

# MiFID II and impacts on trading workflow

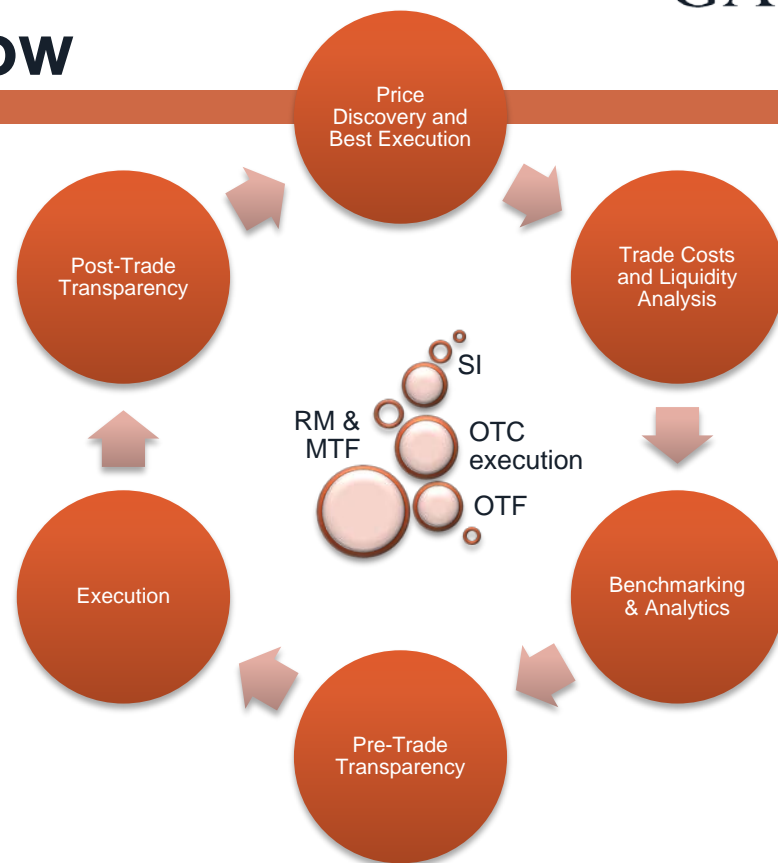
**EXTENT** June 2017 V1.0

# New paradigm in trading flow

if you have

- a **good trading desk** with quantitative, qualitative and holistic capabilities,
- a **powerful best execution** process,
- an **unbundled research-execution** cost,
- a **good feedback** from performance control,
- a **good centralized regulatory hub**,

## nothing has to be done for MiFID II



# Capture, Discover & Analyze

What you need to capture:

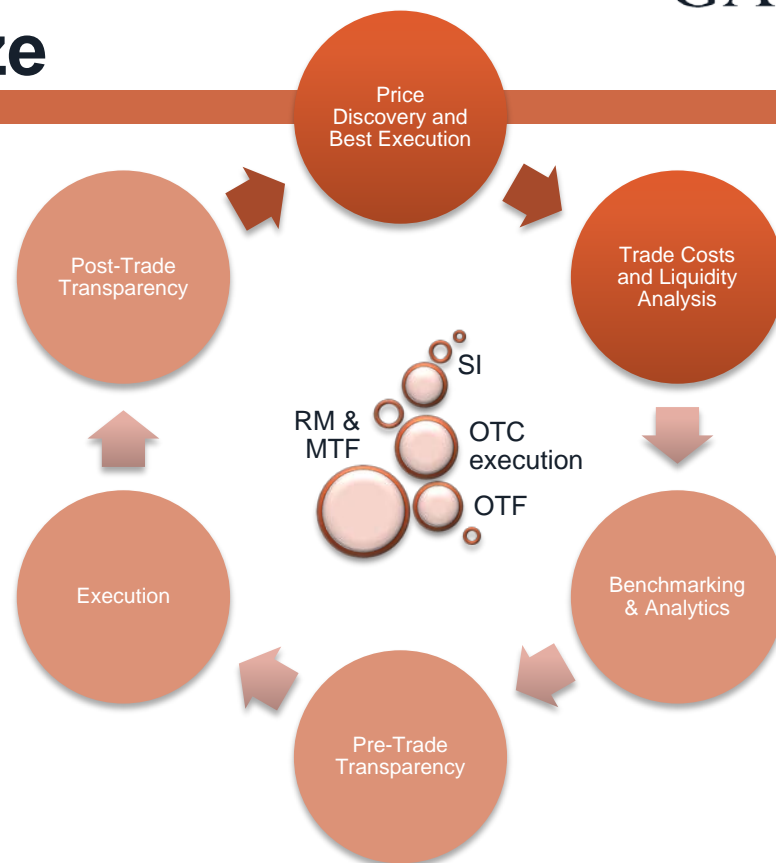
- **huge amount of data**, coming from different types of **external or internal sources** (i.e. feedbacks from previous steps);

