



“Enabling Automated Standards based Financial Market Connectivity”

Financial Markets Connectivity – Rob Woodmansey / B2B ITS

Enabling Automated Standards – Wayne Meikle /C24



- The “We can do it better” position
 - Sceptical of the technology that’s available
- Still too expensive
 - License fees for software
 - Transaction fees per message/nominal
 - Cost is barrier to participation
- Uncertainty about the future
 - New emerging standards
 - Existing proprietary dependencies
 - Advent of commoditised solutions
- Dual track STP
 - Internal
 - External

SPECIFIC INTERNAL STP ISSUES: B2BITS

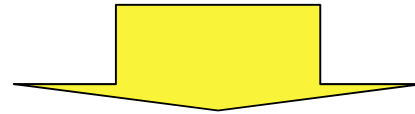


- Do I need a Ferrari in Manhattan?
 - Gets you nowhere fast (low ROI)
 - Counterparty adoption is a prerequisite...
- Integration Utilities
 - Bundled for buy and sell side
 - No license fees
 - Maintained industry Standards

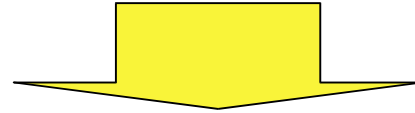
EXTERNAL STP ISSUES:



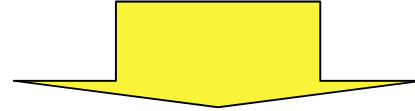
- The tools for dictionary / translator for external communication too expensive



- Sub optimal number of participants



- Costs dominated by the least developed



- Industry must develop solutions for all market participants



WHAT CAN WE DO TO ENCOURAGE ADOPTION OF UTILITY STP?

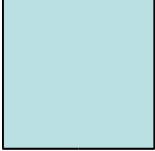
- Reduce barriers to entry for all via:
 - Providing Integration Utilities [FIX/messaging Appliances]
 - Flat fee routing
 - Automated compliance testing
 - Thus providing certainty on both cost and ongoing service provision

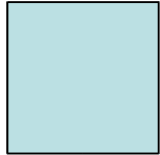
PRE-FIX:

