

TELEKURS UK CREATES CLIENT BASE FOR VDF AND D-U-N-S NUMBERS

During 2006 Telekurs Financial has successfully promoted the inclusion of D-U-N-S Numbers from D&B in Valordata Feed (VDF). A number of clients in Luxembourg and the UK have already decided to implement this solution, which presents clear benefits to financial institutions. With this new data set, banks can keep a much tighter rein on their exposure to groups of companies, helping them to comply with regulations. Should one of the issuers be in default, then the bank's exposure to the defaulting company can now be assessed in hours rather than in weeks or months.

With most banks' databases running at an instrument level, it is essential that any solution gives them the ability to add a single code to their instrument master file representing the ultimate parent of the issuer of those instruments. The addition of ultimate parent links to instruments in Telekurs Financial's database alongside the Telekurs Company Key gives banks the ability to create corporate hierarchies for the first time, using VDF. This means that banks are now able to create reports required under UCITS III fairly simply. Under the present regulatory requirements, such as Basel II and UCITS II, firms need to be able to manage their risk in a number of ways. Using other information available through VDF, clients can also better manage risk by country, sector or currency.

At the end of June 2006 Telekurs Financial and D&B agreed additional measures to continue to increase the number of issuers which have D-U-N-S Numbers allocated to them in VDF. To date, the number stands at around 60 000 issuers – a figure which represents over 600 000 financial instruments.

JP MORGAN CHASE CORPORATE CHALLENGE 2006

Eighteen motivated runners from Telekurs UK participated in one of the most successful employee road races of the financial world. Over 300 companies, among them Telekurs UK, sent their staff to the starting block. Mervyn Rodriguez (Data Services) was Telekurs UK's fastest runner with a time of 23 minutes and 13 seconds, followed closely by Robin Hyde (Management Services) and Mark Cookson (Product Services) with a time of around 24 minutes. The race was opened by world class legend Linford Christie.

The 5.6 kilometre (3.5 mile) event almost certainly retained its title as the most enduring, successful sports events of the British financial world. The 20th edition of the JP Morgan Chase Corporate Challenge saw over 13 000 participants sprinting through London's Battersea Park. The organization made a donation for each entry to the SportsAid funds. SportsAid is at the forefront of athlete development in Britain and is *the* charity for sports people as it helps the next generation of young British sportsmen and women to succeed. The World Series of the JP Morgan Chase Corporate Challenge is held annually in different capitals and cities of the world, such as Singapore, Frankfurt, Sydney or San Francisco.



From left to right (top row): Dan Tungate, Craig Bridges, Simon Cox, JonAndrea Barblan, Dominique Tanner, Mark Cookson, Mervyn Rodriguez, Katherine Ball, Gill Barker, Robert Hearnden, Nicholas Noden, Myrtle Whitby-Keith, Greg Noonan; (bottom row): Robin Hyde, Darren Phillips, Sylvie Lewis, Sarah Beck, Laura Fuller

FUNDAMENTALS: TELEKURS iD OFFERS DETAILED INFORMATION ON UK AND US COMPANIES

Starting at the end of 2006, the Telekurs **iD** financial information display will be offering selected company information from Hemscoff Plc. Hemscoff is a specialist with an international reputation for acquiring high quality company information, with a strong emphasis on the British and US markets. In the UK, Hemscoff collects and processes “fundamentals” from listed UK and Irish companies with the aid of a historical database that goes back 20 years. Hemscoff offers a similarly broad data coverage in the USA. For Telekurs **iD** users – especially customer advisors and analysts – Hemscoff’s extensive company information represents genuine added value. Today, long-term investment decisions are based more than ever before on these fundamentals. The losses suffered by the overvalued dot-coms confirmed this traditional view. Fundamentals provide pointers to companies’ current and future economic and financial developments. Here is a summary of the new information offering on US, Irish and UK companies:

- Company Summary from business reports: turnover, earnings per share (EPS) and tax-relevant key figures
- Financial Overview: sales, assets, cash flow, etc.
- Business address details, management details, websites and e-mail addresses
- Estimates from approximately 20 market leaders, such as UBS, Citigroup, Merrill Lynch, etc.

How can Telekurs **iD** users access this information? A right mouse click on a financial instrument opens an overview of the fundamentals. This optional service collates the company data into easy-to-digest views. Another optional service supports a trend that has now become well established with customer advisors: the “Facts Report” – available as an easy-to-print PDF – provides all company information in a highly readable format. A convenient document that provides the facts you need when advising customers.



A FAIR-VALUE APPROACH IN THE BOND MARKET

In the past, market participants have had to rely on direct telephone contact with market makers to obtain valuations of illiquid or exotic investments. However, this method of acquiring information is considered inefficient by the financial industry, particularly at a time when it is experiencing such rapid growth in automation. There is a clear need for electronic delivery of price data today. Similarly, financial experts are increasingly looking for objective evidence of fair value in bond-related management and performance comparisons.

This situation presents a particular challenge to financial institutions and providers of financial information: the market is demanding round-the-clock pricing for a growing universe of fixed-interest investments. Moreover, the financial industry operates in a complex, highly regulated environment with specific constraints on reporting, compliance and risk management. This increases the pressure on financial information providers to offer a daily valuation of all instruments and to demonstrate the transparency of their sources.

Telekurs Financial sees a more widespread use of reference prices as the answer to this dilemma. Reference prices are based on selected quotations, i.e. on prices computed in accordance with modern financial theory. They are acceptable to all market players and create the necessary transparency in the various applications: compliance, reporting, portfolio evaluation, etc. In 2007 Telekurs Financial will embark upon a substantial expansion of its existing bond pricing service in the Valordata Feed (VDF). We will be promoting the fair value approach in the bond market with the timely delivery of “contributed calculated prices” and “fair values”, with the usual in-depth data coverage for which Telekurs Financial is well known.

NEW VDF RELEASE RESPONDS TO MARKET NEEDS

Telekurs Financial’s Valordata Feed (VDF) delivers in-depth information and so ensures the efficient, high quality processing of security and capital transactions. With the new release, which will be available as of 27 November 2006, VDF customers will be provided with more market-driven data fields together with significant innovations in the following areas:

- Structured products and exotic warrants
- Taxes, reporting and regulations
- Cash flow messages for debt instruments, hybrids, structured products, equities or investment funds
- Securities settlement and clearing

VDF supplies basic and corporate actions data in a structured, encoded format as well as valuation prices on over 2.9 million financial instruments. With more than 50 message types and approximately 1 500 data fields, VDF offers an extraordinary depth of data together with an extensive history, which allows events to be traced back over a long period. It provides a platform for Straight Through Processing and is available worldwide as a global product. VDF Change Management regularly updates VDF customers on all VDF releases.