



# GFI'S PROFESSIONAL SERVICES IMPLEMENTATION GROUP

## INNOVATIVE TECHNOLOGY SOLUTIONS FOR OTC DERIVATIVES MARKETS

GFI's Professional Services Implementation Group (PSIG) comprises experienced business and implementation software analysts. These analysts work closely with financial institutions to help define their unique business and technical requirements and tailor solutions accordingly. PSIG builds on GFI's experience in innovating and deploying new technologies in complex financial markets.

### PSIG SERVICES

PSIG analysts work closely with clients' business and technology staff to identify how GFI data and analytic offerings, such as FENICS® FX, can be used to enhance business processes, improve operations and increase efficiency.

### FENICS® FX

Using Application Programming Interfaces (API), FENICS® FX -GFI's award-winning software for pricing and risk management of FX options - functions as a middleware software solution, enabling the efficient, secure and safe data transfer and significantly reducing operational risk and cost.

Much of PSIG's work involves using APIs and instructing clients' technical staff in how to use them. API's developed by PSIG include the following:

- Customisation
- STP
- Market Data
- Security

### CREDIT DATA

GFI is the world's leading inter-dealer broker in credit derivatives and distributes traded and tradable prices from its credit desks to financial institutions world wide. PSIG works with many of these clients, providing the tools to integrate, filter and collate this valuable data into clients' own systems.

The following are examples of solutions that have been developed using the FENICS® FX Customisation API:

- **Additional fields on the pricing and ticket pages** Enables additional data to be captured in free format reference fields.
- **Bespoke math and volatility models** Models, such as Numerix™ have been integrated into the FENICS® FX suite. This helps clients integrate their proprietary maths/new maths sources into FENICS® FX and then use FENICS® FX to distribute these models to other systems.
- **Mirror dealing** The ability to automatically create 'back-to-back' deals bespoke to business process and requirements, including the Straight Through Processing (STP) of the trades to multiple systems of record.
- **Credit, Margin and Limit Checking** Real-time checks on counterparty credit, margin and dealing limits when deals are priced or transacted.
- **New Greeks** Add proprietary Greeks to FENICS® FX.
- **Keystroke logging** An audit of the FENICS® FX users' actions within the program.

The Market Data API enables integration of real-time streaming market data from the customer's systems/data source into FENICS® FX. Compatible data sources include:

- Reuters, via both PDD and RMDS
- Bloomberg
- GFI
- CSV text file
- Tibco's Rendezvous
- Bank proprietary market data distribution engines

Using the Market Data API it is possible to distribute real time prices including spreads. It can also enable market data from a variety of sources to be used for end of day reporting.