B2BITS

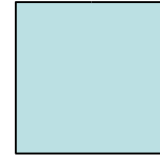


 **Internal Systems**

 **Broker
Dealers**



**Information
Providers**



Exchanges



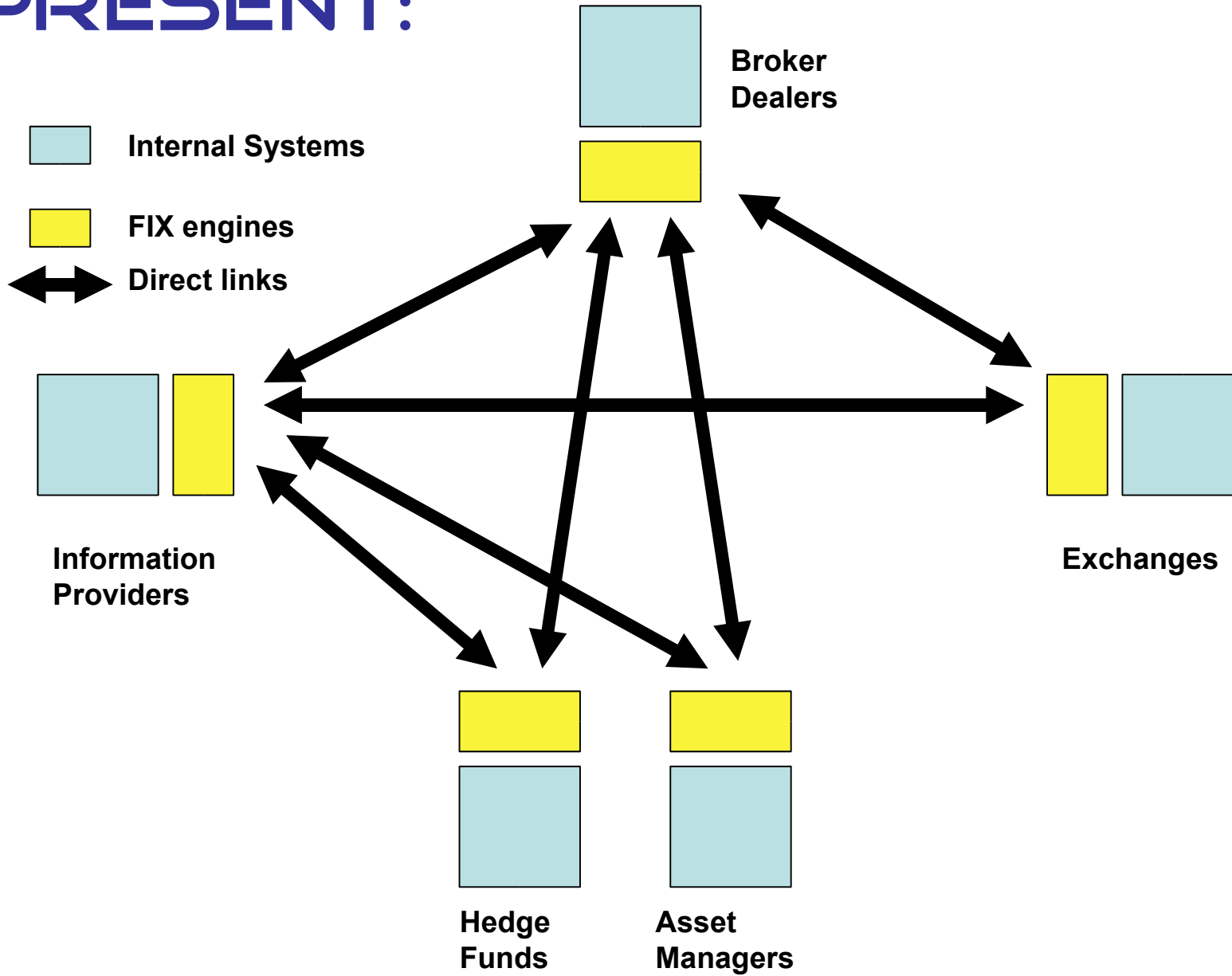
**Hedge
Funds**



**Asset
Managers**

PRESENT:



