

A Very Personal View

David Anderson, editor of Inside Market Data Reference, attempts to tread the delicate path between discussing the future and making predictions that might affect the way things turn out

Where do I begin? The financial world was not in the best of shape when I wrote my *IMD Reference* editorial this time last year, but certainly nothing like it is today as I sit here looking towards the remainder of 2009 and onwards into 2010. In pondering the prospects for the market data industry, I am acutely conscious that commentators like myself – I am quite deliberately not calling myself a journalist – can end up influencing the very things we write about.

I'm no scientist, but I'm sure there's even a scientific theory or principle stating that it's nigh on impossible to observe or monitor something without running the risk of actually affecting the thing one is observing. In the context of market data this principle is perhaps most clearly demonstrated in the ongoing issue of latency. Any piece of software that is introduced to monitor latency is highly likely actually to increase latency by slowing down the system being monitored. The medical industry responded to its own problems of interference by introducing the concept of minimally invasive – or 'keyhole' – surgery.

So should I endeavour to write a piece of minimally invasive commentary whereby my musings on our possibly precarious industry do not run the risk of unduly influencing the delicate progress of the patient? I am torn between a purist approach that would position me as an observer only, and a more pragmatic stance in which I recognise that I am not in fact an independent observer but rather an active and interested (by which I mean not unbiased) participant in the real goings-on out there.

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I think my only option is to tread a subtle – but I hope transparent – path between the pure but not pious, disinterested and unbiased position that a true journalist should and would take, and the inevitable position of an involved and necessarily interested participant in the cut and thrust of the market and reference data industry. Please do not judge me too harshly as I attempt to navigate this ambiguous and potentially duplicitous route.

I am also aware that I'm writing for *IMD Reference*, not the

Wall Street Journal or the *Financial Times* where one would expect to find detailed commentary and analysis of the wider economic and political implications of the current downturn. My focus has to be very specific, dare I say even myopic, and consider only the implications for our particular niche industry sector. We are nevertheless undeniably and inextricably linked more with Wall Street than Main Street, and hence this particular recession – or might we at some point even call it a depression? – bites directly and painfully into the fabric of our working lives.

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Back in May 2008, at the grandly titled North American Financial Information Summit in New York, I did my annual dog and pony show in the course of which I put forward my thoughts on how the market had weathered the preceding year in terms of market share, growth and the like. As part of the presentation I also offered some comments on the market as it stood, and tried looking forward as best I could. I had a picture of a 1930s-style soup kitchen in New York, and joked that I'd just taken the photo round the corner from the conference hotel. This was, of course, well in advance of the dark days when Lehmans went under – correction: was allowed to go under.

The same old story?

The point I'm making is that even back then we all thought things were pretty bad, but I for one had no sense of quite how bad things were going to get. I remember other recessions that did not seem to impact hugely upon our specific economic sector, and I have worked through two very noteworthy stock market crashes – the first in 1987, then the dotcom crash of 2001. The heartwarming lesson to be gained from those is that in due course a recovery kicked in and business started flowing again.

However, I am slightly fearful that this particular recession has at its core some more fundamental and structural issues. The previous recessions and stock market crashes I have experienced have been largely due to factors external to the financial markets

themselves. The financial markets merely reflected the circumstances that had occurred, and as time passed and those circumstances faded into memory the markets simply got on with their business. This situation is different because, as we are all only too aware, it is the financial markets themselves that are arguably to blame for the predicament we find ourselves in – and a very persuasive argument it seems to be.

This commentary is not intended to be judgmental or accusatory, as there are column inches aplenty in the mainstream press focusing on the ‘greed’ of bankers and the ‘negligence’ of governments around regulation. It goes without saying, of course, that 20:20 hindsight is a wonderful gift. From our perspective in our own niche we need to take stock of what all of this means for us and – perhaps more importantly – how we should individually and/or collectively act in the face of the uncomfortable, unsettling and in many cases outright frightening situation we find ourselves in.

Three little words

If I ask any of my many contacts on the consumer firm side of industry what is important to their firm today with respect to market and reference data, they are unequivocal and forthright. Three things really matter, they say – cost, cost... and, of course, cost. I wish I could report that consumer firms are looking at market data as an investment to help them through these dark days, but that would be to offer false hope. What I do hear is that senior managements are fixated on the bottom-line figures – and want those numbers to be much smaller.

