



**LSEG DATA &
ANALYTICS**



Meeting Customers in the Cloud

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LSEG DATA &
ANALYTICS

Industry Trends

What's impacting financial market firms and their trading businesses



Volatile Markets Global markets have been on a roller-coaster ride since early 2020 when the pandemic took hold + Ukraine + rising interest rates & inflation.



Decentralized workforce The pandemic set in motion the biggest disruption to workplace dynamics in history, accelerating Digital Transformation programmes.



Cloud Unprecedented scale, computing power and data processing capabilities, with the potential to dramatically alter the cost of technology, are now ubiquitous



Electronification of Markets continues apace, exploding data volumes and increasingly driving adoption of Pre-Trade and Intra Trade analysis



Rise of Data Science and Machine Learning provides new and advanced analytical tools to interrogate, understand and derive greater insights from data.



Regulation continues to put scrutiny on the trading activities of financial firms

Three key factors informing our real-time data strategy:

MARKET DATA
VOLUMES

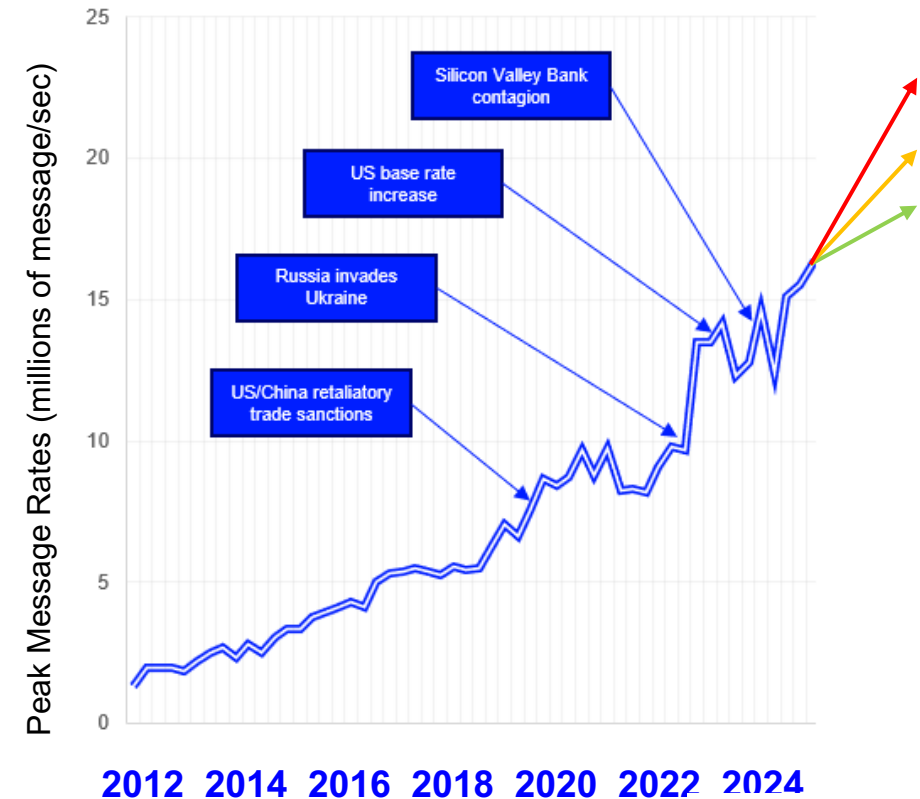
TECHNOLOGY
TRANSFORMATION

AN INCREASINGLY
MOBILE WORLD

This will require LSEG to **cater for even larger scale data collections and distribution** and **increase our focus on pivoting our platform to cloud**, as venue and customer gravity builds there, enabling the delivery of data to a more diverse set of mobile communities.

