



Trading Technology for the Sell-Side

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FTEN Gets Flying Start in Europe

LONDON-New York-based direct market access (DMA) and trading technology provider FTEN has bolstered its European product offering as it looks to grow its local presence following the appointment of Valerie Bannert-Thurner from Skyler Technology to head up its operations in the region (*Inside Market Data*, July 13).

The vendor recently completed a significant development effort to adapt its U.S.-focused technologies for use in Europe. "The whole team has done a fabulous job to prepare the rollout. ... They have already adapted the products for European specifications [and the technology is now] certified with the London Stock Exchange, Chi-X, Bats Europe and Turquoise," says Bannert-Thurner. She adds that the vendor will continue going through conformance testing with additional European exchanges over the coming months and expects to finish adding all the venues soon.

Although FTEN operates a broad business model in the U.S., offering hosting services, market data, pre- and post-trade risk controls and a trade execution platform, Bannert-Thurner says the vendor will initially maintain a core focus on its execution management and risk control systems in Europe.

Officials decline to specify how the vendor will source market data to support these products, although a spokesperson says FTEN will maintain its position of "neutrality" regarding vendors of market data and network service providers, and expects to announce a number of partnerships in due course.

FTEN's products are primarily targeted at prime brokerage operations of sell-side banks that are looking to support their buy-side clients with technologies that enable their high-frequency trading strategies. Bannert-Thurner says she expects uptake of these technologies to increase as more exchanges and multilateral trading facilities (MTFs) gain regulatory approval to offer sponsored access trading services, thereby allowing buy-side firms to interact directly with order book liquidity under the supervision of their sell-side sponsors. "We are entering Europe to be the preferred partner to build up that business," says Bannert-Thurner.

Dabbling in Europe

Late last year, FTEN began providing its prime brokerage customers with access to European venues (*DWT*, Nov. 17, 2008). It took FTEN several months to build out its technology in the European locations, which also was a replication of the vendor's U.S. strategy. Customers are able to connect to FTEN and have low-latency, high-frequency routing to all the major local venues, including exchanges and MTFs. Users also get a consolidated view of their risk management.

Earlier this summer, FTEN clients got the ability to hedge their equities trades with off-setting options trades, as the vendor added support for options trading to its VelocityXpress (VX) offering (*DWT*, June 22). The VX product now includes a number of options