

# Leading Bank Saves \$1 Million a Year with CodeStreet Market Data Development Tools

WINNING INVESTMENT FIRMS KNOW that the ability to evolve trading and pricing logic at a rapid pace is critical to their profitability. In the past, simple utilities were sufficient to test market data consuming applications and distribution infrastructure. Today, when pricing and execution are driven directly by software applications, it's important to have sophisticated tools that allow you to work quickly and efficiently with market data.

The equities derivatives group at one of the world's largest investment banks recently deployed CodeStreet's Market Data Works (MDW) development and operational tools that resulted in significant cost savings and improved market data infrastructure performance.

Forced to adjust its infrastructure in response to changes in volumes, bandwidth and market data feed protocol, the bank realized it did not have the tools to test these changes and began to research the tools available in the market.

"We were engaged in a migration from one protocol to another and needed a way to test various market data loads, change the frequency, mimic a hot or up-down day and be able to create applications that could replicate what was happening in the marketplace," says Edna Edelman, manager of the equities derivatives market data group. "At the time, our system could not handle all the required functions or the load. After reviewing internal and external options we found that CodeStreet provided the perfect solution."

Previously, the firm's development and QA groups were limited to working with live data, which was available only during market hours, 9:30 AM to 4 PM. After installing two CodeStreet MDW recording backbones, they were able to easily access and manipulate global market data 24/7. By moving two separate groups from live feeds to recorded data, the bank realized annualized savings in exchange fees (at \$500,000 per backbone) of \$1 million. The bank was so impressed with the results that within a year they doubled its usage of the product.

"CodeStreet exceeded all of our goals, they are easy to work with and provide outstanding support," says Edelman. "Their MDW product suite is stable; it deployed smoothly and performed excellently. It greatly improved data accessibility and manipulation, capacity planning,

## *The Market Data Works (MDW) Recording Backbone*

The high performance recording backbone of Market Data Works captures data from the Reuters Market Data System (RMDS) and makes it available for a wide range of related tasks. The backbone recording capacity can be scaled horizontally to meet the most extreme business requirements. Any data flowing on RMDS can be recorded and made available to work with MDW, including internal data, Reuters data and third party data.

infrastructure and application testing...and the ongoing cost savings from reduced exchange feed usage is huge. The product more than paid for itself."

The process is totally automated so that all incoming market data that is recorded on servers on one day can be replayed by developers and QA engineers the next day in their environment for testing their infrastructures and applications as if they were connected to a live feed.

The bank uses the system backbone to create daily recordings of over 250,000 RICs, which are fed into the QA market data environment with Market Data Works simulating an RDF data feed at the required test rate. The system's powerful features allow for automated testing of specific scenarios including RMDS error conditions, dynamic scenario testing and functional testing of downstream applications. The client achieved significant savings by automating a complex testing process where none existed before.

There were significant residual benefits as well. The institution gained a fully automated 24/7 development environment and a library of regression tests for their application UAT and QA groups.

"We could not have done it without CodeStreet's market development tools," says Edelman. "They enabled us to dramatically reduce costs and to conduct testing by off-shore groups. I can't imagine any organization that depends on accurate and timely data distribution not using them."