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John Lothian Newsletter

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Getting My Start

Don Wilson, CEO, DRW Holdings, this week's guest editor



I came to my career choice the way many students do—trying a few things until something sticks. When I started college at the University of Chicago, I was interested in science and math, but wasn't really sure what to pursue. Eventually I decided that what actually interested me was using math to solve problems and, after some exposure to economics and finance, I realized that applying math to markets in a trading environment would be ideal. Getting instantaneous feedback about the decisions you make and being able to immediately apply that feedback, both cornerstones of working in the markets, really appealed to me.

Anxious to make my start in the real world, I graduated in December 1988 at the age of 20. That January, I joined a small market-making firm at the CBOE called LETCO and in October, I started in the Eurodollar options pit. I still remember with excitement walking into the pit with \$100,000 of trading capital on that first day.

Every day, I stood in the pit from the 7:20 opening until the 2:00 closing bell, rarely taking a lunch break. I'd go home to my studio apartment and sit down in front of my Macintosh 512K, writing risk software in Pascal, experimenting with option pricing models, and studying historical Eurodollar futures data. I put a pillow on top of my Imagewriter II printer (dot matrix - anyone remember those?) so I could sleep while it noisily churned out option pricing sheets for the next day. It was in these early days that the approach my firm was founded on came together—combining technology, research and risk management to capture opportunities. It's the same approach we



take today.

Within weeks, a mini-crash occurred and I lost \$35,000 in a single day as I re-hedged a 50-lot of calls I had sold. Although gut wrenching at the time, I know now that it was the best way to start out. Failure is a great teacher, and it certainly fueled my determination. It was also an immediate education on the importance not only of risk management, but of always being open to seemingly unlikely market events. The lesson still holds true, and it prepared me for the volatility and market dislocations that are increasingly part of this business.

Would I make the same decision if I had to do it all over again? Yes. I've been fortunate to witness firsthand many historic market events and debate countless industry issues in my career. The market events and topics of our present environment are some of the most interesting—and offer some of the greatest opportunities—yet.

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LSEG-Deutsche Boerse talks raise Curve concerns

The Trade News

Market experts have raised concerns over the future of CurveGlobal, the London Stock Exchange Group's (LSEG) new interest rate derivatives venture, if a proposed merger with Deutsche Boerse goes ahead.

jline.ws/1QIEbvN

***DA: I have a sneaking suspicion that there will be a lot to talk about at this year's Boca conference, but most of it will be off the record.

***DRW: Reminiscent of NYSE/LIFFE US. That didn't end well post the ICE acquisition of NYSE.

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25 Years - NIBA's Schramm and Burke Talk History, Growth and Looking Ahead

JohnLothianNews.com

With the NFA's creation of Introducing Brokers in 1984, it soon became clear that there was a need for an association for IBs. This newly created group needed a voice and found it with the National Introducing Brokers Association, now celebrating its 25th Anniversary.

"The mission is still of education and very much providing a forum for a voice and a way to get our opinions out," says Melinda Schramm, the NIBA's founder and chairman. "But the IB community has changed considerably over the years."

While IBs are still all around the country, they're really value added brokers in



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[Jim Kharouf](#)
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[Sarah Rudolph](#)
Managing Editor

today's world.

Schramm partnered with current NIBA President Mike Burke, who said that the early days involved meeting with several FCMs with a concentration on IB business. Burke wanted to reach out to the IBs to help and provide a voice for them when it came to regulations.

[Watch the video »](#)

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In Japan, the Government Gets Paid to Borrow Money

WSJ

The Japanese government is now getting paid to borrow money, after selling benchmark bonds with a negative yield for the first time Tuesday. The upside-down auction followed three years of aggressive monetary easing by the Bank of Japan, which has driven interest rates lower in a bid to fuel lending. First the BOJ undertook massive purchases of JGBs and other assets, and in late January introduced negative interest rates on some bank reserves for the first time.

jline.ws/1QIBudJ

***DRW: How many basis points will investors pay to store Yen?

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Exchange Analytics Launches the First Cybersecurity Training Program for the Futures Industry

PRWeb

Exchange Analytics Inc., the premier provider of training programs for the futures and derivatives industry, has announced the launch of a web-based cybersecurity training course for all financial industry participants registered with the National Futures Association (NFA). This course is the first available to satisfy the new Cybersecurity Interpretive Notice training requirement which took effect on March 1, 2016.

