



Instinet Completes Canadian Electronic Trading Build Out

Launch of U.S./Canadian inter-listed smart order router rounds out agency-only broker's Canadian electronic trading offering.

NEW YORK and TORONTO – January 26, 2011 – Instinet Incorporated, a global leader in electronic trading and agency-only brokerage services, today announced that its Instinet Canada Limited subsidiary has recently completed the full rollout of its next-generation electronic trading platform in Canada. The offering now includes a U.S./Canadian inter-listed smart order router, the Execution Experts(TM) suite of algorithms with full inter-listed capabilities and Instinet's award-winning Newport 3 EMS, which includes significantly enhanced Canadian and global trading capabilities. This all follows the recent hiring of three highly experienced electronic trading professionals in Canada.

"The Canadian equity markets have rapidly evolved over the last several years and today demand sophisticated trading technologies on par with those required in other leading global markets," said Jonathan Kellner, President of the Americas at Instinet. "I am excited that we are now able to deliver a version of our global trading platform with full inter-listed capabilities to the Canadian marketplace and believe we have set a new standard for trading solutions in Canada."

Among the enhancements Instinet has made to its Canadian platform is the rollout of its next-generation, event-driven algorithmic trading strategies – the Execution Experts. In Canada, the Experts suite is comprised of a range of benchmark, participation and liquidity sourcing strategies. In addition, all of the Experts leverage Instinet's recently-launched inter-listed smart order router, which will simultaneously work an order on both Canadian and U.S. exchanges, displayed ATSs/ECNs and dark pools to find the optimal execution price based on real-time foreign exchange rates, allowing for single currency settlement.

"Inter-listed routing functionality gives clients access to the full liquidity and price benefits provided by all markets on which Canadian securities trade, and is crucial for obtaining best execution in an inter-listed security," said Alison Crosthwait, Director, Global Trading Research at Instinet.

Instinet has also continued to enhance the Canadian trading capabilities of Newport 3, Instinet's multi-asset, broker-neutral execution management system. Through it, users are able to access Instinet's entire global product portfolio, as well as dozens of other brokers' offerings. In the second half of 2010, Instinet added direct access to nine Canadian broker's full algorithmic trading suites via Newport 3, bringing the total number in Canada to more than 20.

Additionally, Instinet has begun the regulatory filing process to launch a Canadian ATS. ICX (Instinet Canada Cross – www.icxats.com) will consist of two dark pools: a pre-market, VWAP (Volume Weighted Average Price) cross, and Instinet BLX, an algo-friendly dark pool that seeks to "build" block trades by combining the liquidity aggregation benefits of point-in-time crossing with the flexibility of a continuous market. ICX, which is expected to launch in the first half of 2011*, is based on Instinet's proven, liquid, globally-deployed dark pool model, and will be powered by Instinet's proprietary matching technology that was designed to maximize speed, performance and reliability.



Finally, in 2010 Instinet's Canadian sales and trading group was augmented with the addition of industry veterans [Jeff Houslander and Andrew Hill](#) to the trading desk, as well as the hiring of Ms. Crosthwait, whose [analysis of the U.S. "Flash Crash"](#) and ["Eleven Market Structure Trends to Watch for in 2011"](#) pieces have generated considerable industry attention globally.

* Pending regulatory approval.

About Instinet

Instinet is an electronic trading pioneer, having established the world's first major electronic trading venue in 1969, one of the first recognized U.S. ECNs in 1997 and the first pan-European MTF in 2007. Through its subsidiaries and affiliates, Instinet operates two distinct business lines: a global network of agency-only brokers that seek to help institutions lower overall trading costs and improve investment performance through the use of innovative electronic trading products, including smart-routing, algorithms, DMA, TCA, dark pools and EMS platforms, and also provide sales trading, commission management services and independent research; and the Chi-X[®] Global businesses, which aim to improve the efficiency of capital markets globally by providing high-performance, low-cost alternative execution venues and the technology required to power them. Instinet is a wholly-owned subsidiary of Nomura Holdings, Inc. For more information, please visit www.instinet.com.

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