

TORA triumphs amid market consolidation

Buy-side firms are moving swiftly to re-evaluate their portfolio management, trading and compliance requirements in the wake of last year's wave of order and execution management system (OEMS) consolidation, which is proving to be a boon for firms remaining resolutely independent.

Through 2018, investment banks and software companies moved to acquire a number of larger independent OEMS/EMS firms. New or potential clients of the freshly acquired OEMS/EMS firms may have real concerns about the possibility of product roadmap promises going unfulfilled, the emergence of conflicts of interest and be right to question the quality of ongoing client support and data privacy into the future.

Without the distraction of acquisition, TORA has remained firmly focused on its clients, with its ongoing independence from any big firm offering a counterbalance to the market uncertainty unleashed via 2018's spate of acquisitions. In the first-half of 2019 TORA was selected by two significant buy-side managers to support their investment and trading operations.



Global multi-manager **Schonfeld Strategic Advisors** implemented the TORA OEMS in its Asian offices as a replacement for its legacy platform. The \$26 billion asset manager made the choice after running the two platforms side-by-side for two years. Schonfeld is also using TORA Ticketing to support critical middle and bank office functions, including post trade allocations.

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TORA also gained further traction in Europe, with Zurich-based **Systematic Investment Management AG (SIMAG)** selecting the firm’s OEMS, and portfolio management system. SIMAG is a joint venture between Credit Suisse and the Swiss Federal Institute of Technology, which was searching for a cloud-based OEMS and PMS for their sophisticated, artificial intelligence-based strategies.

Commenting on the changing needs of investment firms, Aite Group analyst Spencer Midlin said its research revealed buy-side firms where focusing harder on their platform technology providers.

“The OEMS industry has seen a number of consolidations in recent years which has pushed many firms to consider if a platform upgrade makes at this time,” he said.

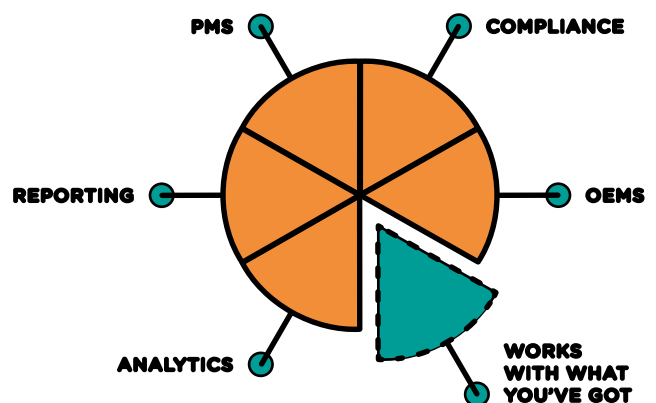
“Firms such as TORA that focus on the latest technology, bespoke client service support and scalability have become increasingly attractive.”

A major point of difference is that TORA’s solutions have been fully cloud-based since inception. This allows for faster and easier implementation and deployment, simpler integration with other systems, less disruptive upgrade processes, and means that it can be easily scaled up or down as needed- significantly lowering total cost of ownership (TCO).

Unlike its competitors, TORA developed its platform inhouse, allowing it to work on a single, unified codebase. Other solutions have resulted from acquisitions whereby the acquirer combined its OMS with the acquired EMS, or vice versa.

These bolt-ons result in two completely different systems, which essentially means the client ends up with two different products, two sets of support and two development queues. From an IT perspective, products with mixed codebases are notoriously unreliable, and often are difficult and time-consuming to troubleshoot when problems arise.

In a further sign of success, TORA last year grew its revenues by more than 20 per cent, increased its staff by 10 per cent and supported clients’ trading of over \$100 billion per month on average.



Access your historical trade data now

Many of you have been telling us recently that you would like to access your **past or historical order** and execution data to help inform your investment and trading strategies. In response to this demand, we are pleased to announce that access to such data is now possible directly from the TORA OEMS.

As part of a new platform upgrade you can now search for historical parent and child orders and view executions based on different criteria such as time interval, ticker, broker, fund, account and strategy.

Prior to this upgrade, **you would be able to access this type of data solely through bespoke reports**. This manual process is now automated, and post-trade order data is **linked to intra-day trades** on the OEMS dashboard. This will allow you to link historical trades with other OEMS **features** available in the dashboard. For example, you will be able to open a chart for an instrument traded a few days ago and compare those execution prices to current day executions. From a technical perspective, the historical data is provided through new dedicated blotters which have been seamlessly integrated into the TORA OEMS dashboard, visually presenting past and present data in one place. You can now build charts and analytics on the spot in the same application.

Client specific instrument tagging now live

You now have the power to import your own data, broker provided data or that which you purchase from other data providers and merge it with the data that is already in the TORA OEMS.

The result of this enhancement is the ability to generate powerful analytics in both the trading and portfolio management components of the platform to help you construct your trading and investment strategies.