goo.gl/oxVzYI

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The Notorious S.W.P., or, Dr. Pirrong Goes to Washington

Streetwise Professor

If Elizabeth Warren were to have her way, you'd see my mug on the wall of your local Post Office. What have I done to become to earn her nomination as Public Enemy? Having the temerity to oppose position limits, and co-authoring a report summarizing the deliberations of the CFTC's Energy & Environmental Markets Advisory Committee, which strongly criticized the need for, and details of, the Commission's proposed position limits rule.

goo.gl/vX1PYZ

***DA: A worthwhile and entertaining read. As proof, here is a teaser quote from Dr. Pirrong: "People with such a limited understanding of the way things actually work are not worthy of serious attention. Those who are stubbornly and deliberately ignorant (like Warren and Slocum) just deserve scorn."

***DRW: Professor Pirrong does not mince words.

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Monday's Top Stories, and your Little Dog, Too

[Jeff Bergstrom](#)
Editor

[Spencer Doar](#)
Editor

[Doug Ashburn](#)
Editor-at-Large

Atop yesterday's leaderboard was the FT story, [Wall Street is the wicked witch of the fintech revolution](#). In second place, a German regulator says "there's no place like home (rule), in Financial News' [LSE/Deutsche Börse deal gets veto threat from regional finance ministry](#). Coming in third, it looks like NYSE's Pillar is not, shall we say, in Kansas anymore, in [NYSE's New Technology Launch Hits a Hiccup in Its First Week](#)

MarketsWiki Spotlight

Japan Exchange Group selects Cinnober's real-time clearing for listed derivatives

Buried deep in Monday's newsletter was an announcement from [Cinnober](#) that it had been chosen to by the Japan Exchange Group to deliver its next-generation clearing platform for listed derivatives. JPX joins a growing list of exchanges using Cinnober technology, including Australian Securities Exchange, BM&FBOVESPA, Dubai Gold & Commodities Exchange, Euronext, Johannesburg Stock Exchange, the London Metal Exchange, LME Clear and NYSE.

for more on the announcement, [watch this video](#).



According to Cinnober CEO [Veronica Augustsson](#), the platform is expected to go live by the end of 2017. For more on Cinnober, visit its page in MarketsWiki [HERE](#)

"Company Spotlight"
is brought to you by:



Lead Stories

NYSE Owner ICE, CME Group Mulling Bids for LSE

WSJ

Intercontinental Exchange Inc. and CME Group Inc. are considering bidding for London Stock Exchange Group PLC, potentially gate-crashing the British company's proposed \$28 billion merger with Deutsche Börse AG .

jline.ws/1QIDwKU

***DA: Also see the CNBC story [HERE](#)

***DRW: Not a shock

ICE Confirms It May Bid for LSE Group, Sending Shares to Record

Bloomberg Business

Intercontinental Exchange Inc. said it is considering making an offer for London Stock Exchange Group Plc, a week after Deutsche Boerse AG said it was in merger talks with the U.K. company. ICE said in a statement that it hasn't taken a final decision on whether to make an offer, nor has it approached LSE's board about doing a deal. The announcement propelled LSE's shares to a record high, up 8 percent as of 8:50 a.m. in London.

jline.ws/1QlxuK5

***DA: LSE [came out and said](#) it has not received any proposal from ICE.

U.S. Mortgage-Bond Proposal to Melt 8-Year Freeze Advances

Bloomberg Business

The market for U.S. mortgage securities without government backing, virtually frozen since the financial crisis that it helped trigger, may get a boost from some of the biggest bond funds on Wall Street. Heeding calls from the U.S. Treasury Department to help fix the market for the bonds, the funds issued a set of "key principles" on Monday designed to add transparency to the securities.

jline.ws/1Qly1vE

IEX Adjusts Exchange Application to Circumvent Key Objection

Bloomberg Business

IEX Group Inc. edited its application to become a U.S. stock exchange, changing a feature that had fueled months of controversy. The dark pool operator redesigned its router, a piece of technology that sends unfilled orders to other venues. In IEX's original plan, the router wasn't subject to the exchange's fraction-of-a-second "speed bump" on orders -- something critics said wasn't fair. Now it will be, according to a revised application released on Monday.

