

BUY-SIDE EXECUTIVES FORECAST AGENCY BROKER CONSOLIDATION

Bloomberg Tradebook's first forum identifies key trading trends

New York, July 27 – Buy-side traders, facing lower volatility and volumes, say that the number of agency brokers will decrease over the next year, according to comments released today by Bloomberg Tradebook, a leading global agency broker.

Viewpoints on consolidation in the industry came at a Bloomberg Tradebook forum called "The Future of the Buy-side Trader," which was attended by senior buy-side traders and heads of institutional trading desks at leading hedge funds and asset management firms representing more than \$1 trillion in assets under management. The invitation-only event was simulcast live in Boston and New York on July 21st.

The buy-side executives agreed that the most important factors in selecting an agency broker are independent research, trade ideas and educational forums that keep them abreast of the latest issues, trends and innovative technology solutions. Another key factor cited was sales trading desk support, but liquidity and flow were of much less importance in selecting an agency broker, the group noted.

When asked what kind of support they want most from their broker dealers, the group said color on stocks and the market, followed by a trading desk to work orders and evaluations of the effectiveness of potential tools and algorithms.

Buy-side executives at the forum also said that their future success depends on access to better algorithms, better workflow integration and better insight and education. In regards to pre-and-post trading tools, the group noted that they rely on transaction costs analysis (TCA) in real-time and end-of-day (EOD) reports for additional transparency.

"Buy-side traders are under intense pressure in the marketplace and expect their agency brokers to add value to the trade, give them high-quality market intelligence and provide innovative technology R&D to help maximize their performance," said Ray Tierney, President and CEO of Bloomberg Tradebook.

"The Future of the Buy-Side Trader" was the first in a series of Bloomberg Tradebook Buy-Side Forums. The series is designed to bring leading market players together to discuss the latest issues, trends and tools to help institutional investors succeed in the marketplace. For more information on Bloomberg Tradebook go to www.bloombergtradebook.com

Bloomberg Tradebook

About Bloomberg Tradebook

Bloomberg Tradebook is Bloomberg's agency broker that partners with the buy-side and sell-side to provide high-quality liquidity, market insight and customized solutions based on innovative technologies. Founded in 1996, Bloomberg Tradebook offers its customer base trading solutions for equities, futures, options, and foreign exchange (FX) to actively manage complex trading strategies across more than 100 global exchanges. By providing direct access to independent research analysts and commission management services, Bloomberg Tradebook provides clients with numerous ways to find and implement smart trading ideas. Bloomberg Tradebook is available on the Bloomberg Professional service.

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