



Traders Eye Emerging Markets, European Market Transparency

By Don Finucane, Vice President of Product Management and OTC Data Services at Interactive Data

As algorithmic trading evolves, more firms seem to be using their systems to trade equities from across the U.S., European, Asian, Middle Eastern and Latin America markets. Interactive Data is committed to supporting electronic traders by providing them with consolidated low-latency global data that includes extensive level 2 data, as well as real-time and historical tick data. Following is a look at some key offerings from Interactive Data's Real-Time Services business that may interest clients.

Europe

In Europe, because no consolidated tape exists, many firms have had to face the challenge of consolidating data across Europe's growing number of execution venues and building that logic into their algorithms.

With the launch of Interactive Data's PlusBookTM, a new consolidated order book service for the European financial industry, firms may no longer need to build algorithms with the ability to determine the best price out of a range of markets. PlusBook provides a consolidated order book designed to help financial institutions gain a more complete view of global market liquidity by aggregating orders from multiple venues, including those based in the US.

Providing low latency access to streaming level 1 and 2 data, PlusBook has been designed to identify each trading venue by Market Identification Code (MIC) and, subject to client entitlements, covers the markets available on PlusFeedSM, Interactive Data's consolidated, low-latency digital datafeed. Venues for

which a price is available via PlusFeed, but not part of the customer authorized entitlements, are identified as part of the consolidated view. Customizable features can allow end users to tailor the coverage provided to the venues most relevant to them.

PlusBook derives the sum of orders at a specific venue at a specific price, designed to provide financial institutions with an aggregate of offers from different venues which can help track market liquidity. Subscribing companies feed the consolidated order book data directly into algorithmic or automated trading applications, thereby optimizing trading strategies.

PlusBook can be integrated quickly and easily with PlusFeed, which delivers a broad range of global financial information from over 450 sources and exchanges worldwide, covering more than six million instruments.

Emerging Markets

As firms expand their trading into emerging markets, data coverage available through the low-latency PlusFeed has been expanded to include more emerging markets exchanges.

PlusFeed delivers extensive level 2 data for developed and emerging markets, and is designed to provide full depth of book and every tick of data. Interactive Data does not conflate any of its level 2 data, and offers customers the option of receiving all available updates.

Following are some of the emerging markets exchanges recently added to PlusFeed:

- Multi Commodity Exchange (India)

- Dalian Commodity Exchange (China) level 1 and 2
- Dubai Gold and Commodities Exchange
- Ho Chi Minh Trading Center (Vietnam)
- Hanoi Securities Trading Center (Vietnam) level 1 and 2
- Ljubljana Stock Exchange (Slovenia)
- Zagreb Stock Exchange (Croatia)
- Belgrade Stock Exchange (Serbia)
- Micex (Russia) level 1 and 2

Tick Data

Through its PlusTickSM services, Interactive Data provides a range of options from a fully managed, onsite database with streaming real-time tick data to end-of-day file delivery to help with:

- Back-testing algo strategies
- Transaction cost analysis
- Proving best execution
- Compliance and regulatory requirements
- Pre- and post-trade transparency

For firms looking for end-of-day tick data, PlusTick FTP is a daily file that delivers time and sales, minute bar and cross-reference data from over 60 global exchanges. For firms that require real-time streaming tick data, PlusTick Server is a deployed container that provides tick capture, storage and management of millions of real-time and historic tick messages at the client site.

The upcoming version of PlusTick Server, due out summer 2009, will have enhanced tick history storage capabilities and will support both level 1 and 2 equities data.