EQUINIX WHITEPAPER

TRENDS IN FINANCIAL DATA INFRASTRUCTURE

Bringing together network providers, asset managers, brokerages, exchanges and trading platforms as well as market data and analytics providers, network-neutral data centers can dramatically lower the number and cost of high-speed interconnections.

SUMMARY

No stranger to turbulent change, the financial services industry continues to face revenue and cost pressures as well as an increased need to operate globally. Exchanges have merged and relocated, new financial centers and trading venues have appeared, and the market share for incumbent players has declined. Established players have been required to adjust both strategically and operationally to survive in this evolving marketplace. As a result, many firms are rethinking their technological infrastructure and evaluating co-located services.

Demand for fast, reliable and cost-effective technology has grown significantly in the last decade. Reliability and throughput are more important than ever before, and firms that were once content to operate their own data centers or co-locate infrastructure with a financial extranet are evaluating their ability to maintain a competitive position at a manageable total cost of ownership.

At the same time, the number of options to consider when determining where an order may be best executed has increased. As a result, the number of required connection points has grown. In this environment, the ability of network-rich data centers to connect to the various execution venues has made their value more apparent. Bringing together network providers, asset managers, brokerages, exchanges and trading platforms as well as market data and analytics providers, these data centers can dramatically lower the number and cost of high-speed interconnections.

Although data centers owned by network providers currently provide a range of co-location services, they have not proven effective in supporting traffic outside their own network. Increasingly, network-neutral data centers are seen as an effective option for firms pursuing global markets across the evolving financial ecosystem.

Equinix Global Financial Ecosystem

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