



Saxo Bank Extends Market Reach and Business Growth Using Informatica Ultra Messaging Solution

Scalable, ultra messaging solution provides investment bank with scalability and speed needed to compete in today's financial markets.

FAST FACTS

BUSINESS INITIATIVES

- Manage explosive growth of trading data
- Reduce transaction costs
- Provide faster, higher-value client service

TECHNOLOGY STRATEGY

Implement scalable Informatica Ultra Messaging solution in preference to competitors to deliver a true data foundation for the data-driven real-time business. The solution delivers an order of magnitude improvement in latency, throughput and predictability compared to near real-time messaging systems.

“The Informatica Ultra Messaging layer provides Saxo Bank with the flexibility, application independence, network independence, and raw performance the Bank needs. This low latency solution enables Saxo Bank to take on more business, provide a more agile, responsive service to clients and enable the Bank to make more informed decisions about its risk exposure.”

— Michel André, Chief Technology Officer, Saxo Bank

Executive Summary

Informatica has enhanced the power of Saxo Bank's network to efficiently route high-speed messaging traffic. The global investment Bank, which has more than 800 staff, is using the Informatica® Ultra Messaging® solution to remove the bottlenecks in its legacy messaging platform and provide a clear breakthrough in performance. By standardising on the Informatica solution, Saxo Bank is taking control of rapid data growth, in turn allowing it to take on more business. The Bank can now provide a more agile, responsive service to its global client network. And Saxo Bank is making more timely and informed decisions about risk exposure.

An Ultra Messaging View of Online Trades and Investments

Saxo Bank is an investment bank specialising in online trading and investments. The Bank enables clients to trade currencies, stocks, futures and other derivatives via its online trading platforms, the Saxo Web Trader, the Saxo Trader and the Saxo Mobile Trader. In August, 2010, the Bank

BENEFITS

- Enable Bank to handle more business by taking control of message volume growth
- Allow Bank to provide competitive, and appealing streaming prices for a more agile, responsive service to clients
- Ensure timely, informed decisions about risk exposure
- Enable Bank to move into other sophisticated trading services
- Introduce horizontal scaling and ultra-low latency during core transaction phase of trade management
- Guarantee timely delivery of data
- Ensure high throughput with parallel use of commodity hardware
- Reduce Bank's hardware costs

NUTS AND BOLTS

- Solution: Ultra messaging
- Products: Informatica Ultra Messaging Streaming Edition, Informatica Ultra Messaging Persistence Edition
- Targets: Pricing distribution, trade capture, transaction, and order management

announced its best half year results ever with a net profit of DKK 551 million as a result of positive developments in key drivers such as the number of clients, number of trades and trading volumes.

The typical Saxo Bank client has a dedicated interest in following and trading the currencies or stocks of the world. Whether an individual, an institutional, or a private wealth management client, they all share two common requirements: a true real-time view and instantaneous execution of their online trades and investments across the international financial markets.

However, as the electronic marketplace has become the standard across the financial industry, data volumes have risen dramatically, and this increase was putting an ever-greater strain on Saxo Bank's messaging system capacity. Faced with a growing demand for more timely data, the Bank needed to look beyond real-time to zero-latency data integration and ultra-low-latency data delivery.

Saxo Bank conducted a proof of concept (POC) with two competing messaging solutions: Informatica Ultra Messaging Streaming Edition (formerly 29West Latency Busters Messaging) and a competitor. As part of this POC, André and his team kept a sharp eye on three key criteria: throughput, performance and ease to fit the technology into the Saxo Bank environment.

"The Informatica Ultra Messaging layer provides Saxo Bank with the flexibility, application independence, network independence, and raw performance the Bank needs. This ultra low latency solution enables Saxo Bank to take on more business, provide a more agile, responsive service to clients and enable the Bank to make more informed decisions about its risk exposure. The Informatica messaging solution outperformed competitive products in almost every respect," says Michel André, chief technology officer, Saxo Bank.

