



2005 Global FIX Survey

November 2005

Preamble to Report

- TowerGroup was retained by FPL to survey the global FIX community. The goal was to determine on a global basis various trends around current and future use of FIX as well as barriers and opportunities to further FIX utilization.
- In our efforts, we worked closely with members of the FIX community and the Board of FPL, Ltd. The content of the survey was developed collaboratively with the FIX community and refined and executed by TowerGroup.
- The analysis of the findings, which are non-attributable, are based on a proprietary framework developed by TowerGroup under the auspices of FPL. The source data remains confidential and is not available for distribution or republication.
- Throughout this report, all data is represented as a percentage of total responses, unless otherwise noted. Survey data represents all responses globally and across all products, unless otherwise noted.
- While we have attempted to make generalizations as to the future use of FIX based on the data, these positions should not be viewed as forward-looking statements as to potential marketplace use, which is subject to many factors beyond our control and the scope of this study.
- All information and materials in this report are the property of FIX Protocol Ltd, and TowerGroup and are confidential and proprietary and subject to copyright and intellectual property protection under US law. All rights reserved, FIX Protocol, Ltd and TowerGroup, 2005. No further republication or distribution is allowed without prior written consent.
- TowerGroup is a wholly owned subsidiary of MasterCard International and operates as a separate business entity with complete editorial and operational independence.

Survey Overview

PART A: Survey Demographics

PART B: Questions about FIX and firms' use of the FIX Protocol

PART C: Questions about electronic trading and firms' views on electronic trading

PART D: Questions about the future of electronic trading and how connectivity has changed, is changing, or will change the way firms execute trades over the next 24 months

PART E: Questions about FIX Protocol, Ltd and firms' views on FPL

Appendix: Complete Survey Results

- All data is represented as a percentage of total responses, unless otherwise noted.
- Survey data represents global responses across all products, unless otherwise noted.

Executive Summary

Firms' Use of the FIX Protocol

- The Americas region reports the highest levels of overall trading volume from the buy-side and sell-side, as well as the largest percentage of trading volume that is traded via FIX
- In the next 24 months, buy-side and sell-side firms both indicate plans to focus significant efforts on leveraging FIX across non-equity products
 - Although a large percentage of buy-side firms plan to concentrate on version 4.4, the buy-side will struggle to settle on a single version as previous versions continue to be supported
 - The sell-side will need to support multiple versions to meet various client demands, but will also need to drive change to migrate to fewer versions
- The majority of exchanges believe that trading volumes have increased, as the average order size has decreased, with the majority of the volume going through an open interface into the electronic marketplace
 - Exchange provided access protocols will continue to support the increasing trend of exchange trading volume going via FIX
 - Exchanges sense potential product opportunities to utilize FIX as a cheaper and more efficient delivery mechanism for market data, which in turn will provide opportunities for institutions to further pursue their FIX market data initiatives

Executive Summary

Firms' Views on Electronic Trading

- Globally, the belief that electronic trading will positively and dramatically change the process of trading securities is consistently supported by firms across all regions
- The biggest priority for buy-side firms over the next 2 years will be on DMA, whereas the sell-side has already made significant investments in DMA and plans to focus more efforts towards algorithmic and program trading
- Regionally, North American firms lead both European and APAC firms in leveraging FIX for various methods of trading electronically
- The buy-side and sell-side are looking to extend FIX into the pre-trade environment by focusing on IOIs and quotes, and both showed significant interest in supporting market data via FIX
- Cross and multi-leg orders have lagged in FIX support because of their complexity, but each shows substantially increased focus over the next 2 years
- As institutions look towards the back-office to achieve greater trading efficiencies and higher levels of STP, the focus will be on allocations and confirmations, driven primarily by the sell-side

Executive Summary

Firms' Views on Electronic Trading

- The Internet has matured and stabilized to support significant FIX network traffic on the buy-side, although it is used primarily to provide inexpensive redundancy to firms' primary networks
 - The Sell-side is making limited use of the Internet for FIX but is more driven by the need to accommodate clients network choices
 - For those institutions that do not support the Internet for FIX, security and performance concerns are cited as the biggest barriers to adoption
- Early FIX engine providers still maintain dominance as primary engine providers, while many sell-side firms still utilize proprietary technology to differentiate themselves
- The buy-side and sell-side are aligned in their views on the factors behind choosing their FIX network providers, differing only in their priority for pricing where the sell-side has a higher vested interest

Executive Summary

Firms' Views on the Future of Electronic Trading

- Although the buy-side will continue to increase its utilization of new approaches to electronic trading, direct orders to sales traders, either by phone or electronically, should continue to dominate
 - The sell-side has a much deeper utilization of electronic trading methods than the buy-side, particularly for DMA, as it showcases its focus of recent years
 - Europe leads the way on the buy-side in the utilization of new approaches to electronic trading, while the sell-side leads the buy-side across all regions in the adoption of electronic trading methods
- The market is fairly aligned in its perceptions on the importance of specific client account features over the next 2 years, although anonymity continues to remain a priority to the buy-side
 - Global buy-side firms view compliance as a high priority due to the increased risk and complexity of managing international regulations, while best execution and access to liquidity are the most important client account features across all regions
 - Although the buy-side and sell-side firms are aligned in their views on the value of client account features, sell-side APAC firms place a high level of importance on access to liquidity
- The cost of adapting order management systems and changing standard operating procedures are the biggest obstacles to achieving greater benefits for electronic execution
- The combination of FPL's global membership and a positive belief in FPL's ability to articulate regulatory changes puts FPL in a position to drive standardization across impending regulatory changes

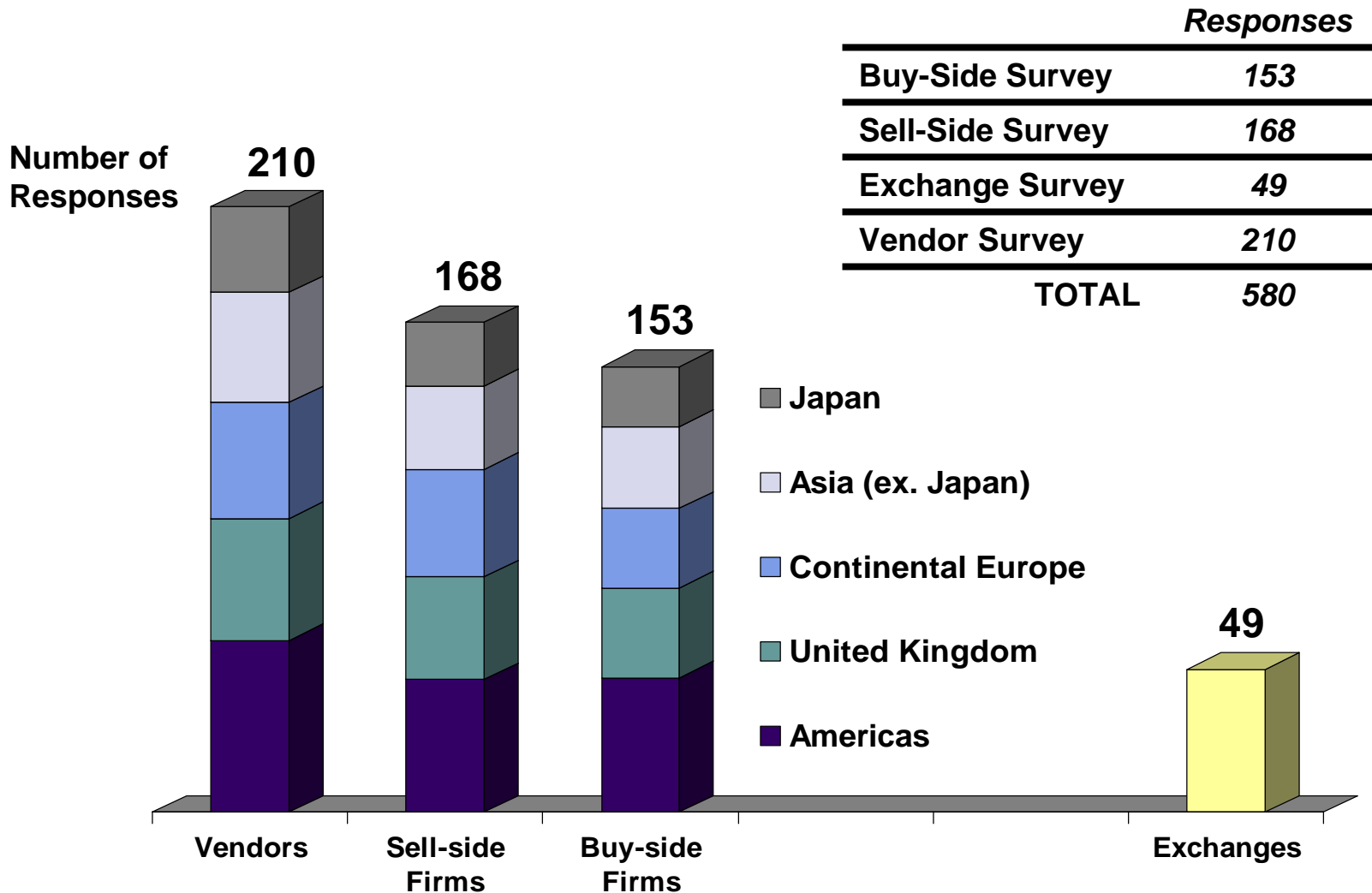
TowerGroup View

- As the market looks to leverage FIX across non-equity products over the next 2 years, there appears to be significant potential for fragmentation of the standard across products and versions
 - A large percentage of firms plan to concentrate on version 4.4 over the next 2 years, yet the market will struggle to settle on a single version as previous versions continue to be supported
 - As firms move to support non-equity products via more mature FIX versions, there is potential to further fragment the market around version standardization
 - FPL needs to create incentives for firms to upgrade FIX versions, as many firms do not perceive a need to upgrade unless legacy versions are no longer supported
 - Clearly there is a need for “sun-setting” of older versions to maintain the value of the investment by the community, manage the profound cost implications of multiple versions over time and to support the ongoing evolution of the standard
- The maturity and stabilization of the Internet to provide FIX connectivity and inexpensive network redundancy will outweigh security and performance concerns and increase utilization over time
- Market data via FIX is perhaps the biggest opportunity and holds the most potential for the extension of FIX across the trading activity chain and truly converging on a single communications standard and STP
- FPL needs to continue to support its cooperative model, yet to harmonize the development and utilization of a common standard version, FIX will need to expand its infrastructure to provide the resources and support needed to focus FIX efforts across the global market

Contents

- **PART A: Survey Demographics**
- **PART B: Firms' Use of the FIX Protocol**
- **PART C: Firms' Views on Electronic Trading**
- **PART D: Firms' Views on the Future of Electronic Trading**
- **PART E: Firms' Views on FPL**
- **Appendix: Complete Survey Results**

Survey Demographics



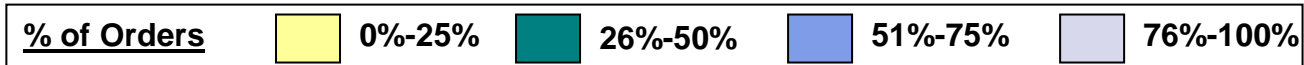
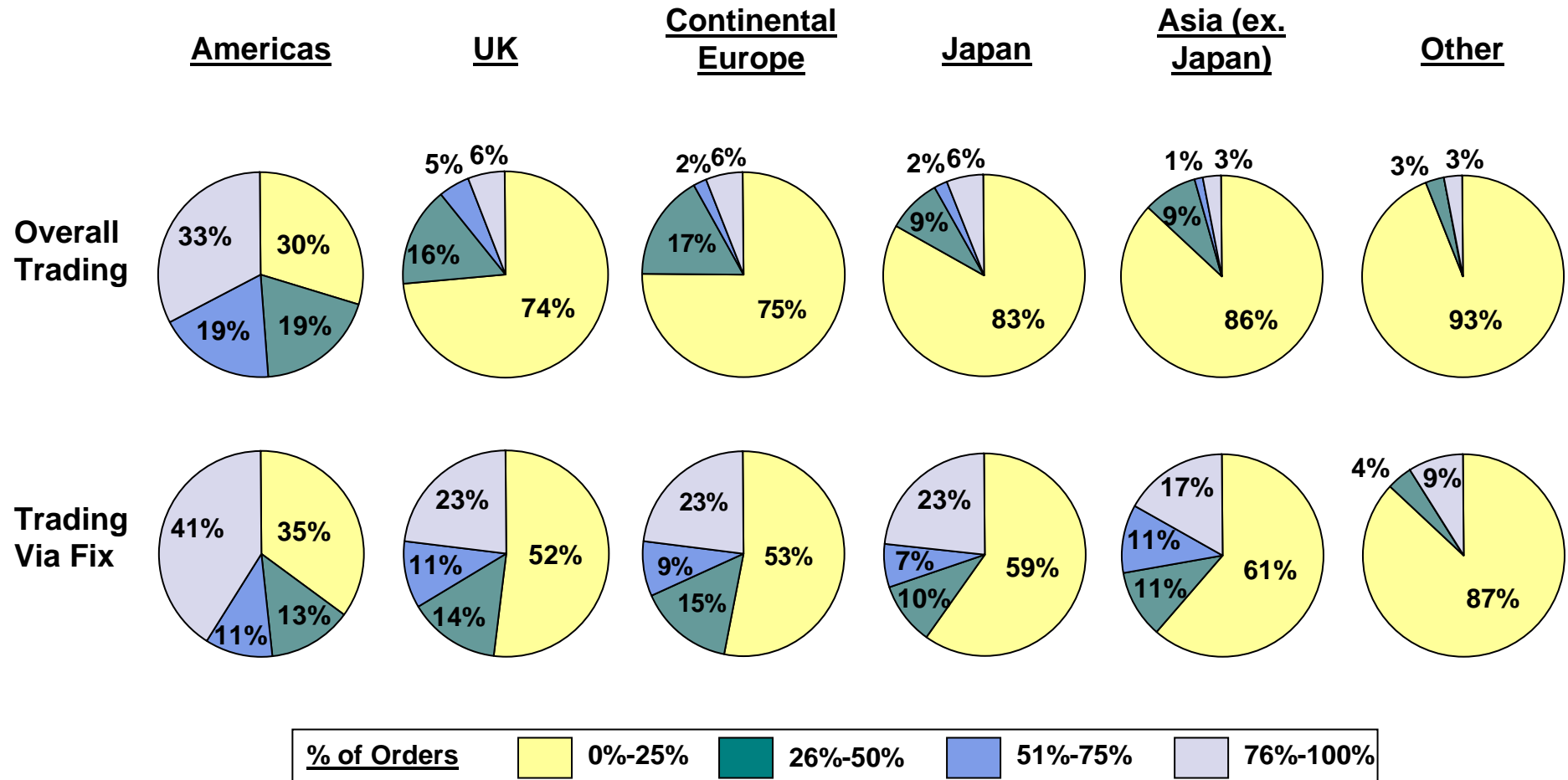
Contents

- PART A: Survey Demographics
- PART B: Firms' Use of the FIX Protocol
- PART C: Firms' Views on Electronic Trading
- PART D: Firms' Views on the Future of Electronic Trading
- PART E: Firms' Views on FPL
- Appendix: Complete Survey Results

Firms' use of the FIX Protocol

The Americas region reports both the highest levels of overall trading volume from the buy-side, as well as the largest percentage of trading volume that is traded via FIX

Buy-side



Firms' use of the FIX Protocol

On the sell-side, the Americas region also reports both the highest levels of overall trading volume as well as the largest percentage of trading volume that is traded via FIX

Sell-side

Americas

UK

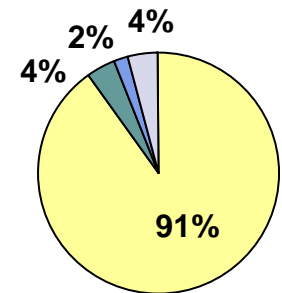
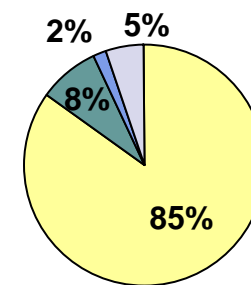
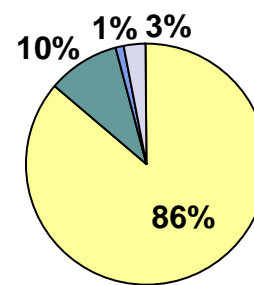
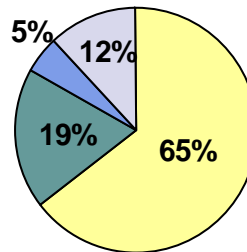
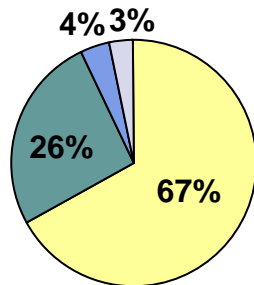
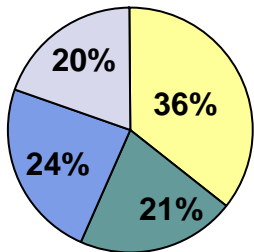
Continental Europe

Japan

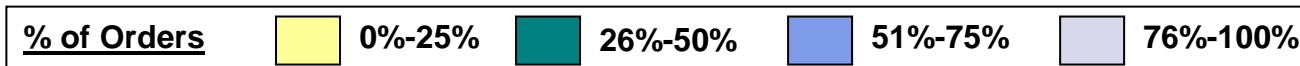
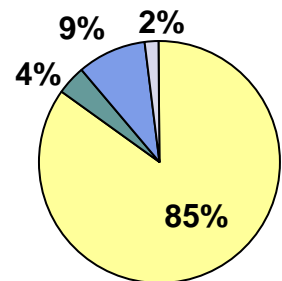
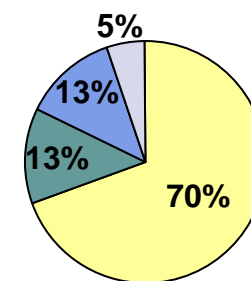
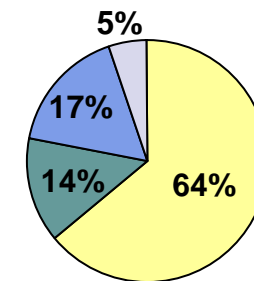
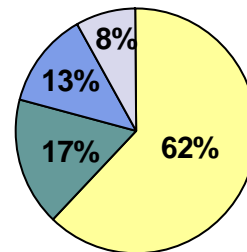
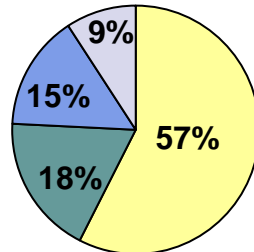
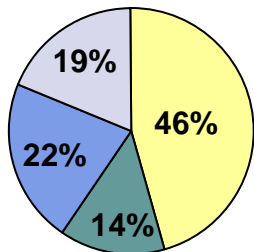
Asia (ex. Japan)

Other

Overall Trading

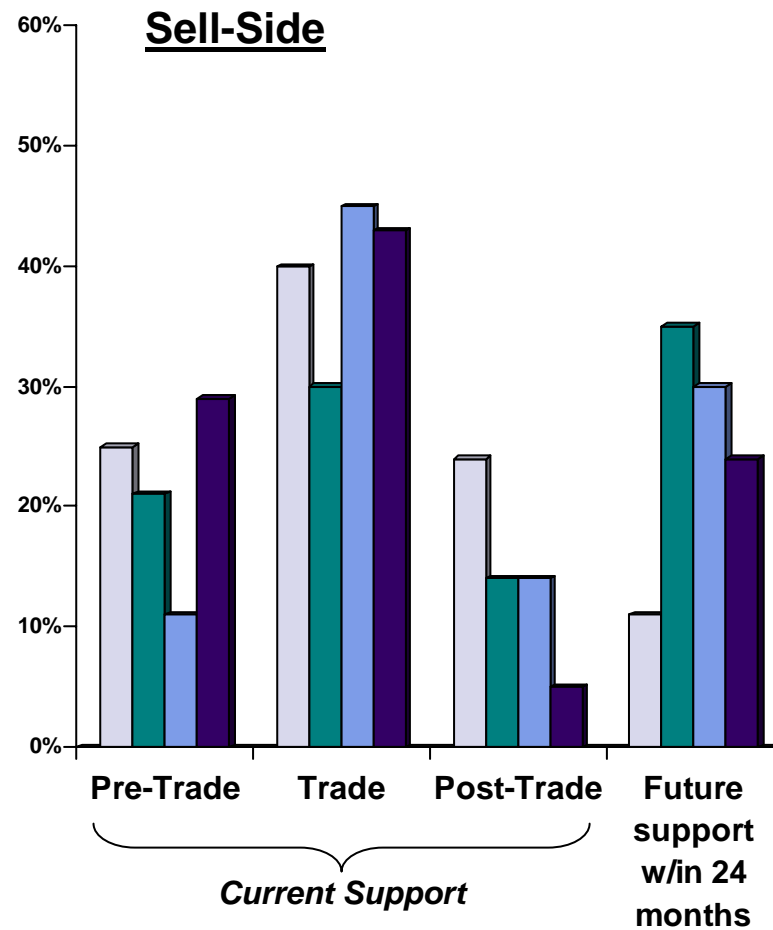
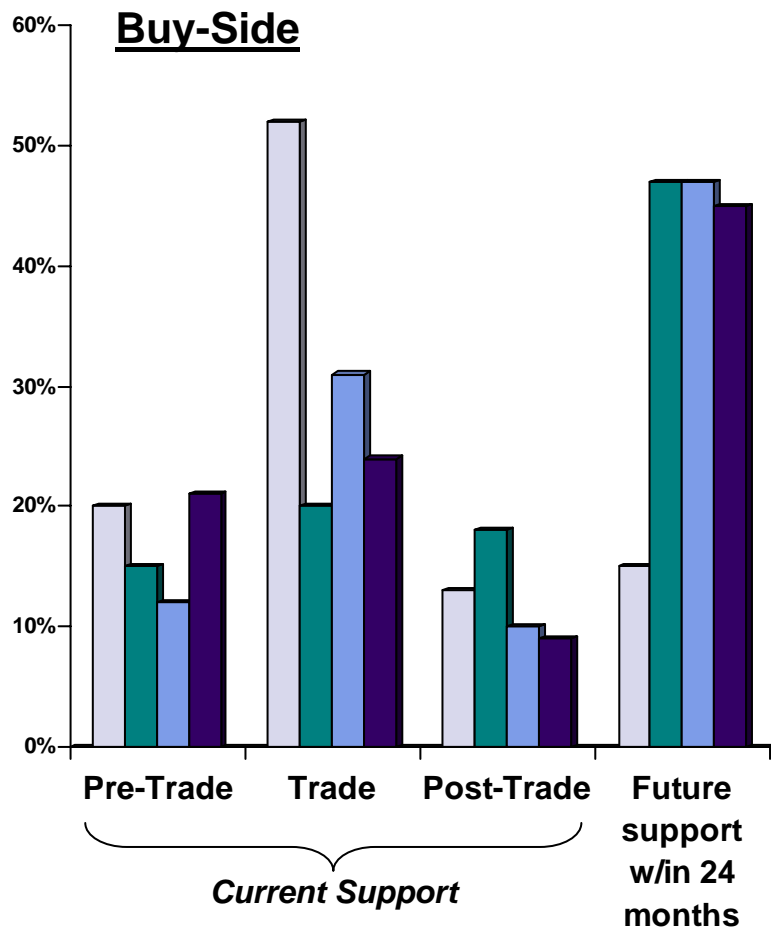


Trading Via Fix



Firms' use of the FIX Protocol

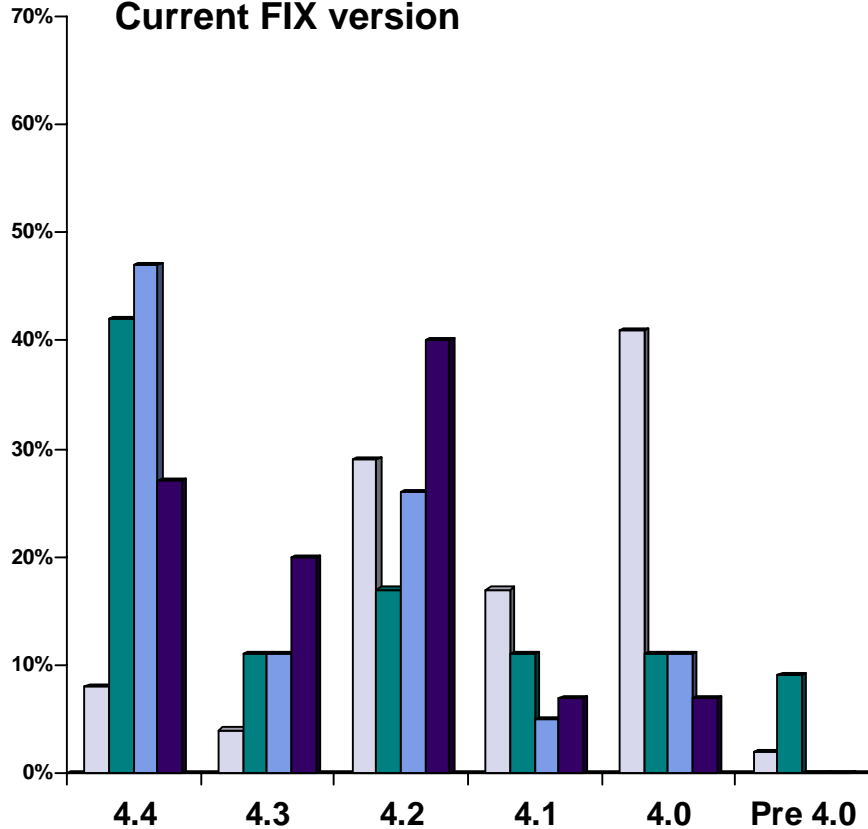
In the next 24 months, buy-side and sell-side firms both indicate plans to focus significant efforts on leveraging FIX across non-equity products



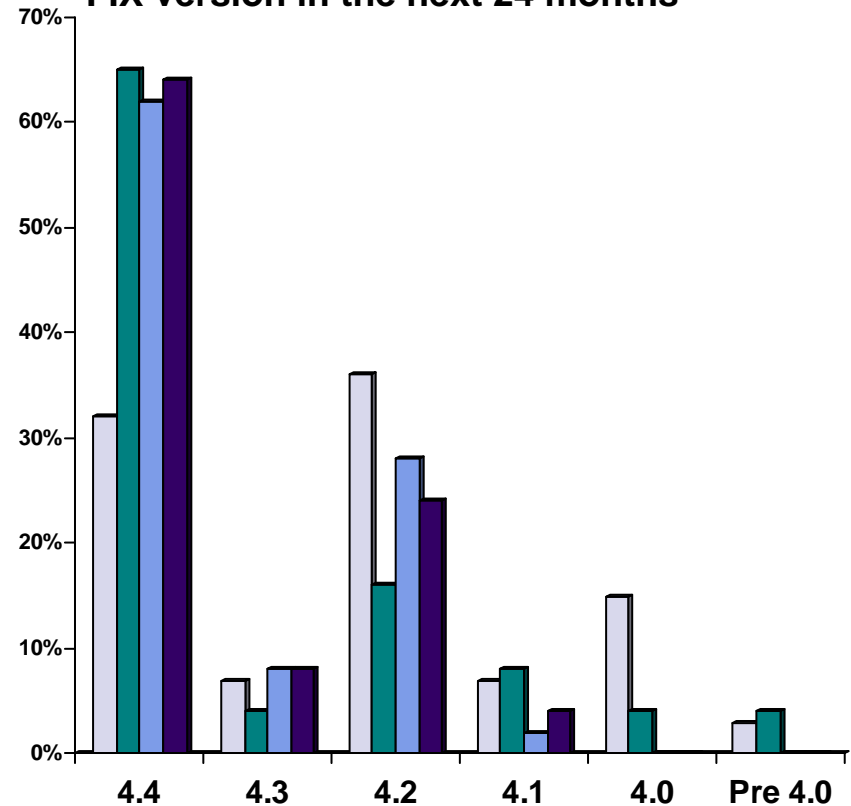
Firms' use of the FIX Protocol

Although a large percentage of buy-side firms plans to concentrate on version 4.4 in the next 2 years, the buy-side will struggle to settle on a single version as previous versions continue to be supported

Buy-side
Current FIX version



Buy-side
FIX version in the next 24 months

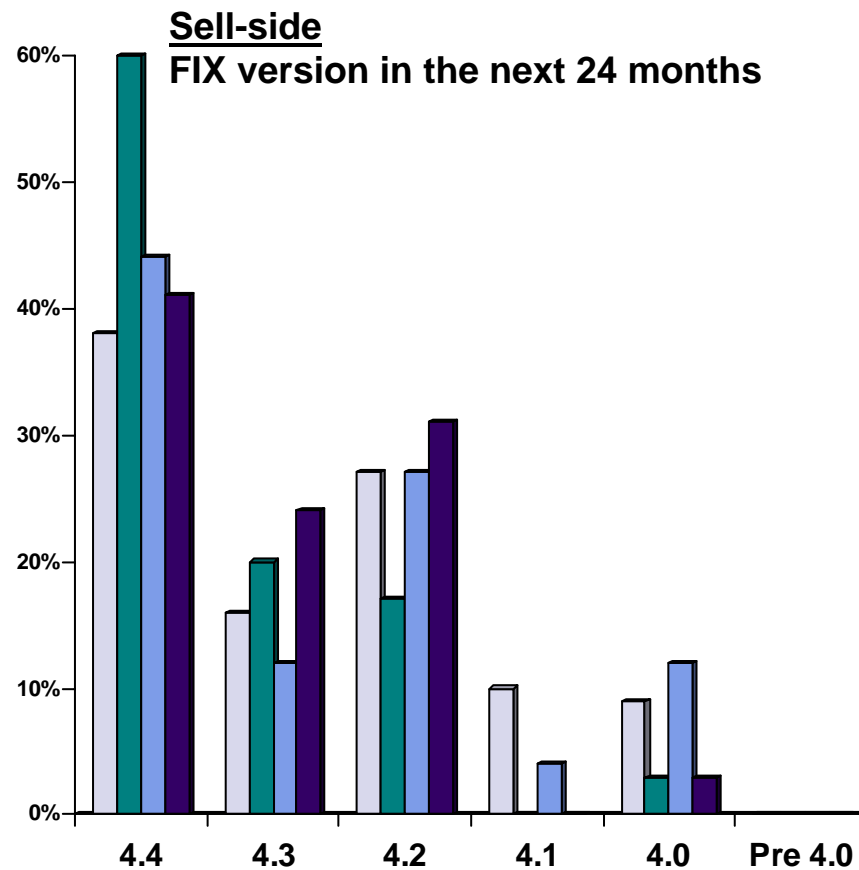
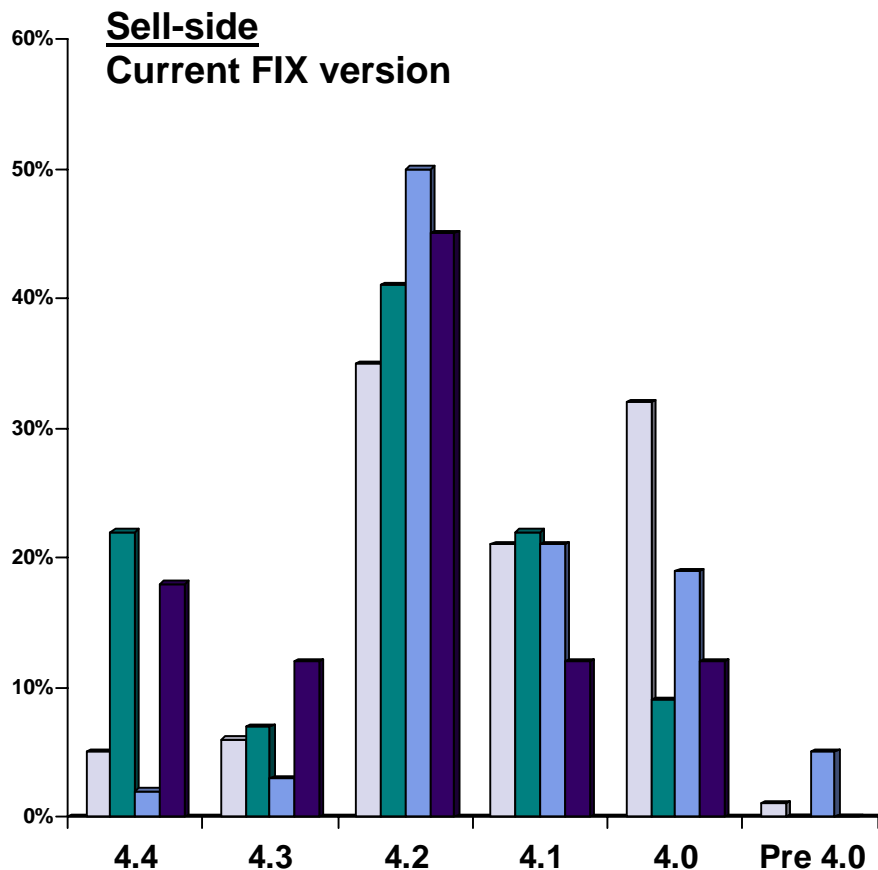


Products: Equity Fixed Income Derivatives FX

% of Total Responses

Firms' use of the FIX Protocol

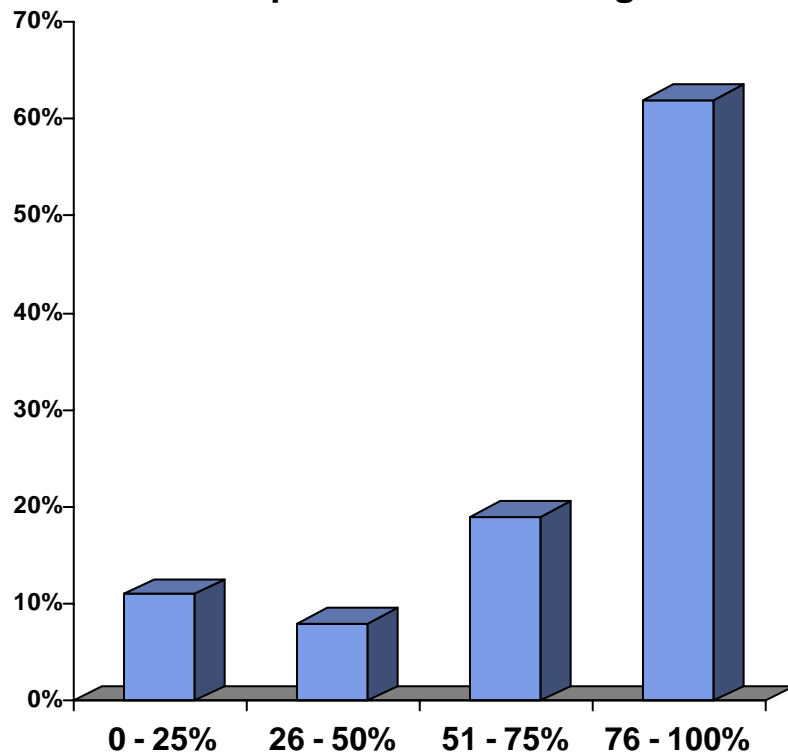
Over the next 2 years, the sell-side will need to support multiple versions to meet various client demands, but will also need to drive change to migrate to fewer versions



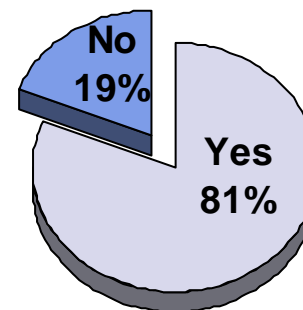
Firms' use of the FIX Protocol

The majority of exchanges believe that trading volumes have increased, as the average order size has decreased, with the majority of the volume going through an open interface into the electronic marketplace

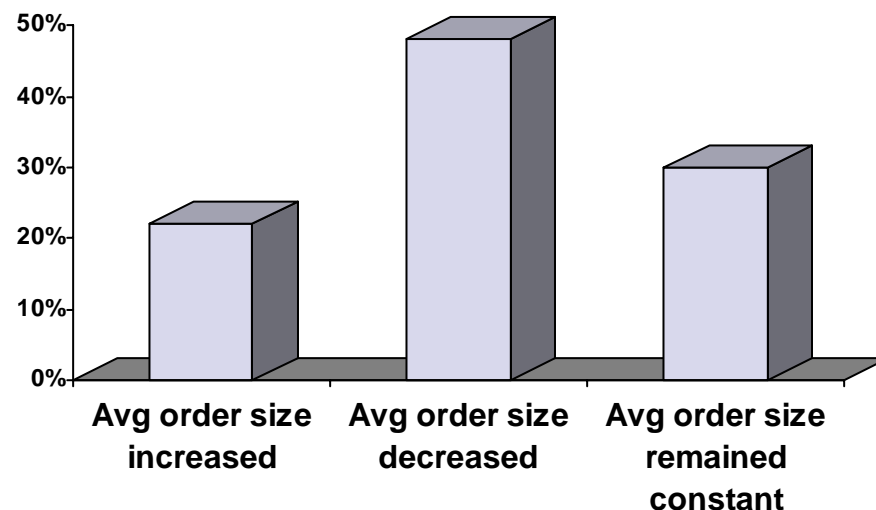
Exchange business traded through an interface as opposed to terminals/phone based trading



Increase in trading volumes due to an open interface



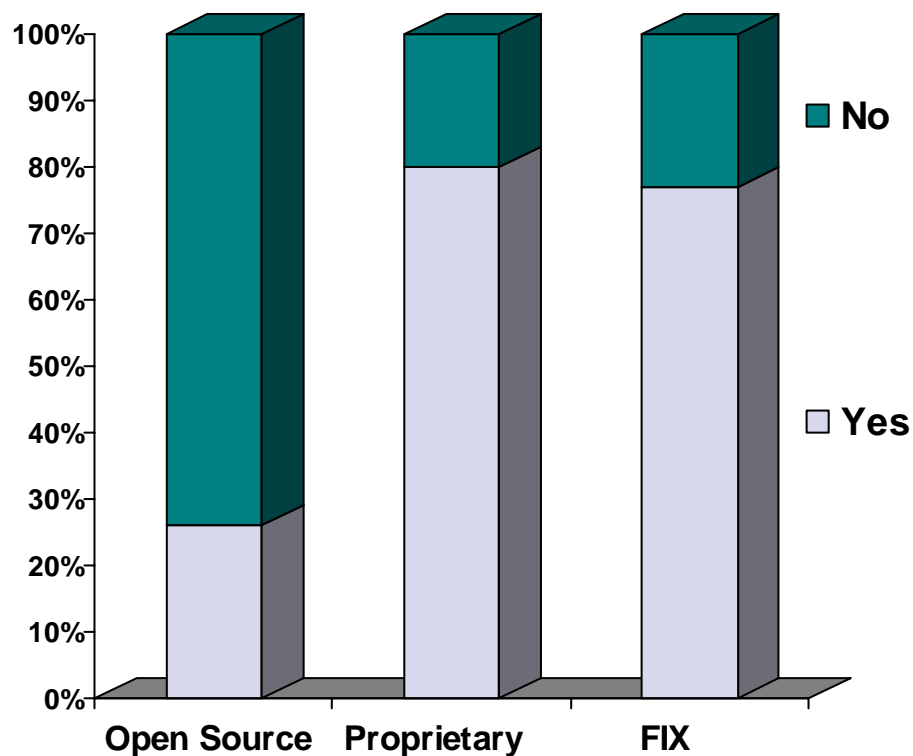
Change in the average order size



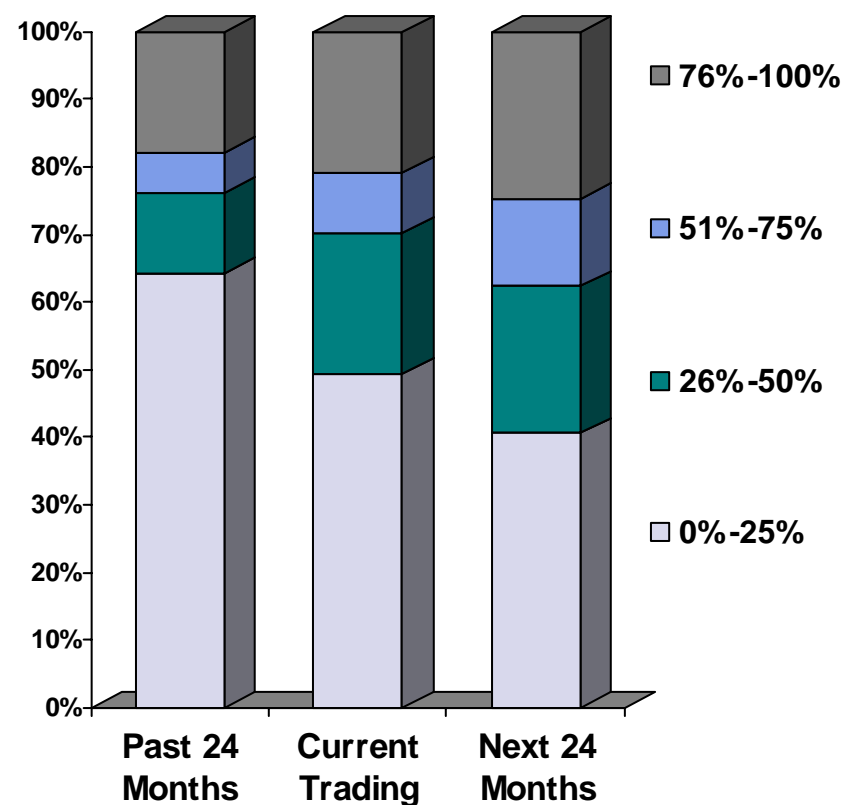
Firms' use of the FIX Protocol

Exchange provided access protocols will continue to support the increasing trend of exchange trading volume going via FIX

Exchange provided electronic access protocols

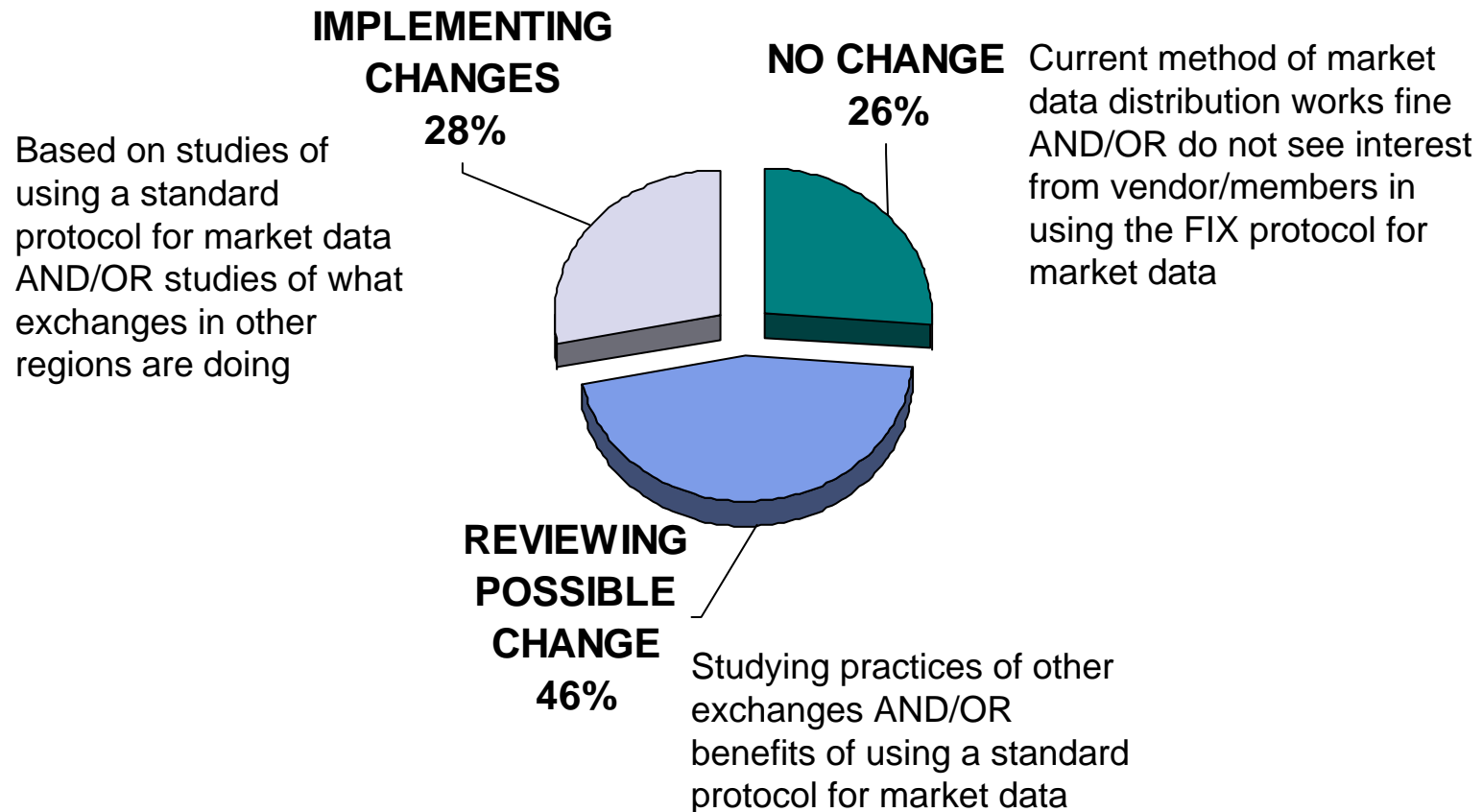


Change in trading volume via FIX



Firms' use of the FIX Protocol

Exchanges sense potential product opportunities to utilize FIX as a cheaper and more efficient delivery mechanism for market data, which in turn will provide opportunities for institutions to further pursue their FIX market data initiatives

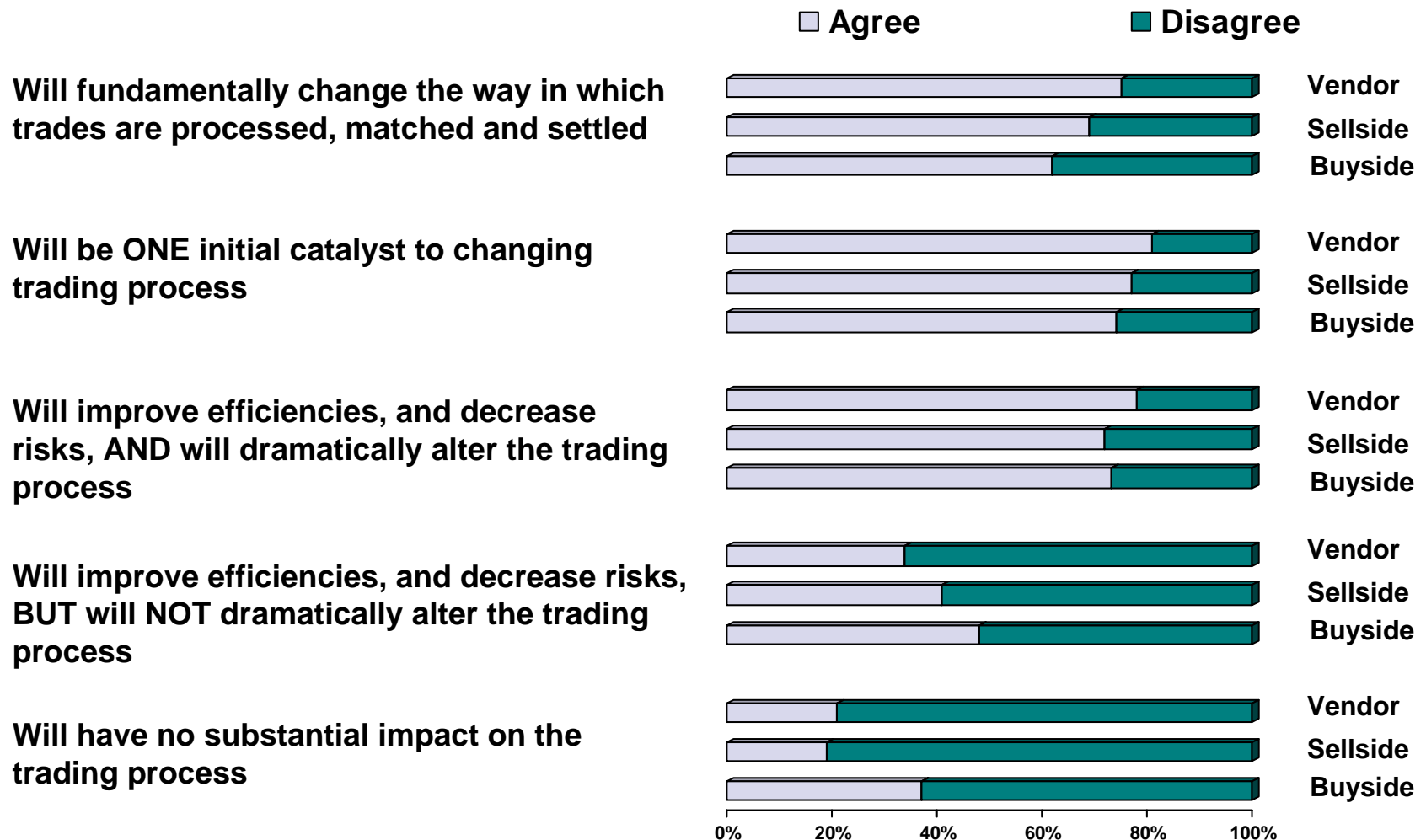


Contents

- **PART A: Survey Demographics**
- **PART B: Firms' Use of the FIX Protocol**
- **PART C: Firms' Views on Electronic Trading**
- **PART D: Firms' Views on the Future of Electronic Trading**
- **PART E: Firms' Views on FPL**
- **Appendix: Complete Survey Results**

Firms' Views on Electronic Trading

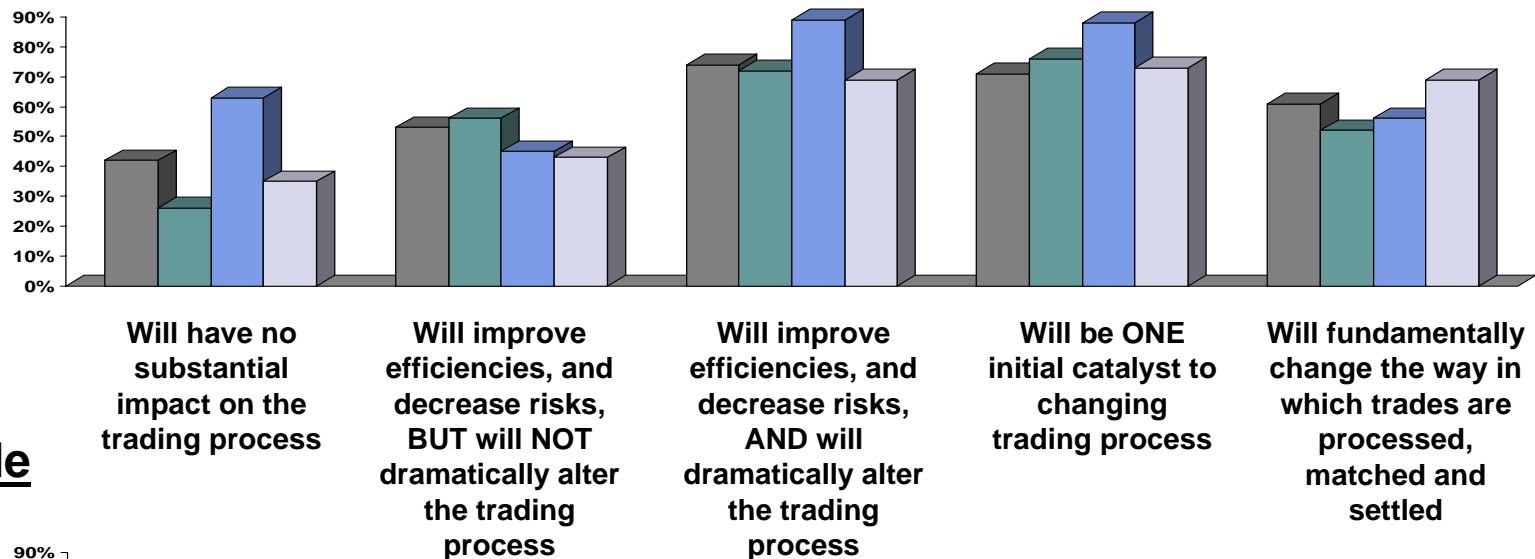
The majority of institutions and vendors believe that electronic trading will positively and dramatically change the process of trading securities



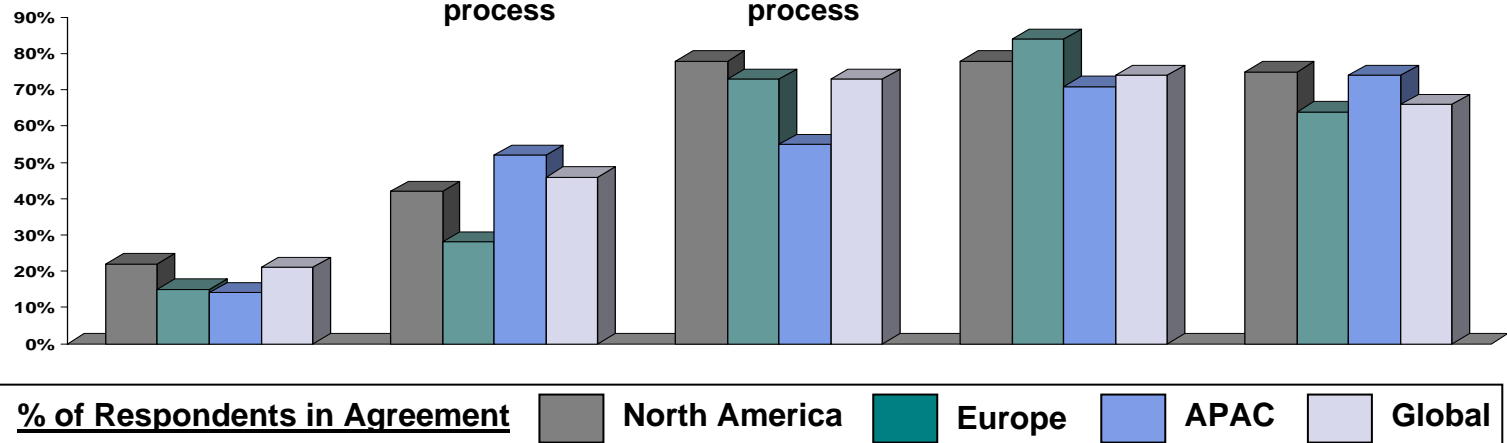
Firms' Views on Electronic Trading

Globally, the belief that electronic trading will significantly change the process of trading securities is consistently supported by firms across all regions

Buy-side



Sell-side



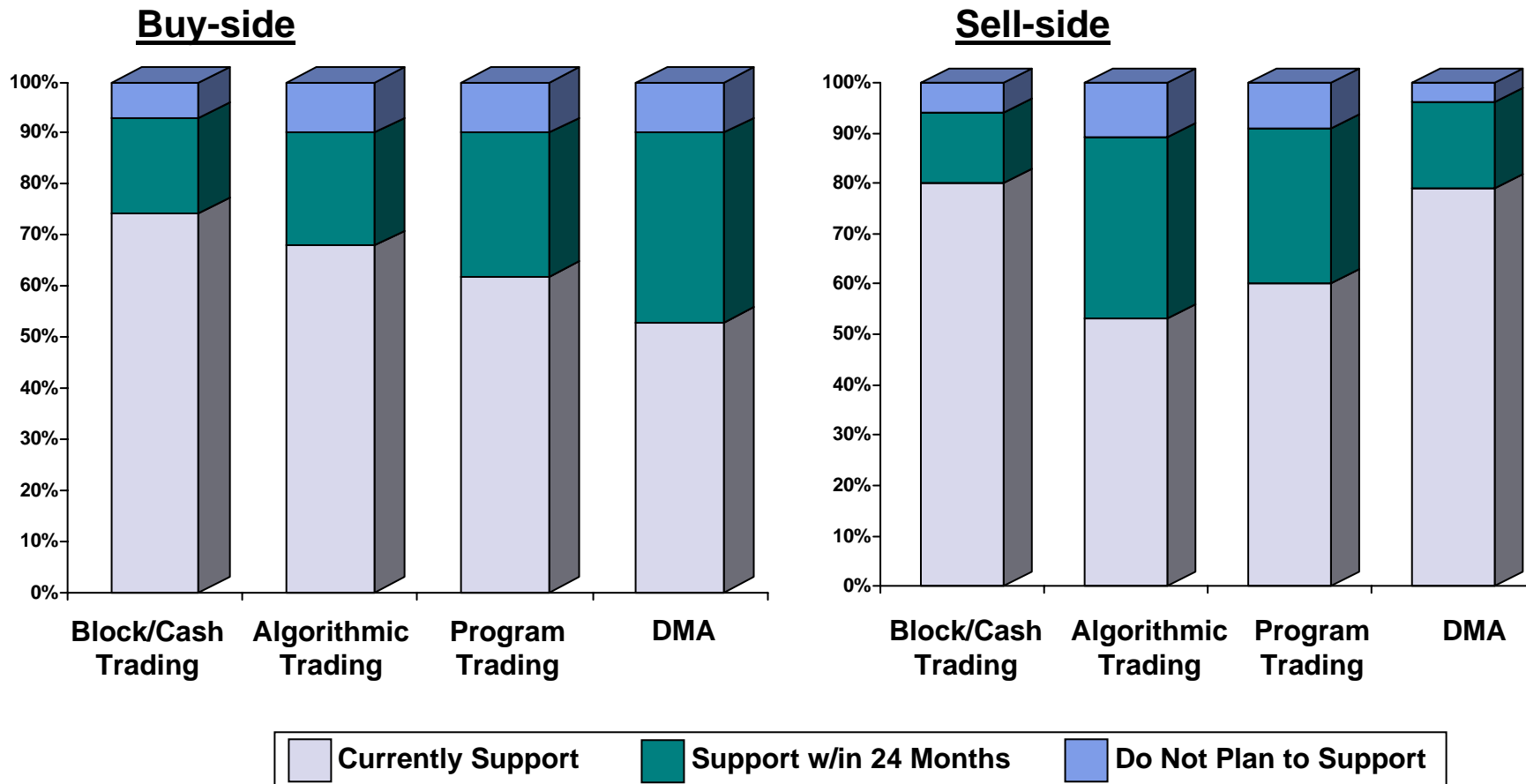
% of Respondents in Agreement



Firms' Views on Electronic Trading

The biggest priority for buy-side firms over the next 2 years will be on DMA, whereas the sell-side has already made significant investments in DMA and plans to focus more efforts towards algorithmic and program trading

Firms status for supporting TRADING METHODS via FIX

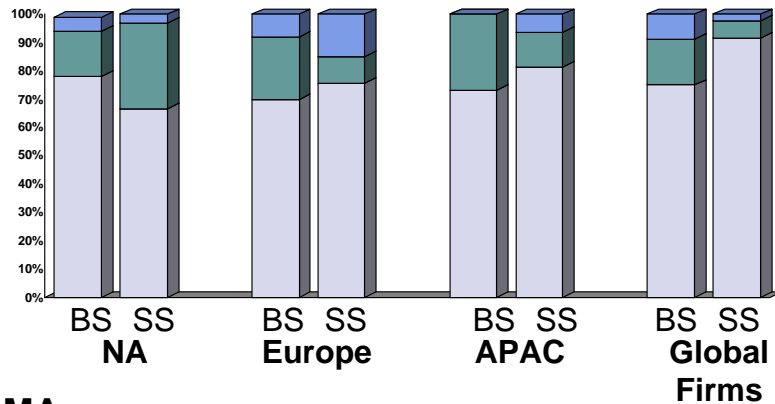


Firms' Views on Electronic Trading

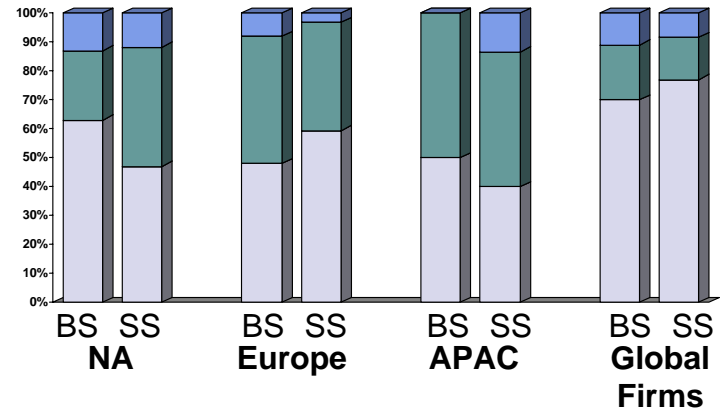
Regionally, North American firms lead both European and APAC firms in leveraging FIX for various methods of trading electronically

Firms status for supporting TRADING METHODS via FIX

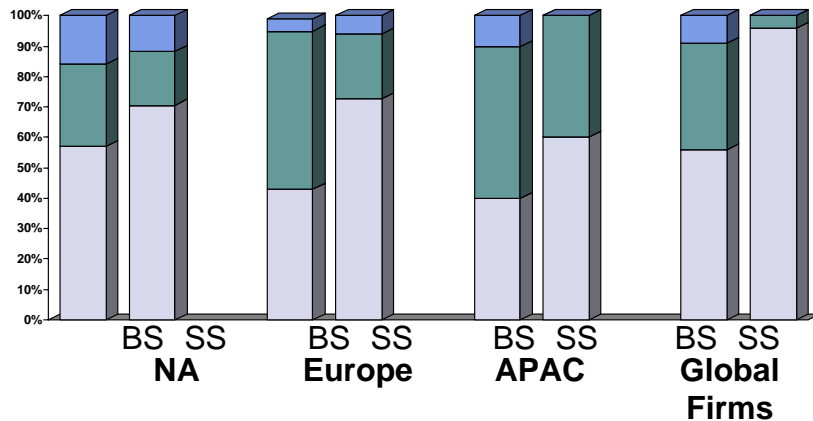
Block/Cash Trading



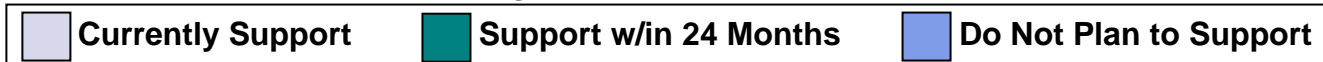
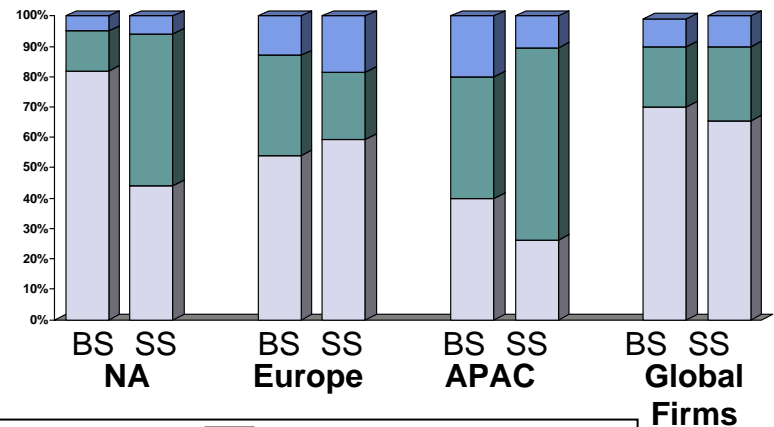
Program Trading