jline.ws/1Qly5M3

The Worst Market of All: One Without a Story

WSJ

Stories about China, negative rates, tightening dollar liquidity, tumbling U.S. profits, impending recession, oil and more have left investors with no clear narrative to follow

jline.ws/1QlyDBx

Why the Current Drop in Margin Debt Isn't Too Concerning

MoneyBeat - WSJ

Investors borrowed less from their brokerages to make big stock bets last month, raising questions about whether the measure is peaking in the same way it did before the last two major stock collapses. Margin debt on the New York Stock Exchange dropped to \$447.7 billion in January, down 2.9% from the previous month and 12% from its peak last April.

jline.ws/1QlyJZR

Debate Continues on How Fed Should Give Interest-Rate Guidance

WSJ

Federal Reserve officials and economists continue to struggle with how the central bank can best provide interest-rate guidance without setting up markets for potential surprises. At issue is what central bankers refer to as forward guidance. It is a strategy used to provide additional economic stimulus when the Fed's key short-term interest-rate target has been slashed to near-zero levels.

jline.ws/1QlxoIC

Buffett Cuts Bonds After Saying They Need a Warning Label

Bloomberg Business

Warren Buffett reduced Berkshire Hathaway Inc.'s bond portfolio for a sixth straight year in 2015. The holdings were about \$25 billion on an amortized cost basis as of Dec. 31, compared with almost \$35 billion at the end of 2009, according to the company's annual report Saturday.

jline.ws/1Qlxn1i

The European Bank Credit Panic is Fizzling Out

MoneyBeat - WSJ

The market's recent wobble over the credit risk posed by European banks seems to be vanishing about as quickly as it came. The cost to investors of protecting themselves against a default has fallen a long way from its peak in the first half of February, back towards the lower levels recorded for most of last year.

jline.ws/1QIAQwJ

Itiviti launches the first enterprise testing platform, Continuum

Itiviti AB

Itiviti, a world-leading technology provider for the capital markets industry, today announced the launch of Continuum by Itiviti, the industry's most comprehensive enterprise testing solution that redefines the way firms test trading systems. It delivers immediate benefits for the capital markets in the critical areas of compliance and growth. Itiviti, the recently formed global fintech company, brings together premier advanced technology, connectivity and premium products and services.

jline.ws/1QlzvGg

***DA: [Itiviti](http://jline.ws/1QlzvGg), a name you may not have heard, is the combination of Orc and CameronTec, two names you have heard of.

Regulatory

For more regulatory, visit MarketsReformWiki, our website focused on current market reform efforts.

The Next Dodd-Frank Headache for Banks: Living Wills

WSJ

The 2010 Dodd-Frank Act contained more than 365,000 words, but the next big headache for Wall Street banks may turn on just one: "credible." The question is whether America's largest banks have drawn up credible plans for winding down their operations without taxpayer help if they start to fail. The "living will" requirement was set up by Dodd-Frank to head off future taxpayer bailouts, and when the largest U.S. banks first received individual feedback on their plans in 2014, they came up short.

jline.ws/1Qlvxtz

OPRA Message Change Prompts Bandwidth Increases

Waters Technology

The Options Price Reporting Authority introduced an expanded message header field yesterday, Monday, Feb. 29, featuring a new eight-byte transaction ID, designed to allow OPRA and market participants to cross-reference inbound and corresponding outbound transactions to record the lifecycle of quotes and trades for

analysis.

jline.ws/1QIAHcz

Buy-siders hope for late reprieve on margining for non-cleared swaps

Risk.net

National supervisors coming round to industry view on same-day settlement, say sources European buy-siders are hopeful of a late breakthrough in talks on margining requirements for non-cleared over-the-counter derivatives, which they say would impose a disproportionate cost and operational burden on smaller firms unless changed. The rules are set to impose same-day settlement for variation margin on smaller firms - a step lobbyists argue is unfair because the firms in question pose limited systemic risk.

jline.ws/1QIELJR

Global code key to tackling FX conduct, AFME conference told

Euromoney magazine

It will not have the force of law, but a global code of conduct being drafted for the foreign-exchange market will be central to addressing conduct issues that have emerged in the wake of the benchmark rigging scandal, according to regulators and industry bodies.

