

BestEx and TORA JV enables global outsourced trading for Australian fund managers

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Australian outsourced trading firm BestEx and San Francisco based global trading firm TORA have announced a joint venture to offer global trading services to local fund managers.

The arrangement will allow institutional clients of BestEx to outsource their trading to dedicated, local dealing desks in all major and emerging international markets, leveraging TORA's market leading technology and extensive broker relationships to achieve best execution of their orders.

BestEx will continue to provide trading in Australian equities with access to TORA's technology.

Phillip Weinberg, BestEx founder and CEO, said he was delighted to be working with TORA, and that the JV comes at a time of significant growth for the firm that commenced operations in 2012.

"The outsourced trading model, while established in offshore markets, is gaining strong traction in Australia," he said.

"TORA has pioneered the model using its own specialised technology and teams of professional traders around the globe focused on best execution."

Weinberg believes that changes to equity market structures in recent years and the global regulatory focus on ensuring fund managers meet their best execution obligations will lead to greater adoption of outsourced trading in Australia.

"Fund managers globally have been forced to change the way they approach trading, often resulting in separation of investment decision making from the trading function," Weinberg said.

Weinberg says that as markets have become more complex, the effect of trade execution on investment performance has grown. He says fund managers that can access more liquidity and minimise their market impact have a distinct advantage over their peers, but they are a select few.

"The majority of fund managers in Australia lack the technology and skills required to effectively manage their trade execution and too often outsource the task to brokers who may have competing interests," he said, adding that this can even be the case for fund managers that employ their own in-house traders.

"Significant cost savings for the fund manager and better outcomes for their investors can generally be achieved by a manager outsourcing their front office, not unlike what they typically do with their back office," he said.

Chris Jenkins, TORA's Asia Pacific Managing Director, said he saw the relationship as a great opportunity to offer TORA's global trading reach and cutting edge technology to the Australian buy-side industry.

"Outsourced trading is an area which is rapidly gaining interest throughout Asia and this venture with BestEx allows the Australian client base to gain seamless access to global markets," Jenkins said.

Chris Jenkins and Kahlil Kirtman, Managing Director of TORA Trading Services, will be leading the efforts for TORA.

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About BestEx

BestEx is an innovative, broker neutral, execution trading firm that enables investment managers to achieve best execution in complex market environments. It uses technology to source liquidity and execute orders with the best possible outcomes for clients, allowing them to deliver superior returns to their investors. BestEx has longstanding relationships with most institutional brokers, enabling it to work within its clients' existing broker panels to maximise execution quality. It operates on an independent, agency only basis and does not take on positions. Founded in 2012, BestEx has offices in Sydney and Melbourne.

About TORA

TORA is Asia's leading provider of advanced trading technology and financial services. TORA's unrivalled solutions span the entire trading process, offering a full suite of trade execution capabilities in markets across Asia, North America and Europe. TORA's high-performance EMS/OMS has been designed from the ground up by traders, and is currently used by traders at hedge funds, long-only funds and sell-side proprietary trading desks. TORA also provides clients with access to its unique liquidity pools including Asia's leading non-displayed matching engine. TORA's dedicated Asian and US trading desks deliver to buy-side clients unmatched expertise and extensive analytics focused on best execution. TORA's extensive suite of proprietary algorithms (trading and strategy-focused) is fully customizable and broker neutral. TORA has over 190 employees dedicated to Asia, with offices in Tokyo, Hong Kong, Singapore and San Francisco.

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