

connect

Valuations of complex OTC derivatives and structured products

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Timely global reference data

Exchange traded funds

Australian and New Zealand
evaluations available via FTS

issue 32
autumn/winter 2008




Interactive Data

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The services of the Interactive Data Pricing and Reference Data, Interactive Data Real-Time Services and Interactive Data Fixed Income Analytics businesses are made available in Europe through Interactive Data (Europe) Ltd.

welcome to 'connect'

In today's turbulent global markets, the words *risk management* resonate through the corridors of financial institutions. The call is for improved transparency and standardisation of financial information. It could be said that assessing exposure to risk – particularly credit risk and market risk – has raised the profile of the role of market data services, especially in the capital markets.

Independent valuations of complex OTC derivatives and structured products, as well as evaluations of fixed income securities, are seeing increased demand as a result of a unique mix of new regulations, market volatility and the credit crunch. Financial institutions have been working to ensure that they have a firm grasp on the value of their holdings.

Interactive Data's Pricing and Reference Data business is a long-standing leader in the provision of independent evaluations and in recent years we've been increasing our coverage of valuations for a broad range of alternative investments, including single name credit default swaps (CDS), CDS index trades, interest rate swaps and bank loan prices. Our latest offering, featured in this issue of 'connect', provides valuations of highly complex OTC derivatives and structured products through an exclusive agreement with Prism Valuation.

This issue of 'connect' also covers the latest developments in our innovative Basket Calculation ServiceSM, which uses our evaluations as an input to a calculation engine that produces intra-day indicative valuations for ETFs. These valuations, which are based on changes to the interest rate markets, can be calculated as often as every 15 seconds of the business day using real-time pricing data through a fully-hosted web-based application powered by PlusFeedSM, the consolidated, low latency digital datafeed from our Real-Time Services business.

We will remain focused on services that can help our customers in the areas of risk and transparency, as well as continuing to enhance services that can help you grow your business and improve performance, such as in trading operations and wealth management.

Over the years, my colleagues and I at Interactive Data have developed long-standing relationships with many of our customers – our aim is to work closely with you in order to understand your workflow and the issues and challenges that you are facing. In this way we are better able to address your market data and information needs and develop services that can help you more efficiently address regulatory and compliance requirements.

We are seeing consolidation in the financial industry and know that cost-containment is very high on the agenda. We want to continue to work with you, our customers, and make sure that we are helping you to the absolute best of our ability by providing the high-quality data and services that you need.

Bob

Bob Cumberbatch is business lines director, Interactive Data (Europe)

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If you would like any more information about the items covered in this issue – or about Interactive Data's products and services generally – please don't hesitate to contact your account manager or email: eu-info@interactivedata.com



New ...via FTS

Australian and New Zealand evaluations now available

Customers can now download pricing, evaluations and reference data for Australian and New Zealand fixed income instruments via FTSSM

Interactive Data has integrated pricing, evaluations and reference data for Australian and New Zealand fixed income instruments into the FTS service. Direct access to this data was previously only available via Interactive Data's Australian-based BondTrack service.

The download service is now available and includes an online search facility to assist customers in the identification of instruments for addition to services (please see example in screen shot below).

Every instrument will carry a proprietary BondTrack code and an ISIN number where applicable. Data can be delivered as a separate service or integrated within an existing FTS service if preferred. Customers may select individual data attributes so that only the requested data is delivered.

Going forward, Interactive Data also plans to offer FTS customers access to data via the online view function, using the current FTS front-end.

Scope of coverage

The service contains a range of descriptive data on instruments including issuer name, issuer category, coupon rate and maturity, as well as ratings information from Standard & Poor's® and Fitch Ratings®*. This is supplemented by a range of pricing and evaluations data. Security classes include government – central and local, treasury notes, corporate, asset-backed securities (ABS)/mortgage-backed securities (MBS), bank bills and money market instruments. The service covers more than 13,000 securities.

BondTrack Description	ISIN	Issuer Full Name	Coupon Rate	Maturity Date	Currency	Issue Date	Issuer Category	Fitch Credit Rating	S&P Credit Rating	F3 Market Ask	F2 Market Bid
ANZ53	NZA180000452	ANZ NEW ZEALAND SUBORDINATED DEBT	000007.6000	02/03/2012	NZD	02/03/2007	Fixed Rate Bond	AA-	AA-	94.833	94.5

Daily updates

The underlying data is collected from a number of sources within the Australian fixed income market. Data is updated daily and will be available in services from 09:00 GMT onwards.