DMA



Algorithmic Trading

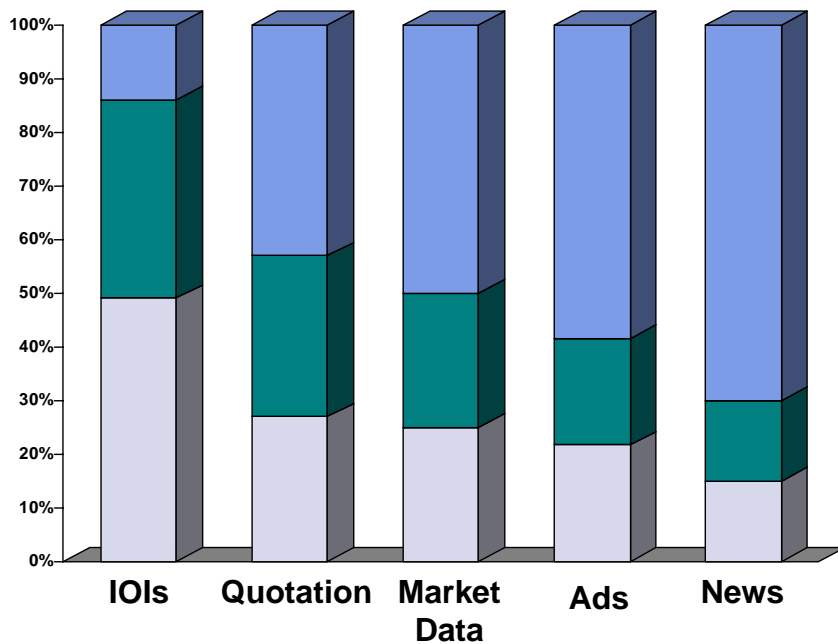


Firms' Views on Electronic Trading

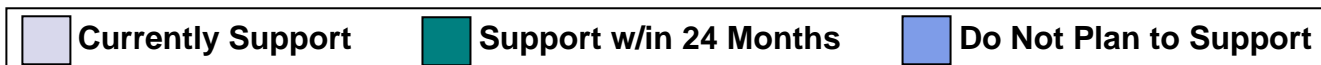
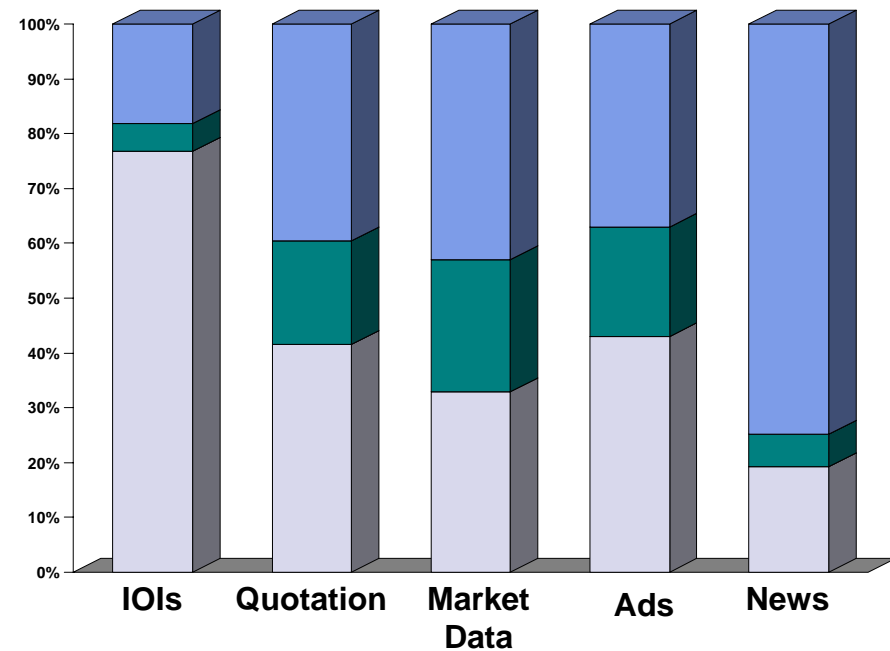
The buy-side and sell-side are looking to extend FIX into the pre-trade environment by focusing on IOIs and quotes, and both showed significant interest in supporting market data via FIX

Firms status for supporting PRE-TRADE message types via FIX

Buy-side



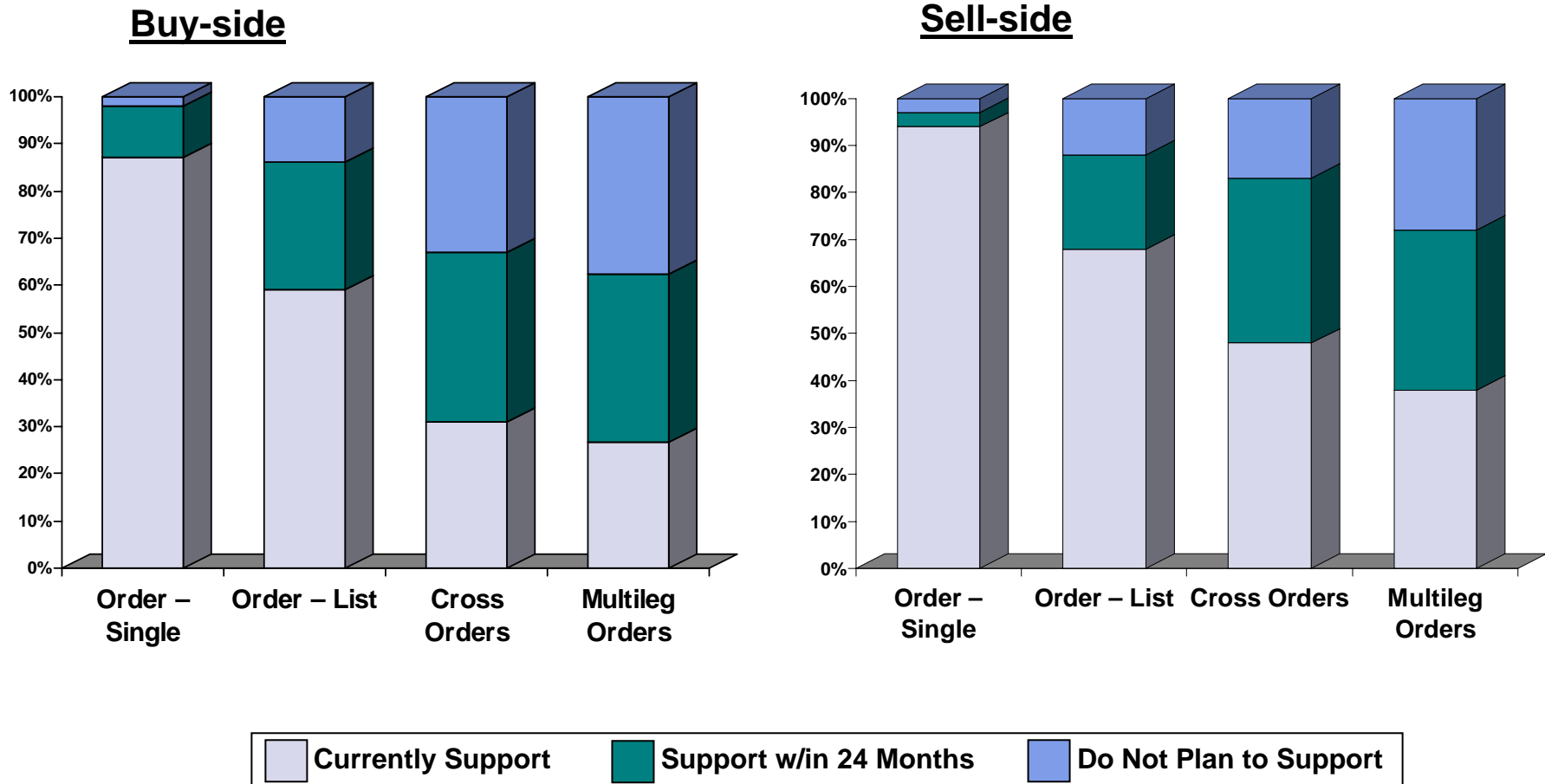
Sell-side



Firms' Views on Electronic Trading

Cross and multi-leg orders have lagged in FIX support because of their complexity, but each shows substantially increased focus over the next 2 years

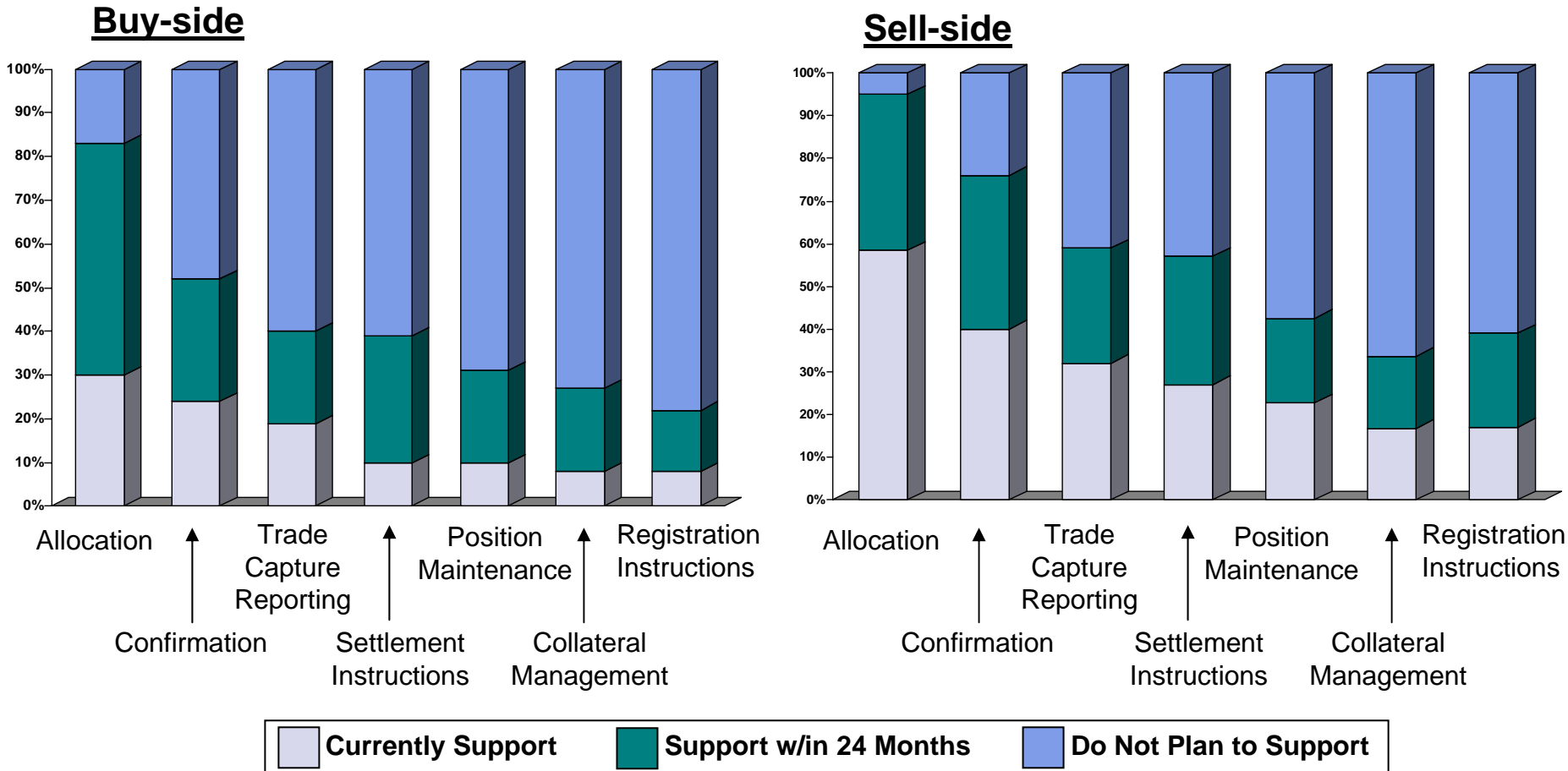
Firms status for supporting the following TRADE messages via FIX



Firms' Views on Electronic Trading

As institutions look towards the back-office to achieve greater trading efficiencies and higher levels of STP, the focus will be on allocations and confirmations, driven primarily by the sell-side

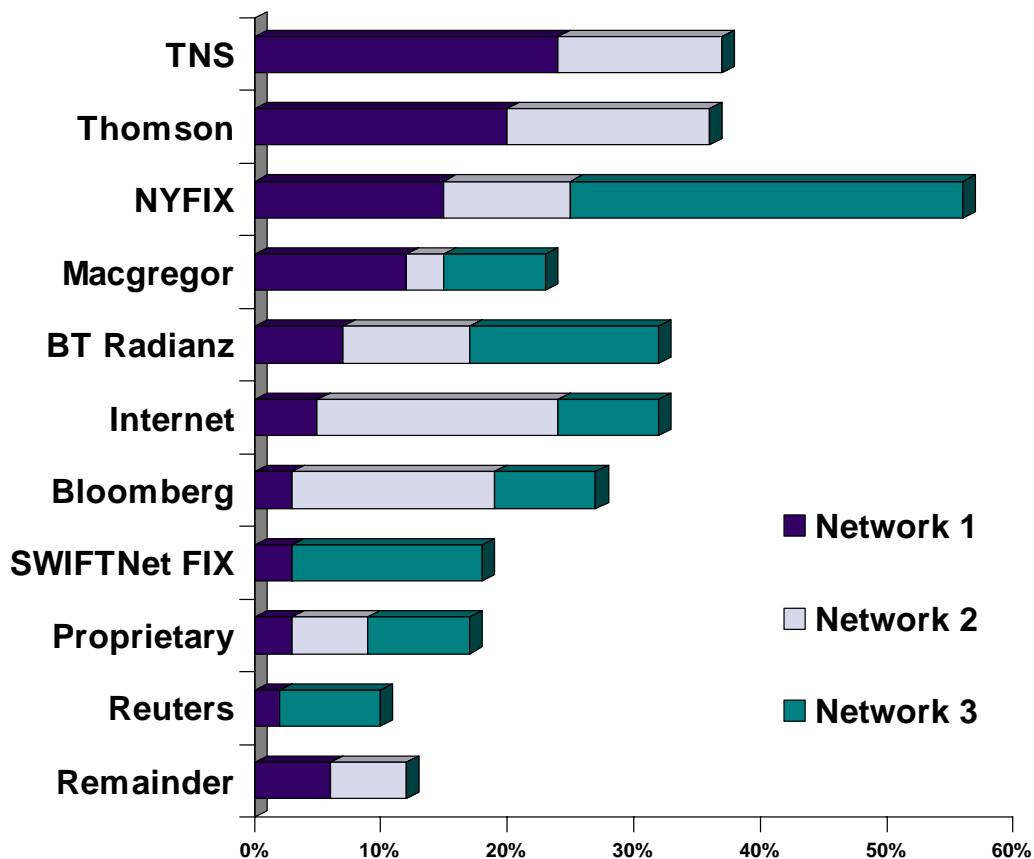
Status for supporting/using the following POST-TRADE messages via FIX



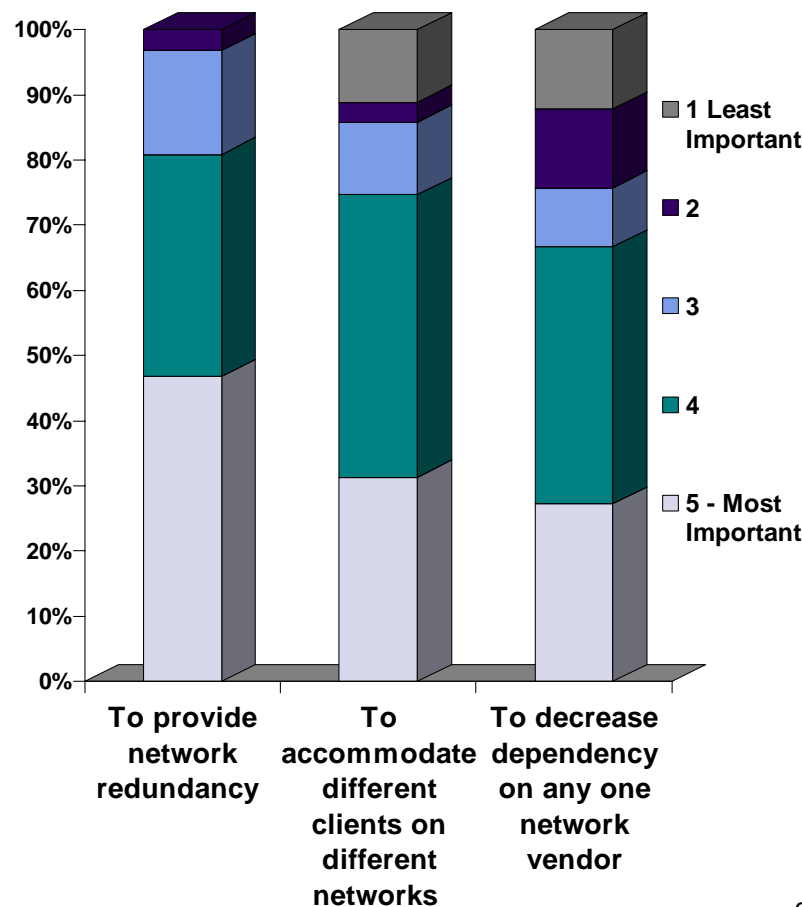
Firms' Views on Electronic Trading

The Internet has matured and stabilized to support significant FIX network traffic, although it's used primarily to provide inexpensive redundancy to firms' primary networks

Buy-side FIX Networks (Sorted by Network 1)



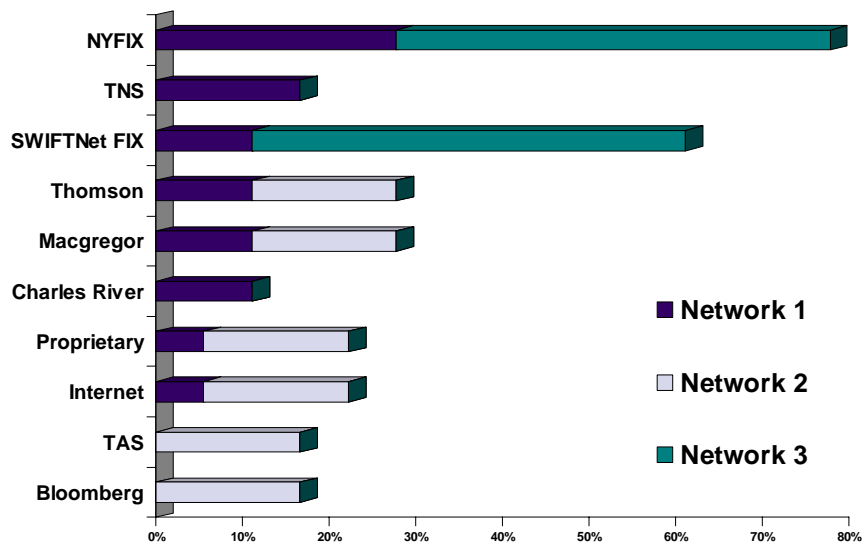
Why more than one?



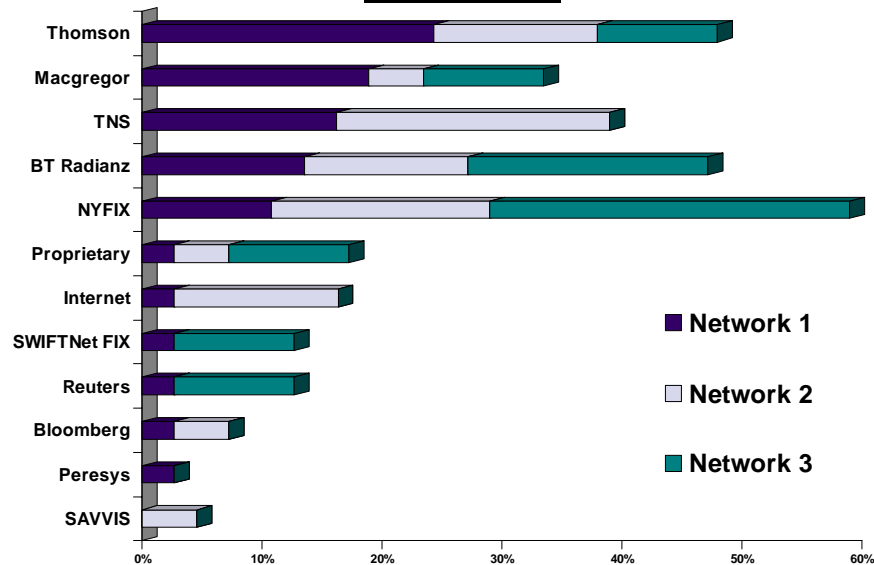
Firms' Views on Electronic Trading

Buy-side FIX Networks by Region (Sorted by Network 1)

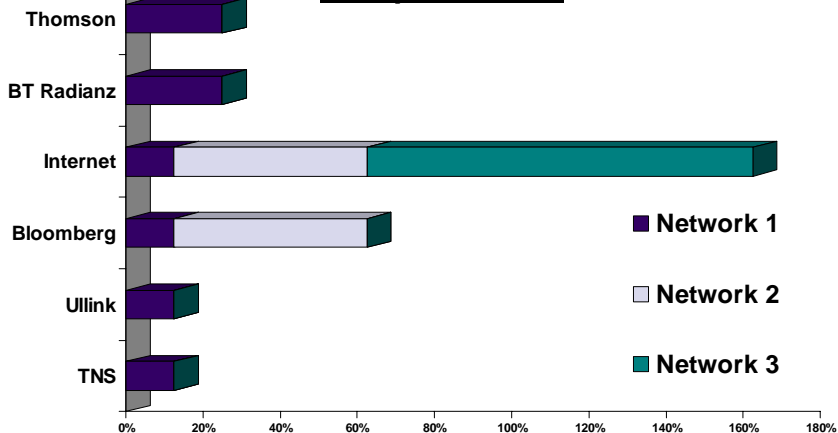
North American Firms



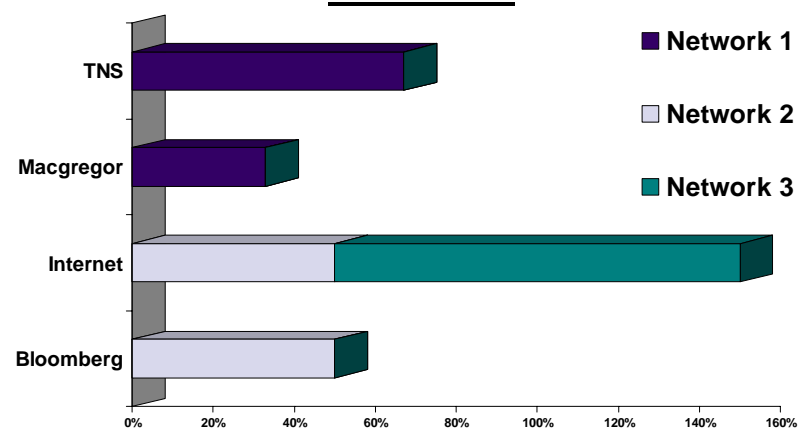
Global Firms



European Firms



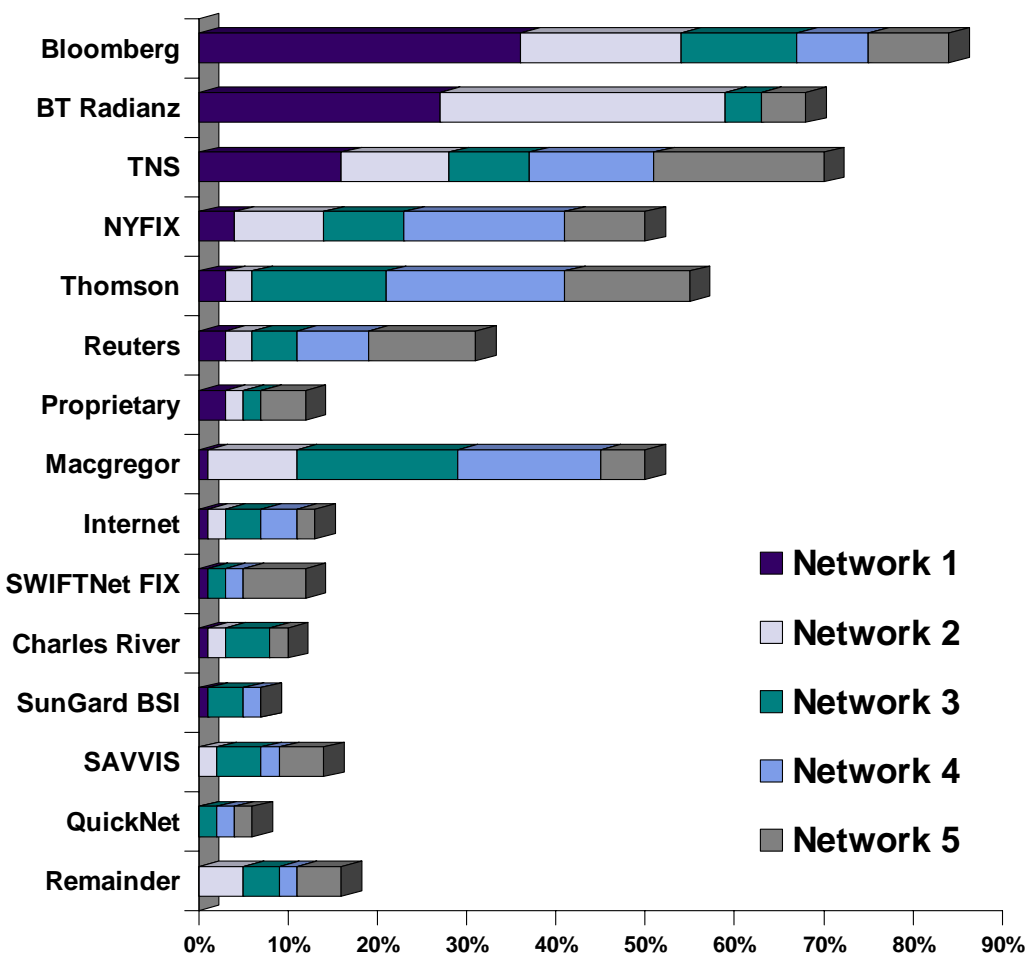
APAC Firms



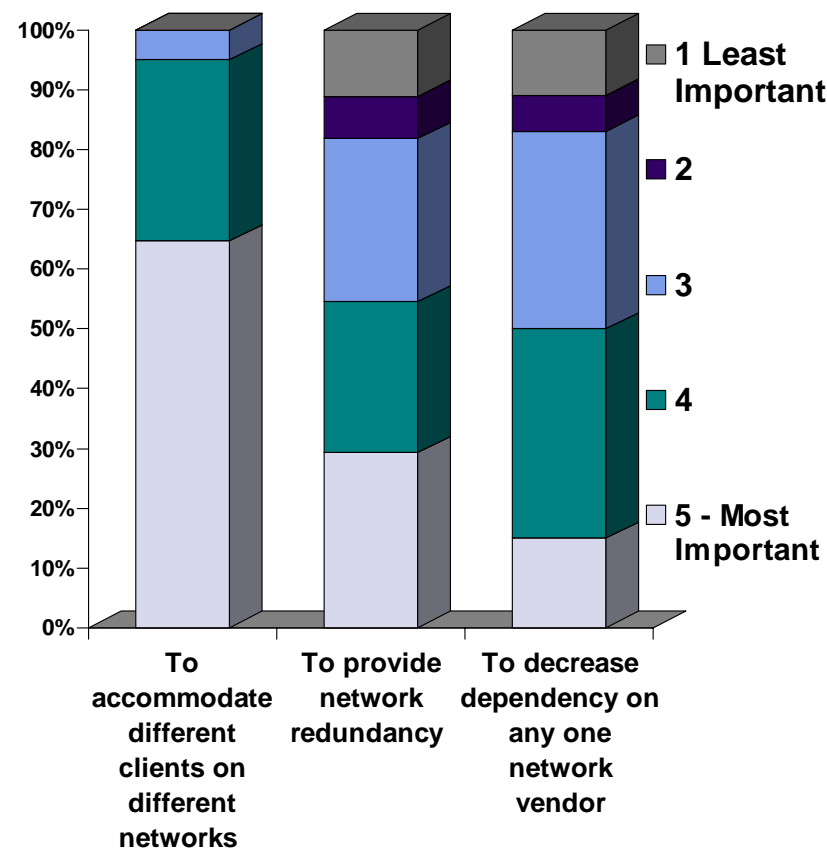
Firms' Views on Electronic Trading

The sell-side is making limited use of the Internet for FIX, but is more driven by the need to accommodate clients network choices

Sell-side FIX Networks (Sorted by Network 1)



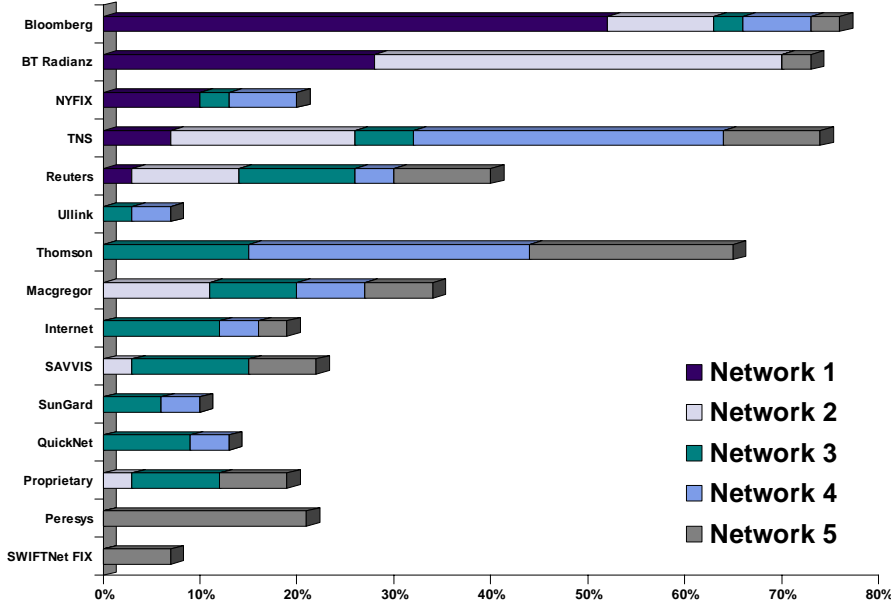
Why more than one?



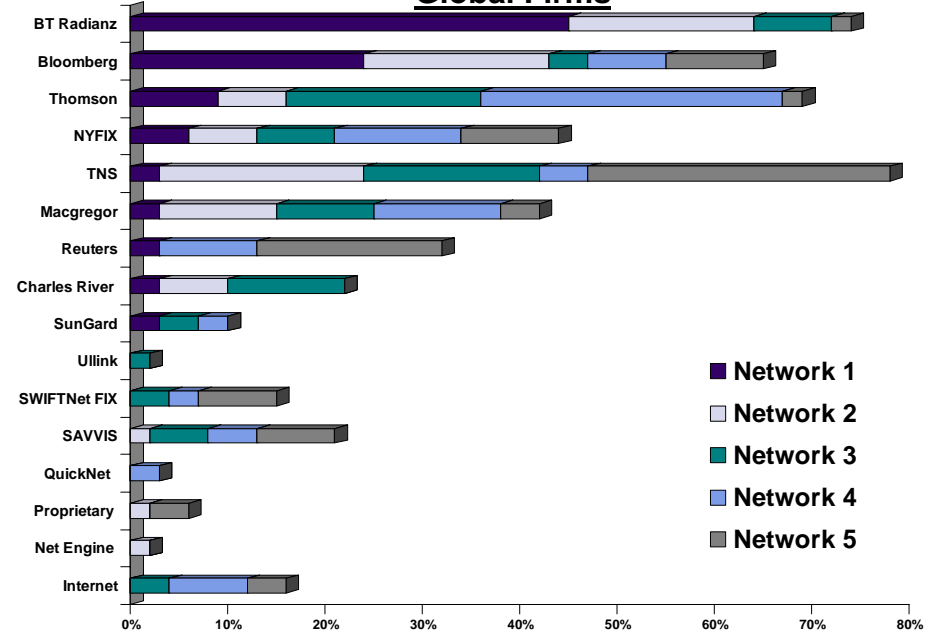
Firms' Views on Electronic Trading

Sell-side FIX Networks by Region (Sorted by Network 1)

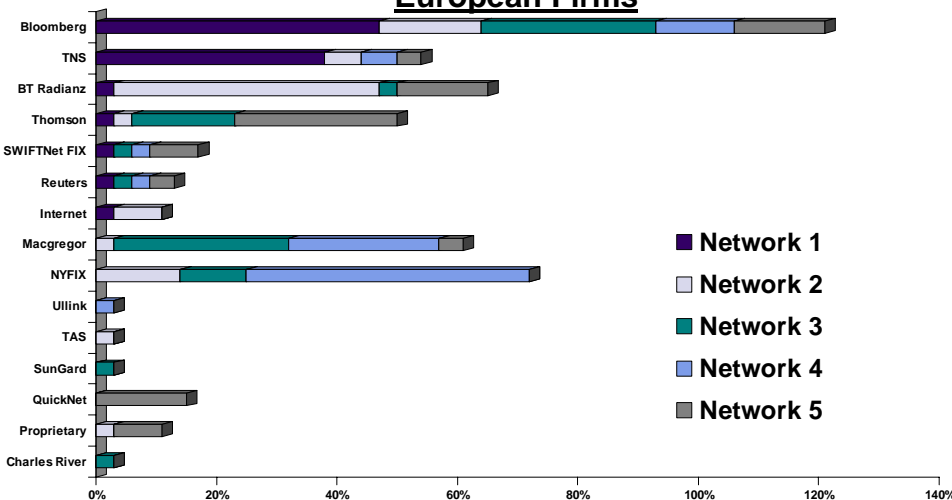
North American Firms



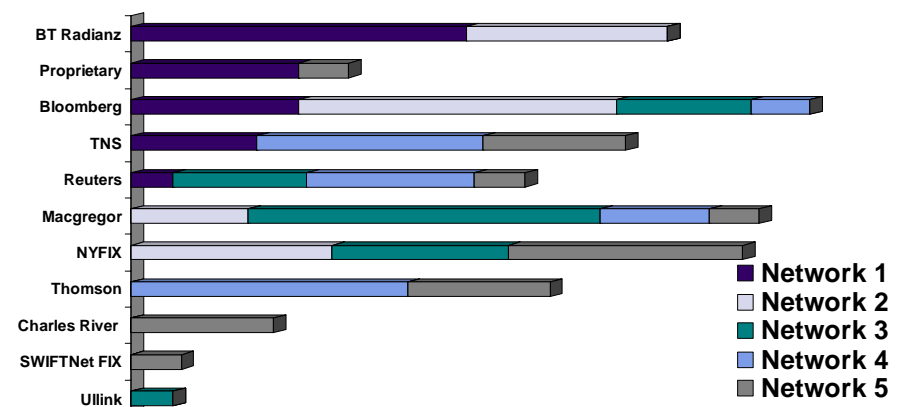
Global Firms



European Firms



APAC Firms

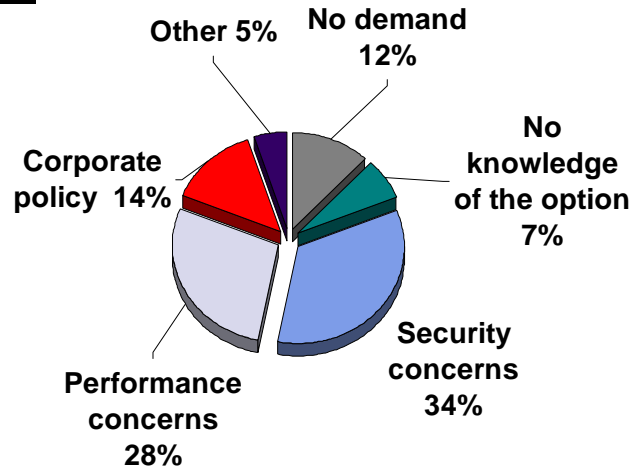


% of Total Responses

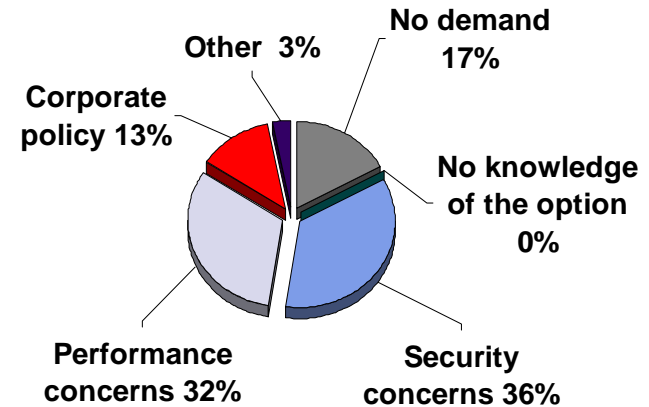
Firms' Views on Electronic Trading

For those institutions that do not support the Internet for FIX, security and performance concerns are cited as the biggest barriers to adoption

Buy-Side

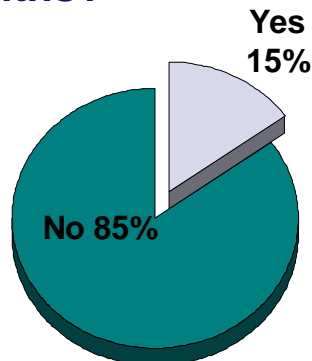


Sell-Side

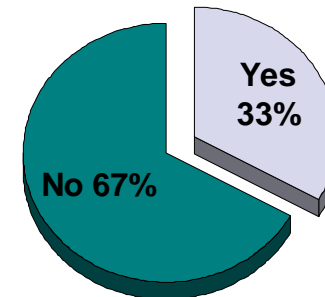


If you do not use the Internet for FIX connectivity, are you planning to use it within 24 months?

Buy-Side



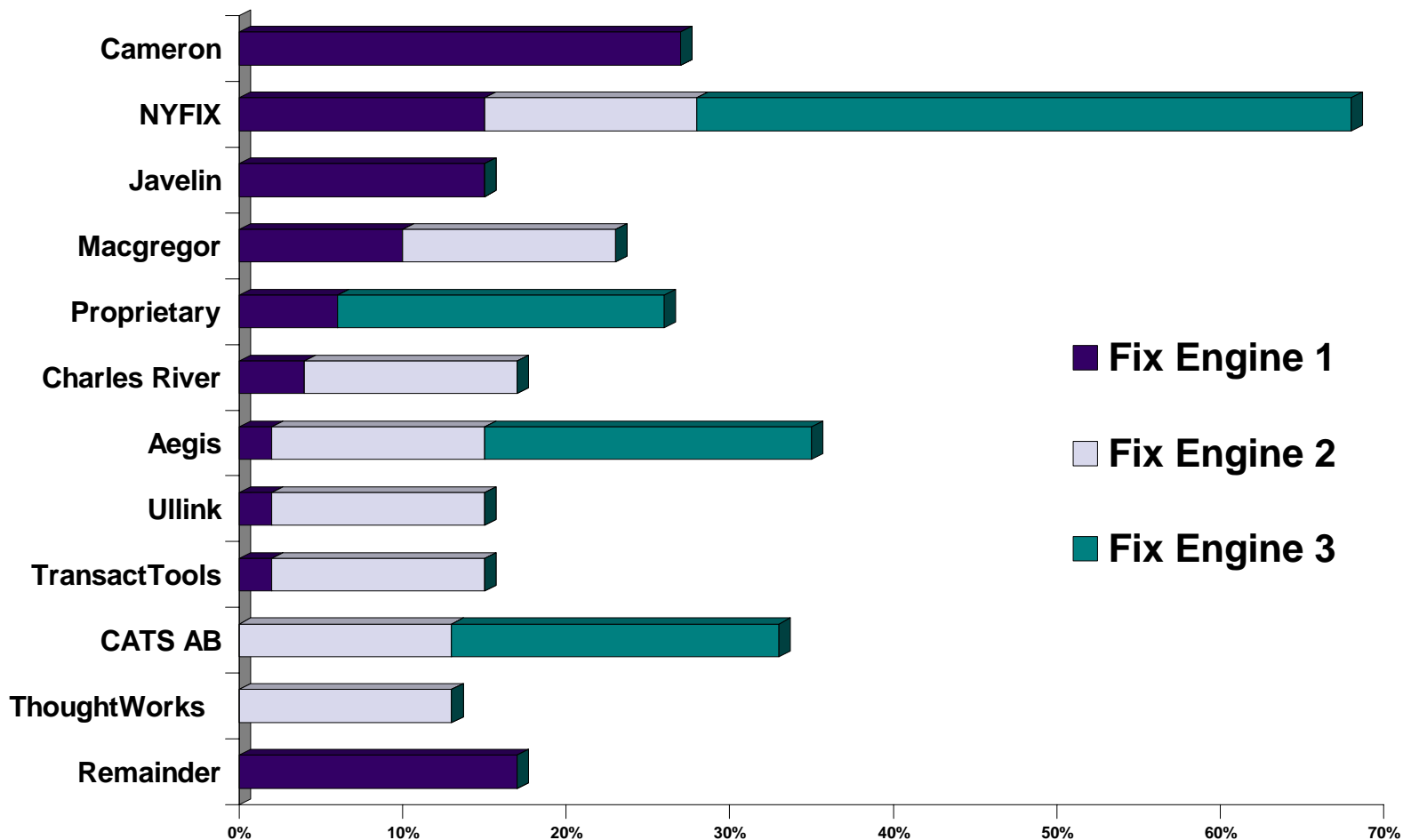
Sell-Side



Firms' Views on Electronic Trading

Early FIX engine providers still maintain dominance as a primary engine provider

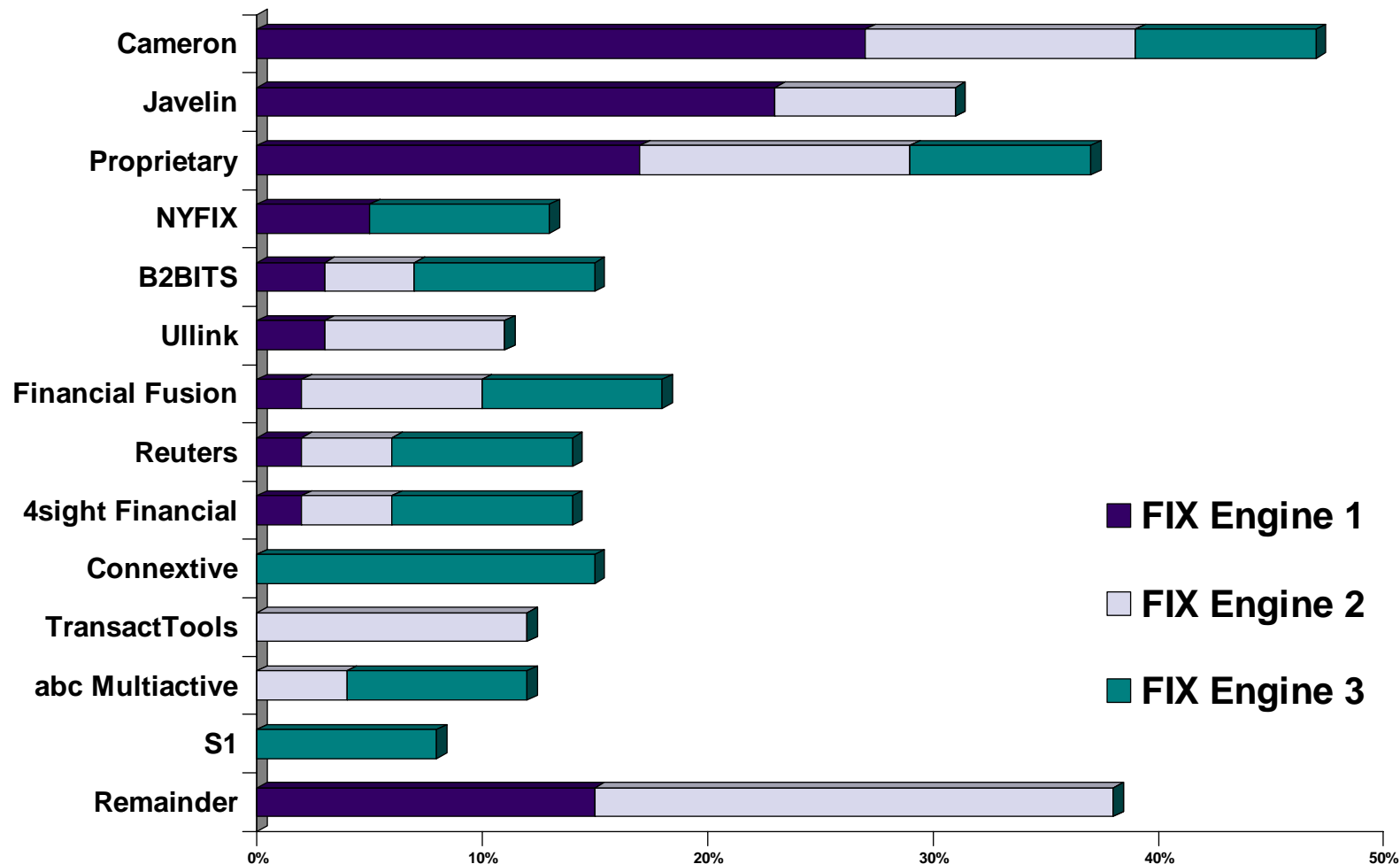
Buy-side FIX engines (sorted by FIX Engine 1)



Firms' Views on Electronic Trading

Many sell-side firms still utilize proprietary technology to differentiate themselves

Sell-side FIX engines (sorted by FIX Engine 1)

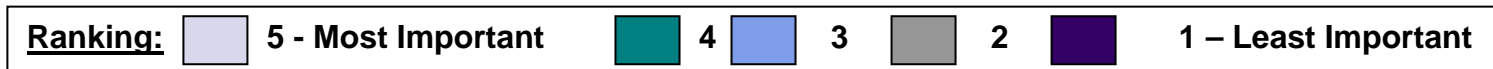
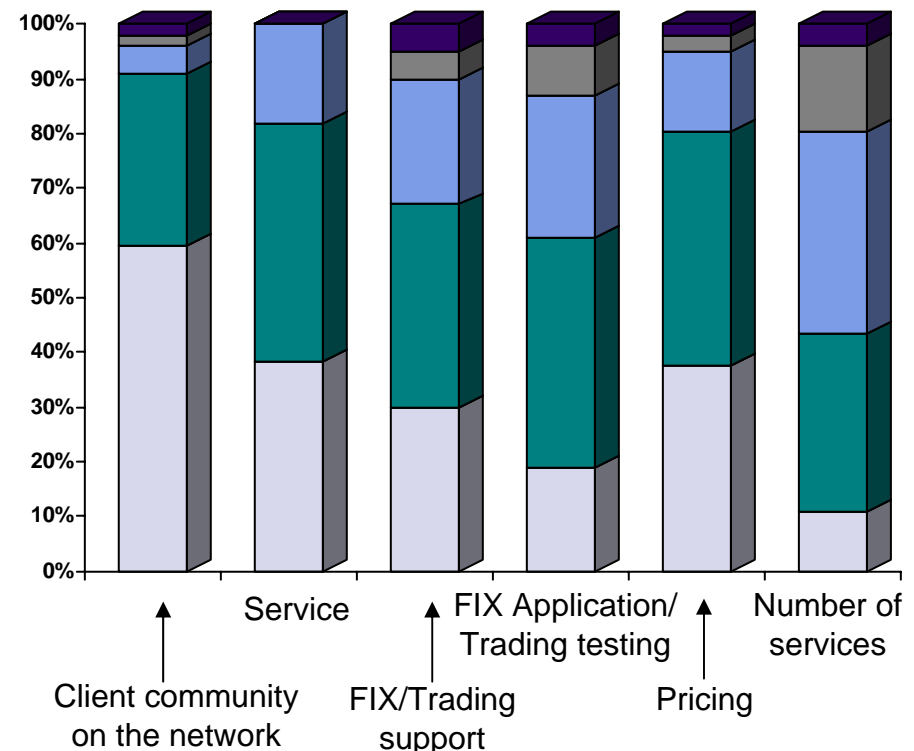
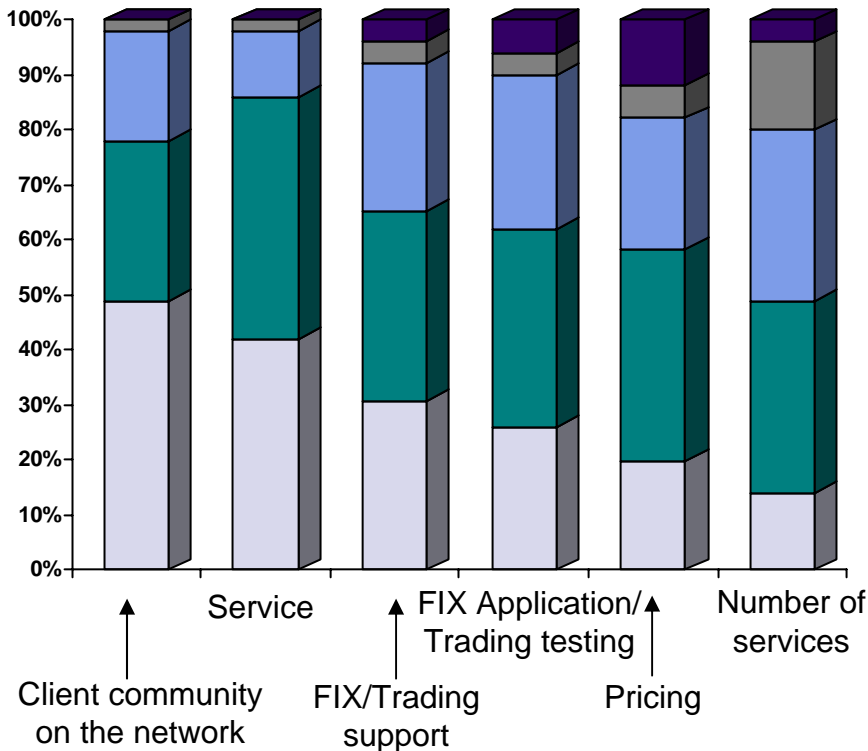


Firms' Views on Electronic Trading

The buy-side and sell-side are aligned in their views on the factors behind choosing their FIX network providers, differing only in their priority for pricing where the sell-side has a higher vested interest

Buy-side

Sell-side



% of Total Responses – Sorted by Buy-side priority

Contents

- **PART A: Survey Demographics**
- **PART B: Firms' Use of the FIX Protocol**
- **PART C: Firms' Views on Electronic Trading**
- **PART D: Firms' Views on the Future of Electronic Trading**
- **PART E: Firms' Views on FPL**
- **Appendix: Complete Survey Results**

Firms' Views on the Future of Electronic Trading – Buy-side

Although the buy-side will continue to increase its utilization of new approaches to electronic trading, direct orders to sales traders, either by phone or electronically, should continue to dominate over the next 2 years

Buy-side

Direct Market Access [DMA]

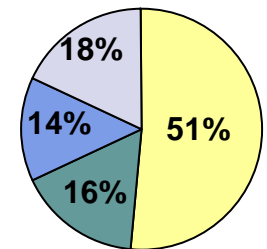
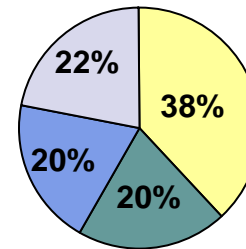
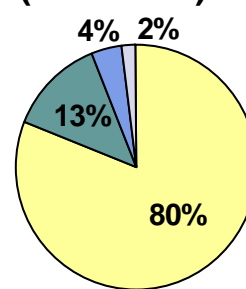
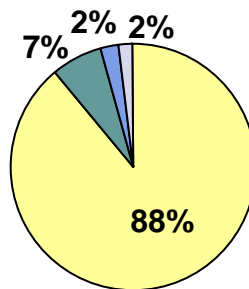
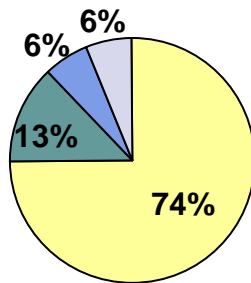
Algorithmic Destination

Crossing Network (ECN/ATS)

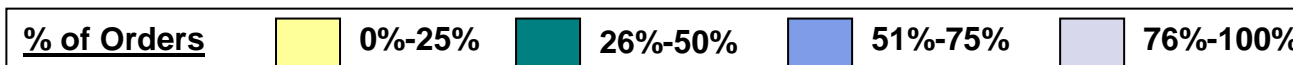
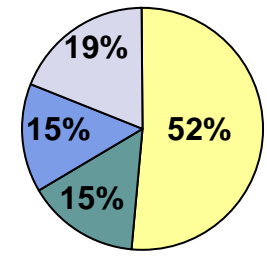
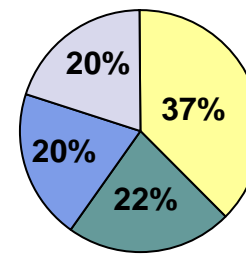
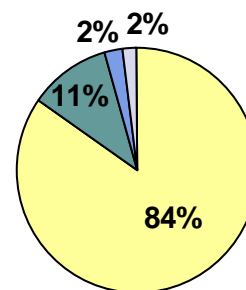
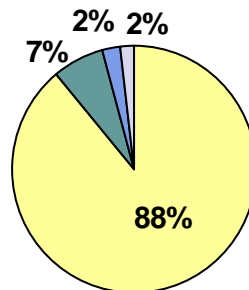
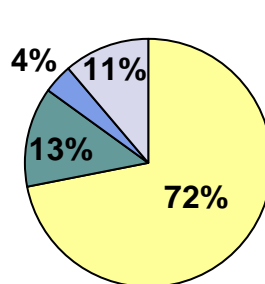
Electronic Order to Sales Trader

Telephone Message to Sales Trader

Trade Value (\$)



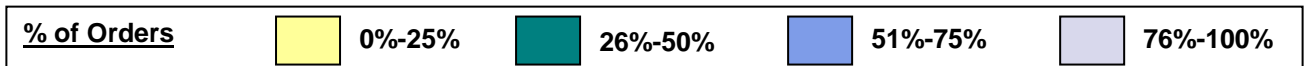
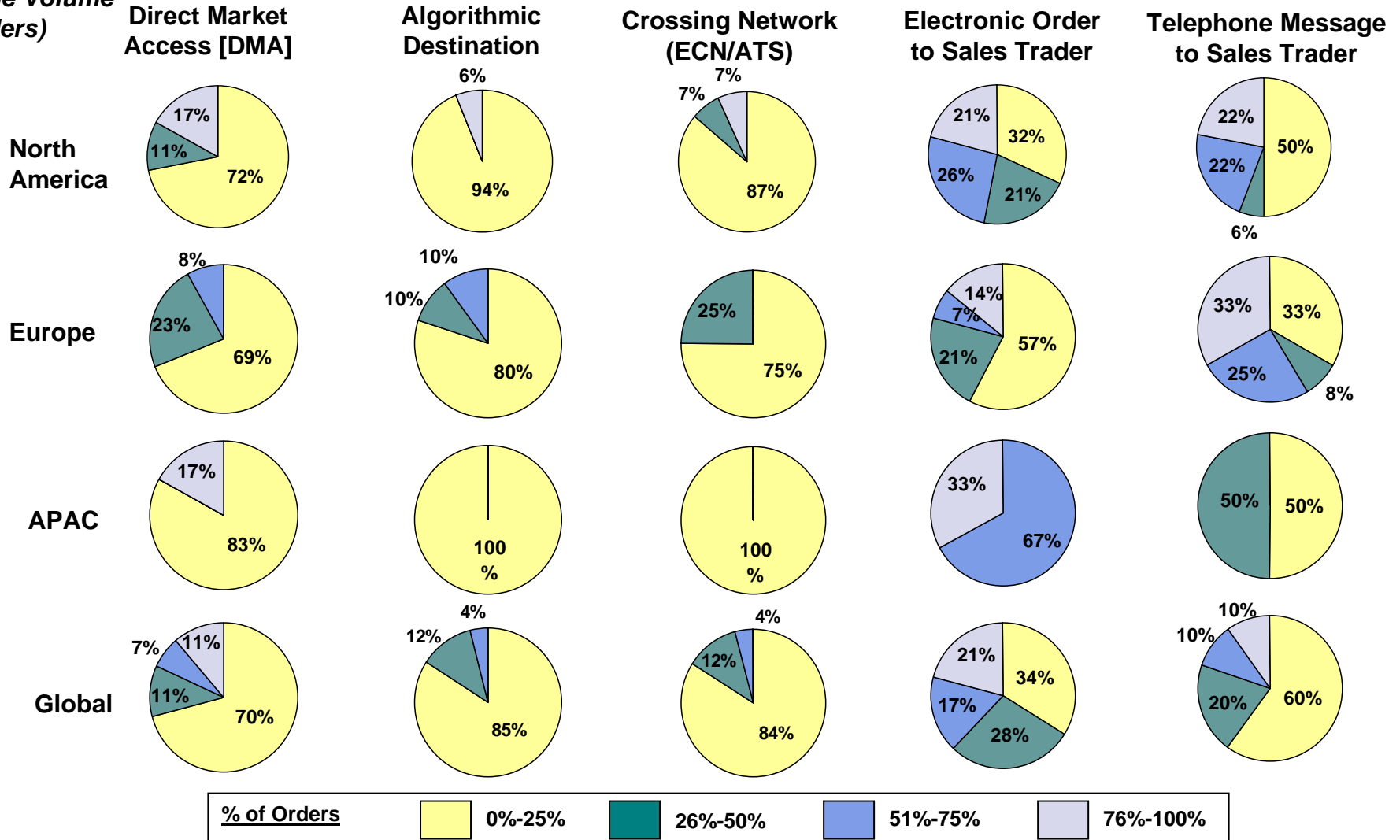
Trade Volume (Orders)



Firms' Views on the Future of Electronic Trading – Buy-side

Europe leads the way on the buy-side in the utilization of new approaches to electronic trading

Trade Volume (Orders)



Firms' Views on the Future of Electronic Trading – Sell-side

The sell-side has a much deeper utilization of electronic trading methods than the buy-side, particularly for DMA, as it showcases its focus of recent years

Sell-side

Direct Market Access [DMA]

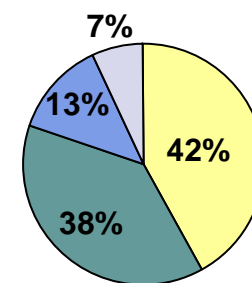
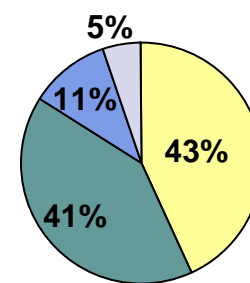
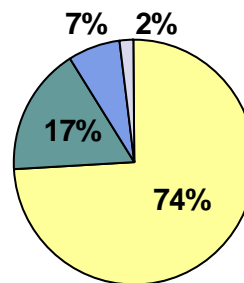
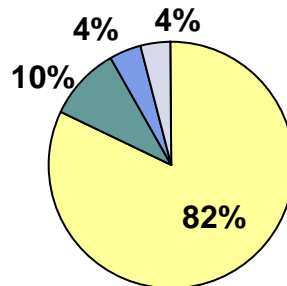
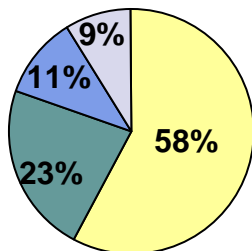
Algorithmic Destination

Crossing Network (ECN/ATS)

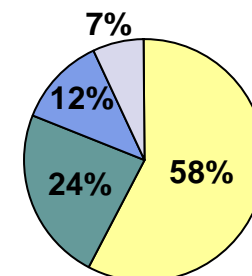
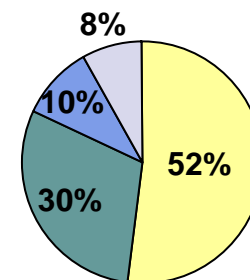
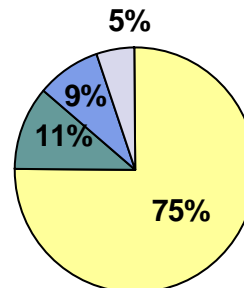
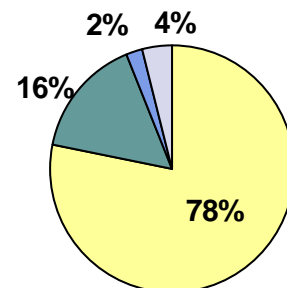
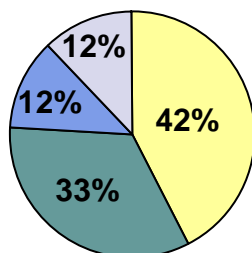
Electronic Order to Sales Trader

Telephone Message to Sales Trader

Trade Value (\$)



Trade Volume (Orders)



% of Orders



0%-25%



26%-50%



51%-75%

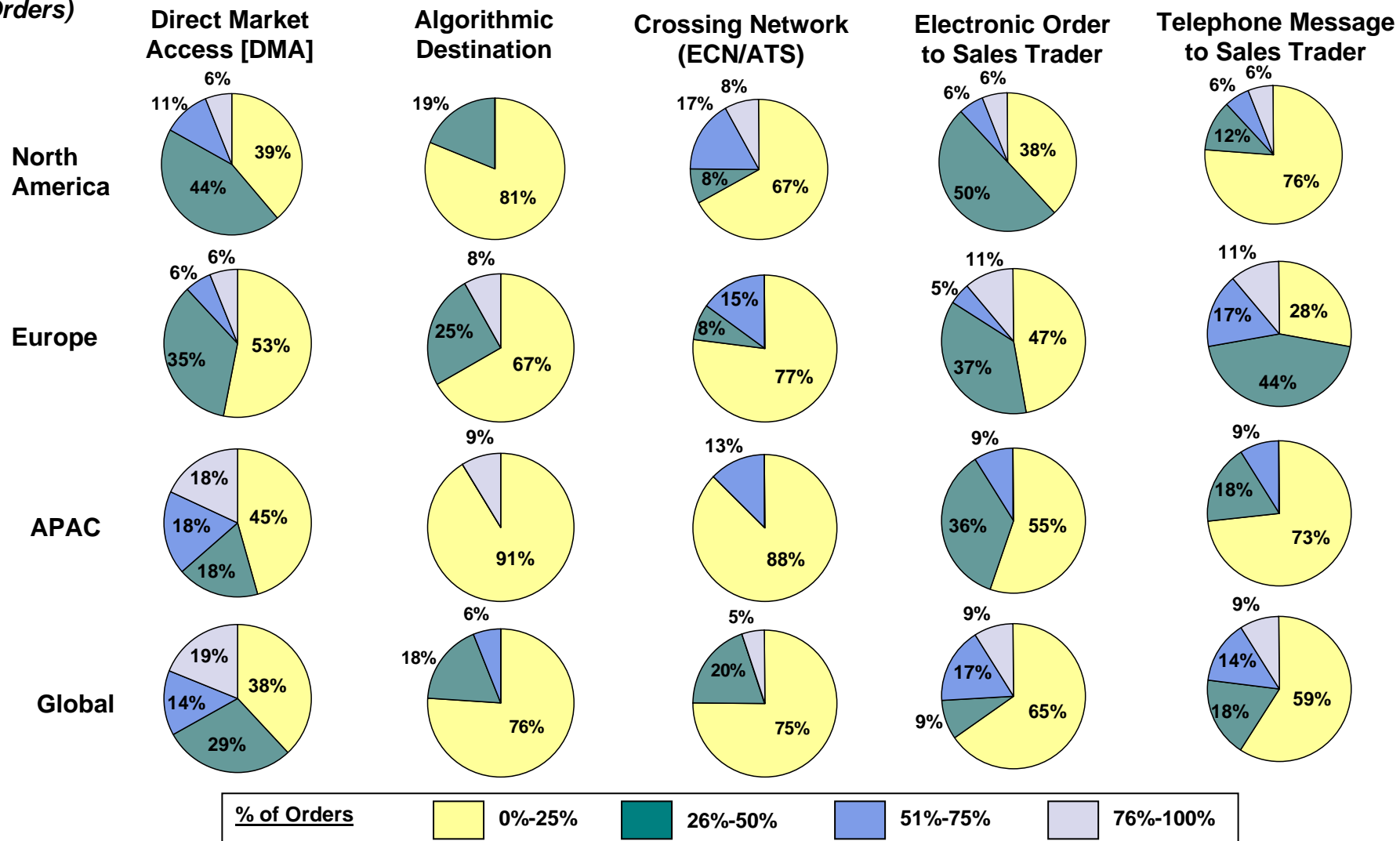


76%-100%

Firms' Views on the Future of Electronic Trading – Sell-side

The sell-side leads the buy-side across all regions in the adoption of electronic trading methods