jline.ws/1Qlx5Y5

UK's Financial Conduct Authority Launches 'Live & Local': A New Regional Programme To Help Local Firms Engage With Regulators

Mondovisione

The Financial Conduct Authority (FCA) has launched 'Live & Local', a regional programme which will include a series of events, workshops and roundtables, taking place across 12 regions in the UK. The programme will help firms in the investment, mortgages and general insurance sectors engage with their regulators and bring them greater clarity on their regulatory requirements.

jline.ws/1QIC9vN

China Super-Regulator Plan Said to Target 'Fragmented' Oversight

Bloomberg Business

China's government is expected to unveil plans for a financial super-regulator as early as this year, according to people familiar with the matter, as concerns grow about the best way to ensure market stability and maintain investor confidence.

jline.ws/1QlxWbj

Major push for financial reforms: Rashesh Shah

Business Standard News

Financial reforms such as the much-awaited Bankruptcy Code, which will help create a formal insolvency resolution process for businesses, the Price Stabilisation Fund, which will help moderate inflation, and clarity on taxation of asset reconstruction companies are among the positives of this Budget.

jline.ws/1QlyYE7

Exchanges & Trading Facilities

CME Group Announces Launch of CME Bloomberg Dollar Spot Index Futures

CME Group

CME Group, the world's leading and most diverse derivatives marketplace, today announced the launch of CME Bloomberg Dollar Spot Index futures. The futures contract will be available for trading on the CME Globex electronic trading platform effective April 4, 2016, pending all relevant regulatory review periods. This contract will be listed with and subject to the rules and regulations of Chicago Mercantile Exchange.

jne.ws/1QlwFkE

Nasdaq Selected to Support ASX in Post-Trade Technology Overhaul

NASDAQ.com

Nasdaq and Australian Securities Exchange have announced that Nasdaq will replace ASX's existing equities and equity options clearing technology platforms - a significant element of ASX's technology transformation program outlined in February 2015. This technology development will be undertaken on Nasdaq's Genium INET Clearing platform, which is already in use at ASX for futures clearing. It reflects ASX's commitment to consolidate its number of post-trade platforms and improve efficiencies for its customers.

jne.ws/1pmkV16

LME to explore capping warehouse charges

Reuters

The London Metal Exchange on Monday confirmed its intention to explore the idea of capping warehouse rent because the proposed rises from April are much higher than in previous years. The LME said it plans to publish a discussion paper outlining its options on "Charge Capping" in mid-March. "The LME is proposing, at a minimum, to explore the possibilities for implementing a longer term solution to high charges."

jne.ws/1QIEYgi

ADM Investor Services Inc. accredited in Derivatives Market

NZX

NZX is pleased to announce that ADM Investor Services Inc. (ADMIS) has been accredited as a Derivatives Trading & Advising Participant and a General Clearing Participant for the NZX Dairy Derivatives Market. ADMIS becomes the third US based participant to gain full membership status since NZX was granted authorisation as a Foreign Board of Trade by the Commodity Futures Trading Commission (CFTC) in 2014.

[/goo.gl/AWpkag](http://goo.gl/AWpkag)

CME Europe loses currency head David Emerick

Futures & Options World

CME Europe is set to part ways with senior director and head of foreign exchange David Emerick in the latest personnel change at the European exchange. London-based Emerick left his role as senior director and head of foreign exchange at CME Europe on Wednesday, according to market sources.

jne.ws/1QIF3k4

Politics

Warren Buffett: Here's what I like about Bernie Sanders

CNBC

Warren Buffett may be a Hillary Clinton supporter, but appreciates Sen. Bernie Sanders of Vermont speaking his mind.

"What I like about Bernie Sanders is he'll say exactly what he believes. He is not tailoring his message week by week. You'll find with some of the candidates that they shift around, or they don't answer the question.

With Bernie, you know exactly what he thinks," Buffett told CNBC's "Squawk Box" on Monday.

cnb.cx/1QH3XQY

Trump's Lone Donor at Goldman Sachs Said to be Placed on Leave

Bloomberg Politics

Luke Thorburn, the only Goldman Sachs employee who donated to Donald Trump's presidential campaign in the second half of last yr, has been placed on administrative leave, according to a person with knowledge of

the decision.

jln.ws/1QlxIAT

Hedge Funds & Managed Futures

For more, subscribe to the **JLN Managed Futures** newsletter or visit the Managed Futures section on **JohnLothianNews.com**.