Our industry had been trying to embrace cost discipline over the past few years, and one wonders how far it can continue to be possible to squeeze more blood out of stone. However, it does appear in retrospect that in some (or even many) areas, the efforts on cost control were not as thorough and rigorous as they might have been, and hence further savings may yet be achievable.

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One significant change I have noticed is that certain previously sacrosanct services are now finally open for real consideration – that is, cancellation. This is only possible because senior managements are now at last backing up their market data teams. The implications affect all those of us gainfully, or perhaps not so gainfully, employed in the market or reference data industry – those in consumer firms and their counterparts within vendor firms, and folk like me who are in essence a service industry to the rest of you. As participants in this niche industry sector we are all employees or similar, with mortgages or rent to pay, and are therefore also impacted by the wider dimensions of the crisis, but here I will maintain my focus on its implications for us in our professional and career capacities.

One obvious implication of the crisis is that there are far fewer

people employed than there were 12 months ago, and to some extent there are also fewer firms operating. This means there are fewer ‘bums on seats’ in dealing rooms and the like, as well as fewer people working in market data and associated IT departments. The fact that fewer end-user consumers are sitting in front of a market data workstation has significant implications for our industry, since a large portion of revenues for vendors, and costs for user firms, relate to subscriptions for workstations.

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However, three ancillary points are worth noting at this juncture. First, as one market data manager at a bulge bracket firm pointed out to me recently, the many redundancies and layoffs on Wall Street and in the City of London have been spread over a variety of job functions, and many have been in support and service functions – so there is not necessarily a direct correlation between the numbers we see bandied about in the financial press and the drop in the number of end-users using a Bloomberg Professional or a Thomson Reuters 3000Xtra. Having said that, there is no hiding from the fact that a significant number of these higher-end trading staff have indeed walked the proverbial plank recently.

Sticky revenues

Second, in recent years the financial markets have become increasingly driven and underpinned by computer-based applications rather than by humans sitting in front of screens and shouting over their phones or speaker boxes. Those applications and their underlying algorithms are fed by datafeeds and are far less closely correlated with numbers of end-users, inasmuch as they are probably more department-centric. Of course, if a whole department or a whole firm falls foul of this downturn and goes under, then the applications will be switched off and the associated datafeed fees would be either saved or lost, depending on your consumer firm or vendor firm perspective.

But the fact that departments and firms are less likely than individuals to go under means that the revenues/costs associated with datafeeds are that much more sticky. Thus it is arguable that datafeed revenue is more stable than workstation revenue in these difficult times.

Third, and closely related to the second point, we should consider database-type services that have often been sold in a way that is unassociated with end-user numbers. One vendor of such services described them as being either on or off, by which he meant that it was not really possible for a customer to reduce such consumption partially – a customer firm is stuck in a position whereby it faces a stark and binary choice of either having the service or not having it. In many situations such services are an essential part of being in business, and therefore more often than not the answer to that binary choice is to stay switched

on. Again, nevertheless, if a firm or a department is completely wiped from existence then obviously such database services can be decisively switched off.

Consideration of these three points together paints a picture that suggests vulnerability when it comes to workstation populations and stickiness for centralised applications and database services. This point will be quite pertinent when I come to discuss some of the vendors in the market.

Jiggery pokery

There is a stream of rhetoric emanating from governments around the world and the mainstream press along the lines that these accursed and greedy bankers should have stuck to the tried and trusted principles of traditional banking whereby they earn an honest living from simply borrowing and lending money and providing chequing services for individuals and firms. They should not, the argument goes, have allowed themselves to be caught up in all this jiggery pokery that amounted to running a casino with our money.

The essence of this sentiment and others like it is that banking should revert to a simpler, more 'vanilla' industry to avoid the mistakes that have apparently landed us all in this mess. The casino metaphor appears to stem from the speculative nature of much of the proprietary trading that was taking place, and perhaps in particular from the apparent lack of understanding of what was being bought and sold, and what such assets were actually worth – that is, their value.

I have commented in previous years on the growth of complexity in our industry, by which I mean the steady flow of new financial instruments coming to the market. These new instruments were increasingly emerging from stables of financial engineers with degrees in the most esoteric and elusive fields of mathematics, and in some cases even from theoretical physics. Structured products, derivatives, synthetics and exotics had one common thread running through all of them – they were more often than not extraordinarily (maybe even impossibly) difficult to understand and hence to value.

