



GENERATING **CAPITAL MARKETS** IMPACT

# Asian exchange gets new trading platform to bolster growth and drive innovation



**Client**

A leading Asian securities exchange

**Industry**

Capital markets

**Business need addressed**

The replacement system eliminated the risk of operating on a non-supported trading platform and required interconnectivity with internal and industry participants' systems. The client strengthened its market position with the on-time launch of a fully integrated, robust multi-asset class modern trading platform

**Genpact solution**

- End-to-end-implementation of single trading platform to integrate various asset classes with improved performance and scalability
- Genpact's program management team guided implementation through the infrastructure, deployment, development/system integration, and user acceptance phases

**Business impact**

The new platform ensures exceptional performance with proven sub-millisecond latency and record-breaking throughput. Genpact's proprietary trading platform test suite helped reduce the test case execution time by 50%

A leading Asian securities exchange needed a single trading platform to integrate various asset classes with improved performance and scalability. The replacement system would eliminate the risk of operating on a non-supported trading platform and required interconnectivity with internal and industry participants' systems. Core requirements for this implementation were capacity expansion for greater transaction volume at faster speeds, improved functionality for market opening and data features, and a scalable and reliable environment. Strong project governance ensured the project was completed on time and within budget. The client avoided obsolescence risk and strengthened its market position with the on-time launch of a fully integrated, robust multi-asset class modern trading platform.

## Business challenge

A leading Asian securities exchange needed a single trading platform to integrate various asset classes with improved performance and scalability. The previous trading engine had reached the end of its product roadmap: Software and hardware maintenance was set to expire soon. The replacement system would eliminate the risk of operating on a non-supported trading platform and required interconnectivity with internal and industry participants' systems.

A firm go-live date and reliable performance were crucial to the project's success. To ensure successful implementation and quality assurance (QA), a strong governance structure and testing regimen were cornerstones of the project plan.

## Genpact solution

End-to-end-implementation included replacing the trading engine and the impact on satellite systems, building out the necessary frameworks to minimize the impact on the core systems, and managing external impact with industry participants and regulatory bodies.

The client purchased licenses for a replacement system, and Genpact's program management team guided implementation through the infrastructure, deployment, development/system integration, and

user acceptance phases. There were three core requirements for this implementation:

**Capacity expansion** - The new trading platform is expected to support greater transaction volume and a multiple times faster order matching speed. This will accommodate future growth, especially from sophisticated trading activities such as algorithm trading, program trading, and direct market access (DMA).

**Functional expectations** - The platform can open for trading from the pre-opening stage within 5 seconds (vs. up to 30 seconds for the legacy system). Market data features require multiple levels of market depth and data channels. This allows for need-based subscription by the participatory organizations (POs) and information vendors (IVs).

**Technical expectations** - A scalable and reliable environment is essential for the POs and IVs to test and integrate their systems. For faster turnaround time and a comprehensive test environment, the system must have real-time data synchronization with automated procedures for swift recovery. Zero impact on the marketplace is expected in the event of a component failure.

Strong project governance helped remedy past issues with project management, quality assurance, and systems integration. Genpact proposed a project governance structure to ensure the project was executed on time, within budget, and with proper communication to stakeholders. A guiding principle was the importance of engaging the market participants early in the project, based on a comprehensive engagement and communications plan.

Three main bodies shared responsibility for project governance. A **Project Steering Committee (PSC)** approved the implementation strategy, along with advising on changes to the business model, policies, and budget structure. Oversight of the implementation process, including decisions on deliverables, issues, and change requests, was also the purview of the PSC. Reporting to the PSC was a **Project Management Committee (PMC)**, which managed the implementation, budget, and utilization. Coordinated with implementation, a

communication plan involving internal and external stakeholders was the purview of the **Stakeholder Engagement Communication Committee (SECC)**.

Two key influences on system reliability were change management and quality assurance. The governance bodies maintained a strict decision-making process for customization requests to ensure alignment with international practices. The number of customizations was reduced by 75%.

Genpact handled the entire quality assurance process from performance testing, user acceptance testing, and industry-wide testing to business continuity testing and pre-go live testing. A proprietary test bench included trading platform test suites that helped reduced QA cycle time significantly. User acceptance testing was based on test scenarios and cases agreed upon by the client and product vendor.

A successful launch required close coordination among all internal units and external industry partners. A launch organization handled the key

work areas and approvals from industry-wide testing through the countdown steps, the go-live phase, and the transitions that followed. The organization attained all milestones of the launch plan execution phase in time for the target date.

## **Business impact**

The exchange now has a fully integrated, robust multi-asset class trading platform that ensures exceptional performance, with proven sub-millisecond latency and record-breaking throughput. Genpact's proprietary trading platform test suite helped reduce the test case execution time by 50%.

With timely and successful completion of the project, the client avoided a major risk of running its trading operation on non-supported and non-certified infrastructure. The new trading platform also bolstered the client's standing in the ASEAN financial community.

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## About Genpact

Genpact (NYSE: G) stands for “generating business impact.” We design, transform, and run intelligent business operations including those that are complex and specific to a set of chosen industries. The result is advanced operating models that support growth and manage cost, risk, and compliance across a range of functions such as finance and procurement, financial services account servicing, claims management, regulatory affairs, and industrial asset optimization. Our Smart Enterprise Processes (SEP<sup>SM</sup>) proprietary framework helps companies reimagine how they operate by integrating effective Systems of Engagement<sup>TM</sup>, core IT, and Data-to-Action Analytics<sup>SM</sup>. Our hundreds of long-term clients include more than one-fourth of the Fortune Global 500. We have grown to over 68,000 people in 25 countries with key management and a corporate office in New York City. Behind our passion for process and operational excellence is the Lean and Six Sigma heritage of a former General Electric division that has served GE businesses for more than 16 years.

For more information, contact, [capitalmarkets@genpact.com](mailto:capitalmarkets@genpact.com) and visit [www.genpact.com/home/industries/capital-markets](http://www.genpact.com/home/industries/capital-markets)

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