The service will be charged on a per security basis for the download service, with a separate modular charge for access via the FTS view.

*Access to ratings data from download services may be subject to direct agreements being in place with the appropriate ratings agency.

For further information please contact your account manager.

See also: [connectplus](#)

NEWS IN BRIEF

Highlights from Interactive Data's businesses

Valuations of complex structured products through exclusive agreement with Prism Valuation

Interactive Data has announced an exclusive agreement between its Pricing and Reference Data business and Prism Valuation. Under the agreement, Interactive Data now has the capability to provide valuations of highly complex OTC derivatives and structured products as part of its wide-ranging pricing and evaluation services (*please see cover story pages 6-7*).

Fair Value Information Service covers international equity index futures and equity options

Interactive Data's Pricing and Reference Data business now offers a Fair Value Information Service that covers international equity index futures, as well as international exchange-listed and over-the-counter (OTC) equity options. This service can help institutions meet their fair value requirements for portfolios that contain these financial instruments.

Probate Valuation service enhanced

Interactive Data's Pricing and Reference Data business has significantly enhanced its Probate Valuation service. The service, first launched in 2006, can help clients to value UK and international securities for estate administration purposes. The Probate Valuation service is designed to conform to the UK's HM Revenue & Customs (HMRC) requirements for Probate and Inheritance Tax valuations.

GlobalRating Group added to Emerging Markets Credit Ratings service

Interactive Data's Pricing and Reference Data business has added credit ratings from the GlobalRating Group to its Credit Ratings - Emerging Markets service, a comprehensive source of credit information for more than 80 emerging market economies, containing over 8,000 issuer ratings from over 35 international and local rating agencies. Interactive Data's credit ratings services offer a comprehensive and integrated resource of credit ratings from a variety of sources that can assist customers in calculating capital adequacy under Basel II and the Capital Requirements Directive.

Data from Turquoise and BATS Trading available via PlusFeed

Interactive Data's Real-Time Services business has made data from the Turquoise multilateral trading facility (MTF) available via PlusFeedSM, the consolidated, high-quality, low latency digital datafeed that powers algorithmic and electronic trading applications. PlusFeed also now offers real-time last sale and quote data for all US securities from BATS Trading (BATS), operator of the third-largest US equity market. Interactive Data's Managed Solutions business will also carry Turquoise and BATS data as part of a new ECN package.

Interactive Data offers a number of new OTC data services via PlusFeed as part of its MiFID product roadmap. These include full coverage of BOAT data, OTC services from the London Stock Exchange, Euronext, Wiener Börse, Deutsche Börse, PLUS Markets Levels 1 and 2 data, and Chi-X Levels 1 and 2 data. In addition, eSignal's portal sites, Quote.com[®] and RagingBull.com, now offer NYSE Euronext and NASDAQ-listed stocks' real-time last sale and quote market data from BATS.

Ray D'Arcy to succeed Stuart Clark as Interactive Data's President and CEO in 2009

Interactive Data Corporation's Board of Directors has selected Raymond D'Arcy, president of sales and marketing for Interactive Data, to succeed Stuart Clark as the Company's president and chief executive officer upon Clark's planned retirement in 2009. D'Arcy has served in a variety of executive roles during his 29-year tenure with Interactive Data Corporation. In his most recent role as president of Interactive Data's sales and marketing organisation, D'Arcy has led the unification of Interactive Data's two largest institutional sales, account management and client service organisations and played an instrumental role in refining and building the Interactive Data brand across the Company's Institutional Services segment. D'Arcy has been successful in driving new sales, championing the introduction of innovative new offerings and building enduring relationships with many of the world's foremost financial institutions.

Keith Webster appointed Managing Director, Interactive Data Fixed Income Analytics

Keith Webster has been named managing director of Interactive Data's Fixed Income Analytics business. Webster succeeds Laurie Adami who will be leaving the Company due to health reasons following a brief transition period. Webster has direct responsibility for business strategy, financial performance, and business and product development for Interactive Data Fixed Income Analytics. Reporting directly to Mark Hepsorth, president of Interactive Data's Institutional Business, Webster is based in Interactive Data's Santa Monica, California office.

