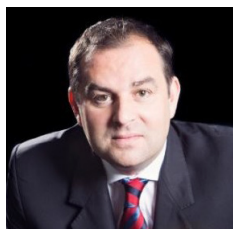


# THE RELENTLESS RISE OF REAL-TIME DATA



**Rob Lane**  
Head of Real-Time Data &  
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Rob has worked in the financial markets for over 20 years, with a focus on market data and trading infrastructure within the low latency space.

He started his career in sales and subsequently has held various global management roles covering product, proposition and business management.

He now leads the Real-Time Feeds proposition, which offers Direct Feeds to customers to help power their electronic trading applications.

Demand for real-time data is growing fast as financial firms face regulatory, trading, operational and competitive challenges. Rob Lane, head of real-time feeds at Refinitiv, discusses the changing data needs of banks and buy-side firms and how the cloud is helping improve access to a key source of competitive advantage in pursuit of more informed and agile decision-making.

## What is driving demand for different types of data feeds in the current environment?

**Rob Lane:** Demand is increasing across the financial spectrum. Banks have always had a thirst for data but we've seen a notable uptick from the buy-side too. Around 78% of buy-side firms, for example, say they will use more market and reference data over the coming 12 months, according to the Refinitiv Connected data survey.

In serving institutional, wealth and retail users, buy-side firms are looking for different ways to generate alpha. Access to the right data means better-informed investment decisions.

Refinitiv manages 90 million instruments on its platform – and we are continuously adding new datasets. We offer tailored data solutions to a range of financial communities to meet their data needs. Users in the trading or risk communities have different needs from those in wealth or retail, but they all require data to power their applications. Our customers in trading, for example, use data to power their algorithmic trading, risk analysis and backtesting.

Two important trends have become more prominent: users require data consistency across the front, middle and back office; and they want access to the feed and the underlying information as quickly and efficiently as possible.

We are also seeing a growing appetite among buy-side firms to take ownership of their data. This has been partly driven by regulatory requirements, such as the revised Markets in Financial Instruments Directive's (Mifid II's) transaction reporting and best execution requirements, but also the desire for greater control and cost efficiency.

## In which sectors of the market is Refinitiv seeing most demand?

**Rob Lane:** Whether trading, compliance, regulatory, risk or wealth, financial firms want more data, and they want data they can access quickly. Our customers need high-quality data that is consistent across the front, middle and back offices, whatever the data may be. It's not a case of one area dominating – demand is growing across the board.

Financial firms demand easy access to data. And whether it is low-latency, end-of-day or reference data, first they need an application programming interface (API) and data model that will enable them to use the data more consistently across the organisation and for different applications. We work tirelessly to simplify the customer experience.

We have to consider how data feeds benefit different users. Traders, for example, will require higher- or lower-latency data for different situations, whereas risk users may need to unlock additional data feeds to analyse specific scenarios. The amount of data fields we deliver is important, and will vary depending on the use case.

Thanks to our consultative approach, we help our customers define their data needs. With knowledge of their objectives and target markets, we understand how much data they will need to trade, for example. We also understand customers' needs, such as whether they require a full or blended order book, tick-by-tick or conflated, intraday or at-the-moment or delayed. It's all about having data feeds that fit specific use cases.

We enable users to switch between different types of feeds when their business requirements change. For example, customers in the wealth community may be using conflated data and historical data for charts, but might spot something during the day that needs to be examined tick-by-tick. Each use case will have slightly different requirements.

Smaller and medium-sized buy-side firms that, in the past, may have had one type of feed or perhaps multiple vendors have started to take back control over how they receive and use their data. In addition, we have seen increased demand from corporate treasury teams looking to access more data types, such as foreign exchange data. They also want different kinds of feeds, such as real-time data for more transactional use cases, and reference data for their internal finance processes.

## What distinguishes Refinitiv data from other vendors?

**Rob Lane:** Refinitiv's real-time offering is known for its depth and breadth of data. We have approximately 150,000 data sources and deliver 40 billion market data updates every day. Our offering includes data on instruments ranging from fixed income to cryptocurrencies. Few vendors offer the same level of global coverage and global assets as we offer to our customers.

Data is presented in an API and data model that everyone is familiar with, and we enhance accessibility for our customers no matter what the data feed is – from low-latency, conflated or tick-by-tick real-time data, to pricing and reference data. We also add value with our sustainable finance data and machine-readable news. And we deliver data across all asset classes, from exchange-traded funds to FX and fixed income. Our teams live and breathe data every day. They understand the importance of delivering high-quality data to our customers and, crucially, data that is correctly normalised across our data model.

## What technological challenges do financial firms face in integrating new data feeds?

**Rob Lane:** One of the biggest challenges is firms' legacy infrastructure and the mass of data that often has to be delivered into those systems and applications for very specific use cases. Cloud adoption has eased this challenge by allowing financial firms to store, consume and deliver information through the cloud without the need to invest in and maintain a costly infrastructure.

We help firms use the cloud to deliver information where they want it and we work with cloud vendors to provide access to the necessary computing power, while increasing speed and lowering costs. It's a big change and a substantial investment but, in the long term, these firms can make savings on infrastructure, hardware and connectivity.

We expect cloud adoption to continue to accelerate, so we offer customers optimised cloud options to help them access data quickly and effectively.

## How can banks and other firms maximise the value from their investment in data feeds?

**Rob Lane:** Banks have often struggled to connect their front-, middle- and back-office processes. If a bank is trading in a particular stock, for example, the price observed at low latency in the front office should be the same price in the back office when checking a completed transaction. A bank should also see the same price when performing risk and compliance checks in its middle office.

Requirements for low-latency versus end-of-day feeds are different, but the price of the security should be the same. Although we deliver those feeds in different formats to users, banks need to be able to connect data points themselves through better data governance and data management. Our data model helps customers navigate the challenge of connecting the front, middle and back offices, enabling them to align their processes and increase efficiencies to maximise value.

Today, financial firms face key data challenges. Cultural inertia can sometimes mean data value is left untapped. For example, some 78% of buy-side executives that responded to the Refinitiv Connected data survey agreed that market data management strategies have not changed in the past 10 years and are due an overhaul to extract proper value from the investment. There are seldom just data issues – but more often underlying cultural issues.

Regulation is also an important consideration. Along with banks, buy-side firms are being encouraged to meet the highest standards of data governance, data resilience, monitoring and support as part of their operational resilience and disaster recovery plans. They need to change the way they think about data, how they use it and how they support it.

## What future innovations should we expect from Refinitiv?

**Rob Lane:** Delivering data through the cloud will remain a focal point for our investment and we will continue to collaborate with our partners to help them access the broad range of data we offer, from fixed income and cryptocurrencies to FX and traditional exchange data. We expect to see further acceleration in usage from banks and buy-side firms.

We also recognise that, for larger financial firms with deep legacy technology infrastructures, this transition to the cloud is a marathon, not a sprint. We're supporting customers in their transition to data lakes offered by cloud providers – and helping improve data management and data governance processes. We are also collaborating with firms and partners to drive innovation, including artificial intelligence and machine learning use cases.

In the future, the way financial firms consume, use and store data will be very different from today's transitional period.

[Learn more about Refinitiv's market data services and solutions.](#)

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