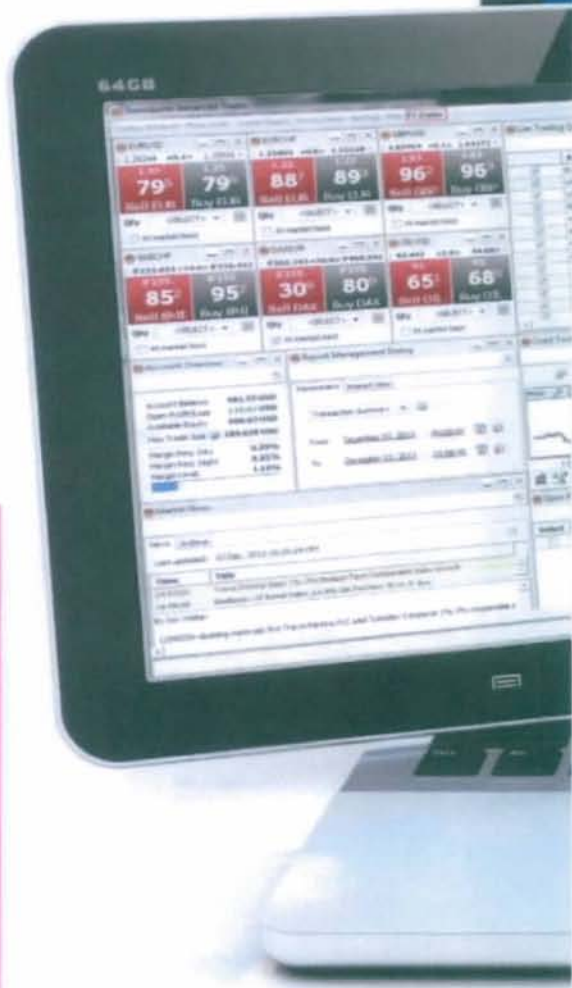


Pushing the boundaries in retail forex with cutting edge trading services

The fast growing retail forex market is hungry for technology to fuel the needs of smart and increasingly savvy investors who are looking for trading opportunities and the quickest ways to execute them. In response to this powerful demand, Heather McLean discovers how a new breed of retail FX broker is utilising state of the art technology coupled with fully customisable trading platforms to provide powerful suites of online services catering for mobile, automated, social and power traders.



Heather McLean

It is all about pushing boundaries with cutting edge trading services, says Marc Spaelti, first vice president and chief operating officer for the RM and brokerage department at Dukascopy Bank. He comments that this trend is a consequence of the evolution of the consumer IT industry in the past decade, and that it is now a necessity to provide an up to date brokerage to be able to serve that demand, or lose customers.

Spaelti explains: "The number of persons that are trading online

is constantly increasing. They use mobile phones, tablets and computers to communicate and receive information. E-commerce is simply responding to an increase in demand to access online trading accounts through different means. Clients want to trade or check their account now, no matter the means. Limiting that access means that you limit the prospects you can reach."

George Stylianou, chief marketing officer, ForexTime (FXTM), comments that since the



introduction of social trading, there has been a revolution in the way people trade. Historically, the core trading audience was split between experienced traders and novice traders looking to learn.

Now, Stylianou says things are changing: "With the arrival of social trading, forex has been opened up to a whole new audience consisting of individual investors who are either too busy to study the market and make their own trades or who haven't yet developed advanced trading skills. By allowing traders

to follow and copy those trades executed by more experienced investors, we have now multiplied the target audience of prospective traders."

ACCESSING RESEARCH AND ANALYTICS

With the deployment of mobile and social investment technologies in retail FX, brokers now need to consider new ways for providing research and analytical tools to their clients rather than just utilising traditional methods. This includes through their trading platforms,

websites, TV channels and email. Ryan Nettles, director of FX services at Swissquote Bank says that, "As more traders are using mobile phones and social media for accessing market information, brokers are targeting these venues to get their research and analytical tools to their clients. At Swissquote, traders can still access our research and analytical tools from our website, trading platforms, TV and email, but now our clients can also find this information from our multiple mobile applications, through social media sites including



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Twitter and Facebook, as well as third party trading venues such as Bloomberg."

Some brokers are also providing access gateways to institutional grade research and analytical toolsets for their retail investors and traders that previously was never available. Spaelti comments: "Access to institutional grade research is an added value that is often very expensive to implement for a general retail audience. Restrictions on redistribution or copyrights may render it impossible. At Dukascopy we have put in place our own team of analysts that produce proprietary information, fit for redistribution," Spaelti adds. "Using modern ways of communicating the various products, clients have a wide choice of what to receive and how to access the information, for example by receiving reports by email, SMS alert messages, and our own FX spider that detects news and articles on selective subjects or key



words or in discussion topics on our community pages."

TAILORED TRADING EXPERIENCE

A few brokers have focused on providing a more tailored trading experience for their clients, designed to meet their specific investment objectives and trading styles. Nettles comments that brokers are providing this tailored trading by offering multiple trading technologies and increasing functionality on their trading platforms. "At Swissquote, we provide four different trading platforms as well as seven mobile and tablet applications," he explains. "Each technology offers a multitude of functionalities. This allows our clients the flexibility to choose the platform which suits their personal investment objectives and unique trading styles."

Tailored trading experiences are becoming more attractive for brokers' clients. Stylianou comments that ForexTime was founded to offer a fresh and dynamic approach to trading. He says the company's rapid international growth has

been fuelled by the recognition of the benefits it offers through its regionally tailored solutions.

Stylianou adds: "One of the first regionally tailored products we launched earlier this year was our true Amanah account, the first Shariah-compliant account to be certified by leading Islamic scholars. This account follows the principles of Musharakah, a collaboration whereby profits and losses are shared. With ForexTime's true Amanah account all Riba (interest) charges and rollover fees are cancelled."

"We are also seeing growing interest in our new Cent account which gives clients the opportunity to trade currencies and precious metals with under a dollar, whilst still enjoying leverage of up to 1:1000, low spreads and instant execution," continues Stylianou. "The Cent account addresses some of the criticism surrounding demo accounts, such as that traders using demo accounts do not behave entirely as they would if they were investing 'real money'. By trading with Cent accounts you can get a real feel of the market while only trading small amounts of money. They are the perfect introduction to forex and allow traders to get a real feel of forex trading before upgrading to a more advanced account type."



Marc Spaelti

"It's the capacity to take care of clients and to follow up on their specific needs that counts. It is very often the small detail or attention a client receives that counts most. This requires an ability to think like the client."