This enhancement was a response to your requests to have functionality introduced that would enable you to easily tag securities so that you could sort and group them in the future. Being able to easily maintain these tags and share them across users in the same group was also a request that we have also been able to accommodate.

By way of example, hedge fund clients, which have internal categorization criteria for the instruments they trade, can “bucket” their portfolio into different categories and use tags to follow groups of instruments and corroborate it with data inside the TORA OEMS.

TORA is also excited to enable you to add specific data into the TORA pre- and post-trade compliance tool, strategy engine and other backend modules to further extend these capabilities.

How AI is shaking up investing, trading and fintech

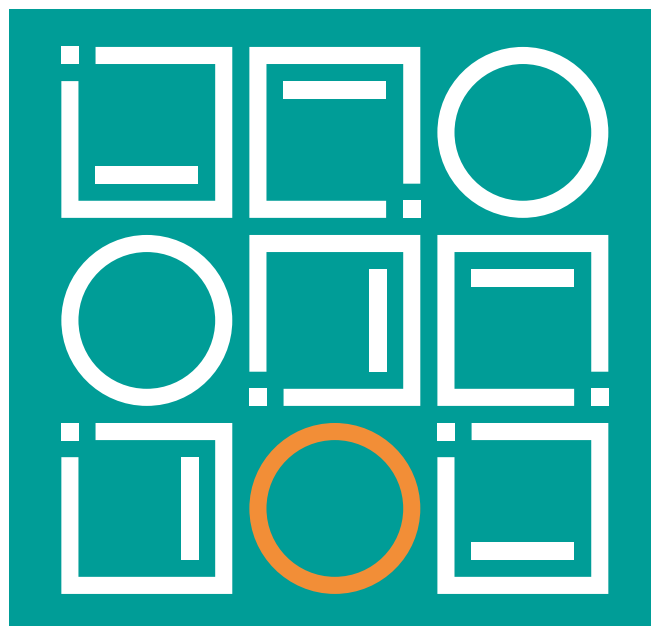
Artificial intelligence (AI) technology is spurring a transformation in the global economy with the impact on investment strategy and automated trading technology just beginning to be felt.

The buy-side is already amassing huge amounts of 'alternative data' to improve investment decision making and asset allocation, but for those early adopters in the trading community the potential for transformation is clear.

Within the TORA business we are using an array of scalable AI technologies to improve efficiency for our internal operations- this includes account management, automated quality assurance and client service. We also use Big Data to manage our internal development and product management processes, and chat-bots for various human-computer interaction tasks.

AI technology is also helping firms meet a range of much more stringent regulatory standards- one being MiFID II which has forced firms to show they have taken "all sufficient steps" to achieve best execution.

TORA in 2018 launched a quantitative execution strategy optimizer called AlgoWheel which uses AI to help the buy side achieve this new requirement. TORA's pre-trade Transaction Cost Analysis (TCA) solution uses a



machine learning powered algorithm to evaluate each order, using its analysis in conjunction with the AlgoWheel.

We believe the transformative power of AI will be profound and be as universal as the internet is now. While the use of technologies like machine learning in trading is still in its infancy, there is much to be gained for asset managers employing an AI strategy, and, using AI-driven platforms to gain a first mover advantage.

[Click Here](#) to read our full thoughts on AI and the future possibilities for alternative data, trading and investment strategy.

Transaction Cost Analysis (TCA) is Moving Upstream

Transaction cost analysis (TCA) has evolved from being an after-the-fact, report card-type exercise to one of the highest and most informing real-time trading and investment decisions inputs.

Beginning in the mid-1980s, asset managers began using post-trade TCA to determine which of their brokers were executing the most cost-effective trades via data set out in monthly reports. Take-up is now well-entrenched with a 2019 report by Greenwich Associates revealing that 88 percent of equity trading desks now use TCA,

The introduction of regulations like MiFID II, running parallel to the emergence of new AI technologies, has pushed firms to find better ways to measure trades and formalised many processes already taking place across the institutional investment industry.

Pre-dating MiFID II, TORA in 2017 launched a pre-trade TCA solution that uses machine learning to examine the core attributes of a trade to estimate market impact. Shortly after we launched our AlgoWheel, a quantitative execution strategy optimiser that uses AI to help firms implement a data-driven broker selection process.

Where TCA had historically been closely associated with ensuring trading decisions were being implemented cost-effectively, it is now central to the entire investment decision-making process and is even a key source of information during discussions of a fund's overall strategy.

With access to modern pre- and intra-trade tools, firms are now evolving from a manual "waterfall" approach; where independent cost analysis is conducted at various stages of the investment process, to an agile methodology where costs are being calculated, and trading adjustments are being made, in real-time.

[Click Here](#) to read our full thoughts on the evolution of TCA and the accompanying AI-powered tools that are helping traders make better, more time-sensitive decisions.

TORA is a cloud-based front-to-back office technology provider for the buy-side. TORA provides everything you need to run a fund: portfolio, risk, order and execution management systems, and compliance and analytics engines - all built in-house and available individually, or as an integrated, unified platform.

TORA.COM



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