To do what:

- to support the discovery process of the best price per each instrument;
- to analyze discovered liquidity and hence to understand the cost of a trade;
- to feed relevant information to the next steps

With which challenges:

- handling good **real-time & snapshot structured & unstructured** data;
- putting in place good **strategies & analytics** to evaluate.



# Validation & Pre-Trade

What you need to capture:

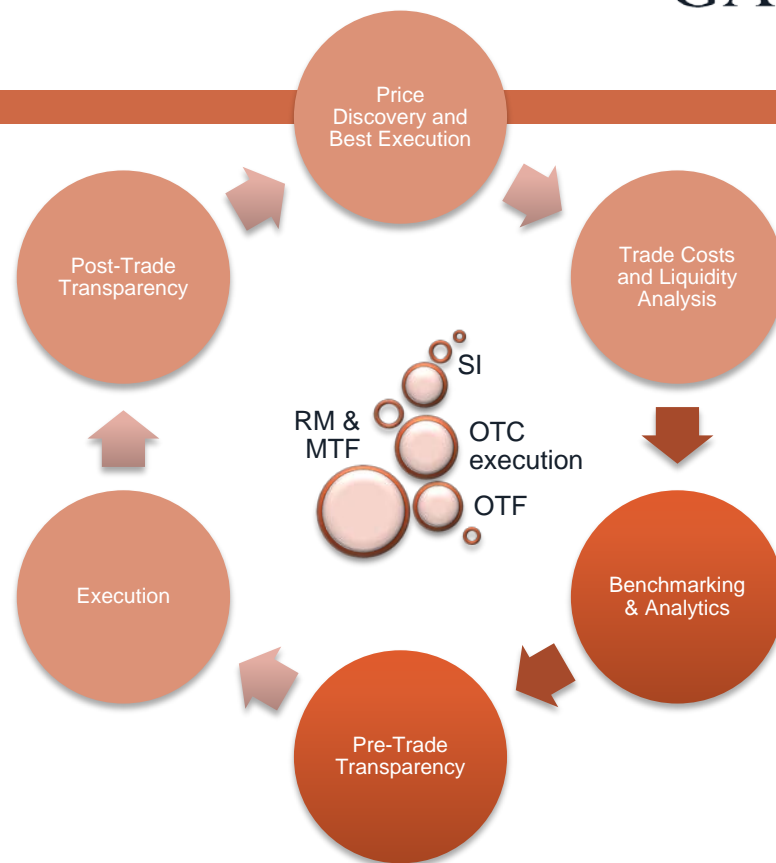
- **huge amount of data**, coming from different types of **external or internal sources** (i.e. feedbacks from previous steps);

To do what:

- to validate discovered/defined prices and liquidity against related benchmarks and assess their impact on internal risk;
- to spread defined and verified prices
- to feed relevant information to the next steps

With which challenges:

- handling good **real-time & snapshot structured & unstructured** data
- putting in place good **strategies & analytics** to evaluate



# Execution & Post-Trade

What you need to capture:

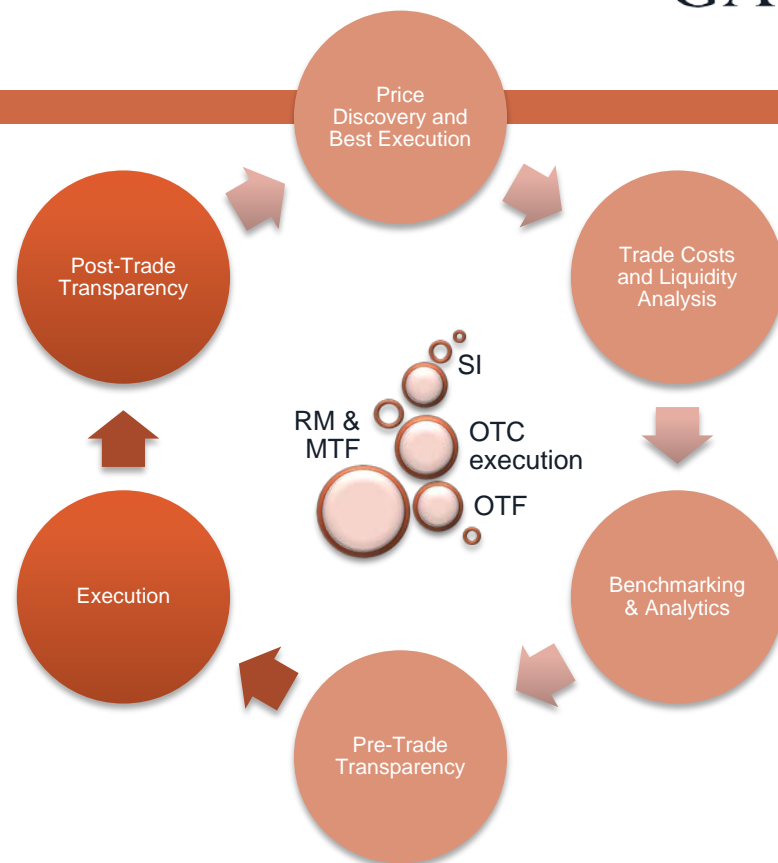
- **internal sources** (i.e. feedbacks from previous steps);

To do what:

- to execute trades and evaluate their impact;
- to spread trades to APAs, ARMs and CTPs;
- to feed relevant information to the next steps
- to reconstruct trades & capture sales workflow

With which challenges:

- handling good **real-time & snapshot structured & unstructured** data
- putting in place good **strategies & analytics** to evaluate



