



SGX invests \$250 million to offer fastest access to Asia

3 June 2010 – Singapore Exchange (SGX) today announced a \$250 million plan to strengthen Singapore's position as the best market for accessing Asia.

This new initiative – Reach – will create the world's fastest trading engine with the lowest trading latency, establish a world-class data centre for SGX and seamlessly connect trading communities in global financial hubs to Singapore. Reach will be rolled out from the first quarter of 2011.

The resulting trading environment will be ideal for global investors, including sophisticated traders and participants new to the region. It will bring better liquidity and greater velocity to the market, enhancing SGX's position as the Asian Gateway.

SGX's new trading engine - SGX Reach - is delivered through NASDAQ OMX's Genium INET platform, Voltaire's InfiniBand solution and HP's technology. On 7 May 2010, SGX conducted a benchmark test with its partners at HP's Singapore Capacity Planning Centre and established an average order response time of 90 micro-seconds "door-to-door". This will provide customers with the fastest execution capability currently in the world.

The new SGX data centre – a purpose-built state-of-the-art facility – will house SGX's trading, market data and clearing infrastructure and offer a wide range of co-location facilities, introducing ultra-low latency trading and market data.

The Reach initiative also includes establishing a presence at key data centres in Chicago, London, New York and Tokyo. These SGX hubs will radically lower cross-border connectivity costs to SGX and facilitate participation in Asia's growing markets by a larger number of global trading firms.

Mr. Magnus Bocker, CEO of SGX said, "We are the leader among exchanges in satisfying global appetite for Asian investment products. With Reach, Singapore will become even more accessible to greater numbers of investors including international traders seeking the next generation of growth opportunities. The investment also reaffirms SGX's commitment to provide global reach for Asian issuers."

Mr. Gan Seow Ann, Head of Markets at SGX added, "Customers which co-locate their trading applications with SGX's trading engines will be able to capitalise on new trading opportunities. We are delighted that 40% of our broking members have already signed up as the first batch of subscribers. In addition, SGX hubs will provide low-cost access to key global trading community locations beginning with Chicago, London, New York and Tokyo."

Appendix

A trading system powered by Genium INET

SGX Reach will use a next-generation trading engine powered by Genium INET technology from NASDAQ OMX, the world's biggest exchange company. The system retains existing SGXAccess API and SGX Access FIX with ultra-low latency to enable a smooth transition for existing customers. The architecture of the trading engine is highly scalable and can deliver the highest transaction volumes. SGX has worked with other expertise partners, Voltaire and HP, to enhance the performance of this engine further.

Migration of the securities trading engine will start in 2011 followed later by that of the derivatives trading engine. The new trading infrastructure leverages on Voltaire's InfiniBand switches and software - an advanced networking technology used in high-performance data centers and supercomputers in High Performance Computing environments – to help provide the lowest end-to-end latency in the world. The engine will exploit industry-standard hardware platforms and the Linux operating system for lower operating costs.

SGX hubs in Chicago, London and Tokyo

SGX will allow customers in New York, Chicago, London and Tokyo, to directly connect with SGX's trading engine, at significantly lower costs. The network of SGX hubs may be expanded in future to other financial centres.