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## **Outsourced Trading Comes of Age**

*Chris Kentouris*

**Outsourced trading for asset managers continues to grow in popularity, and for the brokerage industry, it holds the promise of new revenue streams, doing what they've always done: Finding the other side of the trade with the least market impact. But there's no "one-size-fits-all" for clients or for the B-Ds offering their services. In this article, Chris Kentouris, longtime financial writer, takes a deep dive into the business of outsourced trading and gives insight into what clients are looking for and what broker-dealers are offering in this ever-expanding business.**



## **Would it be better to outsource part or all the trading desk to a third-party firm?**

That's the question chief executive and chief investment officers at fund management firms of all sizes are addressing at a faster pace than ever. Once concerned about potentially losing the secret sauce of trade ideas and execution strategy, the C-suite has discovered that the COVID pandemic created the perfect storm to accelerate change.

Poor liquidity, higher volatility, and missed opportunities due to remote work glitches increased transaction costs by an estimated 20 percent during March and April 2020, say trade operations managers at a handful of East Coast buy-side firms.

Two years later technological connectivity snafus at executing brokers seem over, but bad memories linger.

Low liquidity and high volatility also remain, albeit at a lower level. "We need to be better prepared for an outlier scenario," says one trade operations manager at an East Coast fund management firm. "We never anticipated we would be unable to reach our executing broker, our own applications and even our traders for several days on end."

Outsourced trading firms provide fund managers with the comfort of experienced traders, access to liquidity providers, and sometimes, numerous additional services. These include prime brokerage, post-trade operations, research, and capital access.

Outsourced trading is big business that continues to grow, and brokers across the board are dedicating serious resources to ensure enough capacity to handle client flow. Outsourced trading firm BTIG, for example, says it has 30 traders averaging 15 years of experience, accessing close to 400 executing brokers globally.

Offering fund managers a la carte services also makes outsourced service providers attractive to more than just small to mid-sized hedge fund managers that lack internal resources.

"Fund management firms don't have to outsource their entire trading desk; instead, they can select a single asset class or region or use it to increase capacity and access specialist skill sets during a particular event," says Mark Goodman, global head of UBS Execution Hub in London. "Smaller fund managers tend to outsource their entire book of business, whereas the larger ones will be more selective."

Case in point: keeping one's foot in multiple regions often requires extra help when traders in local markets are asleep. Paying for more traders only adds to overhead, which can be reduced by using external providers.

## **Regulators on Both Sides of the Pond**

The pandemic has also highlighted recommendations from the U.S. Securities and Exchange Commission and other regulatory agencies on both sides of the Atlantic about the need for operational resilience. Fund managers have heeded the warnings. They understand the benefit of contingency planning.

"We're seeing increased interest in outsourced trading from larger fund managers that want redundancy for their internal trading desks," says Jeff LeVeen, head of outsourced trading for JonesTrading in South Carolina. "Those managers are forced to think about a backup plan in the event their internal desk becomes incapacitated for any reason."

## **Size Matters Less**

Nonetheless, the notion that size matters could eventually become obsolete as the merits of outsourced trading blur the needs between smaller and larger firms.

"Smaller fund managers, such as hedge funds, were once eager to outsource their entire trading desks. They might now want coverage in a particular region, while larger fund managers might now want to outsource all of their trading desks," says Matthew Krebs, director of outsourced trading at broker-dealer CAPIS in Dallas.

Regardless of the flexibility outsourced providers are offering, change isn't easy for fund managers. They must filter out the noise from a growing cottage industry of over three dozen firms. Each claims it will offer optimal execution or the best bang for the buck.

The service providers fall into four main categories: 1) Agency broker subsidiaries of larger conglomerates; 2) Independent agency broker-dealers that do nothing else; 3) Fund managers themselves; and 4) Custodian banks. UBS is the only Tier 1 investment bank offering outsourced trading services.

UBS Execution hub operates independently and is physically separated from UBS' sell-side activities. The legal distinctions among service providers gives them plenty to talk about with fund managers even before they delve into the nitty gritty technology and other operational distinctions.