Stephan Wolf appointed Chief Technology Officer, Interactive Data Corporation

Interactive Data Corporation has appointed Stephan Wolf, formerly chairman of the executive board of Interactive Data Managed Solutions, as the chief technology officer. In this newly created, pan-Interactive Data position, Wolf is responsible for formulating and directing the Company's global information technology strategy to support the Company's data collection, delivery and product development organisations. Wolf reports directly to Stuart Clark, Interactive Data's president and chief executive officer.

Carsten Dirks now leads Interactive Data Managed Solutions

Carsten Dirks, formerly chief sales officer at Interactive Data Managed Solutions, has succeeded Stephan Wolf in leading the Interactive Data Managed Solutions business as managing director and chairman of the executive board. Dirks is responsible for overseeing the global management and development for this business and reports directly to Mark Hepsorth, president of Interactive Data's Institutional Business.

Nat Sey appointed General Manager, Interactive Data Managed Solutions' UK business

Nat Sey has been appointed general manager of Interactive Data's Managed Solutions business in the UK. Sey is responsible for managing the financial performance and strategic direction of Interactive Data Managed Solutions in the UK and reports to Carsten Dirks, managing director, Interactive Data Managed Solutions. Sey, who was most recently reference data business manager for Interactive Data's Pricing and Reference Data business in Europe, continues to be based in London.

*For further information please email:
eu-info@interactivedata.com*



Valuations of complex OTC

Under an exclusive agreement with Prism Valuation, Interactive Data's Pricing and Reference Data business can now provide valuations of highly complex OTC derivatives and structured products

Over the last few years, the growth of alternative investment funds and the opportunity for asset managers to invest in derivatives under UCITS III has led to an exponential growth not only in volume traded, but also in the levels of complexity. In response to the industry challenge, Interactive Data now provides valuations of highly complex OTC derivatives and structured products as part of its wide-ranging pricing and evaluation services through an exclusive agreement with Prism Valuation.

The structured products valuation service, available via Interactive Data's FTS portfolio administration service, can provide valuations on a daily, weekly, monthly or quarterly basis. In all cases, a full service is provided with a user-friendly FTS front-end that enables customers to submit deal confirms or other source documents directly, rather than having to input the structure, and select and calibrate models.

Transparency and standards are fundamental to the valuation process. Investors and regulators expect consistent, transparent and fair pricing across all alternative investment classes. An important feature of the structured products valuation service is an innovative Valuation Transparency Report, in which the valuation process for even the most complex structures are illuminated in plain language. This includes the choice of underlying market data, appropriate model selection and calibration strategies culminating in a valuation.

Sample Transparency Report

Snow Ranger

Deal Description

The EUR Snow Ranger swap has an initial coupon of a fixed rate accrued daily, while 6M Euribor sets within a defined range for that period. Subsequent coupon payments are range accrual coupons linked to the previous coupon paid which are accrued, while 6M Euribor is within a defined range for that period. The coupon payer has the right to cancel the swap on each coupon date, with a pre-specified call delay, after an initial lock-out period. The associated swap has a receive side of 3MEuribor less a specified spread.

Model Selection

Four factor Brace-Gatarek-Musiela forward rate model is used for pricing. A forward Monte Carlo simulation is performed to determine the distribution of the future coupon values within the model. After this a backward pricing loop is performed to determine the value of the call option on the structure.

Calibration Strategy

Model calibrated to diagonal swaptions, ATM caplets and a smoothed historical matrix of observed correlations between EUR forward rates.

Primary Sensitivities

EUR Yield curve
EUR Cap volatilities
EUR Into the tail swaption volatilities

The dependence of each coupon on previous coupons gives rise to a large sensitivity to the correlations between the various forward rates evolved in the model. In order to fit the historical correlation matrix and all of the required input market volatilities with good accuracy, four distinct driving factors are required.

