

FOREIGN EXCHANGE TRADING GOING WIRELESS

More foreign exchange platforms that cater to individual investors, small- to mid-sized institutions and portfolio managers, are beginning to enable clients to execute foreign exchange trades via wireless applications. **MG Financial Group**, a forex platform for day traders and small- to mid-sized institutions, plans to make wireless trading available and is internally beta testing the ability to trade foreign exchange, according to a spokesman. He could not put a time frame on when wireless trading is expected to be launched. He added that one year ago, the firm ventured into the wireless environment by giving clients access to market research and pricing through Palm devices and cellular telephones. Most of MG Financial's (www.forex-mg.com) clients are smaller retail clients that are connected to the market 24 hours daily and the wireless applications give them the option of making trades anywhere at any time, according to the spokesman. "Wireless keeps people close to the market. If you want to check rates or make a trade when taking a two hour commute home, you can do it." Once trading is live, clients can make minimum trades in units of \$100,000 (US).

Gain Capital (www.gaincapital.com) is also looking to take its forex platform wireless. **Mark Galant**, ceo said that mobile technology is the perfect venue for foreign exchange because the screen is the right size to obtain rates and prices, place an order and make trades without scrolling through enormous amounts of text information. "Trading is a good application for wireless, since it's relatively simple. In foreign exchange, you primarily need access to rates, which can be easily transmitted and viewed through a PDA or other mobile device," Galant said.

Gain is moving the platform to wireless applications because most of its clients, which consist primarily of small- to mid-sized hedge funds, money managers and retail investors, wanted a more accessible channel to trade 24 hours per day, according to Galant. "The majority of our clients speculate in forex. Since forex is a 24 hour market, they want to be able to keep an eye on the market when they're not sitting in front of their PC," he said.

Larry Tabb, v.p. of securities and investment practices for **The Tower Group**, agreed. Trading foreign exchange through wireless applications requires less information than trading equities or fixed-income, and the screen does not have to be too large. He noted that market data and research are still needed to make a trading decision and that they cannot viewed through a one-by-one-inch screen.

Gain Capital plans to offer market research, rates and pricing through wireless applications in the second half of this year. The firm plans to roll out wireless trading capabilities late this year or in early 2002, according to Galant. "We want to make sure that the technology can effectively support our efforts," said **Gordon Smith**, v.p. of systems development for the firm. "We want to make sure that when we deliver trading capability to our client base that we address every issue," Smith said.

Karen Steele, v.p. for **Currenex** (www.currenex.com), said forex trading through wireless applications is becoming more common among retail investors that make smaller transactions. She added that Currenex's platform is designed for institutions that complete larger trades. The firm has no plans to offer forex trading through wireless applications, but would consider it if members suggested the need to trade through another electronic channel.

—*Rhonda Lipschutz*