



# "Eye on the Client"

## THE 2009 PROFIT & LOSS DIGITAL FX AWARDS



### Best Overall Platform

#### Deutsche Bank

#### Winner: Best Overall Platform

#### Winner – Deutsche Bank

By the time people read this, Deutsche Bank will probably have been crowned elsewhere as the

bank with the biggest market share – but to that crown it can add the opinion of both our user feedback and our discerning editorial staff that it has the best e-FX offering.

Autobahn is simply a truly superb FX platform that meets just about every need a client could wish for. From good, easy-to-use dealing functionality, it has a superb options platform, it has long been a leader in its order management technology, and allows users to trade FX futures and exchange for physical (EFP).

This year, to that already stellar package, it has added more execution functionality, in the form of algorithmic execution tools, the ability to trade its popular FX indices and baskets (which are configurable by clients as well as based upon Deutsche's own products), and the filling in of what were a few minor gaps in its offering.

Through the entire trade cycle the experience of trading on Autobahn is superb. It is difficult to judge the quality of bank research and strategy reports and as we state elsewhere, we don't try to, but we do look at how it is delivered. Not only does Deutsche deliver research and other pre-trade analytics in an easy to view format, it

*"Autobahn is simply a truly superb FX platform that meets just about every need a client could wish for."*

has a few neat little touches to boot, not least the availability of the "Top 10 Surprises" feature on its research offering. This may not seem important, but the availability of features such as this all add to the client experience and can be good for those that do not have access to, for example, a Reuters or Bloomberg terminal.

Moving into the execution phase, Deutsche offers something for everyone, including those who find a screen with streaming prices to five decimals a little "busy". A click turns off the fifth decimal place for GUI clients, making for a cleaner screen, although the extra decimal point is still available in a much smaller window above the main pane and, of course, clients that trade on the main pane do receive the benefit of the decimal place in the actual execution rate.

Also available are EFPs so clients can give trades up to an ex-

change, and first-rate order management tools, including Fast Orders, an innovative product that is hugely popular with clients. Indeed Deutsche has done a good job of recognising the golden egg that its Autobahn goose laid in Fast Orders, for it has extended its availability to any product it is streaming, including precious metals.

Autobahn's FX options screen is also easy on the eye, whereas some others can be a little "busy" to repeat the description. A wide range of options products are supported and can be executed either from the Vol Grid or the price discovery GUI. Underpinning all this is the bank's Expiry Blotter, which is, as far as we can tell, still unique in the banking world, providing as it does the ability to set auto-expiries on options to be cash settled or expired by individual option, by batches of options or the entire book.

Structured products have been rolled out over the past year as have options on precious metals.

Although still nascent, Autobahn's algorithmic execution tools look promising with the first iteration providing the client with a flexible range of parameters for executing business. A status window during execution means that the client is always aware of how the execution is proceeding and, importantly, only a click away from stopping the execution. Solver functionality is built-in to assist clients with the balance of their aggressiveness, and protection is available in the maximum spread parameter which ensures clients are not executed if a market gaps or disappears on one side. This may not appear important when dealing in the G3 currencies, and in all honesty it probably isn't, but move beyond that to currency pairs where liquidity and spreads are a little more volatile and this becomes all-important.

Once a trade is done on any execution tool offered by Deutsche Bank, it can be aggregated, rolled or split from the blotter.

We do not expect Deutsche to sit on its laurels and as noted it has several keen challengers for the position at the top of the e-FX tree; rather, we expect to see even more functionality rolled out over the coming year. To be the best, one has to maintain a level of excellence. Over the years, Deutsche Bank has achieved this and the result is an e-FX offering that just gets stronger every year.

To us, and many people we talk to, a stellar e-FX platform has to have (apart from the pre-requisite tight pricing and good liquidity) a simple, but strong, foundation in which the basics are done very well. To this, a range of tools and services needs to be added that vary in sophistication to meet the needs of the huge variation of clients that would benefit from using them. That platform is Autobahn.