Secondary Sensitivities

Model implied cap and swaption volatility skews

Market Data Required

EUR Swap curve
Swaption cube
Cap grid
Historical Euribor settings
Appropriate credit spreads for issuer

derivatives and structured products

The screenshot displays the Interactive Data software interface. The top navigation bar includes 'Events Calendar', 'Find a security', and 'LocalCode'. The main content area is divided into several sections:

- Structured product detail:** Shows fields for Status (Active), FTEX (7HGY218), Version (1), Valuation frequency (Monthly), PV reporting (Bond), Reporting currency (Domestic), Price points (London close (16:30 BST)), Deal status (VALID), and Status message (NONE).
- Deal confirm(s):** Lists a confirmation for 'XS0217938843.pdf (29.7K)' with a 'Notify' button.
- Deal status history:** A table showing 4 entries found, with columns for Deal status and Timestamp. The entries are: VALID (2008-08-29 13:19 BST), BOOKING (2008-08-20 17:19 BST), NEW (2008-08-20 13:54 BST), and DEFINING (2008-08-20 12:53 BST).
- Valuation history:** A table showing 1 valuation found, with columns for Valuation date, Valuation close, Valuation timestamp, NPV, Receive leg (dirty), Pay leg (dirty), Receive leg accrual, Pay leg accrual, Net optionality, Dirty bond price, and Bond accrual. The entry is for 2008-09-30, LONDON_CLOSE, 2008-10-03 17:20 BST, with an NPV of 21,442,300.00 and a Dirty bond price of 106,336,700.00.

With increased market volatility, clients need to better understand what factors can cause a difference in valuation. Therefore, a further value-added analysis that can be provided, on an ad-hoc request basis, is a detailed Valuation Discrepancy Report. This analysis compares any differences between a customer's valuation (counterparty and/or internal valuations) and the Prism Valuation service. The analysis provides customers with a detailed report that breaks down what, in Prism Valuation's opinion, are the maximum variances that can be caused by different market data inputs, model selection, calibration choices, parameter sensitivities and numerical methods. The Valuation Discrepancy Report concludes with what is believed to be the maximum valuation deviation for that product.

"Given the current credit and trading conditions, our relationship with Prism Valuation will help customers meet their pricing obligations as well as the demands of credit and risk management, and portfolio management"

Roger Sargeant, managing director, Interactive Data (Europe)

Coverage

The service is capable of providing valuations for most flavours of OTC derivatives and complex securities, and new structures are continually being added. The following is a small sample of the types of products currently covered:

Interest rates

Bermudan swaptions, Callable Zeroes, Callable Range Accruals (single index, CMS spread...), Callable CMS Spread Options, Callable Basis Swaps, Digital Caps / Digital Swaptions / Target Redemption Notes (TARNs), Snowball / Snowbear / Snowblade (callable path dependents), Quantos, including callable quantoed structures, Hybrids.

Inflation

Swaps, Hybrids, Caps / Floors / Swaptions.

FX

Power Reverse Dual Callable, Power Reverse Dual Triggerable, Digitals / Barriers / Knock-outs, FX Range Accruals, FX Baskets, Rainbow Options.

Equity

Basket Options, Index and single stock Digitals / Barriers / Knock-outs, Autocallables, Cliquet, Mountain Range Options (Himalaya, Altiplano, Everest),

Variance swaps, Variance options, Dispersion swaps.

Commodity

Baskets, Hybrids.

Hedge Fund / Managed Fund / Mutual Fund

Baskets, CPPI Structures.

Credit

Asset Swaps, Bespoke and index CDOs, CPDOs, CDO-Squared, Basket default swaps, X-to-Y to default baskets, Hybrids.

About Prism Valuation

Prism Valuation was founded in 2006 to provide services that replicate the pricing and risk analysis capabilities of a structured products dealer, with an emphasis on hard-to-value assets. Prism Valuation's philosophy to valuation is built on three pillars: 'People-Data-Models'. The senior members of Prism Valuation's team have strong academic backgrounds coupled with many years of direct trading experience in structured products.

A series of strategic data partnerships provides the underlying market data required to calibrate valuation models:

- Interactive Data for access to exchange-traded equity and derivatives data, corporate action information, fund data and over 2.5 million bond evaluations

- ICAP, the world's premier interdealer broker, for underlying market data, including generally hard-to-obtain market data and private data
- GFI, a leading interdealer broker for credit data

The underlying modelling framework is based on numerical models from Numerix, one of the foremost global providers of cross asset pricing and risk analytics for exotic derivatives and structured products. Using this foundation, Prism Valuation's quantitative analysts develop and extensively test appropriate structured product valuation engines.