## **Independents: 'We're the Best'**

Independent brokers are quick to claim they are the best choice for fund managers because they have no conflicts of interest. Agency broker-dealers that are part of a bigger conglomerate of institutional traders, prime brokerage and other services might prefer their own trading desks, or trade alongside clients. Or so the argument goes.

“We work on behalf of our clients to seek the best outcome and, because we don’t earn any revenues outside of outsourced trading, they don’t have to worry about our agenda,” says Raymond McCabe, founder of outsourced trading firm Outset Global. “We go to extremes to ensure no conflicts of interest and ensure our traders also do no proprietary trading.”

Such comments may squash the concerns of fund managers, but larger conglomerates counter that these claims are baseless and without merit.

This idea of separating traditional institutional business from outsourced client flow is important, even at agency shops.

“Our core legacy agency brokerage business is segregated from our outsourced trading desk and only the outsourced trading coverage has any visibility on the client orders or portfolio,” says JonesTrading’s LeVeen. “Our team of traders boasts decades of experience offering a very high touch coverage model with a very low client-to-trader ratio at Jones.”

## **Can I See Your Trading Menu?**

Another selling point for some outsourced trading service providers is the breath of services provided.

“A full-service investment bank can offer greater advisory services for all clients of all sizes,” says Paul Covello, global head of outsourced trading at Jefferies.

Both large broker-dealers and independent broker-dealers — those without a parent offering agency trading — also offer commission management but the dollars go to other brokers. Whether or not there is a difference in performance results is unclear. It appears that the importance of the corporate distinctions among outsourced trading providers relates less to best execution and more to overall needs.

Operations directors at two East Coast hedge fund management shops prefer full-service shops. “We want the full range of services,” says one. However, not all are sold on merits of one-stop shopping. “We rely on an independent player which will provide us with access to other post-trade operations and research providers,” says another operations director at an East Coast institutional fund management firm. This executive declined to disclose his firm’s service provider.

### **Next Step: Seamless Integration**

Once a fund manager is sold on the category of preferred service provider, seamless integration with a portfolio manager becomes the next critical selling point. The goal is for the fund manager to not think or feel it is outsourcing its trading desk. The outsourced trading provider must ensure that its trading desk is indistinguishable from the fund manager’s and, to the extent portfolio managers needed traders nearby, has proven unnecessary during the COVID 19 pandemic.

As is the case with all outsourced services, flexibility is key. Being the eyes and ears of the portfolio manager might produce the best execution results, but fund managers have diverse needs.

“Our traders, if the client deems it preferable, have real-time access to the same position information as the portfolio manager,” explains Bobby Croswell, head of US equity outsourced trading at Cowen in New York.

“With pre-trade compliance functionality our traders can make the portfolio manager aware of and help avoid any potential violations of investment guidelines or counterparty concentration, much as a trader working for a fund manager,” says Jack Seibald, global co-head of prime brokerage and outsourced trading at Cowen.

The alternative: “Some portfolio managers take a more measured approach and provide the outsourced trader with a list of indications of interest and positions in a particular stock,” adds Randall McDonald, director of outsourced trading at Wells Fargo. The connectivity is provided through a proprietary platform operated by the firm’s prime brokerage unit.

Operations managers at two East Coast fund management firms say they prefer that third-party traders always have real-time access to portfolio managers, while another agreed that limited visibility is best.

### **The Sell Side’s Automation**

As sell-side firms set up their outsourced trading desks, they are also looking for automation on several layers to handle order flow more easily. “To the end customer, the outsourced service provider’s technological sophistication directly correlates to best execution and a better overall experience,” says Rajiv Kedia, global head of sell-side trading solutions at order management system operator FlexTrade.

“The goal,” Kedia adds, “is how to accommodate flexible client needs and increasing order flow without a major reconfiguration and manual intervention. Service providers must walk a fine line between optimal service and cost; too much overhead eats into profit.”

“A flexible open front-end could be used as a key selling point as it also facilitates middle and back-office processing and allows resources to be redeployed,” Kedia continues. He notes that FlexTrade offers both buy and sell-side functionality and accommodates multi-asset classes.

