



FOR IMMEDIATE RELEASE:

Contact:

Casey Sheets, TABB Group
+1 646-747-3207 / csheets@tabbgroup.com

Capital Markets are Primed for the Next Phase of Market Data Services Delivery with the Cloud, Finds TABB Group Study

NEW YORK & LONDON, February 15, 2017 – Though the market data industry has operated fundamentally in the same manner for over a generation, the advent of cloud based service delivery is bringing change for the options available to the capital markets community. TABB Group’s latest report, “[Stairway to the Market Data Cloud: As a Service Model Comes to Market Data](#),” reviews progress in security, operations and API suites that now enable next generation delivery of cloud based market data services.

According to report author [Terry Roche](#), who interviewed a select group of senior executives at both buy- and sell-side firms for the study, the time is ripe for the market data delivery paradigm to be changed via a cloud model. Key findings from TABB’s industry conversations supporting this view include:

- One buy-side executive estimates that costs will drop by no less than 75% over the next two years from reducing big data platforms and moving to a stateless environment.
- A solid majority (59%) of firms across the spectrum of large and small bank, broker, asset manager, hedge fund and service provider are open to the idea of acquiring a cloud-based market data service to run their businesses.
- 45% of firms TABB spoke with said reliability is a core reason to migrate to a cloud-based market data service.

TABB’s research explains that legacy infrastructure at all firms – particularly larger sell-side firms – is still substantial and tremendously complicated to unwind, but with the cost model of financial services broken, this old legacy model is unsustainable. Meanwhile, TABB’s extensive industry outreach found that a significant budget decline is like for sell-side institutions. In response, firms are considering their options to shed proprietary infrastructure and become more nimble, innovative and cost efficient, all qualities that cloud enabled firms can take advantage of.

“Though there are some inhibitors to the adoption of cloud-based services for [capital markets](#), the core concerns of security and operations have largely been addressed by cloud providers,” says Roche. “In fact, the individuals that TABB spoke with for this study unanimously agreed that if they were starting a firm today, it would be a public cloud shop. It is clear the industry understands that the challenges of moving toward cloud-based models are manageable and the benefits exponential.”

The report is now available for download by TABB financial technology clients, as well as pre-qualified media at <https://research.tabbgroup.com/search/grid>. For more information or to purchase the report, contact info@tabbgroup.com.

About TABB Group

TABB Group is the international research and consulting firm focused exclusively on capital markets, founded on the interview-based research methodology developed by Larry Tabb. Since 2003, TABB

Group has been helping business leaders gain a truer understanding of financial markets issues to develop actionable roadmaps and approaches to future growth. By accurately assessing their customer base, competition, and key market opportunities, TABB Group works with senior industry leaders to make critical decisions about their business. For more information, visit www.tabbgroup.com.

#