For further information please contact Magnus Cattani.
Email: magnus.cattani@interactivedata.com

Follow the sunrise with timely global reference data

What happens now when an institution's traders follow the sunrise to capitalise on opportunities in markets around the world ...and there is no 'end-of-the-day'?

Historically, financial institutions used the 'end-of-the-day' as a marker – an established time to execute on a number of mandatory financial functions such as pricing their trading positions. But what happens now when an institution's traders follow the sunrise to capitalise on opportunities in markets around the world ...and there really is no 'end-of-the-day'? While these institutions must still perform all the required trade and settlement functions, the timing changes have resulted in an evolution of their reference data requirements.

Interactive Data is committed to providing services that reflect the global nature of the markets and to delivering information in a more timely manner. The company has introduced enhanced services and continues to broaden its global data coverage.

Interactive Data is working with customers in Europe to provide them with reference data several hours in advance of their trading day and now provides start-of-day reference data for North American equities at 01:00 ET, which is seven hours earlier than previously available and in advance of the opening of trading in Europe. This new delivery, which includes reference data for IPOs, de-listings, new ticker symbols and other changes, was designed to meet the needs of customers who begin queueing their trades for the next day just after midnight. These earlier reference data delivery times can enable customers to build and maintain more precise security master files, while facilitating the flow of data through the back, middle and front offices.

In an ongoing move to achieve greater clarity and functionality of fixed income coverage, Interactive Data has greatly enhanced its terms and conditions data module available via FTS. The latest version of the fixed income terms and conditions database provides customers with easy access to a broader range of timely, intuitive fixed income data. The database, which holds over half a million bonds, is updated every 15 minutes and enables customers to source a range of bond information with historical depth.

Additionally, in order to meet the ever-expanding needs for global information, Interactive Data has added a set of comprehensive, high-quality reference data on Italian and international securities through its recent acquisition of Kler's Financial Data Service S.r.l. This information includes corporate actions and taxation information, with coverage of equities, listed bonds, funds, simple derivatives and warrants, and unlisted Italian bonds. Interactive Data can also now deliver a broader range of data from emerging markets around the globe, including end-of-day pricing from exchanges in Vietnam, Ukraine, Kazakhstan and the Dubai International Financial Exchange (DIFX). Based on customer demand, Interactive Data plans to continue to expand its coverage of emerging markets.

Recent market turmoil has shown how truly global and interdependent financial markets have become. For example, as events unfolded in one time zone, could any financial institution ignore the effect that the news would have in other markets as they opened? And as these markets closed, many of us awoke trying to anticipate how the markets in our own region would open. A common factor from market to market around the globe is the need for more and more data delivered in an increasingly rapid manner.

Interactive Data understands the requirements of customers who may feel as though they wake up in Asia, spend their days in Europe and their nights in the US. As a result, the company will remain focused on optimising its services to enable its customers to process data at different times, in different markets, as the lines between each day become increasingly blurred.

*For further information please contact Bob Cumberbatch.
robert.cumberbatch@interactivedata.com*

Exchange traded funds

The key to addressing the evolving needs of the exchange traded structures markets is *flexibility*

While the exchange traded funds (ETFs) market has expanded in many different directions in recent years, there were still some significant frontiers that had yet to be reached in mid-2007 – particularly in the fixed income market. At that point in time there were relatively few fixed income ETFs and those that existed were focused on highly-liquid issues, such as treasuries

Several major ETF sponsors were interested in launching new ETFs that included US municipal bonds, but a major hurdle was the lack of real-time pricing information for these bonds. Without this critical information, the sponsors were unable to meet the requirement of publishing intra-day indicative valuations.

In mid-2007, a major ETF sponsor looking to expand into the municipal ETF market approached Interactive Data to help them overcome this challenge. Interactive Data produces daily evaluations for approximately 2.5 million fixed income and international equity issues and delivers real-time data for millions of financial instruments. Based on this experience, Interactive Data was able to create a new offering, the Basket Calculation ServiceSM, which uses evaluations from its Pricing and Reference Data business as an input to a calculation engine that produces intra-day indicative valuations for ETFs. These valuations, which are based on changes to the interest rate markets, can be calculated as often as every 15 seconds of the business day.

