



THOMSON REUTERS

TR SOLUTIONS FOR MAR & BEYOND IN 2017

B-next, Frankfurt
22nd September 2016

The intelligence, technology and human expertise
you need to find trusted answers.



the answer company™

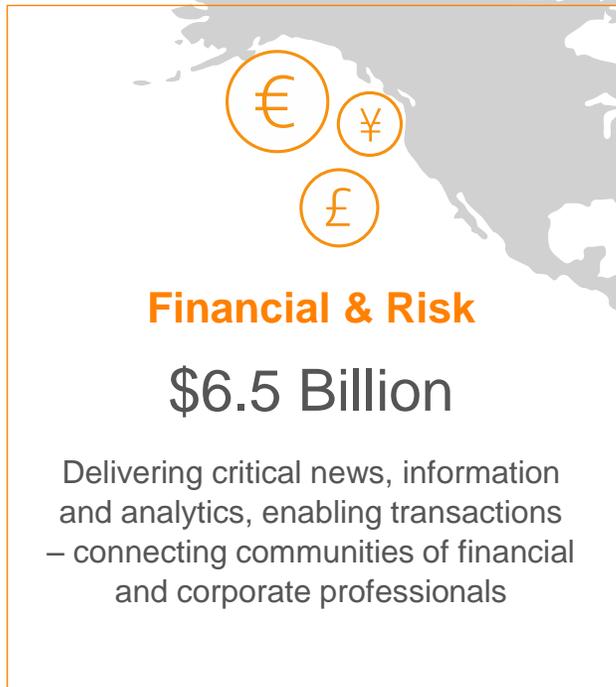
THOMSON REUTERS®

AGENDA

- TR CORPORATE UPDATE
- TR SOLUTIONS FOR MAR IN B-NEXT:
 - MACHINE READABLE NEWS
 - TICK HISTORY
- TICK HISTORY IN 2017..... -> MiFID II
- TR MiFID II
- FUTURE DEVELOPMENTS WITH B-NEXT

GLOBAL PARTNERS FOR OUR GLOBAL CUSTOMERS

We serve more than **40,000 customers** and **400,000 end users** in over **155 countries**.



Financial & Risk

\$6.5 Billion

Delivering critical news, information and analytics, enabling transactions – connecting communities of financial and corporate professionals

- We support more than **5,000 investment firms** and hedge funds world-wide
- We support **\$250 billion** in bond trading daily
- We distribute nearly **2.5 million** price updates per second to the financial markets
- We support over **11 million** community interactions daily
- We supply the world's banks with more than **40,000** regulatory alerts per year
- We support over **\$420 billion** in FX trading per day
- We track daily over **2 million** individuals and entities that can pose a potential risk to the international business community

TICK HISTORY FOR SURVEILLANCE



Global coverage
All Asset Classes



45+ millions instruments
20 years of history



Easy to access
Flexible delivery

- **Unique breadth and depth of coverage** across all asset classes and geographies since 1996
- **Millisecond timestamp**
- Trade and **order book data – spoofing and layering**
- A single, consistent logical format from a **single source**
- Timely data: available **two hours after the closure** of the major markets
- **3rd party content**: TradeWeb, ICAP (Including EBS & Brokertec), Cantor ,GFI, Tullett, Tradition, Thomson Reuters Dealing and Matching, WM Fixings
- Delivery: HTTPS, FTP push/pull, programmatic API, hard media. By instrument or by exchange

MACHINE READABLE NEWS FOR SURVEILLANCE



35,000 companies
40 C&E topics



Reuters News
50+ third party newswires



Rich metadata
Simple connection

All news alerts, stories and updates that come over the **Reuters newswire**

Reuters operations in 131 countries with 2,900 journalists in 200 bureaus

Corporate & regulatory announcements including major newswires publishing **corporate announcements**

Over **1,500 Topic Codes** and other metadata

History: Reuters and third-party news back to 2003 with **millisecond timestamps**

News Analytics: scored by: **Author Sentiment, Relevance, Novelty, Volume**

Unique identifier to link news sentiment to text news

Metadata (over 90 fields) includes: company identifiers, topic codes, alert/article/update

WHY THOMSON REUTERS?