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That difficulty to value was a combination of their inherent complexity and the illiquid nature of the markets they were often traded in. If there was no regular trading of such instruments, how could one value what one owned? This problem effectively spawned a whole industry sector focused on providing some kind of valuation for 'hard-to-value' financial instruments. As it turned out, the methods that many financial institutions adopted to value such things as asset-backed securities, especially those containing so-called toxic assets such as US sub-prime mortgages, were shown to be woefully inadequate and effectively just plain wrong.

So where does all of this leave us? While there is no doubt that many of the markets and their associated instruments have been discredited, I do feel the financial markets follow the almost Darwinian path of 'Where there's a will, there's a way'. From the ashes of this appalling carnage I am not sure a phoenix will rise, but I would expect the markets to display their typical innovative flair and start to generate new ideas adapted to the current and future markets.

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However, it's almost impossible to predict whether we might hope to see some green shoots of recovery later in 2009 or – with some people I respect saying they fear the worst of this recession is still to come – whether we'll have to wait until early 2010. If you will pardon me standing on the fence here, I think it could go either way – or a third way altogether. Whichever way it does go, those who predicted it will claim great insight and tut-tut at those who got it wrong, when in my humble opinion they were just lucky that on this particular roulette wheel the ball landed on red rather than black. Or am I just too cynical?

More and better data

The ever-quotable Oscar Wilde said, 'A cynic is a man who knows the price of everything but the value of nothing.' I am not sure I can justifiably label the markets cynical, but there does seem to be some resonance with that quotation. The markets did to some extent have a price for everything, in that someone bought an asset from someone else and, although many of these markets were pretty illiquid, some trading did take place based on a set of prices that were available.

The sub-industry of 'mark to market' pricing and 'mark to model' pricing fuelled the fires of innovation in the field of evaluated pricing. Several prestigious companies offered and continue to sell complex and sophisticated offerings in this field. I have already touched upon the issue of understanding value, but it is a point worth repeating. A large part of the crisis of confidence that is at the heart of the credit crunch has been brought about because many in the market realise that what they thought was an accurate pricing of assets they held bore very little relationship to their actual value. It is this realisation that has shaken the fabric of the credit markets to their core. The paralysis we have experienced in the latter part of 2008 and the early part of 2009 is based on a scary feeling of doubt based on a lack of trustworthy knowledge.

If we move forward on the assumption that these more complex financially engineered structured products are not going to disappear, then it seems logical that the field of evaluated pricing will grow in importance, sophistication and – one hopes, for all our sakes – also in terms of the accuracy of its estimates. The market and reference data industry has a potentially significant part to

play in this new world order. Logic, or some would say optimism, suggests that the new scenario will require more data and better data – and that has to be a positive thing for our industry sector.

Closely associated with this newer world of better evaluated pricing is the rising significance and relevance of the already important world of risk management. This field is highly mathematical in nature, but has a massive appetite for data. I therefore predict that the two disciplines of evaluated pricing and risk management will continue to grow in importance – which is great news for them, and in turn will generate a great hunger for data, which I hope is great news for all of us.

The new big kids on the block

When I first started writing my editorial pieces for *IMD Reference* in 2003 there were a pretty large clutch of vendors to discuss – Bloomberg, Reuters, Thomson Financial, Telerate, Bridge, IDC, S&P and others. Today that list is a great deal shorter, and four of those companies now find themselves part of the behemoth that is Thomson Reuters. Admittedly, newer companies such as Factset, Markit and Interactive Data have started to make an impact, but the fact remains that a massive majority of market and reference data revenues are now spent with just two companies – Bloomberg and Thomson Reuters.

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There are interesting debates to be had on the rights and wrongs of this kind of monopoly power, or more importantly the potential for abusing such monopoly power in a competitive market. However, one senior market data manager from a major bulge bracket firm has said, 'We have only ourselves to blame, as the takeover of Reuters by Thomson Corp was quietly nodded through by the industry with very minimal resistance or objections from the customer firms.' These are of course the very firms that would consequently face a significant reduction in choice.

The industry often bemoaned the apparently duopolistic situation that existed when Bloomberg and Reuters together commanded a significant share of the overall market. Today that concentration has only intensified since Thomson Financial, which was in a healthy but apparently unthreatening third place, combined with Reuters, leaving us with two suppliers with a frankly staggering market share between them.