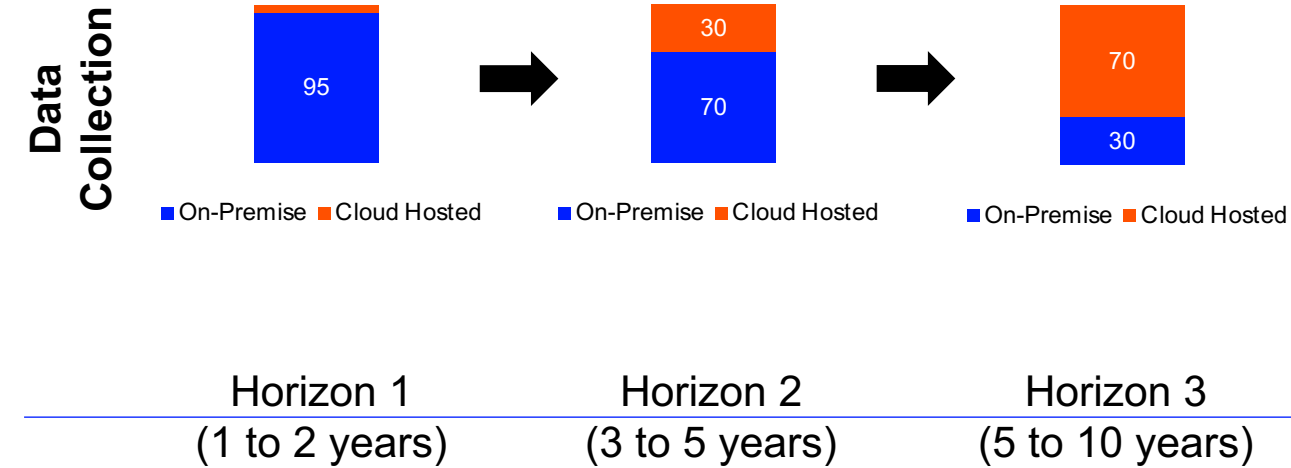
- From 2021-2023, there was a **66% increase** in market data volumes at LSEG, compared to 13% YoY growth for prior years. This step change increase in rates, whilst tempered, is expected to continue across future time horizons.
- LSEG expects the rate of change to increase, so by 2029, message rate peaks could be approaching **50m messages/second**.
- Customer focus will remain on **deterministic latency, low jitter, high availability** through physically redundant paths but greater emphasis is being placed on data quality and hygiene.

Peak Message Rates on LSEG Real-Time



The Changing Landscape of Data Collections and Market Consumption

Our insights are validated through frequent customer engagements around the world, including our Customer Advisory Forums, round table events and partner meetings.



Customer & Industry trends:

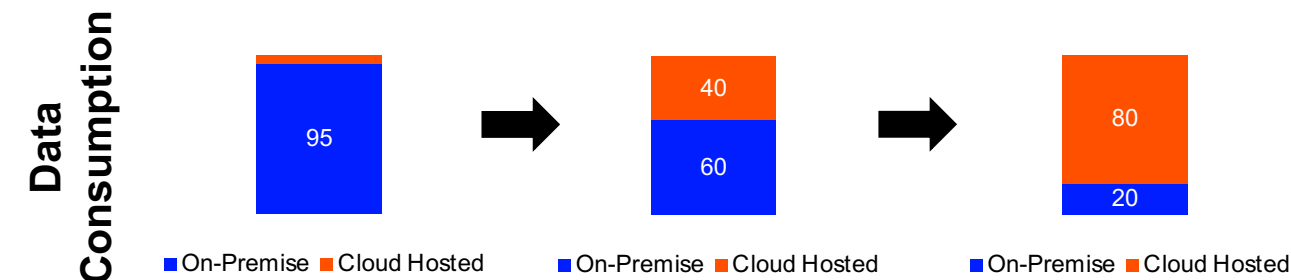
On-premise due slower than expected improvements in deterministic performance at high data rates in cloud

Simpler venues already adopting cloud saves and LSEG is collecting from in cloud and routing into core platform.

Vendor Landscape:

Premium venues to move to cloud with data consolidators moving to consume those feeds via cloud, all driven by cost pressure.

