



## **FPL Launches the Investment Roadmap in Collaboration with FpML / ISDA, SWIFT and ISITC**

**May 5th, 2008** – The world's leading financial market messaging standards organizations have been collaborating to create a financial messaging Investment Roadmap. FIX Protocol Ltd (FPL) has been working with FpML / ISDA (Financial Products Markup Language / International Swaps and Derivatives Association), SWIFT (Society for Worldwide Interbank Financial Telecommunication) and ISITC (International Securities Association for Institutional Trade Communication) on this initiative. The purpose of the roadmap is to provide market participants with a consistent and clear direction to messaging standards usage by visually mapping the industry standard protocols FIX, ISO, and FpML to the appropriate business processes across the major asset classes. This collaboration lays the groundwork for moving towards one common financial messaging standard, ISO 20022, while maintaining the existing independent protocols. The Investment Roadmap is now publically available for download from the FPL website at [www.fixprotocol.org/investmentroadmap](http://www.fixprotocol.org/investmentroadmap).

In addition to providing the industry with a current view of the ways in which existing messaging standards may be utilized, the Investment Roadmap also defines an agreed path for future initiatives by identifying gaps, as well as areas of overlap. The most important aspect surrounding standards interoperability focuses on the “peering” or transition points at which one may shift from using one standard to another. This will result in higher levels of interoperability for the financial services community and will save firms the cost of maintaining multiple syntaxes within the same area of the transaction lifecycle.

Although the standards organizations still have to ensure that all the relevant data is delivered to the next stage of the transaction chain, they are definitely closer than they have ever been before. This effort will pave the way for the formation of an umbrella collaboration effort amongst various standard bodies and provide clear direction to the financial services industry.

Commenting on this initiative Scott Atwell of American Century Investments, Co-Chair FPL Global Steering Committee, stated, “It is clear that the FIX Protocol is the *de facto* standard for pre-trade and trading, that FpML is the *de facto* standard for OTC Derivatives, and that ISO is the *de facto* standard for settlement. We need an approach that leverages these standards into a broader framework without reinventing and creating redundant messages that increase implementation costs and cause confusion for the industry.”

Kevin Houston, Co-Chair FPL Global Technical Committee and Consultant to HSBC, added, “Historically, industry confusion around which messaging standard to use in which area has led to large amounts of money wasted. The collaboration is aimed at producing a consistent direction for financial services messaging standards and communicating that clearly. This will allow the industry to spend its money wisely. Over the longer term this collaboration should lead to the broad horizontal standards that the financial services industry needs if it is ever to successfully streamline its processes, automate and save our ultimate consumers money.”

Jamie Shay, Head of Standards, SWIFT, commented, “The great news is that standardization organizations are working together to ensure some level of interoperability. Most financial practitioners now recognize the challenges associated with multiple standards and are not looking to create additional standards to represent financial transactions in a new way. The financial community is able to deal more effectively with the existence of multiple standards due to the availability of tools that enable interoperability.”

Karel Engelen, Head of FpML, ISDA, said, “This is the first time the major financial standards organizations have come together to map out the different asset classes and parts of the trade lifecycle they each focus on. The roadmap allows the financial community to better direct its IT infrastructure and helps the standard organizations to improve interoperability between their respective standards.”

Genevy Dimitrion of State Street Corporation, Chair of ISITC, added, "ISITC's main goal as an organization is to develop and promote market practice and shared standards in the global securities industry in order to help reduce inefficiencies, and we were delighted to be a part of this important effort and provide a neutral perspective. Collaboratively, we need to ensure that we are providing a consistent direction to all participants on the appropriate message standards to be used throughout the trade lifecycle and that is exactly what this exercise has accomplished."

#### **About FIX Protocol Ltd**

FIX Protocol Ltd is a non-profit organization that owns the intellectual property rights of the Financial Information eXchange Protocol (FIX), which is available free of charge from the FPL website, subject to FPL's copyright and acceptable use policy. FIX is a globally-recognized messaging standard enabling the electronic communication of pre-trade and trade messages between financial institutions, primarily investment managers, broker-dealers, ECNs and exchanges. For more information, see [www.fixprotocol.org](http://www.fixprotocol.org).

#### **About FpML**

FpML (Financial products Markup Language) is the freely licensed business information exchange standard for electronic dealing and processing of privately negotiated derivatives and structured products. It establishes the industry protocol for sharing information on, and dealing in, financial derivatives and structured products over the Internet. It is based on XML (Extensible Markup Language), the standard meta-language for describing data shared between applications. The standard is developed under the auspices of ISDA, using the ISDA derivatives documentation as the basis. For more information, please visit [www.fpml.org](http://www.fpml.org).

#### **About ISDA**

ISDA, which represents participants in the privately negotiated derivatives industry, is the largest global financial trade association, by number of member firms. ISDA was chartered in 1985, and today has over 800 member institutions from 50 countries on six continents. These members include most of the world's major institutions that deal in privately negotiated derivatives, as well as many of the businesses, governmental entities and other end users that rely on over-the-counter derivatives to manage efficiently the financial market risks inherent in their core economic activities. Information about ISDA and its activities is available on the Association's web site: [www.isda.org](http://www.isda.org).

#### **About ISITC**

ISITC is an industry association that collaborates to develop and promote market practice and shared standards in the global securities industry in order to reduce inefficiencies, lower risk, and build shareholder value. For more information, please visit [www.isitc.org](http://www.isitc.org).

#### **About SWIFT**

SWIFT is the industry-owned co-operative supplying secure, standardised messaging services and interface software to over 8,100 financial institutions in 208 countries and territories. SWIFT members include banks, broker-dealers and investment managers. The broader SWIFT community also encompasses corporates as well as market infrastructures in payments, securities, treasury and trade. Over the past ten years, SWIFT message prices have been reduced over 80%, and system availability approaches 5x9 reliability — 99.999% of uptime.

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