

QUO's Global CEO on the Need for Digitisation to Boost Advice and Portfolio Curation

QUO is the Singapore-headquartered execution management and workflow solution from US-based TradingScreen, an all-asset class execution and order management system. Initially launched in 2019 for the buy-side wealth management community, such as family offices and EAMs/IAMs, QUO launched a new web solution for sell-side private bank and wealth management clients in February, further boosting the rollout of QUO's cloud-based high-touch execution management system in the Asia region, and far beyond. Singapore-based Will Lawton, QUO's Global Head, was one of our expert panellists at a Hubbis Digital Dialogue discussion on April 22, which centred on how digital solutions are boosting portfolio curation and enhancing relevance and suitability of advice in Asia's wealth management industry, for private clients ranging from those in the mass affluent segment to the HNW private clients and above. We have summarised some of Lawton's valuable insights, predictions and advice in this Q&A.

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How does QUO fit into the discussion around digital tools and solutions that can help boost advice and portfolio curation?

QUO launched its cloud-based software-as-a-service platform in 2019 and is owned by US corporation TradingScreen (TS), which has operated in the cloud for over two decades, and which is a leading worldwide proponent of SaaS trading technology.

With a track record of over 20 years, TradingScreen has been successfully delivering its multi-asset class trading and order management platforms into the institutional space, essentially for hedge funds, banks, brokers, prime brokers, and others.

QUO is the wealth arm of TradingScreen, focusing on both the buy and the sell side, therefore covering the banks, the private banks, and the brokerages, on the sell-side, and asset managers, family offices, professional clients, and even the retail clients on the buy-side. The solution is provided to dealing rooms, investment counsellors, relationship managers, the end clients, and even to retail clients and can be white-labelled and via single sign-on within banks and other providers' websites.

Actually, QUO began with the buy-side offering in 2020, and then it was earlier this year launched our new sell-side offering to further enhance the firm's mission to deliver digital solutions to empower wealth management firms and assist private banks and other wealth managers maintain profitability and deliver mass affluent, HNW and UHNW private clients a seamless, digitised and state-of-the-art user experience.

To build out its sell-side customer base amongst the banks and brokers, QUO is now leveraging parent TradingScreen's established connectivity to the sell-side, reaching out to 350 plus banks and brokers globally, many of which are not yet offering electronic trading to their family offices and external asset manager type clients in the wealth management arena.

Meanwhile, QUO continues to concentrate on the buy side, where we have seen rising demand and interest from amongst family offices, multifamily offices, external asset managers, smaller hedge funds, and others as they realise that they need to have a more robust trading capability, order management and portfolio management capabilities.

Can you explain a bit more, for example, how a private bank actually works with QUO and uses your solutions?

It is important to understand that we are agnostic within this industry, so we are not aligned to any bank or broker, and we have connectivity with about 350 of those banks and brokers around the globe. So, if, for example, a family office or a multifamily office takes our screen, they can connect directly to any of their banks or brokers; we can recover the start of day files, enrich them with our referential and real time data and then you can see your portfolios across all of your custody agents in one place.

Users can slice and dice in any way they like. They can see that with real-time data or delayed data. So, you can see your P&Ls actively, and then manage all of the risk and pre-trade risk and checks that are required and handle all the compliance that is required. You can then trade directly from that if you so wish. In a nutshell, that would be the solution into the external asset manager or professional trader type buy-side customer. And for a bank, for example, they can white-label it, such that it delivers their brand and their prices, their statements, and all the required elements directly to their clients.

portfolios. QUO's offering merges data, all asset class positions, pre-trade checks, P&L, and referential positions with an execution management system.

And looking ahead, anyone wanting to compete in the wealth industry needs to meet the needs of the 'on-demand' generation and to boost their broader client proposition.

What are your views on how digitisation is enhancing the delivery of advice and portfolio curation?

I am still surprised that here in Asia, many of the banks or

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And to accommodate this vision, different features of QUO allow investment managers to adjust seamlessly between different trading strategies, giving them a more comprehensive view of their

the relationship managers, the investment counsellors have few tools to help them see where the markets are, to analyse to create good advice, and to deliver that relevant advice. So, their processes, their compliance processes, their investment processes could benefit greatly from digitisation; they could be more efficient, the workflows could be much smoother than they currently are. Additionally, I think the banks should not fear FinTechs; they need to embrace them and embrace automation, rather than remaining isolated and heavily manual.



What are some of the key challenges the banks face?

Banks really have a disadvantage of heavy cost bases and legacy systems and processes, and to overcome that, they've got to have a huge scale and improve technology. I think that is a significant issue for the banks, and we are seeing the advisory and digital advisory opportunities growing and gaining tremendous traction, but while wealth is growing, particularly in this region, I don't think the AUM of banks is growing at the same rate, and you can see many aspects of the strongholds of the banks, whether it's FX or execution, changing dramatically.

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For the external asset managers, they want both excellent and low-cost execution, and behind the scenes, they can work with the custody houses that provide independent advice. In short, I think the landscape is changing - digitalisation is sweeping through many aspects, but I think that because of the infrastructure of banks, it is very difficult for them to move very quickly in the current environment; they are struggling to change their infrastructure.

However, the opportunity offered by digitalisation is huge, both in terms of significantly improving advice and also in terms of speedy and relatively high-value products that could be offered to end clients. So, the landscape is definitely changing, but if banks don't embrace that changing landscape, they are going to suffer.

Are you making headway, are your customers grasping the opportunities?

In the time since we first launched, we have now firmly established

QUO as an outstanding lighter-touch OEMS that is easy to deploy and that simplifies investment management processes, from the start of day file uploads to order execution. It is helping many incumbent private banks and other wealth management firms to compete with the digitally-transformed leaders in their industry, some of the biggest or most progressive private banks, and also with new entrants crowding into some of their markets and segments, especially the mass affluent.

In a world in which digitisation is a 'must' and certainly no longer an option, especially after the onset of the pandemic, any bank or wealth management firm wishing to compete and stay ahead in its markets must be on top of smart onboarding, smart compliance, reduced administrative burdens, and offer its clients a much more user-friendly interface and connectivity. In light of all these challenges and needs, yes, we are making good progress both on the buy-side where we started out and now increasingly on the sell-side. ■

