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GATElab goes live on LSE's new retail bond market

The London Stock Exchange's new retail bond market, gone live on the 1st of February, has selected GATElab's traderpath as the front-end technology for trading and quoting. The GATElab's traderpath platform, built in response to buy-side and sell-side needs, is a new generation brokering platform with professional high-end trading, quoting and algorithmic support.

In 2004 traderpath technology was 'white-labelled' to Blt Systems, part of the Borsa Italiana Group, for whom GATElab developed the BTS (Blt Trading Station) and BCS (Blt Clearing Station). To date about 90 Financial Institutions are using these services.

The new initiative by the London Stock Exchange is modelled on Borsa Italiana's MOT market which saw EUR 230 billion worth of trading in 2009. The London Stock Exchange's new retail bond market has been introduced to respond to private investors' demand for wider access to trading in fixed income securities. An initial offering of UK gilts and corporate bonds, tradable in small, more easily manageable denominations, will be made available for trading on the new electronic Order book for Retail Bonds (ORB). The market will be supported by dedicated market makers and liquidity providers quoting tradable prices on-screen, meaning that private investors will be able to enjoy the benefits of the same market model they current use for share trading.

The new market is supported by dedicated market makers. Evolution Securities has committed to a leading role and will make markets across all of the gilts and corporate securities on the service. In addition, Shore Capital Stockbrokers will make markets in corporate bonds and ABN Amro is committed to quoting in the new RBS bond.

Antonio Caroselli, CTO at GATElab, said: "Our product offering is enforced by this announcement. We are proud to be the first company to provide its clients with the ability to connect and quote on the London Stock Exchange's new retail bond market".

Pietro Poletto, Head of Fixed Income Markets at the London Stock Exchange Group, said: "The successful go live of Evolution, the first market maker on the new London Stock Exchange's market, is just the first step in our plans considering the interest shown by issuers, member firms and private investors. This is the answer to our client's growing request for a centralized and transparent order book for trading in individual retail-friendly sized bonds".

About London Stock Exchange Group

The London Stock Exchange Group is Europe's leading diversified exchange business, incorporating Borsa Italiana and London Stock Exchange. With over 500 member firms and more than 3,000 companies quoted across its markets, the Group operates the largest and most liquid equity marketplace in Europe.

London Stock Exchange itself is the world's most international exchange with over 600 overseas companies from more than 70 countries quoted on its markets. These figures include international companies on AIM, the London Stock Exchange's growth market, which has grown to become the world's most successful market for small and medium sized enterprises with 1,385 companies at the end of July 2009.

The Group offers trading in a wide range of instruments, holding the number one position in the trading of exchange-traded products (ETFs and ETCs) and through its interest in MTS, is Europe's leading platform for the trading of fixed income products. Through Borsa Italiana's MOT market it offers a comprehensive range of European corporate and government bond trading services. Its Italian Derivatives Exchange Market (IDEM) sees over €2.5 billion worth of trading every day and through EDX London the Group provides a facility for the trading of Scandinavian and Russian equity derivatives.

London Stock Exchange Group also offers post-trade services such as netting, clearing and settlement on an efficient and competitive basis. These include services from Monte Titoli, the Central Securities Depository for all Italian financial instruments, and Cassa di Compensazione & Garanzia (CC&G), which in July 2009 was granted Recognised Overseas Clearing House (ROCH) status by the FSA to operate in the UK.

About GATElab

GATElab is an independent software company, founded in 1989, with the vision to play a leading role in the application of emerging technologies to a mission-critical area such as finance.

Since the early '90s GATElab has been providing its customers, namely buy-side, sell-side and exchanges, with state-of-the-art technologies in hard real-time transaction and information handling, to any kind of electronic source or destination, i.e. electronic exchanges, multilateral trading facilities, information providers.

Using the technological know-how consolidated through the years, GATElab has been committed to supply products and integration projects to satisfy any emerging need of its customers, so its offering is perceived by end users as easy to integrate solutions and suitable to address instant needs in new emerging experiences.