

# Knowledge Technology Solutions Opens City Sales Office

28/04/2003

Knowledge Technology Solutions PLC (KTS), the real-time data technology company, has opened a new City sales office in preparation for its launch this summer of ktsMarketTerminal, the international version of its popular ktsQuoteTerminal live financial data and news system.

Based at its new City office will be Richard Burtsal, the newly-appointed Director of Sales and Marketing, and his team of sales executives. In March, KTS raised Â£750,000 in a placing of new shares to expand its sales and marketing operations. Since March, KTS has announced a growing number of blue chip clients for ktsQuoteTerminal, including Royal London Asset Management, Prudential-Bache and most recently Williams de Bro&euml;.

ktsQuoteTerminal is used by finance professionals in the UK who need access to premium market data, news and analysis sourced from well-known providers such as Standard & Poor's, Dow Jones Newswires, RNS and AFX News.

KTS will be demonstrating ktsQuoteTerminal at the global trading and risk management forum, Dealing with Technology (DWT) 2003 on Wednesday 30th April. KTS will be at stand ten at DWT which is being held at The Brewery, Chiswell Street, London, EC1Y 4SD. The website for DWT is <http://www.dwt-event.com>.

Dr Marc Pinter-Krainer, Chief Executive of KTS, said:

"We're already feeling the benefits of our sales and marketing

team working out of our new City office. As our customers are financial institutions that are predominantly based in the City we wanted our sales team to be well established in their new location as we lead up to the launch of ktsMarketTerminal this summer.”

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## **Arcontech links with Comstock to deliver cost saves**

10/03/2003

London-based real-time software specialist Arcontech has developed a new version of its CityVision TraderStation market data distribution and display platform to handle real-time data from Comstock, which is now a wholly owned subsidiary of Interactive Data Corporation. The software company believes this will offer users potential savings of greater than fifty percent compared with other vendors’ solutions.

The alignment with Comstock positions CityVision TraderStation as a cost-effective alternative to traditional trading systems like Reuters’ Kobra and Triarch. The feedhandlers that Arcontech has already developed can distribute data from other information providers and platforms, giving a clear migration path for users seeking alternatives. Importantly, CityVision can also be used for integrated distribution of internally generated real-time information.

“CityVision is an open platform and TraderStation remains vendor neutral. Nonetheless, Comstock has a strong reputation and broad coverage in the markets it serves, such as equities, futures and options. Cost-effective integration of its data with internal and 3rd party sources in real-time is generating

interest in many firms," said Andrew Miller, managing director of Arcontech. In particular, users of Reuters RTW workstation will be looking for alternatives when Reuters ends support for it during this summer.

TraderStation is compliant with Arcontech's CityVision StarNet, which extends CityVision to wide-area networks and the Internet, allowing the delivery of real-time data anywhere on a 24/7 basis. StarNet features bandwidth optimisation, alternative routing capabilities, automatic reconnect and data recovery. Via StarNet TraderStation can be used in off-floor, remote office and home positions where dedicated terminals would be inappropriate or prohibitively expensive.

TraderStation for Comstock is driven by a powerful real-time feed-handler and symbology engine that allows users to choose how records and fields are named, and to group them into chains for ease of retrieval.

Display configurations can be set up individually or centrally and published for use by workgroups. They can include custom pages, quotes, quote lists, tickers, news, alerts, charts, white boards and browser pages. User-defined function keys, button bars and hyperlinks provide flexible look and feel and fast data access. Support for DDE, COM and Visual Basic scripting further increase the power and flexibility for advanced users.

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## **Trading in UK covered warrants disappointing, finds**

# research by Knowledge Technology Solutions

27/02/2003

Almost four months after the London Stock Exchange launched its covered warrants market to a fanfare of publicity, trading volumes in the new securities are still very thin.

According to new research by Knowledge Technology Solutions PLC (KTS), the live financial data technology company, turnover volume of covered warrants in January\* was just 542 million and valued at only Â£9.3m. This is the equivalent to approximately 0.01% of the Â£77.5bn traded in equities in the same month.