Venues to increase their focus on selling data directly to end users through cloud marketplaces but we expect that this will meet with limited success due to lack of normalisation and value add capabilities



Customer & Industry trends:

Customer maturity in cloud lower than anticipated, leading to slower adoption, drastically increasing over next 3-5 years

Significant pivot from using network connectivity to route data into cloud to sourcing data directly from public cloud.

Within 5-10 years, merging of collections and distribution locations.

Vendor Landscape:

Service offerings from independent platform and managed service providers launched as cloud opens up new opportunities to serve customers without the investment in large data centre footprint.

LSEGs own strategy of offering public cloud based managed services based on customer demand and, by Horizon 3, expect the norm to be real-time data collected, processed and consumed in cloud, with regional variations in uptake.

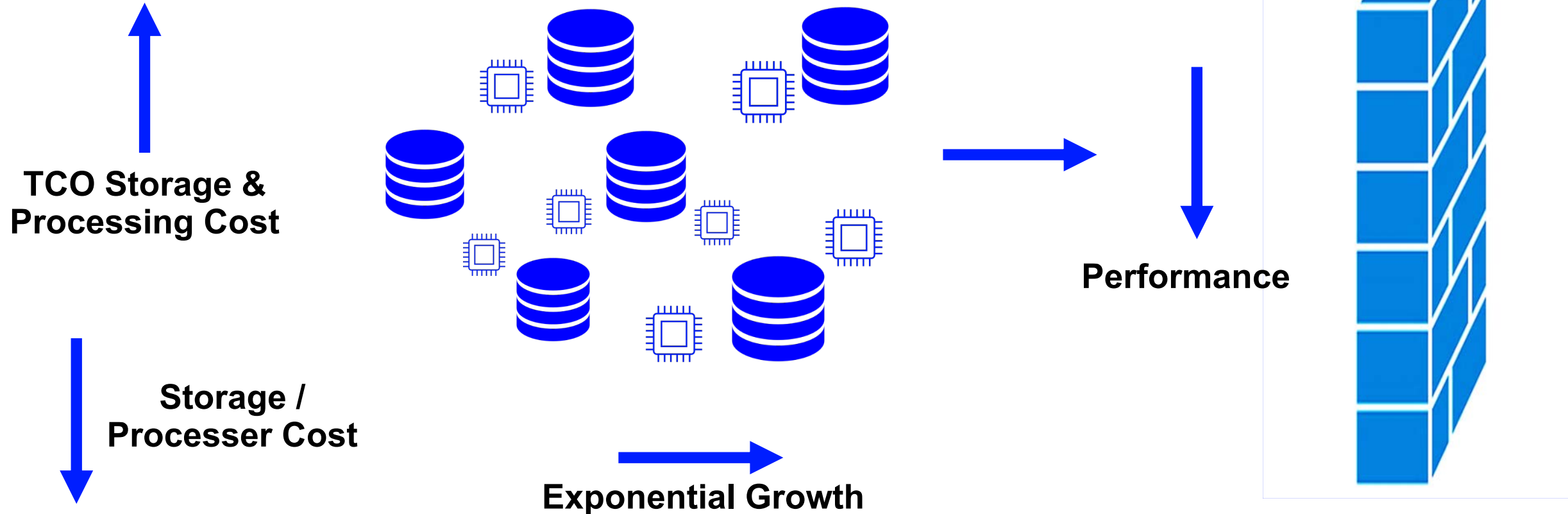
Storage LSE venue

5GB per day x 249 trading days per year = 1289 GB 1.2TB
27 years of History
= 32.4TB

Replication factor x 1.5 = 48.6TB
x 250 venues = 12,150TB / 12PB

The On-Prem Database Wall – provisioning storage, processing x days/weeks

“Customer must provision for their biggest peak”



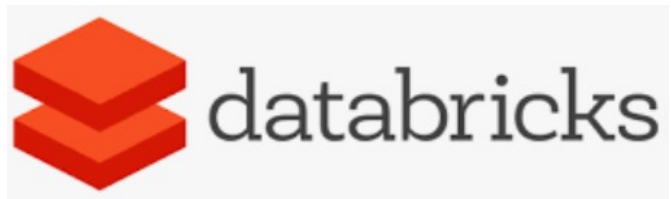
Moore's Law

Moore's law is the observation that the number of transistors in a dense integrated circuit (IC) doubles about every two years / the density of components on silicon. Thus, applies to SSDs ~ which is why the highest-capacity drives now available are SSDs at 100 TB+ compared to magnetic media hard drives at 14 TB.