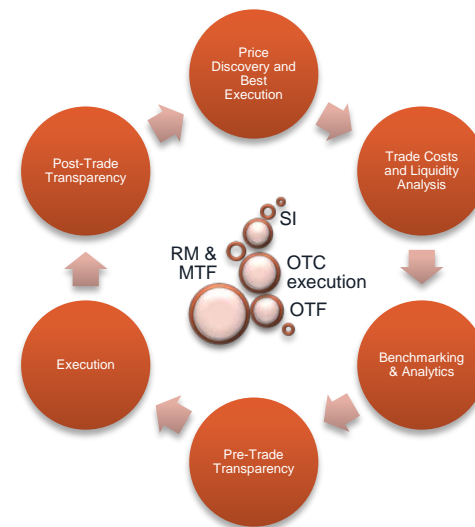
# Winning points to tame MiFID II

## Data Management Platform for

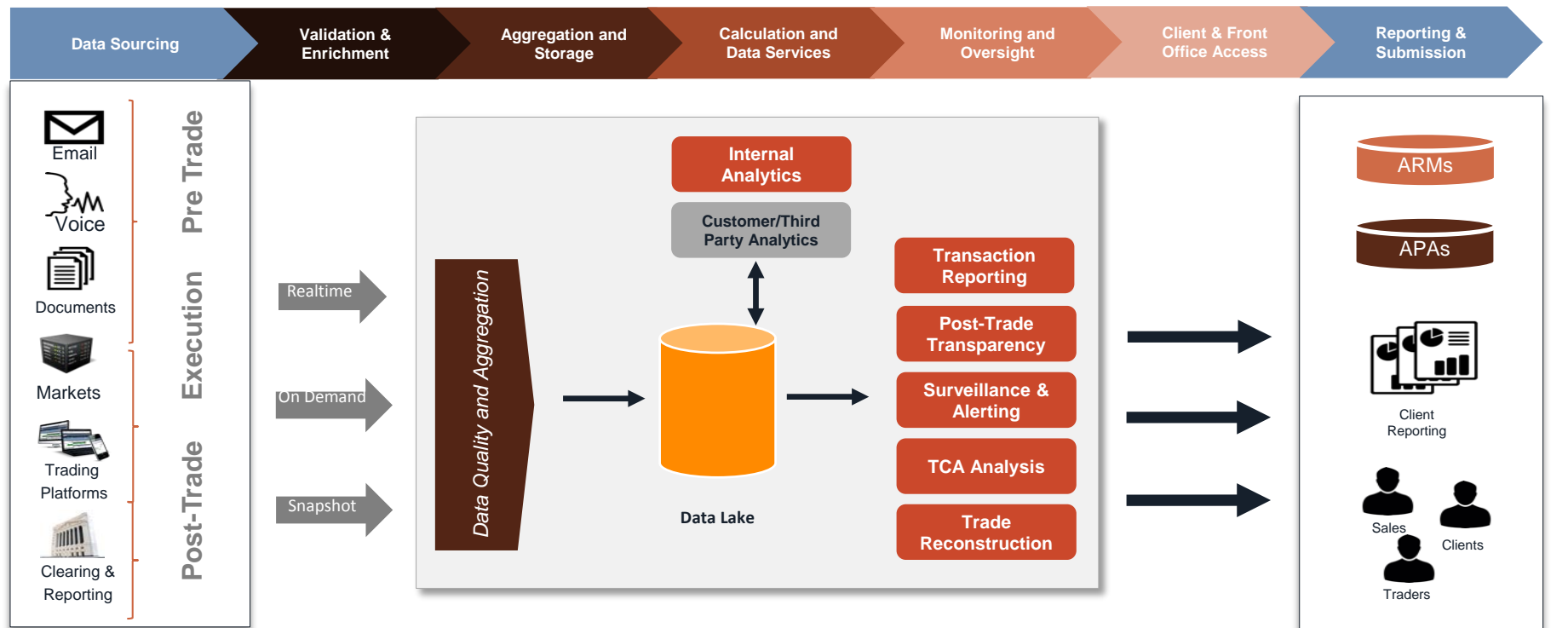
- handling structured and unstructured data
- easy configurable rules for quality and enrichment
- handling not only MD, but also voice as a text, mail, unstructured text, news with AI support (sentiment analysis)
- easy programmatic and enriched UX (with chatbots) interfaces

## Strategy and Analytics for

- liquidity discovery and analysis, pricing with Adjoint Algorithmic Differentiation and AI support (machine learning and deep learning)
- transaction cost analysis and benchmarking
- risk, margin and portfolio optimization



# GATElab for MiFID II platform



# GATElab for MiFID II platform: key points

## Regulatory Hub

Centralize data from different data sources for different asset classes to implement a MIFID II-compliant data lake. Avoid costs for adapting to multiple trading systems

## Voice Workflow

Insert and keep track of Voice Orders in compliance with MIFID II focusing on derivatives/structured business

## Unstructured Data

Capture and combine different types of events in different forms: from structured electronic messaging (e.g. FIX Protocols) to Email, Documents and Voice trading systems

## Compliance Monitoring

Monitor all trading flow executions – historical or intraday - in conjunction with real-time market data. Open access to Front Office, Sales, Clients and Compliance users

## Trading Performance

Trading performance analytics shows the quality of execution performance relating to a variety of benchmarks (e.g. Arrival Price).

