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Best algo trading technology vendor: FlexTrade

Algorithmic execution, once the exclusive domain of the equity markets, has made big strides into the foreign exchange market in recent years, as banks and technology vendors compete in the provision of the smartest algo tools to help the buy side cut costs and time.

Algo technology has been a core part of the capabilities of FlexTrade Systems since the late 1990s, but in line with industry developments, the vendor has had growing success in the FX market over the past two years, both through traditional deployment channels and white labelling.

FlexTrade's FlexFX product gives users access to liquidity across banks, electronic communication networks and exchanges through a number of intelligent trading strategies. It also offers user-defined analytics and real-time risk management tools, as well as smart order routing. According to Jamie Benincasa,

senior vice-president at FlexTrade in New York, it is the push for greater transparency in the FX market that has increased demand for algorithmic tools.

"FX trading is receiving significantly more attention compared with when it was considered more of a back-office function. At that time, traders would square up hedges at the end of the day with custodial banks. That practice provided little to no transparency, but things have changed significantly. Now there is demand for more transparency and traders want to take active control of their FX orders," says Benincasa.

FlexTrade's technology is offered through the cloud, which Benincasa believes sets the vendor aside from some competitors that are confined to standard delivery channels.

"One of the three main things that sets us apart is our cloud-based offering,

which has been enhanced significantly by global hosting facilities with links to liquidity providers that our clients are able to easily access. As well as our cloud storage, we've also created a multi-instrument offering so clients can react to price improvement opportunities while accessing liquidity that is available from different markets" says Benincasa.

FlexTrade's clients feel the company is making serious inroads into the FX algo space, particularly applauding its interoperability and user-friendly customisation.

"FlexFX is clearly making serious progress in developing its market share. It has invested heavily in enhancing and building out new technology, which has been met with a fantastic response from market participants. They do things that clients want and are able to target different client bases," says one of the vendor's London-based clients.  **Robert Mackenzie Smith**