While the initial launch of the Basket Calculation Service in September 2007 was focused on municipal ETFs, Interactive Data quickly expanded the service to cover other securities, including US corporates, treasuries and sovereigns. In 2008, Interactive Data extended the Basket Calculation Service to cover hundreds of global stock and commodities exchanges. This enabled Interactive Data to produce intra-day indicative valuations including equities and commodities for ETFs, exchange traded notes (ETNs) listed in the US and values for market indices.

Interactive Data will soon expand calculation and publishing times to include European and Asian hours, which can enable it to service ETF sponsors as they launch exchange traded products worldwide

Today, the Basket Calculation Service has nine clients and produces intra-day indicative valuations for 140 baskets of securities. Continuing to build on this success, Interactive Data has shortened calculation times for

Although the US is the largest market for ETFs, this is not just a US phenomenon. Europe, Asia and Latin America all have fast-growing ETF industries. In 2007, the European ETF market grew faster than the US market; that growth has continued, with estimates of nearly 150 new ETFs having been launched in Europe so far this year. In a country-by-country breakdown, Germany has the largest number of primary listings, followed by France, the UK, Switzerland and Italy

producing indicative valuations for equities and commodities ETFs to one second, from 15 at the initial launch. This can help to quickly reflect market moves, especially during these volatile market times.

Interactive Data has also broadened the number of exchanges to which it can publish indicative valuations, which now include NYSE Alternext US, NASDAQ, New York Stock Exchange, OMX and the Singapore Exchange. Because the Basket Calculation Service has been designed for flexibility, Interactive Data can add new exchanges. Interactive Data will also soon expand calculation and publishing times to include European and Asian hours, which can enable it to service ETF sponsors as they launch exchange traded products worldwide.

While there has been a significant evolution in the ETF market since the middle of 2007, what is the next ETF frontier? With the flexibility of the Basket Calculation Service, Interactive Data is well-positioned to quickly address future market developments.

“Our Basket Calculation Service – which we believe to be the first offering to provide intra-day indicative valuations of equity and fixed income exchange traded funds – is designed to help ETF sponsors access the information required to launch funds that contain a broader range of fixed income securities, facilitating further growth and diversification in the ETF market”

*Roger Sargeant, managing director,
Interactive Data (Europe)*

For further information please contact Brendan Beith.
brendan.beith@interactivedata.com

Focal Points

Focal Points Issue 158

Changes described in Focal Points Issue 158 are scheduled to become effective via FTS and in EXSHARE® from 1 January 2009. In order to assist customers in preparing their systems for the changes, test data was made available to EXSHARE customers from 20 October 2008 and to FTS customers from 27 October 2008.

Focal Points Issue 158 provides details of the changes to data in services following the planned adoption of the euro currency by Slovakia.

Focal Points Issue 159

Changes described in Focal Points Issue 159 are scheduled to become effective via FTS and in EXSHARE from 1 January 2009.

Focal Points Issue 159 provides details of the changes to data in services following the planned re-denomination of the Turkmenistan Manat and the change to the ISO 4217 Currency Code - TMM to TMT.

1 January 2009 service production

Thursday, 1 January 2009 will be treated as a normal service production day and all scheduled daily services will be produced and delivered. Service production will be delayed until after the changes detailed in Focal Points 158 have been implemented. Customers who wish to process files on 1 January 2009 should ensure that their system is ready to receive data. Customers who choose not to process files on this day should prepare their systems to ignore the data or contact their account manager to de-schedule their service for 1 January 2009.

Data coverage

Vietnamese pricing data

Pricing data from the Hanoi Securities Trading Center (HA-STC) was made available to FTS and EXSHARE services from 19 June 2008. Last trades, high/low trades, opening trades and cumulative volumes are provided.

Pricing data from the Ho Chi Minh Stock Exchange (HOSE) was made available to FTS and EXSHARE services from 16 June 2008. Last trades, high/low trades, opening trades and cumulative volumes are provided.

Vietnamese corporate actions and reference data

Coverage of corporate actions and reference data for Vietnamese equities was added for FTS and EXSHARE services in October 2008. Data for Ho Chi Minh Stock Exchange and Hanoi Securities Trading Center is covered.

United Arab Emirates (UAE) pricing data

Additional pricing data from the UAE Dubai Financial Market (DFM) was made available to FTS and EXSHARE services from 27 October 2008. Last trade prices have been complemented by bid/ask quotes, opening trades, daily high/low trades and cumulative volumes of shares traded.

