

Metamako for MiFID II – Timestamping

Countdown to MiFID II

As part of an ongoing effort to improve traceability in financial markets, MiFID II is aiming to improve trade transparency and in turn increase accountability. For financial institutions, this brings a stringent requirement to keep a precise record of events such as executed trades and orders received, with an unprecedented level of detail and accuracy.

In the past, firms may have been reluctant to implement accurate timestamping / monitoring solutions due to the cost, complexity, and the operational challenges associated with the infrastructure, however accurate timestamping, data capture and storage for continuous or on-demand verification by the regulator (as outlined in RTS-25) is becoming an impending obligation.

Time is running out

By 3rd January 2018, financial firms need to demonstrate traceability to UTC as well as ensuring they can retrieve time based records of financial transactions.

For most firms and venues, RTS-25 (a component of MiFID II) requires that various types of events are timestamped with a maximum divergence of 100 microseconds, traceable to UTC, without exception.

Failure to comply with these regulations may expose the organisation to a risk of fines of up to 10% of their global turnover.

Non-European businesses are affected by the same obligation when operating within the European market structure, and many non-European firms are using it as a reason to improve their internal monitoring infrastructure globally.

Meeting your compliance needs

Metamako helps you meet your MiFID II requirements (RTS-25) – quickly, easily, reliably and cost-effectively, based on highly accurate network timestamping.

Multiple components are integrated into one powerful device:

- 1/10GbE tapping and capture
- Nanosecond-resolution timestamping
- Deep buffering
- Captured stream aggregation
- Clock synchronisation
- Flow-control of captured, timestamped packets on egress leveraging deep buffers.



Metamako offers a best-in-industry timing framework to synchronise precise timing via NTP, PTP or PPS.

Furthermore, it provides network edge devices that provide a tapping pass-through capability – only adding the equivalent latency of 1 metre of fibre or copper – as well as timestamping a copy of this traffic with 1 nanosecond resolution.

“We evaluated a number of solutions, but in the end, the accuracy and performance of Metamako’s devices made them the obvious choice”

Nicholas Rakebrandt, Manager,
Connectivity Development,
Australian Securities Exchange



Metamako is unique in its simplicity and transparency of installation into the network, the accuracy of its timing, and the latency cost of meeting the regulations.

Metamako gives financial firms absolute confidence that they are capturing and timestamping every required data packet on the network for MiFID compliance, regulatory commitments and back-testing.

Metamako benefits:

- No need to rebuild your environment = minimal time to compliance
- Transparent and fast implementation
- Deployment at the network edge
- Choice of Ethernet media types for tapping (Twinax/Fibre)
- Ultra-accurate time stamped packet capture
- Timestamping resolution of 1 ns
- Cost effective compared to traditional solutions
- Real-time visibility into the network
- Integrated x86 management platform for 3rd party applications with access to captured traffic
- Up to 32GB of on-device buffering for captured streams
- If capture/analytics devices consuming the aggregated capture streams have ingress bandwidth limitations, they can further leverage the deep buffering by back-pressuring the Metamako output ports i.e. they can consume at a rate that works for them rather than that dictated by the aggregated capture stream

Industry report for accurate Timestamping

When it comes to measuring accuracy, you can only measure as accurately as your actual measurement device. This poses a challenge for companies who have no easy way to ensure data capture accuracy in relation to an industry reference.

A comprehensive timestamp accuracy report will be available in June 2017.

"Metamako offers almost three orders of magnitude better precision than required under MiFID II!"

David Snowdon, CTO, Metamako

Metamako provides high-performance network solutions to traders, banks, exchanges and brokers which reduce latency, provide increased visibility and simplify the overall network stack.

Metamako has offices in New York, London, Tokyo and Sydney and was named in KPMG's Global Top 50 FinTech Innovators.



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