Since the covered warrants market was launched in late October last year, it appears the appetite among UK retail investors for these new securities has not rivalled that in continental Europe. For example, in November\* almost 352 million covered warrants with a value of only Â£3.4m were traded in London. In December\*, turnover rose to 509 million covered warrants valued at Â£6.2m. In February\*\* to date, volume turnover is up only slightly on January\* to 556 million covered warrants with a value of Â£12m.

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## PR Newswire loses market share to smaller PIP rivals,

# finds latest quarterly survey by Knowledge Tec

24/02/2003

## **PR Newswire loses market share to smaller PIP rivals, finds latest quarterly survey by Knowledge Technology Solutions PLC**

PR Newswire, the biggest competitor to the London Stock Exchange's Regulatory News Service (RNS), has seen its share of the market for company regulatory announcements fall by over 1.5% in the last three months. This is the largest change in market share of any of the primary information providers (PIPs), according to the fourth survey of the PIPs market by live financial data technology company Knowledge Technology Solutions PLC (KTS).

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The survey also found that RNS has remained the clear market leader. It carried 83.5% of the 43,271 company announcements issued between November 2002 and February 2003. Since KTS started surveying the PIP market in May 2002, a month after it was liberalised, RNS has lost only 1.47% to its rivals (84.96 to 83.49%).

The survey found that the other five PIPs shared just over 7% of the market between them. Waymaker led share with 3.6%, Business Wire followed with 2%, PIMS had 0.7% and Hugin and Newslink around 0.5% each.

A number of the PIPs are introducing price changes this year. PR Newswire will offer all new clients the option of paying a flat-rate annual subscription or a pay as you go service. From 7th April RNS is dropping its annual administration fee. However, it is also increasing the charge for issuing company results' statements from £150 to £220 per announcement. Hugin, which had the lowest market share, has also increased its annual charges. KTS monitored regulatory announcements on its live financial information product QuoteTerminal<sup>®</sup> to identify how many were made using each of the PIPs.

Dr Marc Pinter-Krainer, the chief executive of KTS, said:

“Although RNS's market share is continuing to fall slowly, it still remains the dominant player. And its leading position is strengthened since its main competitor, PR Newswire, has lost market share. Our most recent survey shows that the other five PIPs all benefited from the falls experienced by RNS and PR Newswire. But, it's clearly going to take a long time, if ever, before the other PIPs threaten RNS's market leading position.”

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## **New TraderStation cuts Market Data Costs**

22/11/2002

Real-time software specialist Arcontech has announced a new version of its TraderStation market data display solution that introduces a whole new level of affordability in professional workstation dealing software.

The software can display real-time market data from

information providers such as Reuters or S&P Comstock, through a variety of connectivity options, including Reuters' Triarch, TIB and RMDS platforms, as well as TCP/IP networks and the public internet.

TraderStation version 8 is a fully up-to-date application that has been tested to work under all versions of Microsoft Windows, including the latest XP version. "TraderStation 8 is our response to feedback from users," said Andrew Miller, managing director of Arcontech. "The redesigned user interface brings it into line with modern desktop applications making it more intuitive for new users. Importantly, we've retained the incredibly small desktop footprint that keeps it fast to load and use on lower specification machines."

Significantly, TraderStation can co-exist on a workstation with existing applications such as the Reuters Trader Workstation, something that for technical reasons the Reuters Kobra workstation cannot. This allows for easier migration to the new platform. It also means that multiple copies and personal layouts can be run on one PC with lower system overhead – for instance, only one Reuters Sink mount is needed when sourcing data from a Triarch platform, regardless of the number of CityVision applications running.

"We have also been careful to preserve the key aspects of object oriented design, while adding more customisable default behaviour and simpler, faster personal configuration options," said Miller. A companion product, Excelerator, allows TraderStation to pass real-time data to Excel spreadsheets for users to create their own applications and analyses, for example for portfolio management.

At a time when banks and financial institutions are under pressure to reduce their market data costs, TraderStation provides them with the means to do just that. "Typically the TraderStation and Excelerator package costs less than £100 per month," said Miller. "This is less than half the cost of the

comparable Reuters Kobra and PowerPlus Pro applications.” Benefits from the low cost of TraderStation can be further enhanced by reductions from the removal of associated platform costs and savings possible from Arcontech’s ability to handle other competitive feeds, such as S&P and Moneyline Telerate.