Trade Volume
(Orders)



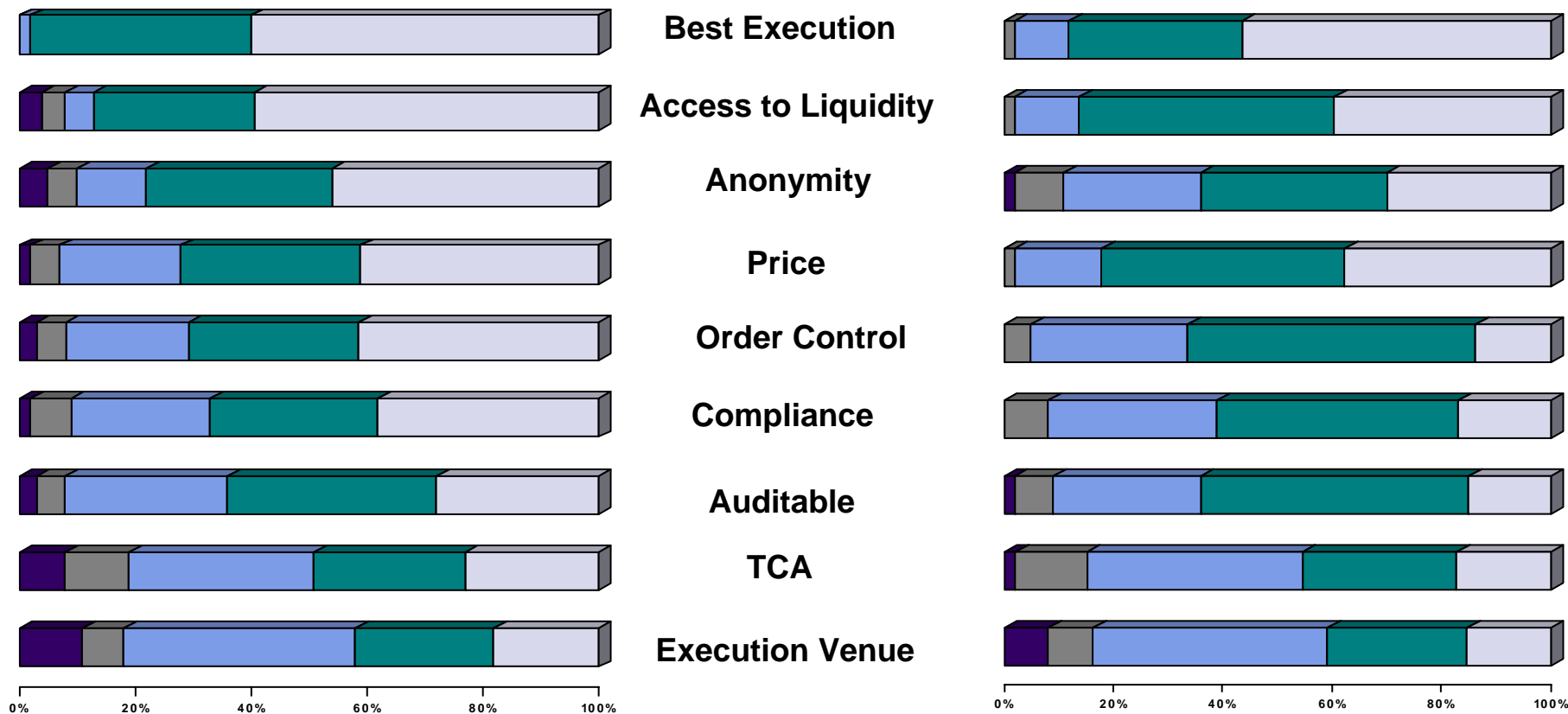
% of Total Responses

Firms' Views on the Future of Electronic Trading

The market is fairly aligned in its perceptions on the importance of specific client account features over the next 2 years, although anonymity continues to remain a priority to the buy-side

Buy-side

Sell-side

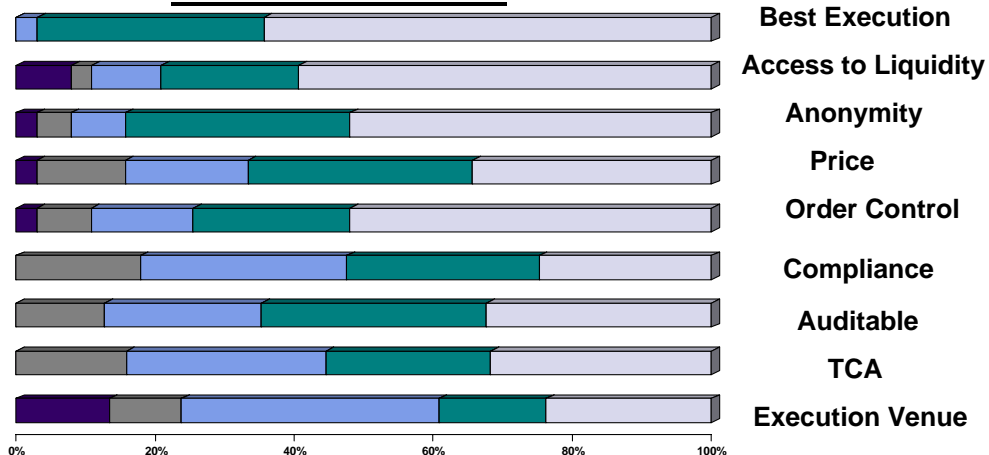


Ranking: 1 – Least Important 2 3 4 5 - Most Important

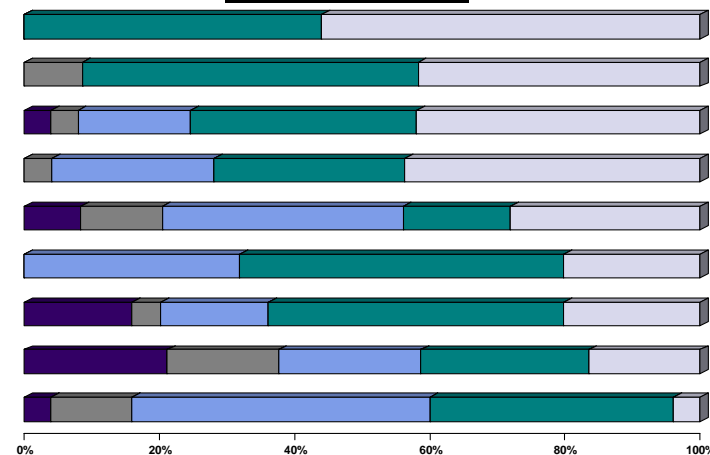
Firms' Views on the Future of Electronic Trading – Buy-side

Global buy-side firms view compliance as a high priority due to the increased risk and complexity of managing international regulations, while best execution and access to liquidity are the most important client account features in all regions

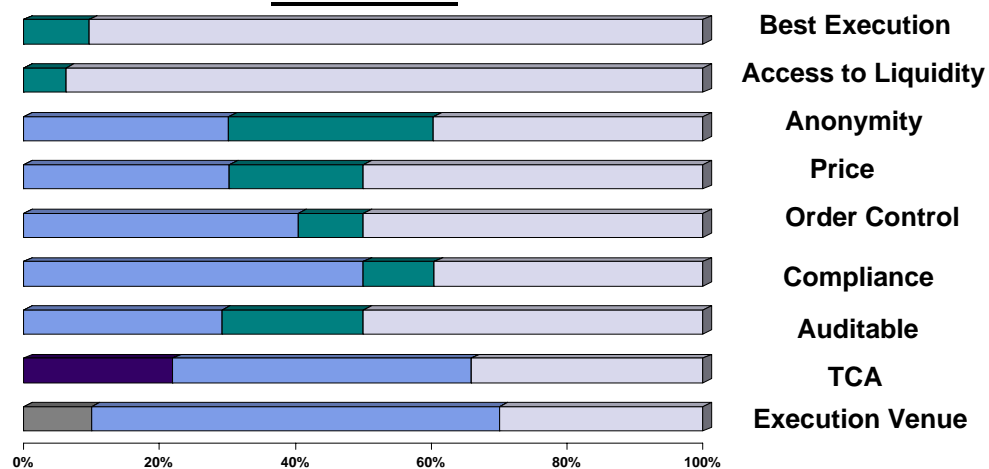
North American Firms



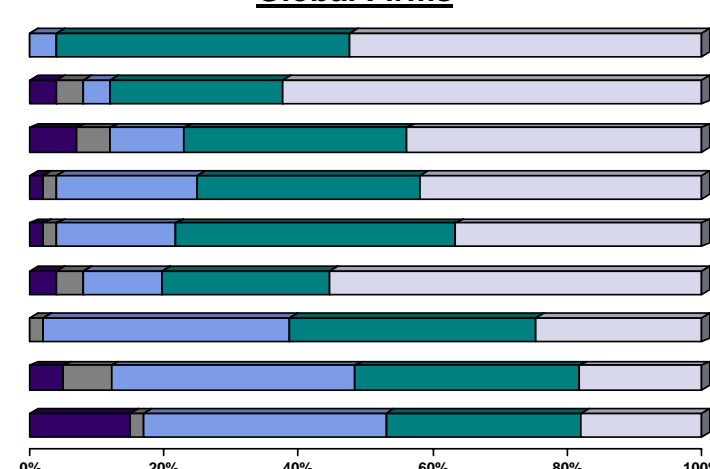
European Firms



APAC Firms



Global Firms

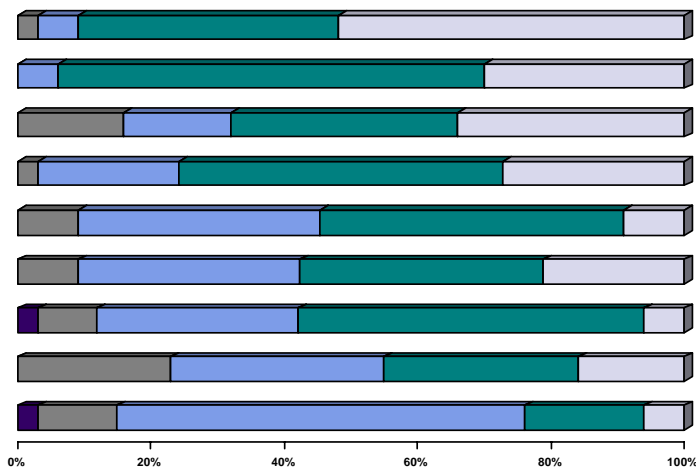


Ranking: 1 – Least Important 2 3 4 5 - Most Important

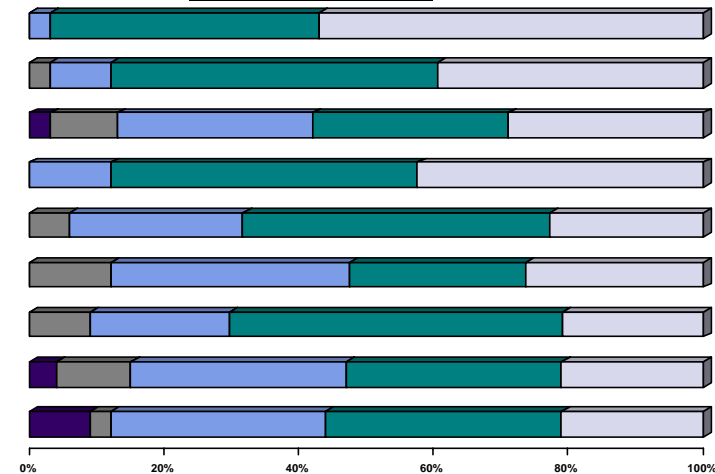
Firms' Views on the Future of Electronic Trading – Sell-side

Although the buy-side and sell-side firms are aligned in their views on the value of client account features, sell-side APAC firms place a high level of importance on access to liquidity

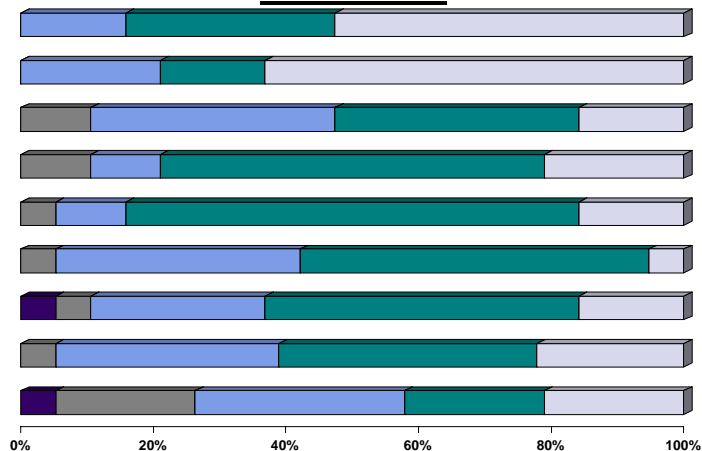
North American Firms



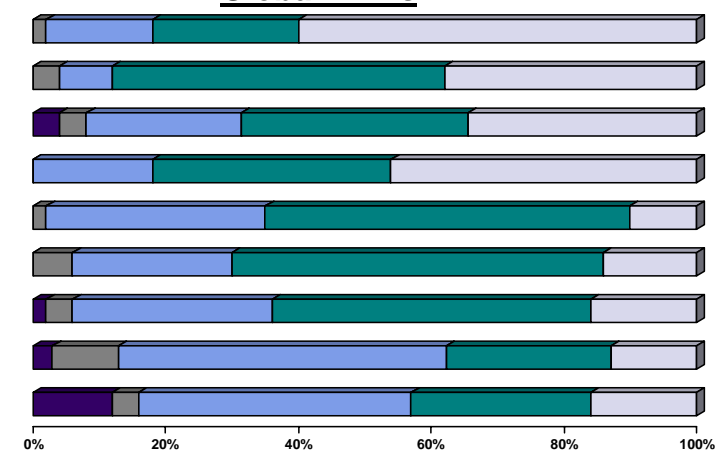
European Firms



APAC Firms



Global Firms

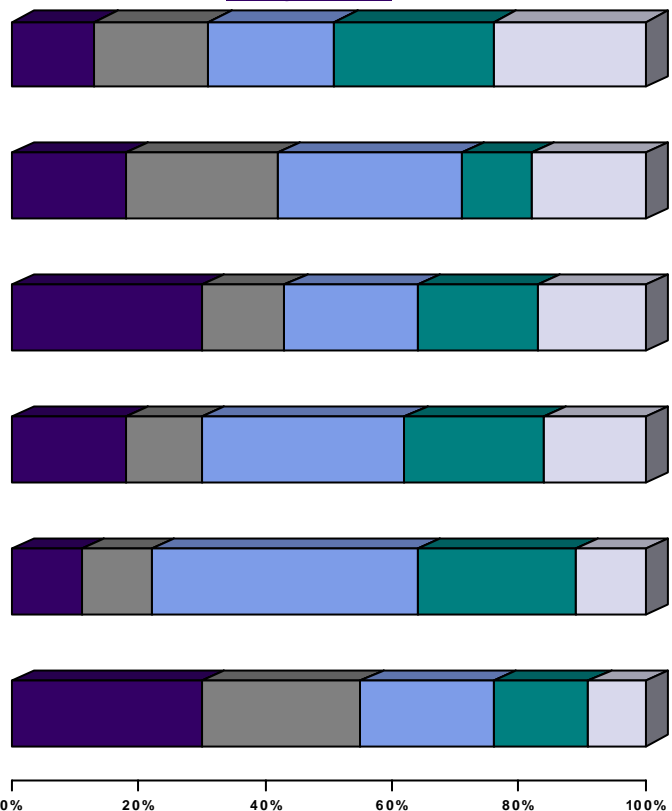


Ranking: 1 – Least Important (Dark Purple) 2 (Grey) 3 (Blue) 4 (Green) 5 - Most Important (Light Grey)

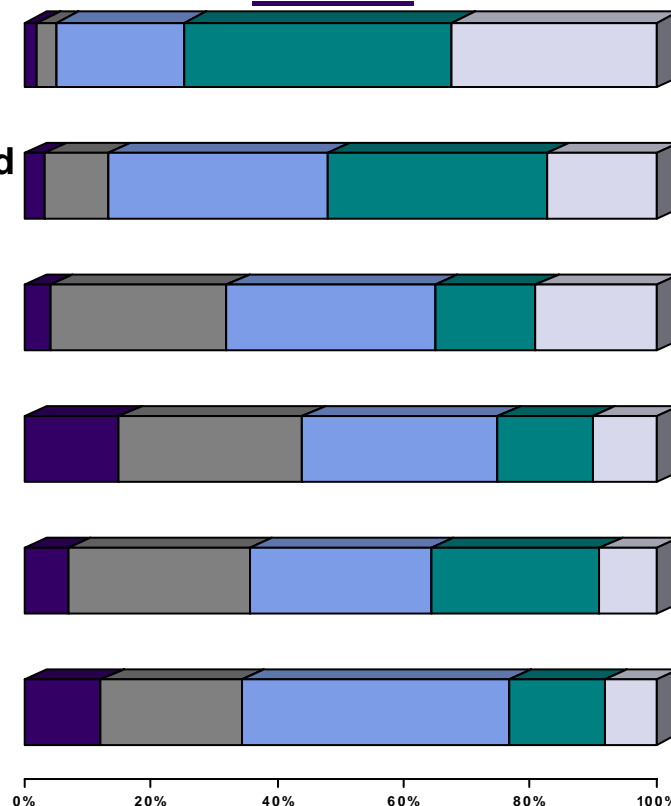
Firms' Views on the Future of Electronic Trading

The cost of adapting order management systems (OMS) and changing standard operating procedures are the biggest obstacles to achieving greater benefits for electronic execution

Buy-side



Sell-side



Ranking: 1 – Smallest Obstacle 2 3 4 5 – Biggest Obstacle

Contents

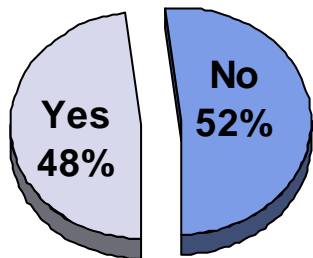
- **PART A: Survey Demographics**
- **PART B: Firms' Use of the FIX Protocol**
- **PART C: Firms' Views on Electronic Trading**
- **PART D: Firms' Views on the Future of Electronic Trading**
- **PART E: Firms' Views on FPL**
- **Appendix: Complete Survey Results**

Firms' Views on FPL

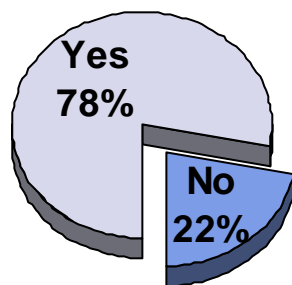
The combination of FPL's global membership and a positive belief in FPL's ability to articulate regulatory changes puts FPL in a position to drive standardization across impending regulatory changes

Is your firm an FPL member?

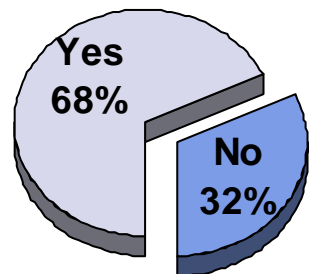
Buy-side



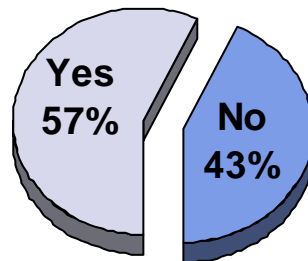
Sell-side



Vendor

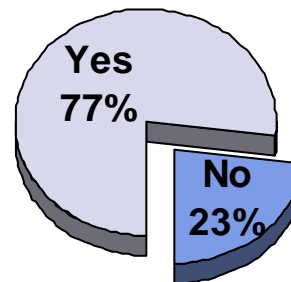


Exchange

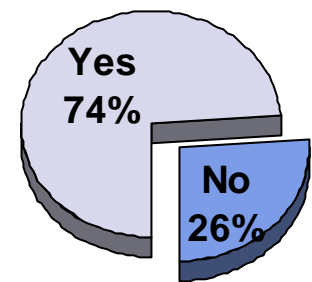


Can FPL and FIX articulate industry wide responses to regulatory and compliance changes

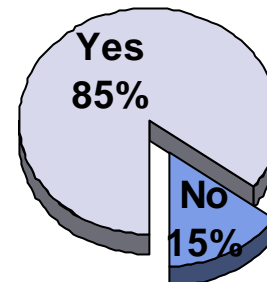
Buy-side



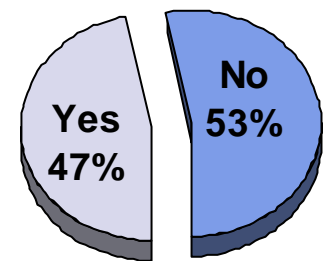
Sell-side



Vendor



Exchange



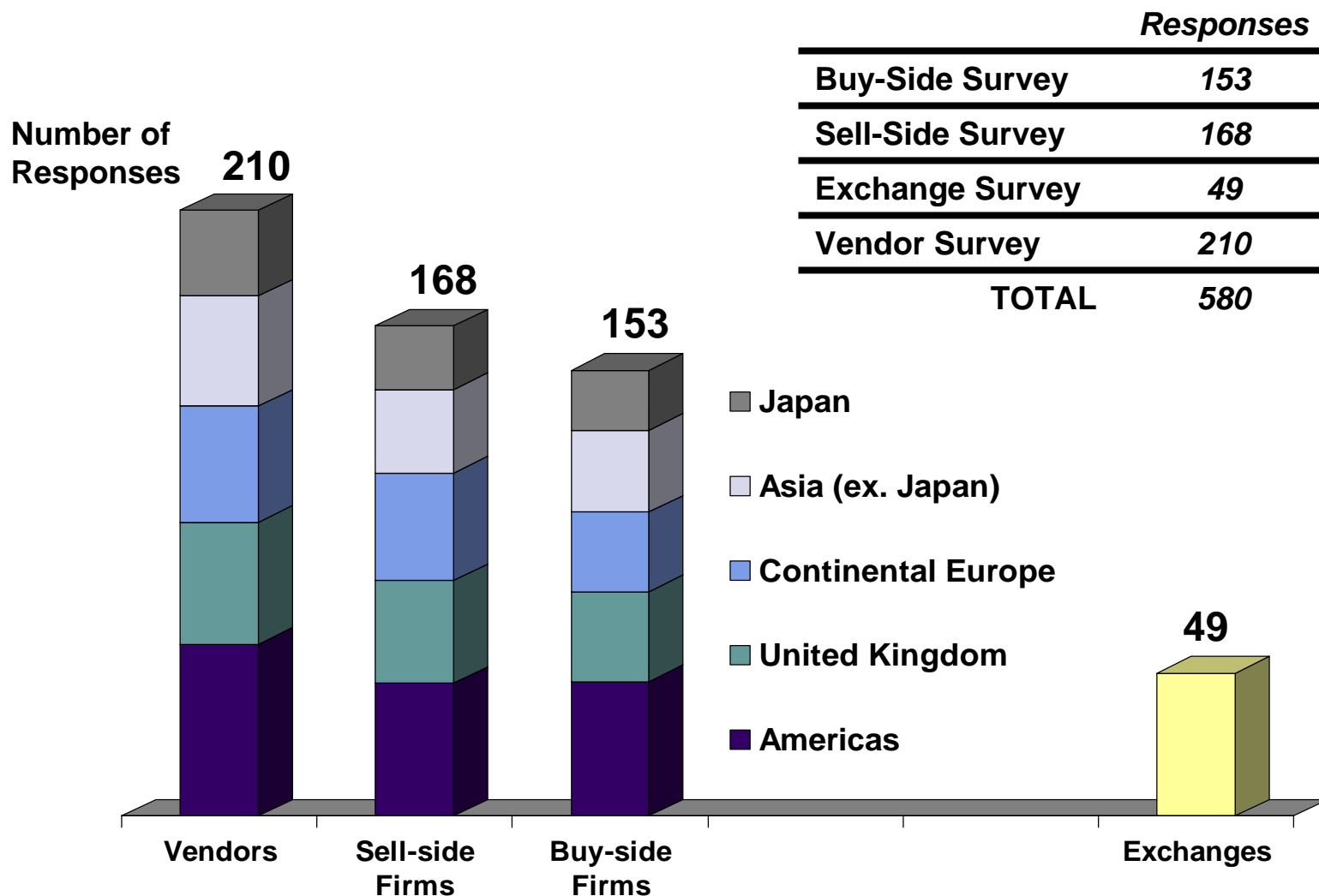
Contents

- **PART A: Survey Demographics**
 - **PART B: Firms' Use of the FIX Protocol**
 - **PART C: Firms' Views on Electronic Trading**
 - **PART D: Firms' Views on the Future of Electronic Trading**
 - **PART E: Firms' Views on FPL**
- **Appendix: Complete Survey Results**

Appendix

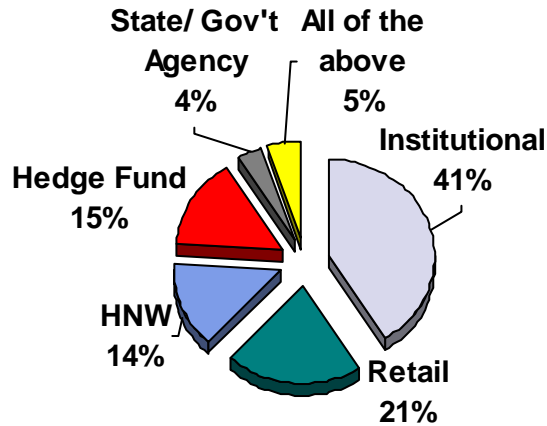
- **PART A: Survey Demographics**
- **PART B: Firms' Use of the FIX Protocol**
- **PART C: Firms' Views on Electronic Trading**
- **PART D: Firms' Views on the Future of Electronic Trading**
- **PART E: Firms' Views on FPL**

Survey Demographics

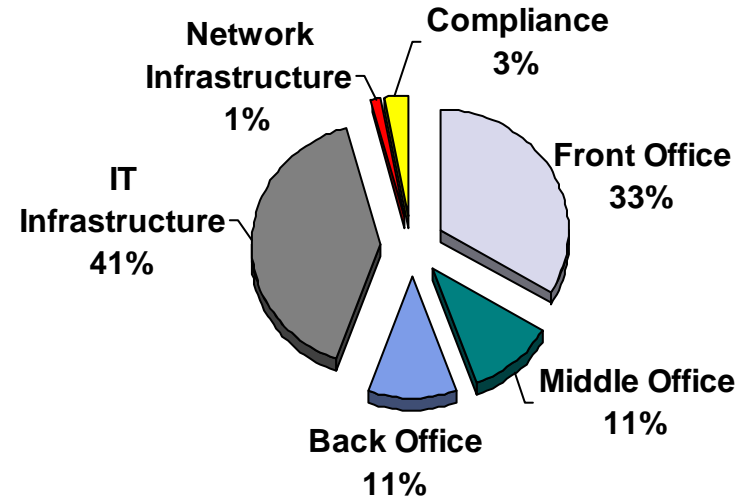


Survey Demographics - Buy-side

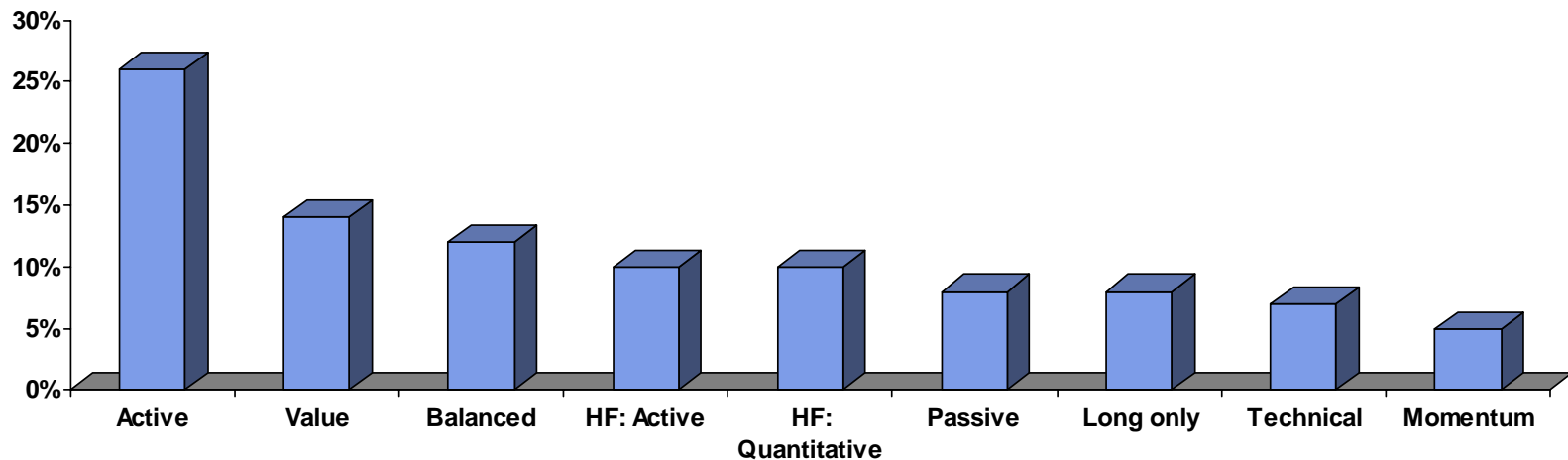
Types of Buy-side institutions represented



Respondents primary functional responsibility

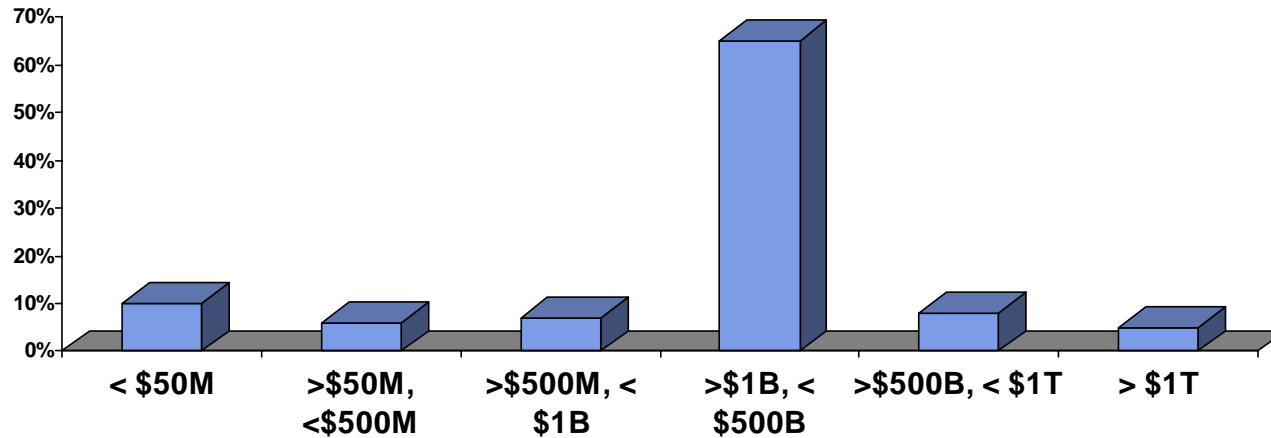


Buy-side firms' management styles

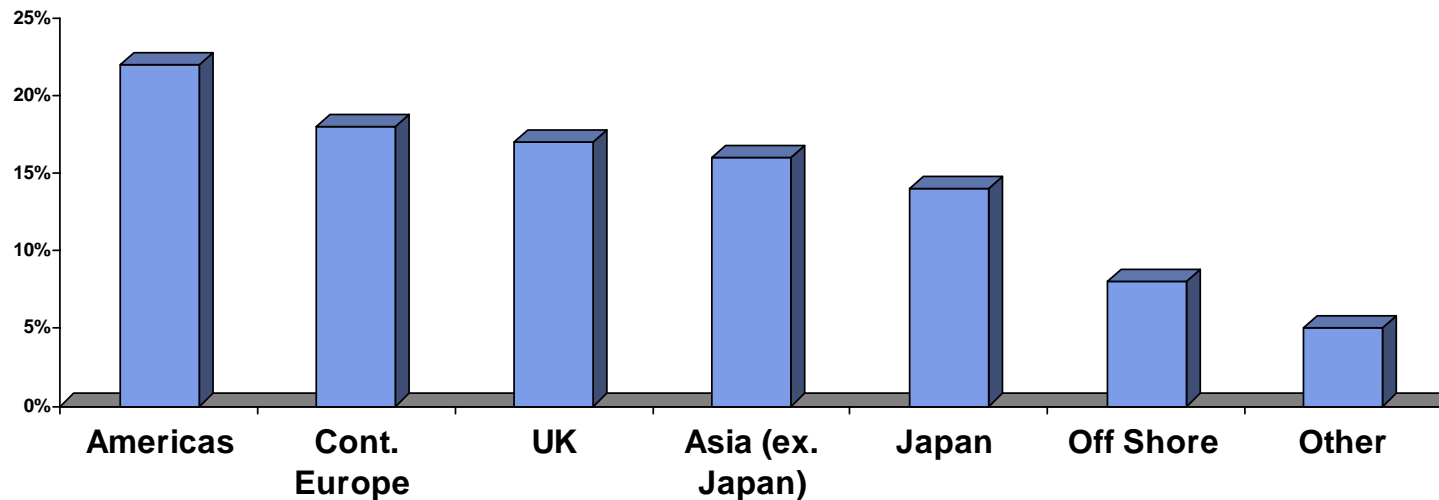


Survey Demographics - Buy-Side

Buy-side firms' assets under management

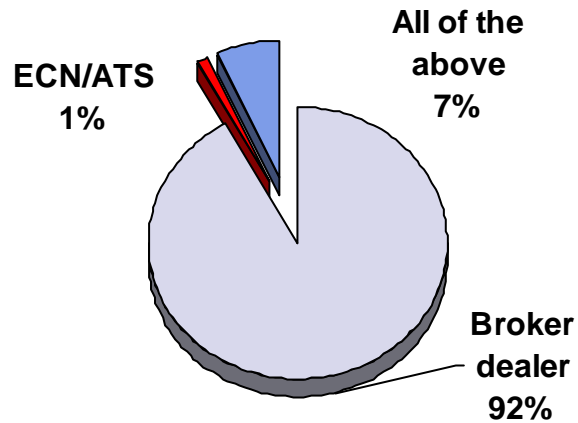


Regional breakdown of where Buy-side firms' source their Assets Under Management

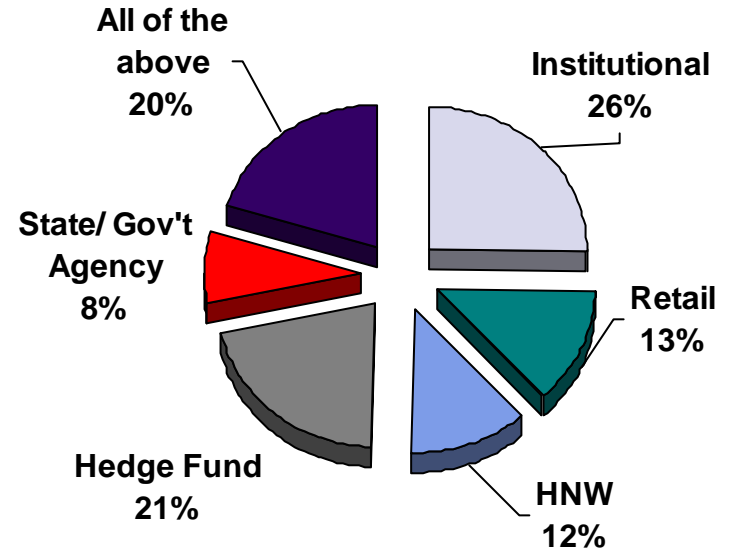


Survey Demographics - Sell-Side

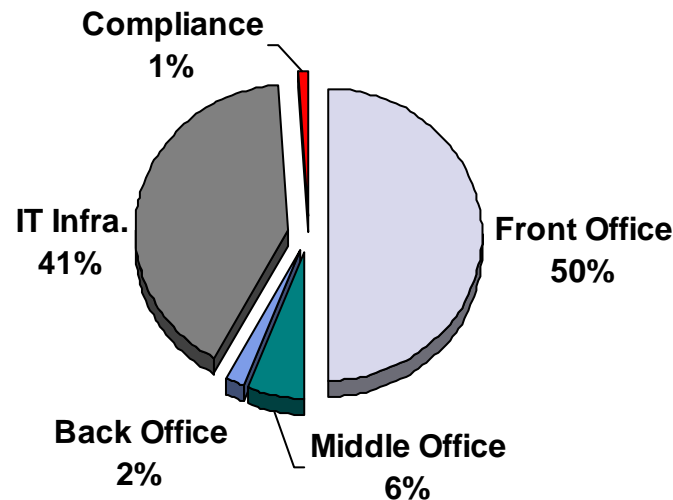
Type of Sell-side business



Respondents client types

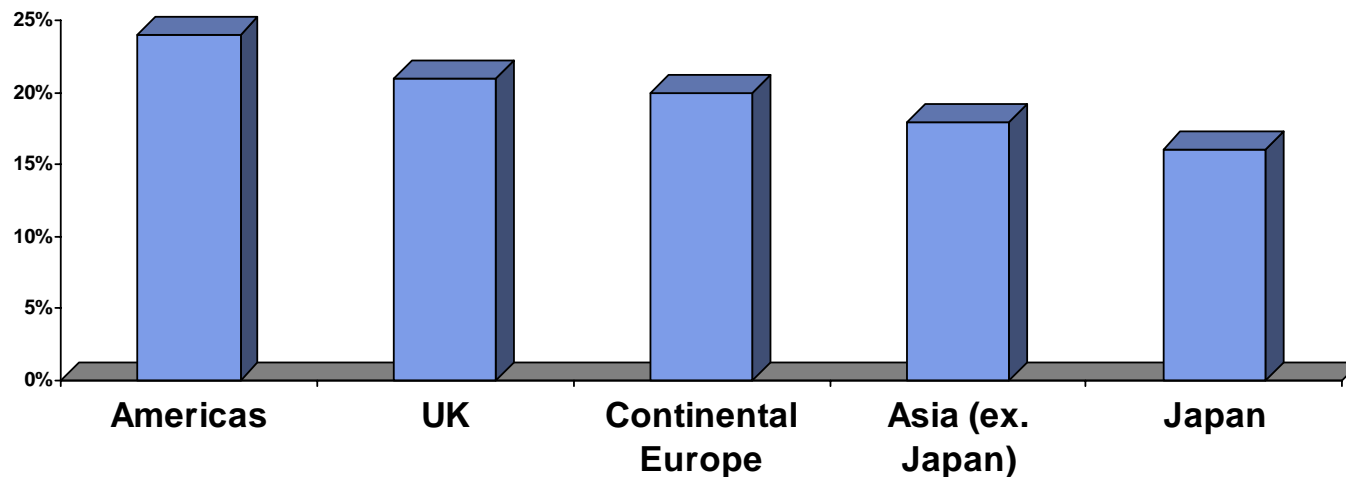


Respondents primary functional responsibility

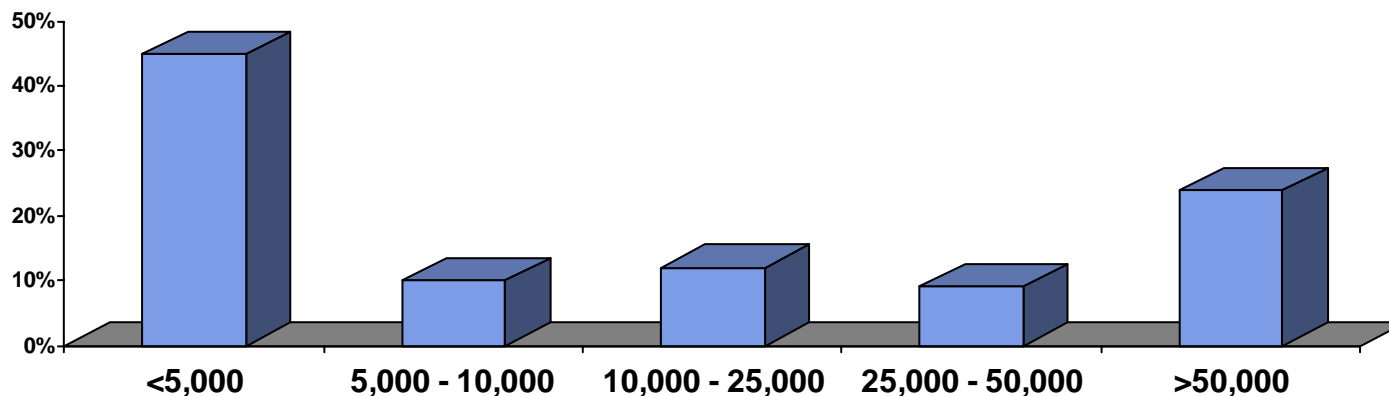


Sell-Side Survey Demographics

Regional breakdown of Sell-side firms' Trading Operations

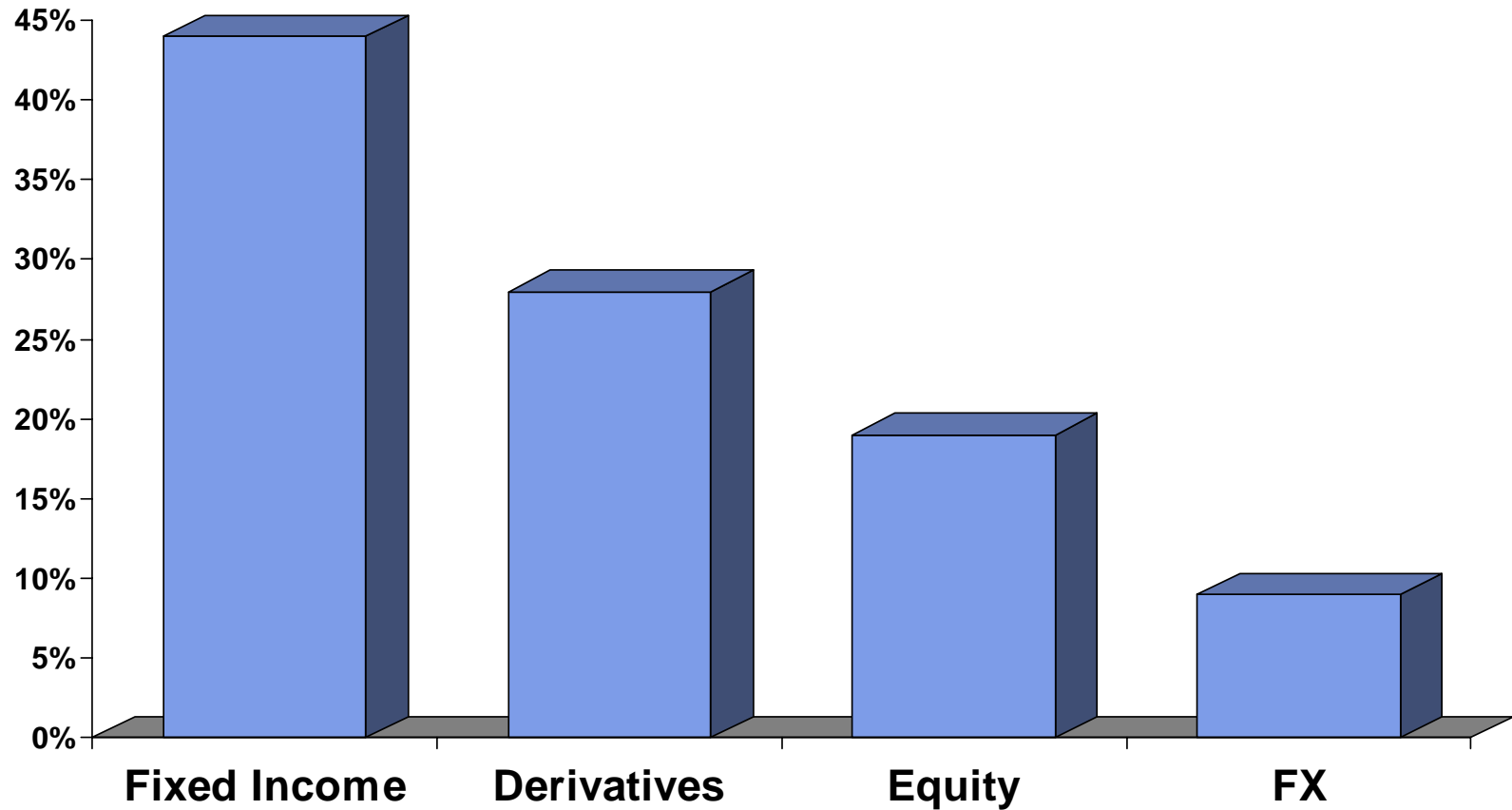


Overall staff headcount



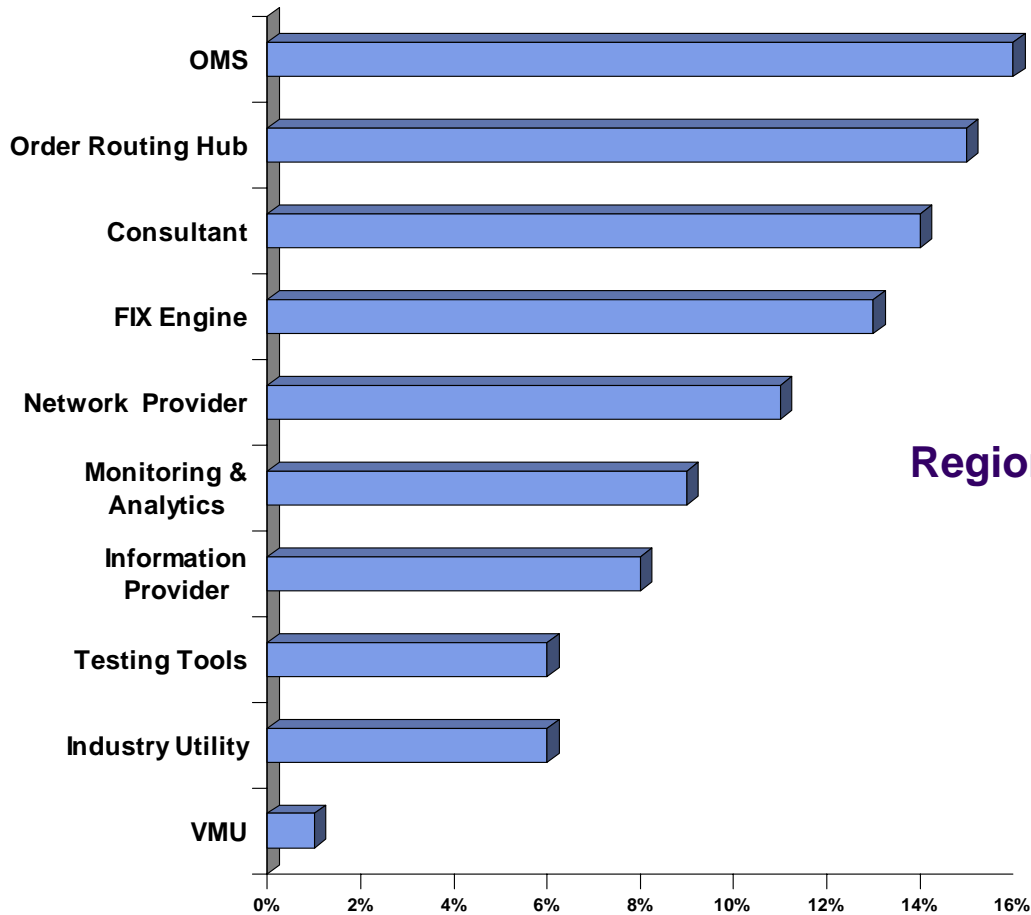
Survey Demographics - Exchanges

Percentage of all exchange respondents product coverage as a percent of total responses

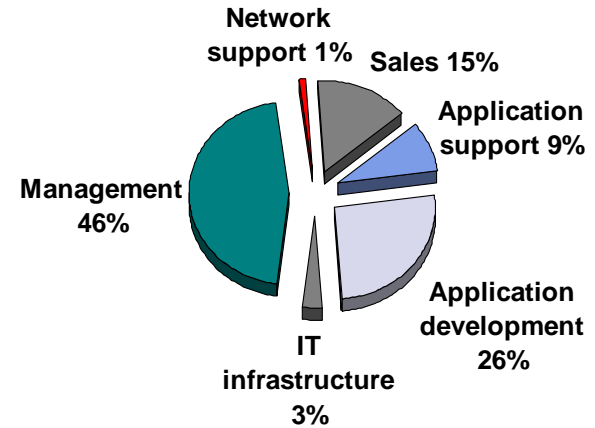


Survey Demographics - Vendor

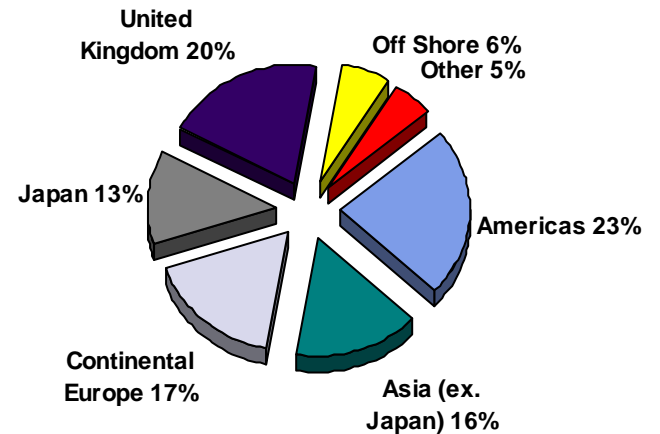
Vendor respondent types



Respondents primary functional responsibility



Regional breakdown of firms' representation



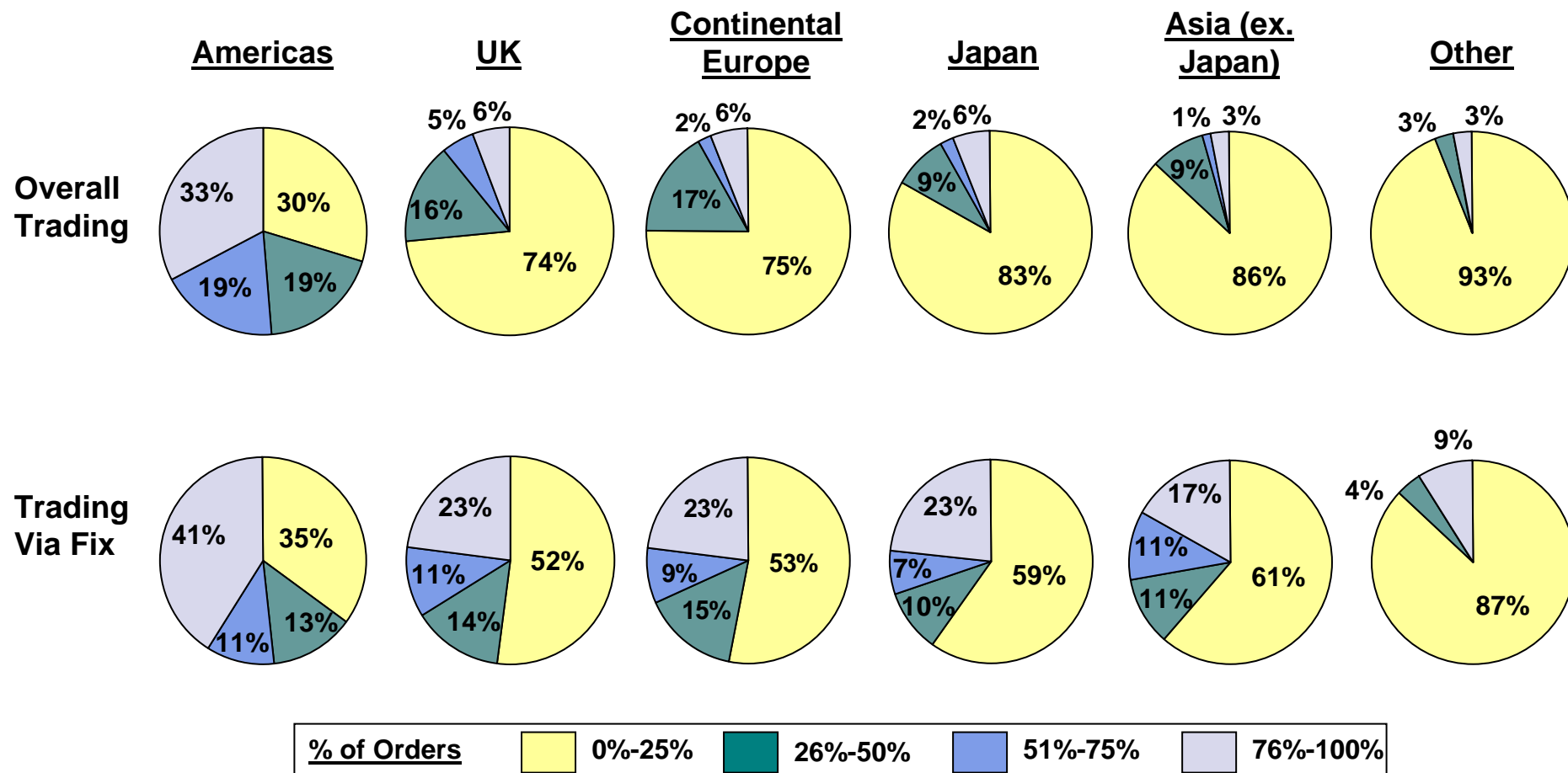
Appendix

- **PART A: Survey Demographics**
- **PART B: Firms' Use of the FIX Protocol**
- **PART C: Firms' Views on Electronic Trading**
- **PART D: Firms' Views on the Future of Electronic Trading**
- **PART E: Firms' Views on FPL**

Firms' use of the FIX Protocol – Buy-side

Percent of Buy-Side firms overall trading done in the following regions, and the percent of that volume that is done via FIX

Buy-side



Firms' use of the FIX Protocol – Sell-side

Percent of Sell-Side firms overall trading done in the following regions, and the percent of that volume that is done via FIX

Sell-side

Americas

UK

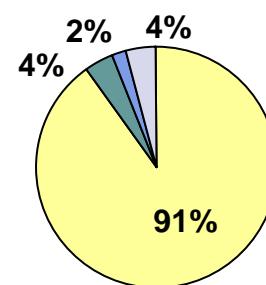
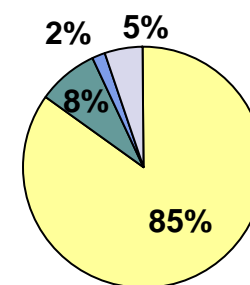
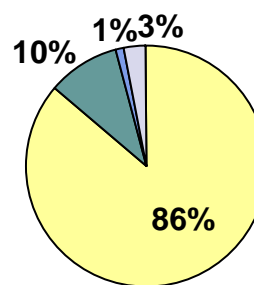
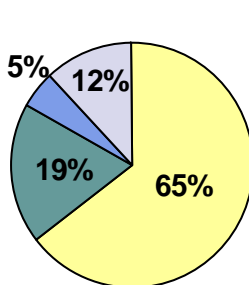
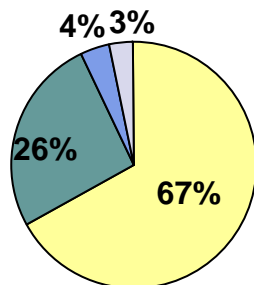
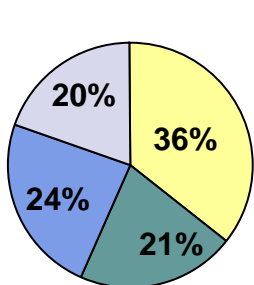
Continental Europe

Japan

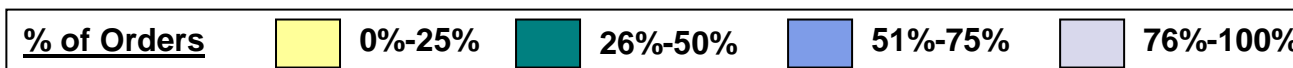
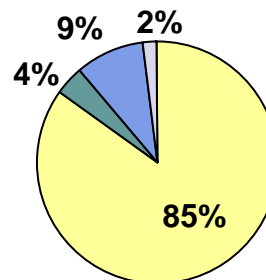
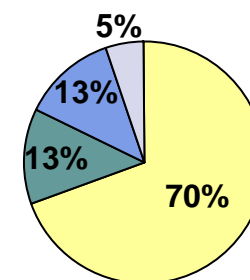
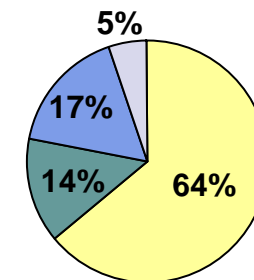
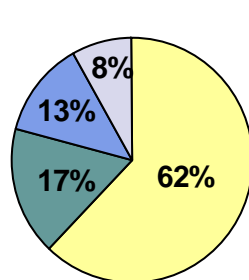
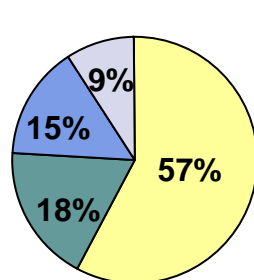
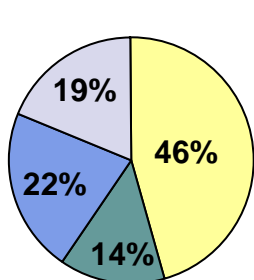
Asia (ex. Japan)

Other

Overall Trading



Trading Via Fix



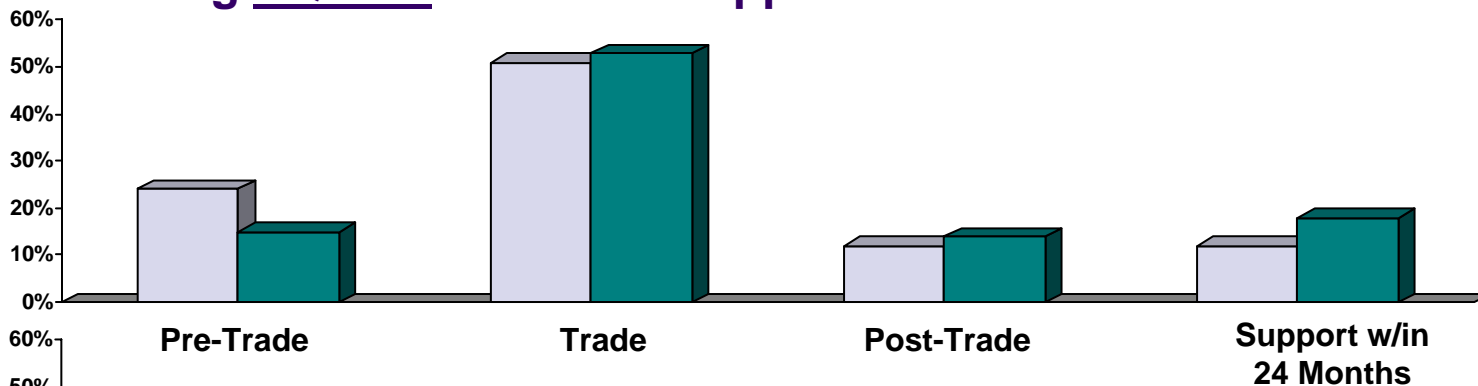
PART B: Firms' Use of the FIX Protocol

EQUITY

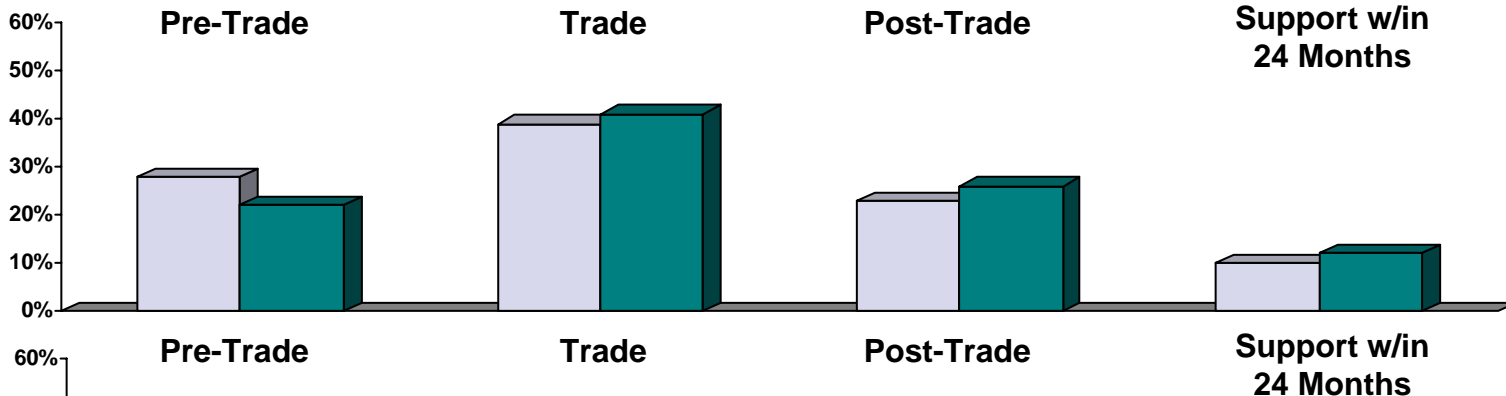
Firms' use of the FIX Protocol - EQUITY

Methods of trading EQUITY that firms support via FIX:

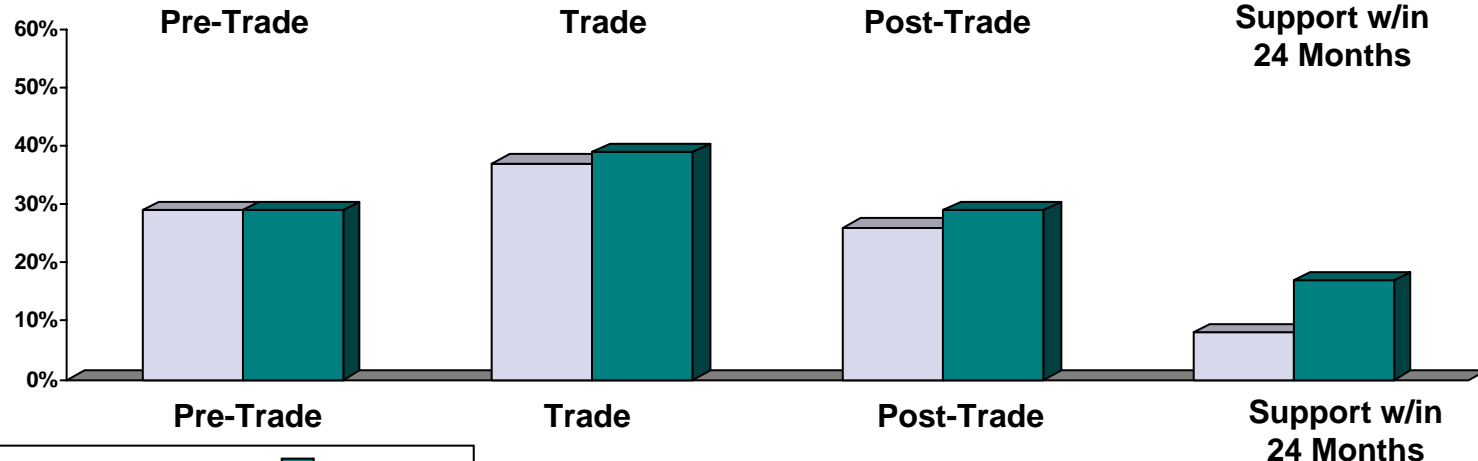
Buy-Side



Sell-Side



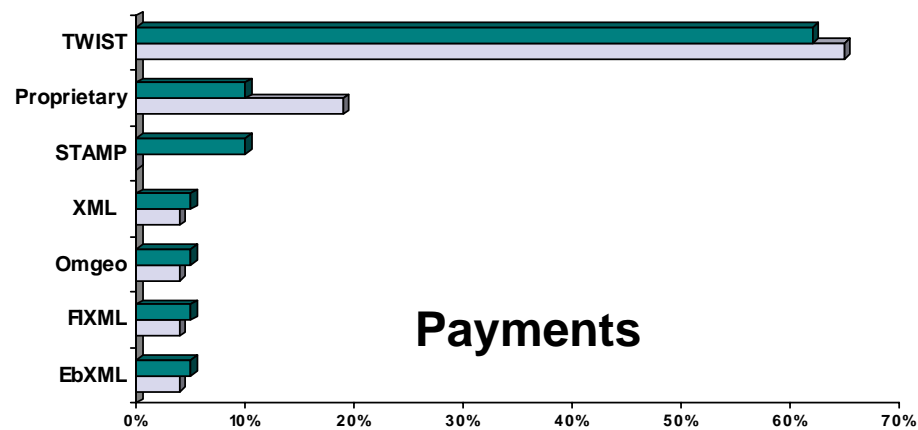
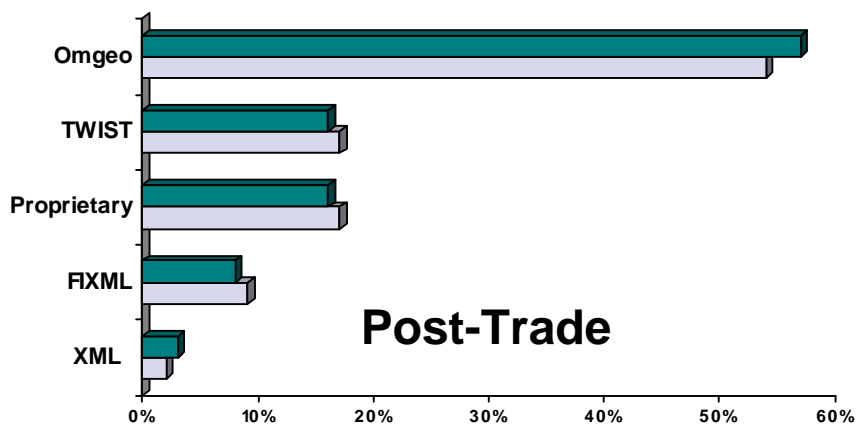
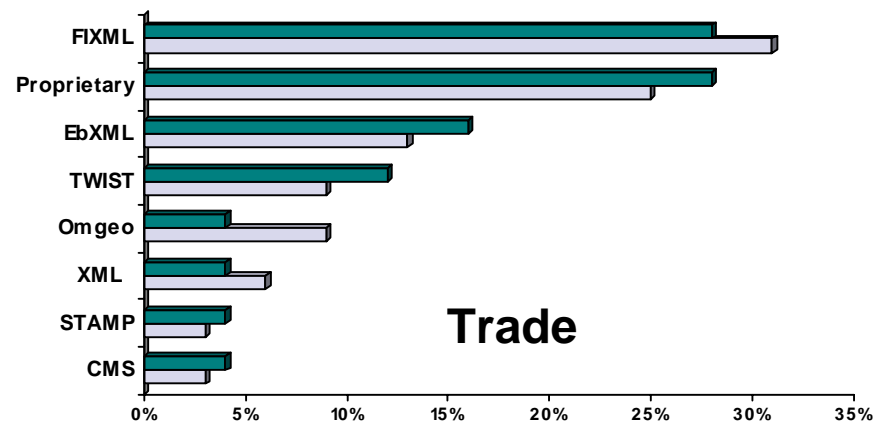
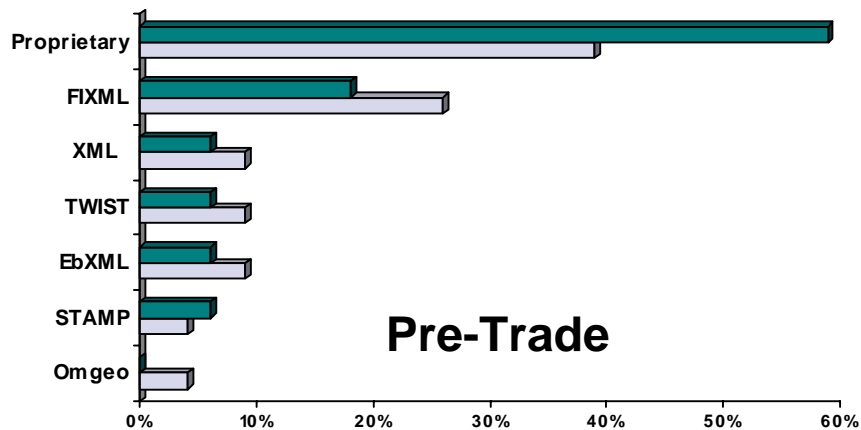
Vendor



Single Stocks / Cash / Blocks Programs

Firms' use of the FIX Protocol – EQUITY: Buy-side

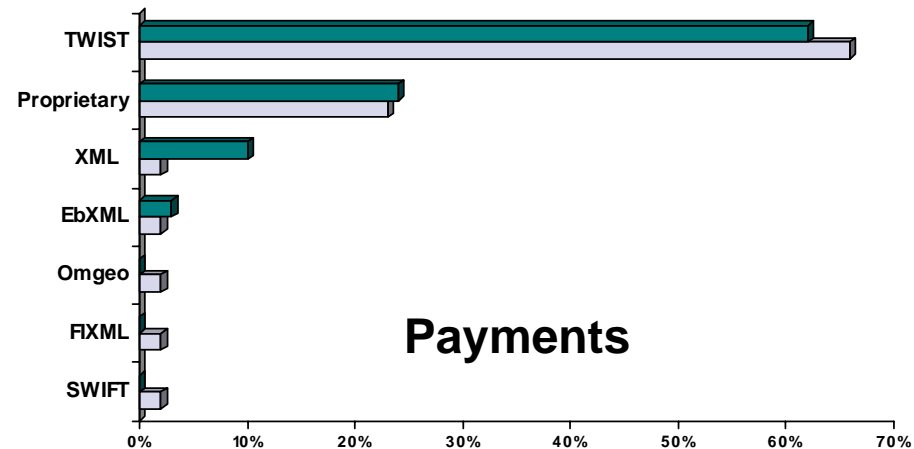
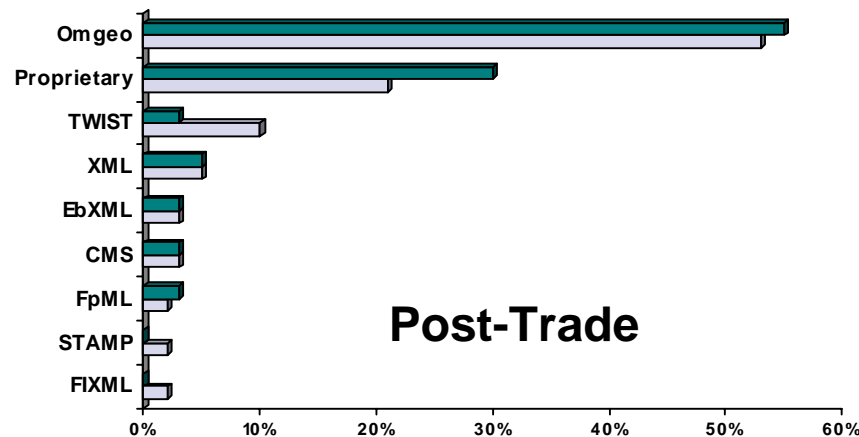
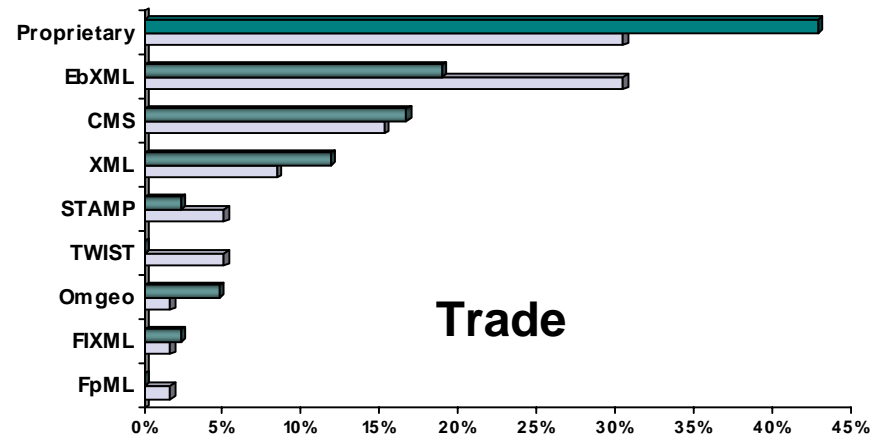
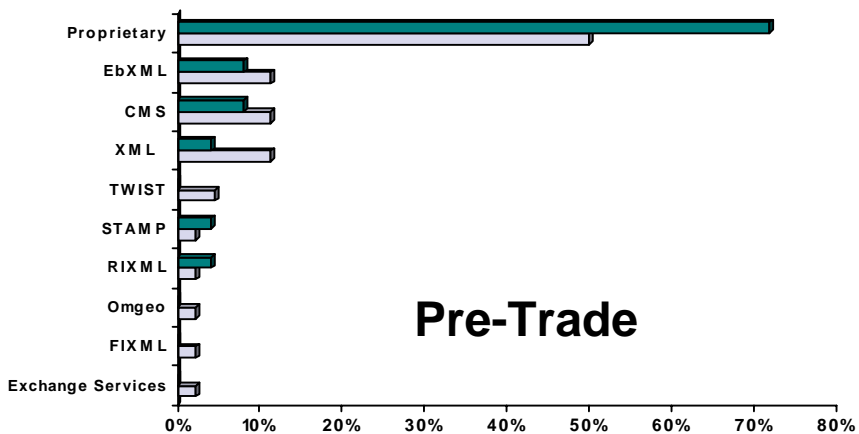
Primary protocol or service provider other than FIX that buy-side firms are currently using for EQUITY



Single Stocks / Cash / Blocks
 Programs

Firms' use of the FIX Protocol – EQUITY: Sell-side

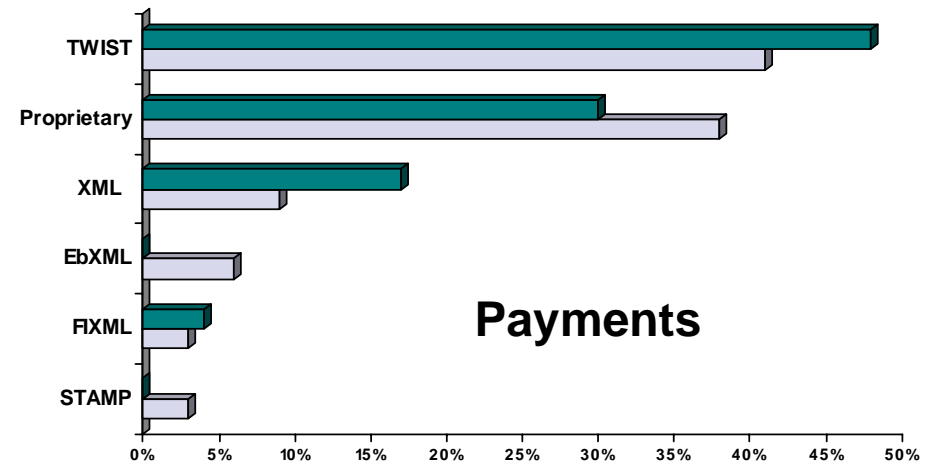
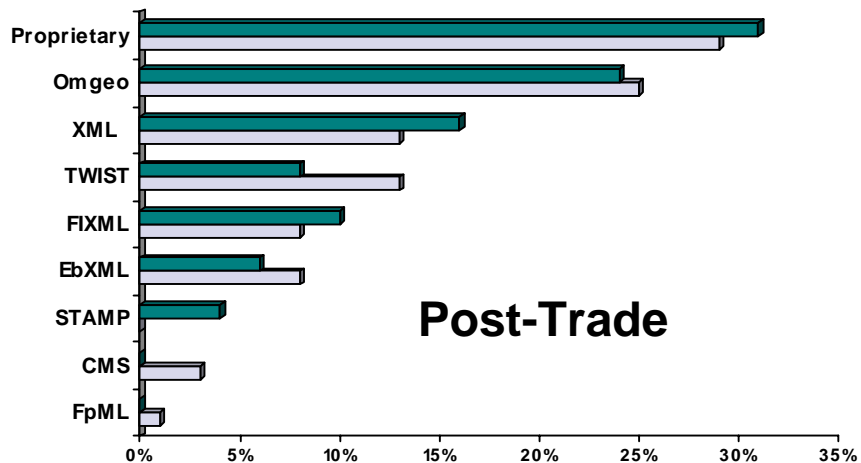
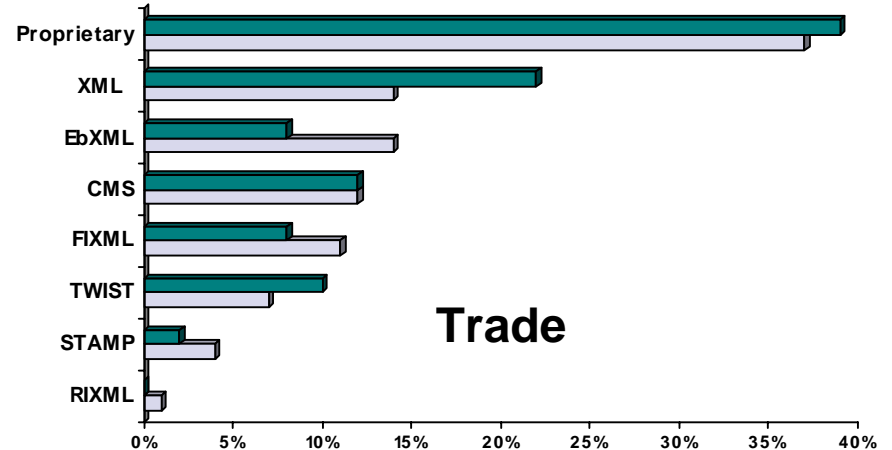
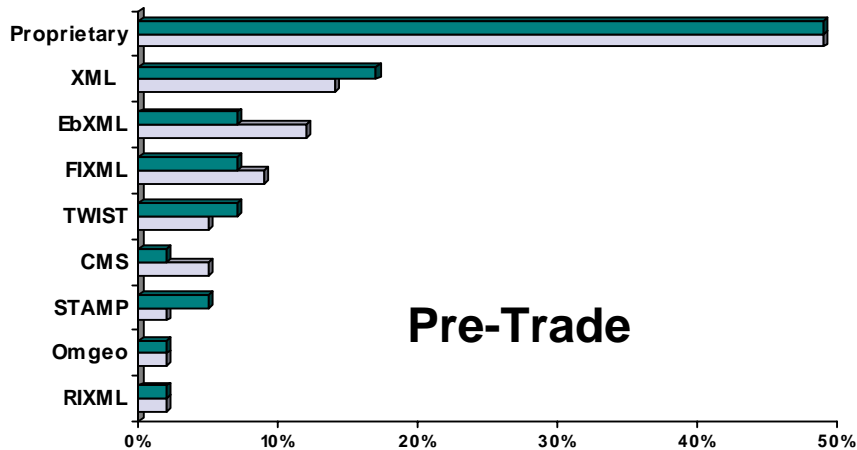
Primary protocol or service provider other than FIX that sell-side firms are currently using for EQUITY



Single Stocks / Cash / Blocks
 Programs

Firms' use of the FIX Protocol – EQUITY: Vendors

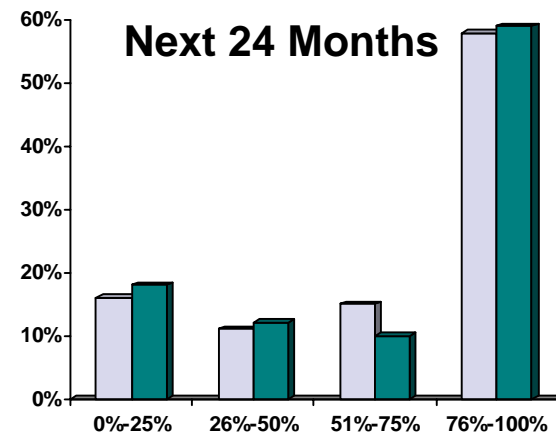
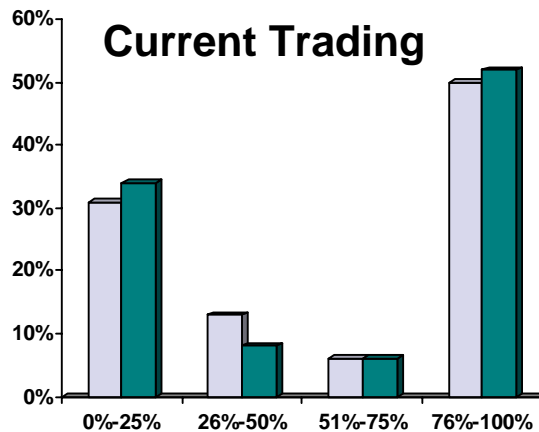
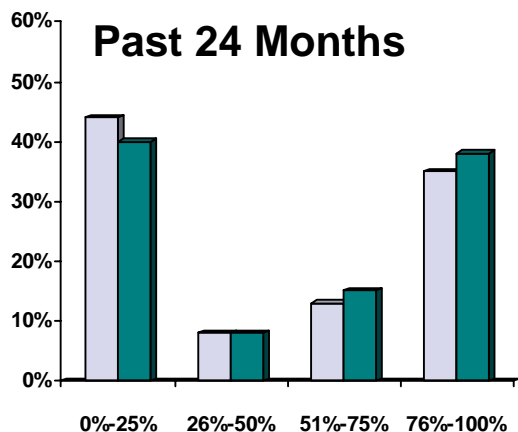
Primary protocol or service provider other than FIX that vendors are currently using for EQUITY



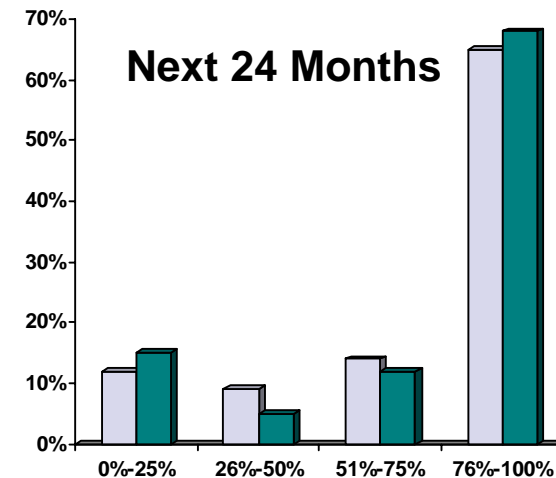
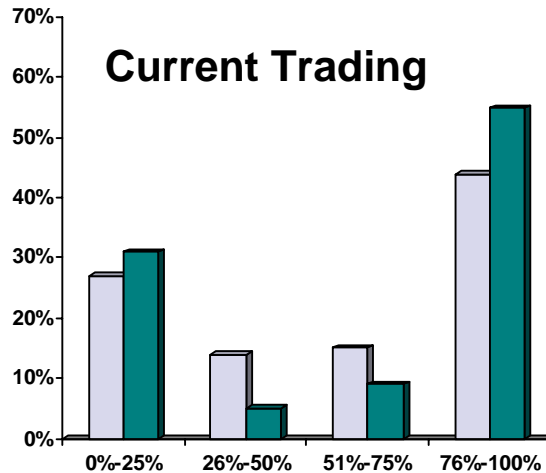
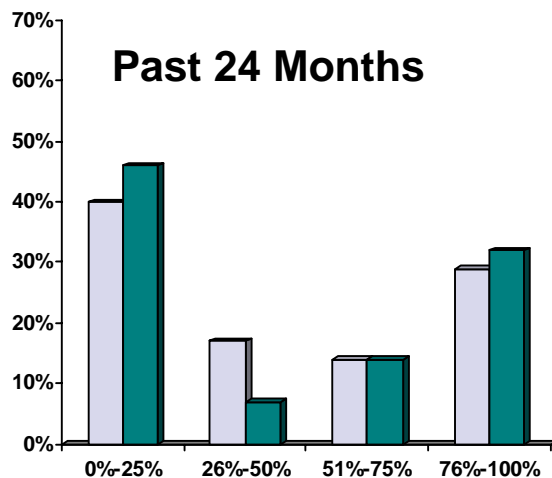
Single Stocks / Cash / Blocks Programs

Firms' use of the FIX Protocol – EQUITY: Buy-side

Percent of buy-side firms incoming EQUITY trade messages received via FIX



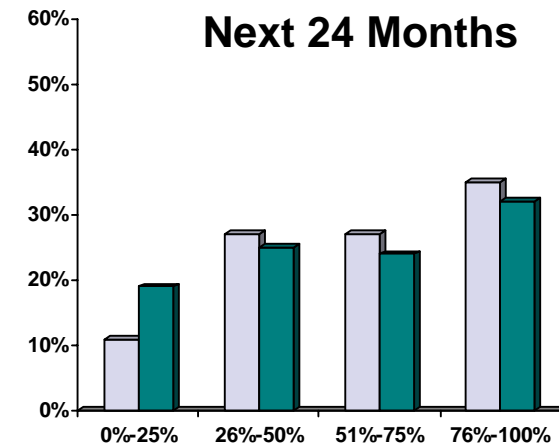
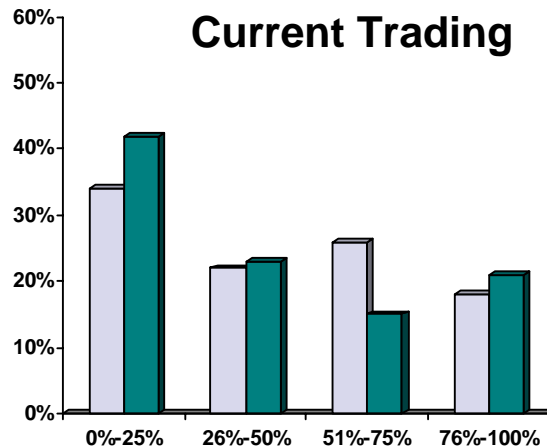
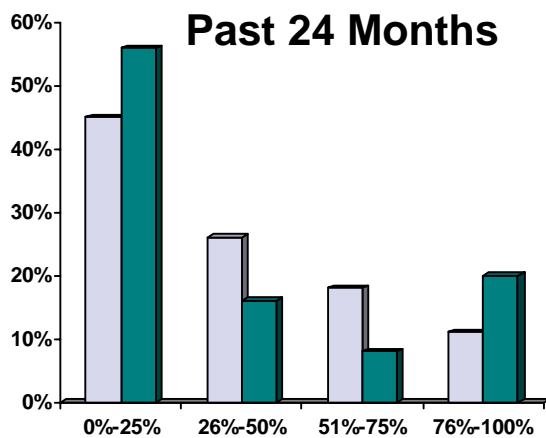
Percent of clients outgoing EQUITY orders to be executed that are traded via FIX



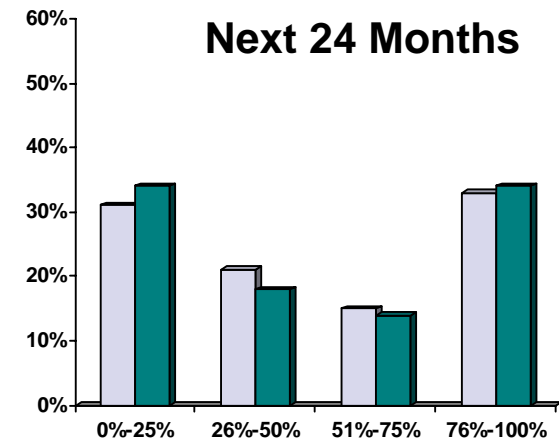
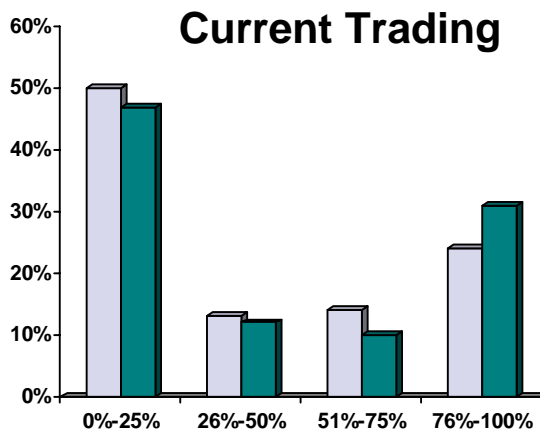
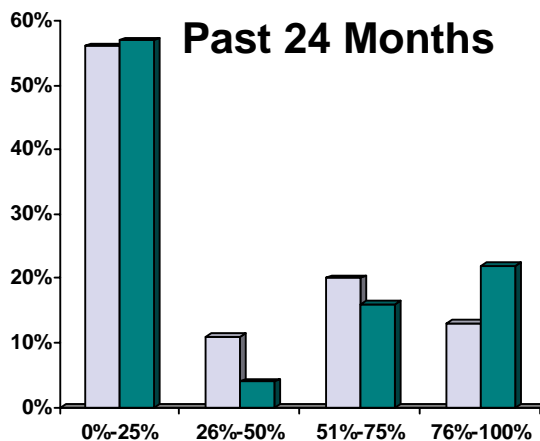
Single Stocks / Cash / Blocks
 Programs

Firms' use of the FIX Protocol – EQUITY: Sell-side

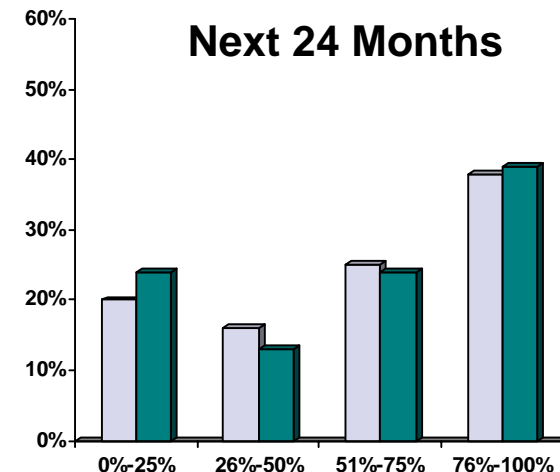
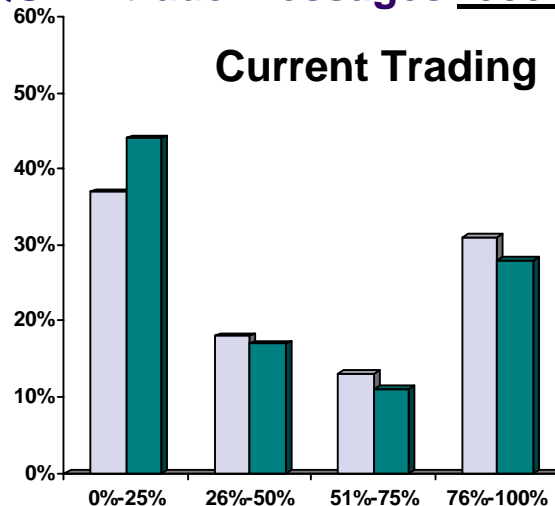
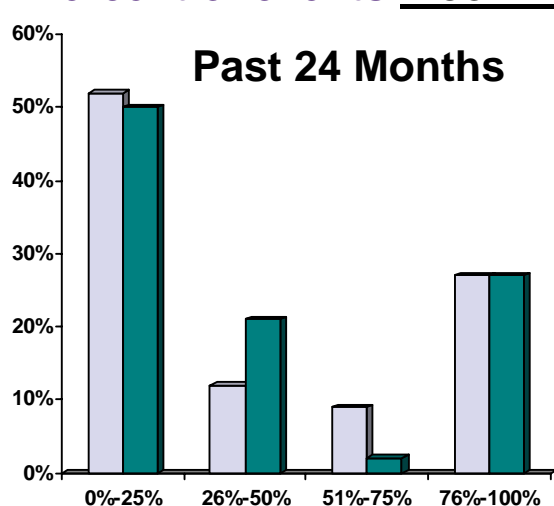
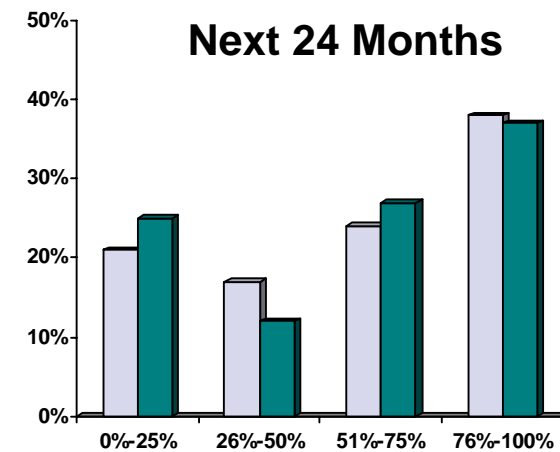
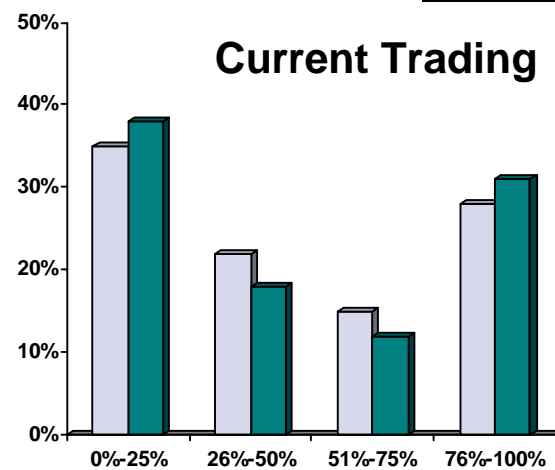
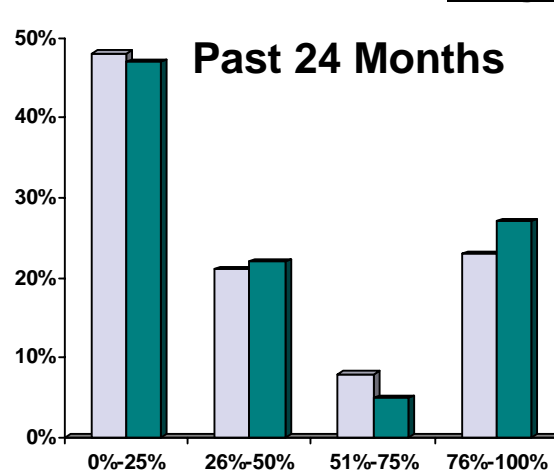
Percent of sell-side firms incoming EQUITY trade messages received via FIX



Percent of clients outgoing EQUITY orders to be executed that are traded via FIX



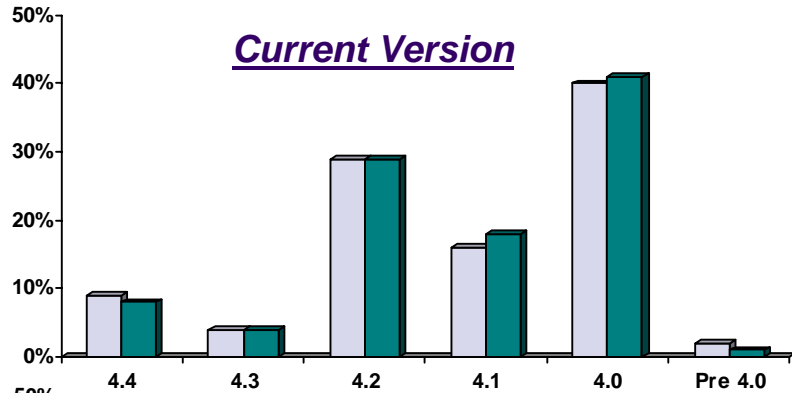
Single Stocks / Cash / Blocks
 Programs

Firms' use of the FIX Protocol – EQUITY: Vendors
Percent of clients incoming EQUITY trade messages received via FIX

Percent of clients outgoing EQUITY orders to be executed are that traded via FIX


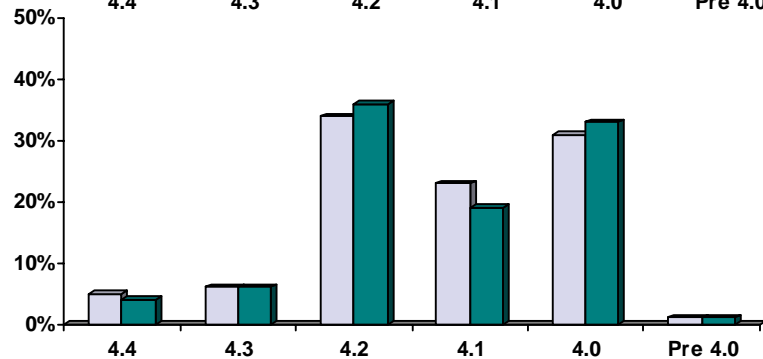
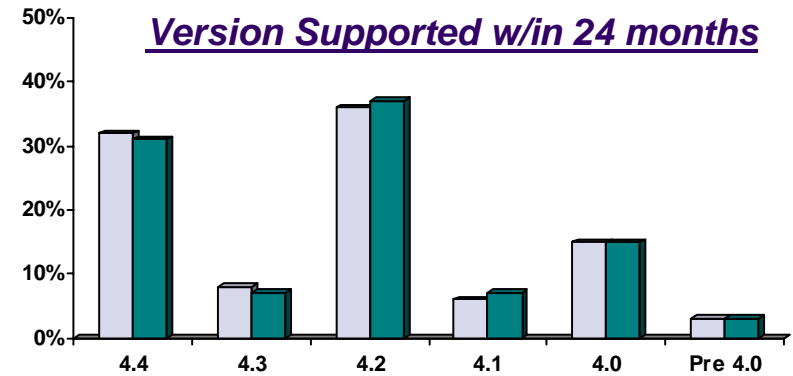
Single Stocks / Cash / Blocks
 Programs

Firms' use of the FIX Protocol - EQUITY

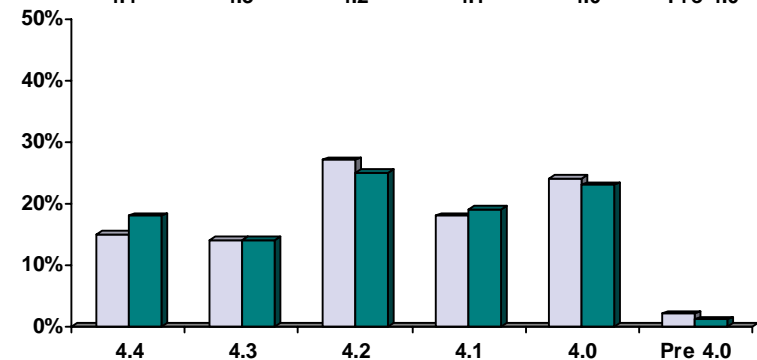
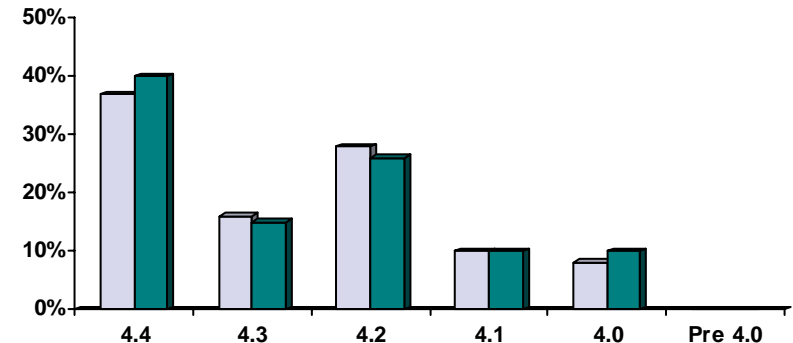
Versions of FIX supported/used for trading EQUITY



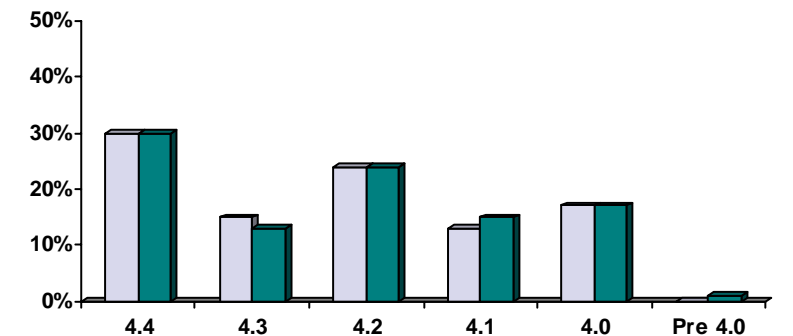
Buy-Side



Sell-Side



Vendor



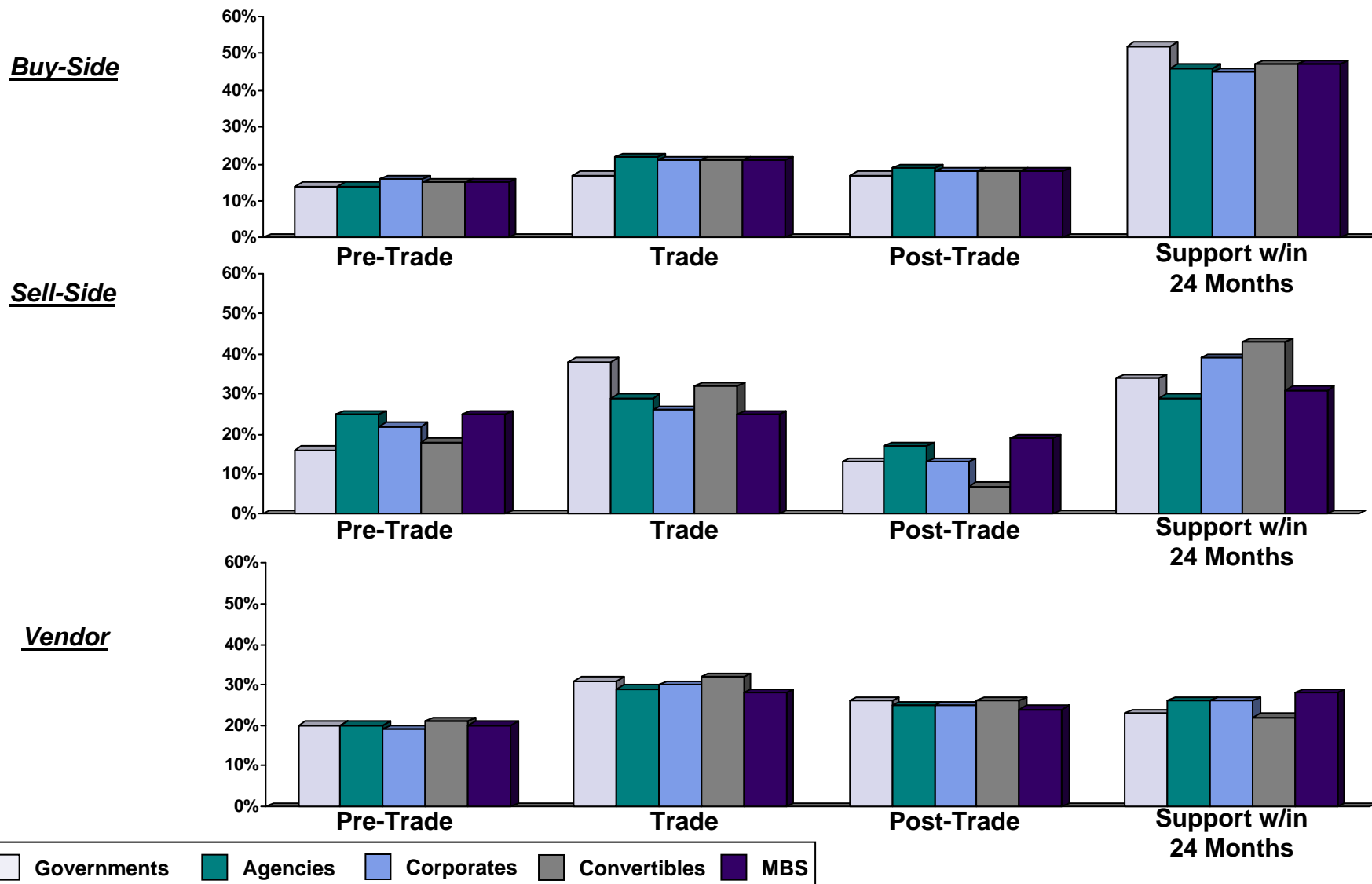
Legend: Single Stocks / Cash / Blocks (light blue), Programs (teal)

PART B: Firms' Use of the FIX Protocol

FIXED INCOME

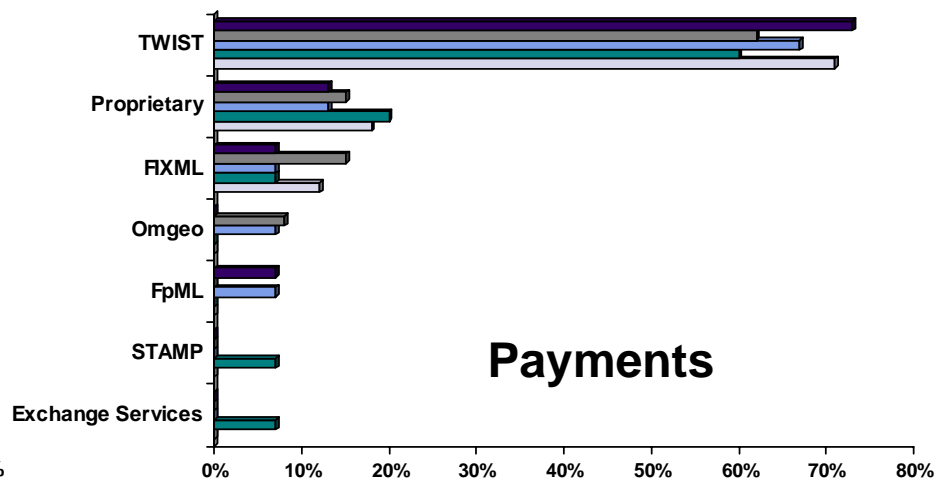
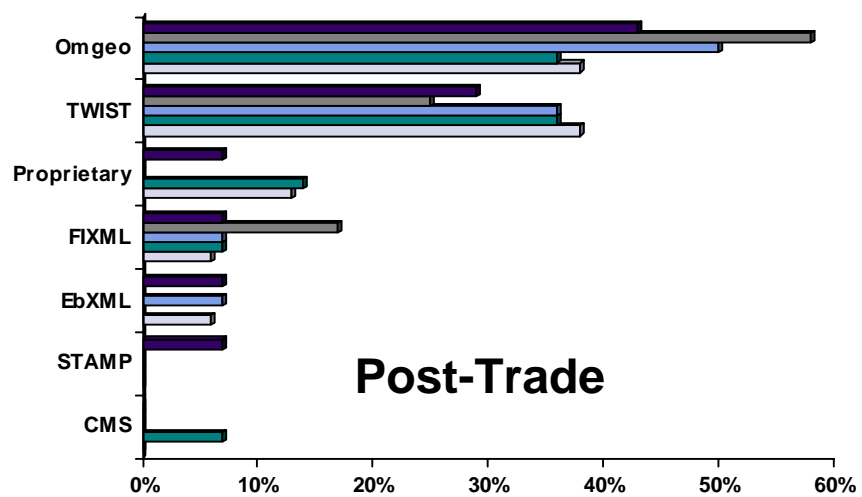
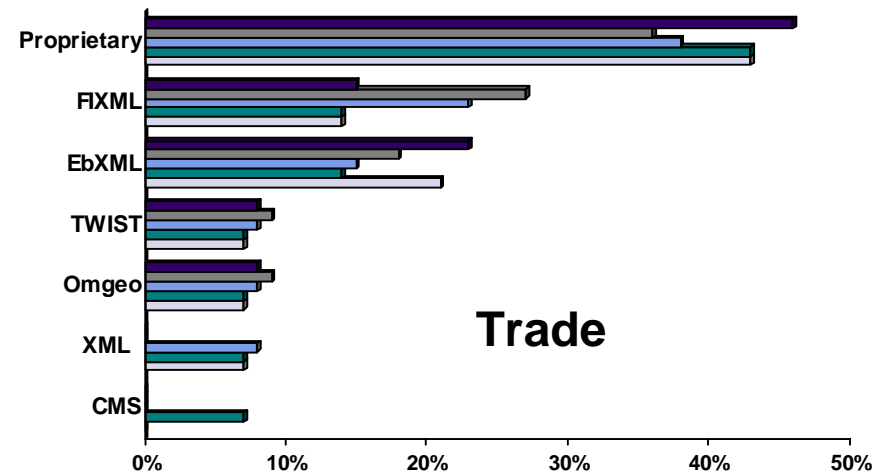
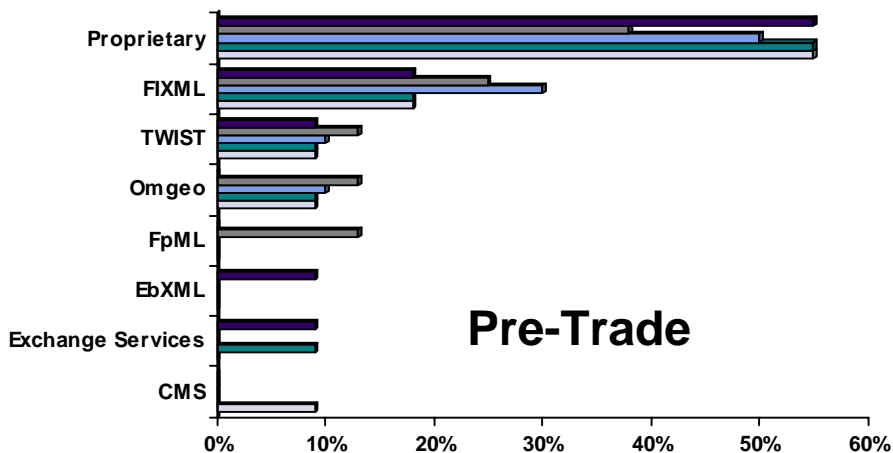
Firms' use of the FIX Protocol – FIXED INCOME

FIXED INCOME asset classes firms support via FIX:



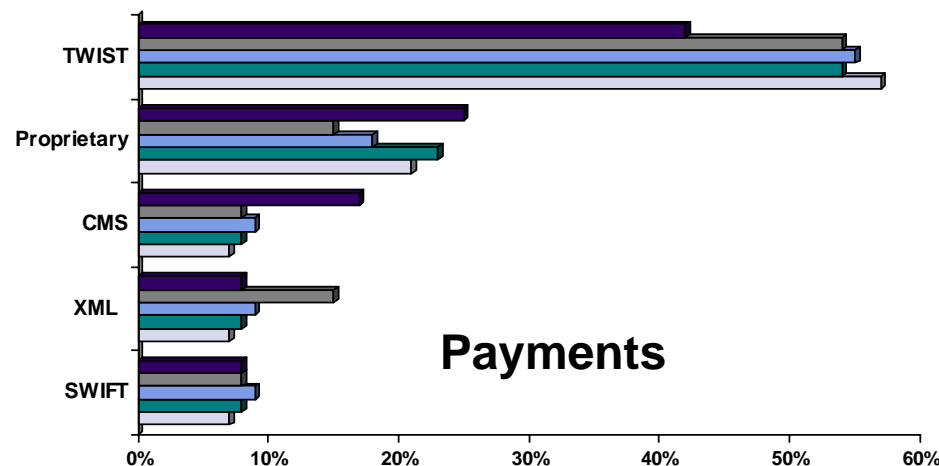
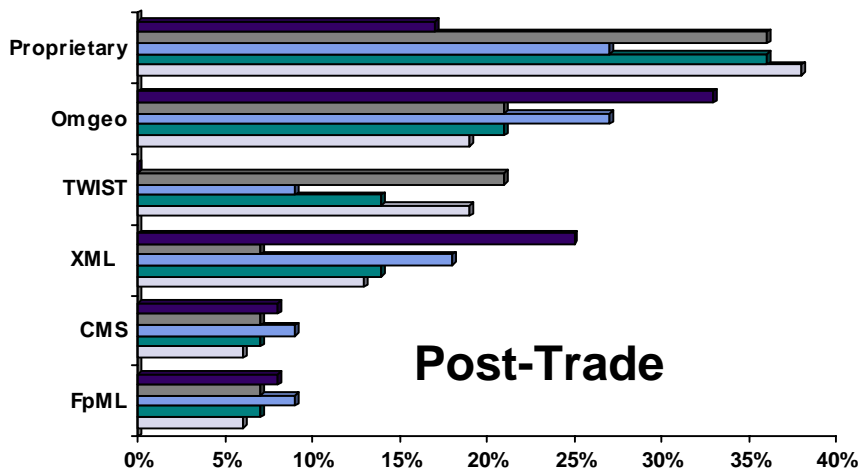
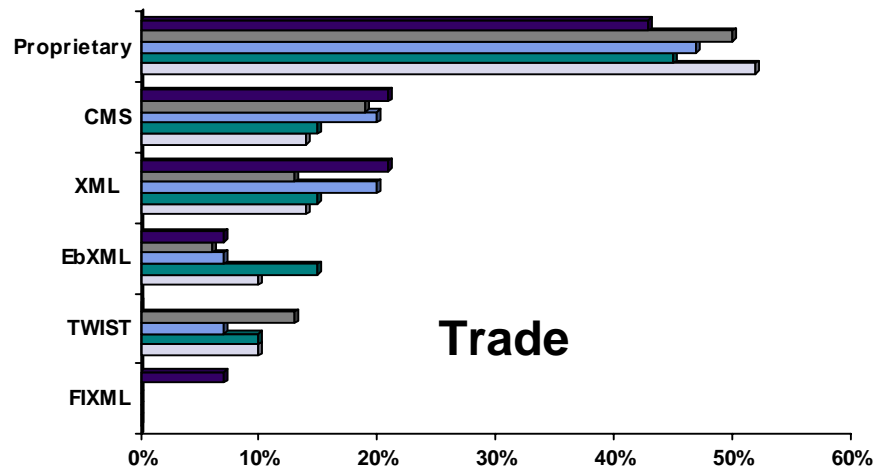
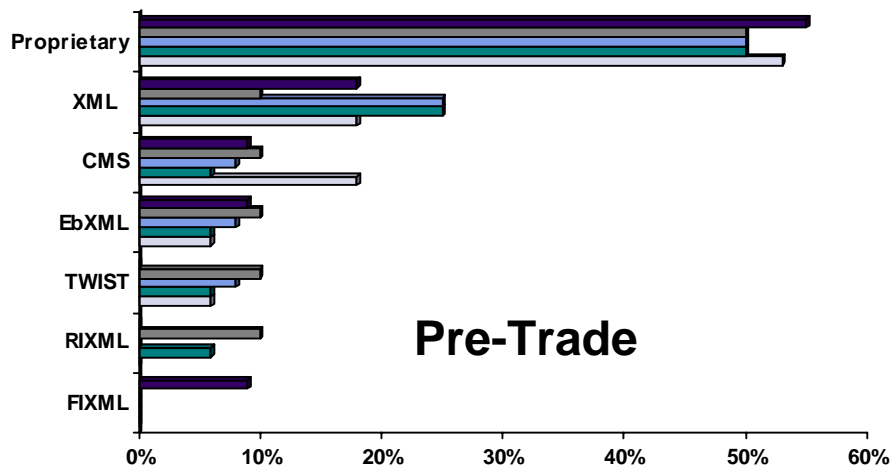
Firms' use of the FIX Protocol – FIXED INCOME: Buy-side

Primary protocol or service provider other than FIX that buy-side firms are using for FIXED INCOME



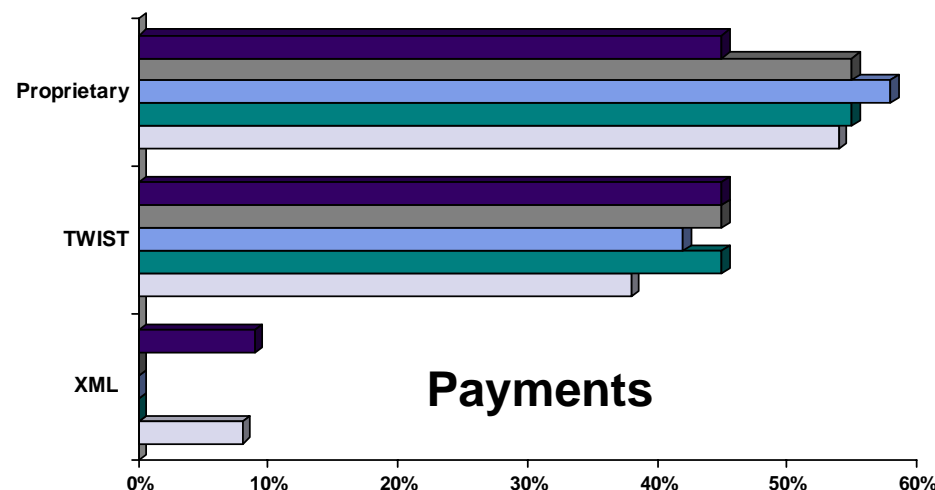
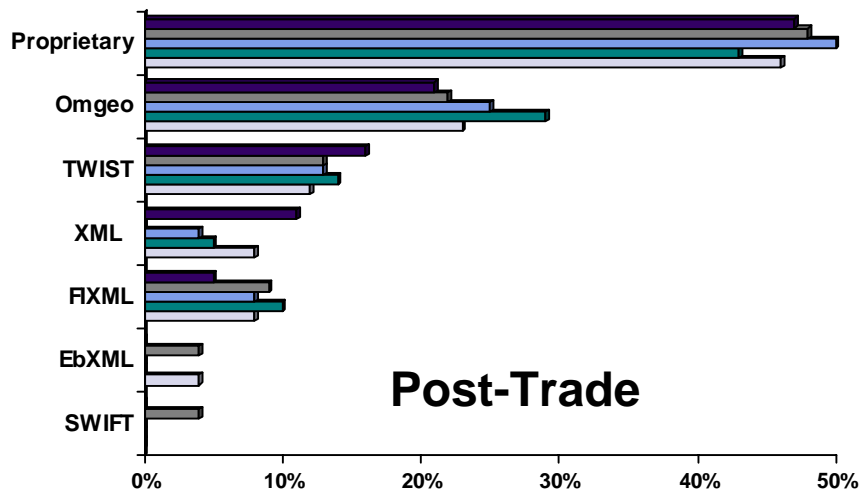
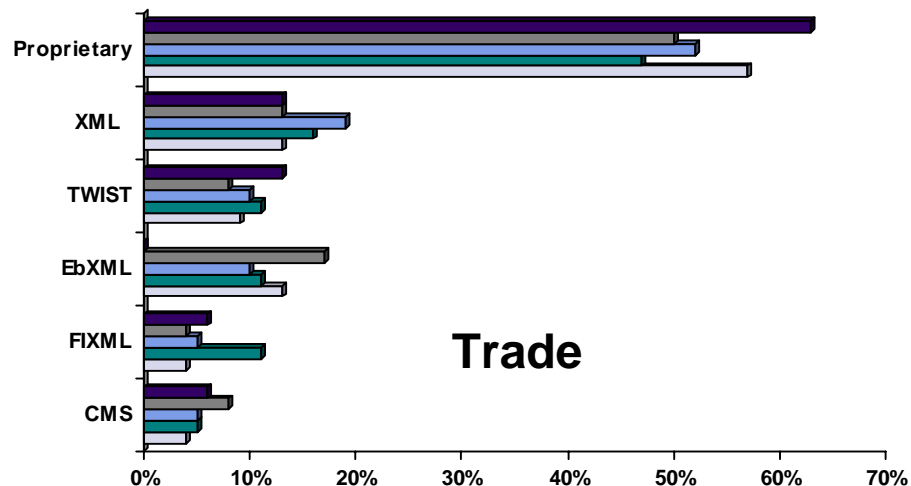
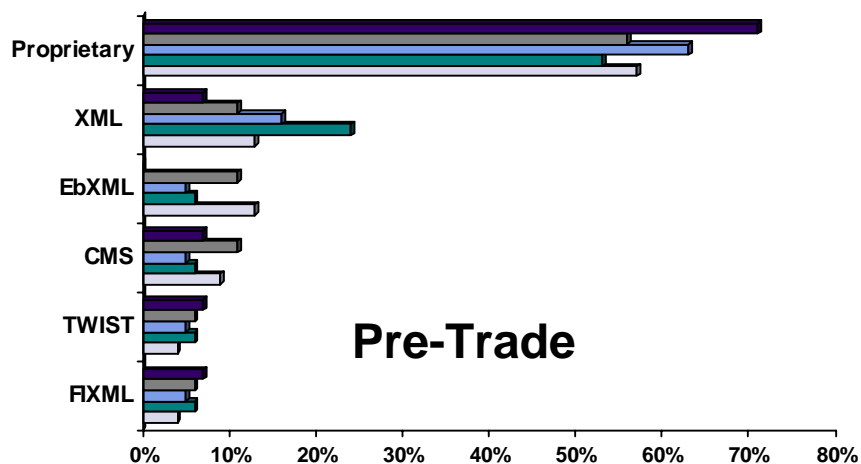
Firms' use of the FIX Protocol – FIXED INCOME: Sell-side

Primary protocol or service provider other than FIX that sell-side firms are using for FIXED INCOME



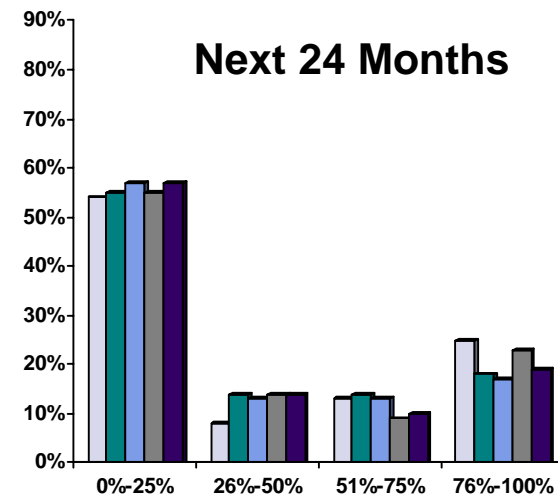
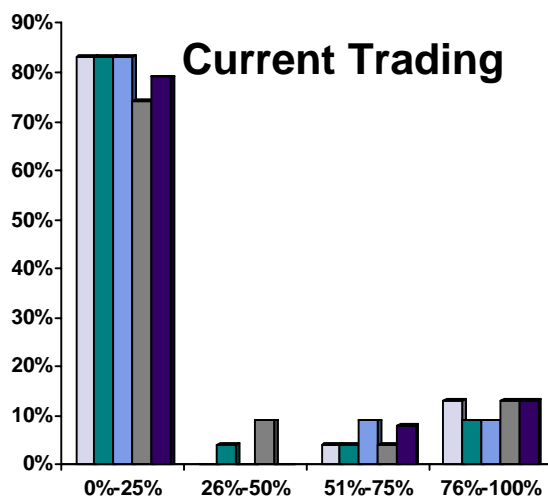
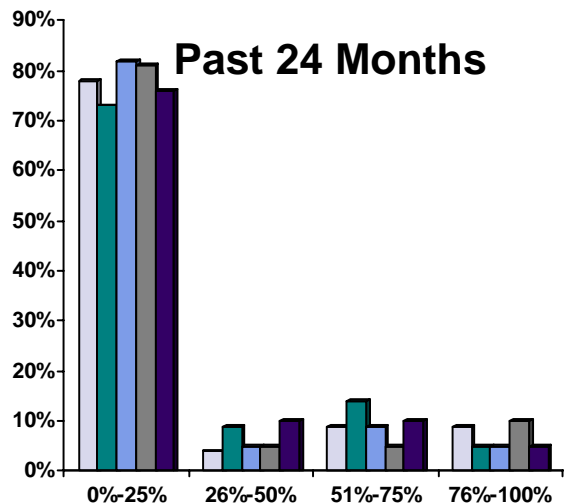
Firms' use of the FIX Protocol – FIXED INCOME: Vendors

Primary protocol or service provider other than FIX that vendors are supporting/using for FIXED INCOME