- **All the data you need to meet MAR requirements:**
 - Market-leading **historical tick and order book data** for all asset classes
 - **Reuters News** and over 50 third-party corporate and regulatory news sources for **all asset classes**
- **Millisecond timestamp and symbology concordance** across both content sets
- **Single vendor**

TICK HISTORY IN 2017

Timestamps

— MiFID II

New content:

- Improved Depth of book: Adding Market by Order
- Improved market coverage
- D5 Matching Trade and Volumes
- Tradeweb & New broker packages
- APA content
- Additional Venue-by-day files



— MiFID II

New API and GUI

REGULATION – MiFID II

PURPOSE

Aims to achieve more efficient, resilient and transparent financial markets to strengthen investor protection, through shifting OTC trading to organised multilateral regulated trading platforms

WHO IS IMPACTED?

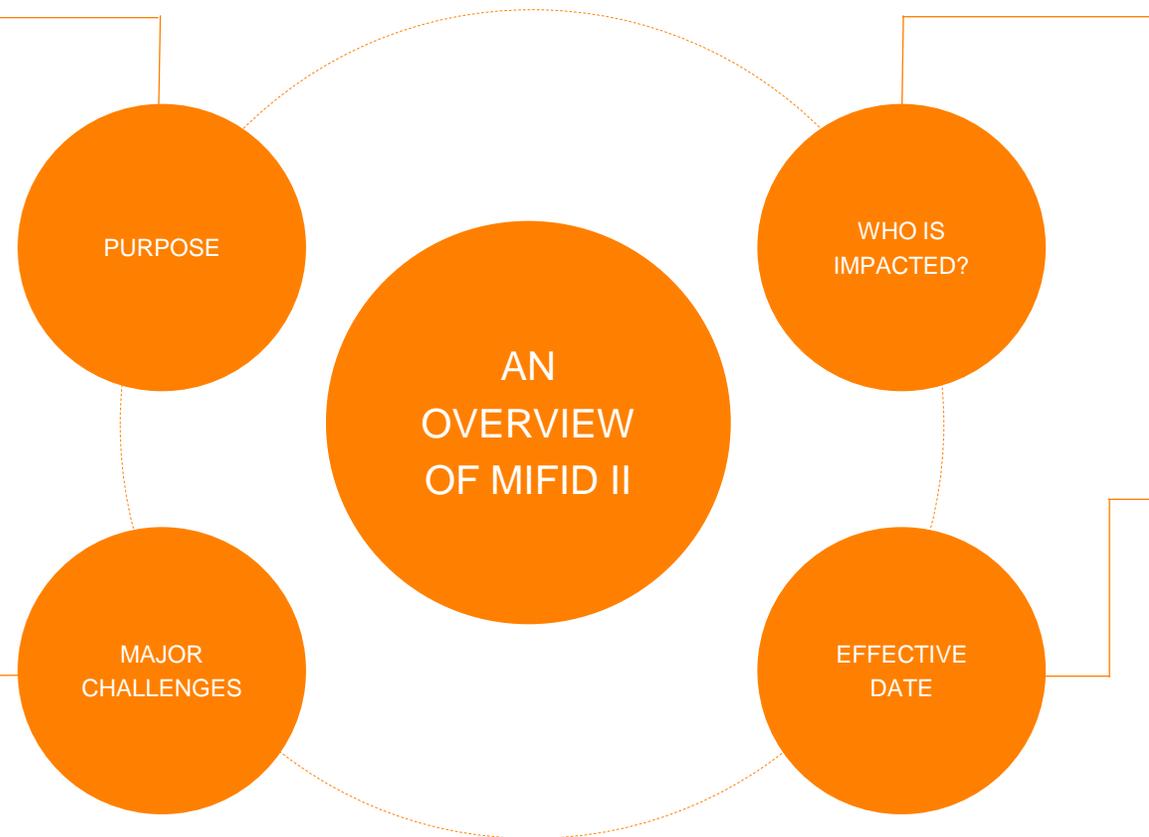
Entire financial market players (buy side & sell side) including liquidity platforms, data vendors and other service providers

MAJOR CHALLENGES

- Investor protection
- Best execution
- Market structure
- Micro structure
- Transparency
- Research & unbundling