India imposes gold sales tax on top of record import duty

Business Standard News

India has reintroduced a local sales tax on gold jewellery after a gap of four years, on top of record import duty, in a move officials hope will dampen demand for the precious metal in the world's second biggest consumer.

jln.ws/1QlwKES

Why We Might Be Talking About 'Divergence' Again Soon

Bloomberg Business

The reason for the word's popularity had to do with the status of the Federal Reserve and the European Central Bank. Thanks to the solid U.S. economy, the Fed was seen as starting (finally) to tighten its monetary policy, while the ECB seemed set on a new round of easing.

jln.ws/1Qlxb23

Glencore loses \$8bn after writedowns and falling commodity prices

FT.com

The company, led by billionaire Ivan Glasenberg, swung from pre-tax profit of \$4.3bn in 2014 to a loss of \$8bn for 2015 as it booked a string of charges, including a \$4bn impairment on a major nickel investment.

jln.ws/1QlBN8g

Two major hedge funds lose in February but Einhorn gains

Reuters

Billionaire investors Barry Rosenstein and Daniel Loeb's hedge funds lost more money in February as both managers were hit by volatile markets shaped by fears about slower growth and uncertainty over how the Federal Reserve will react.

jln.ws/1Qlz9PR

Lord Rothschild: 'We may well be in the eye of a storm'

Investment Week

Lord Rothschild, chairman of the RIT Capital Partners investment trust, has sounded a warning to shareholders on current market conditions, but remains confident the vehicle can identify investment opportunities in 2016.

jln.ws/1QlAG8J

Banks & Brokers

Q&A With Jamie Dimon on the Future of Finance

Bloomberg

What is the future of finance? Will Silicon Valley challenge Wall Street? Can China build global banks? There are few better places to contemplate such questions than Jamie Dimon's office, high in JPMorgan Chase's headquarters in New York City above Park Avenue. It's now more than three decades since Dimon, the son and grandson of stockbrokers, teamed with Sandy Weill at American Express. Together they helped transform the financial industry—first at Travelers and then with Citigroup.

jline.ws/1LShRyL

Ex-Barclays Staff Find New Home as Mizuho Grows in Equities

Bloomberg Business

Mizuho Financial Group Inc. is hiring several former employees of Barclays Plc for its Japan equity research and sales operations, a month after the U.K. bank eliminated about 80 positions in Tokyo.

jline.ws/1QlxUQS

Goldman's Ludwig, Lyon to Run Equity Capital Markets in Americas

Bloomberg Business

Goldman Sachs Group Inc. promoted David Ludwig and Pete Lyon to run its equity capital markets business in the Americas, succeeding John Daly, who's becoming the unit's global chairman. Ludwig, who previously focused on the group's technology, media and telecommunications clients, will move to San Francisco for the new post, according to a memo sent to employees at the New York-based firm and obtained by Bloomberg.

jline.ws/1QIya21

N.Y. brokers lose SEC insider trading trial over IBM deal tip

Reuters

A federal jury on Monday found two former New York stockbrokers liable for trading on confidential tips about an IBM Corp (IBM.N) acquisition, despite a major appeals court ruling that made insider trading cases harder to pursue. In a victory for the U.S. Securities and Exchange Commission, a federal jury in Manhattan found former Euro Pacific Capital Inc brokers Daryl Payton and Benjamin Durant liable for engaging in insider trading.

jline.ws/1QIynCD

Trader's ouster at JP Morgan affirms commitment to compliance

Reuters

JP Morgan has swiftly severed ties with a top bond trader who circumvented its compliance procedures earlier this year as the bank moves to reinforce its commitment to risk management. The bank fired its head of US Treasury trading Andrew Lombara in the second week of January, according to a regulatory filing with the Financial Industry Regulatory Authority.