As a sweeping generalisation, and at the risk of upsetting some very capable folks at Thomson Reuters, Bloomberg had seemed to be getting the better of both Reuters and, to a lesser extent, Thomson Financial in recent years. To be fair, Thomson Financial was not really in a position to go head to head with Bloomberg. The big fight had always appeared to be between Reuters and Bloomberg. In straight mathematical and anecdotal terms, Bloomberg got the better of that fight. By mathematical terms I mean Bloomberg grew its workstation population and its

revenues at a faster rate than Reuters, and by anecdotal I mean that in conversation with numerous customer contacts I always got the impression that Bloomberg was winning more of the commercial punch-ups that constituted the overall bout.

It would be entirely wrong to give the impression that Bloomberg was succeeding on all fronts. Reuters has always been highly successful and effective in its delivery of data via datafeeds and systems like RMDS, and this success has been especially important given the growing importance of datafeeds driven by recent trends like algorithmic trading, and hugely significant in the current crisis where datafeed revenue seems much stickier.

However, putting the past to one side and focusing on the present and the foreseeable future, we could very well see some more fundamental shifts of business between these two companies.

Bloomberg has generated significant revenues and significant growth off the back of its Bloomberg Professional workstation. I would be comfortable making the bold statement that at the high end of the market it is the market leader. A common anecdote in recent years told of attempts by consumer firms to reduce costs by replacing some Bloomborgs with lower-priced workstations, often from Reuters. The story goes that the tactic invariably failed, simply because Bloomberg users would cling desperately to their workstations.

A key point to note is that until recent times such Bloomberg users would have been supported by their senior management. All too often market data teams were tasked with the responsibility to reduce Bloomberg costs but not backed up with the necessary authority, and responsibility without authority is something of a poison chalice. But times they are a-changing, and in very recent months two distinct factors have been adversely affecting the Bloomberg workstation population.

Firstly, Bloomberg users have been losing their jobs in their hundreds, and in the case of hedge funds – which had been such a fertile ground for new business – whole firms have been shutting down. This has inevitably had a negative impact on Bloomberg's subscription numbers. In the spirit of fairness I note that in these situations the negative downturn in business is in no way a reflection of Bloomberg as a product or as a company, and they are simply victims of circumstances completely outside their control.

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Secondly, in some – but again, by no means all – consumer firms, a new dynamic is emerging. Where once market data teams operated in that thankless world of responsibility without authority, the worm now seems to be turning. I have heard of instances where senior management teams in financial firms are so keen to reduce their market data expenditure that they are finally backing up their market data teams and giving them more authority to replace higher-priced Bloomberg workstations with lower-cost alternatives.

It is too early to tell whether this is a blip in the evolving story of market data, or whether it marks some kind of turning point in the relationship between Bloomberg and the centralised market data procurement departments that in the past Bloomberg so noticeably (and frankly, successfully) tried to circumvent.

As always, there is more than one side to any story. Bloomberg seems to have changed tactics itself, and I now hear stories demonstrating a new willingness to engage productively with market data departments. I have heard of specific cases where the most senior Bloomberg executives from head office in New York have reached out personally to senior market data managers offering the hand of cooperation and flexibility. At one level the tide may have turned on the traditional approach to business that Bloomberg deployed in recent years, and it would appear they are adapting to new circumstances. That adaptation may not yet be fully formed, and may prove to be temporary, but two indications of change leap out at me.

First, Bloomberg is offering large-scale account reviews at no cost to user firms. These are the kind of user audits that take considerable time and might be quite expensive if an outside consultancy were used. The end result is a report indicating how the user firm could save market data costs by adjusting the profile of its market data spend. Unsurprisingly, such account reviews are not exactly unbiased and would likely present a solution that involved cancelling services other than Bloomberg; Nevertheless, if that analysis is conducted factually and accurately it could prove to be valuable.

Secondly, the importance and notably the stickiness of Thomson Reuters' datafeed business has not been lost on Bloomberg, which has been dabbling with its own datafeed initiatives B Pipe and now B Pod for some years now. My choice of the word dabbling might seem a little harsh and derogatory, which is truthful. There is no avoiding the conclusion that Bloomberg has not done a very good job in this area. But the key point is the opportunity that this still presents to the company. If it can get its act together and make a success of its datafeed offering, then it poses a serious threat to a previously unassailable part of Thomson Reuters' revenues.