The buy-side functionality includes handling broker restrictions and orders to directed brokers, while the sell side can handle regulatory requirements such as compliance with Europe’s MiFID regulation. In July 2021, UBS partnered with FlexTrade to deliver its order management system. “Our core technology and quant teams are now combining this with delivery of proprietary machine learning algorithms to enable UBS Execution Hub to optimize execution decisions,” says UBS’ Goodman.

## **What Happens after the Trade?**

While much of the discussion about interest in outsourcing is focused on front-end cost efficiencies, post-trade solutions can also reduce trade costs. For custodian banks, outsourced trading is a natural extension of outsourced back-office accounting and middle-office services. And, with front-to-back servicing, custodian banks claim they can offer the entire trade lifecycle.

For Boston-based State Street the acquisition of order management platform operator Charles River in 2018 created an opportunity to offer the industry’s first comprehensive front-to-back-office solution. State Street said the solution included multi-asset class execution service, while the takeover of foreign exchange transaction cost analysis provider BestX, the same year, allowed it to offer a suite of in-house solutions. This, State Street said, improved external vended and independent pre- and post-trade analysis tools.

“We understand the differences in asset class data quality between exchange-traded and over-the-counter markets and, as more clients want to leverage insights from their trading data, we can normalize it and ingest it into our data visualization tools,” says Daniel Morgan, senior managing

director and global head of portfolio solutions for State Street Global Advisors. It is the research and trading arm of State Street in Boston.

Another benefit to State Street's service is its in-house technology. Morgan says using in-house technology rather than an assortment of cobbled licensed products offers a "better client experience."

### **Attracting the Big Fund Manager**

Other custodian banks are leveraging their strengths in the asset servicing arena. They believe the strategy will attract large fund manager clients.

"We can send the data for a completed trade to all of the asset manager's custodians and can oversee the settlement process," says Grant Johnsey, head of Integrated Trading Solutions for the Americas at Northern Trust. "The asset manager no longer has to monitor settlement or pay fees to the SWIFT networks."

Northern Trust's trading clients can also benefit from its foreign exchange services through Complete FX, which automatically executes foreign exchange transactions at a time designated by the client, Johnsey says. "Northern Trust's end game is to help the asset manager eliminate the risk of currency volatility and offer a much greater fill in the FX market," Johnsey adds. The goal, he says, is making the asset manager successful—or cost effective—in overall operations, not just trade execution.

To date, interest in outsourced trading appears heaviest in equities, but as the industry matures so does client appetite for other asset classes. Some service providers, such as Cowen, are willing to dip their toes in the fixed-income market. They're betting it will be the next avenue for growth. Cowen expanded into fixed-income securities in 2021 with the hiring of Joram Siegel in New York. And in February 2022, it signed up John Orrock, former head of fixed-income trading at Bay Asset Management, for the new role of managing director of fixed-income in London.

To account for the difference in trading patterns between equities and fixed income securities, Cowen uses Eze Castle Software's order management system for equities and Tora's platform for fixed-income assets. BTIG also expects fixed-income securities to comprise a higher percentage of its revenue stream over the next five years.

“Outsourced trading in fixed-income assets constitutes between 5 and 10 percent of our annual revenues now, but could make up close to 25 percent,” says Chris Casanovas, director of outsourced trading at BTIG.

## **Bonds & Private Securities**

UBS Execution Hub’s Goodman says the firm is expanding to fixed-income securities in the second quarter of 2022 with futures, options and ETFs over the course of the year. For Outset Global, private securities has become a sweet spot. “We are introducing buyers and sellers and earning fees by providing liquidity,” says McCabe. “Family offices and hybrid hedge funds are showing an interest in the pre-IPO space.”

What about crypto assets? The SEC’s proposal that U.S. registered broker-dealers create special purpose companies to trade in crypto securities is anathema to most broker-dealers. So the only options are avoid the asset class or offer alternatives to interested fund managers. Cowen’s outsourced trading unit refers fund managers that want to trade crypto assets to a separate digital department, which is not a registered broker-dealer. Cowen Digital offers cryptocurrency trading for institutional investors as well as custody solutions via Cowen’s partnership with PolySign’s Standard Custody and Trust Company.

For one outsourced service provider, CAPIS, handling trading for a unique category of fund managers — sponsors of separately managed accounts — has become a critical selling point.

