

WHY TRADING TEAMS SHOULD EMBRACE OPERATIONAL RESILIENCE

As a result of the Covid-19 pandemic, the way regulators and financial services firms are thinking about operational resilience is evolving.

Trading teams, which are at the heart of a nexus of data, technology, and relationships that create global interconnectedness, need to consider how operational resilience can provide strength in challenging times, as well as the agility to embrace new opportunities. This infographic examines these issues. To explore in more depth, read the new Refinitiv white paper: [Why Operational Resilience is Now Essential for the Trading Business.](#)

WHAT IS OPERATIONAL RESILIENCE?



The ability of a bank to deliver critical operations through disruption. This ability enables a bank to identify and protect itself from threats and potential failures, respond and adapt to, as well as recover and learn from disruptive events in order to minimise their impact on the delivery of critical operations through disruption. In considering its operational resilience, a bank should take into account its overall risk appetite, risk capacity and risk profile.¹



WHY IS OPERATIONAL RESILIENCE IMPORTANT TO TRADING TEAMS?

What actually happened during the early months of Covid-19 lockdown went well beyond the business continuity scenarios most firms had in place. In these extraordinary circumstances, many trading teams struggled with operational resilience.

3x

Higher than the 90-day average for European equity trading volumes.²

80

Level of the Vix volatility index in March. 18-35 is normal.³

79%

Of FX trading teams working from home or a BCP site at the height of lockdown.⁴

186 billion

Daily messages on the Refinitiv real-time network. 40-50 billion a day is normal.⁵

50%

Increase in mobile usage access of Refinitiv data during lockdown.⁶

16%

Percentage of firms who said their business continuity plans worked well.⁷

IT'S IMPORTANT TO THINK THE UNTHINKABLE TO BUILD OPERATIONAL RESILIENCE.

WHY ARE REGULATORS WORRIED ABOUT OPERATIONAL RESILIENCE?

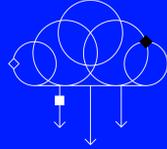
Globally, regulators perceive vulnerabilities within firms' IT infrastructure, and in the outward-facing relationships that firms have.

CYBERSECURITY



Recover from system outages, data breaches, and data corruption

CLOUD COMPUTING



Monitor geographic and supplier concentration risk, as well as security

OUTSOURCING



Deliver quality and transparency within third party relationships

CUSTOMERS



Maintain the ability to provide products and services

FINANCIAL SYSTEM



Reduce risks to other firms and financial intermediaries

OPERATIONAL RESILIENCE IS IMPORTANT FOR TRADING TEAMS BECAUSE THEY ARE HIGHLY DEPENDENT ON DATA, TECHNOLOGY, AND RELATIONSHIPS.

HOW WILL THE TRADING TEAM BENEFIT FROM OPERATIONAL RESILIENCE?

During the Covid-19 crisis, some firms were able to adapt more quickly to developing circumstances – for example by engaging with new types of alternative data to identify fresh trading opportunities.



Operational resilience isn't so much about being able to see the future. It's about being able to respond and rapidly change direction when the firm needs to meet otherwise unforeseen or unknowable demands.

Stuart Bunyan, Director, Real-Time Architecture at Refinitiv



OPERATIONAL RESILIENCE CREATES THE AGILITY TRADING TEAMS NEED TO BE MORE COMPETITIVE AND SEIZE OPPORTUNITY.

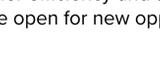
WHAT SHOULD TRADING TEAMS BE DOING NOW TO EMBRACE OPERATIONAL RESILIENCE?

When it comes to data and analytics, firms should think about what kinds of infrastructure would make their trading teams more efficient, agile, and open to opportunities.



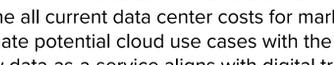
TAKE STOCK

Review the current data and analytics resources in use. Consider efficiency and agility. Keep an eye open for new opportunities.



CONSIDER THE CLOUD

Examine all current data center costs for market data. Investigate potential cloud use cases with the business. Explore how data-as-a-service aligns with digital transformation.



RETHINK ANALYTICS

Assess which current replink or pricing are non-competitive. Look at whether the data for them is or could be cloud-based. Partner to deliver analytics-in-the-cloud in key use cases.

DIGITAL TRANSFORMATION PROGRAMS CAN SUPPORT THE CREATION OF MORE OPERATIONAL RESILIENCE WITHIN TRADING TEAMS.

WHO SHOULD TRADING TEAMS BE PARTNERING WITH TO BUILD OPERATIONAL RESILIENCE?

Firms and regulators are recognizing the importance of working with partners that are both transparent and trusted to create a trading ecosystem that has operational resilience.

40,000

Number of institutions Refinitiv serves

190

Approximate number of countries Refinitiv operates in

0

Outages of Refinitiv data services during the height of the Covid-19 lockdown

TRADING TEAMS SHOULD PARTNER WITH AN ORGANIZATION THAT HAS A HERITAGE OF INTEGRITY AND A TRACK RECORD OF ENABLING THE FINANCIAL COMMUNITY TO TRADE SMARTER AND FASTER WITH TRUSTED DATA.

TO LEARN MORE ABOUT HOW TRUSTED DATA AND ANALYTICS CAN HELP TRADING TEAMS EMBRACE OPERATIONAL RESILIENCE AND BECOME MORE AGILE, READ REFINITIV'S NEW WHITEPAPER, [WHY OPERATIONAL RESILIENCE IS NOW ESSENTIAL FOR THE TRADING BUSINESS.](#)

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