

Analytics, Algos and AI Begin to Drive Institutional Trading Flows

2019 Greenwich Leaders: U.S. Fixed Income

September 18, 2019

Executive Summary:

Q3 2019



U.S. fixed-income dealers are investing heavily to meet investor demand for electronic trading. But the nature of that demand is changing. Institutional investors today aren't just looking for electronic execution. Instead, they are increasingly looking to partner with dealers who have sophisticated pre- and post-trade analytics, deep data and advanced electronic tools.

As one investment manager describes it: "A big focus has to be a willingness to provide some form of streaming data. It could be levels; it could be some form of market analytics. It could be some form of a dashboard or web-based interface where I can slice segments of the market and make all the information digestible and at our fingertips."

All of the 2019 Greenwich Share LeadersSM in U.S. Fixed Income have continued investing in their electronic offerings with the features and capabilities required to meet those changing needs and attract institutional trading volumes.

Methodology:

Between March and May 2019, Greenwich Associates conducted 954 interviews with institutional investors active in fixed income in the United States. Interview topics included trading and research activities and preferences, product and dealer use, service provider evaluations, market trend analysis, and investor compensation.

The data reported in this document reflect solely the views reported to Greenwich Associates by the research participants. Interviewees may be asked about their use of and demand for financial products and services and about investment practices in relevant financial markets. Greenwich Associates compiles the data received, conducts statistical analysis and reviews for presentation purposes in order to produce the final results. Unless otherwise indicated, any opinions or market observations made are strictly our own.

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