Political uncertainties have been identified as the main growth inhibitors in the near future with market volatility not being perceived as a major roadblock to growth according to industry participants. Looking into the future machine learning, outsourcing and managed services will play an important role driving business model changes such as the location of operational teams. Firms with strong risk management capabilities and balance sheets are predicted to continue to succeed in the coming year. Investments in technology and managed services are firmly on the horizon for the sell side.

FIS Cleared Derivatives
FIS Cleared Derivatives clients are already one step ahead drawing on FIS’ global scope, ability to scale and deep knowledge of capital markets requirements providing them with a competitive advantage. Why not unify your core middle-to-back-office post-trade functionality in the cloud, with expert managed services provided by FIS?

FIND OUT MORE

THE CHANGING FACE OF DERIVATIVES: A CHECKPOINT

WHAT IS THE BIGGEST INHIBITOR TO GROWTH IN THE NEXT 2-3 MONTHS?

- Pressure to reduce CapEx: 25%
- Political uncertainties: 23%
- Persistent market volatility/uncertainty: 15%
- Slowdown in globalization: 15%
- Low/negative central bank interest rates: 10%

THREE YEARS FROM NOW, WHAT WILL BE THE MOST WIDELY ADOPTED CHANGE IN TECHNOLOGY?

- Machine learning: 34%
- Distributed ledger system: 22%
- Robotics and automation: 15%
- Outsourcing and managed services, BPO, SaaS, etc.: 10%
- Care system upgrades and modernization: 15%

THREE YEARS FROM NOW, WHAT WILL BE THE MOST WIDELY ADOPTED CHANGE IN BUSINESS MODEL?

- Location of operational/technology teams: more than 75% of staff permanently WFH: 38%
- Shared-cost models like utilities and new centralized hubs for processing: 15%
- Self-directed or robo-advisor offerings: 3%
- Adopted vendor/outsourcing models: BPO, SaaS: 20%
- Expanded offering of electronically traded products and asset classes: 25%

HOW ARE SELL SIDE FIRMS MOST LIKELY TO DIFFERENTIATE THEMSELVES IN 2021?

- Premium operational/client services: 15%
- Risk capabilities and balance sheet: 27%
- Digital channels and new user technology: 24%
- Offering new products and markets: 21%
- Low or zero commission price structures: 12%

ARE YOU HEADING IN THE RIGHT DIRECTION?

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FIND OUT MORE

*FIS participants only take part in the Americas, EMEA and APAC in various leadership and management roles during our latest webinar on 18 November 2020 hosted by Aite Group. Participants were able to vote in multiple poll answers.

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