



Emerging Markets set to take off with AAA - APIs, Aggregators and Algos.

Over the past two years R5 has been busy getting EM traders off the phone and onto the screen. That work is making good progress, with electronification increasing access, transparency and ultimately making EM currencies more liquid.

Now, EMFX is set to get a further boost in the form of AAA (APIs, Aggregators and Algos).

R5 continues to offer clients GUI access, but the most popular method of connecting to our marketplace is via API.

In the past, when voice trading dominated EMFX, it was impossible to use aggregators or algos. Now that we are seeing activity migrate to API channels, algo developers are starting to enter the EMFX market.

Banks and non-banks alike are now upgrading their algos to include NDFs, supporting TWAP, VWAP, and strike algos in BRL, KRW and INR. They continue to use RFQ for PHP, IDR, MYR, TWD, CLP and COP. All of these are available on R5 (plus R5 also has CNH).

APIs, Aggregators and Algos will increase in importance as the FX global code demands greater transparency and best practice.



A recent report by Greenwich Associates, *Long-Term Investors Embrace FX Algos*, showed how the increased focus in best execution and the growing use of transaction cost analysis (TCA) are fuelling the adoption of algos in FX markets. Algo use is also driven by the need for trading efficiency, increased control and anonymity.

FX algos are already used by more than a third of the biggest institutional fund managers active in global FX markets, and by almost a quarter of the biggest corporate FX traders. Although mostly used in G10, we expect that the use of algos in EMFX will increase significantly in the next two years, as trading institutions look to capture the potentially bigger returns offered by EM.

AAA - the next stage in the electronification of EMFX.

[See over for details of R5's API >](#)

R5's API

NO API CHARGES

Unlike other venues, R5 is a pay per consume model.

MINIMAL PAPERWORK

Simple user agreements cover all your branches and affiliates.

FREE DATA

No data fee. Your API data stream contains both Top of Book and Depth across all pairs....Always.

LOW TECHNOLOGY COST

We run on best of breed technology, used by many banks globally. Internal integration and API coding have a high degree of overlap with existing services.

ANONYMOUS

Other clients are not aware when you are consuming liquidity and/or moving a large amount quietly. Makers can dominate a pair if they wish.

EASY DISTRIBUTION

Show your pricing to a wider group of clients. R5C3 enables you to price to Macro, Model and Options based funds, Corporates and Regional Clients in EM.

LOW IMPACT

When you change a price on other venues, thousands of others update. With R5 your activity is quietly absorbed by both local and international clients, many of whom you may not be currently dealing with due to lack of credit.

NO LAST LOOK

Certainty of full amount. No Messing about.

LOW RISK

Our order book activity is in the \$1m - \$3m range, meaning no large exposures for Market Makers and easy slicing of larger trades.

CENTRAL CREDIT AND CLEARING (R5C3)

R5's central credit model means you can price clients with whom you may not have bilateral credit. R5C3 also doesn't impact or consume existing credit lines.

NO MAKER CONTROLS

No requirement to show a certain Size, Spread, Timezone or Two Way Price. Makers can show just one side, a ladder, smiles, resting orders or active streaming.

LOW COMPETITION ORDER BOOK

Our order book is made up of international banks, mid tier and local banks, and non-bank clients. Most have a different footprint to you.

LOW FEES

Maker fees are considerably lower than Taker. Our current "Price Inside the Spread" campaign for banks means market making is effectively free.

YELLOW / RED CARD


Our rulebook is written by market participants. It prevents bad behavior, using a system of Yellow and Red cards.

EM GROWTH


R5 is recognised as the liquidity pool for eNDFs and EM pairs. EM offers significant opportunities, operating the largest economies by growth, size, population, GDP and trading activity.

AVAILABLE IN SPOT & eNDF PAIRS


LATAM

 BRL - Brazilian Real


 COP - Colombian Peso


 CLP - Chilean Peso

ASIA

 TWD - Taiwan Dollar


 CNY - Chinese Renminbi

 IDR - Indonesian Rupiah


 INR - Indian Rupee

 MYR - Malaysian Ringit


 PHP - Philippine Peso


 KRW - Korean Won


SPOT


 CNH - China

 ZAR - South Africa

 RUB - Russia

 MXN - Mexico

 TRY - Turkey

 THB - Thailand