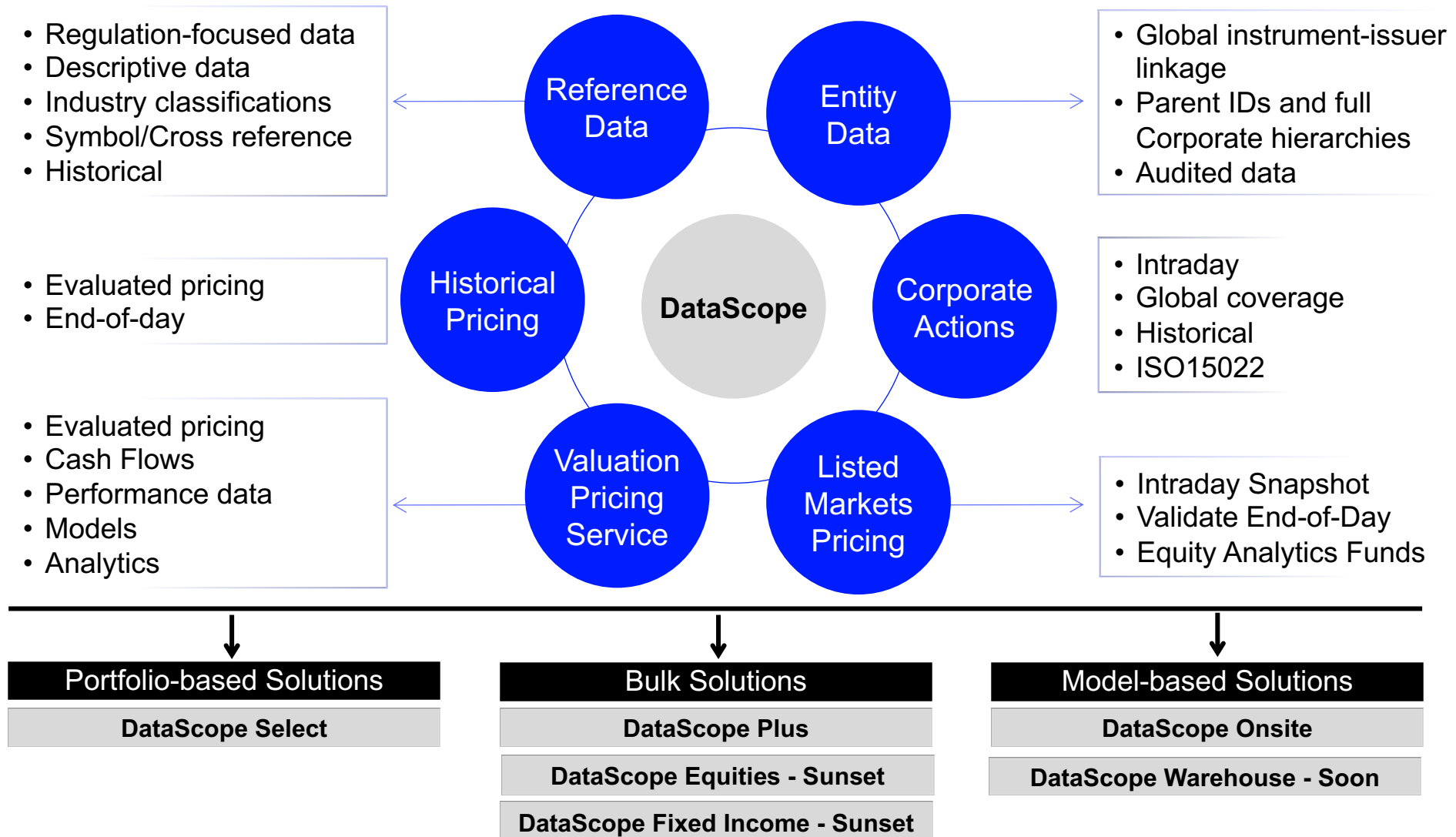
Meeting Our Clients in the Cloud

LSEG Cloud Collaborative

Provides flexibility to work with different providers to deliver what works best for different Price and Reference solutions and content and our clients' needs.