“Instead of trading securities on a time-consuming rotating basis for institutional clients and SMAs, we execute the order as a block trade and immediately allocate shares between multiple accounts,” CAPIS’ Krebs says. “As a result, there is no portfolio variance that favors one account over another. Investment managers can execute the order with whichever executing brokers they want and, by aggregating the number of tickets for settlement, we decrease custodial charges, messaging fees and fees associated with dealing with multiple executing brokers.”

Other outsourced trading providers are also looking to broaden their client base. “Insurance companies are seriously considering the advantages of outsourced trading as they face the same cost and operational issues as other asset managers,” says State Street’s Morgan.

## **Two Fee Models**



Regardless of which outsourced provider a fund manager selects, understanding the roles of disclosure is critical to a successful relationship. There are two main fee models — the direct fee and service fee. The fund manager can pay a fee to the executing broker and an add-on fee for the service provider, or the fund manager will be charged a single fee in exchange for a guaranteed percentage of its trades executed through the outsourced service provider.

“Clients with active trading typically prefer the direct fee to access the benefit of commission dollars for research,” says Cowen’s Seibald. Likewise, the fund manager has the option of allowing the outsourced trading service provider to disclose its name to another executing broker or not.

## **Fund Managers Are Divided**

The direct disclosed approach appears to be more popular. “Most fund managers want us to disclose their identities so that they can receive preferential treatment for research and other services,” says BTIG’s Casanovas. “By contrast,” he adds, “other fund managers might not want to disclose their names to prevent information leakage about their strategy.” This is another reason for anonymity when trading an illiquid asset.

For fund managers hesitant to take the plunge into using a third-party outsourced model, a London-based fintech firm offers an alternative. BTON isn’t a broker-dealer; instead, it is a technology provider that allows the trading functions to remain with the fund manager.

“Our proprietary smart broker router improves trading performance by automatically selecting the appropriate broker with the most appropriate execution algorithm,” says Daniel Shepherd, chief executive of BTON in London.

What’s more, BTON’s transaction cost analysis is not simply used as a best execution benchmark, but as a feedback loop to improve performance for the next trade.

“Our TCA platform relies on collective data to provide intelligence in the best execution for the next trade. Sharing data is key to building a statistically relevant dataset that firms can’t do on their own,” Shepherd says.

## **What Is Best Execution?**

Even if a fund manager relies on outsourced trading, it is responsible for best execution. It is critical that the fund manager understand exactly how it defines the phrase best execution to evaluate the outsourced service provider’s transaction cost analysis reports. Most rely on third-party platforms

with Abel Noser's cited as the most popular choice.

While best execution is often equated with best price, there are other implicit factors. These include timeliness of execution, or market impact, which the internal performance team or the external provider must keep in mind. "We offer the fund manager flexibility in terms of how transaction cost analysis reports are prepared," says Jefferies' Covello. "Fund managers rate best execution using different benchmarks."

Pre-trade analytics can also ensure the best results. "Our traders proactively engage buy-side traders and portfolio managers about the market's direction to discuss execution strategy before a trade is executed." says Wells Fargo's McDonald.

Northern Trust says it has taken TCA to the next level by adding an element of behavioral analytics through its investment in New York-based Essentia. "Fund manager clients using Essentia's service can sift out any hidden biases or tendencies when they send us orders based on what-if scenarios," says Johnsey. "We're not looking at the small window from the time an order is made to the time it is executed."

However, as all outsourced trading service providers acknowledge, technology isn't the Holy Grail. The best results also require the best relationship management. This ensures the fund manager can focus on market analysis rather than trade execution.

**TabbFORUM would like to thank veteran Wall Street journalist Chris Kentouris, who tackled this extensive project with editorial freedom and gusto. Firms quoted in this story partnered with TabbFORUM in this endeavor and were given the opportunity to be advocates for the business of outsourced trading and their niche. This topic is critical, as it underscores the importance of best execution and what's best for the ultimate client.**

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**Chris Kentouris** (<https://www.linkedin.com/in/finopsreport/>) is an independent freelance writer and is editor of the blog *FinOps Report* (<https://finopsinfo.com/>). Prior to launching *FinOps Report* in December 2013, Chris served as the news, international and operations editor for *Securities Industry Daily*, *Securities Industry News*, *Securities Technology Monitor* and *Money Management Executive*. She has been covering middle- and back-office operations, asset-servicing, regulatory compliance, data management, financial technology and shareholder services for buy and sell-side firms for over 25 years.