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It is difficult to gauge whether Bloomberg's recent lack of success is due to an apparent cultural inability to incorporate a datafeed style of business, something Reuters has always been very sharp at, or whether its hesitant steps reflect a degree of incompetence. In truth it is probably some combination of both. I choose my words carefully and I have to say that incompetence is not a word I would normally associate with Bloomberg. Indeed, the vast majority of my experience has been an enviable and admirable level of competence on that company's part

– an intensely annoying competence if one is forced to compete against it. I reiterate my earlier point that if Bloomberg can somehow apply its normal highly competent approach to the latent opportunity of datafeeds then we could see some very interesting shifts in power and revenues.

After the honeymoon

More than a year after the marriage of two of the three largest vendors in market and reference data, how is the happy couple doing? My observation is that although Thomson Reuters Markets division appeared to be heavily skewed towards the Reuters side of things, not least because Devin Wenig heads up the division, I increasingly see the pervasive influence of Thomson Corp winning through. It shows up in small things like the look and feel of the website, but I also hear that more and more of the Thomson way of doing things is being implemented within the organisation.

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It was inevitable that there would need to be a period of settling in, but it seems that broadly speaking the new entity has found its feet. Some of the financials suggest they are expecting cost synergies to play out well, which will help financials in future periods. This optimistic and positive view will depend on a large dose of stern discipline when it comes to shutting down individual products or indeed whole product lines. If they stick to their guns and resist the inevitable inertia from conservative customers and nervous sales staff then they have the opportunity to significantly down-manage the cost side of their P&L etc.

Perhaps a more interesting dimension is the revenue side of the P&L equation. Thomson Reuters is well positioned on a number of fronts to defend the downward pressure it must be feeling on its sales figures. Looking back over the past few months, it seems the financials have held up well. Unravelling this prompts me to comment on the lag effect, which means that Thomson Reuters' clever use of contracts, especially enterprise deals, protects the company from the short-term impact of a market downturn. Customers cannot quickly cancel subscriptions, as they have made commitments to stick with certain expenditure levels or quantities of product over a period of time – perhaps six months or longer.

Another tactic effective in the short term was the implementation of a price increase during 2008, which enables Thomson Reuters to gain some additional revenues without selling and installing new products. I say short term because in the medium to long term such tactics may have an adverse effect on competitive market dynamics. Thomson Reuters is caught in the tricky dilemma of whether it should reduce prices to gain more share – at least in volume terms – of a shrinking market, or whether it should maintain prices to maintain revenues and to be better po-

sitioned once some kind of recovery kicks in. At the time of going to press, the evidence suggests that Thomson Reuters is holding firm on its pricing. Time will tell whether this tactic varies if the recession continues or even worsens.

Thomson Reuters has at least three noteworthy lines of business that are very sticky and make up a solid line of defence against the stormy waters of the credit crunch-induced recession

As I mentioned earlier in this commentary, stickiness – meaning the difficulties a customer faces when they consider trying to remove and/or replace a product or service – is a key factor at the present time. If a product is sticky, the customer will experience some significant discomfort, dare I even say pain, if they choose to remove a service. It may well be that if our customer were in a ‘greenfield’ position, then product B might be a cheaper or in some other way better choice than product A, and in such a case our fictitious customer would invariably opt to subscribe to product B. However, most real-world solutions are not ‘greenfield’, and if our customer has already got product A ensconced and well established in that firm, the chances are that unless product B is hugely better, the customer will stick with the proverbial devil they know.

The datafeed advantage

Thomson Reuters has at least three noteworthy lines of business that are very sticky. First, its real-time datafeed business, so robustly supported by the adjacent RMDS product line, has unquestionably achieved a dominant position in the market. That dominance is very difficult to unseat because replacing a real-time datafeed and associated systems and applications falls fairly and squarely into the painful camp. Open heart surgery might be an appropriate metaphor.

Second, Thomson Reuters has a substantial, if not dominant, market position in the area of reference data feeds. I have already touched on a key characteristic of these more static feeds in that a customer is faced with a binary choice to either take the feed or not. Expenditure on such feeds cannot be easily reduced in part – it is often a question of having all or nothing: on or off.

Thirdly, Thomson Reuters inherited a host of database services from Thomson Financial, and in many cases these types of service share the sticky characteristics of reference data feeds, in that customers often face a stark binary choice. These three examples of stickiness make up a solid line of defence against the stormy waters of the credit crunch-induced recession.