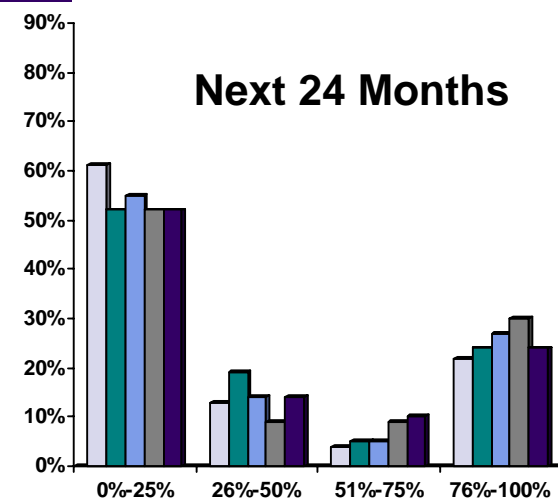
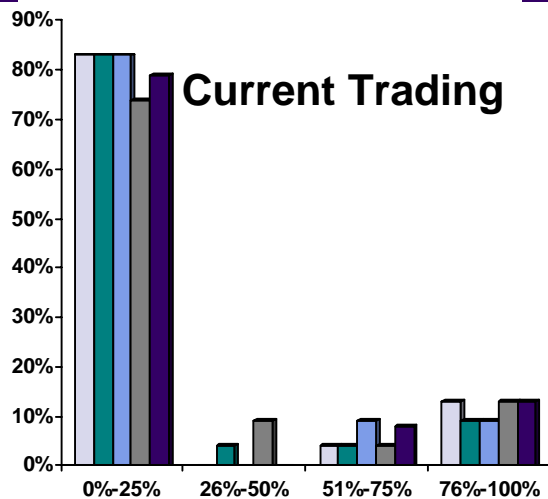
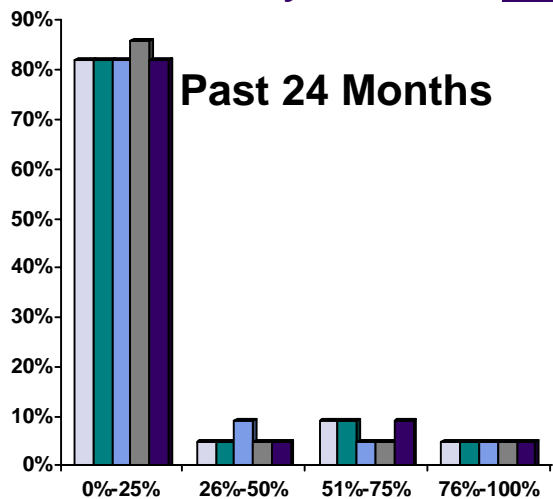


Firms' use of the FIX Protocol – FIXED INCOME: Buy-side

Percent of buy-side firms incoming FIXED INCOME trade messages received via FIX

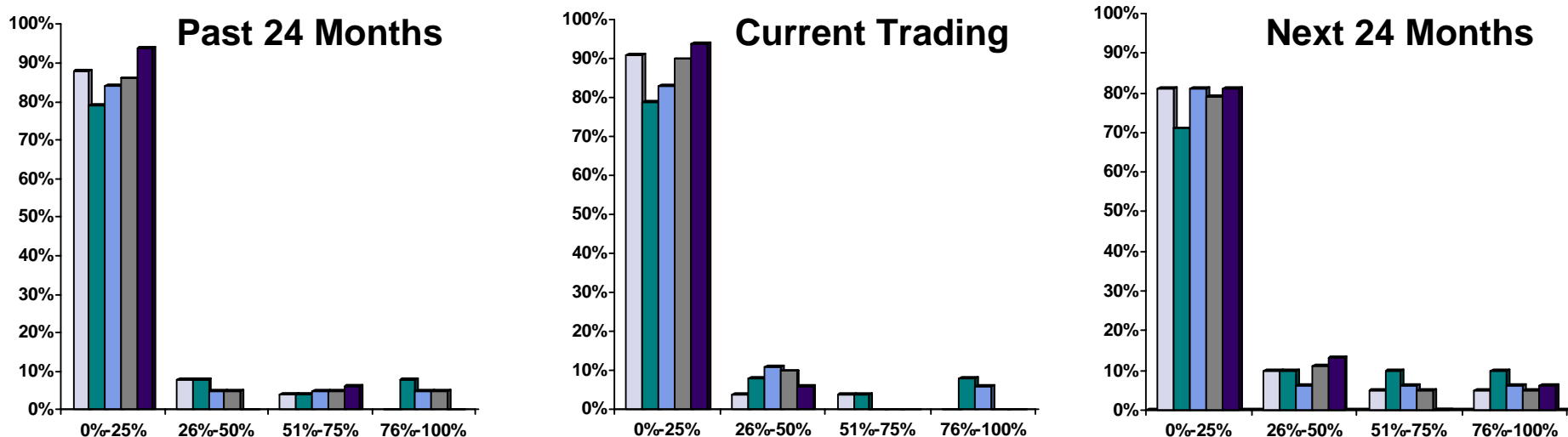


Percent of buy-side firms outgoing FIXED INCOME orders to be executed that are traded via FIX

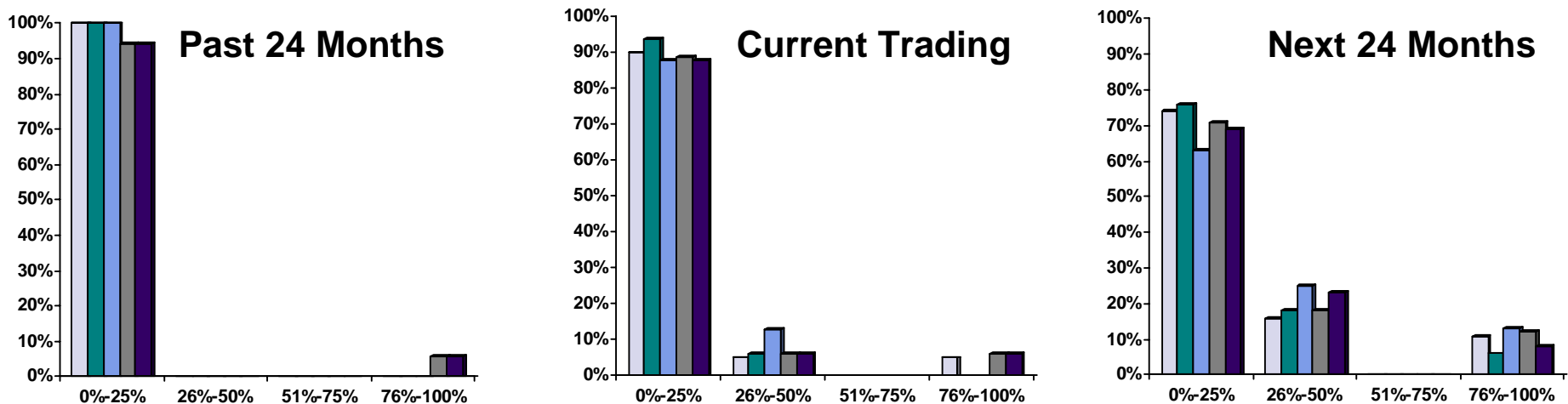


Firms' use of the FIX Protocol – FIXED INCOME: Sell-side

Percent of sell-side firms incoming FIXED INCOME trade messages received via FIX

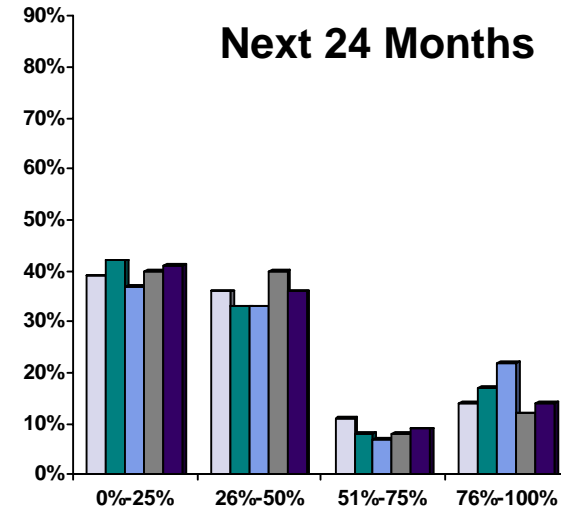
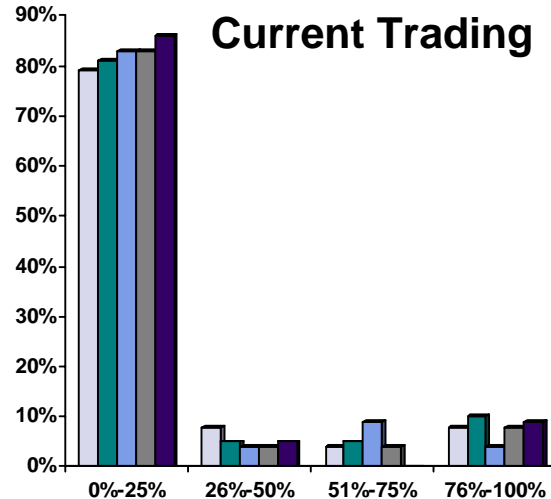
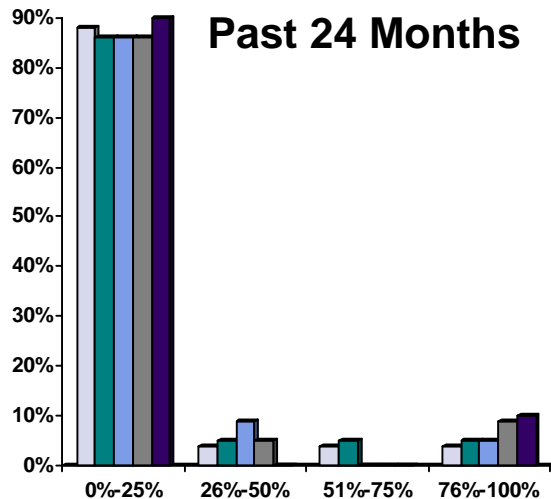


Percent of sell-side firms outgoing FIXED INCOME orders to be executed that are traded via FIX

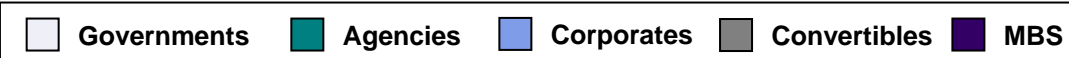
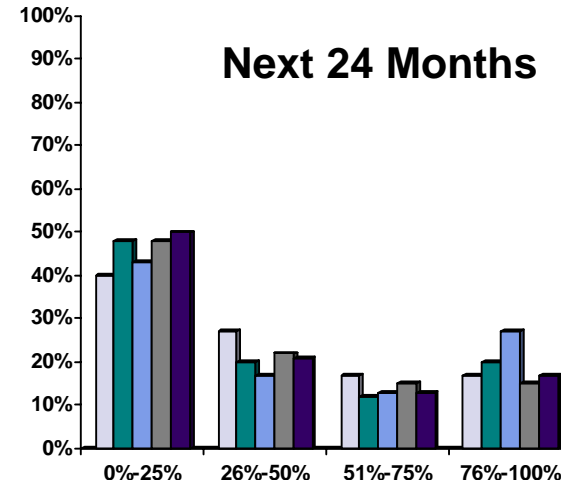
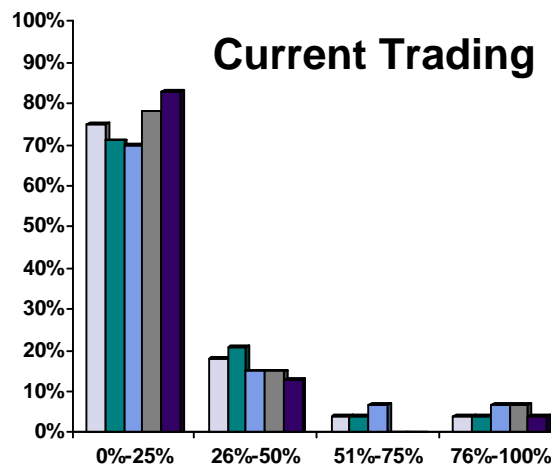
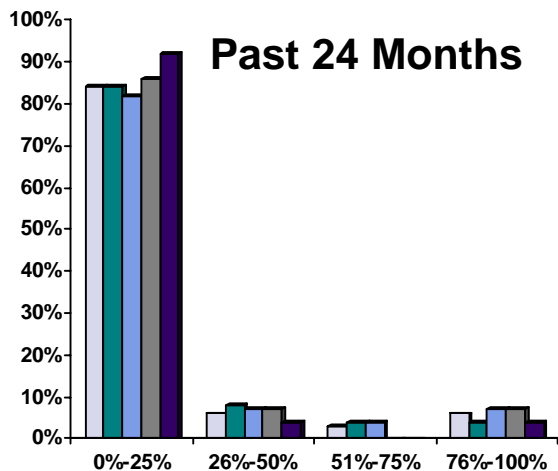


Firms' use of the FIX Protocol – FIXED INCOME: Vendors

Percent of firms clients incoming FIXED INCOME trade messages received via FIX



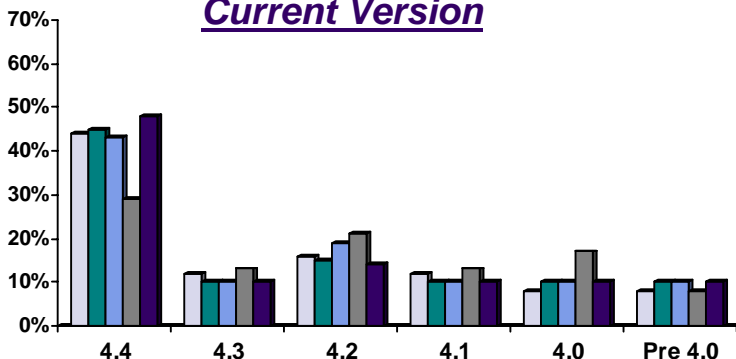
Percent of firms clients outgoing FIXED INCOME orders to be executed that are traded via FIX



Firms' use of the FIX Protocol – **FIXED INCOME**

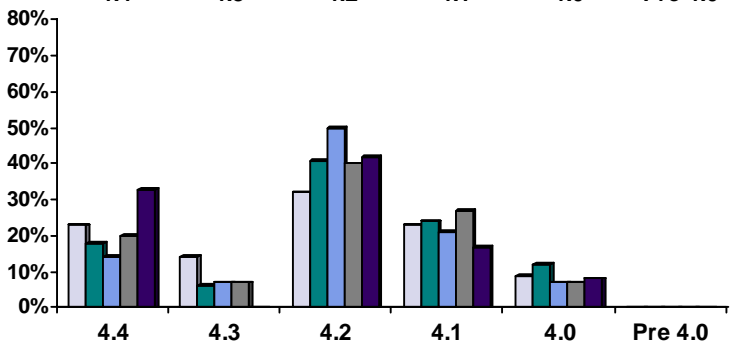
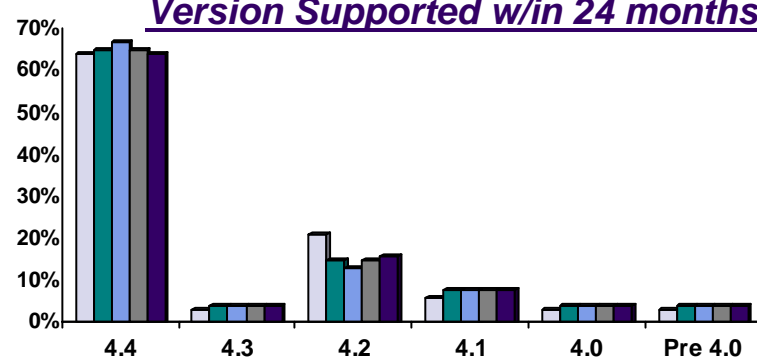
Versions of FIX supported/used for trading **FIXED INCOME**

Current Version

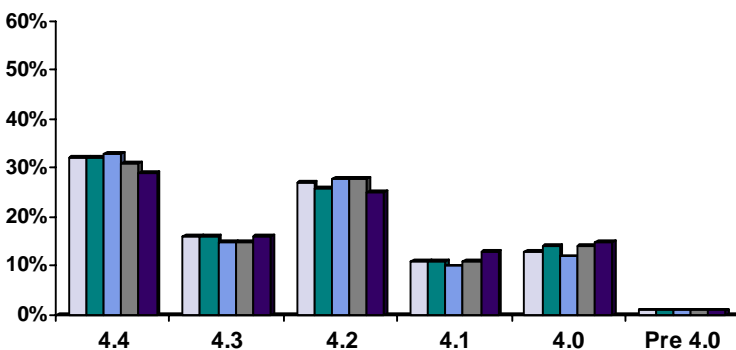
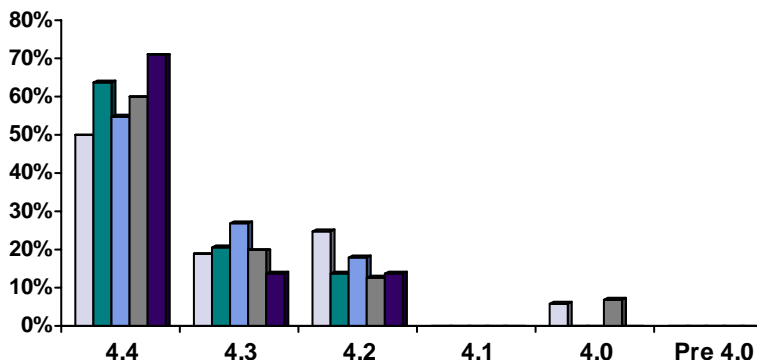


Buy-Side

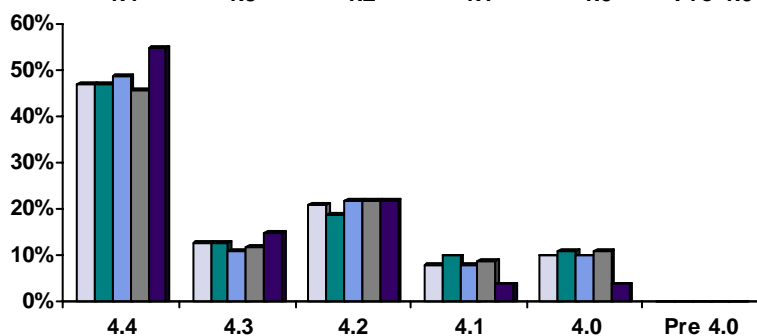
Version Supported w/in 24 months



Sell-Side



Vendor

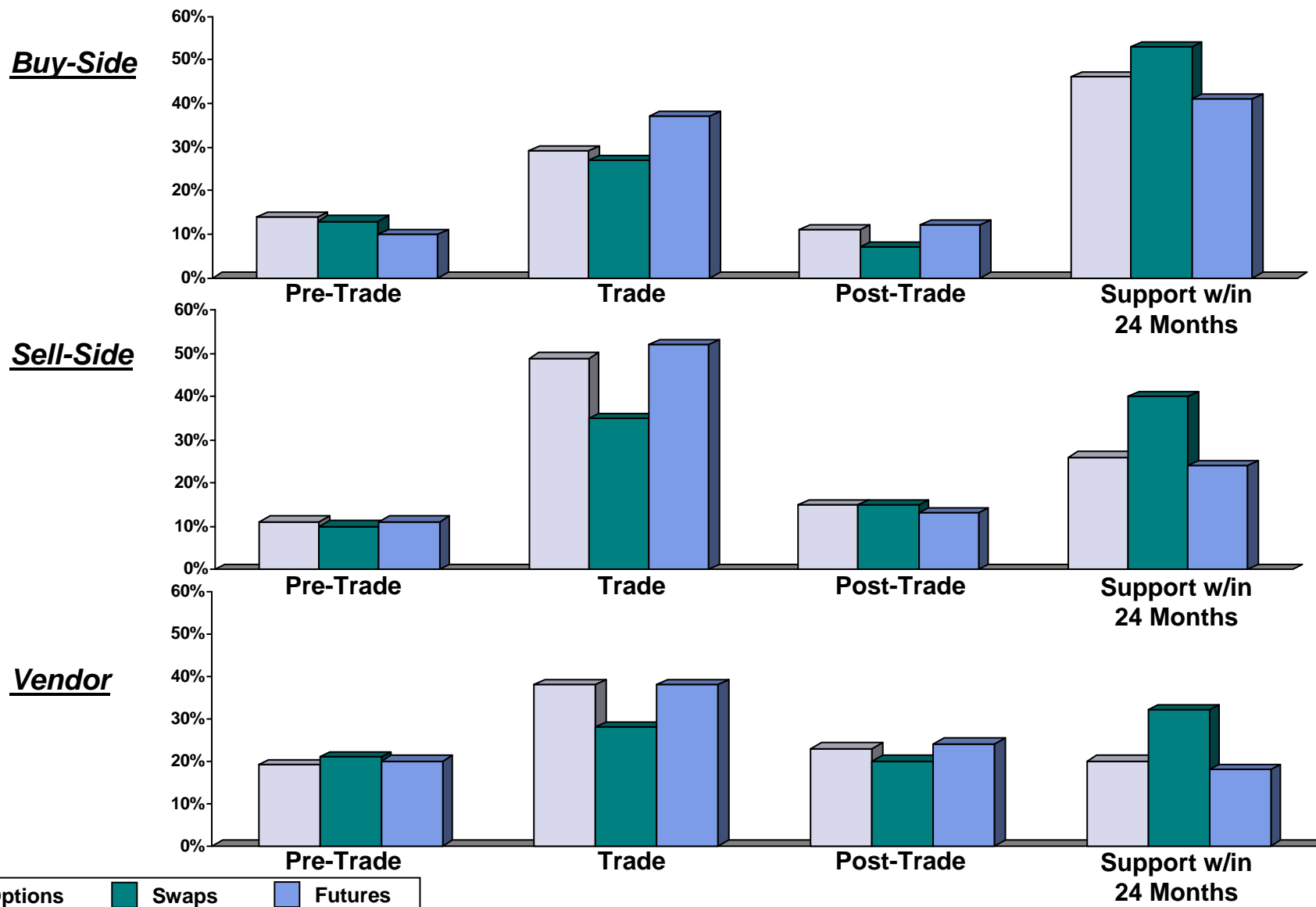


PART B: Firms' Use of the FIX Protocol

DERIVATIVES

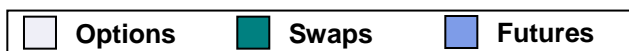
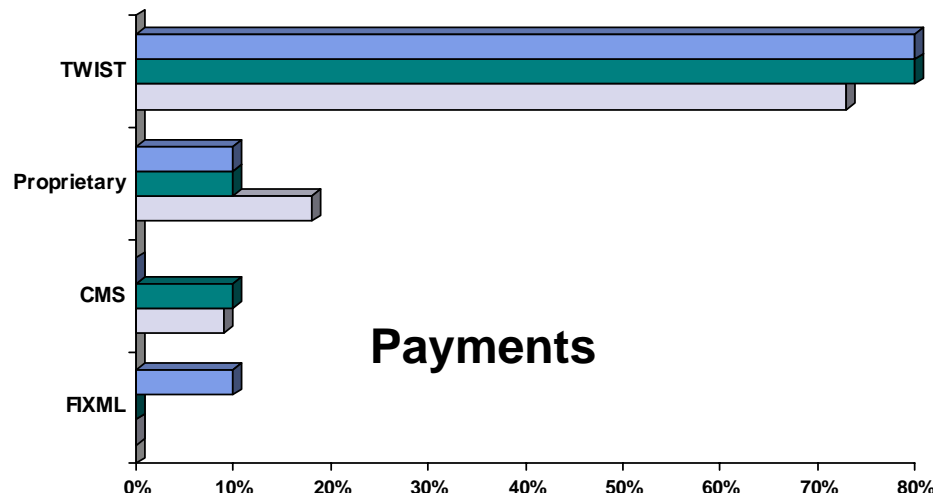
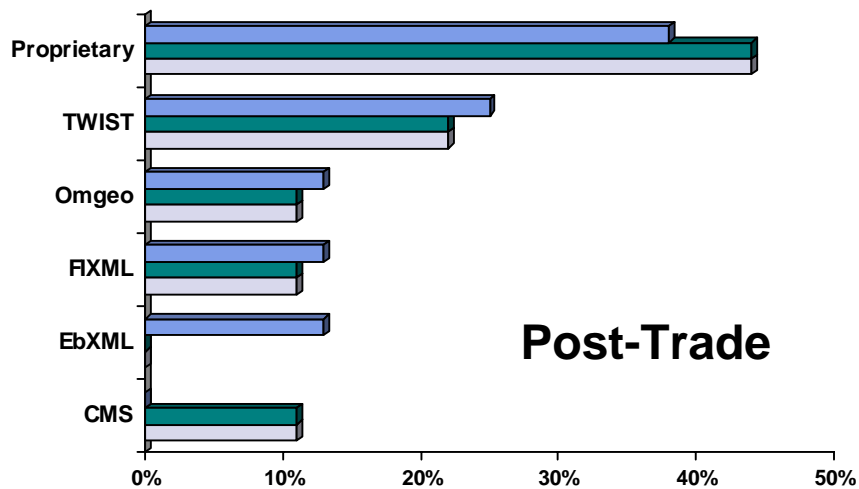
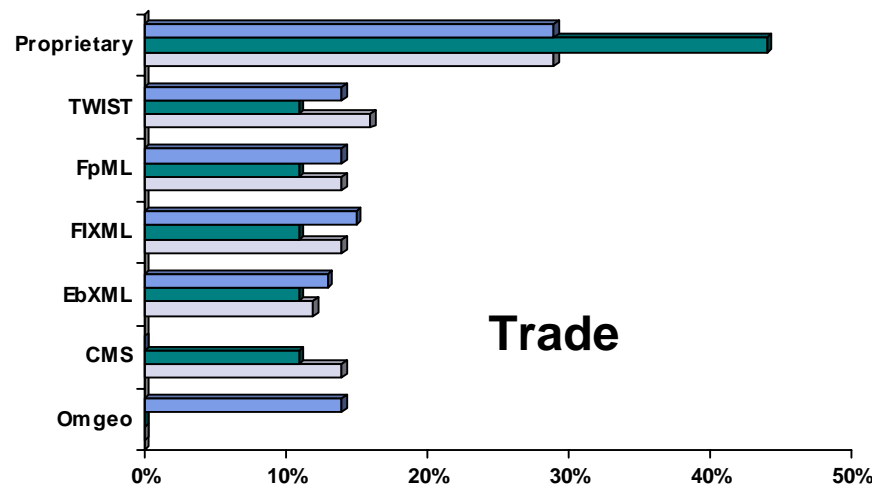
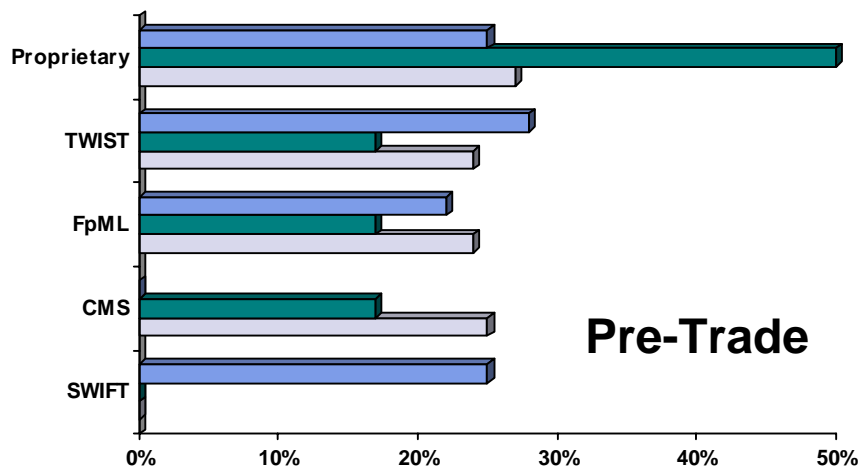
Firms' use of the FIX Protocol – DERIVATIVES

DERIVATIVES asset classes firms support via FIX:



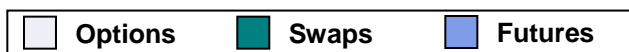
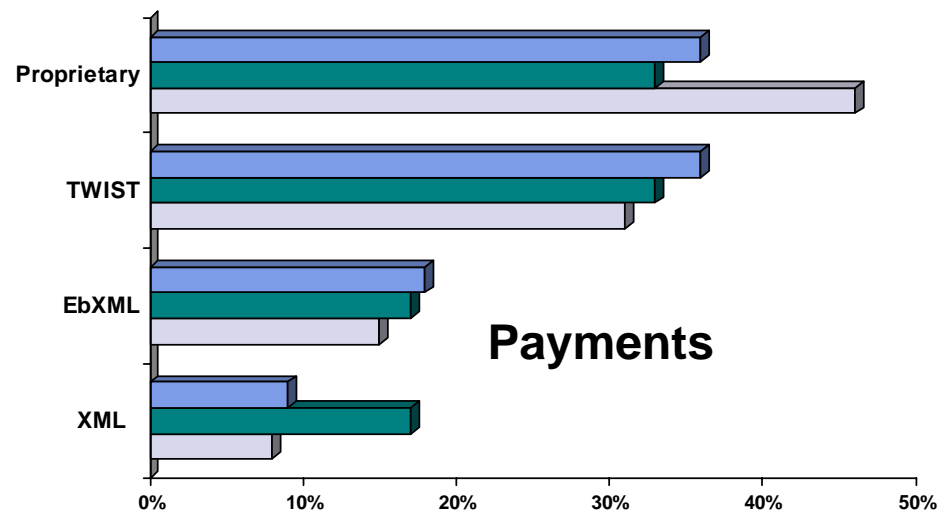
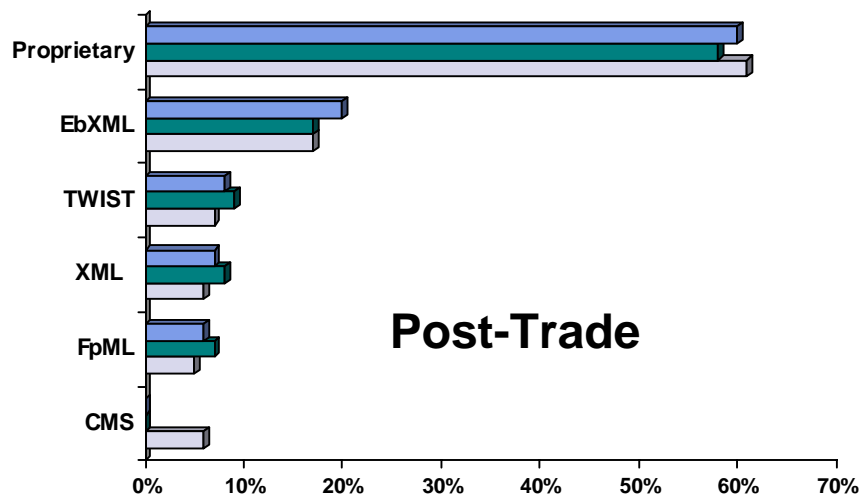
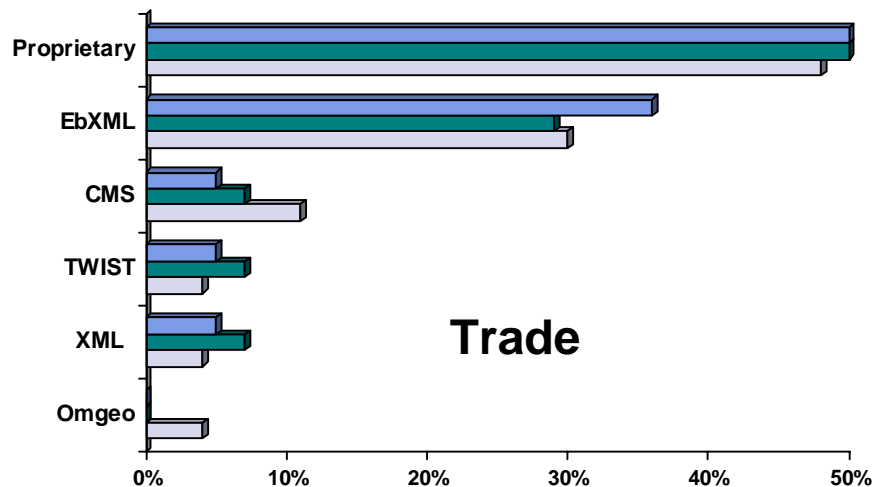
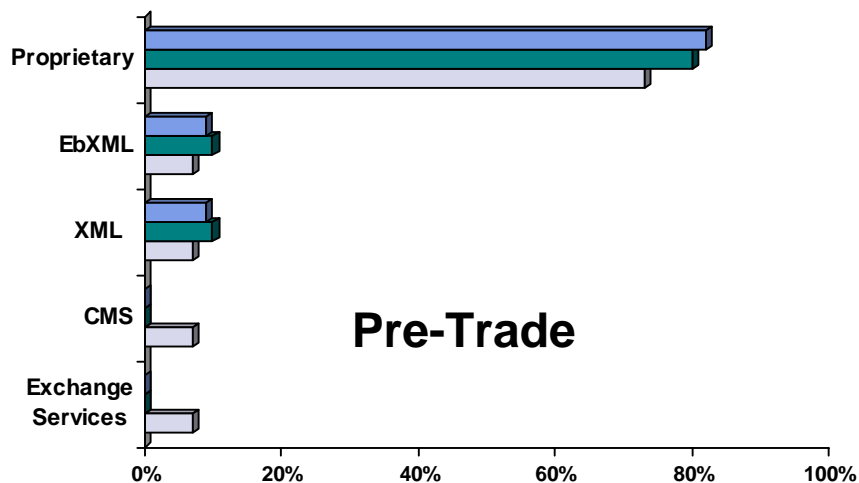
Firms' use of the FIX Protocol – DERIVATIVES: Buy-side

Primary protocol or service provider other than FIX that buy-side firms are currently using for DERIVATIVES



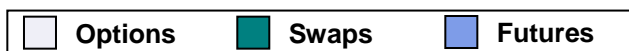
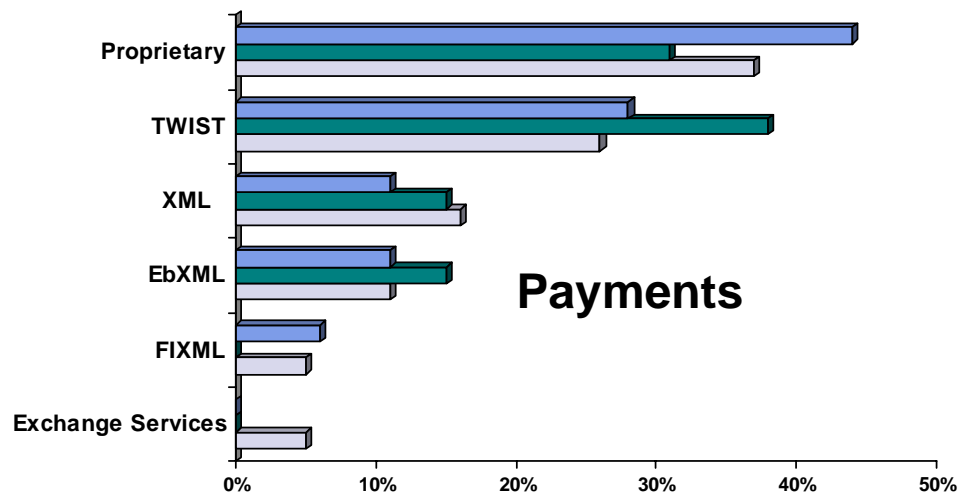
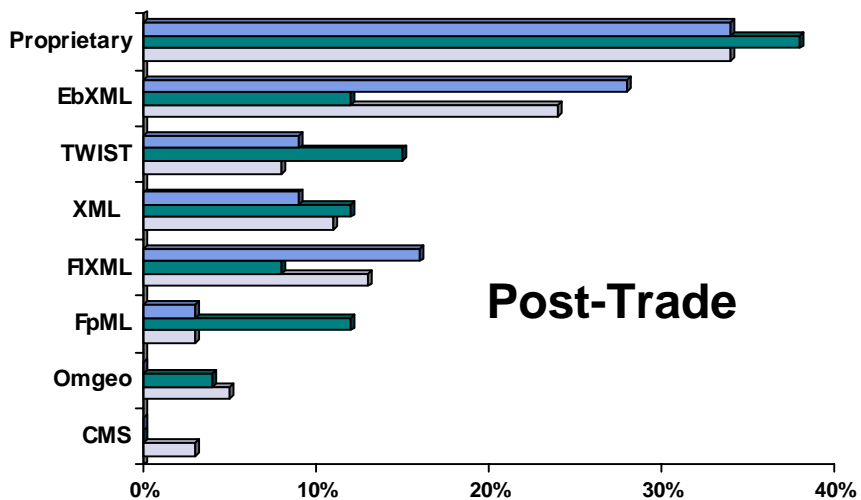
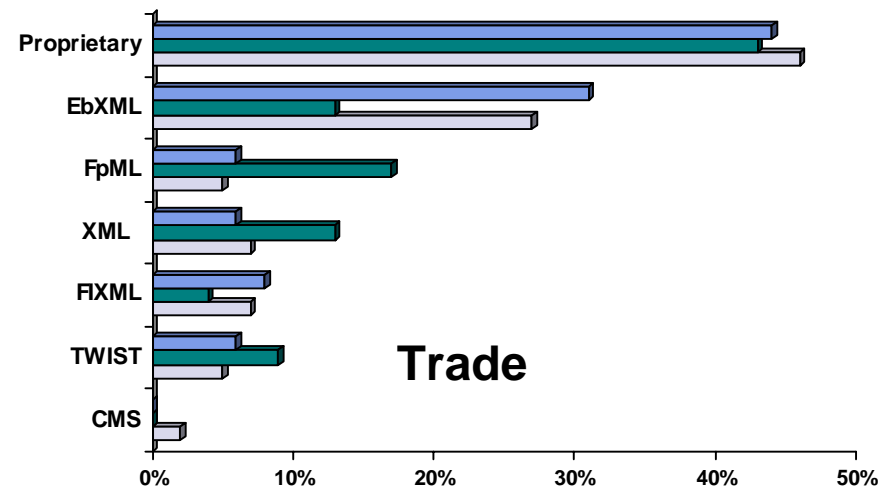
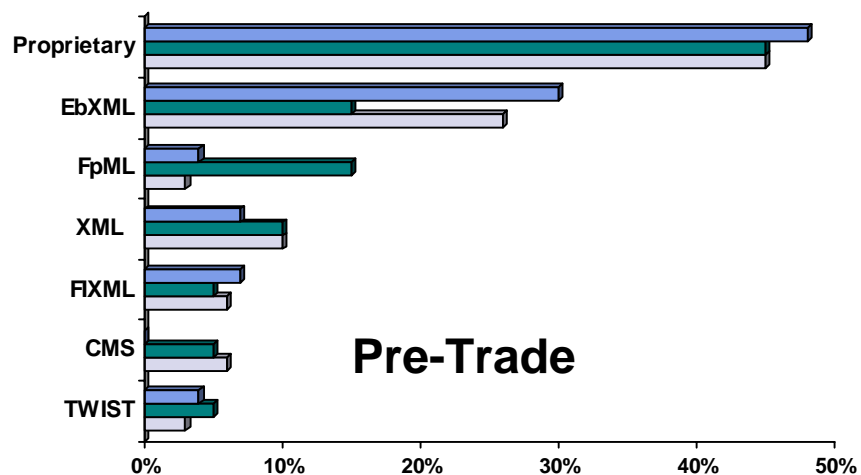
Firms' use of the FIX Protocol – DERIVATIVES: Sell-side

Primary protocol or service provider other than FIX that sell-side firms are currently using for DERIVATIVES



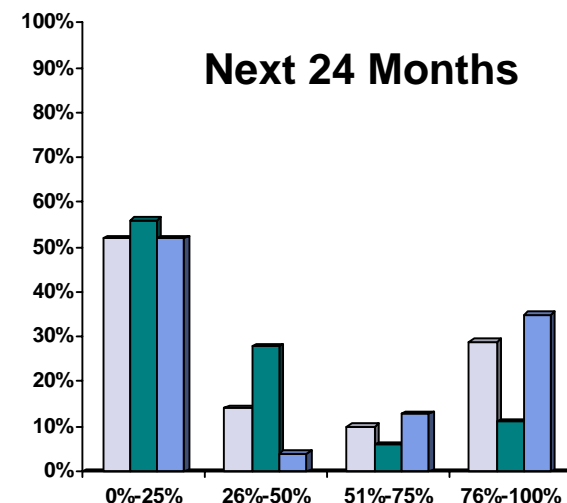
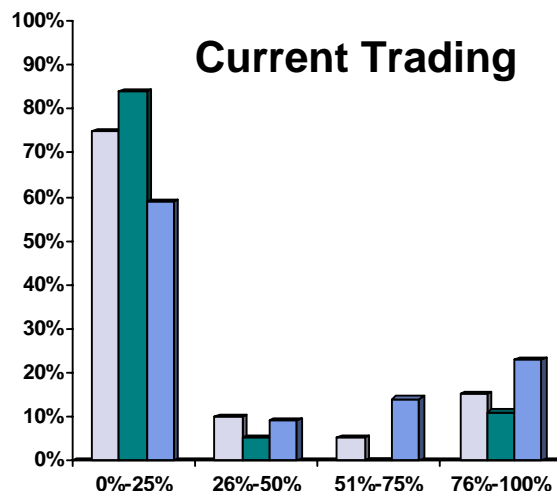
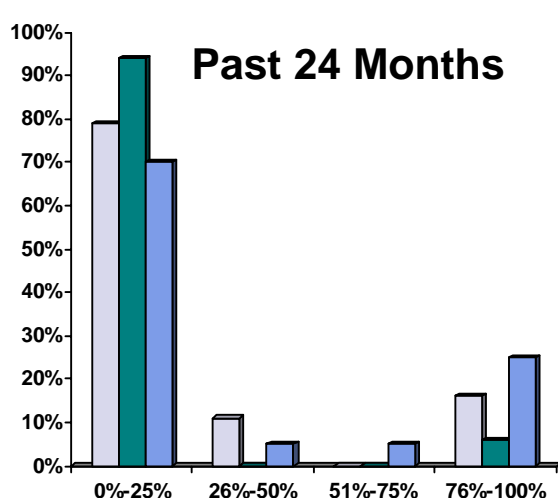
Firms' use of the FIX Protocol – DERIVATIVES: Vendors

Primary protocol or service provider other than FIX that vendors are currently using/supporting for DERIVATIVES

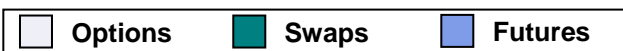
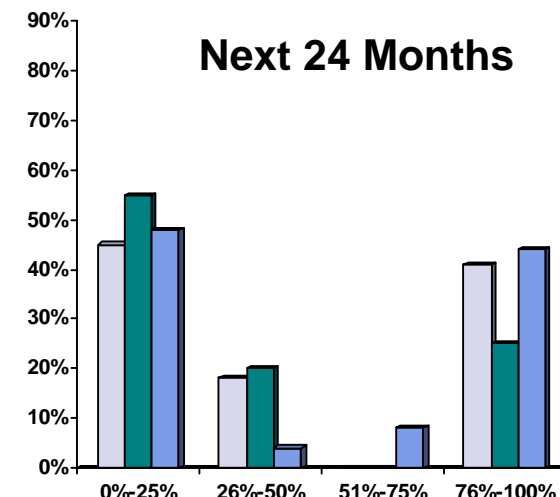
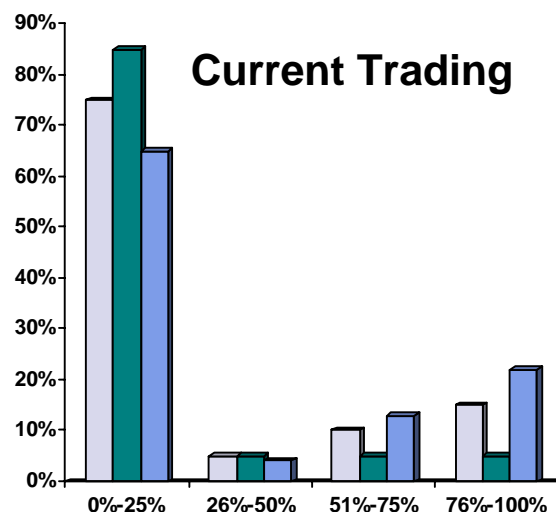
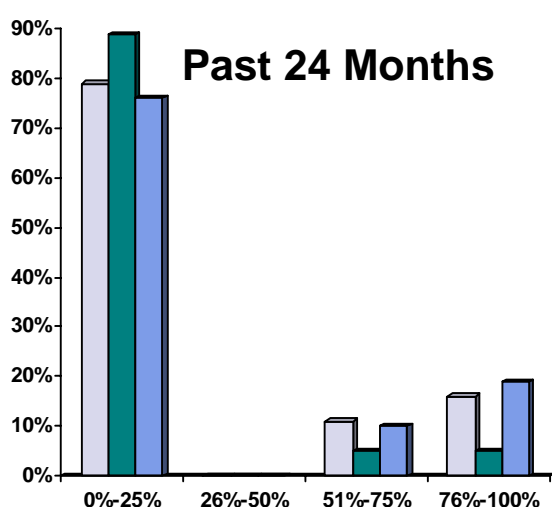


Firms' use of the FIX Protocol – DERIVATIVES: Buy-side

Percent of buy-side clients incoming DERIVATIVES trade messages that are received via FIX

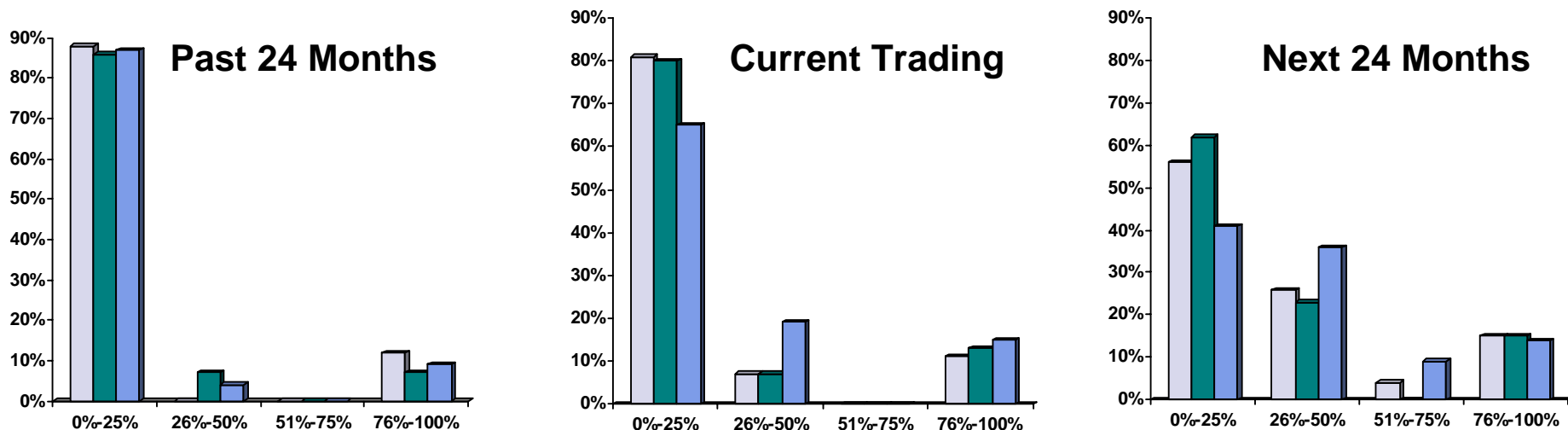


Percent of buy-side clients outgoing DERIVATIVES orders to be executed that are traded via FIX

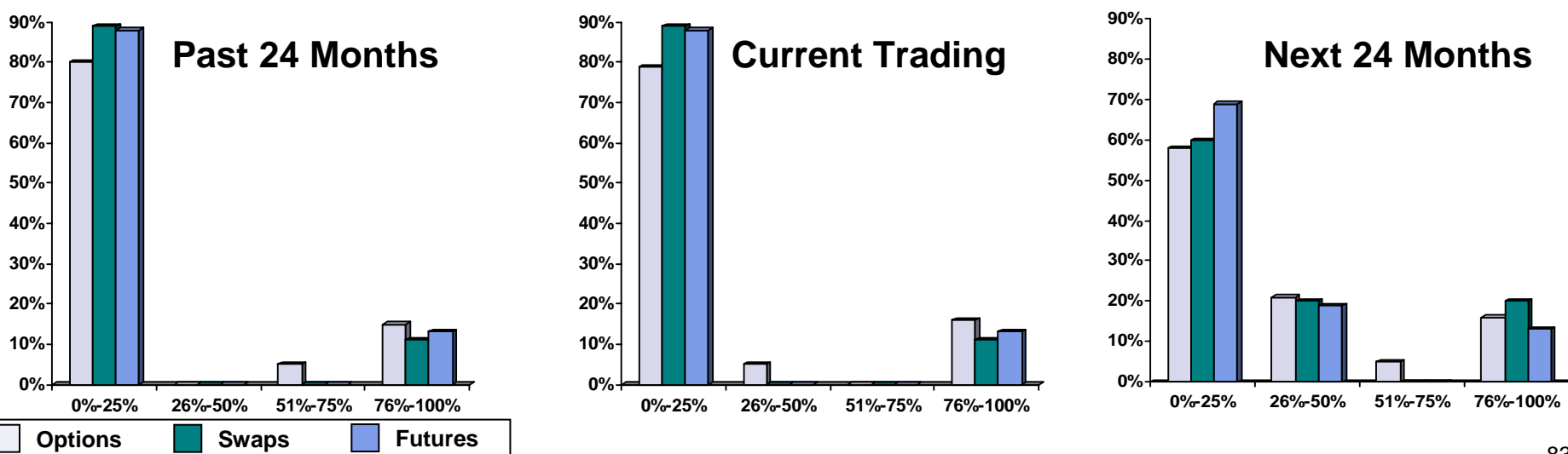


Firms' use of the FIX Protocol – DERIVATIVES: Sell-side

Percent of sell-side clients incoming DERIVATIVES trade messages that are received via FIX



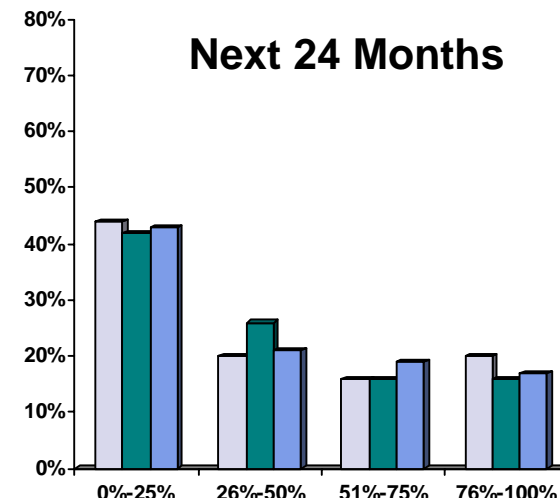
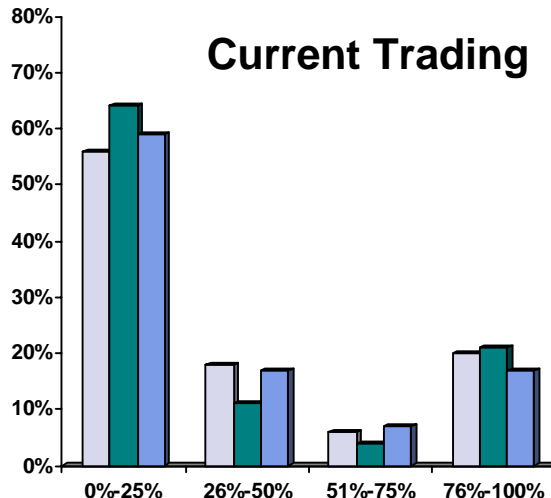
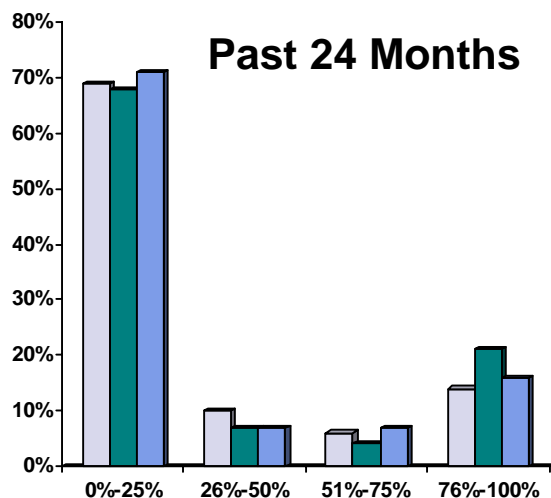
Percent of sell-side clients outgoing DERIVATIVES orders to be executed that are traded via FIX



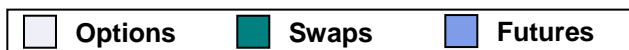
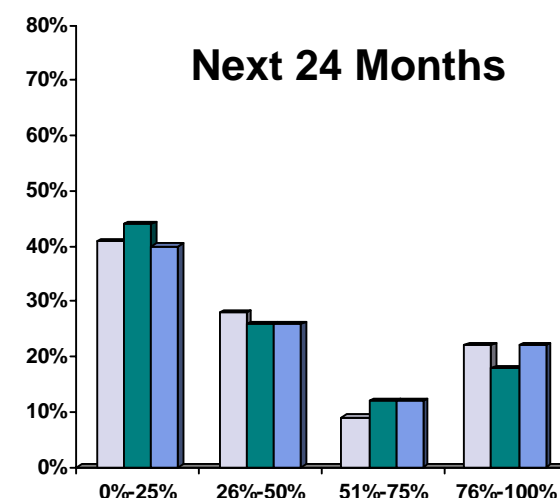
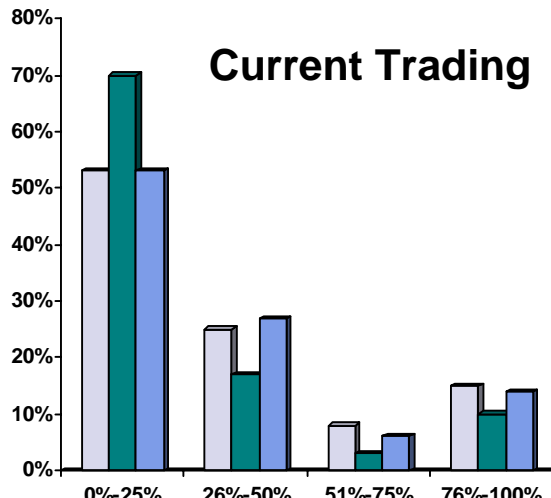
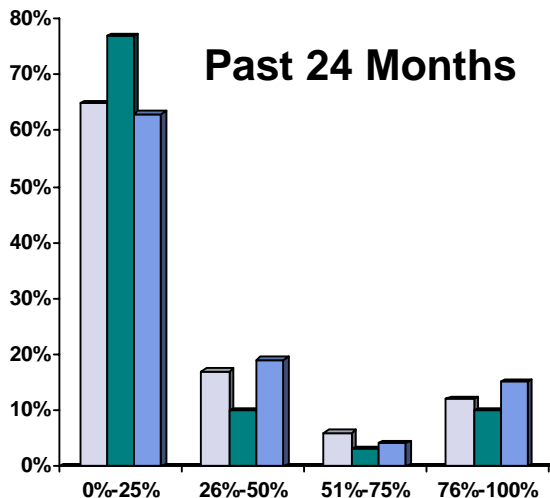
Options Swaps Futures

Firms' use of the FIX Protocol – DERIVATIVES: Vendors

Percent of clients incoming DERIVATIVES trade messages that are received via FIX

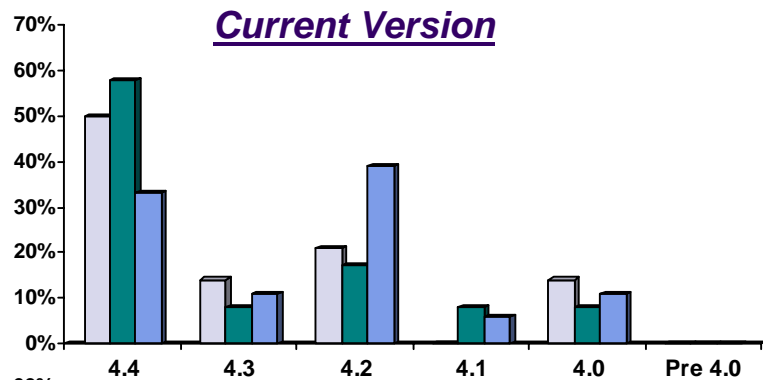


Percent of clients outgoing DERIVATIVES orders to be executed that are traded via FIX

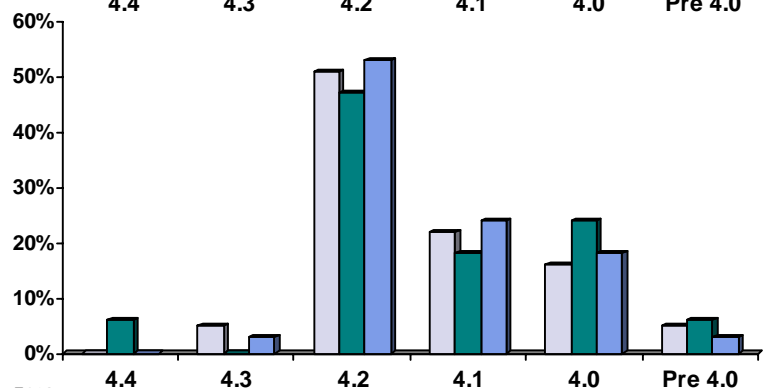
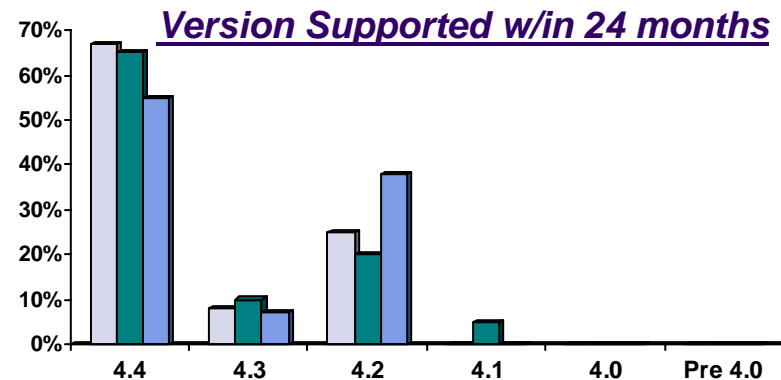


Firms' use of the FIX Protocol – DERIVATIVES

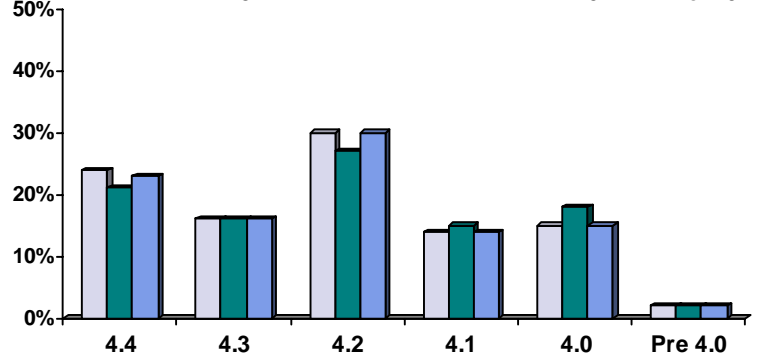
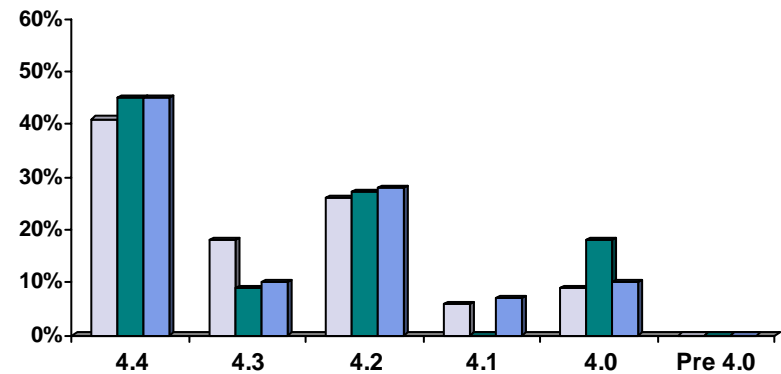
Versions of FIX supported/used for trading DERIVATIVES



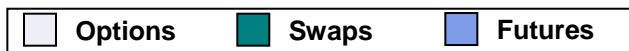
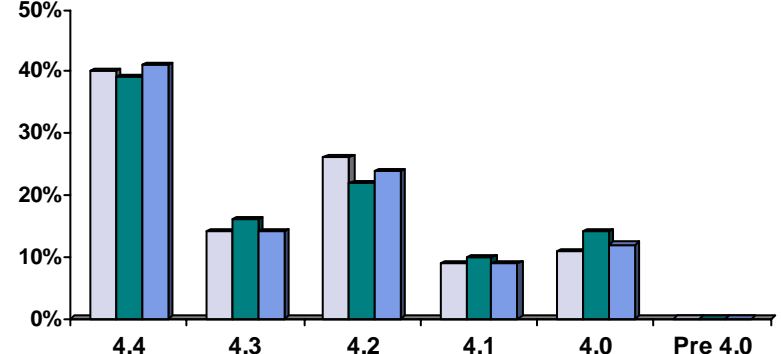
Buy-Side