B2BITS

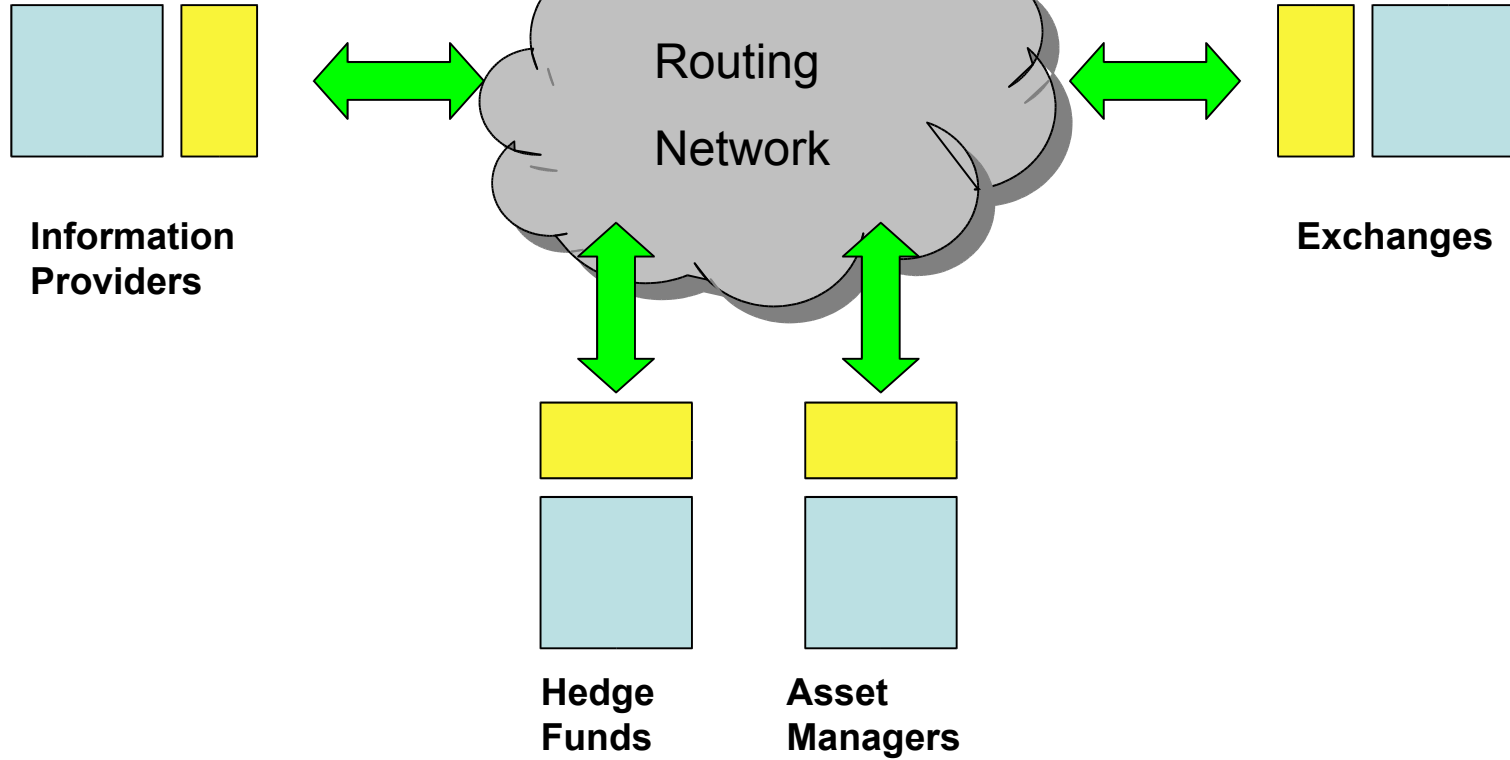


SOLUTION:

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-  Internal Systems
-  FIX engines



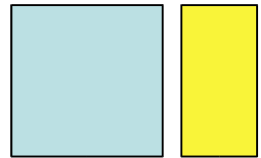
BETTER SOLUTION:

B2BITS

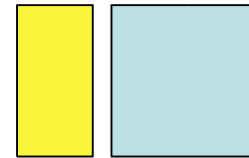
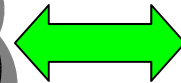
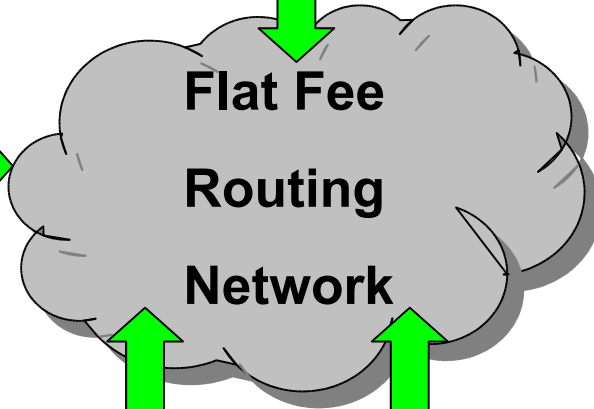
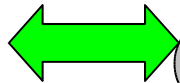


 Internal Systems

 FIX engines



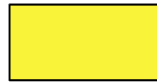
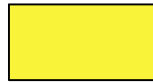
Information Providers



