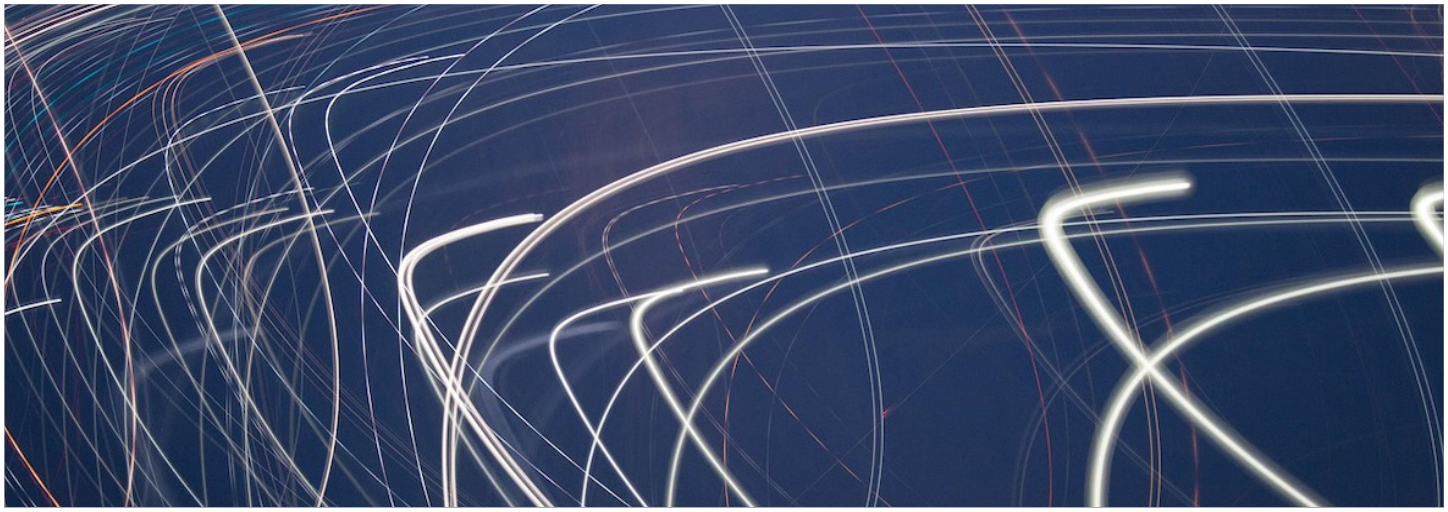
BUILDING THE NEXT GENERATION OF CROSS-ASSET ALGORITHMS



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Professional and institutional traders are increasingly demanding sophisticated algorithms and strategy development software to minimize trading costs and streamline the process of creating low-latency systematic portfolio strategies. The aim of TT's Quantitative Trading Solutions (QTS) group is to build the algo tools they need to get ahead in a challenging and competitive market.

TT's QTS group was born out of the 2022 acquisition of RCM-X. Since then, we have gone from strength-to-strength developing new products and solutions for our global client base.

We differentiate ourselves through our expertise with low-latency trading technology, global co-located presence and customer service excellence. We are one of a very few independent execution algorithm providers that is not owned by a bank or actively managed by an exchange, which mitigates our conflicts of interest. In addition, among independent providers, we have a unique scale and global presence.

Everything we do is on our C++ technology stack, whether we're driving it through the TT infrastructure, or through our agnostic offerings via other independent software vendors. Another key component of our offering is that we can provide our benefits to trading firms that aren't currently on TT, but might be in the future.

Boosting Execution Quality

Our execution algorithm clients run the gamut: proprietary trading firms, banks and brokers, CTAs and hedge funds, commercial energy and agricultural companies, and traditional asset managers and owners.

The software that we deploy allows groups to build their alpha trading and their portfolio trading. Our algorithms are co-located within the exchange to reduce slippage.

Trading firms want to hide their footprint in the marketplace, and they want algorithms that improve their trade and execution quality so that they can focus on other things.

If you can't deliver that as a trading services provider, no one is going to use you. You need to offer a cost-effective model that reduces slippage and gives trading firms multiples in returns on the dollars they spend.

Cross-Asset Growth and New Products

While we started out focused on the futures market, TT is going cross-asset. We are developing algos for FX and fixed income while expanding our footprint in the equity markets.

We have the infrastructure, we have the format and we have the data—so it is a case of normalizing for each exchange and asset class and rolling out our offering. We are working with industry experts within TT to build out our cross-asset solution.

In addition to growing across asset classes, we are also developing new products and tools for use in the futures markets. An example of this is TT Uncovered, a product that helps agency desks find Delta replacement for their large buy-side clients.

The origins of TT Uncovered came prior to the acquisition by TT from client requests for a better way to get their options trades filled on CME Direct. We understood how to do it and what the clients were looking for, but at the time, we were focused on our core offering of delivering world-class execution algos.

Once we were acquired by TT and had the bandwidth to pursue other projects, we re-visited and built out the TT Uncovered offering. The first few beta clients—which are some of the largest banks and agency desks in the world—loved it. As a result of their feedback, we are deploying it within the TT screen.

We've also integrated TT START, a suite of broker-neutral equity execution algorithms focused on performance, commission management and best execution, which we acquired last year from Abel Noser Holdings, broadening our coverage for equities.

We really liked what this trade optimization platform was doing with the feedback loop and algo wheel scenarios and realized how well it worked with our existing algos. TT START provides great insights that we can blend with TT's long history of running execution algos by integrating it into our C++ framework.

Delivering What Clients Want

TT's QTS team lives and breathes algos. I ran quantitative trading at both TD Bank and Stafford Trading. I have experience on the floor, upstairs and as a hedge fund manager. Many people on our team also came up through those sides of the business, so we have a very good idea of what our clients are looking for. Yes, we provide great technology and great algos, but we also really know where they're coming from, and we know their pain points.

You have to be able to cover all the markets that clients want—that is essential. Clients also want to know what differentiates you. There are a lot of algo providers out there. They want to know how sophisticated your offering is and how much you understand market microstructure. We grew up in the industry as traders so we know the markets inside-out. We understand our clients' problems and how to solve them as well as all the nuances of market structure.

At TT, we are driving ever-forward with cohesive, global, multi-asset class solutions. We're going to continue to do this while growing our asset-class coverage so that we can continue servicing global trading firms across all the different assets they trade.

Get in touch to learn more about how you can improve your execution quality with TT's full suite of quantitative trading solutions.

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