

Order Lifecycle Visibility to Improve Execution and Reduce Risk

Obscured Visibility in Fragmented, Accelerating Markets

Fixed Income markets are now more complex and competitive than ever. Market participants are forced to deal with an array of trading platforms, direct access trading connections and computer-driven algo prices. Old school voice trading is giving way to more automated price generation, price discovery and trade execution processes.

This new normal favors market participants who know how to extract meaningful insight from their trading flows. It requires a deep understanding of an asset class market's micro-structure, the trading business's objectives and desk's technical architecture. Those who have mastered this capability will continue to outperform those who lack transparency into their pre-trade and trade lifecycle. Both price makers and price takers should take note.

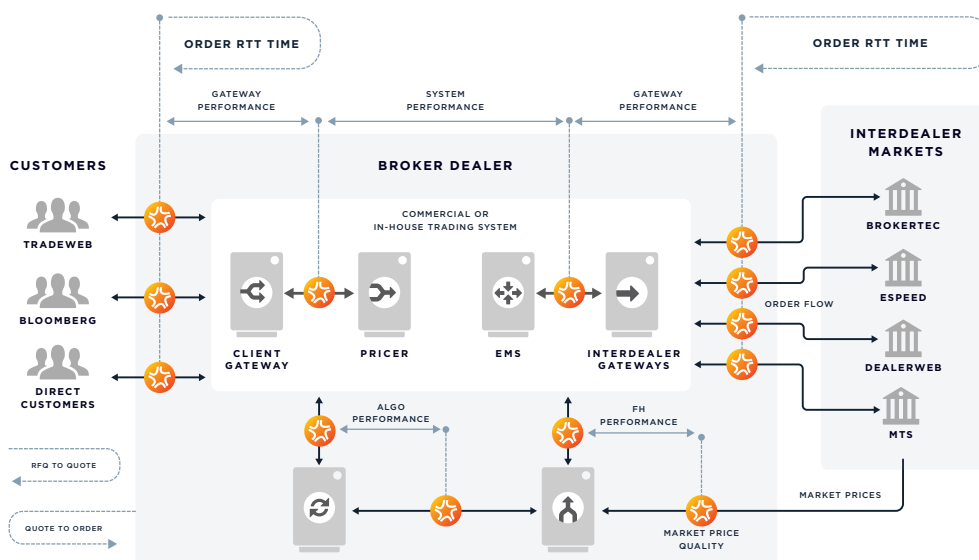
Price makers and price takers alike often do not have complete and unbiased information to help them assess their trading performance as it relates to network performance, counterparty/liquidity venue behavior and pricing/execution algo efficiency.

Without adequate visibility into the order lifecycle, business performance can suffer along several dimensions:

- Missed opportunities and loss of flow
- Increased market risk from missed prices, hung orders and losses
- Increased operational risk from system degradation, outages and inconsistency
- System performance degradation or outages
- Oversight and assurance of technology vendor performance and service levels

CHALLENGES

- Trading and OMS systems with limited transparency
- Getting picked off by more technically advanced participants
- Stale pricing and quoting
- Loss of customer or desk flow
- Minimizing execution costs
- Satisfying new regulatory requirements for transparency and managing regulatory tail risk
- System performance degradation or outages
- Oversight and assurance of technology vendor performance and service levels



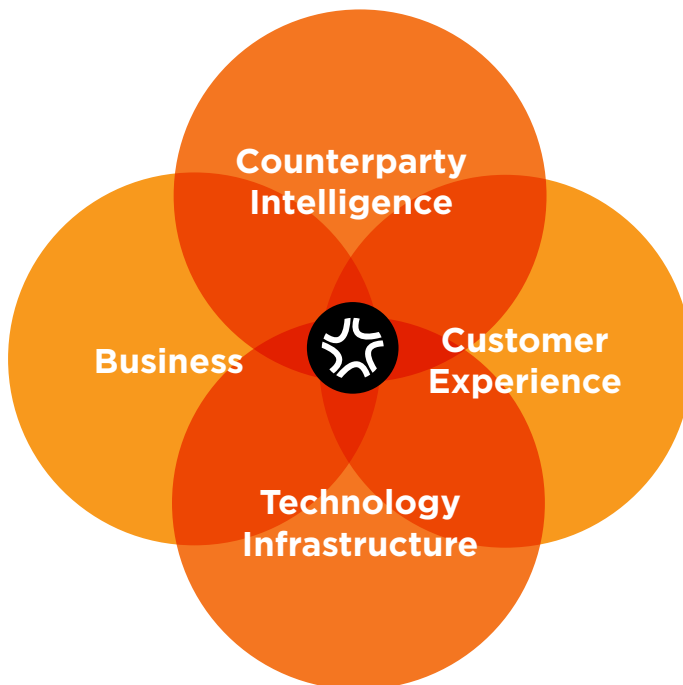
As Fixed Income markets continue to evolve rapidly, a platform arms race is emerging and access to real-time order, execution, and performance information across parties has become an imperative.