jline.ws/1QIyzI9

Barclays sees 76% fall in derivatives income

The Trade News

Barclays announced a 76% decline in derivatives income to a loss of £296 million, as the bank suffered an overall 8% pre-tax profit loss in 2015. Derivatives income for Barclays in the fourth quarter made a loss of £123 million, as its annual income in the business reduced by 76%, "to an expense of £296 million, reflecting the active rundown of the portfolios and funding costs."

jline.ws/1QIAC8L

Clearing & Settlement

Japan Exchange Group selects Cinnober's real-time clearing

FX-MM

Cinnober announces that it was selected by the Japan Exchange Group (JPX) to deliver a real-time clearing solution for its listed derivatives market, which is operated by the Osaka Exchange (OSE), and cleared by the Japan Securities Clearing Corporation (JSCC). The new implementation will be based on Cinnober's proven TRADExpress RealTime Clearing.

jline.ws/1LSiqZo

South Korean Stock Exchange Developing Blockchain OTC Trading Platform

The Merkle

KRX, South Korea's only securities marketplace, has unveiled plans to launch a blockchain-powered exchange to service the multi-billion OTC share market in the country.

jline.ws/1LSiEi1

Mandatory OTC Derivatives Clearing Rules Published for Second Round of Comments

Lexology

On February 24, 2016, the Canadian Securities Administrators (CSA) published a revised Proposed National Instrument 94-101 Mandatory Central Counterparty Clearing of Derivatives (Proposed Clearing Rule) and a proposed companion policy for a 90-day comment period. The Proposed Clearing Rule sets out when certain over-the-counter (OTC) derivatives entered into by certain Canadian local counterparties will need to be submitted for clearing to a recognized or exempt clearing agency (an RCA).

jline.ws/1LSicRQ

Financial stability: New EU rules on central clearing for certain credit derivative contracts

New Europe

The European Commission has adopted a new set of rules that requires certain over-the-counter (OTC) credit derivative contracts to be cleared through central counterparties (CCPs). Mandatory central clearing is a vital part of the response to the financial crisis; it follows commitments made by world leaders at the G-20 Pittsburgh Summit in 2009 to improve transparency and mitigate risks.

jline.ws/1LSiRCY

Blockchain may upend global markets reforms

The Sydney Morning Herald

Global markets regulation may need to do an about-face if distributed ledgers like blockchain? replace existing clearing systems, the equities clearing house for all US markets says.

jline.ws/1LSiWX9

Indexes & Products

MSCI deletes closely-held Hong Kong stocks amid investor pressure

Reuters

Goldin Properties and casino operator Imperial Pacific were among 18 companies deleted from MSCI indices on Tuesday, the index provider said, amid growing investor concerns over shareholder concentration at Hong Kong-listed companies.

The unusual decision by the New York-headquartered company is a blow to Hong Kong's status as an international financial centre, shining a spotlight on the lack of transparency around shareholder structures.

jline.ws/1LSjrkB

The benefits of exchange-trading investment funds

SIX Swiss Exchange

Sponsored Funds are investment funds that are traded like ETFs or Structured Products in a market making

segment. In a guest contribution[[pdf](#)], the authors Beat Auerbach, Oliver Heusser, Thomas Kägi and Estelle Pool from Bank Julius Baer present the differences between the primary market and the secondary market. Furthermore, they describe the advantages of secondary trading in the context of a changing market environment and show the crucial role of market makers - i.e. Sponsors - in providing optimal trading conditions.

jline.ws/1QIALZY

FTSE 100 hits fresh two-month high on LSE rally, as China's factory activity contracts again

The Telegraph

In London, the FTSE 100 hit a fresh two month high in early morning trade. It is currently 0.7pc higher at 6,139.28. The move upwards comes amid a rally in LSE shares after Intercontinental Exchange confirmed it was considering making a counter bid for the group.

jline.ws/1LSjUmn

Smart Beta Strategy Is Ripe for a 'Crash': Research Affiliates

ThinkAdvisor

Smart beta, one of the fastest growing investment strategies used by financial advisors, may be setting itself up for a fall. In a rather scathing report, Research Affiliates' analysts led by the firm's Chairman and CEO, Rob Arnott, write that much of returns of the smart beta strategies is due to their growing popularity, which increases valuations, rather than their "structural alpha," which is the quality of that strategy to beat its benchmark on a sustainable and repeatable basis.

jline.ws/1LSjYCA

Technology

For more, visit the Tech/HFT section on JohnLothianNews.com.