**[www.btig.com](https://www.btig.com)** (<https://www.btig.com/products-services/prime-brokerage-fund-services/outsource-trading/>)

BTIG's Outsource Trading desk replicates the functions and utility of an in-house, professional global trading desk. As a leading provider and pioneer of Outsource Trading services, we help investment managers execute trades and monitor their portfolios without the challenges associated with building and maintaining an in-house solution. Focusing on trade execution, we allow investment managers to do what they do best – identify new opportunities and manage current investments.

**Regions covered:**

Fully Global Outsource solution with Outsource personnel in US, Europe, Asia, Australia

**Asset classes covered:**

Global Equities, Fixed Income, Derivatives, FX

**Number of traders/average years of experience:**

30 Dedicated Outsource Traders who average 10+ years of Outsource experience



**Chris Casanovas**

Managing Director, Head of Outsource Trading

**BTIG, LLC**

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# bton financial

**BTON Financial**[www.btonfinancial.com \(https://www.btonfinancial.com/\)](https://www.btonfinancial.com/)

BTON Financial, not an outsourced dealing desk, is a data driven trading automation platform for asset and investment managers, family offices and hedge funds. A data collaboration and machine learning solution for the trading desk to be able to handle far greater volume, drive value, get leaner, more automated and more competitive. The Smart Broker Router® contains trading data from across the entire customer base. By leveraging this data to make informed decisions, Your firm, with BTON could now leverage a true, evidence-driven Best Ex trading solution and easily scale trading volumes.

**Regions covered:**

Global

**Asset classes covered:**

Equities / ETFs / Listed Derivatives

**Number of traders/average years of experience:**

N/A – we are a technology solution



**Daniel Shepherd**

CEO

**BTON Financial**

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**CAPIS**

**[www.capis.com \(https://www.capis.com/\)](https://www.capis.com/)**

CAPIS Outsourced Trading enables clients to focus on what you do best: managing your assets and client relationships. CAPIS partners with you for the life cycle of the trade, from market intelligence to best execution strategy, commission management (CSA/soft dollar) and settlement.

**Regions covered:**

North America, South America, developed Europe, Asia

**Asset classes covered:**

global equities, fixed income, derivatives

**Number of traders/average years of experience:**

Seven traders with average experience of 20+ years.



**Matt Krebs**

Director of Outsourced Trading

**CAPIS**

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# COWEN

**Cowen and Company LLC**

[www.cowen.com \(https://www.cowen.com/capabilities/markets/outsourced-trading/\)](https://www.cowen.com/capabilities/markets/outsourced-trading/)

Cowen's global Outsourced Trading team provides unconflicted, buy-side trading capabilities and support, allowing investment managers to outsource their entire desk or supplement an existing trading operation – with a shared ambition to outperform. With Cowen, hedge funds and institutional asset managers of all sizes can expand their trading operations with our multi-asset class offering, delivered by highly experienced traders. Coverage includes Equities, Fixed Income, Foreign Exchange, Derivatives, Futures & Options. Leveraging our established and experienced team of traders in New York, Stamford, San Francisco, Atlanta, London, and Hong Kong, along with our existing international network of brokers, allows us to provide a greater breadth of information than a traditional in-house trading desk.

**Regions covered:**

Americas, EMEA, Asia-Pacific

**Asset classes covered:**

Equities, Fixed Income, Foreign Exchange, Derivatives, Futures & Options (Digital assets via our affiliate, Cowen Digital LLC)

**Number of traders/average years of experience:**

41 spread across various office locations in the US, London and Hong Kong. >75% of traders have buy-side experience. Avg. 15-20 years of trading experience.



**Jack Seibald**

Managing Director, Global Co-Head of Prime Brokerage and Outsourced Trading  
**Cowen and Company LLC**

# FLEXTRADE

*Trade your best.®*

## FlexTrade Systems

[www.FlexTrade.com](https://www.FlexTrade.com/) (<https://www.FlexTrade.com/>)

Founded in 1996, FlexTrade Systems is the global leader in high-performance execution management and order management systems for equities, foreign exchange, options, futures, and fixed income.