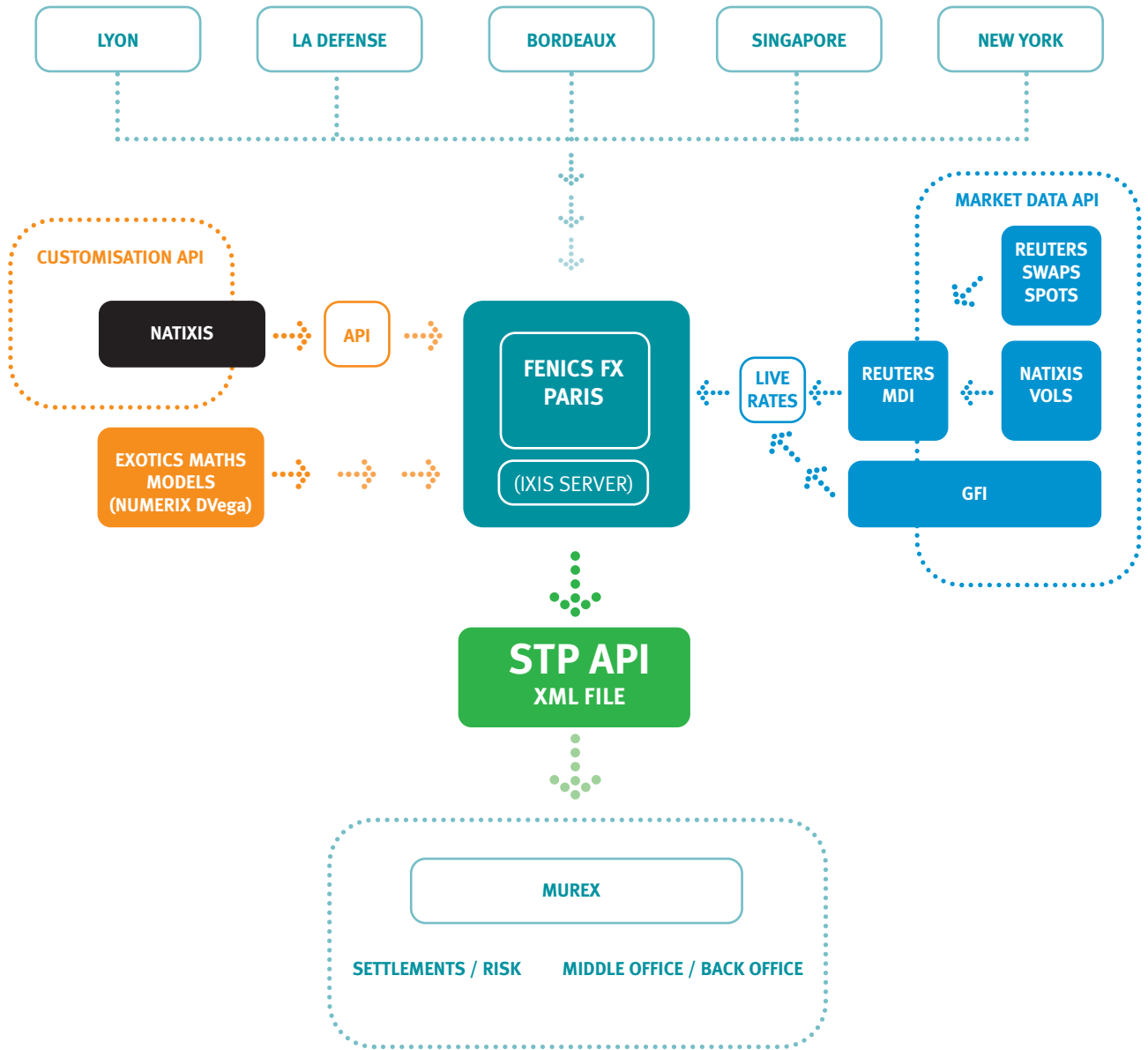
The STP API enables real-time transfer of data from FENICS® FX to middle and back-office systems. Connections which PSIG have assisted customers in developing include:

- Kondor+
- Opics
- FSS Spectrum
- Rendezvous
- Devon
- Panorama
- XML/FPML Connections
- Proprietary bank systems

The Ticket Server dll enables third-party systems to connect to FENICS® FX and extract the current, previous or simulated FENICS® FX valuation, for tickets previously sent via STP.

The STP API can also be used for uploading data into FENICS® FX, allowing data traded through spot, forward, sales and structured desks to be incorporated in FENICS® FX. This reduces risk by eliminating the need to re-key trade data.

The Security API provides increased security within FENICS® FX. For example, book-by-book security, allows clients to permit book read and write access on a user-by-user basis.



## ABOUT GFI

GFI Group Inc. (www.GFIgroup.com) is a leading inter-dealer broker specializing in over-the-counter derivatives products and related securities. GFI Group Inc. provides brokerage services, market data and analytics software products to institutional clients in markets for a range of credit, financial, equity and commodity instruments.