Pricing & Reference Services Content Sets & Solutions



DataScope Use Cases

Comparing DataScope Data Delivery Options – Data Consumption Example



DataScope Select - Order “Ala Carte”

- Create cross-asset instrument/entity portfolios requesting only the content you need
- Customize reports, content, fields & file output
- Select frequency & extraction processing times



DataScope Plus - Sample the full Buffet

- Access full universe of ETI & FI pricing & reference/entity data based on asset type and region
- Customize reports, content, fields & file output
- Receive continuous file delivery every 15 minutes or every 3 hours daily



DataScope Onsite & DataScope Warehouse – Prepare a Recipe

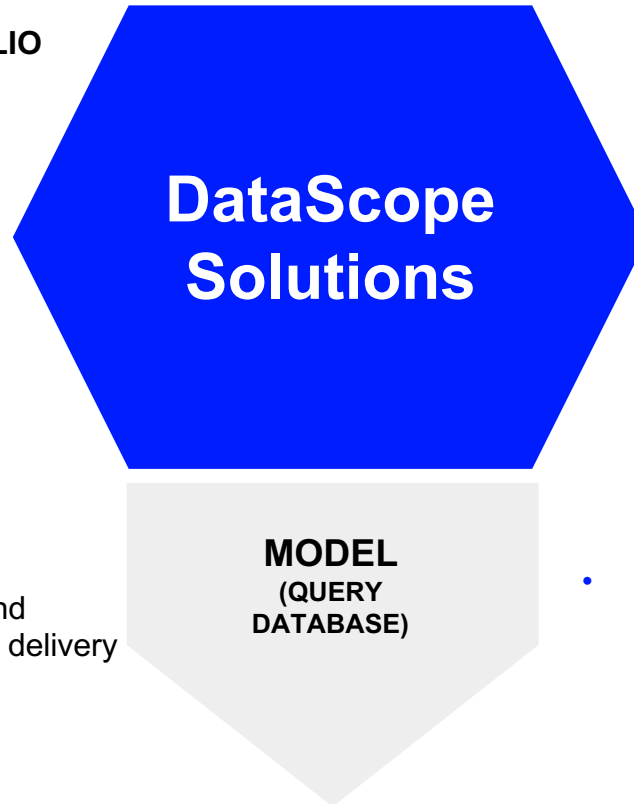
- Access to the full database of record for fixed income and legal entity data, as well as the ability to query data for global exchange-traded instruments, including emerging markets
- Available on-prem or in the cloud via Snowflake
- Supports SQL (ANSI) for exploring and querying PRS content
- Enables integration of client content

DataScope Use Cases

DataScope Select

- For global users requiring data at portfolio level
- Current point-in-time data & pricing snaps
- No delta capabilities
- Supports simple, ad-hoc searches only
- Usage tracked at security & asset level

PORTFOLIO



BULK

DataScope Plus

- For global users requiring large data universe & deep history
- Continuous data delivery – No scheduling needed
- Can be used to build database query/discovery tool
- Bulk delivery delivered at subscription Level
- Recommended for selling History Cuts

DataScope Warehouse

- For users in all global regions requiring on-demand access to PRS pricing & reference data via cloud delivery

DataScope Onsite

- For users in North America requiring on-demand access to PRS pricing and reference data via deployed server

DataScope Warehouse & DataScope Onsite

- Can be used create security master reference databases or develop deep analytic data strategies
- Available with a core FI offering and add-on premium pricing and reference data packages

Thank you

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Report and today's presentation



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