Blockchain is a zero-sum game for investment banks

Reuters

For investment banks, blockchain technology looks as much foe as friend. The use of multi-computer databases like that used by the cryptocurrency Bitcoin could cut costs, by automating labour-intensive tasks and stripping out other capital market intermediaries. But it may also eat into revenue.

jline.ws/1LSj5dd

Wolverine Execution Services Launches Best-X Options Algorithm Designed to Actively Seek out Price Improvement Opportunities and Liquidity

Yahoo Finance

Wolverine Execution Services (WEX), a leading provider of value added technology and execution services, today announced the launch of WEX Best-X for options. Like WEX Best-X for equities and futures, WEX Best-X Options is an arrival price algorithm designed to intelligently determine the best execution opportunities for an order and to seek out price improvement while maintaining high order fill rates.

jline.ws/1QIA3fo

SR Labs ensures clients' readiness for OPRA increased data volume challenge

Press Release

The latest announcements by the Options Pricing Reporting Authority (OPRA), of changes to its Expanded Message Header, are expected to result in hugely increased data volumes. SR Labs, a global leader in enterprise-grade market data and trading technologies, is pleased to confirm that the changes will have a minimal impact on the data volumes that their clients are processing via the Filtered Options Feed (FOF) solution.

jne.ws/1EPXWT6

IBM Exec Elected Chair of Hyperledger Blockchain Committee

CoinDesk

An IBM executive has been named as the chairman of the technical committee for the Hyperledger Project, the open-source blockchain initiative launched late last year under the umbrella of the Linux Foundation.

jne.ws/1LShleD

Insurers find Google a potential rival: report

Reuters

More than 40 percent of insurers see Google (GOOGL.O) as a potential threat because of its strong brand and ability to use customer data, a report released on Tuesday said. And young, mobile phone-friendly consumers may bypass traditional insurers for "new, more nimble" competitors, consultancy Capgemini's annual world insurance report said.

jne.ws/1QIBFWi

TIM Group And OTAS Technologies Partner To Provide Trade Analytics

Mondovisione

TIM Group, provider of the world's leading network for broker trade ideas, and OTAS Technologies, the global leader for next-generation market analytics and trader intelligence, today announced the integration of TIM Group's intelligent broker analytics within the OTAS Apps. The partnership will provide mutual clients with unique, predictive, and actionable market sentiment immediately at the point of decision making.

jne.ws/1QIC5fs

Enforcement

NFA bars Streamwood, Ill. introducing broker Portfolio Managers Inc. from membership

NFA

National Futures Association (NFA) has permanently barred Portfolio Managers, Inc. (PMI), an NFA Member introducing broker located in Streamwood, Ill., and PMI's LA branch office associated persons (AP) Christopher M. Hogan and Thomas G. Heneghan from membership and from acting as principals of an NFA Member. In addition, NFA barred PMI's sole principal Amanda L. Murphy from membership and from acting as a principal of an NFA Member for four years, and its LA branch office AP Andrey A. Zhukov for three years.

jne.ws/1QICTkr

Barclays must face electricity price-fixing lawsuit in U.S.

Reuters

A U.S. judge ordered Barclays Plc to face a proposed class-action lawsuit in which a California water utility accused the British bank of illegally manipulating electricity prices in the western United States, causing purchasers to overpay.

jne.ws/1QlvPRc

Ethics Group Urges Inquiry of Mortgage Banking Lobbyist Who Led F.H.A.

The New York Times

A nonprofit watchdog group on Monday called for an investigation of David H. Stevens, chief executive of the Mortgage Bankers Association, arguing that he may have violated ethics laws relating to his previous position as commissioner of the Federal Housing Administration.

jne.ws/1QlziTq

Providing false information - Dimitrios Platanitis fined \$10,000

AMF Quebec

Dimitrios Platanitis, who operated as a dealing representative (investment dealer), failed to comply with requirements under the Securities Act. He provided false information pertaining to a corporate takeover in documents required by the AMF, namely, a corporate balance sheet and his own personal 2012 balance sheet.

jline.ws/1QID2Ey

Environmental & Energy

For more, subscribe to the [JLN Environmental/Energy](#) newsletter or visit the [blog](#).