Sell-Side



Vendor



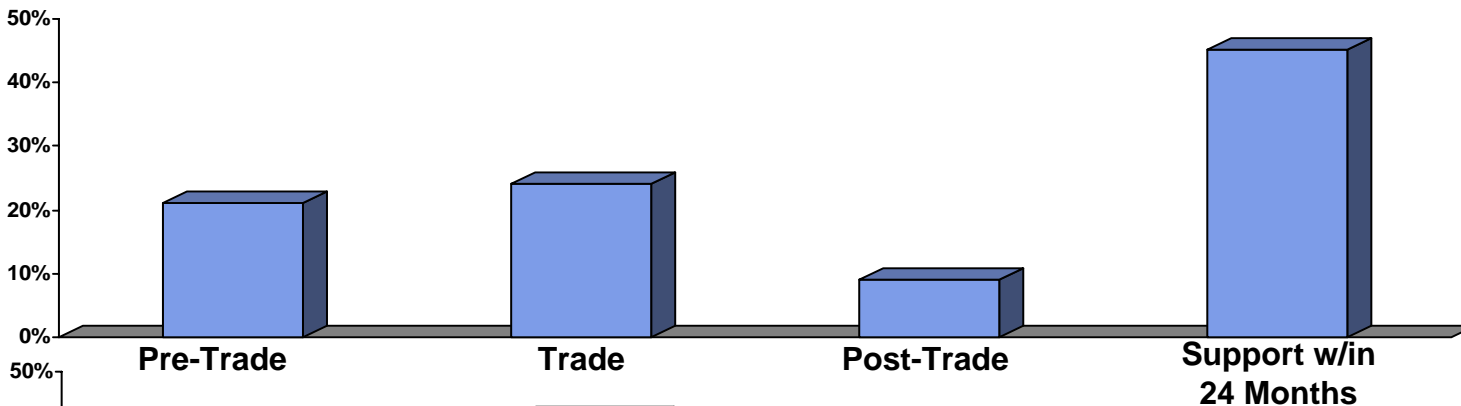
PART B: Firms' Use of the FIX Protocol

FOREIGN EXCHANGE

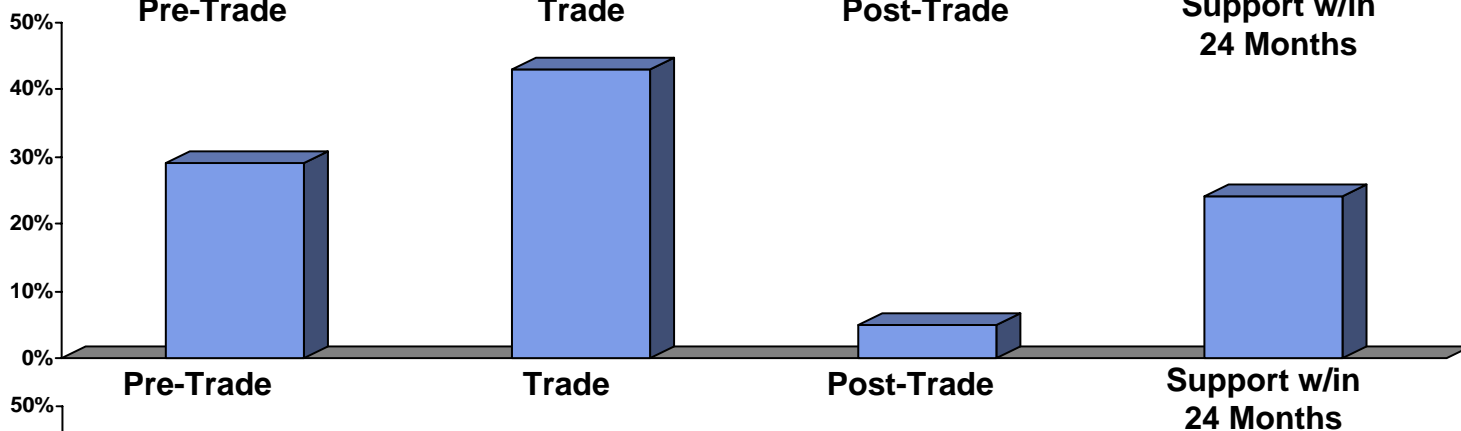
Firms' use of the FIX Protocol – FX

Firms' support of FIX for FOREIGN EXCHANGE

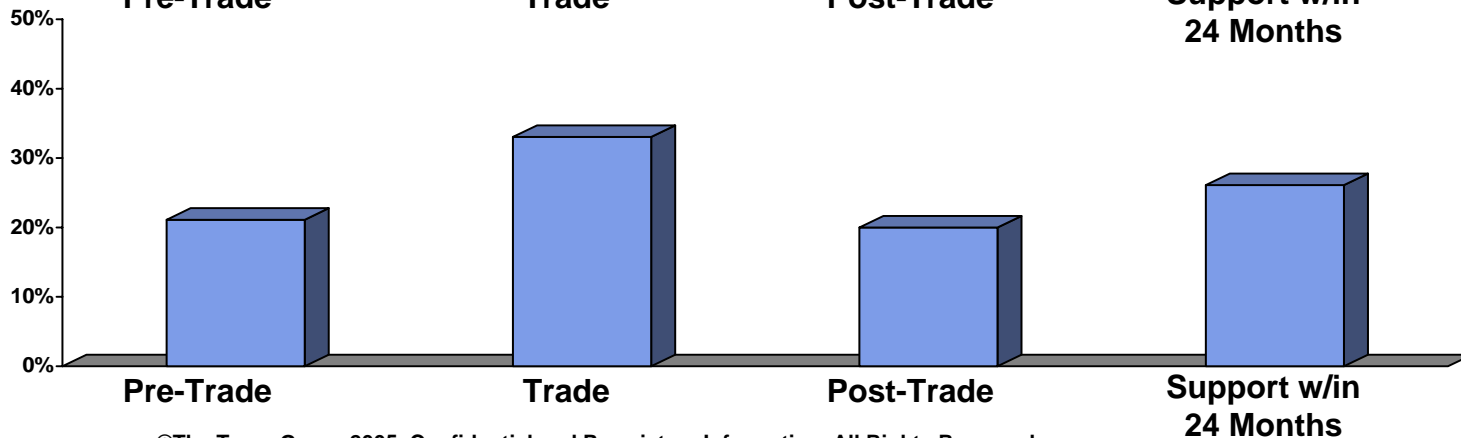
Buy-Side



Sell-Side

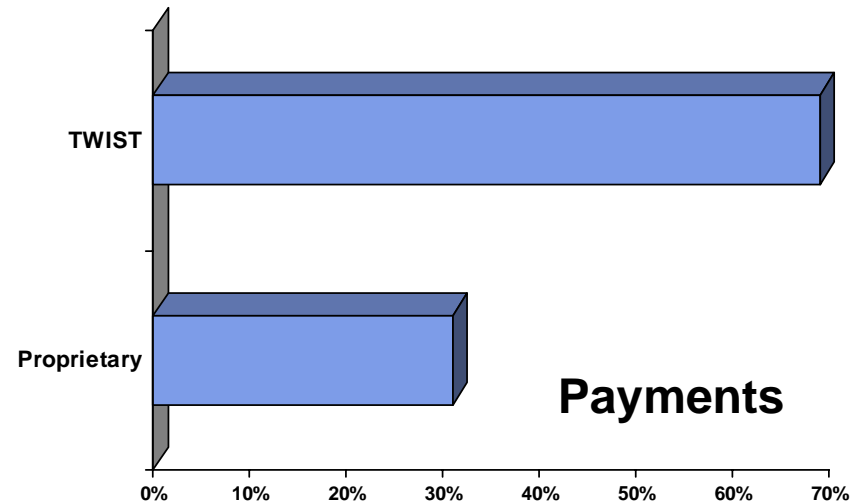
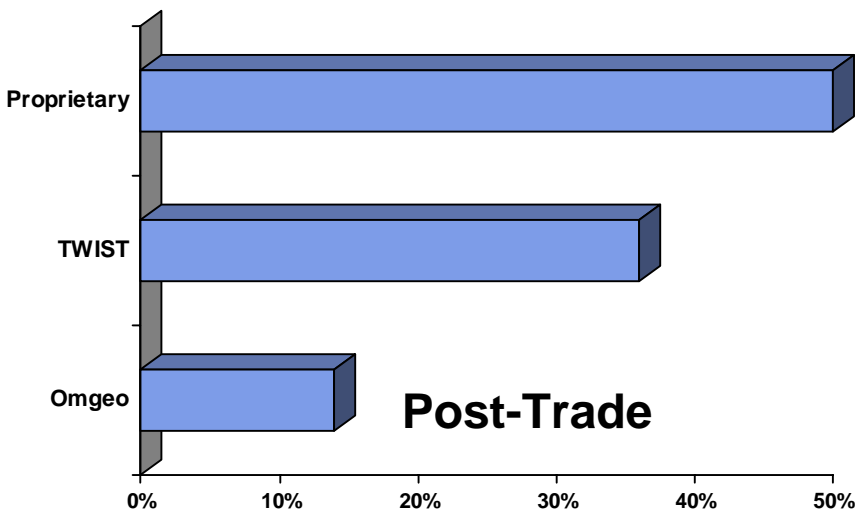
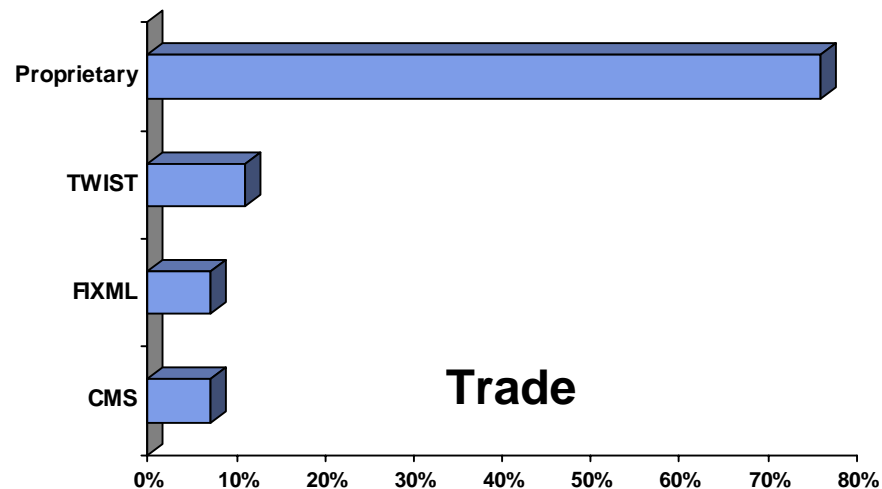
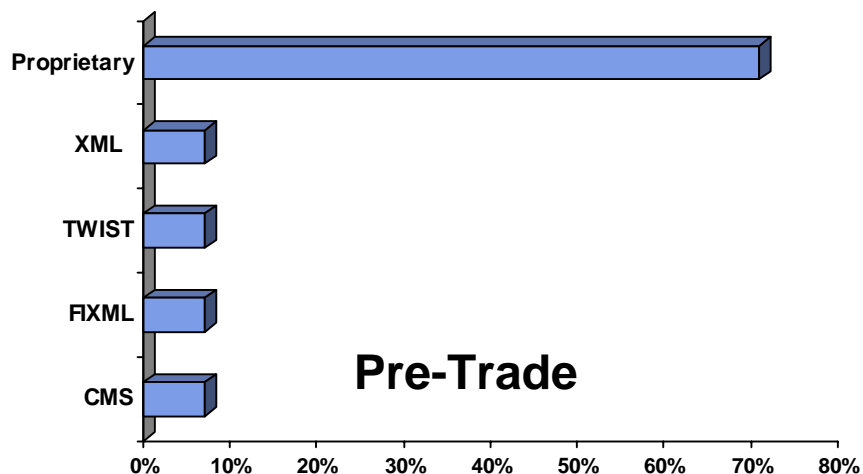


Vendor



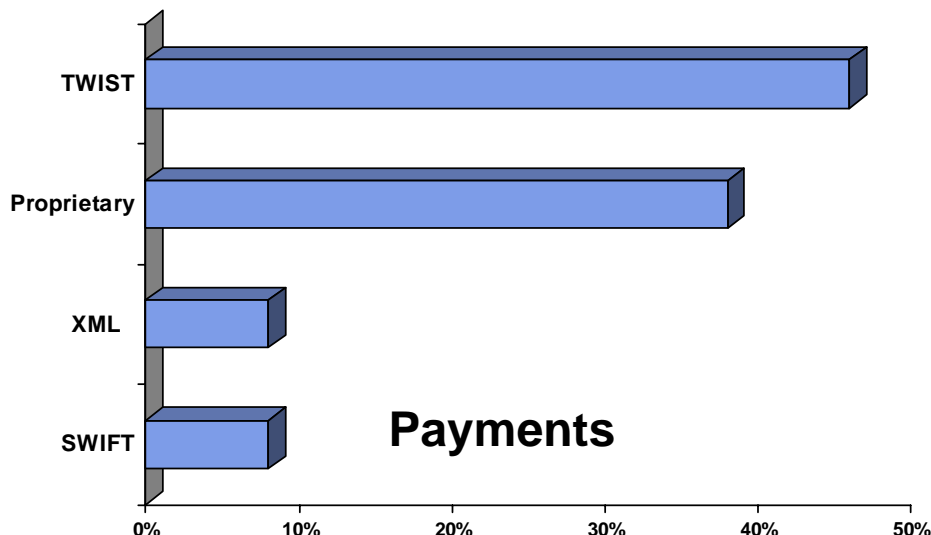
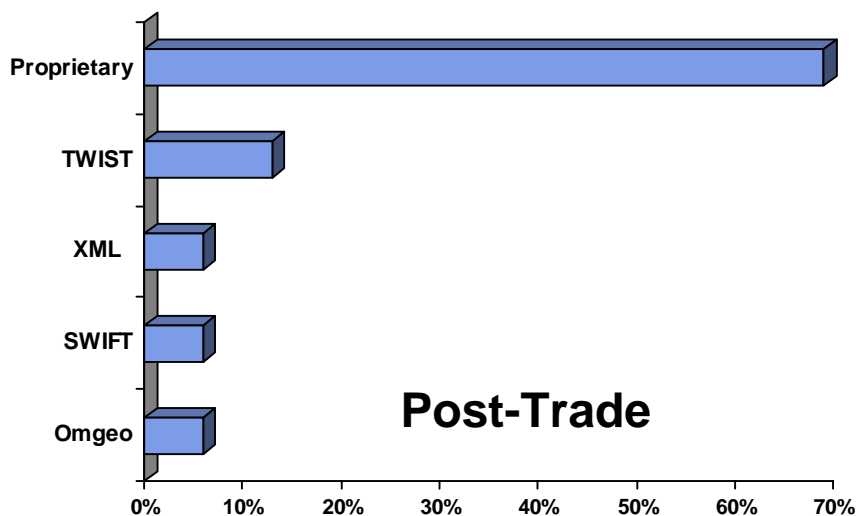
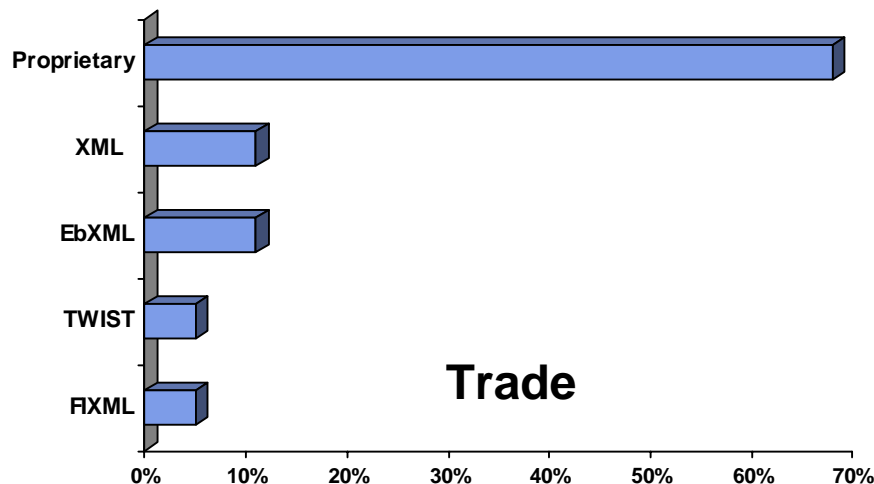
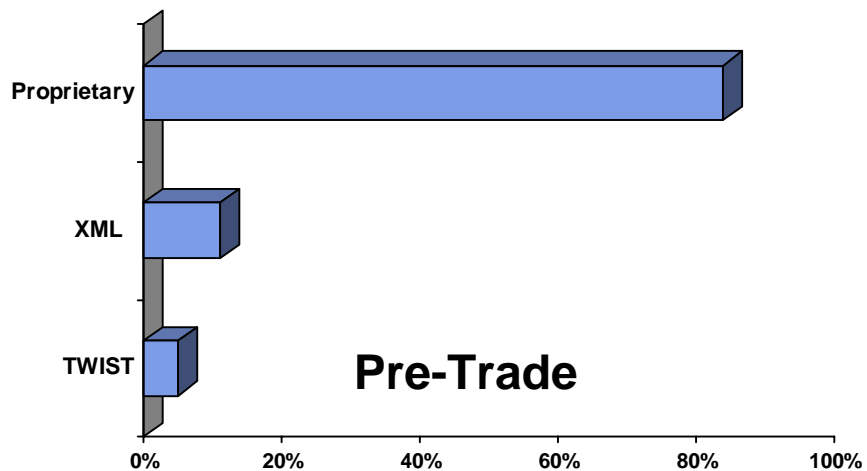
Firms' use of the FIX Protocol – FX: Buy-side

Primary protocol or service provider other than FIX that buy-side firms are currently using for FOREIGN EXCHANGE



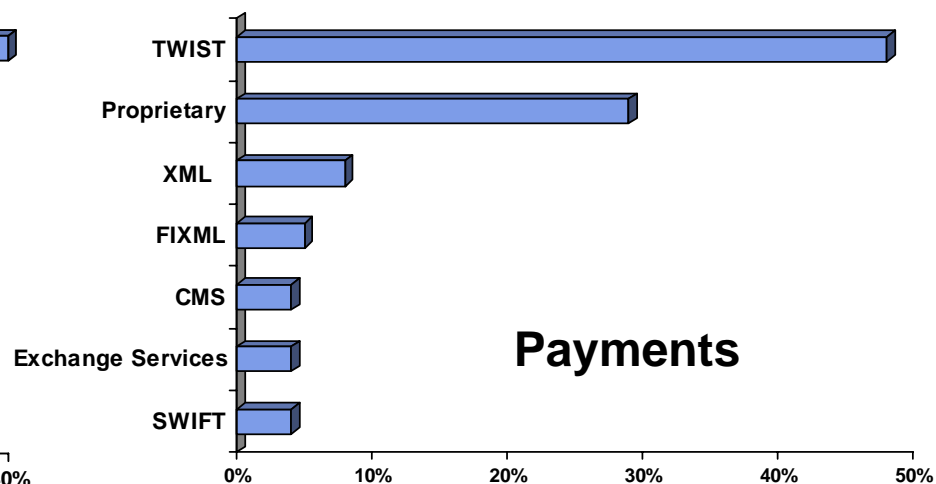
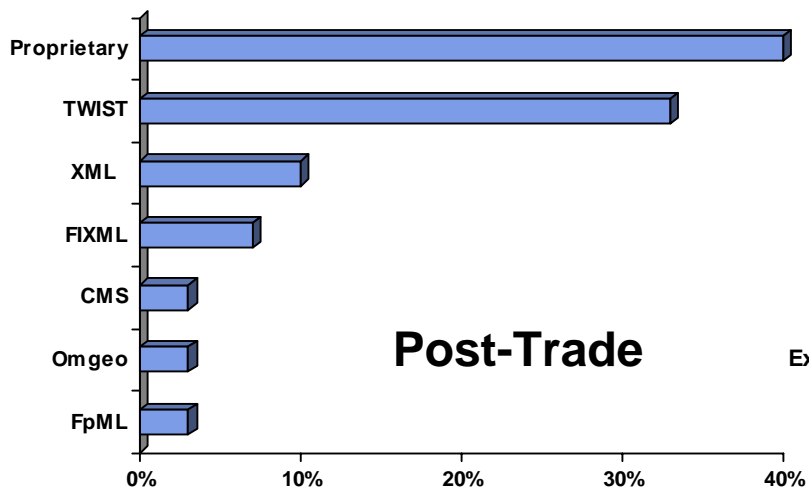
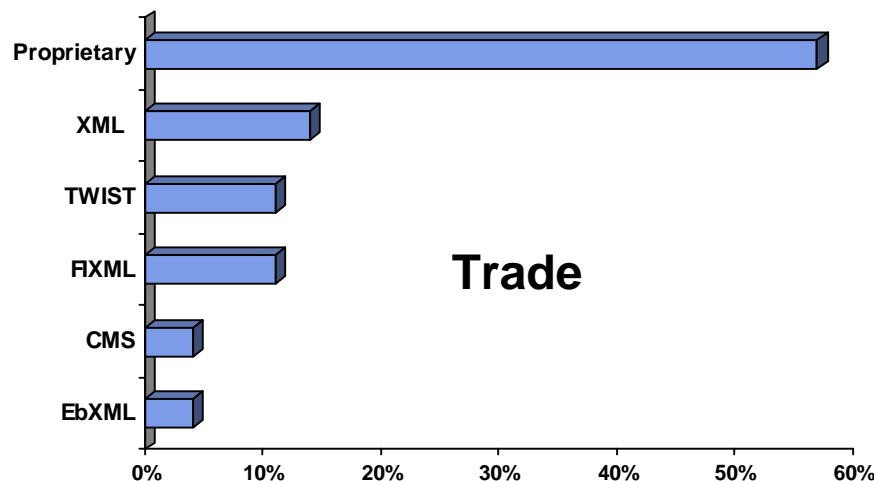
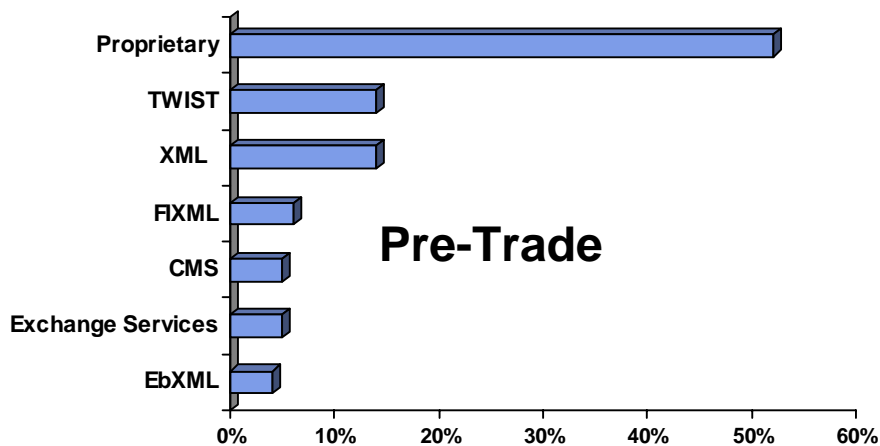
Firms' use of the FIX Protocol – FX: Sell-side

Primary protocol or service provider other than FIX that sell-side firms are currently using for FOREIGN EXCHANGE



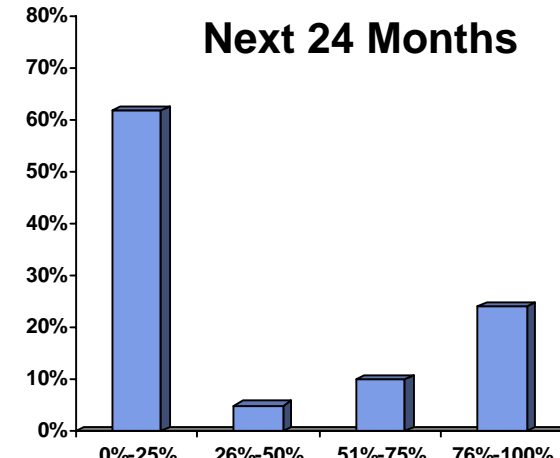
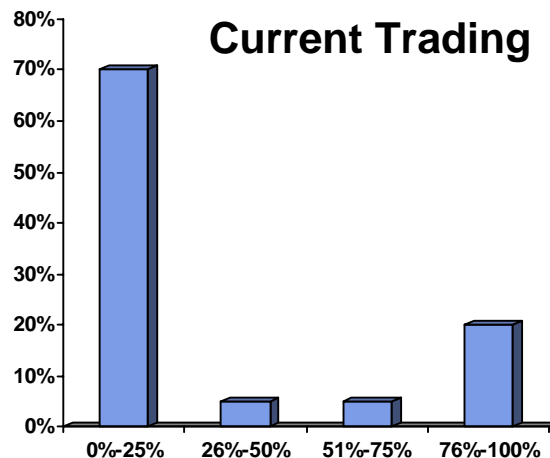
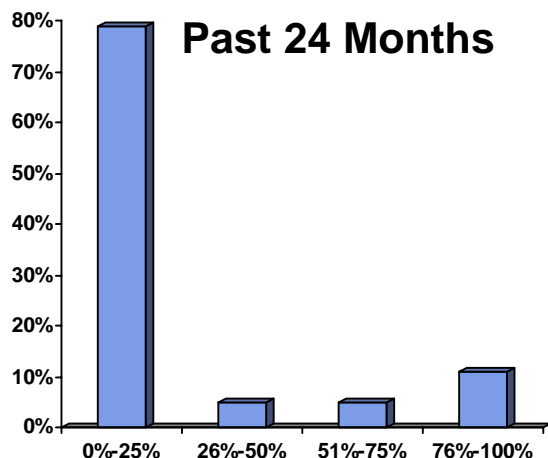
Firms' use of the FIX Protocol – FX: Vendors

Primary protocol or service provider other than FIX that vendors are currently using/supporting for FOREIGN EXCHANGE

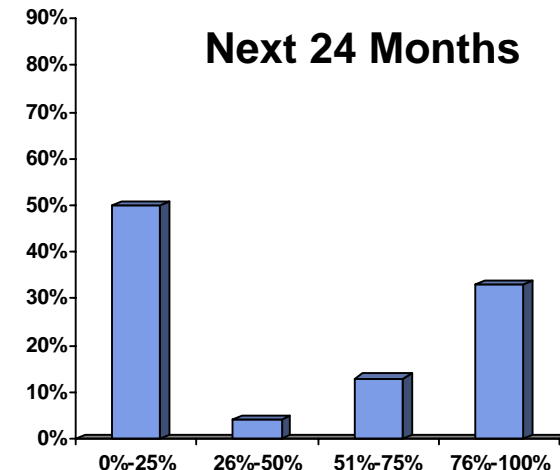
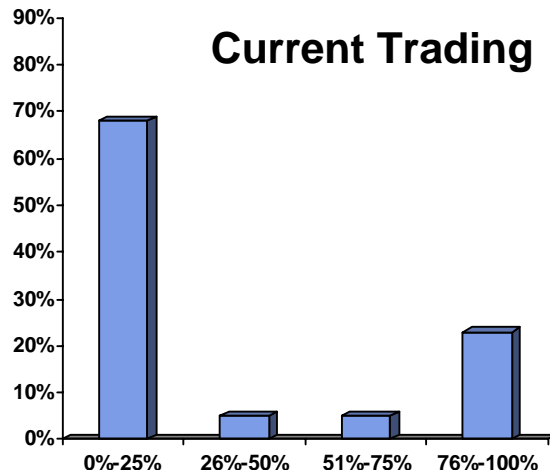
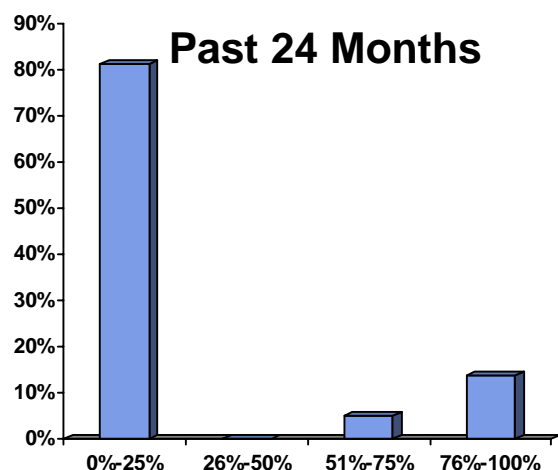


Firms' use of the FIX Protocol – FX: Buy-side

Percent of buy-side clients incoming FOREIGN EXCHANGE trade messages that are received via FIX

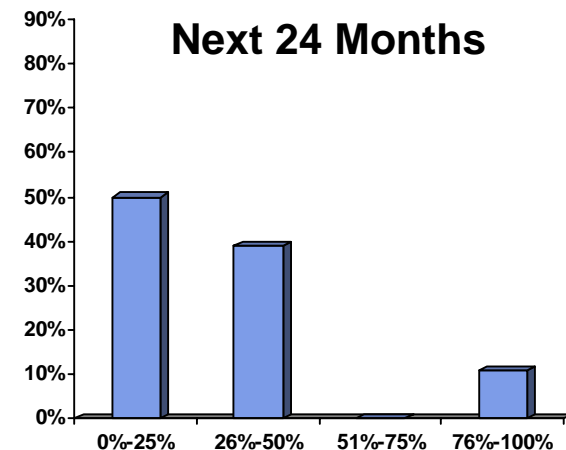
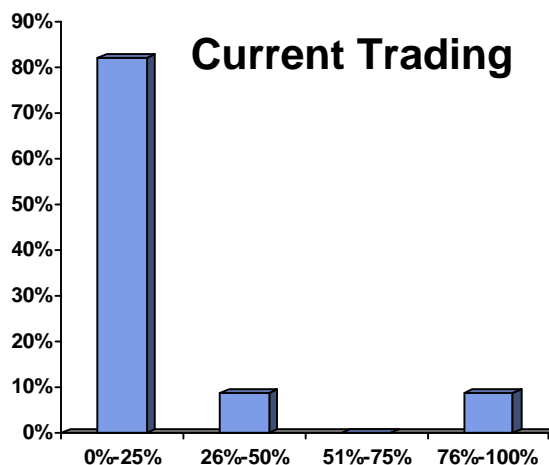
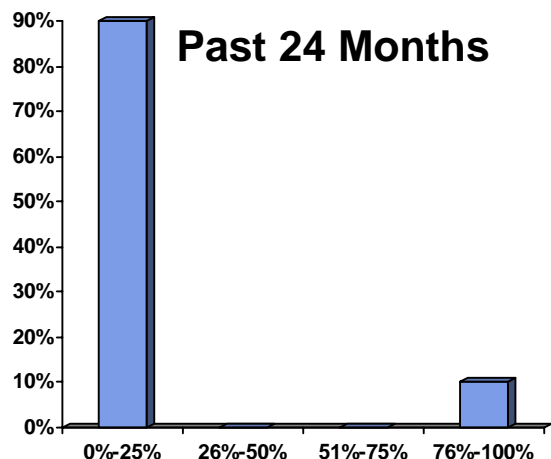


Percent of buy-side clients outgoing FOREIGN EXCHANGE orders to be executed that are traded via FIX

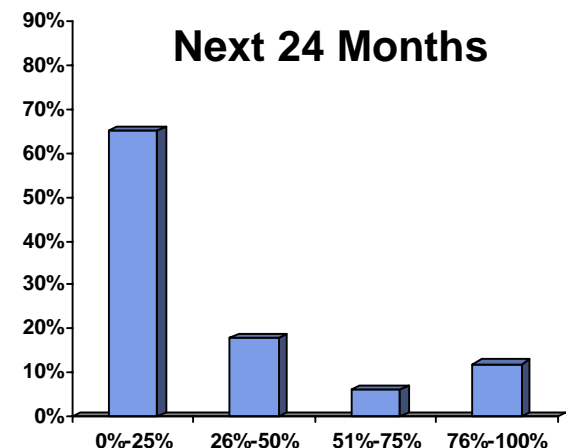
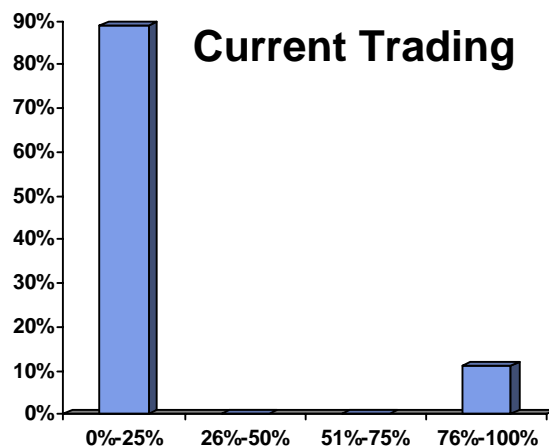
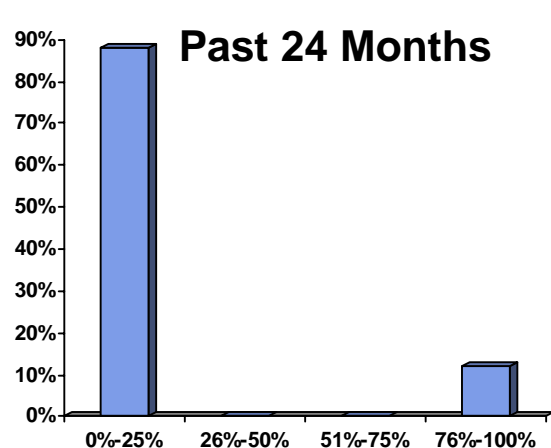


Firms' use of the FIX Protocol – FX: Sell-side

Percent of sell-side clients incoming FOREIGN EXCHANGE trade messages that are received via FIX



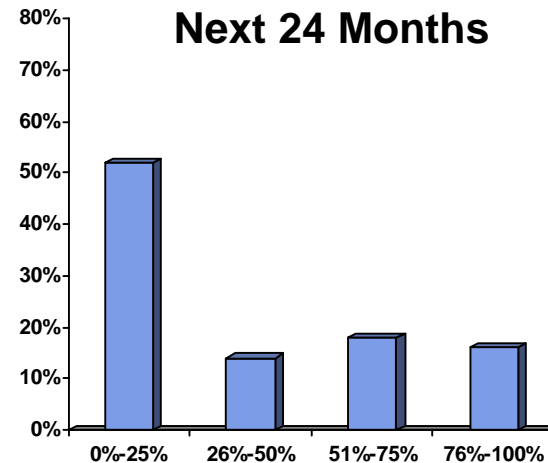
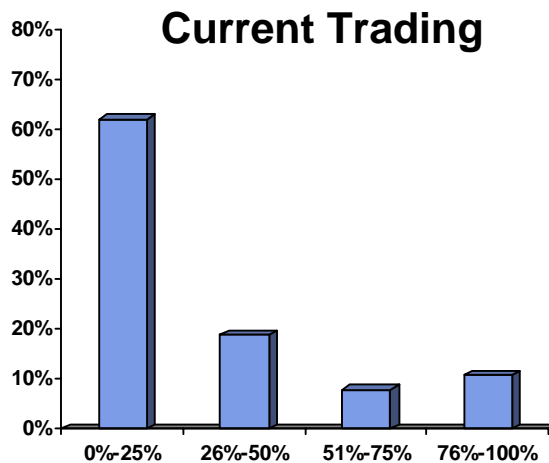
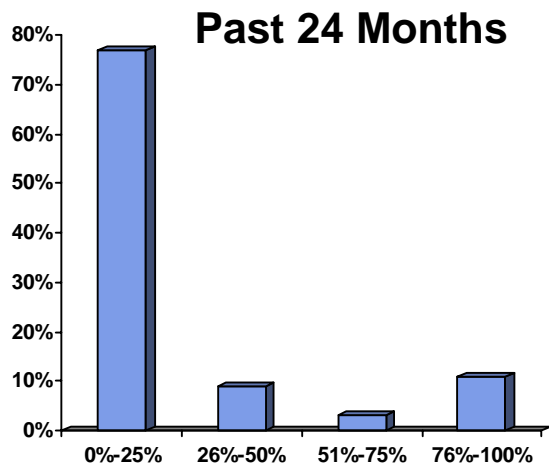
Percent of sell-side clients outgoing FOREIGN EXCHANGE orders to be executed that are traded via FIX



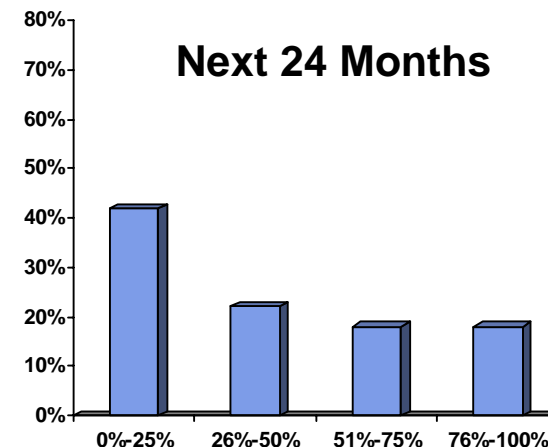
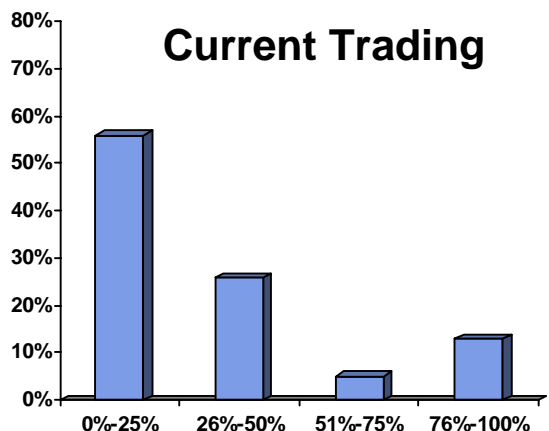
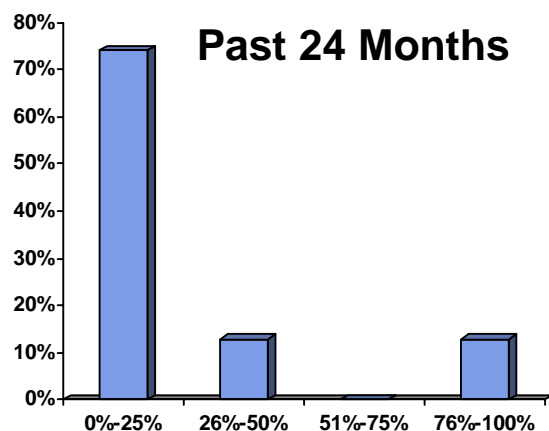
 FX

Firms' use of the FIX Protocol – FX: Vendors

Percent of clients incoming FOREIGN EXCHANGE trade messages that are received via FIX



Percent of clients outgoing FOREIGN EXCHANGE orders to be executed that are traded via FIX

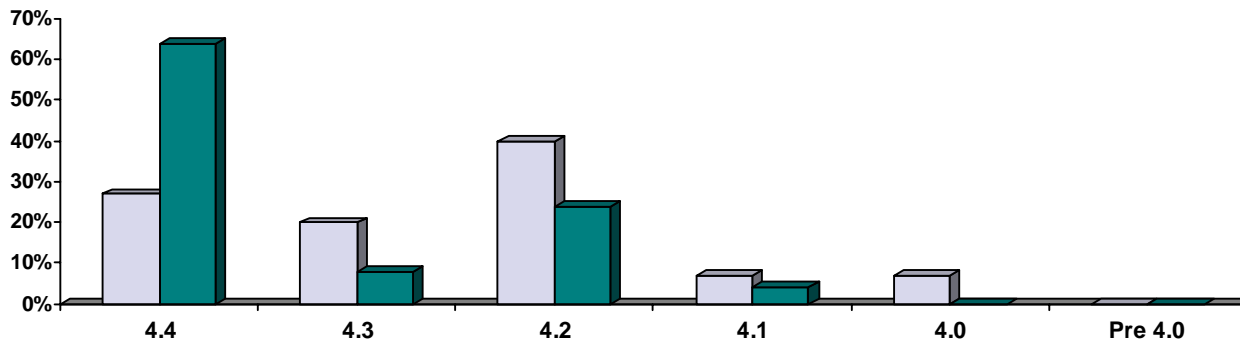


FX

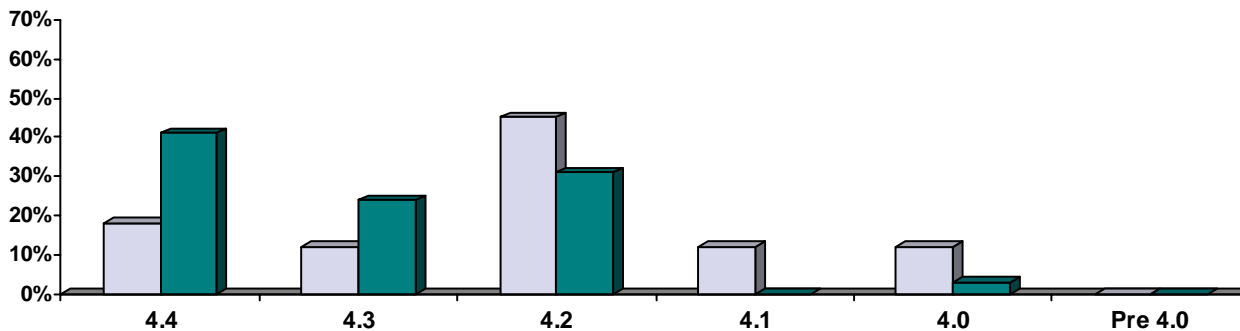
Firms' use of the FIX Protocol – FX

Versions of FIX supported/used for trading FOREIGN EXCHANGE

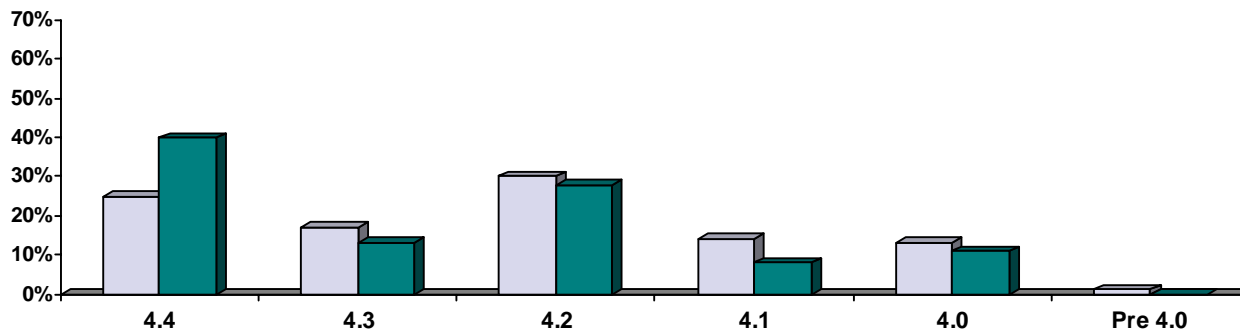
Buy-Side



Sell-Side



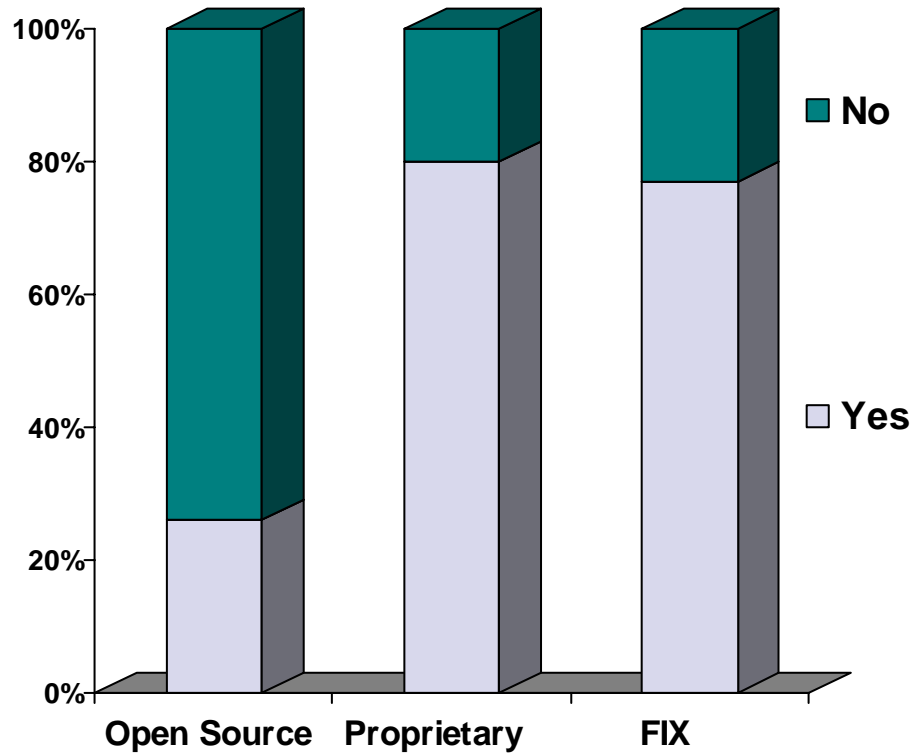
Vendor



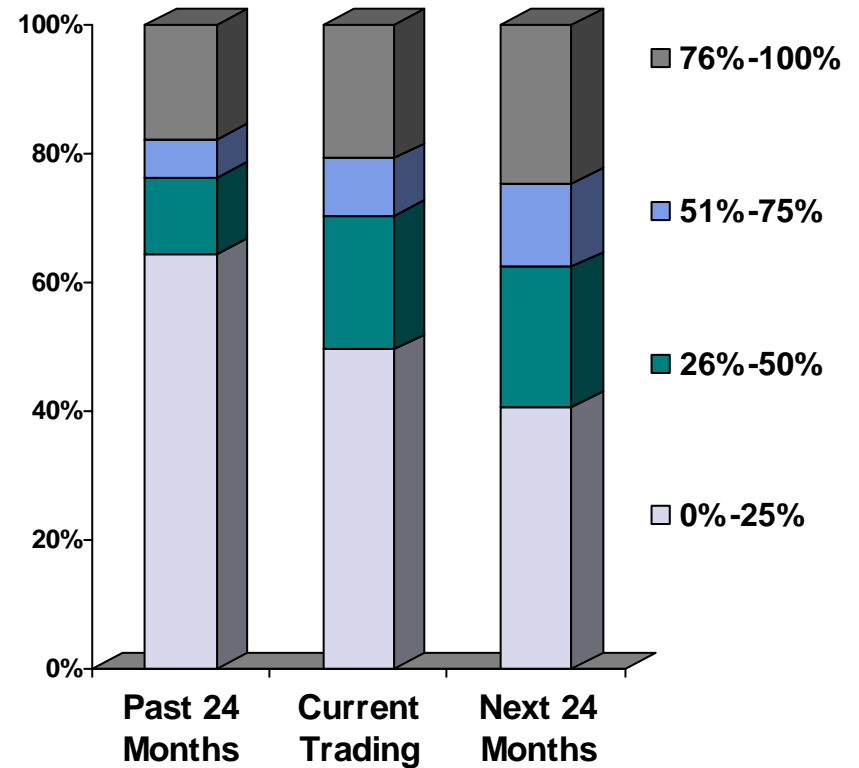
Current FX support
 Support w/in 24 months

Firms' use of the FIX Protocol - Exchange

Market participants electronic access protocols

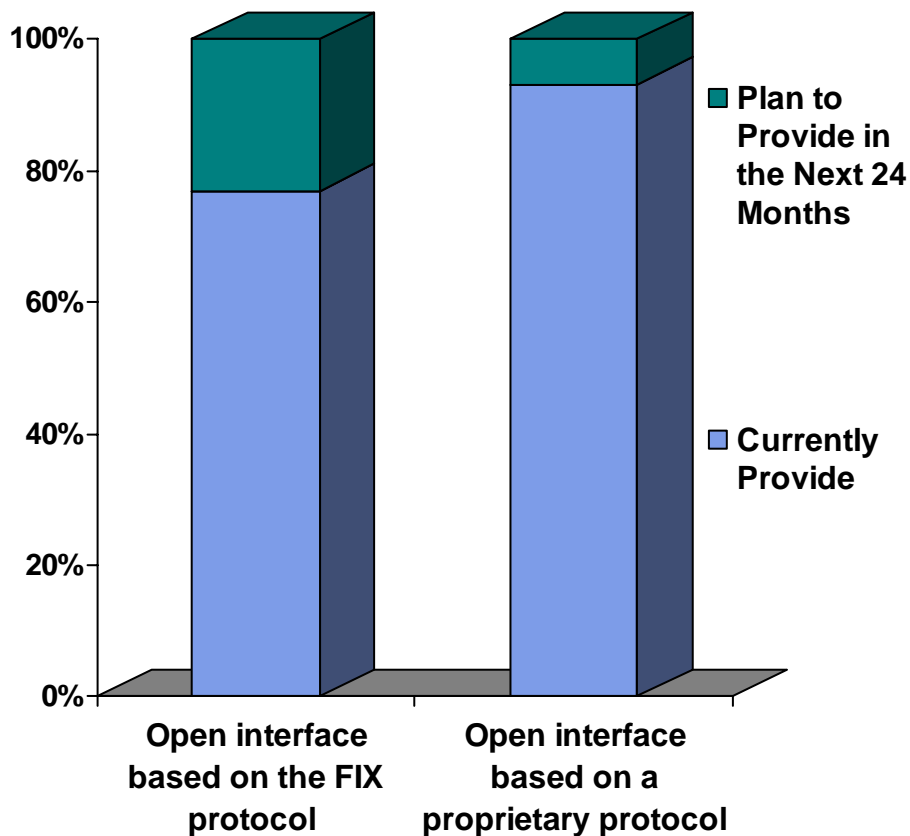


Percent of trading volume traded via FIX

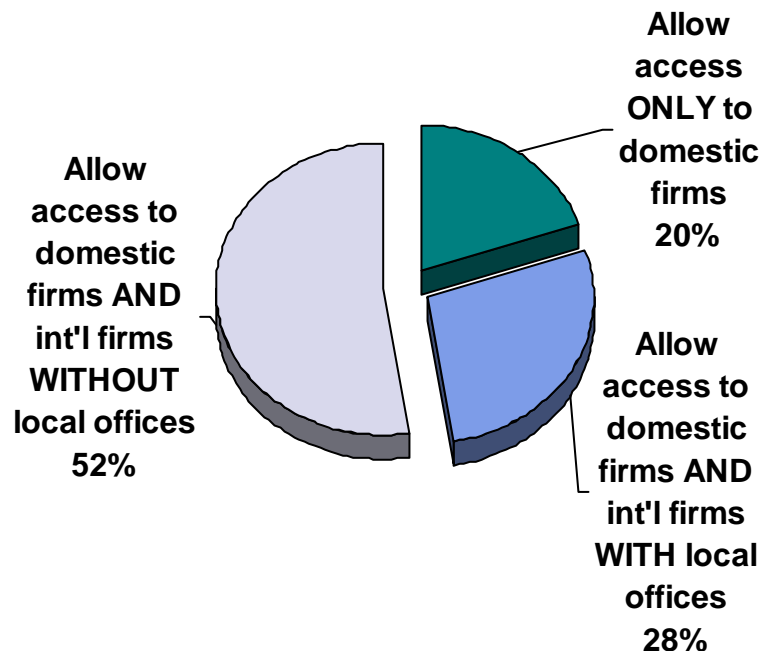


Firms' use of the FIX Protocol - Exchange

Open interfaces currently provided into the electronic marketplace

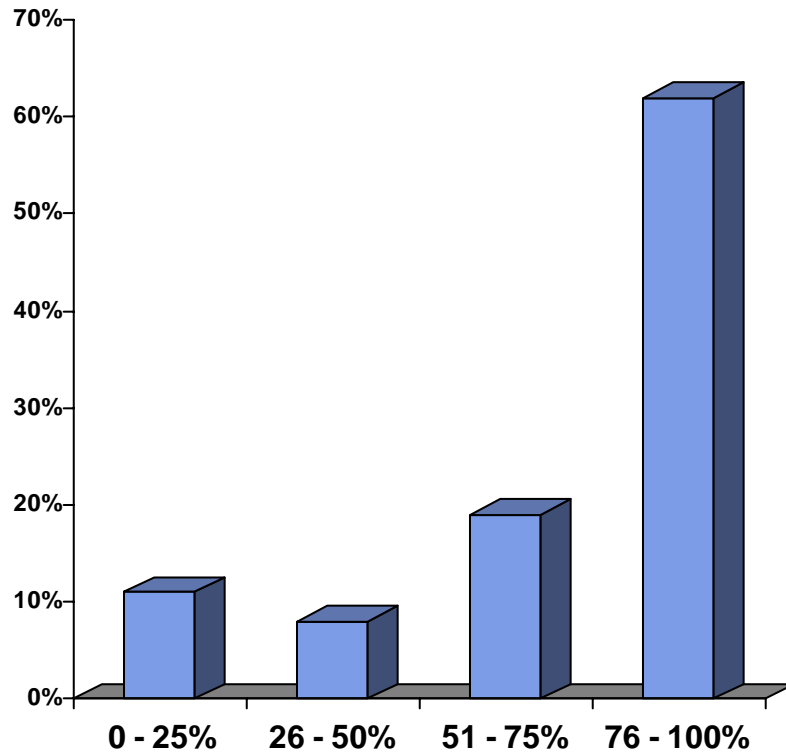


Firms' policy for restricting access to this interface

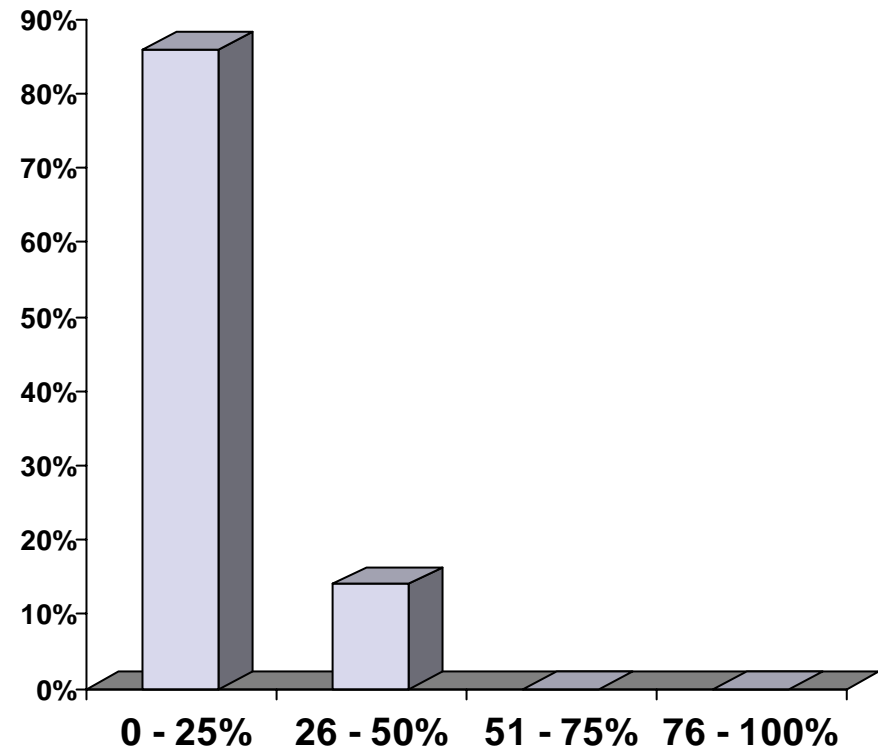


Firms' use of the FIX Protocol - Exchange

Exchange business traded through the exchanges interface as opposed to terminals/phone based trading



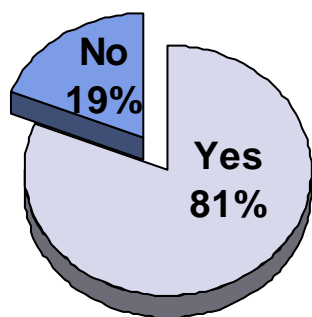
Percentage of the number of member brokers decreasing as a result of having an open interface into the electronic marketplace



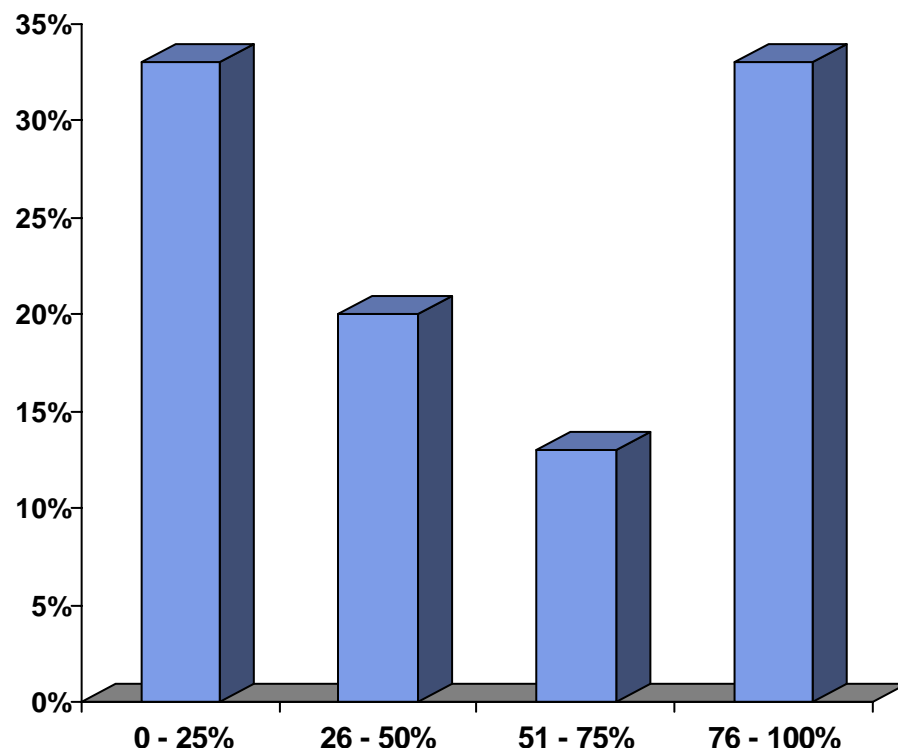
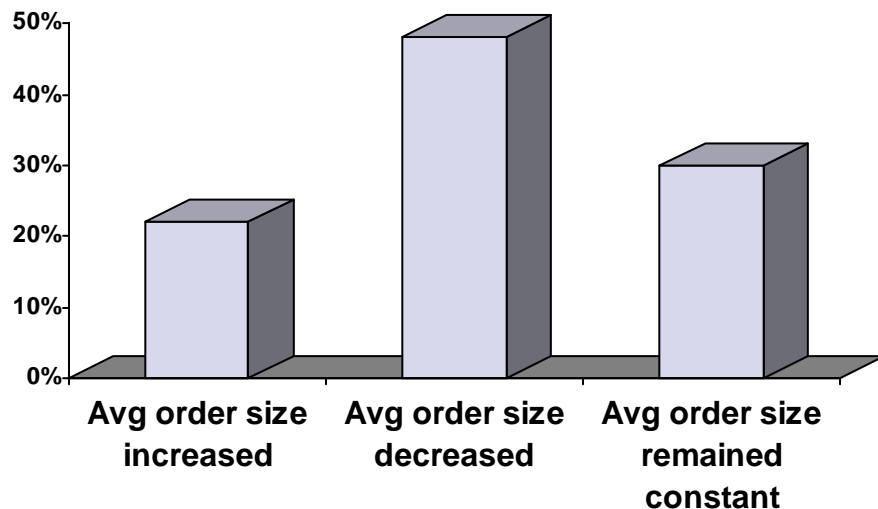
Firms' use of the FIX Protocol - Exchange

Trading volumes have increased as a result of having an open interface into the electronic marketplace

Percentage of today's trading volumes that exchanges expect trading volumes to grow in the next 3-5 years

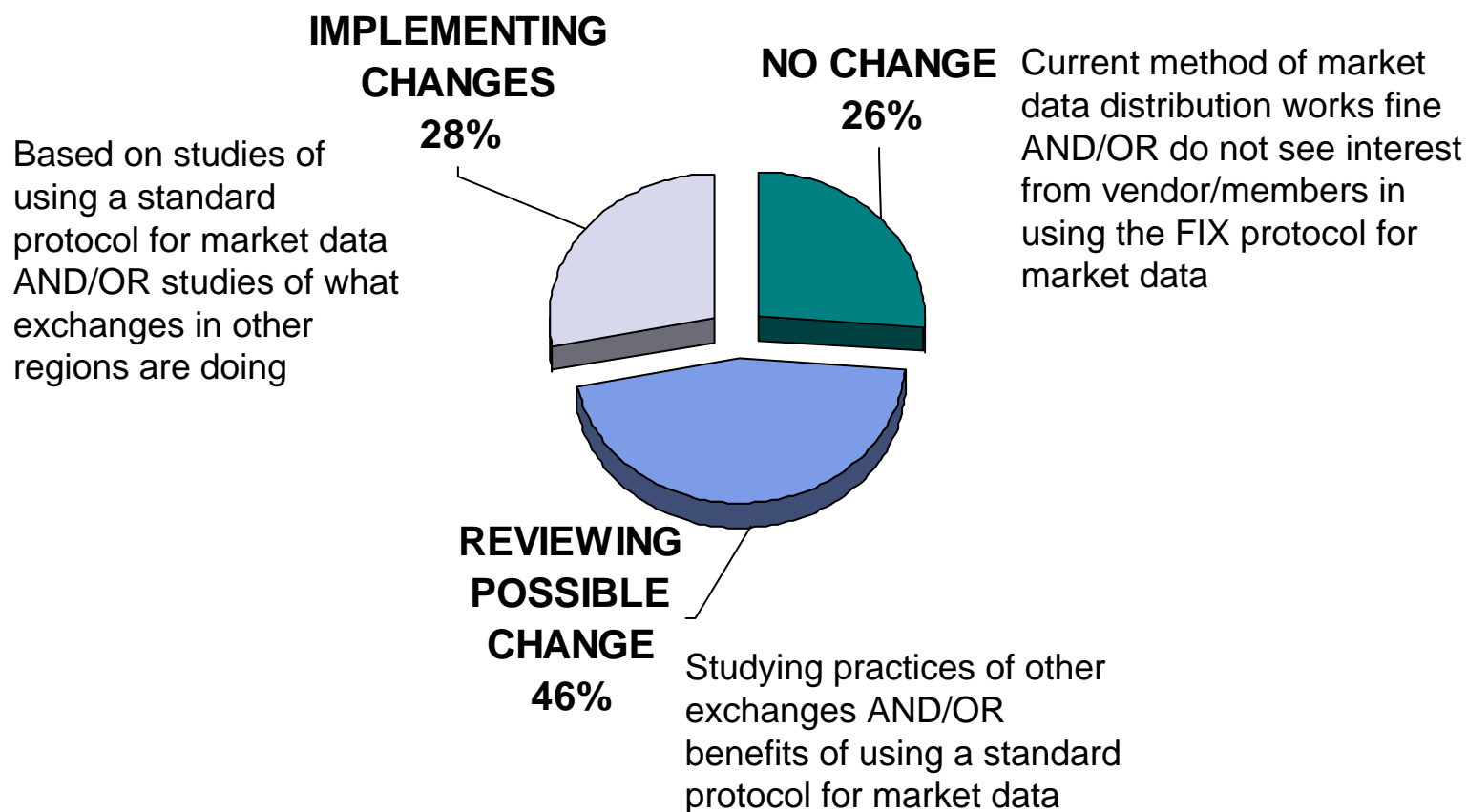


Change in the average order size



Firms' use of the FIX Protocol - Exchange

Exchanges current or future use of the FIX protocol for market data

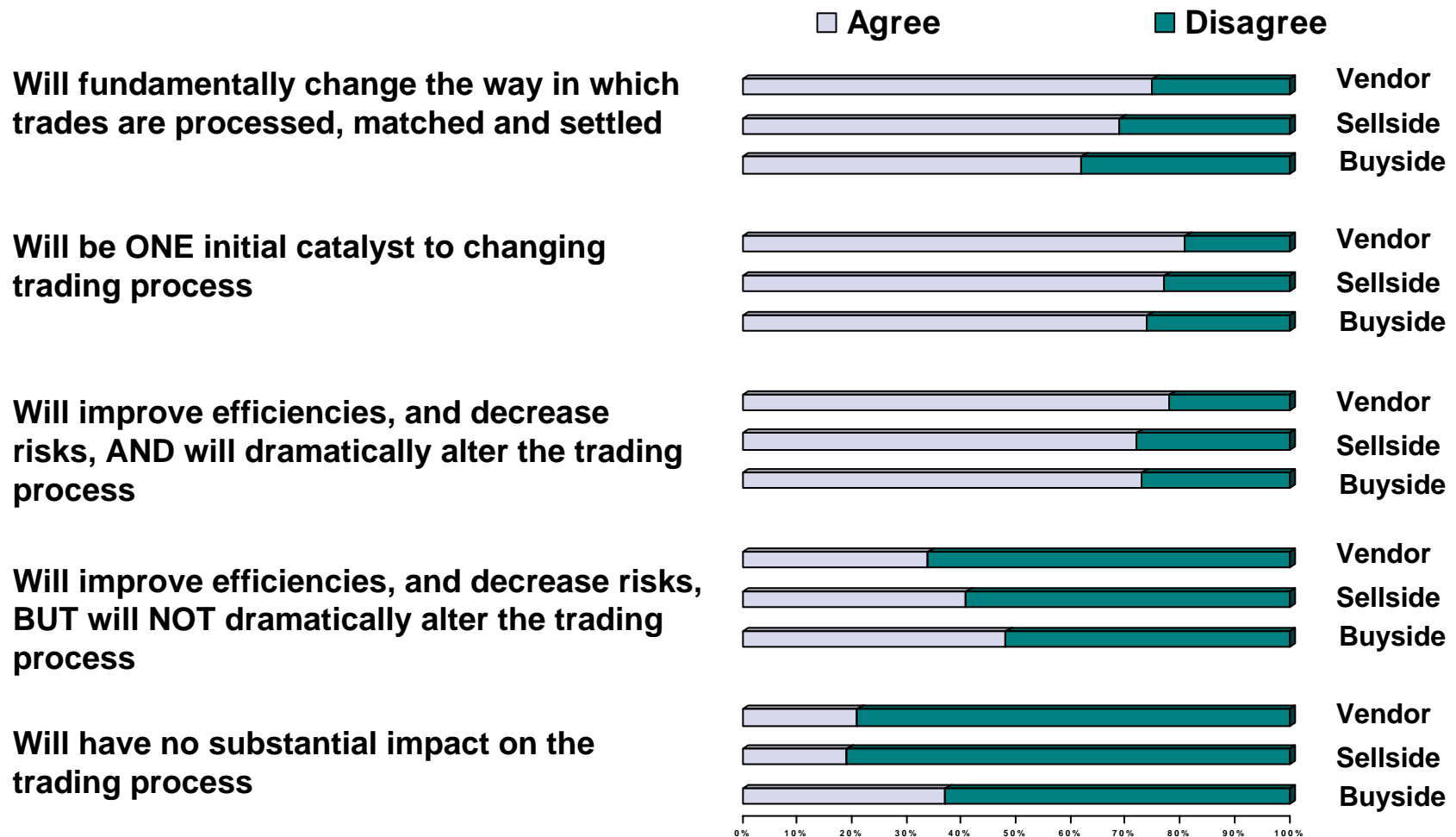


Appendix

- **PART A: Survey Demographics**
- **PART B: Firms' Use of the FIX Protocol**
- **PART C: Firms' Views on Electronic Trading**
- **PART D: Firms' Views on the Future of Electronic Trading**
- **PART E: Firms' Views on FPL**

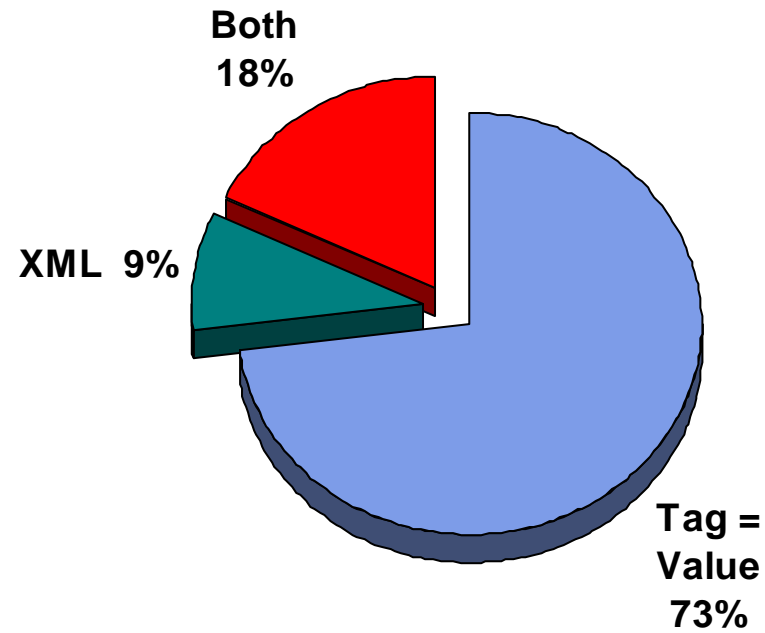
Firms' views on Electronic Trading

Firms' views on the impact of electronic trading



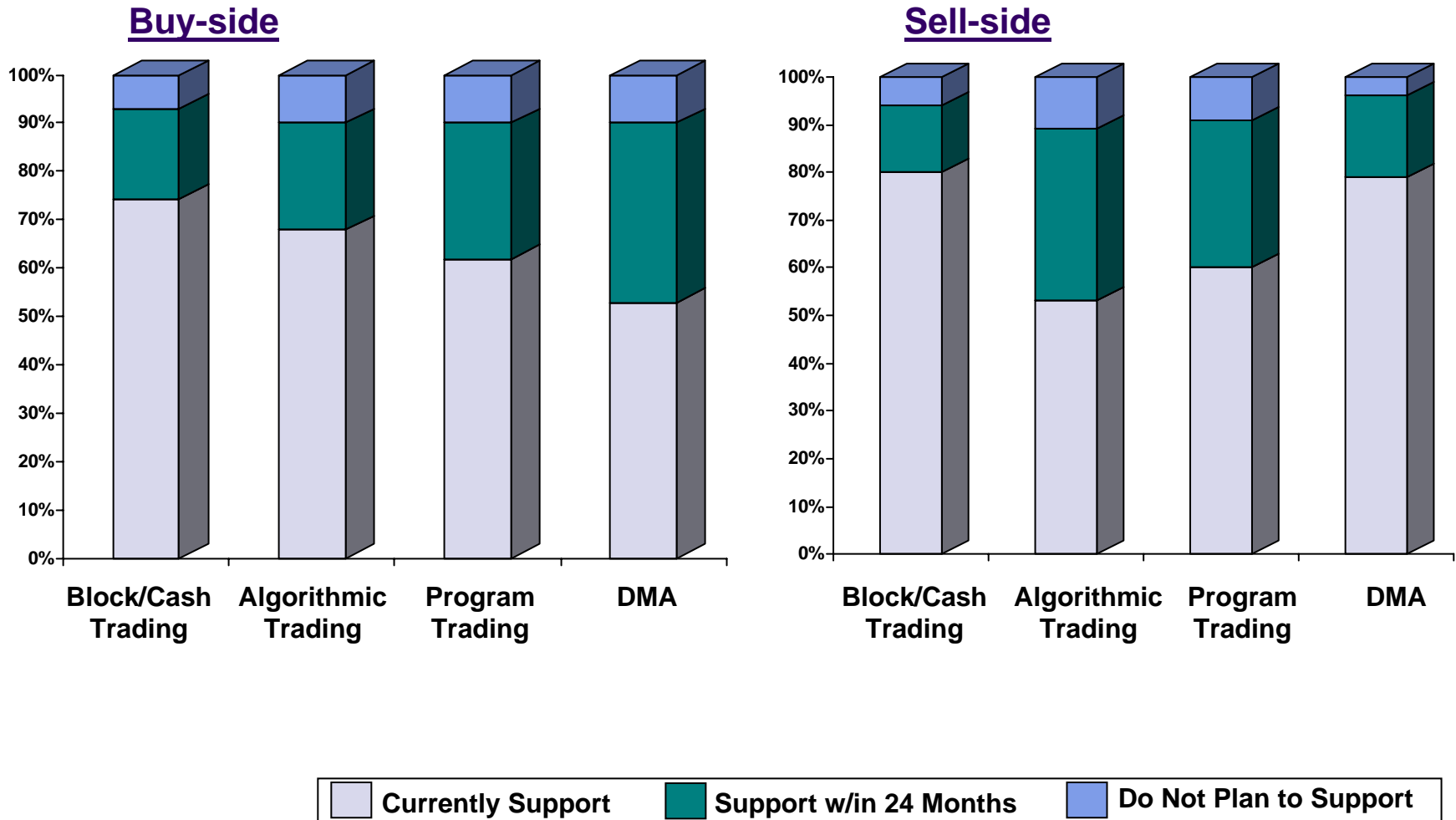
Firms' views on Electronic Trading – Buy-side

How have you implemented FIX?



