

# A Closer Look at the TORA & EBS Partnership



Fireside chat with  
**Tom Mullooly**  
HEAD OF US SALES

**Earlier this year, TORA announced a collaboration with EBS, the leading FX electronic trading platform provider, to provide access to EBS's FX liquidity through TORA's multi-asset order, execution and portfolio management system (OEMS).**

This collaboration enables market participants to connect directly to their Liquidity Providers (LP's) via EBS from within the TORA OEMS. This means that they can now view and trade FX side by side with all other asset classes, all through a single platform.

In this Q&A, **Tom Mullooly**, Head of US Sales at TORA Trading Services, discusses the new partnership, and what it means for TORA's clients.

**Tom, can you tell us the reasons that TORA and EBS decided to collaborate, and what the partnership offers?**

The partnership was set up to expand TORA's multi asset OEMS offering. TORA's platform already offers advanced functionality across multiple asset classes that delivers clients with leading customized order management and execution,

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allocation management, and post-trade analytics.

The system also offers extensive automated cross asset pairs trading, smart order routing, pre-trade risk controls, real-time position management, and P&L tracking in one single interface. Users are able to utilize TORA's FIX network to connect into global cross asset trading platforms and brokers for greater liquidity access, and ultimately improve their trade execution quality.

However, over the last few years TORA's clients have moved away from the legacy point to point FX trading normally via their prime broker toward an aggregator model. By collaborating with EBS, TORA's OEMS can execute and monitor trades across hundreds of FX providers. EBS was the perfect collaboration for TORA as they have been the leading global provider of primary aggregated FX liquidity since inception in 1990.

TORA was faced with a decision as to whether we should create individual connections out

to the FX endpoints and liquidity providers (LPs), or if we should team up with a partner that had already done that heavy lifting. We determined that a partnership was the best approach, and we chose to work with EBS as the world's leading FX trading platform.

From a complimentary standpoint, it also made a lot of sense to both parties. For TORA and our clients, we've been able to expand our asset class offering to include FX. And for EBS, the collaboration has allowed them to expand from being FX only, to now offering all the other asset classes that TORA provides - equities, fixed income, derivatives. From a PMS perspective TORA's real time GL and SWAP financing also hugely benefit from a more advanced FX feature set.

The collaboration brings EBS specialisation in FX, and TORA's multi asset OEMS specialisation into one system. The two combined together offer a very powerful solution.

**What exactly have you integrated into TORA as a result of the collaboration?**

TORA's multi-asset OEMS has directly integrated both of EBS's main liquidity pools: EBS Market, which is their central limit order book (CLOB) all-to-all anonymous liquidity pool; and EBS Direct, which is their disclosed relationship-based bank-to-client facilitation of liquidity, offering access to 55+ LPs. Both of those liquidity pools are now available directly through TORA.

That's pretty exciting, because TORA clients can now see a true top of book across those two pools for FX spot, forwards, swaps and NDFs, side by side with all of the other global asset classes and leading functionality available in TORA.

**What kind of clients are TORA targeting with this partnership, and how will they benefit?**

At TORA, we have clients spanning both the sell side and buy side. We pride ourselves on being able to appeal to smaller hedge funds wanting to scale, and also provide greater workflow and multi trade desk efficiencies for large asset

managers. So, we really do target firms from new startups at the lower end of AUM, all the way up to and including established hedge funds and institutional asset managers that have several hundred billion dollars under management.

Anyone who needs a single cross asset solution, with an order management system, an execution management system, and a portfolio management system, or any one of those component parts, will benefit from having the integration between TORA and EBS.

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**What features and functionality does the TORA/EBS integrated solution offer?**

TORA's clients can access a global multi-asset, single sign-on solution that shows a consolidated, aggregated view of cross asset liquidity, accessible via our intuitive & customisable UI or through our API. Every asset class is updated in real time and offers advanced trading technology tools.

TORA's platform offers advanced functionality beyond a standard OMS, EMS & PMS. The platform delivers pre-trade risk controls, real time compliance management, advanced algos and TCA tools.

The integration with EBS offers a whole new array of possibilities when managing a portfolio with an FX component included. If there's a currency exposure that arises from a pairs or basket trade for example, that can be offset immediately through an FX hedge transaction, with clients accessing EBS's FX liquidity pools without having to switch between platforms to execute trades.

**How does the solution interact with some of your other advanced trading functionalities?**

A good example is our pairs trading algorithm, and unlike most other pairs algos, TORA is multi asset and multi currency. Which can sometimes create a hedging issue, so now our clients can utilize the EBS relationship to help with that. Another added

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benefit is this allows clients to trade FX away from the brokers used in the pairs trade, which can help with both costs and anonymity.

It is so simple to use, that all our clients need to do is select the FX base currency and counterparty from our intuitive dashboard. Then as the system is filling the orders it automatically calculates the live FX exposure and creates orders to maintain the FX hedge within the parameters.

### **Why is the new offering of particular interest to traders?**

TORA's all in one solution will make workflow much more efficient and deliver economies of scale for smaller firms. Traders can consolidate and simplify their workflow by standardising fragmented trading platforms across multiple asset classes into one unified solution.

The market is waking up to the fact that traders shouldn't have to log on to one platform for equities, another for futures and yet another for FX. It's inefficient for traders to have all these disparate systems, particularly if they're trying to consolidate execution and add efficiency via multi asset baskets, for example.

to gain visibility into where their flow is going to better understand how it's being interacted with.

That kind of intelligence allows both sides to feel better about the way they trade. Furthermore, EBS's post trade analytics into the optimization of FX liquidity are second to none.

### **Finally, how do clients access the new solution?**

For existing TORA clients all they need to do is reach out to their dedicated professional service manager to add FX into their configuration. This will usually take a couple of days to add an additional asset class.

For new clients, once the client has the necessary agreements in place, we start the implementation. There is a very simple onboarding process, where the client accesses TORA's cloud based solution through a very light desktop applet. The client tells us which asset classes they trade and which endpoints they need, in terms of who their prime broker (PB) is and which executing brokers and LPs they need to access. We then co-ordinate access to FX liquidity with EBS, who go through their own checks and balances to make sure that the client has the necessary agreements in place with the relevant PB and LPs.

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Also, now that many professionals are working from home, desktop real estate is a real issue. So being able to access everything through a single platform makes sense not just from a trading perspective, but also from a compliance, risk, support and even a cost saving standpoint.

Another key aspect of TORA's collaboration with EBS is that it's of value to both sides of the market, not just the end users on the buy side, but also their LPs. EBS is a market leader in terms of FX execution analysis and post trade reporting and analytics. They do a lot of data mining on the interaction between liquidity consumers and liquidity providers, and they have a team of liquidity managers to help facilitate liquidity optimisation.

This is where execution analytics come into play. Traders on the buy side can rank their LPs by a range of criteria, such as currency pair, time of day, size of trade, and so on. Ultimately, enabling LPs

The final step is then to incorporate all of that into the client's profile, so that anything that's enabled on the EBS side becomes visible within the TORA UI. The implementation process is seamless between the non-FX assets and the FX liquidity delivered through EBS Market and EBS Direct. The client is then able to see everything in one consolidated UI, or to access it all via a single API.

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