Features of TraderStation 8 include:

- Dynamic menu configuration based on available data sources and permissions.
- Improved set up options, including drag and drop from other windows applications and source- independent instrument and field ‘lookup’.
- Custom displays for quotes, quote lists, chains, pages, tickers and alerts.
- Support for intraday and historic charting.
- Flexible colouring effects for visual tick and trend indications, either from feed indicators data or custom calculations.
- Support for configuration publishing and sharing between users.
- Support for internal and vendor data distribution.
- Multiple browser windows.

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## **RNS remains clear market leader in battle over company announcements, finds latest quarterly survey**

22/11/2002



A survey by data technology company Knowledge Technology Solutions has found that the City is overwhelmingly still using the London Stock Exchange's Regulatory News Service (RNS) for its company announcements, though RNS is losing market share week by week.

The London Stock Exchange's Regulatory News Service (RNS) is maintaining its iron grip on the market for company regulatory announcements, finds the latest quarterly survey of this market by real-time data technology company Knowledge Technology Solutions PLC. Despite six other companies entering the newly liberalised market in April, RNS remains overwhelmingly the most popular primary information provider (PIP), handling a commanding 83% of the 43,512 company regulatory announcements issued between 20th August and 20th November 2002. The survey also found that none of the PIPs have yet resorted to cutting prices to increase market share.

According to the latest KTS survey, PR Newswire stays firmly in second place with 10.9% of market share. Waymaker, which started its services two weeks later with Hugin, has risen to third place with 2.5%. Hugin and Newslink have made least inroads into the market, with just 0.4% of share each.

KTS monitored regulatory announcements on its live financial information product QuoteTerminal to identify how many were made using each of the PIPs.

Dr Marc Pinter-Krainer, the chief executive of KTS, said:

Ã'Clearly the well-known name and trusted brand of RNS means the other PIPs will need to work extremely hard to improve their positions. It's one thing to end a monopoly, but another to get customers to try alternative suppliers to such an established market leader.

On 15 April 2002, RNS ceased to be the only outlet for company regulatory announcements. PR Newswire, BusinessWire, PIMS, and Newslink introduced their competing services on 15th April.

Hugin and Waymaker started their services on 29th April. The PIPs charge either per announcement made with an upper limit to the annual price charged, or they have an annual fee (please refer to Table 2 on the following page).

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## **Abbey National Treasury Service goes live with Arcontech**

22/10/2002

Abbey National Treasury Services (ANTS), part of the Abbey National Group – the sixth largest banking group in the UK, has selected London-based real-time software specialist Arcontech to implement a new rates contribution system.

ANTS selected the Arcontech CityVision contribution system and RTP infrastructure to replace its existing page-based system after considering a number of alternatives in the market. The system is used to contribute ANTS data to real-time financial data services including Reuters, Bloomberg, and MoneyLine Telerate.

The new system replaces an internal mechanism that ANTS had developed itself. The new system contributes to multiple services from a single point, a feature of the Arcontech Multiple Vendor Contribution Software (MVCS). In the Arcontech system, the CityVision RTP (Real Time Publisher) data hub automatically processes the data and routes it to the various vendors.

A particular requirement was to contribute to the Libor rate

calculation page maintained by MoneyLine Telerate using software developed by Arcontech.

“Arcontech’s flexibility meant that we were able to enhance the system in a number of ways to accommodate specific requirements that Abbey National Treasury Services had,” said Andrew Miller, managing director of Arcontech. “Those enhancements were incorporated in the standard product for the benefit of all our customers.”

ANTS completed the installation of the Arcontech software in May of this year, switching its price contributions across to the new system starting with MoneyLine Telerate. The software can also support contributions to web-based pricing services using a secure FTP connection.

A duplicate Arcontech system is currently being installed at Abbey National’s new headquarters building and is scheduled to go live at the end of November.

Arcontech software is already used for data contribution by clients including Bank of England, HM Treasury, Lloyds TSB, Citibank, Sporting Index, Financial Spreads and Thomson Global Markets.