Firms' views on Electronic Trading

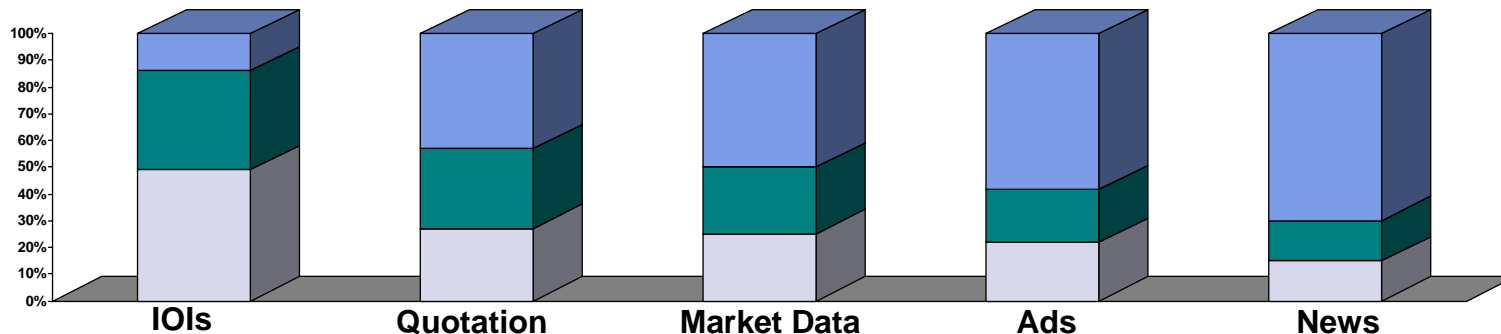
Firms' status for supporting TRADING METHODS via FIX



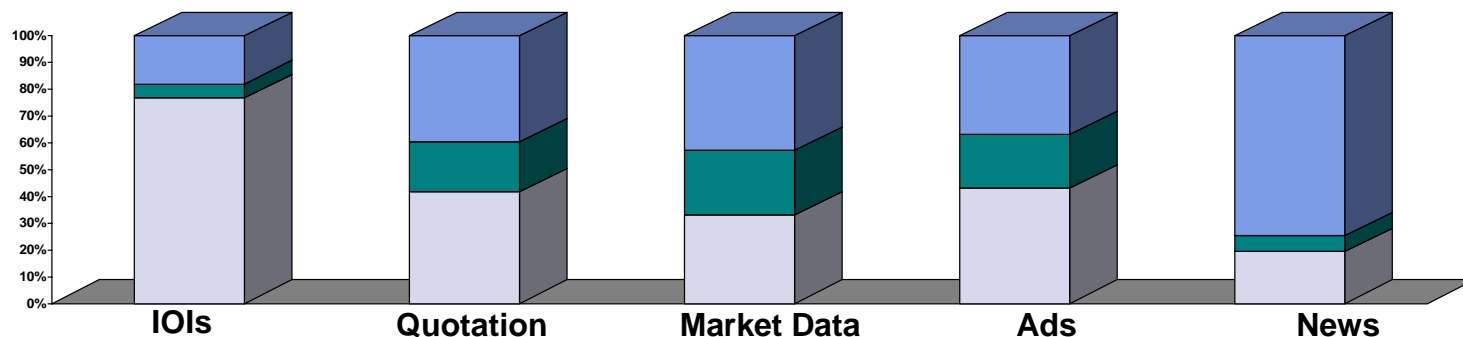
Firms' views on Electronic Trading

Firms' status for supporting PRE-TRADE message types via FIX

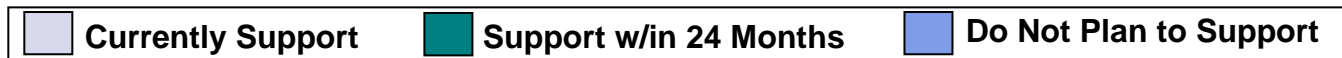
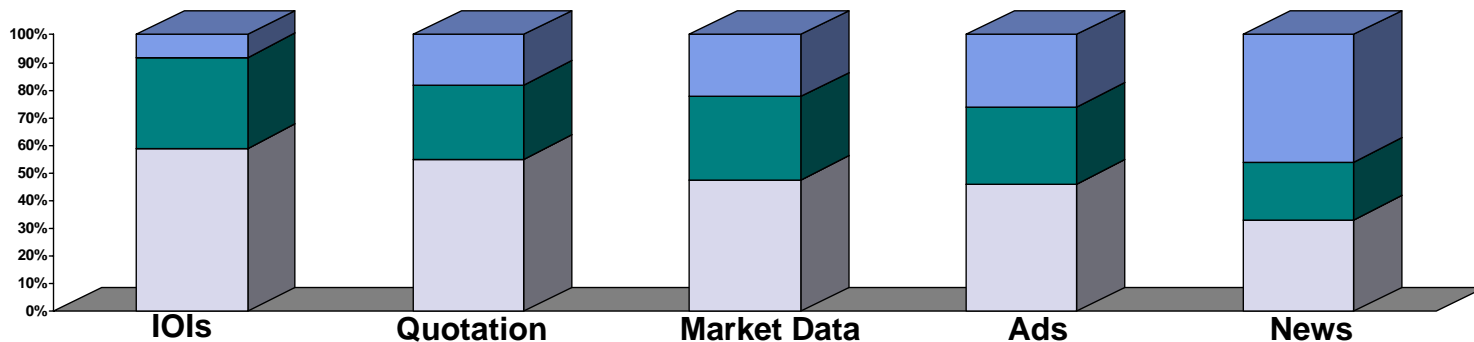
Buy-side



Sell-side



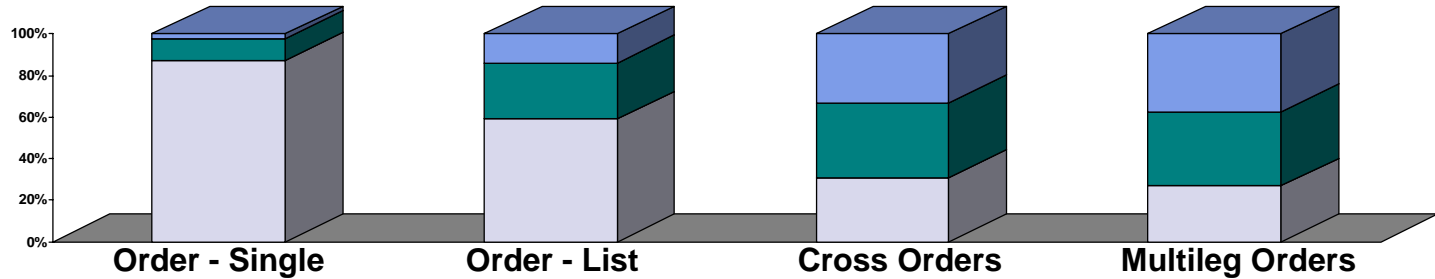
Vendor



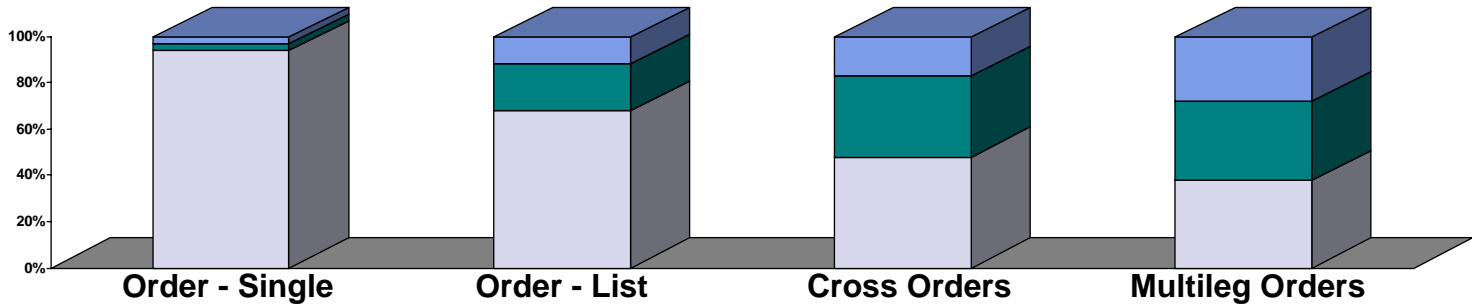
Firms' views on Electronic Trading

Firms' status for supporting TRADE messages via FIX

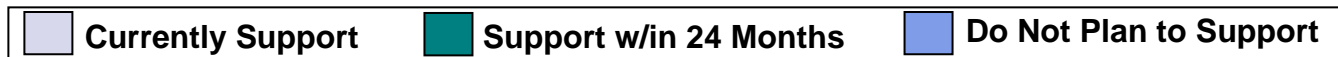
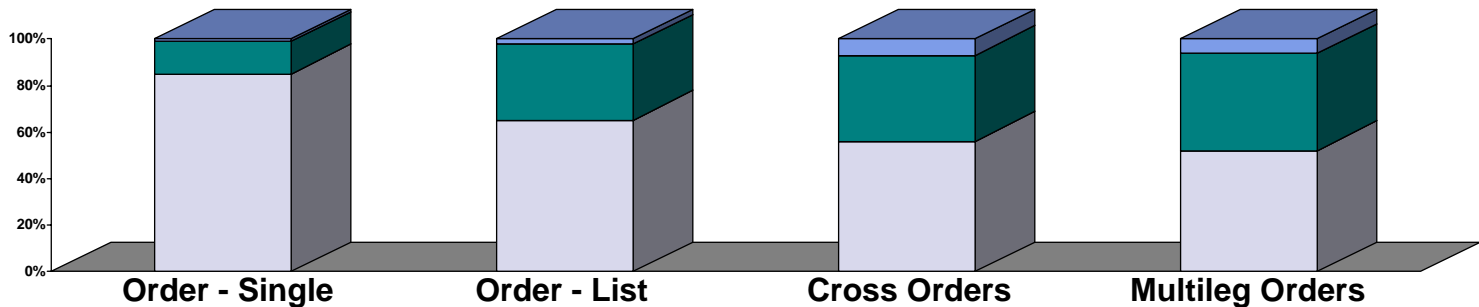
Buy-side



Sell-side



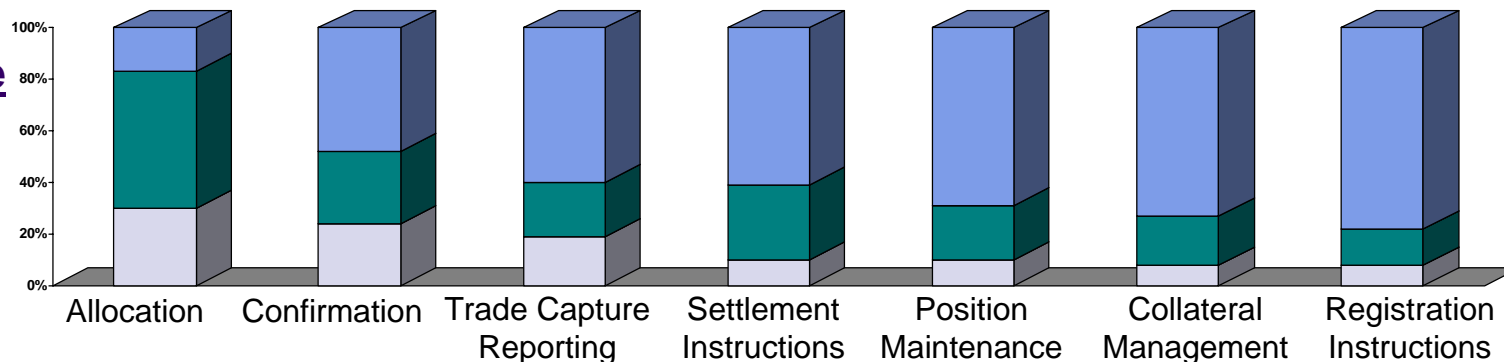
Vendor



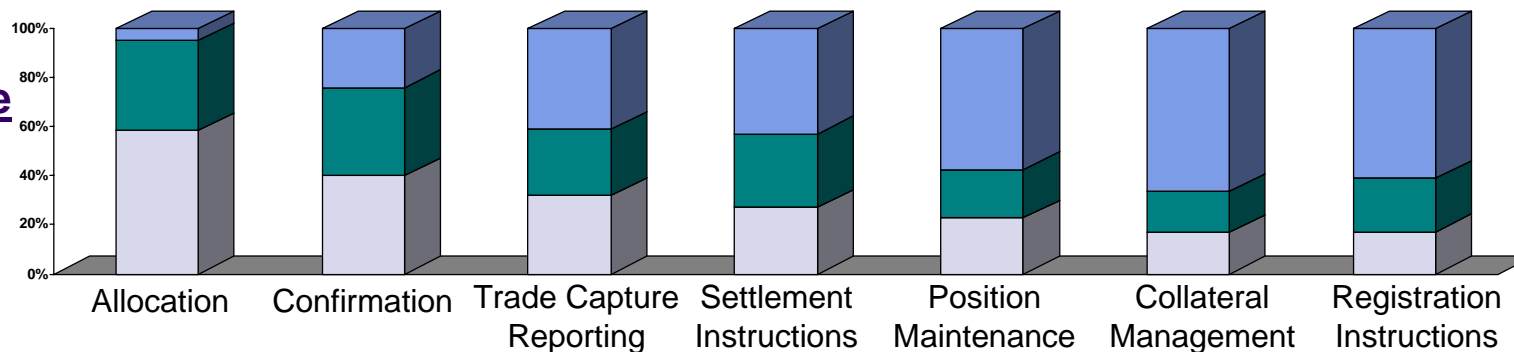
Firms' views on Electronic Trading

Status for supporting/using POST-TRADE messages via FIX

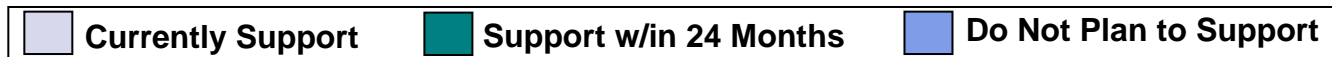
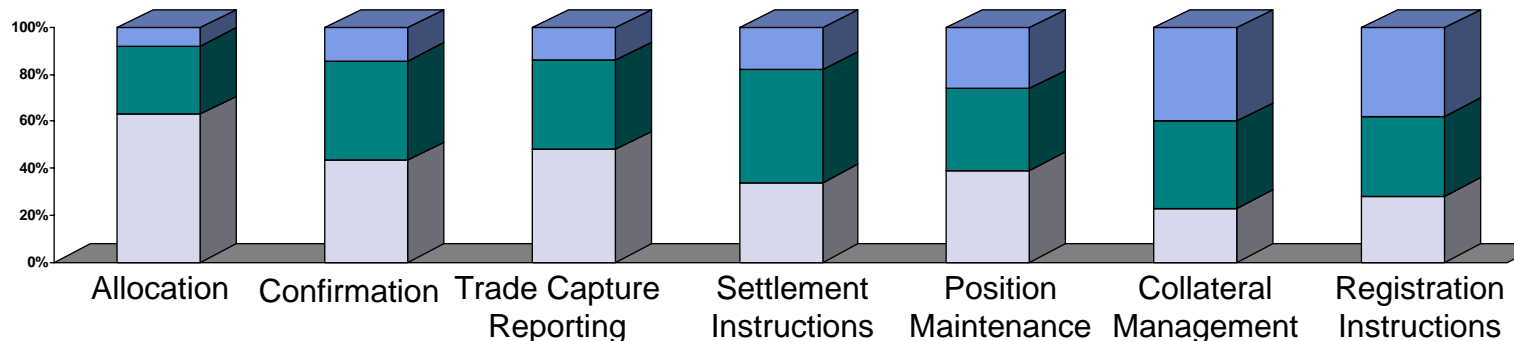
Buy-side



Sell-side



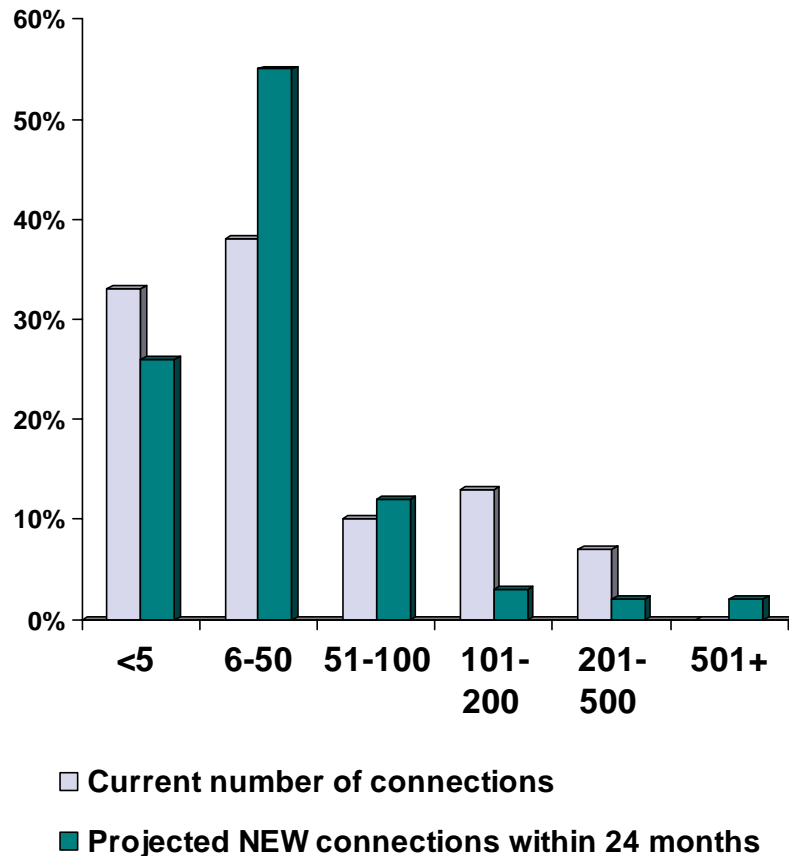
Vendor



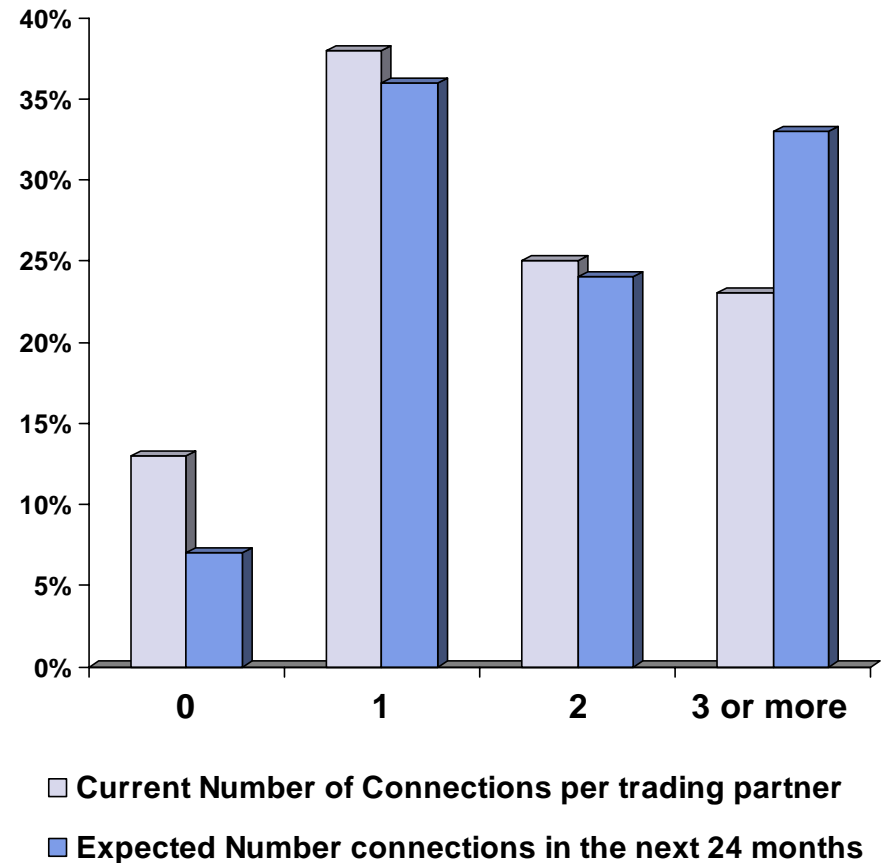
% of Total Responses

Firms' views on Electronic Trading – Buy-side

Broker or ECN/ATS connections that firms currently have via FIX, and the number of Broker or ECN/ATS connections firms expect to have via FIX in the next 24 months

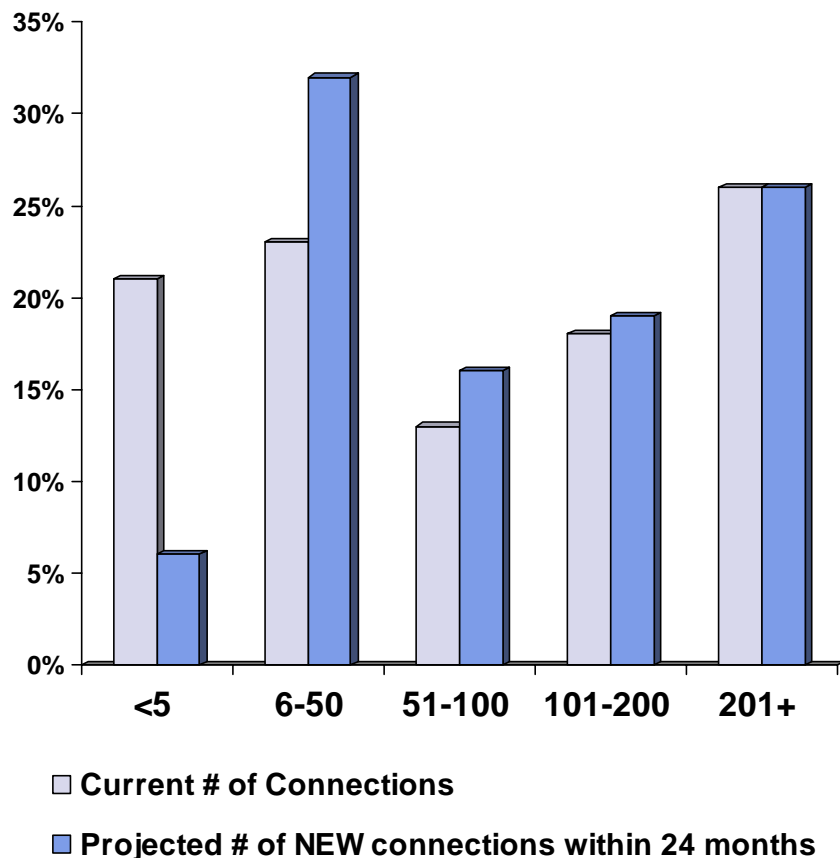


Connections firms currently have per Broker or ECN/ATS, and how many connections firms expect to have in 24 months

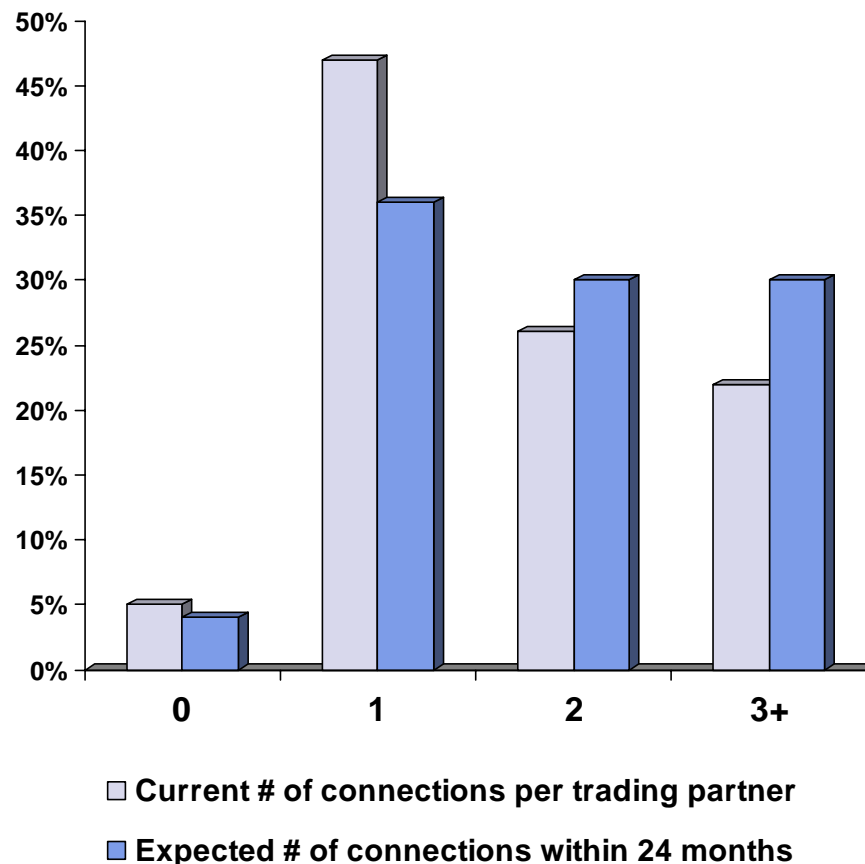


Firms' views on Electronic Trading – Sell-side

Individual client connections firms currently have via FIX, and the number of client connections firms expect to have via FIX in the next 24 months

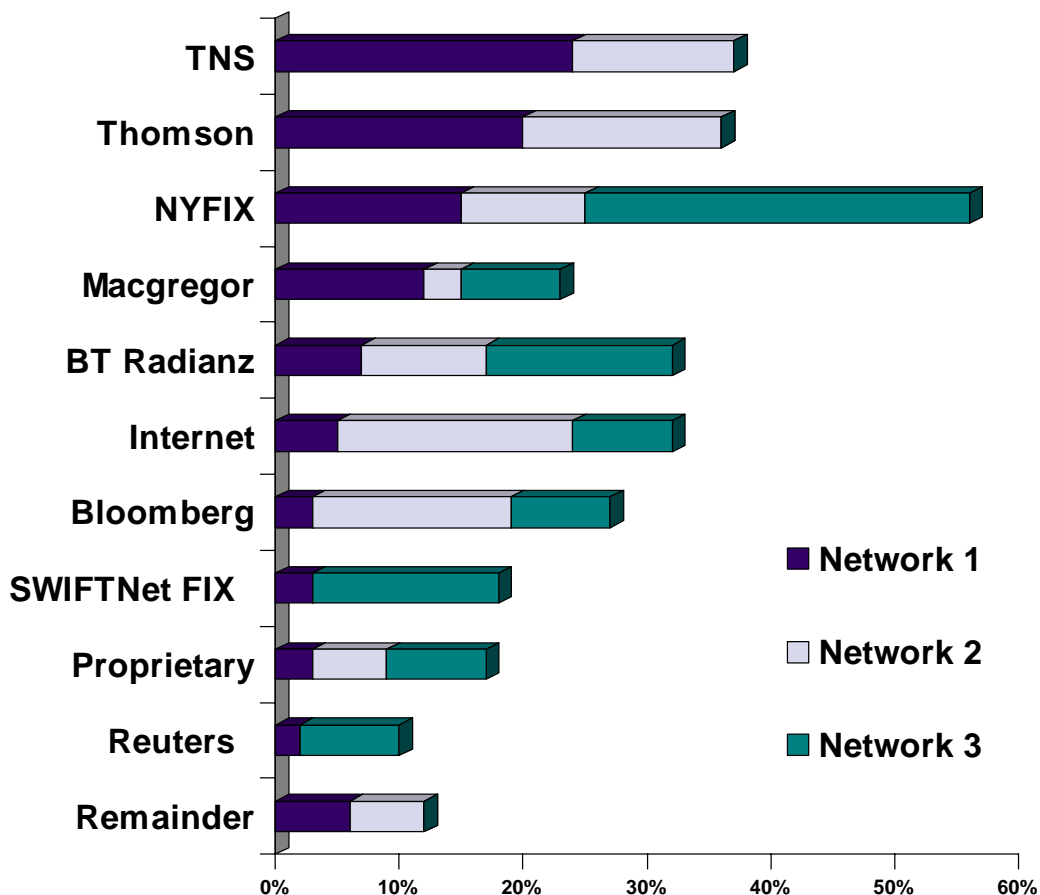


Connections per trading partner, and the number of expected connections in 24 months

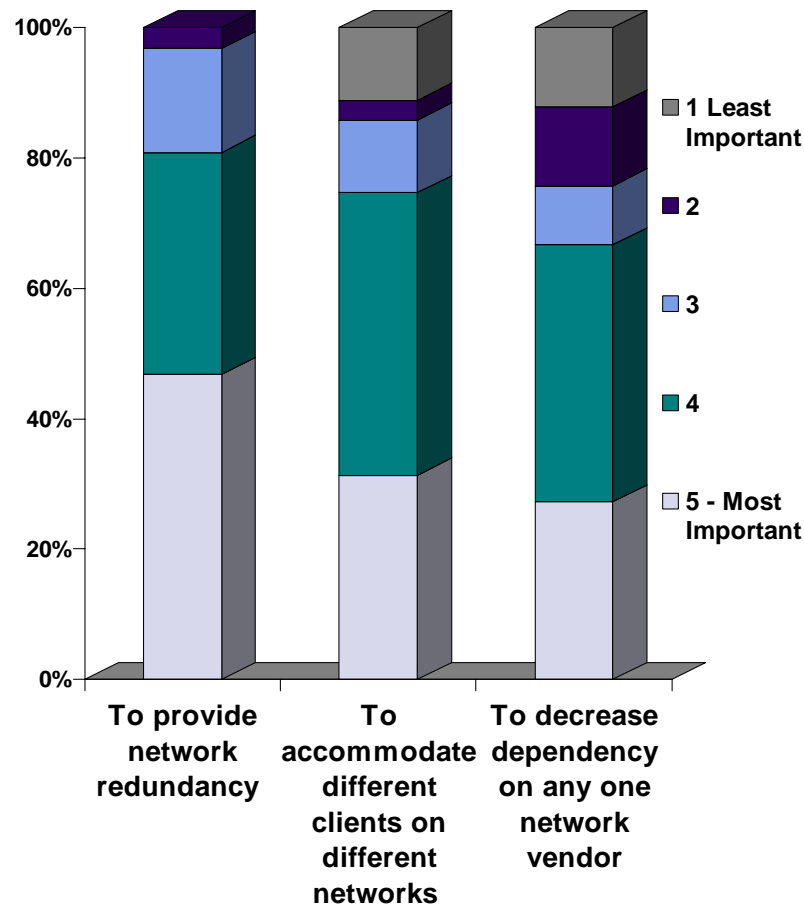


Firms' views on Electronic Trading – Buy-side

Buy-side FIX Networks (Sorted by Network 1)

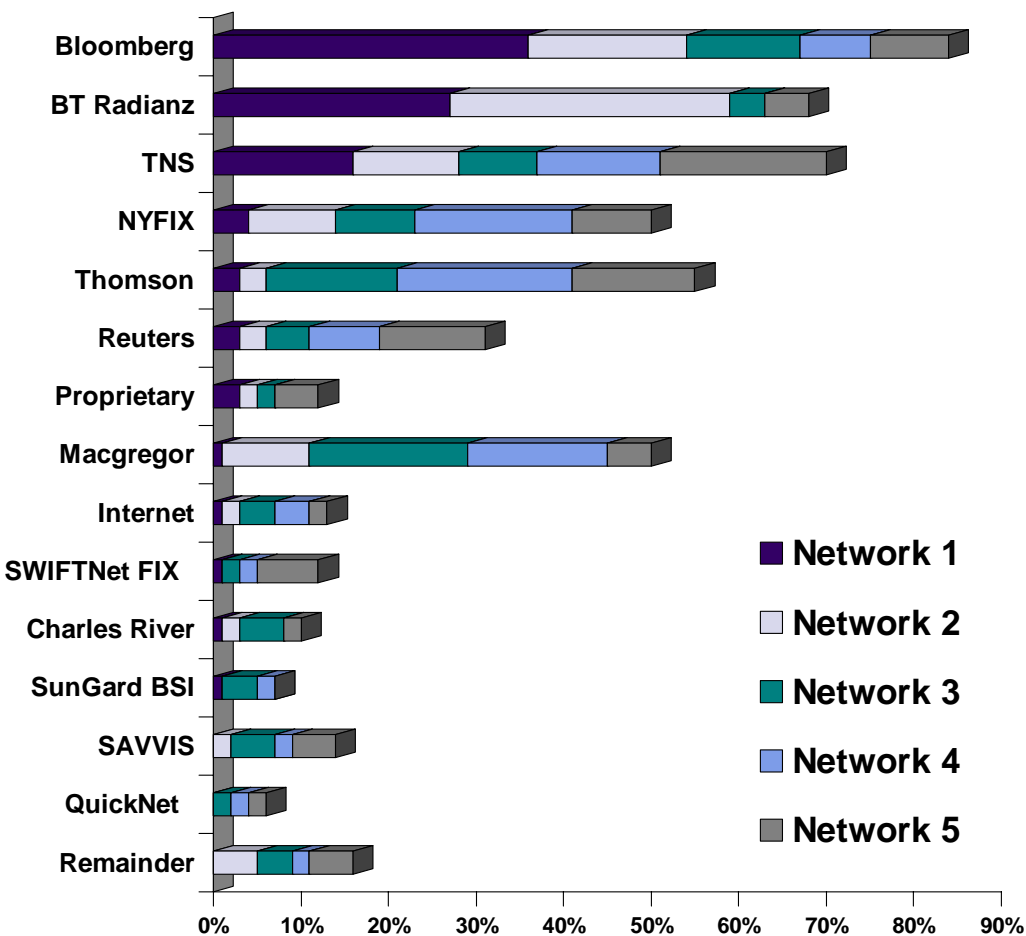


Why more than one?

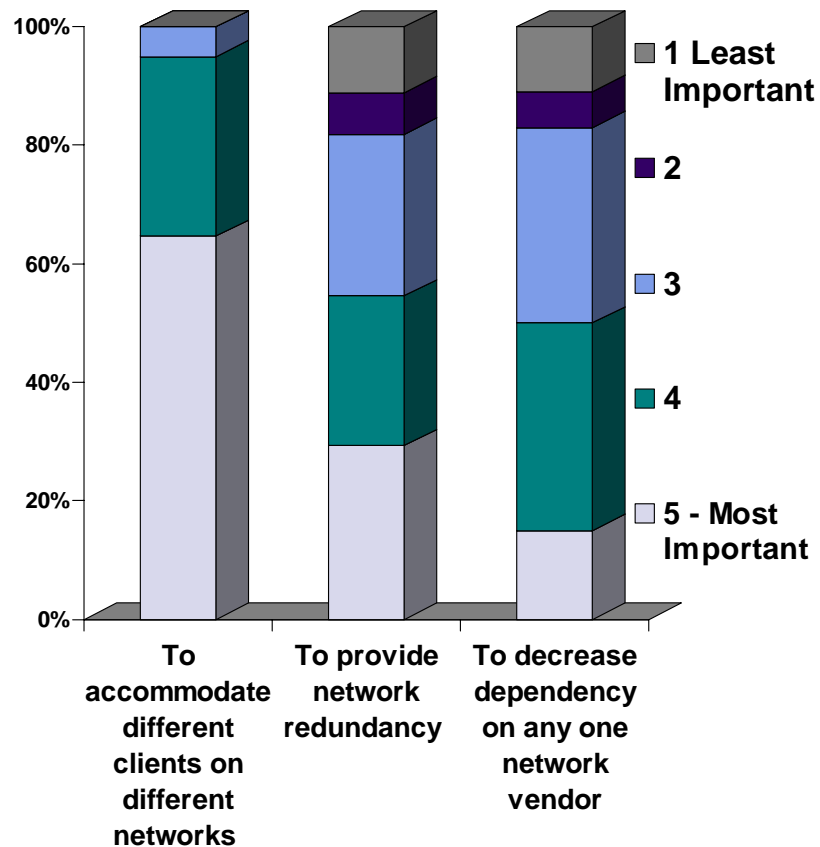


Firms' views on Electronic Trading – Sell-side

Sell-side FIX Networks (Sorted by Network 1)

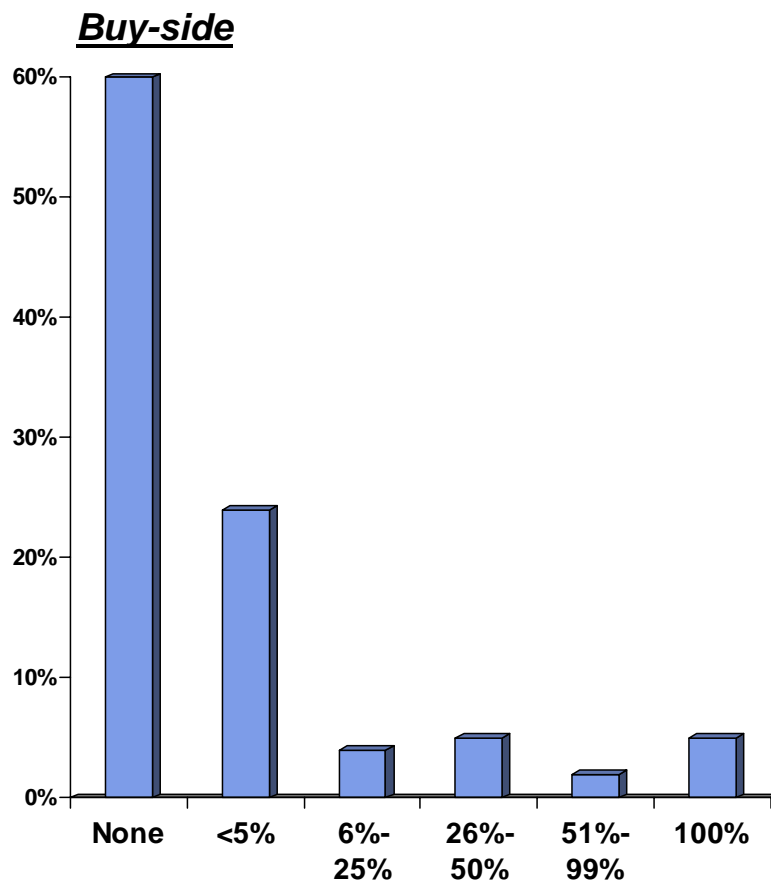


Why more than one?

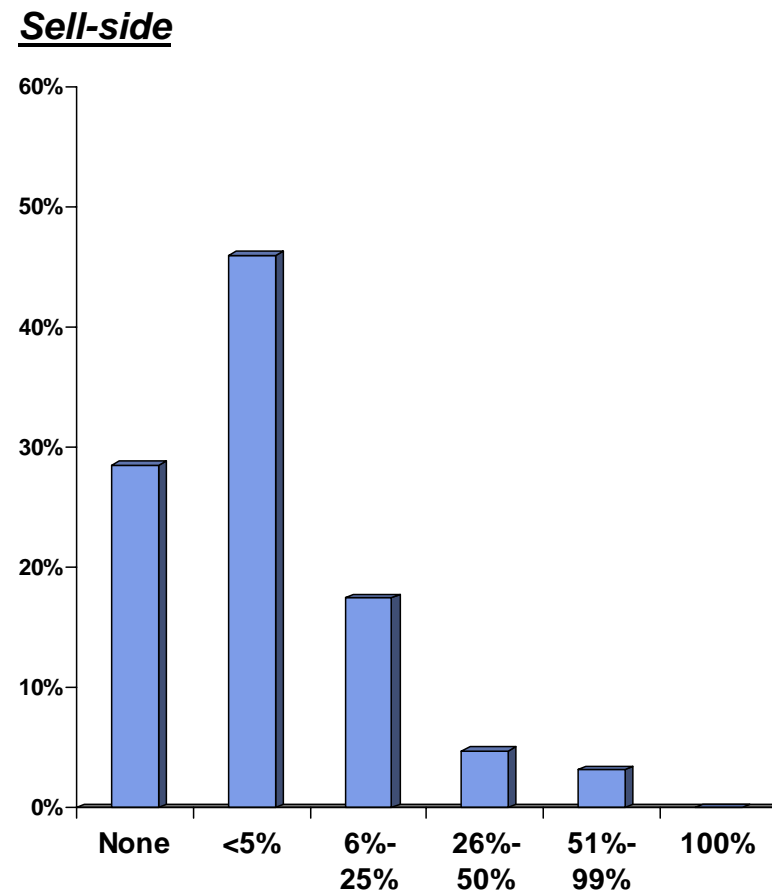


Firms' views on Electronic Trading

Buy-side percentage of connections via the internet



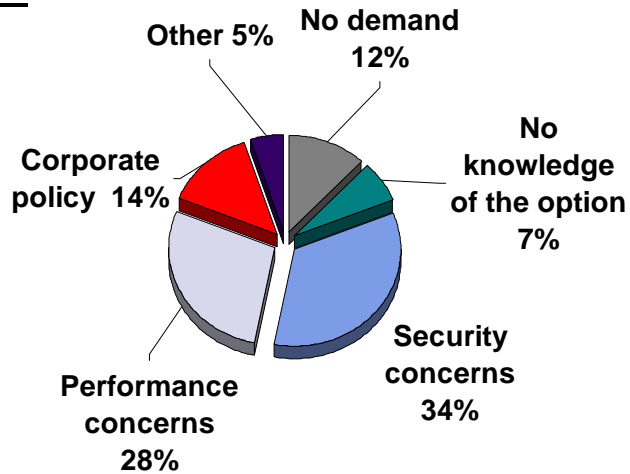
Sell-side percentage of connections via the internet



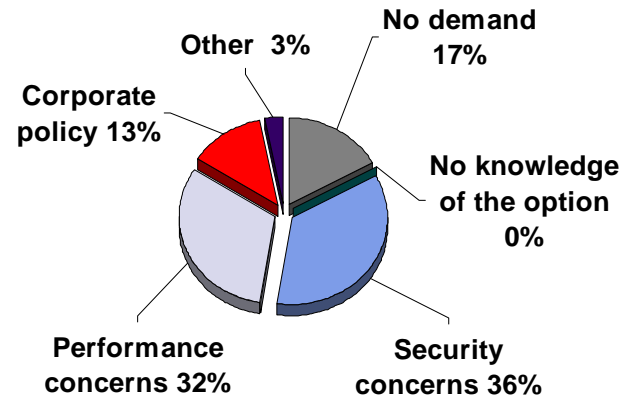
Firms' views on Electronic Trading

Reasons that institutions do not support the Internet for FIX

Buy-side

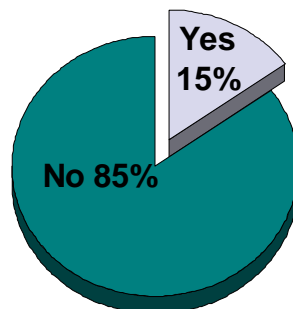


Sell-side

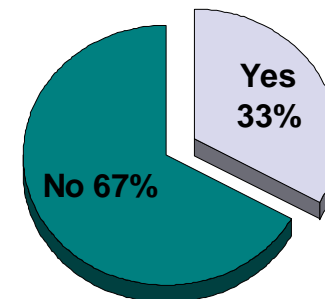


If firms do not use the Internet for FIX connectivity, are they planning to use it within 24 months?

Buy-side

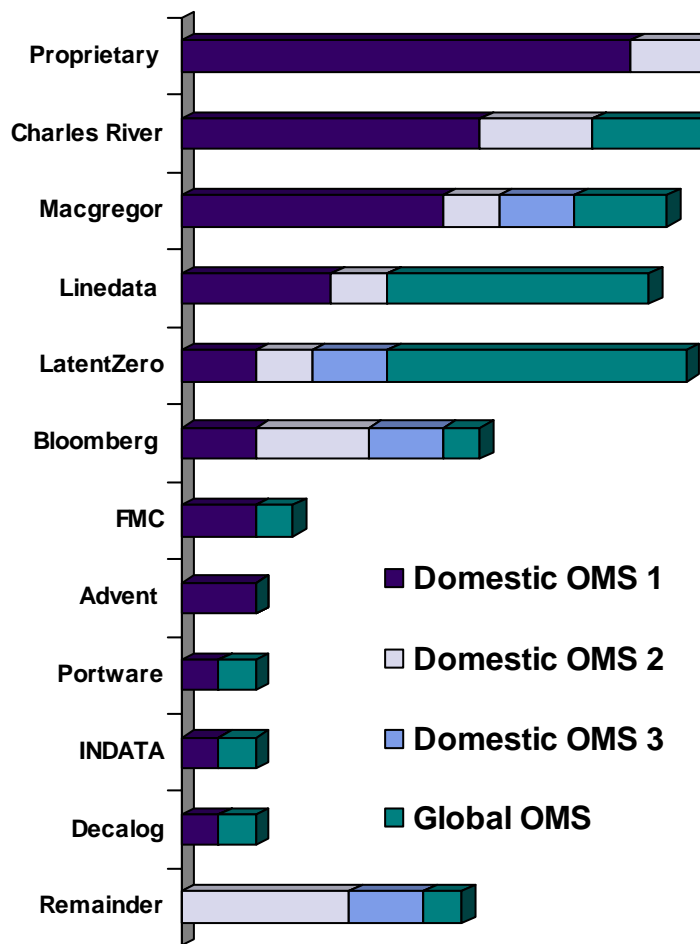


Sell-side

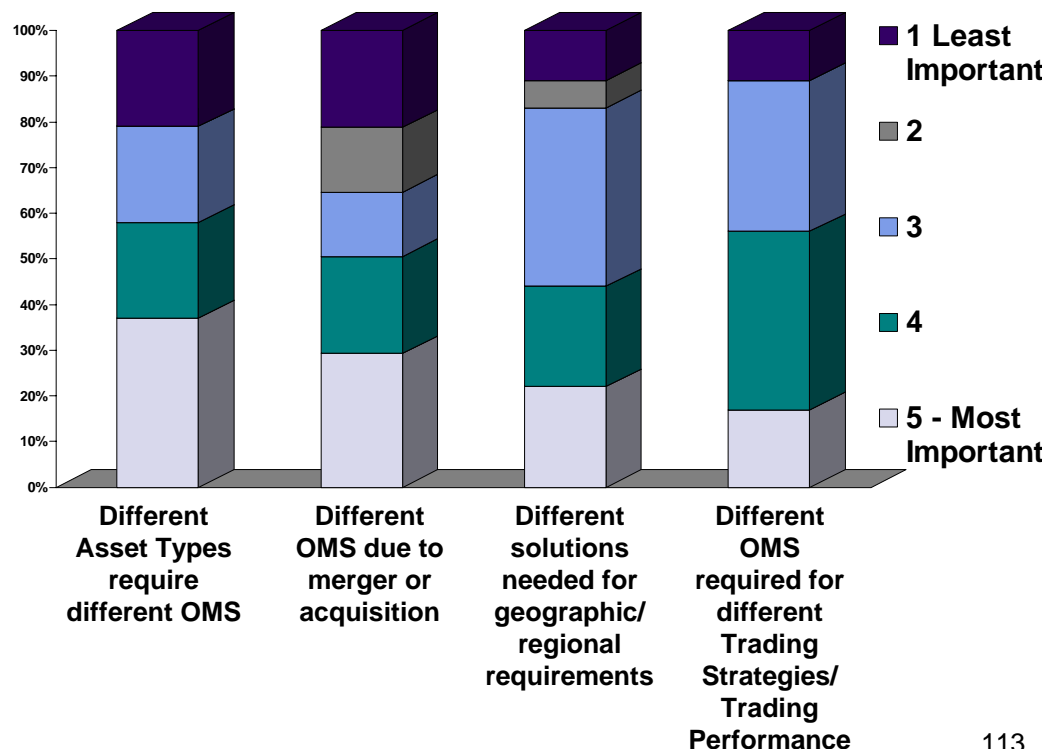


Firms' views on Electronic Trading – Buy-side

**Buy-side Order Management Systems used for electronic trading
(Sorted by Domestic OMS 1)**

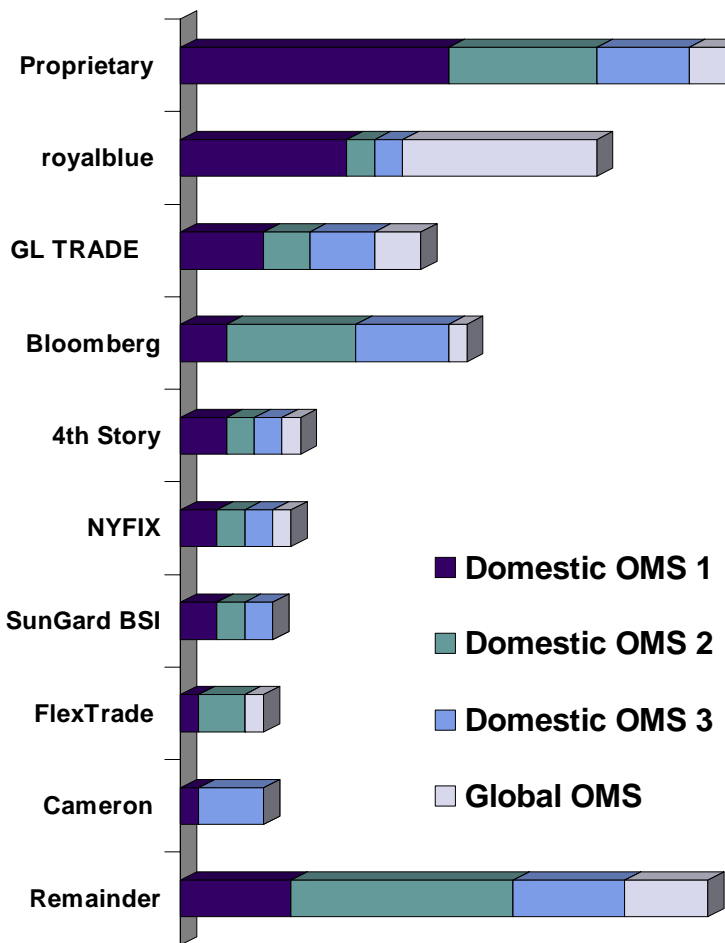


Factors in your firm's decision to use more than one OMS for electronic trading

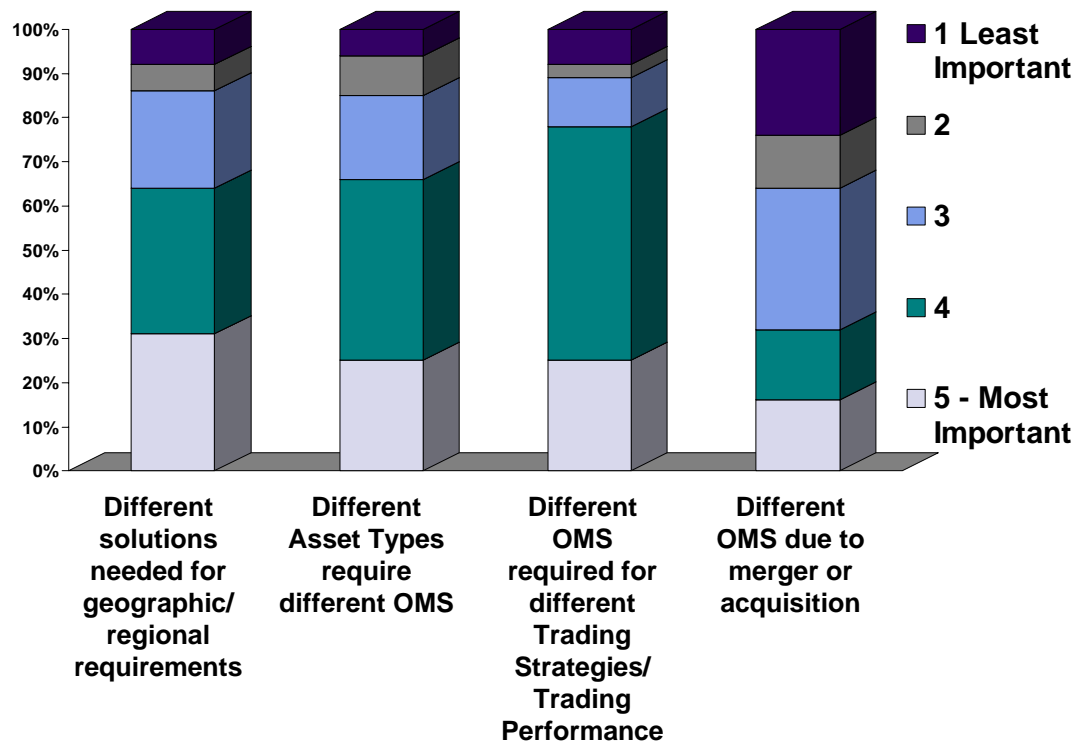


Firms' views on Electronic Trading – Sell-side

**Sell-side Order Management Systems used for electronic trading
(Sorted by Domestic OMS 1)**

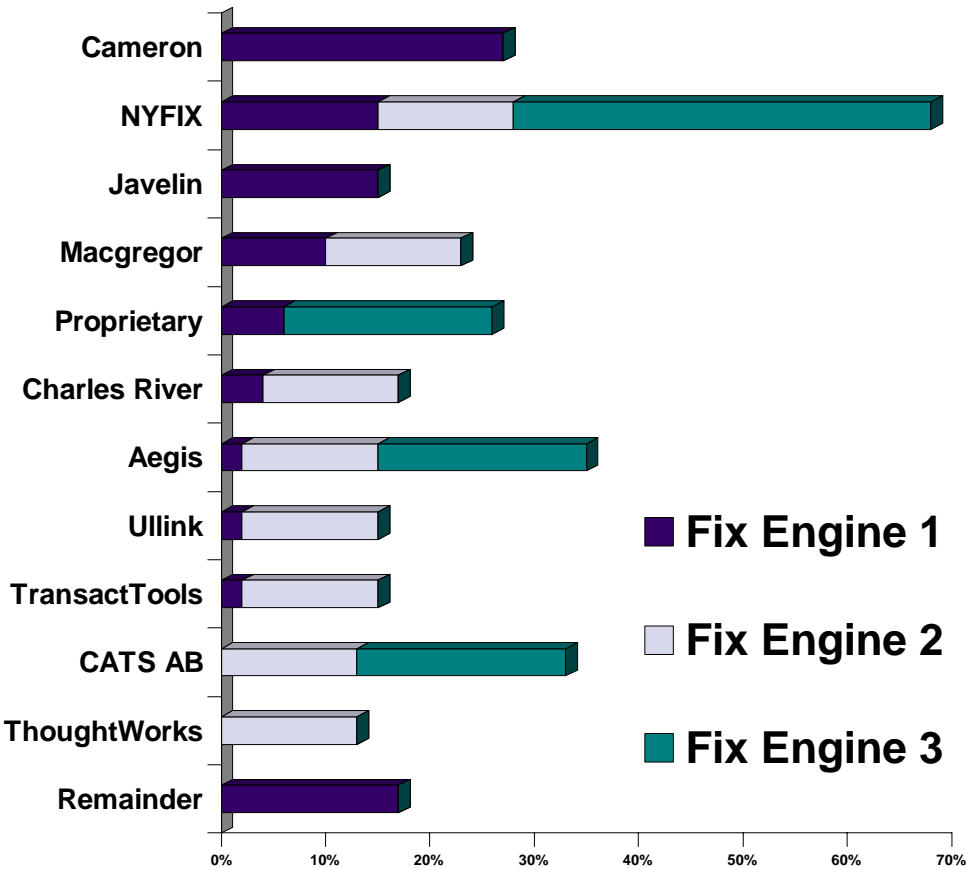


Factors in your firm's decision to use more than one OMS for electronic trading

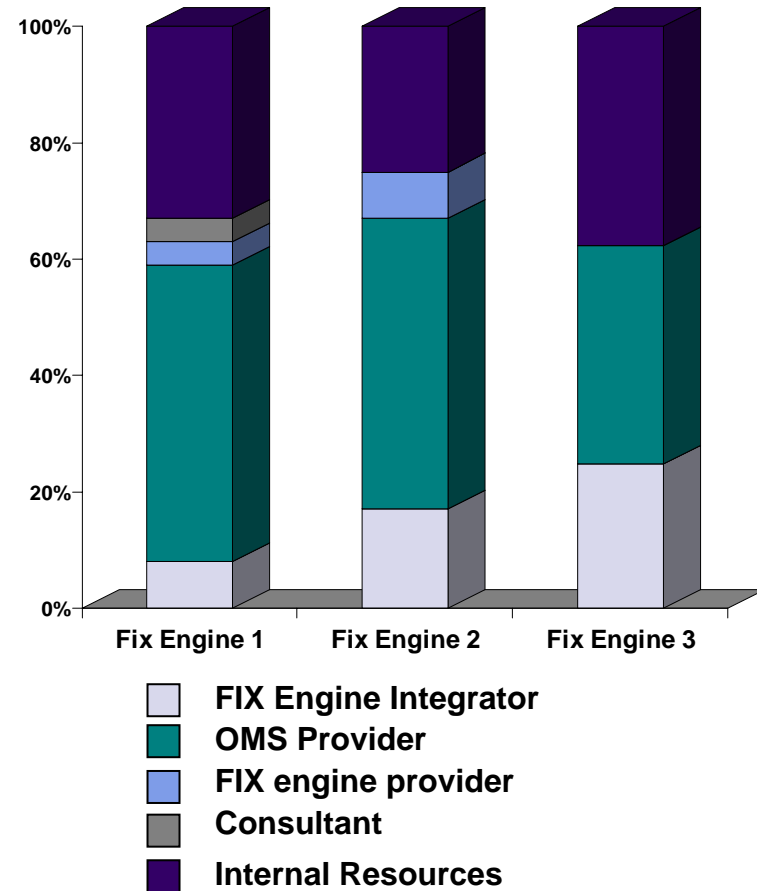


Firms' views on Electronic Trading – Buy-side

Buy-side FIX engines (Sorted by FIX Engine 1)

