



# “THE TREND TOWARDS SPECIALISATION CONTINUES”

Interview with June Felix, CEO of IG Group

In an exclusive interview, we speak to June Felix, CEO of IG Group on the challenges from a volatile 2020 to looking forward and how Spectrum Markets will continue to add value to the market.

## **Ms. Felix, 2020 was without a doubt truly exceptional. Can you please share with us how you look back at it as the CEO of IG Group, a non-executive and/or personally?**

2020 has without a doubt been a year like none other. Covid 19 has brought unimaginable challenges to the entire world, it has literally touched every single country and person on the planet. Out of something so bleak, we have also seen the very best of humanity with tireless acts of selflessness and a combined effort to bring forward vaccines. While we haven't defeated the pandemic yet, but as we start 2021 there is hope with vaccines being administered and a return to normal life on the horizon. A look in the rearview mirror leaves me optimistic about the dedication and resilience of individuals, the willingness to act selflessly, help others, donate and the swift reaction by governments and official institutions who've been standing ready to at least cushion the most severe consequences.

## **And what would be your summary of 2020 as the CEO of IG Group, a FTSE 250 company with net trading revenues of almost 800 million Euros?**

I am really proud that we were able to deliver against our strategic goals and growth plans although conditions were more than testing. It is true that volatile markets can create interesting trading conditions and while we saw existing clients increase their trading we also saw many new self-directed individuals look to access and trade the financial markets for the first time. We have kept the balance of being able to onboard new clients without compromising on quality – we remain the natural home for the ambitious self-directed trader.

We announced the proposed acquisition of tastytrade – which sees us materially increase our footprint in the US. Tastytrade is a fantastic high growth high margin business with a real dedication to client education and exciting synergies with IG.

I'm also very proud of the work we have done to drive forward our ESG agenda. We have donated millions to those communities most affected by Covid-19 and continue to empower a new generation through education with our Teach for All global partnerships.

## **You mentioned IG Group's recent acquisition of tastytrade – what is your view on the market infrastructure going forward, i.e. what trends or major developments do you expect?**

As an analytical person, I think an appropriate picture to figure the changing shape of markets is to think of it as a helix of technology, supply and demand patterns, and regulation. These elements are mutually influential and a change to one will immediately lead to dynamic reactions of the others. Technological cycles have become shorter, clients demand better service, suppliers aim at shorter times to market and even financial market legislation has adopted these dynamics in that it increasingly forms based on consultative approaches and it being subject to more flexible adaptability. In total, this inevitably leads to more specialisation and I am convinced that that the trend towards specialisation is going to continue. However, unlike in earlier industry eras, specialisation is no longer necessarily leading to a vertical division of tasks – be it because technology allowed for their integration or because clients are meanwhile accustomed to asking for more, deeper and higher quality service from one provider. In retail trading, the combination of both aspects has evaporated redundant layers of service and the boundaries between them. As a response, IG Group has consequently sharpened its focus on innovation to offer features that help facilitating the experience that the self-directed retail trader expects. By deploying our growth levers we will successfully expand our business further to new geographies, segments and products – while remaining fully committed to the core of our business. From a product perspective, IG Group will now command of the full bandwidth of relevant derivative products. Vice versa, IG's global reach holds some really exciting international expansion opportunities for *tastytrade*.

## **What is IG Group's vision for Spectrum Markets?**

A thorough market analysis we had conducted over three years, didn't leave much choice between make or buy as we aimed at offering a regulated European trading platform for exchange traded derivatives.

As a multilateral trading facility, Spectrum opens up both a new product and marketing opportunity for IG Group since it is not directly addressing retail clients but brokers and banks that wish to offer their retail client base an unrivalled on-venue trading experience. That means trading night and day, five days a week, if they wish, trading against the orderbook in a fully transparent manner, secure, with no transaction costs, no additional costs for market data, high liquidity and lots of additional innovative features. One third of the trades on Spectrum being concluded out of traditional trading hours shows the value of one of our key USPs for retail clients. Our ambition remains unchanged, we believe Spectrum can take a meaningful share of the EU securitised derivatives trading market, adding real value to it by opening up to more partners. In the pipeline, the team are working to broaden both Spectrum's reach and the product set. There are several productive discussions with third party brokers, issuers and market makers to further accelerate the adoption of Spectrum. The launch of Spectrum represents a fundamental step forward towards delivering on the Group's strategy.

**Thank you very much!**

Please don't hesitate to get in touch if you wish to receive further detail.

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