

Exploring New Markets

Over recent years, the success of FPL's regional conferences held in markets as diverse as Sao Paulo and London, New York and Sydney, Toronto and Hong Kong has grown exponentially, to the point where the two large regional conferences that FPL has already held this year have both completely sold out.

Take the March EMEA Trading Conference as an example: now in its second year, this event attracted more than 815 delegates before FPL closed registration as venue capacity had been reached in one of the largest conference venues available in the City of London! 90% of these delegates then attended on the event day to learn about the developments impacting the region's trading community, with strong representation from the buy-side in addition to the sell-side, exchanges/ECNs, vendors and analysts.

Based on successes such as these, it is not surprising that FPL Member firms have asked FPL to organise educationally-focused events in a number of new markets in the latter half of 2010. FPL is an industry-driven organisation, constantly striving to meet its members' needs effectively, and it has been working diligently with representatives in markets across the globe to develop a series of one-day briefings which will include:

- **FPL Africa Briefing, Cape Town, September 20th**
- **FPL Mexico Briefing, Mexico City, September 30th**
- **FPL Nordic Briefing, Stockholm, November 23rd**
- **FPL Middle East Briefing, Dubai, December 14th**

Each of these locations has been carefully selected as FPL believes that the opportunity to develop a stronger understanding of new and emerging electronic trading practices, and the benefits that increased use of the FIX Protocol family of standards offer to



By Daniella Baker, Marketing and Communications Manager, FIX Protocol Limited

these markets would be of significant interest to local participants.

Following research conducted to comprehend fully the real educational needs of the local trading communities, a number of key trends have emerged and sessions focused on these topics will feature prominently at many of these events. The growth of high frequency trading is raising multiple questions, ranging from queries focused on what it really is, to the costs, risks and opportunities it presents, and the extent to which it is being used within these markets. Added to this, market participants are also keen to gain a stronger understanding of algorithmic trading, what types of algorithms are available in their local market, the circumstances when they should be used and the benefits they could offer to their firms. In line with this, demand for information is high, from both a business and technology perspective, about the recently-released new industry standards-based messaging language for algorithmic trading strategies, the FIX algorithmic trading definition language (FIXatdSM). Firms are keen to understand how providers

of algorithmic trading strategies can use this new standard to release their specifications in an easy-to-implement, computer-readable XML format as opposed to the traditional method of supplying detailed documentation and considerable coding and testing. They are also understandably very interested in the significant decreases in the time-to-market that can be achieved for new and updated trading strategies. In addition to these more global trends, market participants are also keen to understand how they can more effectively manage developments closer to home, including questions being raised in the Mexican market about how their firm can connect to the Bolsa Mexicana de Valores (BMV, the Mexican Stock Exchange) once it moves to using FIX later this year.

"...market participants are also keen to gain a stronger understanding of algorithmic trading, what types of algorithms are available in their local market, the circumstances when they should be used and the benefits they could offer to their firms."

They also wish to gain a stronger comprehension of how the new RINO rules will really impact firms wishing to trade in Mexico. The rules will be implemented by the

“...local FPL subcommittees bring together the local community to address evolving electronic trading needs and to promote increased adoption of the FIX Protocol messaging standard.”

BMV in August 2010 and aim to generate increased efficiency and greater liquidity in the local market. Developments within the exchange environment are also raising questions in Africa as the region's exchange landscape continues to evolve and market participants are keen to understand how crossing networks, ECNs and Dark Pools could operate in Africa and how this might impact trading?

The creation of these new events is an important stepping stone for many of these markets. FPL is keen that these events lead to the development of active local FPL subcommittees that bring together the local community to continue to address evolving electronic trading needs and to promote increased adoption of the FIX Protocol messaging standard. If your firm is active in these markets we would encourage you to get involved and benefit from the opportunity to raise your perspectives on not only the development of these events but also future local activities. To participate please contact the FPL Program Office by email at fpl@fixprotocol.org and if you would like to learn more about the events described above please visit www.fixprotocol.org/events.

