

## Colocation and proximity hosting at the heart of the financial markets

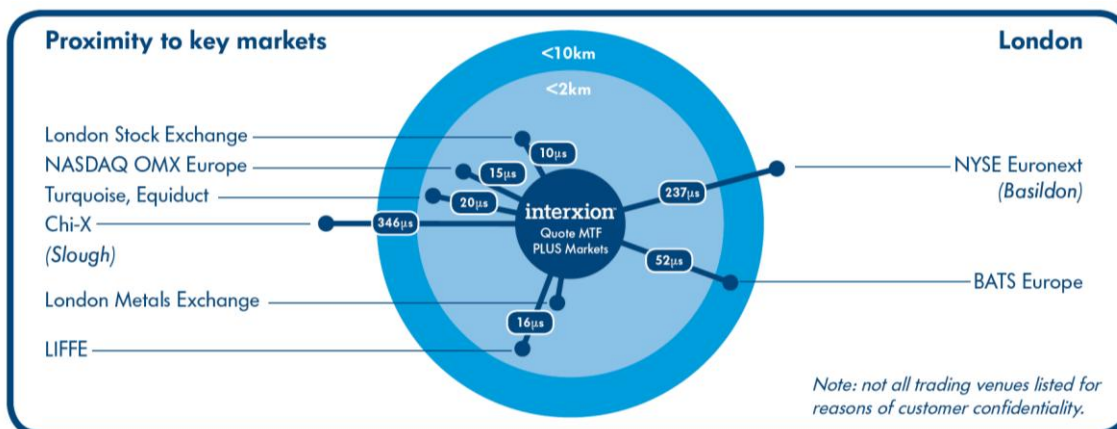
In today's fast-moving financial markets, low latency is key, which is why trading firms need a colocation partner to support them not only with equipment but also with services, experience and solution options. And that is precisely the purpose of the Financial Hub offer from the data centre operator Interxion (Schweiz) AG.

Financial markets have changed almost beyond belief. Over the past two years in particular Interxion has experienced a huge amount of interest in colocation and proximity hosting from the financial services industry. Since the move to algorithm-based trading there is no going back, and the resulting customer growth has been sizeable.

### Proximity to financial markets

It's not just the big names and the familiar faces of the financial services industry that are considering colocation and proximity hosting to the markets. Brokers, specialist software companies, trading firms, and information system providers all have clear objectives in mind: to reduce latency, to penetrate new markets quickly or strengthen their position in existing markets, and above all increase their earnings. Close proximity to the financial markets is crucial. Trading strategies are increasingly cross-border and cross-asset class, which in turn increases the complexity of the colocation and connectivity strategy. That's why communications with markets across Europe often entails a presence throughout Europe.

### The proximity to the key markets pays off - for example London



Security and availability are as much a key issue as ensuring compliance with the regulations of supervisory authorities, full power backup, providing the appropriate premises and separate sites to pre-empt any accusations of a conflict of interest.

Our state-of-the-art data centre at Glattbrugg is being expanded based on Interxion's energy-efficient modular architecture; it stands out by virtue of its scalability and flexibility in surface and energy needs. Standard specifications include multi-level security systems with access locks, video surveillance and 24/7 access control, standard and high-density power configurations, and a minimum redundancy level of N+1. Interxion (Schweiz) AG is also accredited in accordance with the independently rated ISO 27001 standard for information security management and business continuity planning; it is also proactive with regard to stringent customer requirements such as Swiss Financial Markets Authority Directives and SAS 70 auditing standards.

### High-frequency trading

We take buy-side and sell-side firms to financial centres such as London, Madrid, Zurich, Frankfurt and Stockholm, and then to the proximity of suitable hosts. The Financial Hub offer developed by Interxion for its capital market customers is particularly appealing to businesses that operate in algorithmic trading with high frequency. They have to be close to exchanges and multilateral trading systems and need a wide choice of carriers. To our customers, specialised carriers with low-latency routes and the broad connectivity spectrum we can offer are invaluable.

From the many different offers available our customers are able to choose those which best suit their business models and consequently result in drastic cost cuts. Some customers for example do not need ultra-low latency. Colocation with different levels of service can hugely influence the profitability of financial services transactions.

“In a word, in the financial market sector the transition from traditional to electronic trading has triggered the strong demand for colocation. Data centres are set to become strategic assets for exchanges and their members. With our Financial Hub offer we promote the fast-growing high-frequency trading sector and converge their activities in our data centres. It is to be hoped that these changes will bring about greater flexibility when it comes to weathering the economic storms of the future.”

### **Key Benefits**

- Proximity Hosting to key brokers, exchanges and MTFs
- Low Latency to top European trading venues
- Wide choice of Network Service Providers for ultra-low-latency dark fibre, WDM and Ethernet services
- Industry-leading security and redundancy levels
- Seamless scalability internally and internationally
- Test Lab for latency assessment, optimisation and innovation