SOLUTION OVERVIEW

Insight to Optimize Trading and Performance with Counterparties

Corvil Analytics empowers price makers and price takers with a correlated view into trading activity with counterparties, trader and client experience, and underlying technology performance to improve execution and reduce risk. Corvil delivers real-time visibility into the details and lifecycle of every order and transaction to enable optimization of business performance through better servicing of clients, trade strategy adjustment and technology optimization.

Corvil provides the transparency and critical information that many EOMS and trading systems lack in terms of quoting, pricing data completeness and currency, and network and application insight and responsiveness. By providing an independent, integrated view of network and application performance, client behavior and pricing and quoting efficiency, Corvil enables businesses to quickly identify, diagnose, and act on performance challenges to avoid losses and optimize risk/reward trade-offs.



HIGHLIGHTS

- Real-time order lifecycle visibility across trade plant and counterparties
- Pricing currency and performance
- RFQ hit rates and performance by counterparty
- Multi-leg order tracking and hung order identification
- Inter-dealer and counterparty performance monitoring
- Precision order capture and timestamping
- Network and application performance management and diagnosis
- Support for hundreds of trading venue/system protocols
- Ability to stream data to other systems and big data platforms

Track and optimize quoting and pricing performance

Whether a price taker or price maker, whether using RFQ or streamed quotes, Corvil Analytics allows you to track and see the details of every RFQ by client and by market. Understand overall client experience, client intent, RFQ hit and trade away ratios and quoting responsiveness. Corvil allows you to examine pricing performance and provides the data to correlate individual client activity with trade outcome.

Monitor market data quality and completeness

Slow market data arrival can silently kill the effectiveness of the fastest pricing engines, lead to suboptimal trading and hedging, and leave you exposed in markets by distributing stale quotes without knowing it. Corvil Analytics detects gaps in sequenced market data, evaluates how current the inbound pricing is, and identifies performance disparities between feeds, distribution systems and handling. Corvil allows you to quickly detect, diagnose, identify the source and correct market data performance issues.

Assure trading platform performance with complete visibility

Bespoke and third-party trading systems may be feature rich, but often lack the visibility required to assure execution quality.

- Monitor the performance of every pricing event and every client order, providing the intelligence necessary to assure faster quoting, optimize applications, provide tighter spreads and increase service transparency.
- Track flows across hops from market data through to quotes and orders.
- Examine algo performance and consistency and how it may change based on network congestion or message volumes.
- Corvil provides the information necessary to identify and tune systems to help ensure more optimal trading outcomes.

Oversee interdealer and counterparty performance

Corvil provides live insight into activity, responsiveness and effectiveness across markets and individual counterparties.

Demonstrate regulatory compliance with complete trading record

Discover complete trading activity off the network, and get a single authoritative record of all trading and market data activity, with accurate timestamps and fast retrieval (for example, by order ID) across potentially petabytes of indexed data. Corvil Streams and Connectors make it easy to send full data in real time for long-term storage, data analytics, or compliance reporting.

BENEFITS

- Improved responsiveness to desk or customer order inquiries
- Increased knowledge of customer intent, experience, and order behavior
- Reduced leg risk and hung orders
- Insight to optimize technology components, assure vendor performance, adjust pricing
- Lower regulatory tail-risk with trusted data to defend audit
- Reduced operational risk from faster resolution of technology issues

With electronification and market-making renaissances underway across bond markets, firms that effectively leverage technology to gain insight from trade flows and optimize their system performance will gain better access to liquidity and will be appropriately positioned to satisfy future regulatory transparency requirements.

