

ATTRACTING THE ATTENTION OF THE BROADER MARKET

Christophe F. Grosset, European Sales Director, Spectrum Markets



Spectrum Markets has just announced the onboarding of Directa, the retail-focused online broker known for being a pioneering online broker in Italy. We asked **Christophe F. Grosset, Spectrum Markets' European Sales Director**, what makes this a special partnership.

Directa is the 5th broker to connect with Spectrum Markets, what distinguishes this from other trading memberships?

Technically speaking there aren't many differences, but we're obviously excited about the fact that Directa has established 24/5 access for their clients. The special aspect of this partnership is related to the affinity of our approaches. Directa is a well-established institution that has prioritised meeting the needs of retail investors from the very beginning. Their focus on self-driven investors, their decision to use proprietary-developed technology, their preference for easy access, modern and flexible trading features and a tailor-made product offering – along with the will to submit every expansion to these guiding principles – are all very similar to our own philosophy.

Why is 24/5 access an important feature and how is this being facilitated?

It significantly increases the flexibility of investors in terms of when to execute their trades. Some may argue that this is a luxury feature, just adding to the convenience of trading, and to this I would counter that convenience in trading is not a luxury but a necessity, as any constraint on a retail investor's flexibility of execution is a disadvantage. Of course, enjoying the freedom to trade late at night when you have the time to do so can be a very pleasant experience. However, this flexibility offers the opportunity to trade against buying and selling orders in other time zones, effectively opening up new markets, the chance to act on a much stronger news flow and to significantly extend your hedging options. The operations schedule clearly is a challenge, not so much from a technical standpoint because machines can operate round the clock, but we have to operate three shifts globally in order to provide immediate and permanent client support, and seamless trading monitoring and surveillance.

Why do you think Directa's clients will welcome the Spectrum Markets connection?

Retail investors on Directa can now choose the execution of turbos on a wide range of underlyings on a multilateral trading facility which is truly European, i.e., on a regulated and fully transparent trading venue accessible by retail investors all across Europe. On top of this, Spectrum Markets is designed specific with the needs of retail investors in mind, which makes us significantly different to existing trading venues and exchanges. One example is the simple, transparent order book. A transparent, liquid and highly accessible high-quality execution environment is a favourable thing anyway, but for the trading of leveraged products with knock-out barriers it is particularly important. Ample liquidity is not just provided by strict market maker arrangements but also by the corresponding buying and selling interest of retail investors. Based on our pan-European order book, a security admitted to trading on Spectrum Markets is also admitted to trading in all of Spectrum Markets' European markets.

Spectrum Markets and Directa share the opinion that new asset classes and instrument types should be offered to retail investors in an orderly manner – that is, only where we can ensure equally high standards and where such products don't pose the risk of distracting retail investors' attention or run the risk of confusing them.

In Italy there are still only a few stock exchanges, with complex listing rules and sluggish procedures, while retail investors' sophistication has increased significantly. We now see a higher level of self-determination, a better understanding for the functioning of markets and higher levels of financial education. As a result, retail investors are demanding trading features today that were once reserved for professional investors. This is exactly the gap we aim at filling with our offering, which is why we believe Directa's clients will like Spectrum Markets.

What does this partnership mean for Spectrum Markets?

We consider this an important milestone on our growth journey and proof of our strategy since Directa is a highly reputable partner and Italy, as the 3rd-largest economy in Europe, is one of our core markets. Given Directa's reach in Italy and their loyal and active a retail client base, we're convinced that we will see a boost in turbo warrant order flow. We are sure that this will not just be the manifestation of commercial progress, but the kind of cooperation that will attract the attention of the broader market. This joint strategy aims to respond to the final investors' needs.

today to discuss how the seamless market access that our venue provides, can help to grow your retail client business.

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

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