

Trader is Investmaster's response to the increased importance on pre-trade transparency and best execution, which could bring major changes to the business practices of a firm's dealing function.



Invantage Trader is designed to ensure that firms can demonstrate increased control as well as maximising the number of execution venues in a cost effective way.

Trader captures orders from a variety of sources including, Invantage Portfolio, alternative Front Office systems, the Internet, or those entered manually. It can be integrated with any Front or Back Office system in order to meet the demands of Straight Through Processing (STP) of multiple instrument types. It offers true STP for UK equities and fixed-interest securities. Trader supports STP connectivity to the Fidessa and Proquote RSP Hubs, bespoke direct connectivity to the WINNER platform, and also the Fidessa workstation (ETP and ETW).

This connectivity gives your firm an audited best execution practice whilst also providing the scope to work orders over multiple venues as and when required.

The sophisticated and highly configurable pre-trade validation and vetting software can take account of client cash and stock positions and configurable constraints across a wide range of portfolio types including those with tax wrappers. Vetting can include up-to-date values from the Back Office as well as current values from Trader to ensure that sufficient stock or cash is available for the trade and, where necessary, the criteria against which vetting takes place can be user-defined. Orders that fail the vetting can be automatically routed to a dealer for manual intervention.

Order Capture

Orders may be entered manually, electronically from the Internet via a robust and comprehensive API, or via a portfolio management front-end system.

Order Status

Trader updates users immediately if there is a change in the status of an order. For example, if an order is forwarded to a dealer for manual intervention, the dealer is immediately notified of the incoming failed order.

Notes can be added to the order and included in the contract note.

Order Pooling

Untraded orders can be placed in a pool for all dealers to view. Once a dealer takes ownership of a pooled order it is automatically locked and other dealers are unable to see it. Dealers can open multiple orders at once and deal all of them simultaneously.

Bulk Dealing and Multi-Market Fills

Multi-client orders can be entered into Trader and where multiple market fills are necessary to complete the market order (e.g. from SETS), the system handles this and passes the resultant multi-market multi-client deal to the Back Office.

The system will pass the client allocations with an average price from all the fills to the Back Office where the contracts are generated and single entry displayed.

Partial Fills

Orders are not always fully filled. Despite the improvements in electronic execution, the advent of larger deals, particularly on the back of bulk dealing generated from Portfolio, means the management of a partially filled order is a mandatory requirement.

Invantage Trader can deal with a partial deal in several ways:

- **Order marked as partially filled** – Client allocations are generated and the partial fill is pro-rated across each of the client shapes. The outstanding balance of the order will not be filled.
- **Order is Warehoused** – The order can be warehoused overnight and further worked the following day.
- **Continuation Order generated** – The dealer can opt to generate a partial order for contracting, but also automatically generate an order within Portfolio for the outstanding balance. The Portfolio manager will then have the option to edit, delete, or re-release the continuation order back into the Trader platform.

In all cases, if multi-fills are used in the partial order, an average price will be applied to each client allocation when it is processed in the Back Office for contracting.

Portfolio Management Links

Orders are generated by Front Office systems such as Investmaster's Invantage Portfolio module. They are then electronically accepted by the system and dealt automatically or routed to the appropriate dealer. This can provide true STP, for example via an RSP hub where the price is automatically accepted from investment decision through to contracting and CREST messaging.

OMS Links

Orders can be manually pushed or automatically routed from the Trader platform to the Fidessa workstation. Once on the workstation, the full functionality of the Fidessa product is available to the Dealer.

As market fills are made, the relevant information is passed back into the Trader platform. If the order is fully filled, Trader will STP all market information into the Back Office with the correct Client allocation information. If the Dealer decides the order is not going to be filled he can pass it back into Trader where it can be handled by the Partial Fills functionality.

Vetting

The criteria for vetting orders is configurable and it (the criteria) can look at any required Back Office data, including KYC and investment objectives, stock and cash, credit limits, and other information. The vetting functionality within the Invantage suite is complex and multi-tiered, ensuring compliance objectives are met and clients' investment criteria is adhered to.

Roles & Authorisations

Users are profiled to have certain rights and privileges in the system which enables the software to be used in a number of different business models. These business models include execution only, a strict divide between fund managers or executives and dealers, or complex environments where client executives may deal in certain situations but must pass to authorised dealers in others.

Charges & Commissions

Trader references commission and charge scales from the Back Office. These are calculated automatically but users with the appropriate permissions are able to override. This saves Back Office time and paperwork.

Limit Orders

The use of Limit Orders facilitates the purchase of a security at a specific price. In addition, WINNER supports limit minding so once the limit price is satisfied the order is automatically generated. The order is then forwarded to the Back Office for settlement.

Limit prices can be entered on all manual and out-of-hours orders to process them via the Internet. Providing the order limit price is satisfied, orders can be entered for automatic execution when the market reopens. Any instance of a limit price not satisfied results in the order being highlighted for manual intervention by a dealer.