Exchanges



Broker Dealers



Hedge Funds





Asset Managers

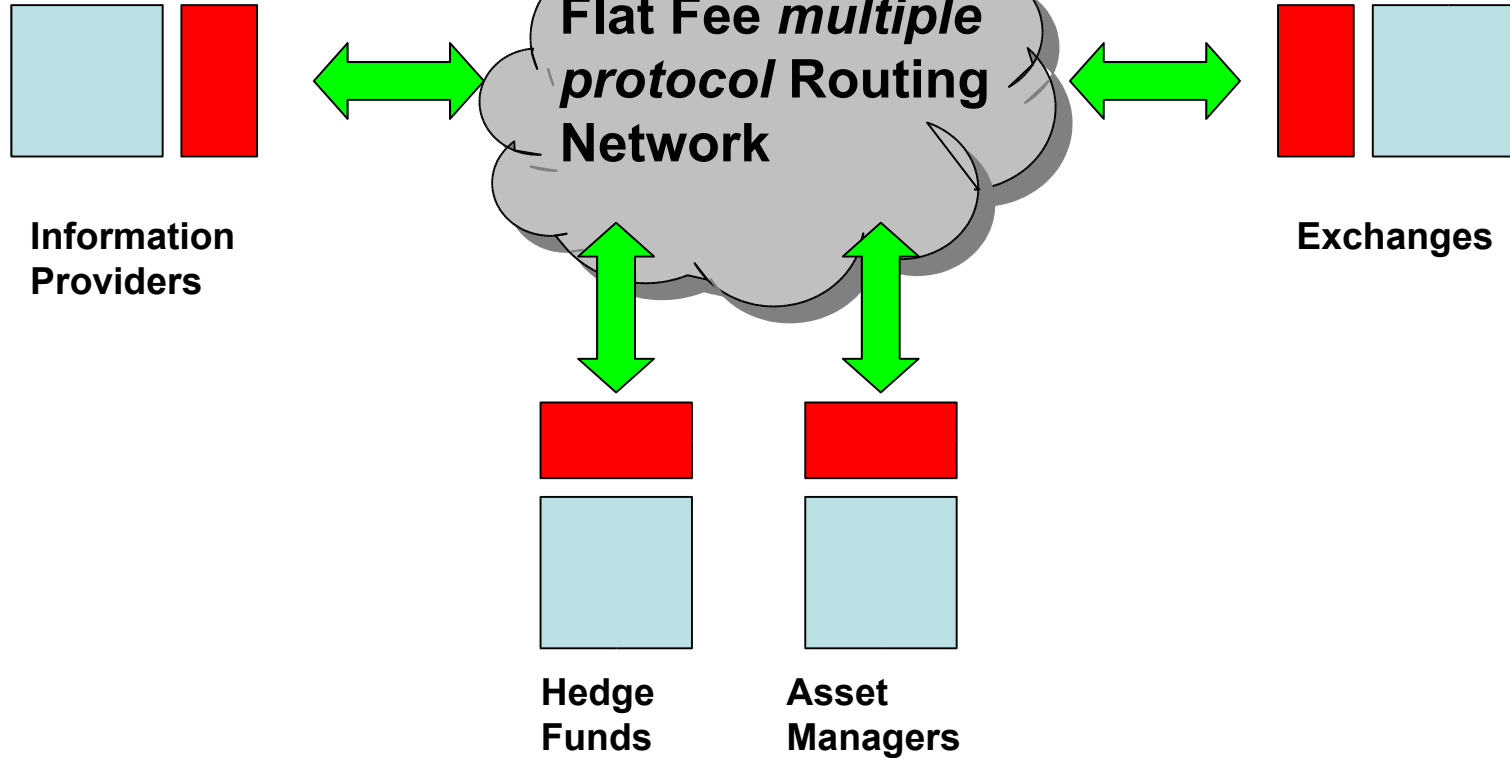


BEST SOLUTION:

B2BITS



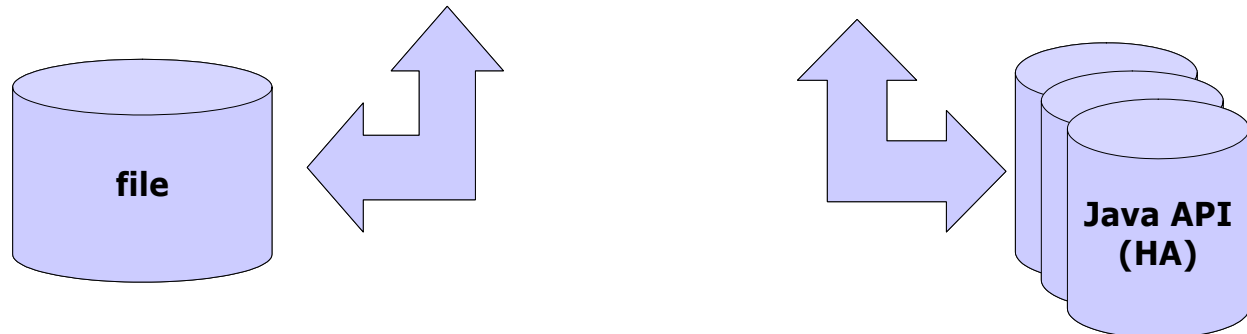
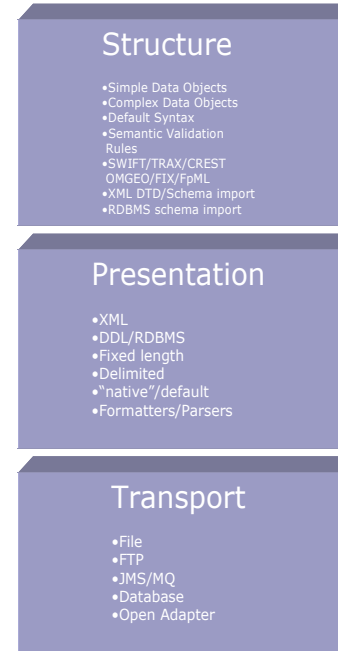
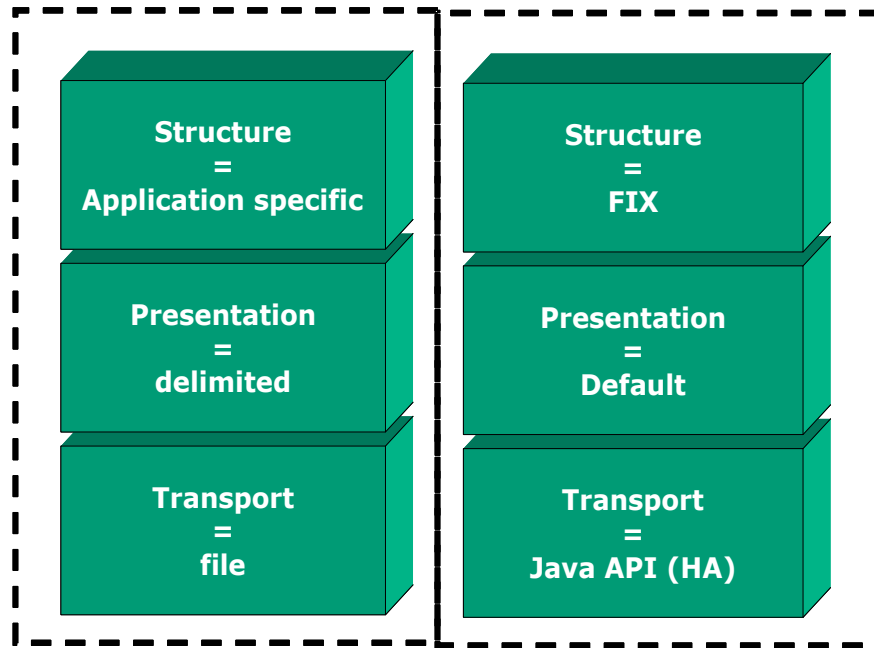
-  Internal Systems
-  Black Box: SWIFT, FIX, FPML, OASYS