FlexTrade's outsourced trading solution is powered by FlexOMS, a scalable, open-architecture, multi-asset order management platform that provides the most advanced trading and execution capabilities available today. The FlexOMS solution supports the entirety of the order and execution life cycle, including FlexTrade's inbound FIX hub, service bureau and middle office allocation tools.

Further, FlexTrade's complementary solutions, such as FlexAlgo Wheel and FlexTCA, seamlessly integrate into the FlexOMS platform, with flexible, powerful APIs to integrate into middle and back-office solutions to help achieve straight-through-processing.

### **Regions covered:**

Americas, EMEA and Asia-Pacific

### **Asset classes covered:**

Equities, Fixed Income, Foreign Exchange, Derivatives, Futures, Options

### **Number of traders/average years of experience:**

N/A



**Rajiv Kedia**

Principal & Associate Founder

**FlexTrade Systems**

# Jefferies

**Jefferies Financial Group**

[www.jefferies.com \(https://www.jefferies.com/\)](https://www.jefferies.com/)

Jefferies Outsourced Trading Desk (OTD) acts as an extension of our clients' investment processes, aligning and executing a trading strategy consistent with each firm's trading vision and goals. The desk collaborates with each individual portfolio manager to provide global broker-agnostic best execution in accordance with urgency of trades, liquidity profile, and intraday directional views. The desk consists of experienced traders with deep expertise across sectors and asset classes with the ability to provide best-in-class market content, color and trade flows.

Jefferies Outsourced Trading Desk is fully segregated from the firm's Equities business, including High- and Low-Touch Execution, Research, and Investment Banking groups.

**Regions covered:**

NAMR, EMEA, APAC

**Asset classes covered:**

Equities, Derivatives, Swaps

**Number of traders/average years of experience:**

17 traders average 15 years experience



**Paul Covello**

Global Head of Outsourced Trading

**Jefferies Financial Group**



# JonesTrading

## JonesTrading Institutional Services LLC

[www.jonestrading.com](https://www.jonestrading.com) (<https://www.jonestrading.com/services/outsourced-trading-2/>)

The multiple award winning outsourced trading service offering investment managers of all sizes a dedicated global trading team across all asset classes. Our firm offers a 24/6 coverage model staffed by traders with an average of 15 years of trading experience. This platform provides our clients access to over 275 global brokers, market color, research, and block liquidity. This model also allows our clients to decide the access they want engaging the brokerage community anonymously or for research attribution.

### **Regions covered:**

All global regions are covered.

### **Asset classes covered:**

Global equities, fixed income, derivatives, futures, and we anticipate digital to be added by the 3rd quarter of 2022

### **Number of traders/average years of experience:**

26 traders globally support the outsourced trading business with an average of 15 years of experience.



### **Jeff LeVeen Jr.**

Managing Director, Global Head of Outsourced Trading

**JonesTrading Institutional Services LLC**



# NORTHERN TRUST

## Northern Trust

[www.northerntrust.com](https://www.northerntrust.com) (<https://www.northerntrust.com/what-we-do/asset-servicing/capital-markets/integrated-trading-solutions>)

Northern Trust's Integrated Trading Solutions (ITS) is an outsourced trading capability that helps clients to lower execution costs, reduce risks, increase transparency, and achieve better overall trading and efficiency outcomes. Our approach combines proven trading experience in equities, fixed income, options, and FX with Northern Trust's extensive access to global markets, trading venues, and liquidity. While ITS is designed to be agnostic to the middle and back-office processes used by a given client, as part of an end-to-end solution these solutions would be seamlessly integrated with our middle and back-office services.