Headquartered in New York, GFI was founded in 1987 and employs more than 1,700 people with additional offices in London, Paris, Dubai, Hong Kong, Shanghai, Tokyo, Singapore, Sydney, Seoul, Cape Town, Calgary, Englewood (NJ), and Sugar Land (TX). GFI provides services and products to over 2,000 institutional clients, including leading invest-

ment and commercial banks, corporations, insurance companies and hedge funds. Its brands include GFI, GFI net, GFI Starsupply, Amerex, Trayport, FENICS, GFI ForexMatch, EnergyMatch and CreditMatch.

## ABOUT FENICS® FX

**GFI Group's FENICS® FX is a market-leading, powerful front, middle and back office platform for pricing, analyzing and managing FX option positions. It is an end-to-end solution that delivers all the necessary tools required for fast and accurate price discovery. FENICS® FX's maths models and independent market data provide consistent market value price discovery and revaluation of both vanilla options and exotic multi-leg multi-currency strategies.**

## PSIG AND HEDGE FUNDS

**In the fast moving and changing world of hedge funds, GFI has been particularly successful in providing key technical support to complement the hedge funds' fast-moving buy-side expertise. These services have included:**

- Prime Brokerage Trade allocation. Automated allocation or split of trades to relevant prime brokers.
- Data reporting - providing reconciliation reports and automated procedures, to match trades and mark-to-market positions against Prime Brokerage reports.

European	class	direction	GFI London Buys
U.S. Dollar	put	call	euro
9 Months	maturity	market	OTC
10amNY Thu 21 Feb 08	expiry	market	274 days
Mon 25 Feb 08	delivery	market	276 days
7374	strike	market	1.3560
0.0% itm/atm	fwd	wealth	0.70/0.8% otm
13 560 400	amount	wealth	10 000 000

12:18 Wed 23 May 07	horizon	spot date	Fri 25 May 07
7429/31	spot	spot	1.3458/3461
7371/74	forward	forward	1.3560/3566
57.7/56.1	swap	swap	102/105
5.31/35	deposit	deposit	4.24/34
5.695/695	volatility	scenario	Trading

Analytic	model	math source	Fenics Math
-1.89%/-1.98%	price	price	-140%/-147
\$ -256.397	premium	premium	€ -190.517
-49%/-49%	spot delta	spot delta	-47%/-47%
\$ -6.640 mio	delta	delta	\$ -6.384 mio
-48%/-49%	vol adj delta	vol adj delta	-46%/-47%
+7.76%/+7.50%	gamma	dVega dSpot	+0.17%/+0.22%
+0.33%/+0.33%	vega	vega	+24.7/+24.7
-0.000%/-0.000%	dVega dVol	dVega dVol	-0.00/-0.00
-0.002%/-0.002%	time decay	time decay	-0.17/-0.19
-51%/-51%	fwd hedge	fwd hedge	-49%/-49%
+0.35%/+0.35%	phi	phi	+25.8/+25.9
-0.36%/-0.37%	rho	rho	-27.0/-27.2
-0.003%/-0.003%	analytic theta	analytic theta	-0.24/-0.25
7229/7223	breakeven	breakeven	1.3846/1.3833

Date	Weight	Ccy	Description
11 Oct 07	1.00	EUR	ECB meeting - Vienna
30 Oct 07	1.00	USD	FOMC Day 1
31 Oct 07	1.00	USD	FOMC Day 2
8 Nov 07	1.00	EUR	ECB meeting - Frankfurt
12 Nov 07	0.00	USD	American Holiday
22 Nov 07	0.00	USD	American Holiday
6 Dec 07	1.00	EUR	ECB meeting - Frankfurt
11 Dec 07	1.00	USD	FOMC
25 Dec 07	0.06	USD	American Holiday
25 Dec 07	0.06	EUR	European Holiday
26 Dec 07	0.00	EUR	European Holiday
1 Jan 08	0.00	USD	American Holiday
1 Jan 08	0.00	EUR	European Holiday
21 Jan 08	0.00	USD	American Holiday
18 Feb 08	0.00	USD	American Holiday
21 Feb 08			EXPIRY
21 Mar 08	0.00	EUR	European

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