

# Tradition Uses Diffusion To Fuel Their Global Trading Platform With Real-Time Data

How the interdealer broker used Diffusion to simplify & speed development of a new Electronic Trading System platform



## Sector

Financial Services

## Key Figures

- 200+ employees
- Established 1968
- Net. Profit CHF 124M
- Year-over-year growth 107%

## Company

**Tradition (UK) Limited** is a prominent interdealer brokerage firm based in London, operating as a subsidiary of **Compagnie Financière Tradition (CFT)**, one of the world's leading interdealer brokers. Established in 1968, the company has a longstanding presence in the financial services sector. The company operates both in exchange-traded and over-the-counter markets, providing clients with liquidity and market insights across key financial centers globally.

Tradition has a prestigious reputation in the financial world, garnering numerous awards, including recently being named by ParFX as the 'Best e-FX Trading Venue' at FX Week e-FX Awards <https://www.tradition.com/>

## Executive Summary

Tradition SA decided to create a new Electronic Trading System, and they turned to DiffusionData's Data Distribution Framework to assure reliable, real-time data delivery to their brokers worldwide. To build the new Electronic Trading System, the Tradition development team had to: plan for their existing high data volume, the expansion of their data volume as the company client base grew, and the additional system functionality slated for the future. The data to be managed was bids, offers, and size of available securities for trading. The following benefits of Diffusion were key in the decision-making process for Tradition...



Simplify and speed development of new trading platform.



Assure always-available, trade data for bank and financial institution clients



Reliable, secure, real-time trading event-data delivery for hundreds of thousands of messages/second

***"At Tradition, we are continuously looking at how technology can enhance the way we deliver services to our clients."***

## Challenge

Interdealer brokers improve price discovery and transparency by posting a bid, offer, and size of available securities for trading. Historically, this process was dependent solely upon people constantly on the telephone relaying information and maintaining anonymity between the buyers and sellers. The objective of the new Tradition platform was to electronically automate the interdealer broker process by matching buyers and sellers and allowing these traders to trade directly with one another, while each side's identity remained hidden. Diffusion helped them solve the following challenges...

- Reliably, securely deliver data in real-time
- Simplify & speed development of a new Electronic Trading System platform
- Handle hundreds of thousands of messages/second over private networks & the Internet to meet trading clients' demand

***“Diffusion is a secure, robust, fast & flexible real-time platform which supports our Electronic Trading Platform & the features within our GUI.”***

## The Requirements

Tradition had to build an electronic trading platform that could easily scale, run over private networks, and allow them to demonstrate their trading platform to prospective clients via the Internet. Also high on Tradition's list of requirements, was the flexibility to structure and transform data so that clients could access exactly the information they required, as well as give Tradition control over entitlements and data access permissions.

Further, as of January 3, 2018, IDB firms faced the challenges and increasing technology costs of complying with the revised Markets in Financial Instruments Directive (Mifid II). Mifid II is driving trading process changes in the OTC market to regulate the systematic risk potential of the huge volume of OTC (or off-exchange) trading, for there to be transparency in trading.

To maintain position among the largest global interdealer brokers in over-the-counter financial and commodity related products, it is vital for Tradition to provide critical pricing and market information to their customers securely, reliably, and at speed.

## The Solution

With the use of Diffusion to consume, enrich and deliver data, the challenging load on Tradition's back-end systems has been eliminated. The firm's employees and the bank and financial institution clients around the globe receive reliable, real-time access to the data they need, thanks to Diffusion's proprietary streaming and messaging technology. Hundreds of thousands of messages-per second are delivered through Tradition's multi-channel services.



## Diffusion in a Nutshell

Distributes time-critical data feeds at speed, on a global scale, saving our customers time and money.

- **Patented Innovation:**  
Transforming data delivery with patented technology
- **Edge Optimised:**  
Empowering industries with real-time edge ready solutions
- **Feature-Rich Excellence:**  
Empowering powerful applications with a feature-rich platform
- **Cost Efficiency Without Compromise:** Save egress costs by up to 80%+ whilst improving application performance
- **Reduce time to market:**  
Drastic reduction in development, days instead of months
- **Scalability and Power:**  
High performance, reduced bandwidth by up to 90%+, and delivery of scalable, future proofed, solutions
- **Security:** Precise role-based access control and data filtering that enables hyper personalisation of data streams

*“Diffusion is designed to handle high loads effortlessly, providing the stability and scalability that companies require to thrive in today’s fast-paced, competitive market.”*

Grethe Brown CEO  
DiffusionData



## Results and Future

Today, Diffusion powers Tradition's: Trad-X multi asset class trading platform for OTC derivatives, ParFX wholesale electronic spot FX trading platform, and Torrent hybrid order management platform for trading foreign currency NDFs.

The quality of Tradition's platforms repeatedly garners awards including Global Capital Americas Derivatives Awards 2018 Interdealer Broker of the Year and Interest Rate Derivatives Interdealer Broker of the Year for the Americas region. With Diffusion, Tradition eliminated the data management and delivery challenges faced by their development team.

Further, as Tradition evolves and changes their back-end systems to meet increasing regulatory demands, the Diffusion framework will minimize the impact of those changes on Tradition's electronic trading platforms.

**DIFFUSION DATA**  
Data Distribution Framework

[Try Diffusion Cloud for free!](#)

## About Us

DiffusionData are pioneers in the world of real-time data distribution. The company provides infrastructure software to customers that use fast-moving data streams. The software is delivered as a cloud, on-premise or hybrid solution to companies worldwide, in sectors such as financial services, iGaming, retail, transportation, health and digital media.