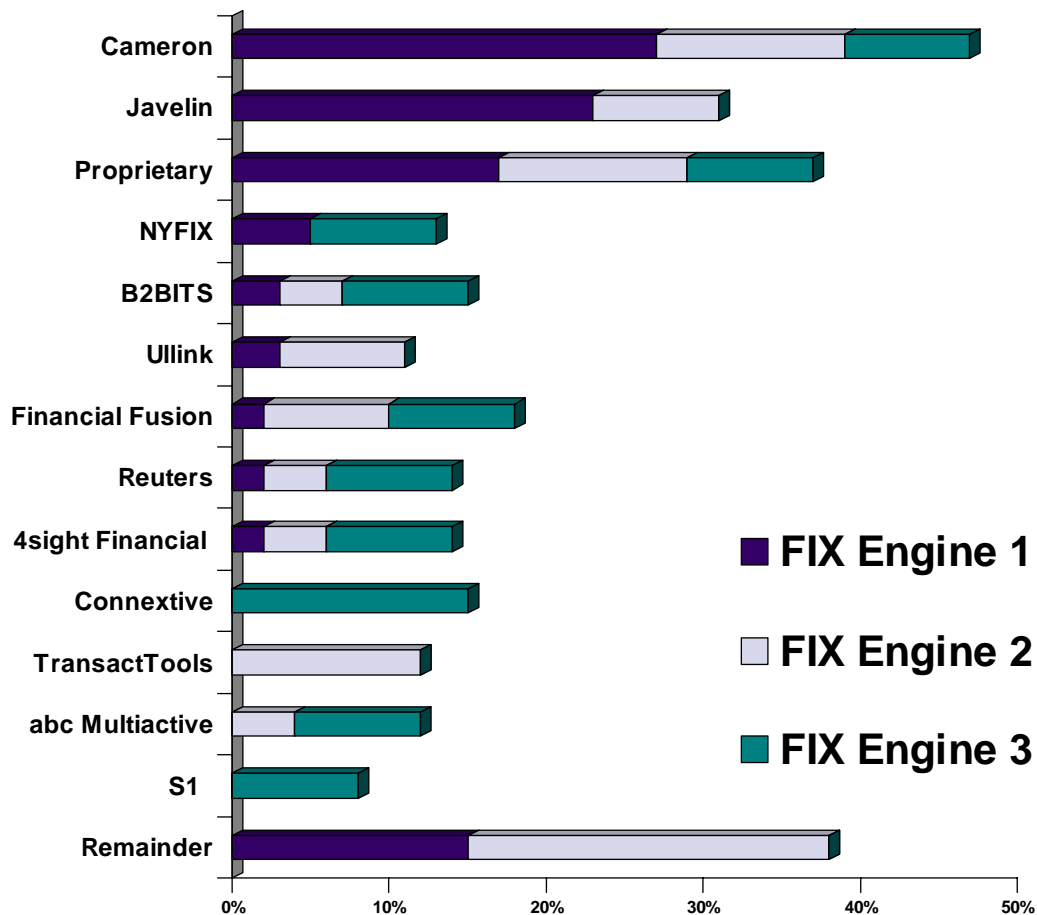


Who integrated each FIX engine with the OMS

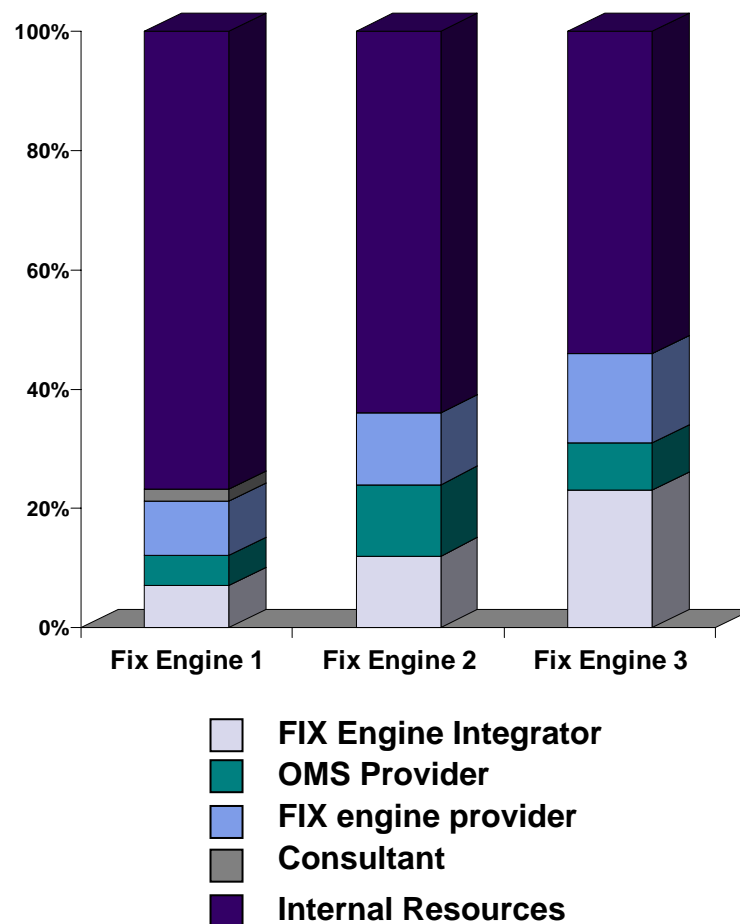


Firms' views on Electronic Trading – Sell-side

Sell-side FIX engines (Sorted by FIX Engine 1)



Who integrated each FIX engine with the OMS

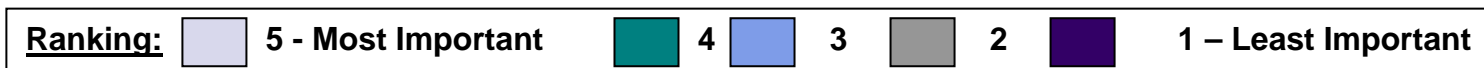
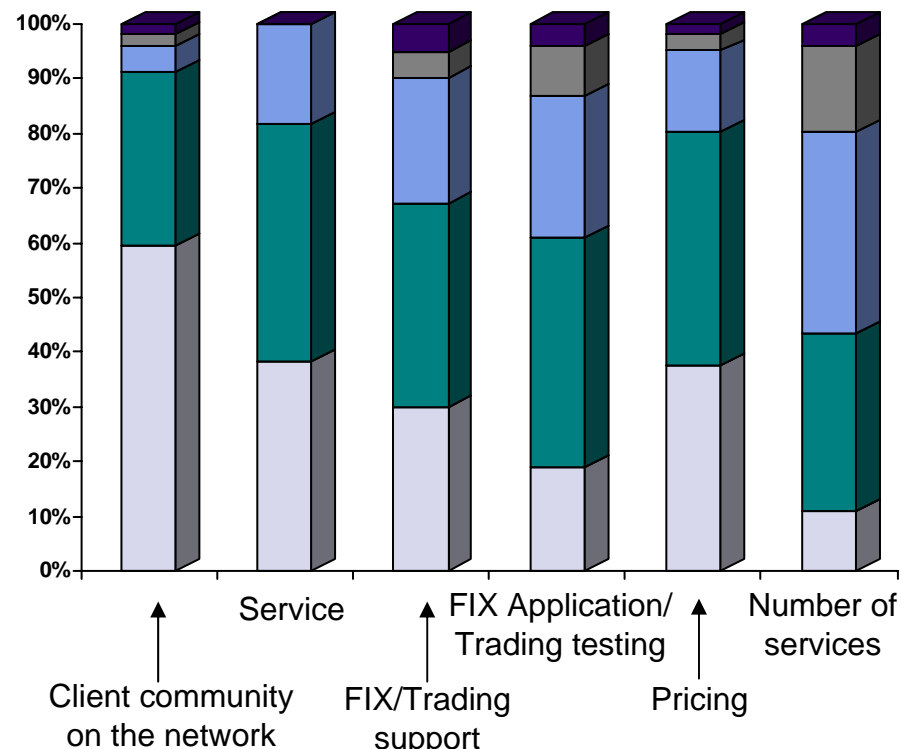
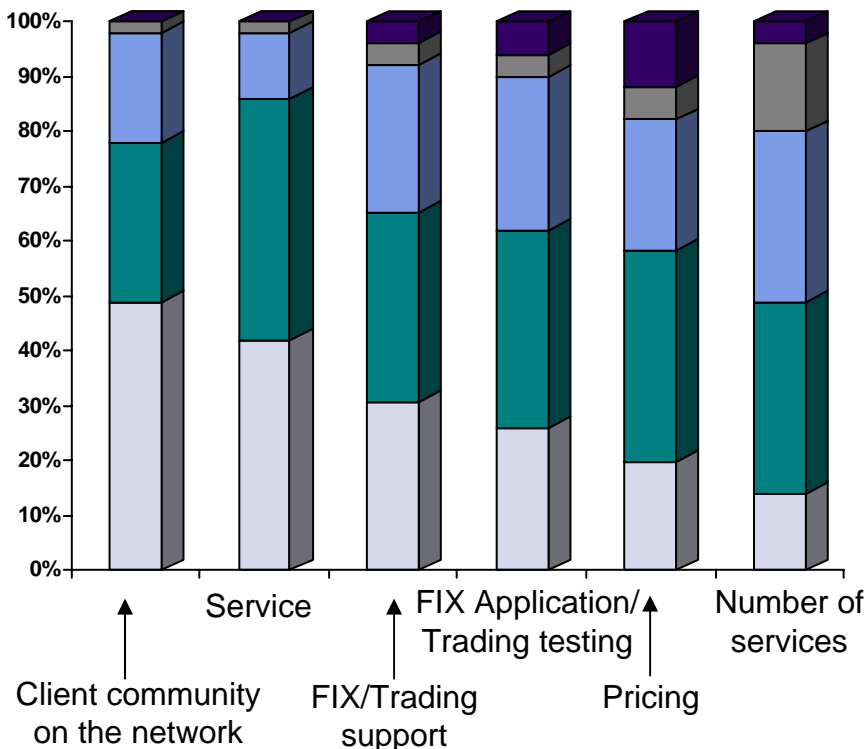


Firms' views on Electronic Trading

Factors behind choosing FIX network providers

Buy-side

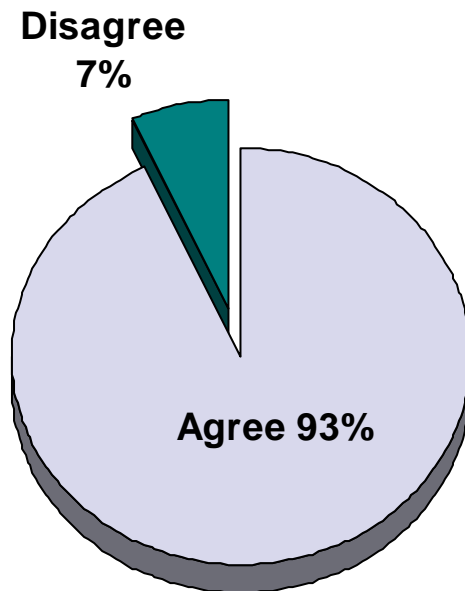
Sell-side



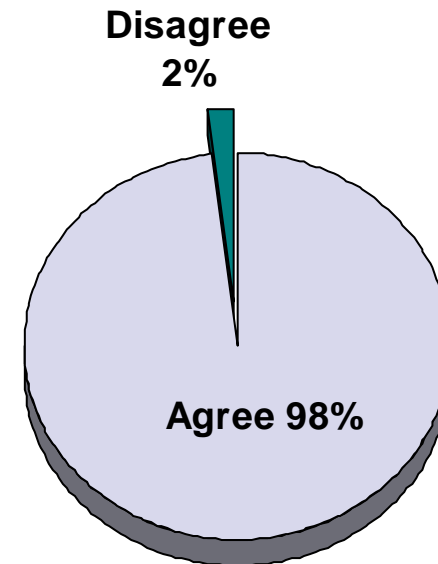
Firms' views on Electronic Trading

As connectivity grows and the methods of using connectivity to achieve execution change, the majority of firms believe that opportunities will be presented to develop new products and services

Buy-side



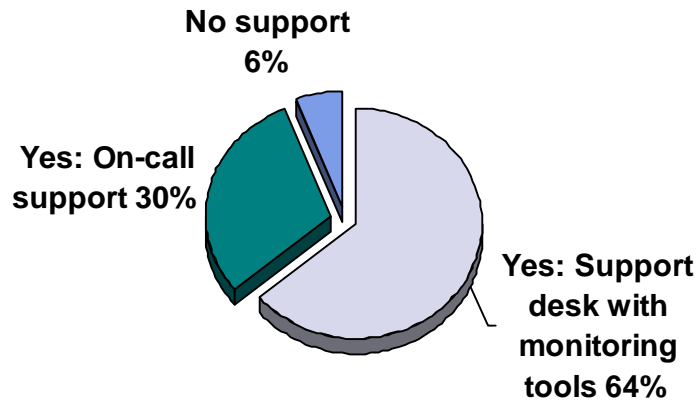
Sell-side



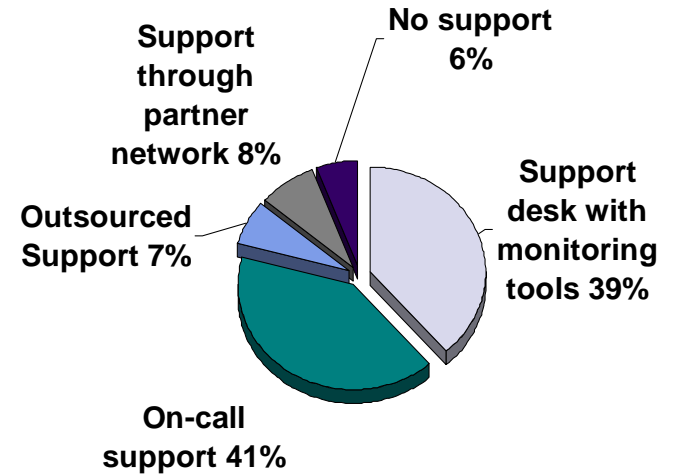
Firms' views on Electronic Trading

Help desk support during the trading day

Sell-side

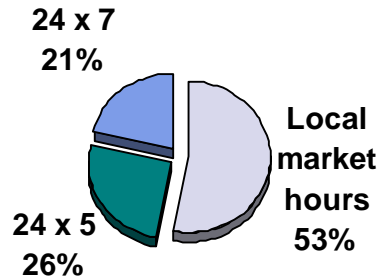


Vendor

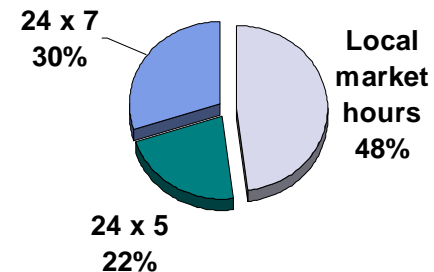


Support desk hours

Sell-side

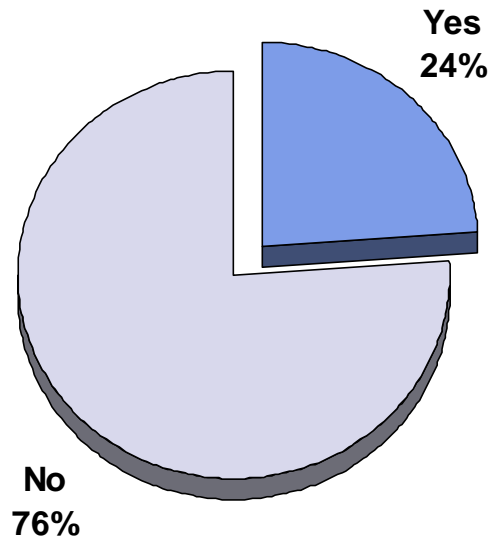


Vendor

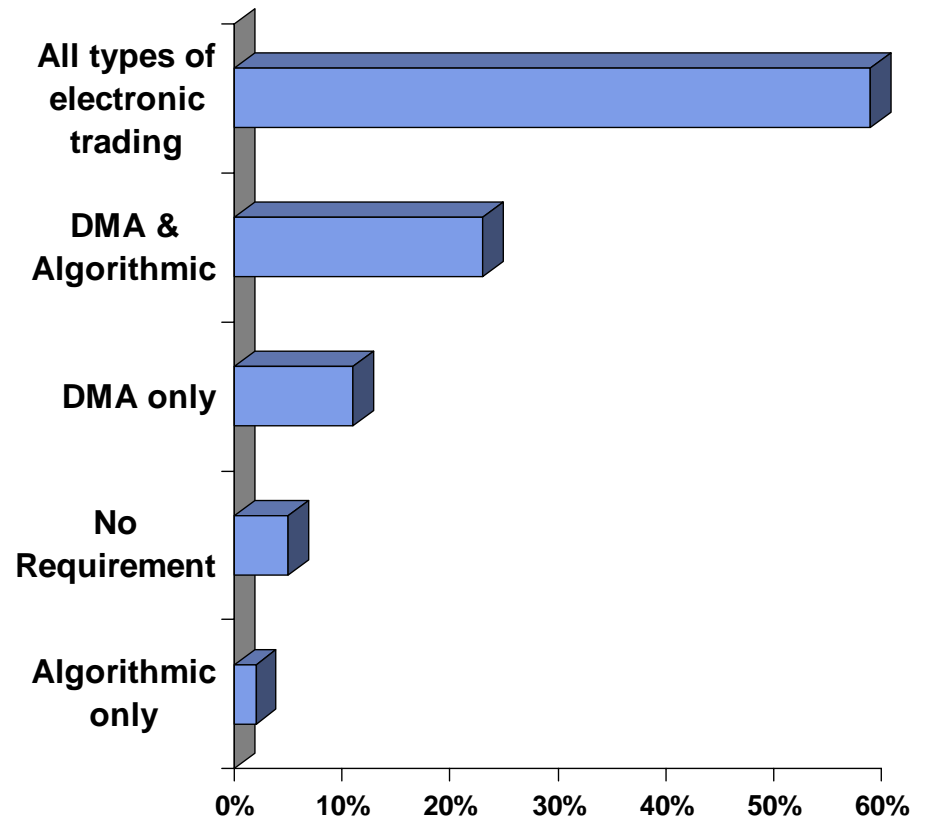


Firms' views on Electronic Trading – Sell-side

Monitor the conversion rate of FIX IOIs or FIX Advertisements into orders

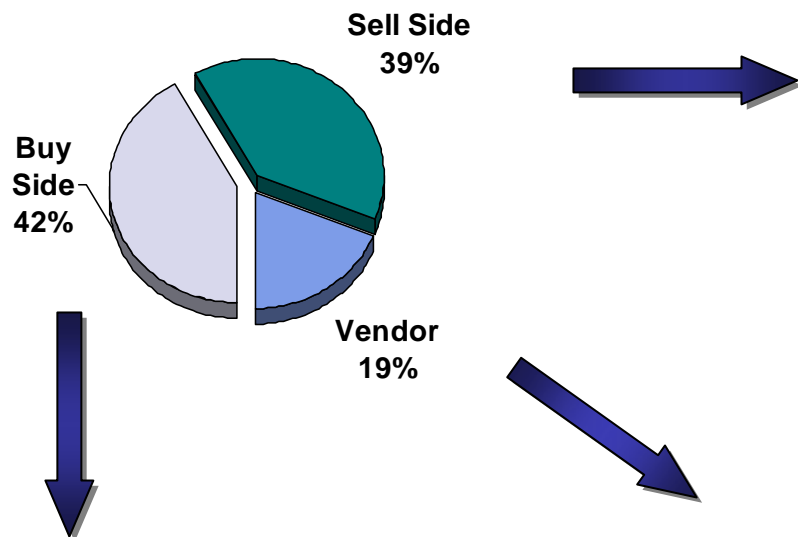


Types of trading that firms' require a separate Terms & Conditions document before trading via FIX

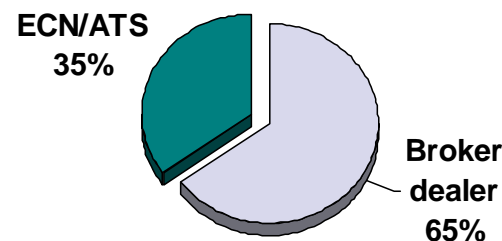


Firms' views on Electronic Trading - Vendors

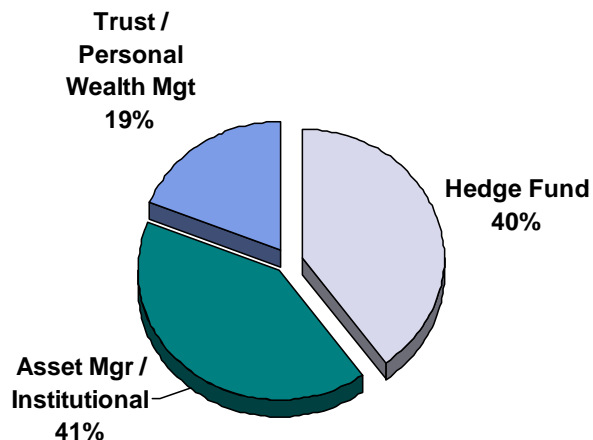
Vendors target client segments



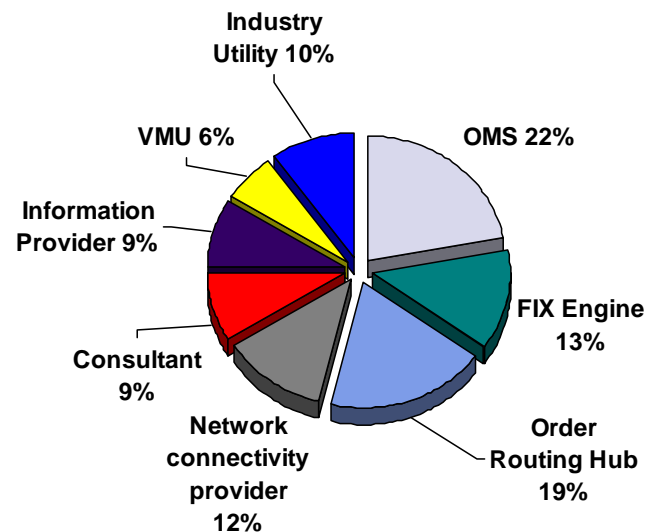
Type of sell-side firm



Type of buy-side firm

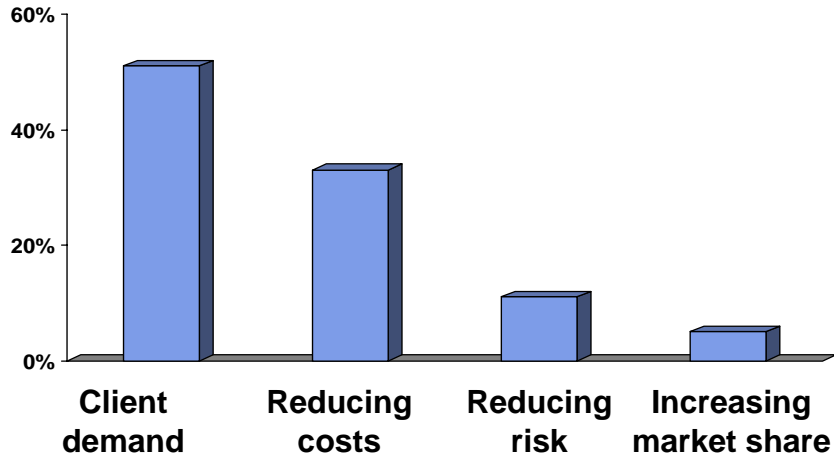


Type of vendor

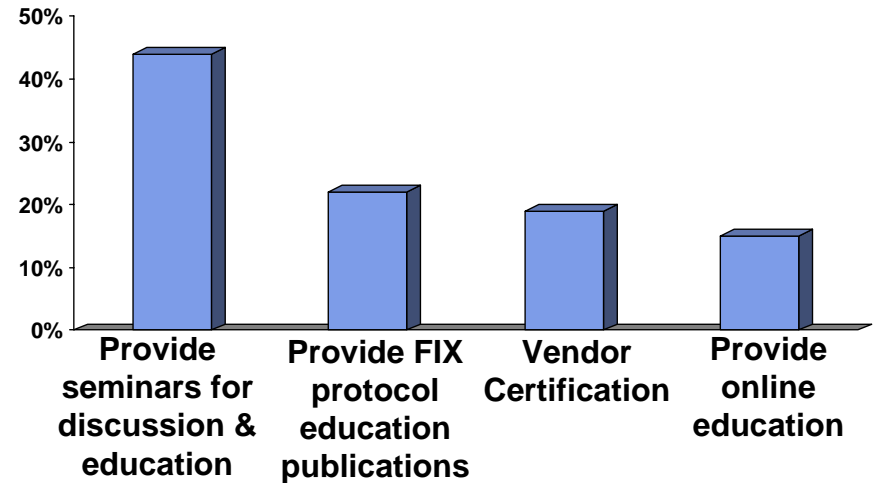


Firms' views on Electronic Trading - Vendors

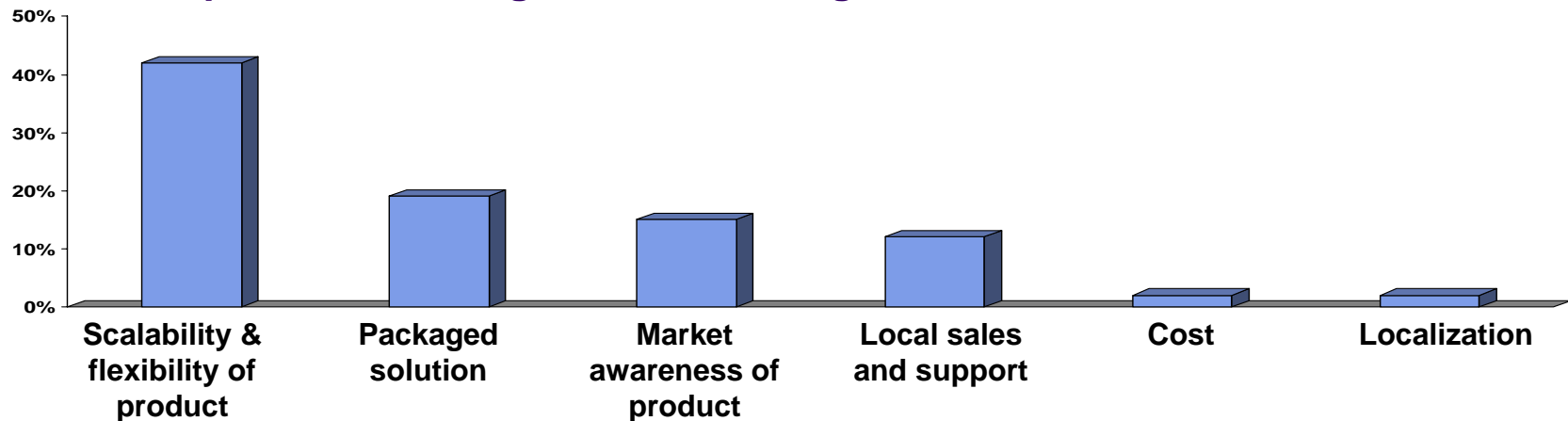
Factors driving smaller/immature firms' decision process



FPL assistance to vendors in promoting electronic trading



Vendors competitive advantage within their region



Appendix

- **PART A: Survey Demographics**
- **PART B: Firms' Use of the FIX Protocol**
- **PART C: Firms' Views on Electronic Trading**
- **PART D: Firms' Views on the Future of Electronic Trading**
- **PART E: Firms' Views on FPL**

Firms' views on the Future of Electronic Trading – Buy-side

Value and Volume that firms make use of for various trading methods on a typical trading day

Buy-side

Direct Market Access [DMA]

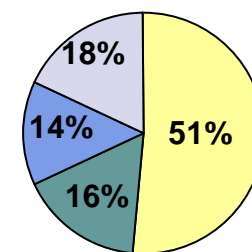
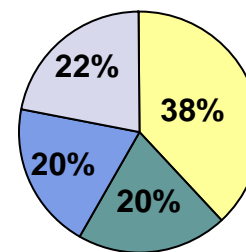
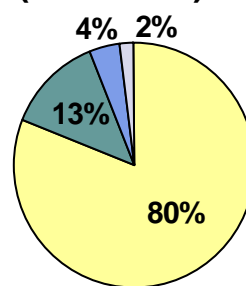
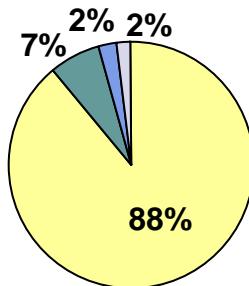
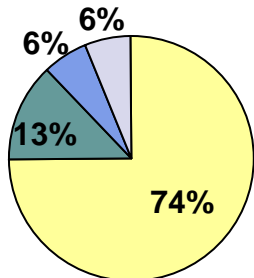
Algorithmic Destination

Crossing Network (ECN/ATS)

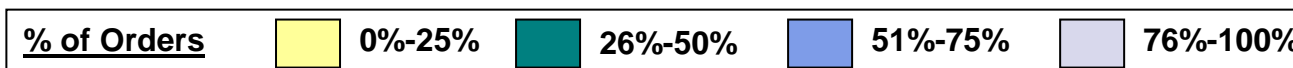
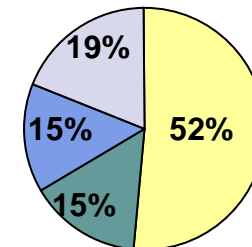
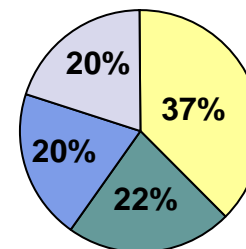
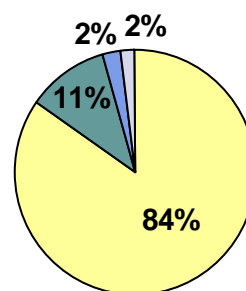
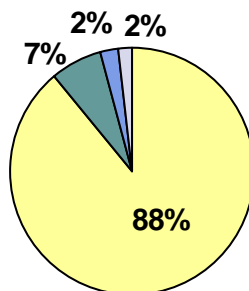
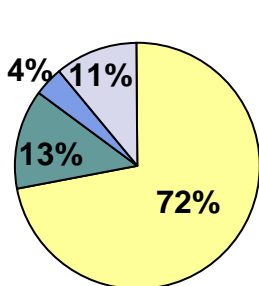
Electronic Order to Sales Trader

Telephone Message to Sales Trader

Trade Value (\$)



Trade Volume (Orders)



Firms' views on the Future of Electronic Trading – Sell-side

Value and Volume that firms make use of for various trading methods on a typical trading day

Sell-side

Direct Market Access [DMA]

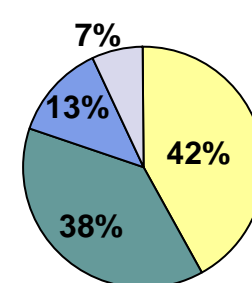
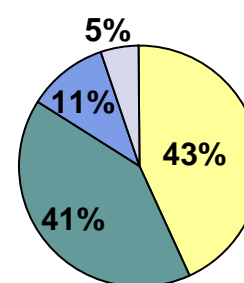
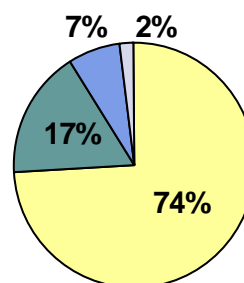
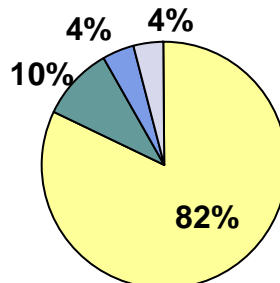
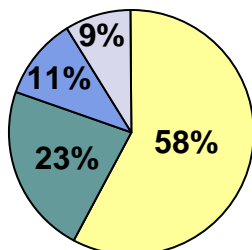
Algorithmic Destination

Crossing Network (ECN/ATS)

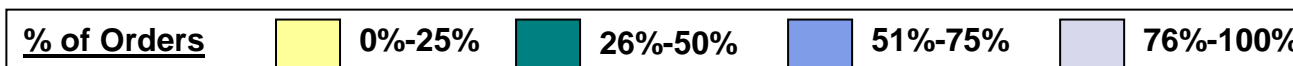
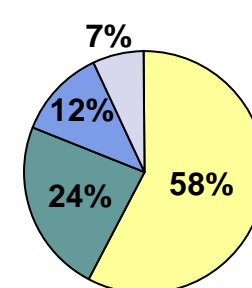
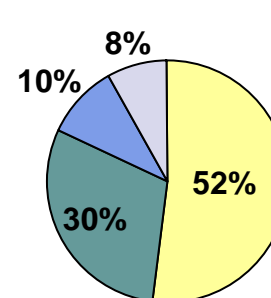
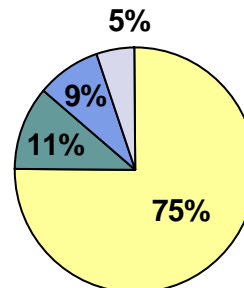
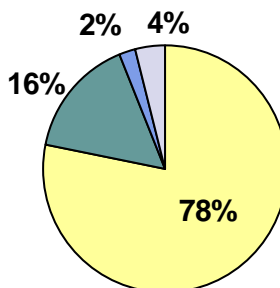
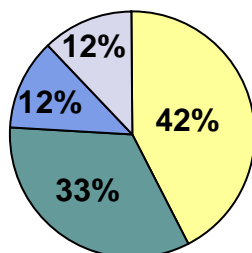
Electronic Order to Sales Trader

Telephone Message to Sales Trader

Trade Value (\$)



Trade Volume (Orders)

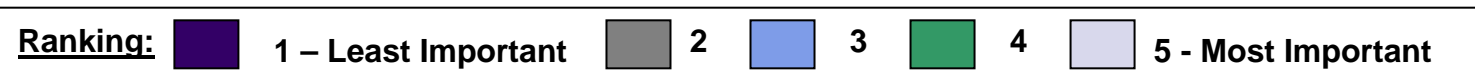
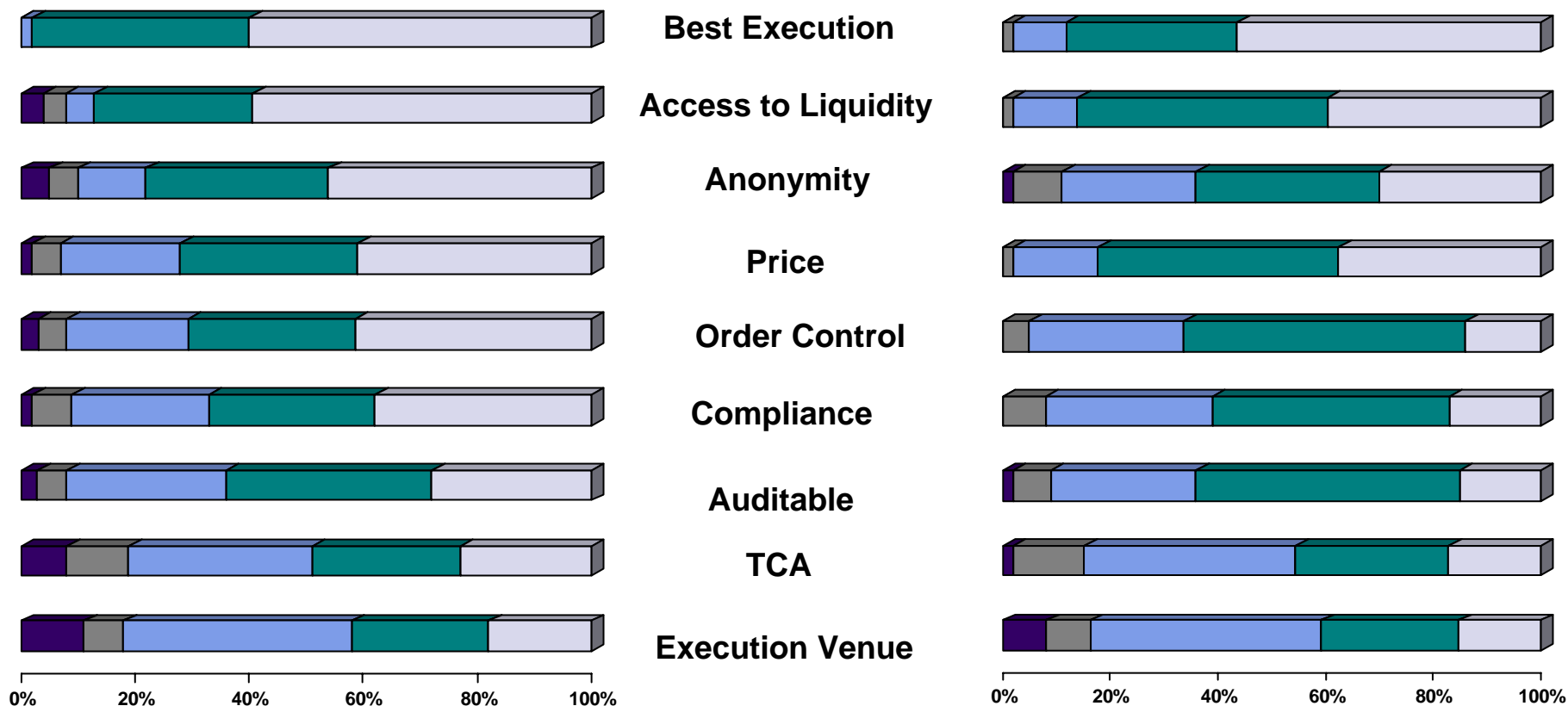


Firms' views on the Future of Electronic Trading

Importance of specific client account features over the next 2 years

Buy-side

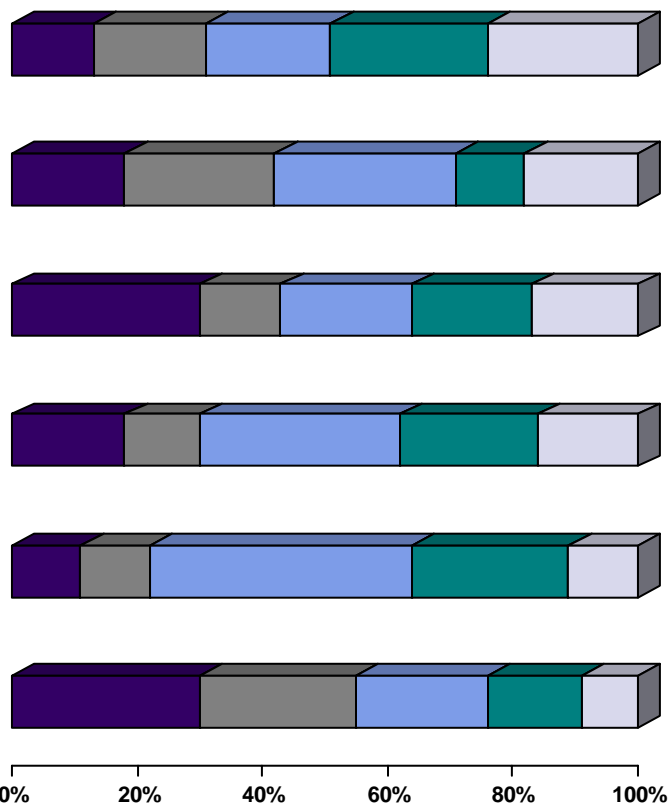
Sell-side



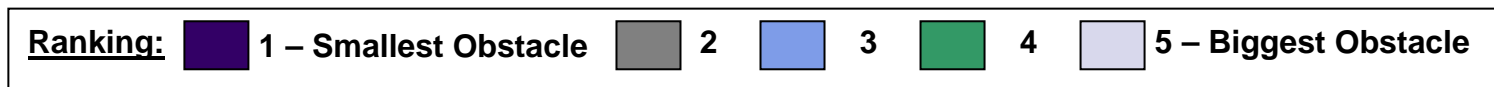
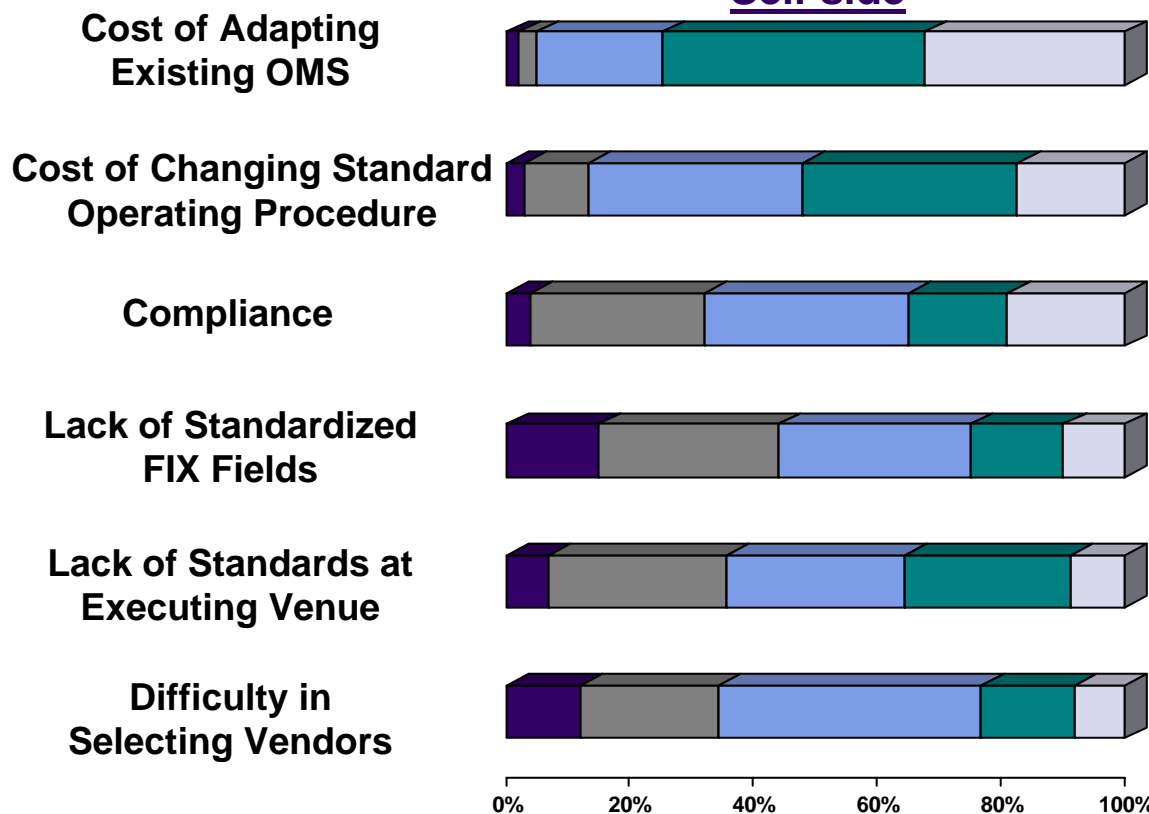
Firms' views on the Future of Electronic Trading

Biggest obstacles to achieving greater benefits for electronic execution

Buy-side



Sell-side



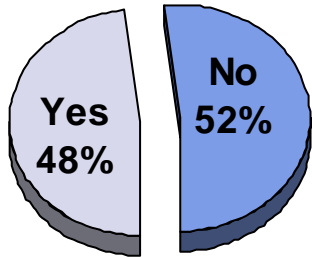
Appendix

- **PART A: Survey Demographics**
- **PART B: Firms' Use of the FIX Protocol**
- **PART C: Firms' Views on Electronic Trading**
- **PART D: Firms' Views on the Future of Electronic Trading**
- **PART E: Firms' Views on FPL**

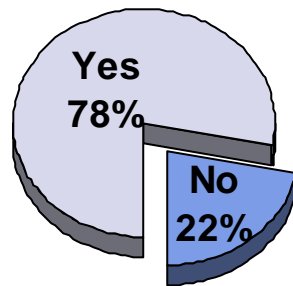
Firms' views on FPL

Is your firm an FPL member?

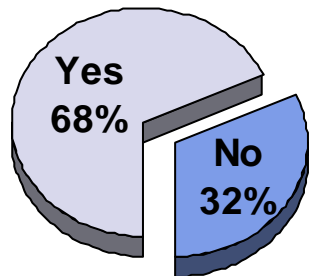
Buy-side



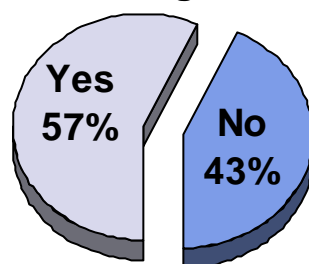
Sell-side



Vendor



Exchange



Why not?

Buy-side

- Cost & time
- Didn't think we would qualify
- Lack of interest at senior levels
- New to FPL
- Not yet FIX-enabled but planning
- Do not see the advantage yet
- Rely on vendors only for FIX services

Sell-side

- Benefits need to be sold to management
- Don't have FIX development team
- No time
- Too expensive

Vendor

- Firm is too small to see the value
- Too expensive/No budget/Money
- No client demand to date
- Expensive member fee
- Cost/benefit not there / Cost vs. benefit analysis - what's the upside?

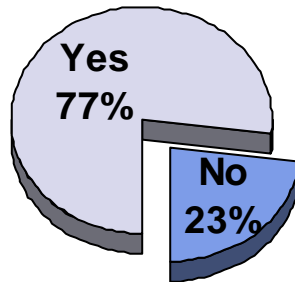
Exchanges

- Don't see any business benefits
- Costs too much - Expense
- No pressing need to join
- Vendor represents us
- The Management requires awareness
- Timing

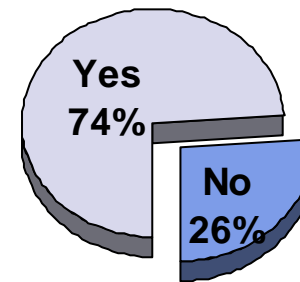
Firms' views on FPL

Can FPL and FIX articulate industry wide responses to regulatory and compliance changes?

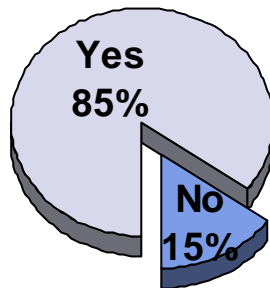
Buy-Side



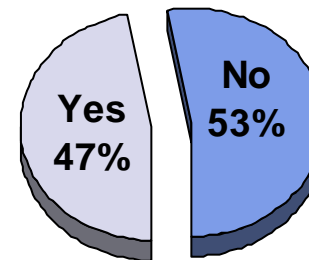
Sell-Side



Vendor



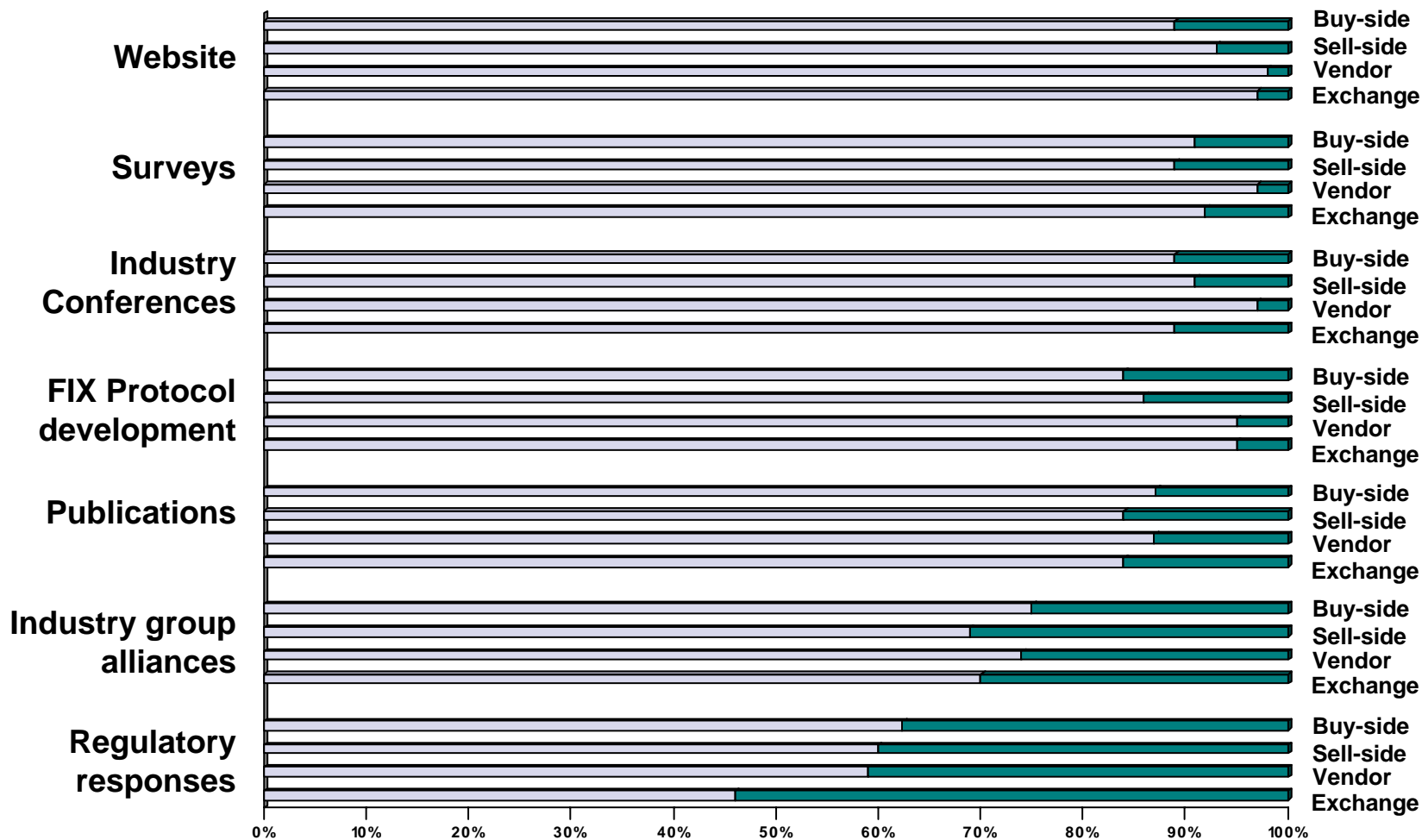
Exchange



Firms' views on FPL

Awareness of FPL services

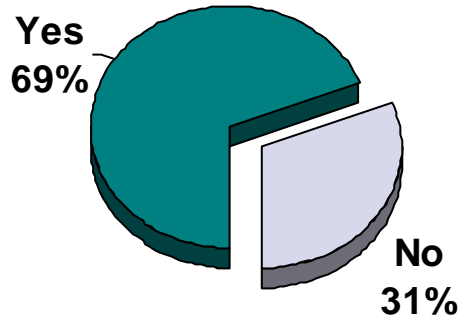
□ Aware ■ Unaware



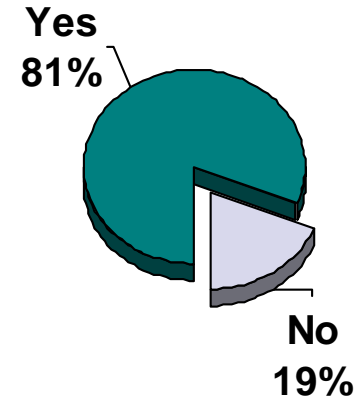
Firms' views on FPL

Use of the FPL website

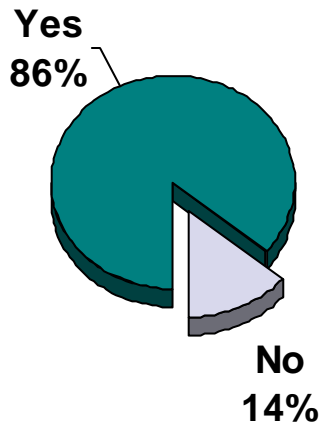
Buy-side



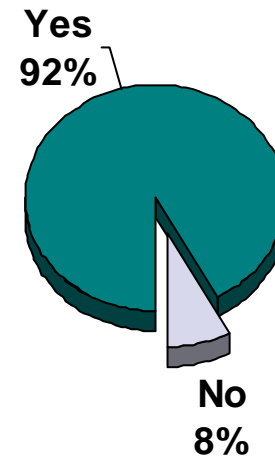
Sell-side



Exchange

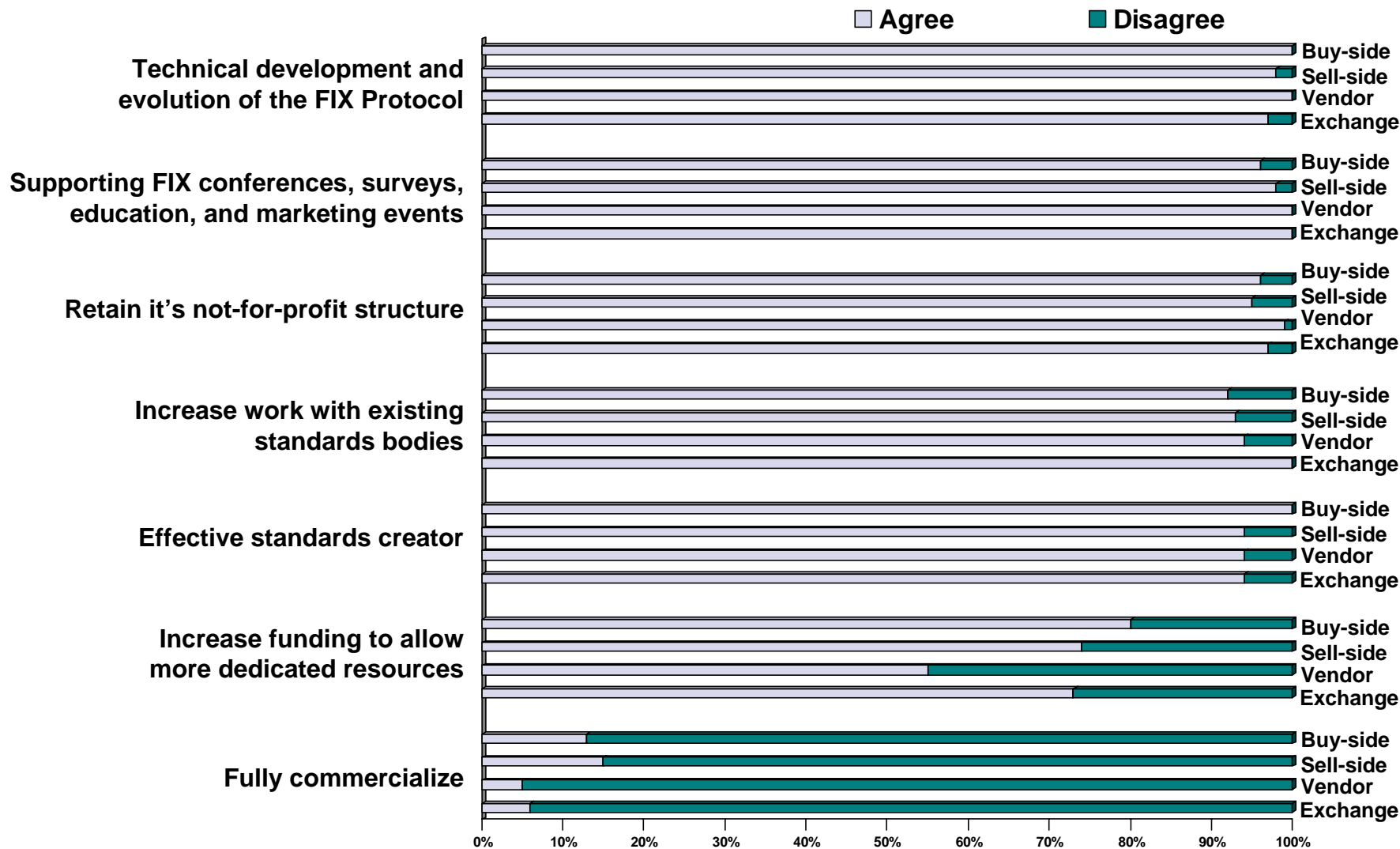


Vendor



Firms' views on FPL

What should categorize FPL



Firms' views on FPL - Highlights

What issues or topics should FPL try to address in the next 24 months?

Actual Responses

- “Slow uptake of new protocols – the uptake of new versions are typically so slow that by the time a new version is needed, the adoption of the current version is not there. FPL should consider this in the planning for future releases.”
- “Poor member contribution to FPL efforts – Many members join committees but do not make reasonable contributions to the committee goals. If this continues, the quality and credibility of the organization will be at risk. In a volunteer environment, this side effect can be expected so hopefully FPL will increase dedicated resources and be able to hold committee members accountable for contribution.”
- “I guess the obvious answer is Market Data. With rates continuing to increase it is important to establish an efficient standardized market data protocol. Can FIX effectively be used for market data delivery?”
- “FPL is in danger of becoming a vendor club. It needs to be more buy-side centric.”
- “Industry wide move to 4.4. Maybe it would be good to encourage as many firms to move to 4.4 by having a recommended migration phase.”
- "Post trade and settlement. Swift and OMGEO are costly and legacy models, and FIX could unlock value in this space for buy and sell side firms to make better use of electronic post trade messaging.”
- “Standardization is the key and FPL has that at it's heart. Keep up the good work.”

Firms' views on FPL – Buy-side

What issues or topics should FPL try to address in the next 24 months?

Actual Responses

- Connectivity
- Continued support for multi-asset trading (esp. cash and derivatives)
- Electronic Trading, TCA, Algorithms, DMA
- Finalize FX protocol
- Increase work with existing standards
- MIFID requirements and Implications
- Message type for requesting borrows
- Push FIX vendors to be at the same level of FIX
- Standardize FIX support for derivatives, FX trading
- The increase use of FIX for fixed income
- We are basic 4.0 users - using FIX primarily as a way to get orders from OMS to sell-side - and then using sell-side web-based trading tools to go to market

Firms' views on FPL – Sell-side

What issues or topics should FPL try to address in the next 24 months?

Actual Responses

- Acting as a catalyst to migrate pre-4.2 users to at least FIX 4.2.
- Algorithmic trading
- Continued coordination and collaboration between industry standards bodies, SIA, ISITC, FpML/ISDA, etc.
- Create standards/extension to the protocol that capture latest trading strategies
- DMA; services for Hedge funds / Prime Brokerage; Separately managed accounts
- FIX in the Canadian market place (TSX)
- Getting 4.4 operational into the networks with matching capabilities. Also connection with Swift in order to implement FIX into operations
- Increased focus and support within regional / geographical locations. Leverage geographical locations, and their market size, to implement, test or promote new standards/uses of the protocol - smaller (emerging) markets with similar trading standards/regulations
- Interfacing to feed settlement systems such as Swift , OMGEO, ALERT
- MIFID requirements, Reg NMS
- Pre and post trade analysis over FIX
- Promoting & educating the usage of FIX to the less develop markets. Liaising with regulators & exchanges in development & implementation of electronic trading standards.
- Standardized support for futures and option strategies including spreads, butterflies, etc.
- Standardization of buy-side approach to Multi-Legged Trading / Allocations / FIXML
- Their is a need for a single vendor approach which should offer cross platform integration.
- Using FIX for Market data

Firms' views on FPL – Vendors

What issues or topics should FPL try to address in the next 24 months?

Actual Responses

- Continued effort for Market Data standardization via FIX (deliver via IP Multicast)
- Cross asset trading
- DMA and FIX adoption by Exchanges (why are some still deploying proprietary protocols?)
- Encouraging commonality and best practices within the industry.
- Explain more about Certification process and more details step about how can a company get their certification
- FIX for emerging markets - Asia Pac, Latin America
- FIX Training – education (simplified), Advance documentation
- Fixing of the current allocation process as it relates to markets outside the U.S.
- Further implementation of FIX into the Canadian market
- Increase awareness to more financial services companies about FPL, FIX and FIXML
- Increase education and awareness on non-equity FIX extensibility
- Interoperability with ISO 15022 / 200223) FIX Repository / FIXML - Converge to a common international standard (ISO20022)
- Post trade in multi asset classes: allocation/confirm/affirm adoption
- Separation of the FIX Session Protocol and Business Message Standards
- Web Services
- Work with other industry standards groups to fix-enable and increase interoperability

Firms' views on FPL – Vendors

What issues or topics should FPL try to address in the next 24 months?

Actual Responses

- Exchange integration
- Integration with other standards - FpML and ISO15022.
- Lack of buy-side participation in Asia-pacific
- Market Data via FIX (already begun, but this is VERY important) Strongly encourage vendors, firms and exchanges to update to 4.4 and FIXML where applicable. Encourage Non-FIX exchanges to get onto FIX
- More concentrated push in the Fixed Income arena with more sophisticated FIX allocation protocol for fixed income instruments
- Optimizing message/packet size to make FIX truly capable of delivering quote data
- Other areas surrounding the workflow as it relates to front, middle and some back office functions such as securities lending, static data, SSI, engaging the custody banks, and continue in its work in aligning with and educating other organizations
- Promote adoption of FAST. Enhance standard to support full exchange trading interfaces.
- Promote usage of FIXML and FIX for post trade (allocations and confirmations).
- Promotion of standardized securities identifiers across markets. Work to eliminate unique implementations of more mature message types
- Reg NMS, MIFID, Reference Data
- Standardization of implementations - easing the path from old versions to newer versions through testing tools and formalizing the workarounds that we've all done in order to get a project live.
- Support resources such as repository modularization of specification by business function

Firms' views on FPL – Exchanges

What issues or topics should FPL try to address in the next 24 months?

Actual Responses

- Broader FX standards - Stronger FX participation from the primary FX exchanges / dealing systems
- Bandwidth and compatibility with other popular protocols
- Enhance support for FIX for Exchanges
- Enhance the Fast FIX Protocol
- Formulate strategy for ISO co-existence, consider the impact of cross-asset trading
- Harmonization with ISO20022 and bringing the XML based messages from the trading front-end through to the settlement back-end.
- Market data bandwidth issues
- New business needs for derivatives
- Possibility of including exchange of business rules and meta data in the protocol
- Promotes to growing country such as Indonesia.
- Reduce use of non-HTML document formats on website; publish specs in HTML; broaden participation; clean up specs; develop alternate protocol (s).
- Reg NMS, post-trade processing
- Step coupon support for fixed-income