

## **Fidessa assesses developments in internalisation**

*New white paper discusses the trend towards broker internalisation and the impact on execution quality, specifically under MiFID II*

London, 12<sup>th</sup> September 2011 – Fidessa group plc (LSE: FDSA), provider of high-performance trading, investment management and information solutions for the world's financial community, has today announced the publication of a white paper exploring the trend of increasing internalisation of flow and the technology options available to take advantage of this developing paradigm. The paper focuses on the specific consequences for the European non-lit market under the forthcoming MiFID II regulation.

"The MiFID regulations have heralded a period of enormous change and so market participants of all types have needed to adopt a far more intelligent approach to trade effectively across the full spectrum of lit, dark and grey liquidity," said Ian Salmon, Head of Enterprise Business Development at Fidessa, who authored the paper. "Whilst lit interaction has matured, and to some extent standardised, MiFID II promises to turn the spotlight on the non-lit spectrum. Previously considered the domain of only the larger players, dark trading now looks set to enter the mainstream."

Key points from the white paper include:

- Those firms that have been operating non-lit venues will need to rethink their approach in light of the forthcoming MiFID II regulations that will place far greater emphasis on post-trade transparency
- The battle between larger brokers will intensify as they seek to aggregate each other's dark order flow
- The operation of non-lit venues will no longer be the sole domain of the big banks and brokers as technological advances and dark trading alliances will bring new participants into this market
- The search for liquidity in dark and grey markets will intensify through dark-seeking smart order routers and algorithms, resulting in better trade execution
- Dark pool trading will increase
- MiFID II will look to address the confusion that has arisen over interpretation, especially in relation to systematic internalisers

- The right technology will play a critical role for firms looking to adopt internalisation in a compliant fashion

Fidessa provides a variety of services to the world's financial community helping it to interpret changing regulations and evolving market structures, and trade successfully in them, while working closely with exchanges and regulators to facilitate their understanding of rapid and complex technology advances.

[The move to internalisation in Europe](#) is available through the Fidessa website or by contacting [fidessa.com](http://fidessa.com).

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#### **About Fidessa group**

Exceptional trading, investment and information solutions for the world's financial community.

New technology, new regulation, new challenges: making money in today's financial markets is all about staying ahead of the curve. Having the capability to spot new trends and act fast turns change into opportunity. That's why 85% of the world's premier financial institutions trust Fidessa to provide them with their multi-asset trading and investment infrastructure, their market data and analysis, and their decision making and workflow technology. It's also why \$10 trillion worth of transactions flow across our global network each year. Because we're the market leader, we can also offer unique access to the world's largest and most valuable trading community of buy-side and sell-side professionals, from global institutions and investment banks to boutique brokers and niche hedge funds.

Fidessa is a global business with scale, resilience, ambition and expertise. We've delivered around 30% compound growth since our stock market listing in 1997 and we're recognised as the thought leader in our space. We set the benchmark with our unrivalled set of mission-critical products and services and, uniquely, serve both the buy-side and sell-side communities. Ongoing investment in our leading-edge, integrated solutions ensures Fidessa remains the industry's number one choice.

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