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**RNS holding steady with 85%  
market share of regulatory  
company announcement finds**

# the latest survey

22/08/2002

Competitors to the London Stock Exchange's Regulatory News Service have failed to gain substantial market share, as RNS has maintained its grip on the company regulatory news market. The second survey (from May to August 2002) by data technology company Knowledge Technology Solutions, found that RNS still controls almost 85% of the market. Even PRNewswire, the next most popular service, is trailing behind with only 10.5% share of the market. And Hugin, introduced two weeks after the other services, carried just 0.19% of regulatory announcements made by London listed companies.

On 15th April, RNS lost its monopoly to carry company regulatory announcements when the Financial Services Authority approved six other providers, known as PIPs (primary information providers).

In its first survey KTS used MarketTerminal's real-time financial data, news and analysis product to identify initial changes in the market after PIPs were introduced. Its second survey has now found that while the new entrants were gaining market share each week till early May, since then RNS has proved remarkably robust against its new competitors. During the quarter 42,777 regulatory announcements were issued.

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## FSA's Code of Market Conduct

# **makes London a safer market for investors**

04/06/2002

New survey finds the Code led to dramatic fall in large share price movements ahead of announcements.

Movements in share prices of 5% or more ahead of non-routine regulatory announcements fell by nearly 50% since the Financial Services Authority (FSA) introduced its Code of Market Conduct in December last year, according to new research by data technology group Knowledge Technology Solutions PLC (KTS). This research is now available on MarketTerminal, KTS's flagship real-time market information system.

On 1st December 2001, the FSA introduced its Code of Market Conduct and the threat of civil penalties to company directors found guilty of "market abuse". The Code was introduced with the intention of making London's markets stronger. The FSA said last year: "We are not out to trap the accidental offender: the aim is to outlaw insider trading and other clearly abusive practices. Research has shown that effective policing of insider trading reduces risk for investors and lowers the cost of capital for firms. So London's markets will be stronger."

The research on share price movement measured only untimetabled financial stock exchange announcements, such as those to do with mergers, acquisitions, new products, director appointments or company trading updates. It also excluded predictable events such as company interim and final results, as well as very routine regulatory announcements such as Rule 8 Disclosures and Net Asset Values.

Results showed that daily share price movements of 5% or more

(up to three days ahead of an announcement) in October and November 2001, were dramatically reduced following the introduction of the new Code of Market in December. In the run up to the introduction of the new Code, in October 2001 there were 1024 moves of 5% or more preceding untimetabled price sensitive, non-routine regulatory announcements, and in November there were 1276 price moves prior to announcements of this type. When on 1st December the new Code came into force, there were only 669 price moves in that month. In January 2002, the number of similar price swings fell to 599. Allowing for market volatility, the research indicates that the FSA's new Code appears to have been effective.

Commenting on the figures, Dr Marc Pinter-Krainer, the CEO of KTS, said:

"We have carried out this research as part of a series of market studies on behalf of our clients using our MarketTerminal financial information service. By bringing in its Code of Market Conduct, the FSA aims to make London a stronger, better financial centre which has the trust of investors. From equity trading patterns we have seen so far, its Code does appear to have made a significant impact in reducing swings in share prices ahead of unexpected company announcements."

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## **Survey shows almost 85% of regulatory announcements are still made on RNS**

22/05/2002

Survey shows almost 85% of regulatory announcements are still made on RNS.

A survey by data technology company Knowledge Technology Solutions has found that the City is overwhelmingly still using the London Stock Exchange's Regulatory News Service (RNS) for its company announcements, though RNS is losing market share week by week.

The research showed that over 86% of the 16,816 announcements made since the 15th April, when primary information providers (PIPs) entered the market, were carried via RNS.

After RNS, the next most popular provider was PRNewswire (10.4%), followed by Newslink (1.2%), with Businesswire (0.8%) and PIMS (0.4%) trailing behind. The research does not include Waymaker or Hugin, which started their services after the 15th April.

Although RNS is firmly the market leader, it has been losing a small percentage of market share to competitors each week. For example, in the first week it commanded 89.9% of the market, but by week five, this had fallen to 83.6%.

In April, the market for financial news was liberalised as a number of new companies offering regulatory news (PIPs) began providing competing services. The PIPs initially comprised of RNS, Business Wire, PIMS, PR Newswire and Newslink, with Waymaker and Hugin starting later.

Each of the PIPs is offering a different pricing structure based generally on a fixed annual fee, followed by a charge based on the word count of the financial release (see notes).