Oil Patch Is Getting Drier

MoneyBeat - WSJ

The number of oil rigs operating in the U.S. oil patch dropped by 13 last week to 400, according to field-services company Baker Hughes International. That marks the lowest level in more than five years and a huge decline from the peak, down 75% since October 2014. Though the weekly difference was nominal, and the oil market largely looked past the number, the continued decline in production activity is incrementally important. It shows U.S. producers are continuing to scale back.

jline.ws/1QlwCVK

Why Warren Buffett Doesn't Think Climate Change Is His Problem

Bloomberg Business

The Nebraska Peace Foundation is an organization in Lincoln that fights against climate change, racism, and nuclear weapons. It also owns one share of Berkshire-Hathaway Class A Common Stock. Recently, the group says it filed a shareholder resolution that would make the company's insurance division report on how it addresses climate change risk.

jline.ws/1QlxABt

U.S. Shale Producers Cut Back Production Amid Global Oil Glut

WSJ

Some of America's biggest shale producers are beginning to ratchet back oil and gas production for the first time in years, bending to the reality that a global glut will keep prices depressed.

jline.ws/1QlzdPA

Asia-Pacific

Why China's Economy Will Be So Hard to Fix

Bloomberg

China's economy grew an average 10 percent for 30 years, lifting 500 million people out of poverty. With those heady rates now in the past, its leaders are ditching the old investment and export growth model in favor of markets, consumers and services. Here's how the transition is playing out.

jline.ws/1QlxzNU

China Shares Rise After Latest Monetary Easing

WSJ

Chinese stocks surged late Tuesday as monetary easing by Beijing appeared to ease investor worries about liquidity tightening in the country's financial system.

jline.ws/1LSklrn

State-owned Chinese groups' acquisitions in Europe raise concern

FT.com

China's richest man says his country's state-owned enterprises are short-termist and lack international management standards. Nevertheless, SoEs dominated a surge of Chinese investment into Europe last year, raising a series of questions over the suitability of China Inc as an owner of European corporate assets.

jline.ws/1QlvsWX

1MDB Scandal: Deposits in Malaysian Leader Najib's Accounts Said to Top \$1 Billion

WSJ

Deposits into personal accounts of Malaysia's prime minister totaled more than \$1 billion—hundreds of millions more than previously identified—and global investigators believe much of it originated with a Malaysian state fund, people familiar with the matter say.

jline.ws/1QIBqdW

BlackRock challenges Hong Kong backdoor listing

Financial Times

When G-Resources announced plans last November to sell its main asset, a highly profitable gold mine responsible for more than 99 per cent of its revenues, there was only minor public stirring. Behind the scenes, however, investors soon began expressing concern. This week that disquiet broke into the open with BlackRock's first criticism of an investment in at least two decades.

jline.ws/1LSkJLV

Buybacks help push Tokyo stocks up

The Japan Times

Stocks wiped out earlier losses to close higher on the Tokyo Stock Exchange on Tuesday, supported by buybacks on the back of a pause in the yen's rise.

The 225-issue Nikkei average gained 58.75 points, or 0.37 percent, to finish at 16,085.51. On Friday, the key market gauge lost 161.65 points.

jline.ws/1LSI41f

Frontier Markets

China stimulus boosts emerging stocks, currencies

Reuters

Emerging stocks hit a one-week high on Tuesday and currencies strengthened across the board as China's move to ramp up stimulus fuelled investors' risk appetite, while economic data across South Africa and eastern Europe painted a mixed picture.

jline.ws/1LSjyw4

Frontier Markets: Avoid Zimbabwe At All Costs

NASDAQ

Another chapter for my book titled "Read and Weep." Last Saturday, Robert Mugabe, the fearless leader of Zimbabwe, the "Moses of Africa," celebrated his 92nd birthday with a lavish (as in \$800,000 lavish) birthday party where he released 92 balloons. Hooray, hooray! If that wasn't enough, the birthday bash was held in a part of the country where 75% of the maize crop has failed, and untold misery has unfolded in the form of

famine and drought. And would you believe that the party was partially sponsored by Lobel's Bread? Banners everywhere proclaimed Fresh Lobel's Bread.

jne.ws/1LSkkZV

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