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Technology**Emphasis on returns and costs driving rise of algorithmic strategies**

Emergence of dark pools muted by financial crisis

Excerpt from *Asia Asset Management* on trading and technology trends in Asia Pacific**By Rhandell Rubio**

As investors have moved in and out of markets at such frenetic velocity over the past year, technology firms catering to the asset management industry have had to keep up at a similar pace. The rise of alternative trading platforms such as dark pools and the emergence of algorithmic trading in the region are among the issues on the plates of these firms. *Asia Asset Management* sought the insights of industry leaders Glenn Lesko, CEO for Asia-Pacific at Instinet; Nick Quin, director for sales and marketing at SimCorp; Cameron Field, managing director for Asia-Pacific at Charles River Development; Hugh Byrne, senior VP at Sungard Institutional Asset Management; and James Drumm, executive director for Asia-Pacific at Omgeo on how technology firms are gearing up as fund managers and institutional investors usher in the dawn of a new financial era.

AAM: What trends have you seen emerge over the past few months in the asset management technology space?

Cameron Field: We see a lot of "replatforming" - many of the larger firms are trying to get more out of their systems, and are consolidating their systems platforms. We continue to see a convergence of order management (OMS) and execution management (EMS) systems, as clients are demanding end-to-end technology solutions, with straight-through processing and integrated reporting tools. Compliance also remains top of mind. We also see more client demand for in-language systems.

AAM: How has the development and use of alternative trading platforms such as dark pools been in the Asia-Pacific region? What advantages and disadvantages have dark pools brought to the table?

Field: Take up of dark pools and other alternative trading platforms has been a bit slower in Asia-Pacific than it was in other regions, but there is definitely a place for them in this market. It has been our goal to make all trading venues available to clients. We partner with over 400 brokers to make direct market access available to Charles River IMS clients via the Charles River Network. The Charles River Network provides secure access to over 11,000 network endpoints globally, including: ECNs, ATSS, fixed income, FX trading facilities and dark pools, including the dark pools currently operating in Asia-Pacific.

AAM: How has the emergence and growth of algorithmic trading been in Asia? What do you see as the drivers of growth for this product?

Field: We have seen a significant increase recently in the number of algorithmic strategies offered by the sell-side with a focus on performance-driven algorithms, including strategies developed specifically for the Asia-Pacific region. The current economic climate is forcing companies to pay more attention to their return on investment and costs in general, which has been driving the rise of algorithmic strategies in the region.