

Digitizing an FX trading system requires far more than real-time data

Union Bank of the Philippines (UnionBank) is one of the country's largest digital banks. Its vision of using digital services to touch a wider consumer base and promote a more inclusive economy makes it highly regarded throughout Asia. In line with its digital transformation strategy, the bank set out to transition its FX service from manual to digital. The company tells us why such transition entails far more than real-time data.

Outdated service detracted from vision

Until recently, our internal foreign exchange trading was done manually. The process was onerous – very much the antithesis of our company's bigger digital vision. First, a single branch would have to call our centralised traders for a quote. Getting through could be quite the challenge. If they liked the price, the branch employee then had to input their transaction manually. So building a more fluid, on-demand digital FX trading platform would enable us to deliver a better customer experience and remove siloed internal systems. And for this, we needed a partner that would go beyond the provision of real-time data.

“

Building a more fluid, on-demand digital FX trading platform required more than just access to real-time data.

Functionality is as important as real-time data

While Refinitiv has become the data partner of choice here in the Philippines, we knew we could source data from a range of providers. Yes, Refinitiv had a platform that would take care of real-time rates and straight-through processing (STP) – and this would enable us to be more efficient and speed up transaction times. But besides the data, there were other crucial considerations:

1. Their platform is helping us with other essential functionalities such as defining spreads and tiers and executing on client trades.
2. They are equipped with all the latest tech and application development, enabling us to get their system talking to ours through their APIs. This open approach resulted in a seamless integration into our core banking systems, which aligned with our agile delivery strategy.
3. Obvious as it sounds, a financial institution like ours cannot take risks. We already had a good experience with Refinitiv in other areas such as ethical screening. But the fact that they are used by a lot of international and central banks gave us total comfort in working with them – we knew they had the experience and the expertise to deliver.

“

Their platform enables essential functionalities such as defining spreads and tiers, as well as executing on client trades.

Where to next?

Working with a partner that is willing to learn and adapt to how we do things has opened up many other possibilities. As a consequence of our experience with Refinitiv, we already have plans for a phase two roll-out for the trading platform. We are now working on delivering the same online rates to other digital channels in the bank such as our retail and corporate clients. We are also excited about the fact that once we have implemented the FX platform, we can work with Refinitiv to improve processes elsewhere – and deliver on our vision of a more advanced, inclusive digital economy. ■

“

Seamless integration into our core banking systems aligned with our agile delivery strategy.

*Read more about
Refinitiv real-time data
and other services at
refinitiv.com*