## Best Leveraged Sector Platform

### Deutsche Bank

Winner: Best Leveraged Sector Platform

#### Winner – Deutsche Bank

Deutsche Bank has the advantage of coming to the game in strong financial health and much as we try to avoid judging such aspects of

a business in these awards, in this category that cannot be overlooked.

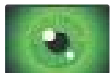
In terms of its prime brokerage offering it remains a good platform that will soon be enhanced and when it does it will propel the technology back into the world class bracket alongside the bank's liquidity profile. It also has the range of execution tools and access to liquidity that the leveraged sector demands and in Fast Orders it provides a segment that is notoriously sensitive to its business leaking out with an anonymous solution.

But it is around the edges that Deutsche really scores in this category – those areas that others have yet to tread. The leveraged community

often grew up in the futures world and are reluctant to leave it totally. They recognise the value of the liquidity available over the counter but they have a degree of comfort in trading futures. Deutsche provides the ability to EFP futures trades and effectively give them up to the exchange and that is a serious value-add for many clients.

Equally, more and more managers wish to express a single currency view so Deutsche makes its FX Indices available on Autobahn so that they are able to do so in a transparent and efficient fashion.

Finally, add in the capabilities of FX Select, the bank's managed account program, and you have a full service proposition. For many in the leveraged space, the issue regarding building a business is no longer access to market – that is a "given". It is more about structuring funds and providing access to a wider range of investors – a return to the original business of prime brokerage, which had an element of capital introduction as a feature.



## Best Retail Platform

### Deutsche Bank

Winner: Best Retail Platform

#### Winner – Deutsche Bank

Experience clearly counts for a lot when one is moving into a new area for the business, therefore Deutsche Bank, with its

dbFX offering, has learned a lot and developed an intuitive tool. It has been helped to an extent by the lack of competition among banks but that bland statement does not take into account the fact that in many cases its true competition is dedicated retail FX platforms.

It has been noted before that in certain areas of our industry the banks have occasionally suffered because they are such behemoths. A light, nimble firm working around the edges – much as some high frequency trading firms did before we rediscovered volatility – can extract a lot of value from the business.

So dbFX has to be up to the challenge – and it is. We have left the judging on this award mainly to users rather than have what could be a "mini-Autobahn" demonstrated to us, and the users like it. Available in seven languages, the platform has the natural advantage

of Deutsche's liquidity behind it (although that lead will inevitably be eroded to a degree as Citi penetrates deeper into the market), solid technology that is familiar to many users, and excellent risk management tools to protect investors from that most dangerous of influences – themselves.

Users are able to trade real-time on a screen with their existing margin shown in the same window, and as they move up the comfort scale and require a more sophisticated look, it is available.

Several institutions that are reluctant to enter this space directly are wary due to what they perceive as reputational risk. Indeed, with the US authorities in particular clamping down on retail fraud it is inevitable that for some time there will be a rash of headlines that could lead uninformed people to surmise the industry needs cleaning up. There is always a need to be as clean as possible of course, and what we are seeing is, we believe, a necessary and painful process required to weed out those who would besmirch the reputation of the industry.

With this in mind, dbFX has to offer the client as much protection as possible; and with easy-to-understand margin, limit order and general risk management tools, the bank delivers.



## The 2009 White Label Award

### Deutsche Bank

Winner: The 2009 White Label Award

#### Winner – Deutsche Bank

Years ago, the editor of this publication sat on a panel with Vikas Srivastava, then global head of e-FX at Citi-

group, during which Vikas expounded his theory of "different shades of white label". At the time the message did not really get across mainly because people were unwilling to listen but (and this is one for British football fans) he was the Martin Peters of e-FX (10 years ahead of his time)!

This has become a really difficult area to pin down because Srivas-

tava's predictions were right. Client banks (and other liquidity providers) are now taking different aspects of a bank's service rather than throwing their lot in with a single provider. The collapse of Lehman Brothers and concerns over the financial health of other banks means that a liquidity provider may be unwilling to put all of its eggs in one basket – hence shades of white label.

Several banks still offer a service and all offer flexibility of tools and services, but our winner is Deutsche Bank because, as more than one client suggested, alongside the great technology you at least can sleep easy knowing it is still there in the morning!