



## BOX to Launch Realized Volatility Options Under VolX License Agreement

BOX Options Exchange is moving closer to launching its first set of options based on realized volatility. The exchange entered into an exclusive licensing agreement with the VolX Group last fall and in February it announced that its first product will be options based on the realized volatility of the S&P 500 index.

Most options traded on U.S. exchanges are based on implied volatility. BOX said these contracts will be the first exchange-traded options based on the actual volatility of the broad U.S. equity market. The new contracts will expire at the same time as standard weekly, monthly and quarterly options and will provide a more effective hedge than implied volatility options, BOX said. BOX said it plans to list the options once it receives approval from the Securities and Exchange Commission.

“Functionally, these are very different products than those based on implied volatility. They will provide a clean, robust and effective hedge for market participants,” said Tony McCormick, chief executive officer of BOX.



TRADING TECHNOLOGIES

## Trading Technologies Partners with Quantitative Brokers for Algo Trading

Trading Technologies International, one of the leading vendors of trading systems for futures, is opening up its platform to other providers of algorithmic trading tools. In February TT announced that it has partnered with Quantitative Brokers, a provider of algorithmic trading tools designed specifically for fixed income futures, and is planning to add support for other broker algorithms.

“Our customers are excited about the ability to gain access to Quantitative Brokers’ suite of industry-leading execution algorithms through the TT platform, and we’re excited to launch our new algo framework and welcome QB as our first partner. By integrating with third-party algo providers like QB, we can extend the range of execution choices available to every TT user,” said Rick Lane, CEO of Trading Technologies.

The two companies said that once the QB algorithms are integrated into TT’s platform, TT customers will be able to access QB’s fixed income and futures algos alongside TT’s existing synthetic order types and deploy them all from a single desktop, web or mobile interface. The QB functionality is currently in beta testing and scheduled to roll out to TT users later in the year.

Quantitative Brokers is an independent agency broker that offers four algos—bolt, strobe, the roll and legger. The company supports trading on several futures exchanges in the U.S. and Europe as well as in the cash Treasuries market.



### JPX and SGX Launch Co-Location Link

Japan Exchange Group and Singapore Exchange on Jan. 28 announced that JPX-SGX co-location direct service will begin in April. This follows a letter of intent signed between the two exchange operators in December.

The JPX-SGX co-location service will offer straight-through international network connectivity between the exchange's co-location data centers in Tokyo and Singapore. Global customers will have greater cost efficiencies and low latency market access to both trading venues via this service, with KVH and NTT Communications as the appointed carriers.

"We are particularly pleased with the creation of this new infrastructure service, which will provide the foundation for a bridge between the two exchanges going forward," said Atsushi Saito, chief executive officer of JPX. "We hope it will serve to boost both markets by enhancing the convenience of trading participants and expanding trading opportunities."



### ASX to Upgrade Trading Platform

On Feb. 12 ASX announced that it will upgrade all of its major trading and post-trade platforms over the next three to four years. The upgrade will be implemented in phases, starting with the replacement of the Australian exchange's derivatives and equities trading platforms, risk management systems and market monitoring systems. This is expected to take 18 to 24 months. ASX said it will start with the replacement of ASX Trade24, the proprietary platform that the exchange has used for most of its futures and options since 2007. Cinnober Financial Technology will provide the new platform. ASX also plans to upgrade its post-trade risk management technology, including the central margining engine which supports ASX's two clearinghouses.



### SunGard Targets European Power and Gas Markets with Software Acquisition

SunGard on Feb. 4 announced the acquisition of Energeya, an Italian company that provides software for companies in the physical European gas and power markets. Upon closing Energeya and its XDM platform will become part of SunGard's energy solutions focusing on the mid- to lower-tier utilities and large industrial companies.

Energeya was founded in 2008 and provides a range of solutions for companies trading power, gas, oil, emissions and renewables. SunGard said its customers will gain access to a dedicated compliance solution as well as expanded energy data management, forecasting and portfolio optimization capabilities.

"There has been significant activity in Europe's gas and power industry with the opening up of new markets and globalization of liquefied natural gas," commented Andrew Bateman, president of SunGard's energy business. "Additionally, regulations like the European Market Infrastructure Regulation and the Regulation on Wholesale Energy Markets Integrity and Transparency are continuing to be major drivers for system selections with regional firms. Better access to these firms creates a strong strategic fit to help drive growth for the energy business in Europe."