Pricing data from the UAE Dubai International Financial Exchange (DIFX) was made available to FTS and EXSHARE services from 16 June 2008. Last trade prices, bid/ask quotes, opening trades, daily high/low trades and cumulative volumes are provided.

Pricing data from the Abu Dhabi Securities Exchange (ADX) was made available to FTS and EXSHARE services from 16 June 2008. Last trade prices, bid/ask quotes, opening trades, daily high/low trades and cumulative volumes are provided.

Ukrainian pricing data

The PFTS Stock Exchange is the largest financial marketplace in the Ukraine. End-of-day prices from PFTS for equities were made available to FTS and EXSHARE services from 27 October 2008. Last trade, bid/ask prices and volume of shares traded figures are available.

Introduction of single order book by Euronext

On 14 January 2009, Euronext plans to introduce a single order book for trading all cash market instruments listed in Belgium, France and the Netherlands. Euronext expects that combining liquidity will enhance spreads, market depth and price formation. Euronext Portugal will not be impacted by these changes.

Each instrument has a Market of Reference (MoR), which indicates where trading is concentrated. In many cases the MoR for an instrument is its 'home market'. For other instruments tradeable on Euronext (e.g. German shares), which do not have a 'home market' of Belgium, France or the Netherlands, the MoR is Euronext Paris.

Euronext has published a list of affected instruments and MoRs. This list is available on the Euronext website: <http://www.euronext.com/fic/000/038/861/388613.pdf>

Although all trading is to be concentrated on a single order book, Euronext multi-listed instruments will retain their additional listings.

Where a Euronext instrument is listed in Paris, Amsterdam and Brussels, three data records are made available to FTS and EXSHARE services. Three sets of pricing and related data are made available to FTS and EXSHARE services across the various data records. Following the introduction of the single order book, pricing and related data will be shown only on the MoR record. Pricing and related data will be removed from the other records and default values populated.

Market changes and evolving customer requirements

In order to provide the pricing, evaluations and reference data that customers need, Interactive Data continually monitors the global financial markets, identifies market changes and implements such changes to its services based on client needs.

Interactive Data recognises that customer requirements change and understands the importance of being aware of current needs. For example, if there is an emerging market or an industrial sector system that Interactive Data does not currently cover, or an industry standard coding system not presently supported, then please contact your account manager to discuss your needs.

In addition to the evolving content in its services, Interactive Data's delivery methods are designed to be flexible. If a different format or presentation is needed, please contact your account manager to discuss potential post-processing options.

Interface update

Interactive Data continues to work closely with software and application vendors to help them develop a range of interfaces that can be implemented quickly and easily. Two recent interfaces are:

- **Adviser Office** from 1st – The Exchange is a customer relationship management (CRM) solution aimed at financial advisers providing front to back office sharable and scalable client account data administration tools. A new feature released in 2008 is the ability to connect to and download data via Interactive Data's FTS service. Adviser Office clients can now define their universe of both domestic and international funds, equities and bonds to access proprietary information such as fixed income evaluations from Interactive Data's Pricing and Reference Data business. FTS also provides facilities to view comprehensive, global instrument data and track and receive reports on corporate actions relating to the client's universe of securities.
- **CAMA™** from Information Mosaic is an award-winning corporate actions management application that embraces the corporate action life-cycle from announcement capture to eligible balance calculations, instruction management, entitlement calculations, and final distribution and payments. CAMA integrates Interactive Data's ISO 15022 corporate actions service and has tested all event types across an extensive range of international markets since ISO 15022 was launched in 2006. Most recently, CAMA's interface with FTS has been tested against Interactive Data's new release of class actions data in ISO 15022 format.


For further information please contact your account manager.

See also: **connectplus**

*PS Look out for the symbol **connectplus**, the online monthly bulletin that complements the quarterly publication of 'connect'.*

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Fund Forum Middle East 2008

1-3 December 2008 The Gulf Hotel, Bahrain

Interactive Data will be exhibiting.
www.icbi-fundforumme.com

SIFMA, European Technology Management Conference & Exhibition

2-3 December 2008 Eastwinder Garden, Canary Wharf, London

Interactive Data will be exhibiting.
<http://events.sifma.org/2008/273/event.aspx?id=4554>

*For further information about these events
please email: euevents@interactivedata.com*