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U.S. Equities: The E-Trading Stalemate

August 12, 2015

Executive Summary:

While e-trading has gained mainstream acceptance, institutional volumes have stalled with only a third of buy-side trader's flow executing via low-touch strategies.

As the choice of e-trading offerings continues to grow, so does the complexity of U.S. market structure. The net effect is essentially a standoff.

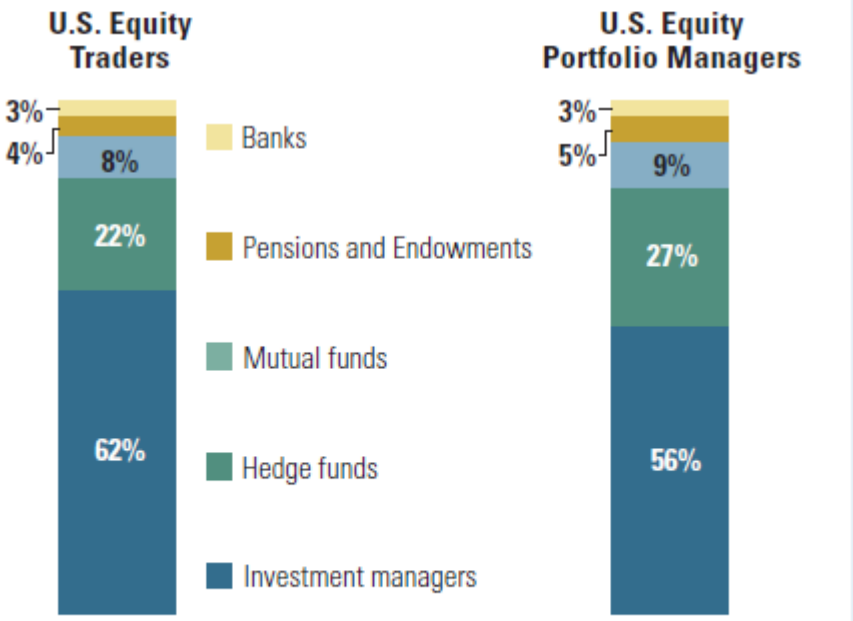
The buy side wants simplicity. Ease of use, reliability and quality of support drive e-trading selection.

Currently, order flow is concentrated to a small number of brokers. For e-trading usage to be more rational, the sell side needs to streamline their electronic offerings to combat market complexity and align with institutional needs.

Methodology:

Study Participants

Greenwich Associates conducted in-person and telephone interviews regarding U.S. equity investing with 243 U.S. equity portfolio managers and 321 U.S. equity traders between November 2014 and February 2015. Respondents answered a series of qualitative and quantitative questions about the brokers they use and their businesses in the U.S. cash equity space.



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