

QUO's Will Lawton on the Need for Transparency and Realtime Executing in 'New World' Trading

TradingScreen, a global provider of cloud-based financial markets technology for order and execution management systems (OEMS), launched QUO, its digital investment management platform less than two years ago in March 2019. Hubbis has tracked the development of the platform in Asia, driven by Singapore-based Will Lawton, QUO's Global Head, who not only has immense enthusiasm for the platform, but a deep understanding of how digital solutions can empower wealth management and assist private banks and other wealth managers maintain profitability and deliver private clients a seamless, digitised and state-of-the-art user experience. Hubbis caught up with Lawton at his Singapore home shortly before Xmas to learn more of QUO's progress and how it has proven to be a timely launch, with the pandemic accelerating digital adoption worldwide.

QUO is a unique cloud-based 'software-as-a-service' investment management platform, offering investment managers efficient and streamlined execution across multiple workflow streams. For wealth and investment managers, adding value to clients is at the top of the agenda, ahead of complex and costly IT solutions.

Seamless trading

"QUO," says Lawton, "has established itself 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 digitally-transformed leaders in their industry and with new entrants crowding into some of their markets and segments, especially the mass affluent."

In a world in which digitisation is must and 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. They need to meet the needs of the 'on-demand' generation and to boost their broader client proposition. 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 portfolios.

The 360-degree perspective

The premise of the QUO 'software-as-a-service', cloud-based solution

and platform is that it bypasses the need to log into multiple portals, allowing client firms with various trading systems to view all asset class activity across different parties using just one screen. By doing so, QUO can help propel the banks, wealth management firms and others and their legacy systems and practices into a much more competitive situation.

Lawton offers further insight into what he sees as QUO's unique proposition and key advantages. "As we aggregate client positions

trading platforms and having to connect with each of them to conduct all of the checks that are required in order to process a trade, then they need to aggregate all of their positions across all of those different parties and various platforms," he explains. "Whereas if they have the QUO platform, it's a single sign-on to both execute and review all of their portfolios across all those different parties, one sign-on, one holistic vision of their positions and the ability to trade seamlessly in real-time."

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across all of their custody agents, so, with a single sign on, the clients can see positions holistically. This means you can look at an account that may have positions, for example with some leading global banks, and you can pinpoint your position precisely."

Secondly, he explains that once those positions are established, they can see it in real-time, and from there, trade directly into the correct broker or custody agent or execution agent directly and rebalance those portfolios seamlessly and in real-time.

Aggregation and consolidation

"If a client, such as a family office or EAM, is dealing with 10 or 15 different brokers with individual security logins to each of their

Fully transparent

Moreover, the platform automatically creates a full audit trail of all of the trades and offers a full risk and compliance toolset, so that prior to any of those trades completing, all the requisite checks are done, allowing them unfettered direct access to trading in the market. "It is a complete transformation of trading and execution capabilities for wealth management firms, family offices and even for wealthy private clients," he reports.

As Lawton surveys the difficult year that was, he observes that amidst all the chaos of 2020, volatility the major realisation for investors is that the volatility that had been largely absent for the previous decade had returned in force. Add to that the political and geopolitical



WILL LAWTON
QUO

uncertainties and surprises and the continued trend towards negative yields on prime debt, there have been numerous issues for private clients to handle, let alone the non-stop health concerns.

Singapore’s rising star

As to QUO’s actual and potential clientele, Lawton notes the rising tide of interest amongst wealthy investors in Singapore as a jurisdiction for their assets and their lifestyles, leading to real growth of family offices. “QUO has seen a lot of demand and interest from amongst these family offices, multifamily offices, external asset managers, smaller hedge funds, and others as they realise they need to have a more robust trading capability, order management and portfolio management capabilities,” he reports.

Catalysts for change

Lawton observes that while digital trading had been very active for the last two decades, and particularly in the institutional space, the pandemic has served as an extremely strong catalyst for the wealth management industry to move to a more advance

digital trading capability. “Hence we continue to see tremendous growth in the likes of Interactive Brokers, Saxo Bank, and others, who have raced ahead in their businesses in 2020 in particular.”

He argues that the die is cast and there is no turning back. “People will continue to adopt more digital tools and solutions, and I expect the regulators to more actively promote robust compliance and audit order management and trading processes, all of which is positive for QUO, as we offer precisely that type of fully transparent, trackable processing.”

“Singapore is an interesting market as the Monetary Authority and the government are really supporting the growth of financial technology and new ventures, so there is a lot of innovation taking place locally here. If the incumbent banks and other players can’t change quickly enough, then we’ll find that FinTechs come in, even though there are clearly some major hurdles to entry, including of course regulatory.”

Staying competitive

Lawton also expects more new entrants to crowd into some segments of the industry. “We’re certainly seeing the push in Europe, and I think we’ll see more of that in Asia,” he explains. “The banks are being pushed by FinTechs and other technology companies in some key areas. For example, we have seen the banks being disintermediated in foreign exchange and credit cards and other areas like that. And I think that will continue into the wealth space as well more actively next year; there are some remarkable FinTechs out there developing fascinating products and solutions.”

Lawton does, however, concede that in the world of FinTechs, many who set sail never reach port. “We might see 5000 FinTechs set out each year, but only perhaps twenty or thirty can cut it and survive,” he reports. “Singapore is an interesting market as the Monetary Authority and the government are really supporting the growth of financial technology and new ventures, so there is a lot of innovation taking place locally here. If the incumbent banks and other players can’t change quickly enough, then we’ll find that FinTechs come in, even

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In QUO’s particular segment, Lawton anticipates that if there is a major and sustained downturn in the financial markets, it might be yet another catalyst for more efficient portfolio management amongst private investors, family offices and others. “It somewhat amazes me that even today, many private investors cannot get live movements of their portfolios or actively trade directly in the markets. They may be able to send orders digitally, but those are sent to central dealing desks

and then executed later, they are therefore not able to trade in a truly live environment.”

Key missions ahead

As to priorities for 2021, Lawton reports that the number one and constant mission is the ongoing development of the platform for enhancements of existing features and to bring in new features to the platform. “Our connectivity globally is very strong,” he explains, “but there is always more work to do in this regard with the banks and our partners. One key area will be to add more capabilities around our portfolio features, and we will add more depth to our data side, including comprehensive charting, better analytics and enhanced communication capabilities.”

The result, he says, will be a significant broadening of the scope of the platform to suit more clients. “In the latter part of 2020, we created a digital onboarding capability, which means that we can very quickly within a matter of hours put clients into the live trading environment,” he reports, “and that means that we can really scale up our business in terms of managing clients on an ongoing basis.”

Here come digital assets

Lawton closes the conversation by explaining that a natural evolution of TradingScreen would be around the crypto business. “We have our own crypto business and platform within TradingScreen, which is evolving, which is available on QUO, so we are seeing more and

more interest, although more out of Europe than Asia at this stage. But interest in the digital assets and cryptocurrencies markets is growing, so this is an area that is likely to gain greater attention and where we will focus more resource.”

Glass half full

He closes the discussion by remarking that Singapore has been a good place to be during the lockdown, both from a business and personal perspective. “Maybe I have sampled a few more wines than usual,” he quips, “but I have matched that with more exercise, more walking and running than I have ever done in recent years. Moreover, more time spent on family and close relationships has been another positive of what has been a horrible year for the world.” ■

