

Gain Capital Recruits FX Market Veterans To Newly Formed Team

WARREN, NJ – Gain Capital has recruited four more traders for its online foreign exchange trading operation.

The four – Timothy O’Sullivan, Kenneth Agostino, Carl Elsammak and Stephen Reilly – are well respected names reflecting Gain’s strategy of making high profile recruitments for its newly formed trading team.

Timothy O’Sullivan has more than 14 years’ experience trading spot and forwards forex. He previously managed the sterling desk at Merrill Lynch in New York and was a director of the US investment bank – which he joined in 1994.

While at Merrill Lynch, he set up the Mexican peso desk and established a presence for the firm in Asian exotic currencies.

Kenneth Agostino has 17 years’ experience in the forex industry. Most recently Agostino was a senior currency trader at York Trading, a hedge fund. Before that he was a senior trader at Newbridge Asset Management, following a stint as a senior vice president at Banque Nationale de Paris.

His first job was in 1983 at BHF Bank. He has also managed the Deutschmark business of Tokai Bank, Security Pacific, Lloyds Bank and First Chicago.

Carl Elsammak has over 10 years’ trading experience in currencies, commodities and derivatives. He was previously a senior currency options trader at Prudential Bache Global Markets where he worked with institutional clients and traded for the investment bank’s proprietary trading book. Before that he was a currency options market maker at Bank of America. He has also worked for Qualitative Financial Strategies and Reynwood Trading Corporation.

Stephen Reilly has 18 years’ experience in the forex markets working at several of the top brokerage houses. For the past three years he managed the 14-person euro desk at Tullett & Tokyo.

Before that he spent 10 years at Noonan, Astley & Pearce as vice president of foreign exchange. He has also worked at Harlow Meyer Savage and started at Lasser Marshall in 1982. He left four years

later after reaching the position of vice president of foreign exchange.

The four will report to Glenn Stevens, head of sales and trading, himself a recent hire in February.

Stevens came from NatWest Global Financial Markets (NatWest GFM) in New York, where he was head of North American FX sales and trading.

Gain’s chief executive officer Mark Galant says the firm plans to employ four traders on each shift, with trading operations open 24 hours a day.

A second cycle of hires is planned for the second quarter that will increase the number of traders to eight.

Galant says that attracting high quality traders to Gain Capital has not been a problem, and the trading team is being drawn from the top investment banks on Wall Street.

Galant, himself a former global options head at Credit Suisse, has 20 years’ experience on Wall Street.

Recently, Denise Boutross McGlone joined the firm as chief financial officer. McGlone has served as CFO of Fortune 100 company

Sallie Mae, and built derivatives trading arms at Dai-Ichi Kangyo Bank and Security Pacific.

Colin Mitchell joined Gain in February as chief technology officer. Mitchell was hired from Westdeutsche Landesbank, where he was head of information technology.

Gain launched demo trading for its web-based foreign exchange trading system at the end of March. "Live trading should follow in a few weeks' time," says Mark Galant. "Soon we will offer tight spreads on all major currencies and crosses — spreads that previously were only

available to large customers of the biggest commercial banks."

Gain says that its real-time dealing spreads will always be five pips or less — whatever the deal size. This enables its target client base of institutional and retail customers to execute transactions between \$100,000 and \$10,000,000 at similar prices to those offered in the interbank market to large institutional clients.

"We're not going head-to-head with the banks, more catering for the smaller funds, individuals and mid-tier institutions who may have

suffered in the past from wide spreads on their deals."

Critics of services like Gain have pointed out that they may suffer from liquidity problems, with no existing client base.

Galant says this will not be the case with Gain. "We have a highly professional and experienced team, and our traders will have no problem adding liquidity to the market if and when it is required," he says.

"In addition, we have approached, and been approached, by large banks offering to provide liquidity for us if needed."