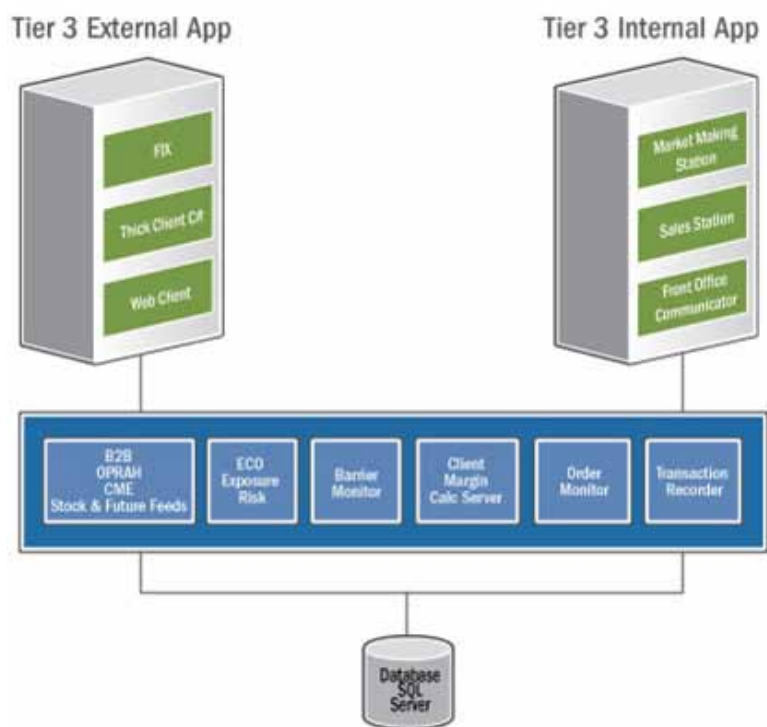
"Microseconds matter in online trading environments and the Informatica messaging solution improves the trading experience of our clients."

Ideally Suited to Applications with Very High Message Rates

Saxo Bank has deployed Informatica Ultra Messaging Streaming Edition to support its pricing distribution model, and it will soon be joined by Informatica Ultra Messaging Persistence Edition (formerly 29West UME), which will underpin trade capture, transaction and order management.

The fast, efficient and lightweight Informatica Ultra Messaging Streaming Edition solution is ideally suited to Saxo Bank's applications with very high message rates. It has the capability to deliver more than five million messages per second and latency less than 40 microseconds on the Bank's commodity PC hardware. Moreover, it blends a wealth of valuable application functionality, including publish/subscribe messaging, request/response messaging and flexible event handling.

Once it is live, Informatica Ultra Messaging Persistence Edition will help transform Saxo Bank's trade capture, transaction and order management, where the timely guaranteed delivery of data makes a clear business difference. Scalable to meet the Bank's growing data volumes and message rates, the technology will ensure high throughput with parallel use of commodity hardware. It will also limit the Bank's hardware investments compared to other solutions and support a more flexible and fast recovery and resilience model.



Provide More Agile and Responsive Client Service

Microseconds matter in an online trading environment. The Informatica Ultra Messaging layer provides Saxo Bank with the flexibility, application independence, network independence and raw performance the Bank needs on commodity hardware. It allows the Bank to grow its business further and take on more sophisticated business, such as clients doing algorithmic trading and exchange rated options.

“Saxo Bank has experienced unprecedented trading data growth in recent years, and we are now handling tens of thousands of users and more than 100,000 trades per day,” summarises André. “We needed to move to an event-driven, message-based architecture providing higher throughput, horizontal scaling and lower latency, and we now have the competitive advantage of limitless scalability and ultra-low-latency messaging by using Informatica’s high-performance, well-engineered messaging solution. It enables us to extend our offering to clients, and by being able to distribute and handle more prices, more trades and more orders, we can offer our clients a better user experience. In addition, we can manage our risk better internally as there is no induced latency, and all processes are in real-time.”

Learn More

Learn more about the Informatica Platform. Visit us at www.informatica.com or call +1 650-385-5000 (1-800-653-3871 in the U.S.).

About Informatica

Informatica Corporation is the world's number one independent provider of data integration software. Organizations around the world gain a competitive advantage in today's global information economy with timely, relevant and trustworthy data for their top business imperatives. More than 4,100 enterprises worldwide rely on Informatica to access, integrate and trust their information assets held in the traditional enterprise, off premise and in the Cloud.



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