### **Regions covered:**

North America, Europe and Asia

### **Asset classes covered:**

Equities, Options and Fixed Income

### **Number of traders/average years of experience:**

36 Traders with an average of 15 years of experience



### **Grant Johnsey**

Senior Vice President, Head of Integrated Trading Solutions

**Northern Trust**



## Outset Global

[www.outsetglobal.com](https://www.outsetglobal.com) (<https://www.outsetglobal.com>)

Outset Global is an independent 'best-in-class' Outsourced Desk with offices in London, Hong Kong and New York. 15 frontline traders and 6 support staff provide buy side trading solutions to 200+ institutions of all kinds and sizes. We are an independent, pure play trading solution that has removed all conflicts for the benefit of our end clients. We are uniquely positioned as a buy side trading desk and are seen as a large institutional client by the 350+ sell side brokers that service us around the globe. We specialize in equities (Public & Privates) and equity derivatives.

### **Regions covered:**

Global: Offices in New York, London and Hong Kong

### **Asset classes covered:**

Public and Private Equities plus Derivatives

### **Number of traders/average years of experience:**

15 Traders with an average of 18 years experience



**Raymond McCabe**

Managing Partner

**Outset Global**

# STATE STREET®

## State Street Global Markets

[www.statestreet.com \(https://www.statestreet.com/solutions/by-capability/ssgm/liquidity/portfolio-solutions-and-security-execution-services.html\)](https://www.statestreet.com/solutions/by-capability/ssgm/liquidity/portfolio-solutions-and-security-execution-services.html)

Designed to enhance the capabilities and performance of your existing in-house infrastructure and trading team, State Street's execution solutions have been developed in a modular fashion, giving you the flexibility to customize components to support your specific objectives. Our outsourced trading solutions can be implemented to address different needs, from on-demand access to a fully outsourced model delivering further efficiency gains. Whether it be connected to your existing in-house or third party infrastructure or accessing enhancements through State Street's AlphaSM full front to back platform, our solutions can streamline workflows, improve transparency, reduce costs and access a diverse global liquidity.

### **Regions covered:**

APAC, NA, Middle East

### **Asset classes covered:**

Equities, fixed income, exchange traded derivatives, FX, currency management

### **Number of traders/average years of experience:**

19 traders / 20 yrs avg experience



**Daniel Morgan**

Senior Managing Director, Global Head of Portfolio Solutions

**State Street Global Markets**

**UBS**[www.ubs.com](https://www.ubs.com) (<https://www.ubs.com/ib>)

UBS Execution Hub is an outsourced trading platform. We act as an extension of our clients' trading desks and provide access to an extensive broker network and diverse liquidity.

Leveraging our scale, technology and people, clients can outsource all or part of their trading operations to UBS to help improve cost and execution outcomes. Our real-time monitoring and analytical tools help ensure clients remain in control of their orders and pursue their best execution requirements. We act on an agency basis with no market-making, principal or proprietary trading activities and are physically separated from UBS sell-side trading desks.

**Regions covered:**

UBS Execution Hub is a global offering with teams based in New York, London, Singapore, Frankfurt and Zurich.

**Asset classes covered:**

Global Equities, Fixed Income, Listed Derivatives and Futures, Exchange Traded Funds, Funds execution

**Number of traders/average years of experience:**

We have a dedicated team of 50+ based in EMEA, Americas and APAC with an average of 16 years' experience.

**Mark Goodman**

Global Head of UBS Execution Hub and Platforms

**UBS****Wells Fargo**

**[www.wellsfargo.com \(https://www.wellsfargo.com/com/securities/markets/equity-sales/outsourced-trading/\)](https://www.wellsfargo.com/com/securities/markets/equity-sales/outsourced-trading/)**

Wells Fargo's Outsourced Trading provides comprehensive trading solutions that deliver sophisticated and scalable buy-side trading resources to investment managers ranging from start-ups to mature institutional platforms. We provide our clients capacity and expertise, supporting the entire trading function or supplementing existing capabilities. We offer access to a global network of more than 100 trading partners and liquidity venues to achieve broker agnostic best execution. Averaging more than 20 years' experience, our team is comprised of dedicated, senior former buy-side traders that can support your entire trading lifecycle. Wells Fargo Outsourced Trading allows clients to focus on driving value for their investors while optimizing their investment in trading and operational infrastructure.

**Asset classes covered:**

equities, derivatives

**Number of traders/average years of experience:**

Over 20 years of experience



**Randall McDonald, CFA**

Head of Outsourced Trading

**Wells Fargo**