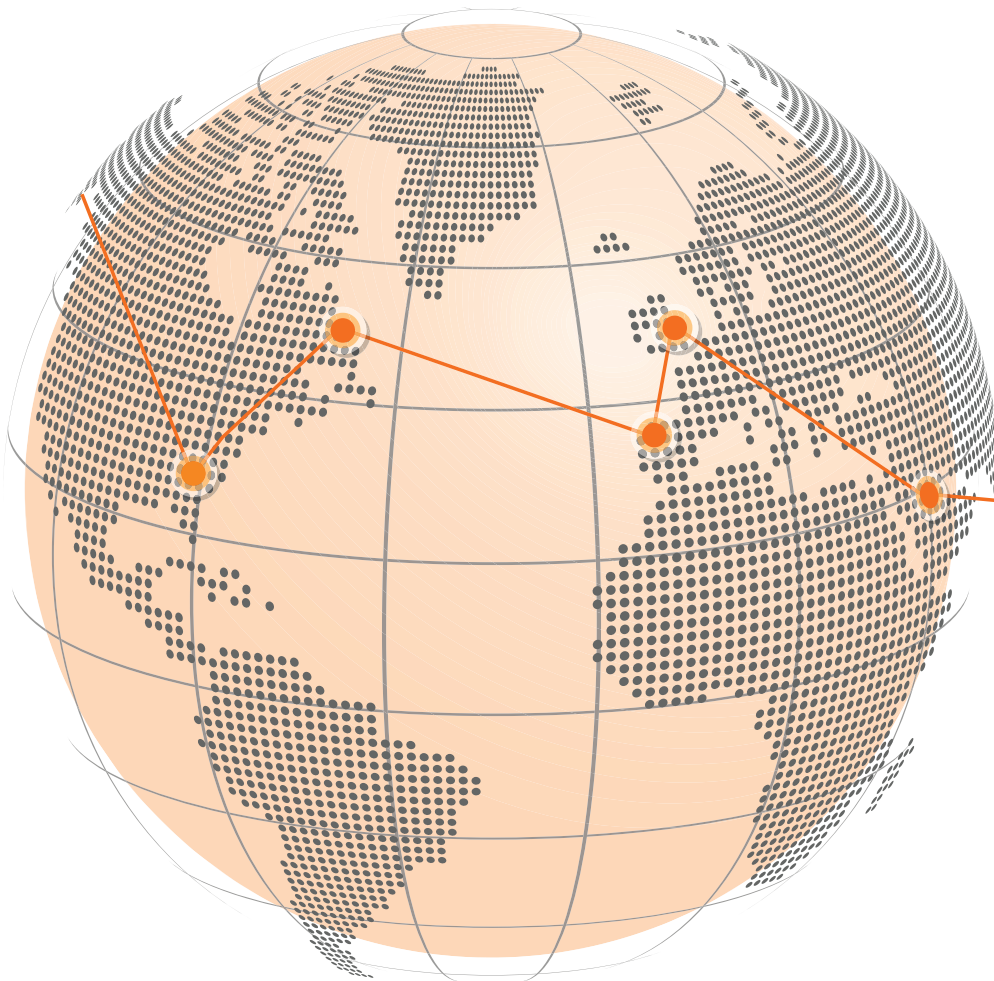
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Location: New York

European
Trading Architecture Summit
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