

# Banks without Borders

*Firms migrate from FIX engines to FIX 'ecosystems.'*

By Steve Marlin, Markets Media

**A**s cross-border business transactions accelerate in the post-MiFID world, banks are adopting technology to manage their increasingly decentralized FIX infrastructures.

FIX, a financial messaging standard that's managed by FIX Protocol Ltd., is used to communicate trades and associated information between the parties to a transaction. Over the years, firms have employed FIX "engines" to manage the creation and distribution of FIX messages, both internally and externally.

However, the rapid growth of high-speed trading, with the attendant capability to span continents, has required firms to extend their FIX engines into a "FIX infrastructure" or "ecosystem."

An example of a FIX ecosystem is CameronTec's Catalys, an approach to FIX connectivity that CameronTec brought to market about 15 months ago and which has progressively built a following in the market.

The principle behind Catalys is straightforward, Max Colas, Chief Product Officer at CameronTec, told Markets Media.

"Trading via FIX used to mean carrying some message data in the FIX format from the buy-side to the sell-side, or the sell-side to the exchange etc.," he said. "This is no longer the case."

The fragmentation of liquidities at a global scale, the sophistication

of execution strategies and the imperatives of risk management, resilience and transparency have redefined execution as a function of a composite list of FIX data – the order details as recorded in the FIX message – and data around the trading data – the latency of the FIX links, the risk materialized by the order, the reliability of the electronic link to the proposed execution venue etc.

"FIX data and data around the FIX data thus cannot be addressed separately," said Colas. "The convergence of correlated trading data dictates a joint approach materialized by a transversal model for data management and the provision of transversal functionality to address them. This transversal, symbiotic approach to data and functions is the FIX ecosystem."

In practical terms, Catalys covers all the functional needs of the ecosystem, Colas said: FIX management over scattered nodes, testing through a powerful framework that uniquely addresses the multidimensional aspects of the ecosystem, on-boarding and certification through a portal, events management through an advanced events processing service, logs centralization, configuration, authentication, inclusion and data mining.

"Catalys is to the FIX engine what the molecule is to the atom- a more advanced, powerful evolution that opens an new chemistry of possibilities that the underlying components in isolation could not achieve," said Colas. Hamburg-based Berenberg Bank is

migrating its CameronFIX engine to the Catalys FIX infrastructure solution. Catalys will provide Berenberg Bank



**Max Colas, CameronTec**

with a FIX environment to address the complexities around managing its decentralized FIX infrastructure.

"Recognizing the additional capabilities available with Catalys for managing our business both in and outside Germany, we believe the migration will provide us with further enhancements to effectively provide better services," said Carsten Paschilke, head of external systems at Berenberg Bank. "Greater speed and reliability will be a clear advantage when connecting to our various counterparties and exchange destinations."

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