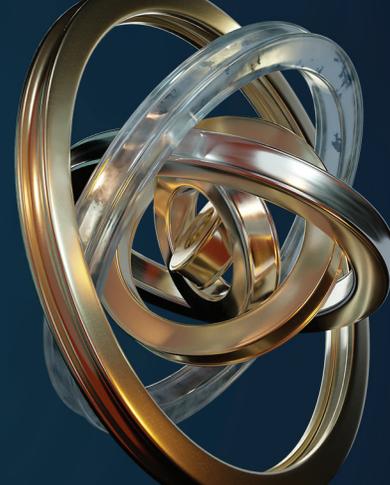


# Outsourced Trading

Outsourced Trading is a service that assumes the execution responsibilities for an investment manager's trading desk, providing either complete or partial support for all execution needs.



## Why Consider Outsourced Trading?

Historically, small hedge funds and retail clients have leveraged outsourced services, from trade execution through to the back office. Larger buy-side firms have progressively followed suit and outsourced their middle and back-office functions, but it didn't usually extend to trade execution. This was due to the close relationship of portfolio managers and trading and the expectation that they had to sit in close proximity to each other.

We are now seeing this trend change with the adoption of the hybrid work model, and portfolio managers are much more comfortable being separated from their traders and communicating through electronic means. This change compiled with industry fee compression, sustained volatility and increasing costs have challenged in-house trading teams' ability to manage operational complexity while remaining competitive.

## BNY Mellon Outsourced Trading

Our Outsourced Trading service, offered through BNY Mellon Capital Markets, LLC was created on the foundation of xBK, a BNY Mellon trading group, that services our internal investment management companies.

In 2018, we overhauled the existing buy-side trading capabilities through investments in technology, analytics and reporting and established a dedicated data science team. These efforts have created a modern and scalable infrastructure and allowed us to enhance execution outcomes through automation, innovation and a systematic workflow.

Our team has significant expertise in supporting domestic and global trading across Equities, Fixed Income, Derivatives and Foreign Exchange. We understand the needs of investment managers and the complexity of buy-side trading workflows.

**Outsourced trading is not a one-size-fits-all approach; there are multiple models depending on your firm's needs.**

Partial outsourcing – We supplement your trading desk's existing capabilities with targeted expertise in specific asset classes, time zones or regions as an efficient way to solve for coverage gaps or expedite new market entry.

Full outsourcing – We assume the responsibilities of your trading desk, representing you to the market and executing trades on your behalf. This model provides significant opportunities for efficiencies and savings.

## Benefits of Outsourced Trading\*

-  Reduce ongoing infrastructure expense and annual capital investment requirements
-  Increase focus on core competencies such as investment strategy
-  Reduce regulatory overhead, complexity and cost
-  Support for new market entry, international coverage and business continuity strategies

## Why BNY Mellon?

-  Trusted provider dedicated to buy-side solutions
-  Complete integrated solution across all asset classes
-  Distinct expertise in buy-side trade execution as one of the world's largest asset managers
-  Market-leading trading technology and scalable infrastructure
-  Proprietary analytics platform and dedicated quant team

## Contact Us

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\*Benefits will vary by company. Please contact BNY Mellon for more information.

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