

TradeTech-Europe Survey Shows

# Cloud Solutions Expected to Grow for Financial Markets

Compliance and compliance-related tasks still among top challenges for industry

More than **81%** of TradeTech survey respondents believe the use of cloud solutions will grow within the financial markets community:



**32.0%**  
**YES**  
grow somewhat

**7.70%**  
**NO**  
do not expect growth

**49.5%**  
**YES**  
grow significantly

**10.6%**  
**UNSURE**  
of direction for  
cloud solution growth

Of these respondents, nearly 40% say their companies are currently considering cloud-based solutions for their communications needs.

Survey results indicate that Buy-side firms were much more likely to be considering cloud-based solutions for their business, while respondents from Sell-side firms were mostly unsure of the role cloud solutions would play in meeting their communication needs.

**75%**

While more than 75% of survey respondents believe their firms are either "very prepared" or "prepared" to enforce MiFID II regulations when they become effective on January 1, 2018, nearly half the respondents claim they need to do additional research to fully understand the impact of upcoming MiFID II regulations.

How prepared are firms to enforce MiFID II?

**22.7%**

Very prepared

**54.4%**

Prepared

**14.8%**

Not very prepared

Compliance, compliance-related tasks and risk management comprise three of the top five biggest challenges in 2017 for financial firms according to survey respondents. Driving business efficiencies was most frequently mentioned and ranked highest among the challenges. In descending order, the top challenges are:

## Top challenges

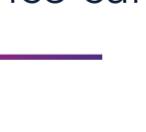
- ① Technology infrastructure to drive business efficiencies
- ② Data analytics and reporting
- ③ Compliance
- ④ Uncovering new sources of liquidity
- ⑤ Risk management



Of the biggest challenges financial firms are facing, there appears to be a slight difference in focus between buy-side and sell-side respondents. Buy-side ranks compliance-related issues higher while sell-side respondents are more concerned with gaining efficiencies and uncovering new sources liquidity.

The top three challenges for each were:

**For the BUY-SIDE**



Data analytics and reporting

Compliance

Risk management

**For the SELL-SIDE**



Technology infrastructure to drive business efficiencies

Uncovering new sources of liquidity

Data analytics and reporting

Technology investments are expected to continue increasing for financial firms based on 2017 TradeTech survey results.

Key drivers for the growing technology spend

Improve efficiencies and cost effectiveness

Gain competitive advantage

Compliance

Replace legacy technology

**43.6%**

**22.3%**

**20.3%**

**11.6%**

More than half of survey respondents believe their firms' alignment of communications systems, solutions and compliance culture is making progress, but is still inconsistent or at least needs further refinement in some areas.

Alignment of communications systems, solutions and compliance culture

**more than 50%**

making progress



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\*all information based on a survey of 103 participants conducted at TradeTech Europe 2017.

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