

## Chi-X<sup>®</sup> Latency Measured to be 10 Milliseconds by TransactTools

LONDON – January 29, 2007 – Instinet Chi-X Limited, the first pan-European equity alternative trading system (ATS), or multi-lateral trading facility (MTF) as it will be known once MiFID goes into effect in November, today announced that its roundtrip latency has been measured at 10 milliseconds—or 1/100th of a second—after a series of latency and throughput tests performed by TransactTools.

“Based on Instinet’s internal system performance measurement statistics for average DMA order routing speed to the incumbent European stock exchanges, we believe Chi-X is more than 10 times faster than them, when compared to TransactTools’ results,” said Peter Randall, Director of Instinet Chi-X Limited.

TransactTools’ standard benchmark tests found that over 95 percent of messages sent to Chi-X were responded to in an average of 10 milliseconds—a measure that includes the client-side infrastructure latency involved on either side of the transaction—with the fastest response time being four milliseconds. For high volume throughput testing, in which five million messages were generated in total, Chi-X maintained an average roundtrip latency of 18 milliseconds while handling 16,000 messages per second. Chi-X’s internal latency, which is a measure of the system’s ability to process messages in its core rather than the roundtrip measurement, was measured by Instinet Chi-X at 890 microseconds, or less than one millisecond.

“We believe Chi-X is set to change the face of equity trading in Europe, offering benefits that will resonate with traders and regulators alike,” Randall continued. “MiFID is rightly focusing the industry’s attention on meeting best execution requirements. Many recognize execution cost as an important element, but speed of execution is fundamental in this equation as well. From the beginning we have designed Chi-X to be an ultra-fast alternative to the traditional European venues, and feel that TransactTools’ findings bear out our claims.”

“Our results demonstrate Chi-X is well-positioned to set a new standard for speed and capacity in electronic European equities trading,” said Sam Johnson, CEO of TransactTools. “As the leading independent provider of high-throughput, low-latency messaging technology, our Professional Services group was an obvious choice to run these tests for Instinet.”

### About Chi-X<sup>®</sup>

Instinet Chi-X Limited, an independent subsidiary of Instinet Europe Limited, is an FSA authorised securities firm operating as an Alternative Trading System (ATS) and MTF (Multi-Lateral Trading Facility under MIFID) for the trading of a wide range a pan-European equities. Instinet Chi-X is currently available in live beta production.

Through Chi-X’s low-cost, streamlined model, institutional investors are able to trade pan-European equities and achieve ultra-low execution, clearing and settlement costs. Both internal and external benchmark tests showed the Chi-X operating model to be more than 10 times faster and significantly less expensive than Europe’s traditional equity exchanges\*. Chi-X disseminates market data to clients directly and via third party market data vendors at no cost, and trade reporting is available for a flat monthly fee of £210 per calendar month. For more information, please visit [www.chi-x.co.uk](http://www.chi-x.co.uk).

\* Market volatility and volume may affect actual performance.

## **About Instinet**

Instinet, through its subsidiaries, acts as a global agency broker, providing the trading expertise and advanced technology necessary to successfully interact with more than 50 securities markets worldwide. Acting solely as an agent for its customers, which include international mutual funds, insurance companies, pension funds and hedge funds, Instinet seeks to improve institutional investment performance and lower overall trading costs through its various front-end trading systems, securities crossing networks, algorithms and investment research products. The company, which is majority owned by Silver Lake Partners, is headquartered in New York and maintains offices in North America, Europe and the Asia Pacific region. For more information, please visit [www.instinet.com](http://www.instinet.com).

## **About TransactTools**

TransactTools is the world's leading provider of high-performance enterprise messaging software and services for the securities trading industry, with offices in New York, London, and Singapore. An active participant in many industry standards groups including FIX Protocol Ltd. and the TWISE Standards Organization, TransactTools was the first company ever to launch free, globally-accessible testing services for validating and certifying FIX implementations. More information is available at [www.transacttools.net](http://www.transacttools.net).

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