EFFECTIVE DATE

January 2018



REGULATION – MiFID II

	IMPLEMENTATION ISSUES	THOMSON REUTERS SOLUTION
INVESTOR PROTECTION	<ul style="list-style-type: none"> • Eligible Counterparty / Professional / Retail categorisation • Institution -> Distributor -> investor • Establishing proper product control mechanisms • Mapping appropriateness & product suitability 	<ul style="list-style-type: none"> • TR DataScope: New fields: Instrument Reference Data & LEI, “complex” v “non-complex” product classification, CFI codes • KYC & KY Distributor. TR On-Boarding / KYC solutions, both for customers and distributors
BEST EXECUTION	<ul style="list-style-type: none"> • “Take all sufficient steps” to achieve the best possible result for client. • Capturing pricing & transactions, monitoring & benchmarking performance for constant improvement • Reporting / Monitoring / Controls 	<ul style="list-style-type: none"> • TR Elektron: Real-time aggregated feed of Price & Trade data • TR Tick History: Replay over 10 years worth of tick-by-tick data with millisecond timestamp • TR Velocity Analytics 8.0: RTS 27 & 28 Best Ex Reports / cross-asset TCA / real-time alerting / orderbook replay / SoR
MARKET STRUCTURE	<ul style="list-style-type: none"> • Inter-dealer and D2C will have to formalise their status: RM / MTF / OTF / SI. • Market activity defragmentation (turnover and price) – new data • Addressing disaggregation 	<ul style="list-style-type: none"> • TR registered our venues as MTFs: Fxall & Forwards Matching. • TR is committed to onboarding, normalising and distributing new real-time data sources – SI quotes, OTC trade reports from APAs, new trading venues & new transparency data from existing markets • Elektron: Feeds & TR DataScope: Instrument reference data • TREP: managing, controlling and distributing high volume of data

REGULATION – MiFID II

	IMPLEMENTATION ISSUES	THOMSON REUTERS SOLUTION
ALGO TRADING	<ul style="list-style-type: none"> • Testing & Supervision of Trading Systems and Algorithms • Pre-Trade Controls of Direct Market Access • Monitoring of High Frequency Trading • Kill switch 	<ul style="list-style-type: none"> • TR Tick History: Global cross-asset tick and orderbook data for exchange and OTC data. Replay back to 1996 with millisecond time stamps
TRANSPARENCY	<ul style="list-style-type: none"> • In OTC, what is currently private will become public, pre- and post trade. • Managing Waivers, Thresholds & Deferrals and monitoring Systematic Internalizer status • Publishing pre-trade SI Quotes to clients and public& post-trade • Selecting the right APA 	<ul style="list-style-type: none"> • TR/Tradeweb APA: Pre & post-trade publication services incl. thresholds, waivers & deferral management and SI Determination • TR DataScope: Reference data including ESMA attributes LIS, SSTI thresholds, liquidity status and temporary waiver status • SI Determination • TR Elektron
RESEARCH & UNBUNDLING	<ul style="list-style-type: none"> • Assessing/Benchmarking quality of Research product to facilitate pricing • Managing distribution and entitlements • Analysing consumption and readership stats 	<ul style="list-style-type: none"> • TR Research Contribution: Sophisticated entitlement management & usage reporting • TR Eikon: Research distribution and access • TR StarMine: Benchmarking of analyst accuracy & recommendations • TR Intelligent Tagging: Tag internal research to co-mingle internal data with external research

b-next-TR data integration

- **World-Check** – global KYC & 3rd party Risk screening solution.

World-Check monitors over 530 sanction, watch, regulatory, and law enforcement lists along with hundreds of thousands of information sources, often identifying heightened-risk entities months or years before they are listed. In 2012 alone, we identified more than 180 entities before they appeared on the U.S. Treasury Office of Foreign Assets Control (OFAC) list based on reputable sources identifying relevant risks.

- **D5 Tick History** – TR Matching FX trade and volume data

- **REMIT** data for energy firms

- Investigating **News Analytics** – improved filtering of news, based on relevance and novelty filters, to reduce the numbers of false-positives for compliance managers

QUESTIONS



THANK YOU