## Real-Time Global View

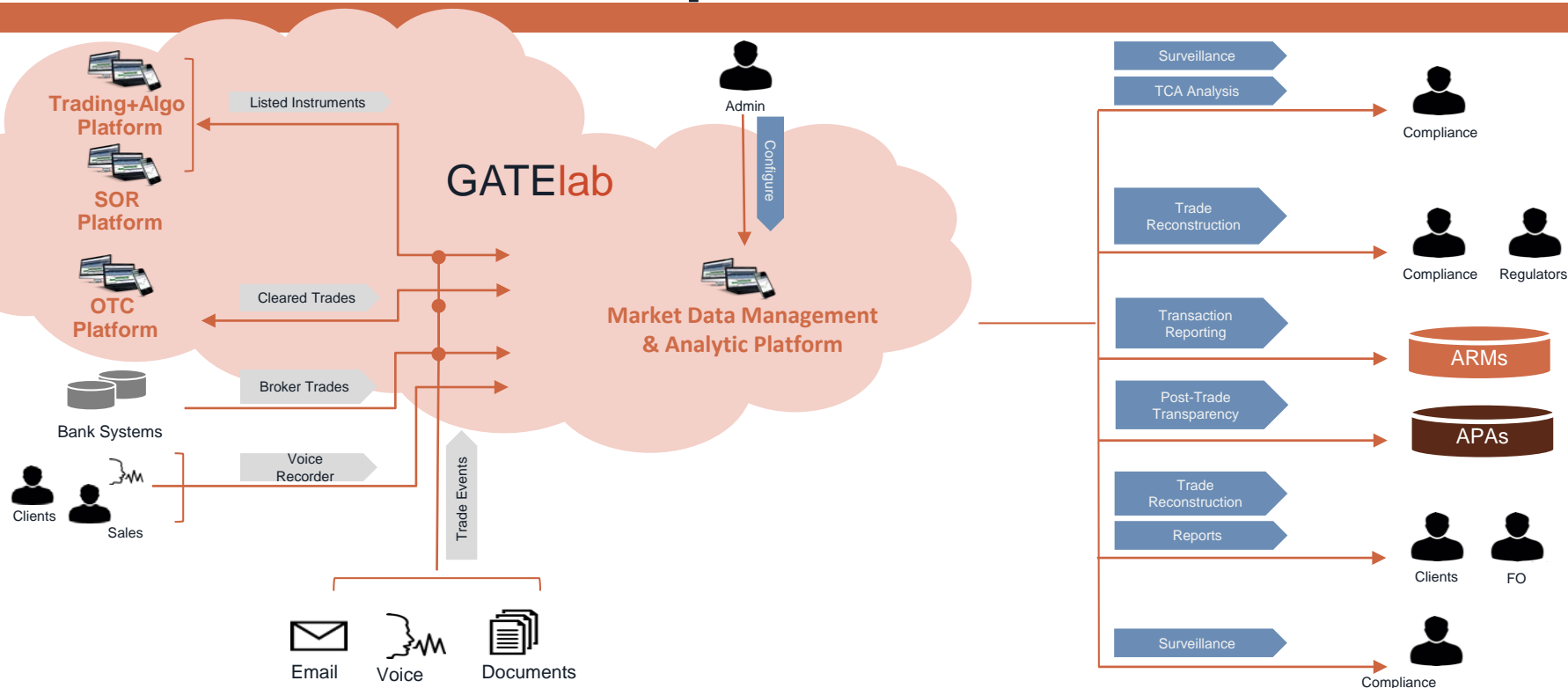
View all of the quote, order & trade flows in real-time for all of your connected platforms, bridge the gap among your trading platforms.

## STP Feed

Single Straight Through Processing channel from front office trading platform and execution venues to post-trade platforms (Transaction Reporting, Post-Trade Transparency, ...)



# How GATElab can help



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# Many thanks!

GATElab

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