Thomson Reuters Markets (and Reuters before it) has been very successful in building its datafeed business, and this provides a cushion in bad times as I have just described, but it also enables Thomson Reuters to ride the wave of interest driven by the strong trend towards algorithmic trading. A more uncertain future beckons from two perspectives. First, it is as yet unclear

how the appetite for algo trading will continue going forward. One fertile market segment was the hedge funds, and it seems many of them have taken a real beating in recent times. Second, the success of this business line and its associated revenues is not lost on Thomson Reuters’ competitors, who intend to wrest some of this revenue from Thomson Reuters’ sticky fingers.

Of all the competitors out there, Bloomberg has the strongest chance to make inroads, but this in itself could open doors to others. Once any kind of momentum is gained whereby such revenue is seen to be switching away from Thomson Reuters, that precedent would be a siren call to other competitors. It has to be said that Thomson Reuters has demonstrated great determination and some skill in hanging on to their datafeed and RMDS revenues, so I for one would not bet on them being dethroned as datafeed champs. But we should all keep our eyes focused on the likes of Bloomberg, Interactive Data, Morningstar (previously Tenfore), Markit, Fidessa and maybe some others.

I am deliberately cherrypicking my way through our industry’s issues, and my final observation on Thomson Reuters Markets relates to their desktops. Both Reuters and Thomson Financial had developed (or is evolved a better word?) their respective desktop offerings – for example and most notably Reuters 3000Xtra and Thomson ONE. It has to be said that both firms, and Reuters perhaps more so, had travelled a rather bumpy and even occasionally erratic road to arrive where they ended up at the start of 2008. If you will forgive me a slightly cynical comment, it sometimes felt as though desktop strategy was being retrofitted into an existing product line.

Whatever the history, 3000Xtra and Thomson ONE were clearly the main branded offerings. As has happened before at Reuters, they just seem to get to a clear-cut, unified and singular message about desktops when they go and acquire another company (eg Bridge and Telerate) which queers their neat strategy and product positioning. In this more recent case it was Reuters that was acquired, but the same problem ensues – what is the strategic and preferred desktop offering from the new Thomson Reuters Markets organisation? The answer seems to me to be in two parts.

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In the short term they seem to be promoting both product lines, but almost following the old demarcation lines, so that Sales & Trading (arguably dominated by Reuters of old) is pushing 3000Xtra, while Investment & Advisory (arguably dominated by the old Thomson Financial) pushes Thomson ONE.

In the longer term they are making interesting statements about a future, unified desktop sometimes referred to as the Common Platform and ostensibly born out of an internal project named cryptically UTAH. I am not sure whether that is metaphorically

linked with the beach famous for D-Day or the US state famous for polygamy. I have heard phrases like 'cross-pollination' from each side, though as yet I have not heard the more hackneyed cliché 'the best of both worlds' – but give them time. I am sure I read that this new offering would be launched sometime in 2009, but am unclear what progress has been made so far.

The depth of the pockets of the parent company gives Thomson Reuters Markets enormous long-term stability amidst the tumultuous seas that are the financial markets in 2009

All in all, I would say the jury is still out on how well positioned Thomson Reuters is for the future. They have had to deal with some enormous and complex internal organisational, logistical, technical and commercial issues, and they seem to have handled many of these with aplomb. But – and there is a real but – there are clear signs that their apparently inward focus is having some negative impacts on how their customers view them. Dealing with such an immense and complex merger and its associated integration tasks would be a tough challenge under the best of market conditions. Having to do all of this while at the same time fighting for business in the worst economic

downturn since the 1930s is another matter altogether.

One other factor, however, must also be considered. Thomson Reuters Markets is but one division of the much larger Thomson Reuters Corporation. The wider corporation has a diverse set of business operating in areas well outside the financial markets. This diversification of its business lines, combined with the depth of the pockets of the parent company (and the associated family trust), gives Thomson Reuters Markets enormous long-term stability amidst the tumultuous seas that are the financial markets in 2009.

In conclusion

In this year's editorial I have focused on the general economic conditions we face in the market data industry, and on some of the implications and outcomes this creates for some of our bigger vendors. There are of course myriad other issues facing our market that I have chosen not to comment upon, for reasons of time and space. I apologise if my words have occasionally strayed into the territory of doom and gloom, and while I repeat the fact that I do not consider myself to be a journalist, I do feel I am caught up in the dilemma of whether my commenting on our difficult times in some ways contributes to, or worse still exasperates, an already perilous situation. Therefore in conclusion I want to say with my hand on my heart that I believe things can only get better, that the recession will soon be over, and that we will all be prospering again before you can say, 'How do I subscribe to the excellent *IMD Reference 2010*?'