

## Best Partnership or Alliance

# MTS Markets & Bloomberg

In something of an anomaly in this year's American Financial Technology Awards, MTS Markets and Bloomberg have won two different categories — best partnership or alliance and best collaboration initiative (see *page 40*) — with ostensibly the same initiative: a project that saw MTS BondsPro become the first unaffiliated electronic fixed-income trading platform to offer direct market access through Bloomberg's TSOX, the data giant's fixed-income execution management system (EMS).

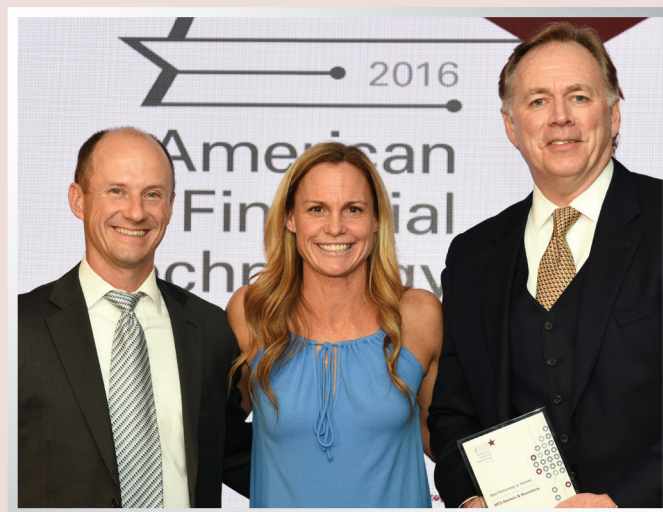
At first glance, this “two-wins-with-one-project” scenario might seem erroneous, but on closer inspection it not only makes sense, but is warranted in a market that continues to present participants with technology integration, market access and liquidity management headaches. The proliferation of electronic trading across asset classes has given institutional investors numerous options in terms of execution venues, trading protocols and utilities, although connecting the technologies designed to improve market access to existing order management systems (OMSs) and EMSs continues to be a challenge. Connecting to multiple platforms for buy-side firms is unfeasibly complex and expensive, which means they are looking for trading venues to add to their existing OMSs and EMSs to guarantee the liquidity they seek.

MTS BondsPro, formerly Bonds.com, is an all-to-all credit and emerging market debt-trading platform operated by MTS Markets International (MMI). Through its institutional order book, BondsPro, facilitates access to a network of 650 buy-side and sell-side institutions in the US, UK and Switzerland. Since its acquisition by MMI in 2014, BondsPro has rolled out new technology, including HTML 5 and “pink” pricing (denoting liquidity from participants offering a 90 percent fill rate), designed to alleviate the challenges associated with electronic fixed-income trading.

In June last year, the BondsPro platform became available to Bloomberg's TSOX users, providing them with a single liquidity pool for both USD and non-USD corporate bonds. Integrated access enables buy-side traders using TSOX to trade in the MTS liquidity pool directly from their Bloomberg terminals. They benefit from increased price discovery by way of real-time ticking bond prices and more streamlined trading options through the platform's click-to-trade function, with the ability to leave anonymous resting orders directly from their terminals. TSOX folds trading on BondsPro into existing workflows, ensuring integrated, streamlined support of audit, compliance, straight-through-processing, pre- and post-trade analytics, and post-trade workflows such as allocations. Thus, traders can act as price takers and hit bids or lift offers directly from the Market Data Monitor view on TSOX.

While it is still early days in this partnership, *Waters* expects to hear a lot about this initiative in the coming months as buy-side firms continue to seek help on the e-fixed-income trading front.

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