Standards based integration

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TOP DOWN META-DATA BASED INTEGRATION AUTOMATED STANDARDS DEPLOYMENT

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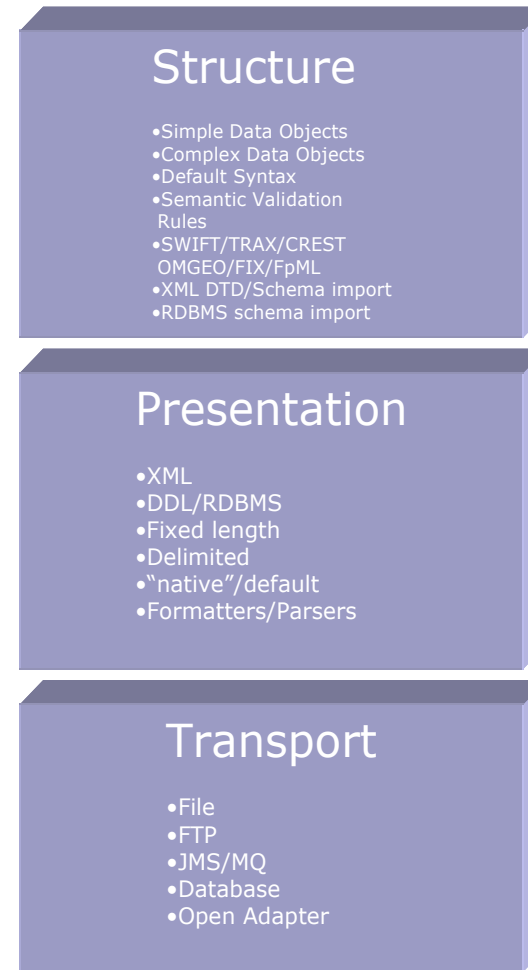
Top Down integration – standards based business transaction metadata to represent inter-application and counterparty communications

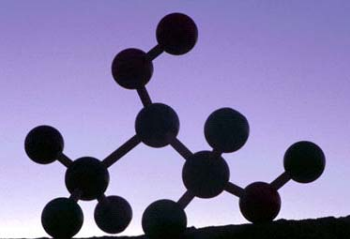
“Plumbing” is not the main event

This allows automated generation of Java components that include transaction validation and best practice business conventions

Code generation binds a data Structure, to a Presentation layer, to a data Transport

Off the shelf maintained standards libraries





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DATA OBJECT DEFINITIONS - STRUCTURE

Simple Data Objects

Complex Data Objects

Default Syntax

Semantic Validation Rules

XML DTD/Schema import

RDBMS schema import

Meta-data versioning and “diff” support

OFF THE SHELF DOD STANDARDS LIBRARIES:

FIX - Financial Information eXchange

FpML - Financial products Markup Language

SWIFT – ISO7775/15022

OMGEO/Oasys/Oasys Global/Oasys Global Direct/CTM

CREST

ISMA/TRAX

TWIST - Treasury Workstation Integration Standards Team

CHIPS - Clearing House Inter-Bank Payments System

BEERS - Bank of England Electronic Reporting System

CENTURY 24 SOLUTIONS
APPLIED SOLUTIONS IN FINANCE WWW.C24.BIZ



THE FUTURE OF FINANCIAL SERVICES INTEGRATION

Subscription based “Integration Utilities” which include flexible hardware, O/S and application software and network connectivity bundles

Support for open packaged standards metadata based “Top Down” integration

**Why spend \$500,000 on what are already
commoditised solutions?**

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THANK YOU

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