

Technology Services

Introduction

LSEG Technology provides the Group and its customers, including banks, specialist trading firms and other capital market venues with resilient, high-speed, low-latency trading platforms, post trade platforms, real time market data and surveillance products and services.

Revenue drivers

Technology Services earns revenue through the sales of capital markets software via licensing arrangements as well as implementation fees and ongoing maintenance. The business also earns fees for network connections, server hosting and systems supplied by Group businesses.

Further information

For more information on our Technology division, see:

www.lseg.com

Market trends and our response for Technology can be found on pages 14–20. Profitability of each segment can be found in the Financial Review on pages 53–59. A glossary of terms can be found on pages 204–206.

Performance during 2019

– Technology revenue increased by 2% to £66 million (2018: £65 million) on a reported basis and 1% on a constant currency basis

During the year the Group continued to pursue its cloud-first strategy, with the aim of leveraging the potential of cloud technologies to reduce operational costs, deliver system scalability and support our growing global footprint. Our aim is to operate a significant proportion of service delivery and corporate computing from the cloud by 2021.

In 2019, using a cloud-based environment for the first time, LSEG Technology was able to successfully launch a low-latency, resilient and scalable matching engine for Atom Asset Exchange (AAX), a 24-hour digital asset exchange. This demonstrates the opportunities for our technology outside traditional marketplaces and in the cloud.

LSEG Technology also successfully implemented Millennium Exchange and Millennium Surveillance platforms for the Johannesburg Stock Exchange (JSE) for its Equity, Equity Derivatives and FX Derivatives markets in 2019. This new release represented a major upgrade, delivering operational efficiencies to both users and the wider market across all derivatives asset classes with the ability for JSE to extend to other products in the future.

In December 2019, the Securities Clearing Corporation of the Philippines (SCCP), a wholly-owned subsidiary of the Philippine Stock Exchange selected LSEG Technology's Millennium Post Trade product to improve its post trade processes, providing an efficient and effective, clearing, settlement and risk management solution.

Through our Millennium Exchange technology, our UK cash equity trading platform exhibited 99.99% uptime during the year (2018: 99.99%). The platform experienced a total downtime of 67 minutes in the year as a result of a technical software issue that affected trading in certain securities.

Highlights

Technology

£66
million

Technology revenue
(2018: £65 mil)

40+

LSEG Technology delivers
innovative technology solutions
to over 40 capital markets
organisations globally

99.99%

Uptime of the
UK equity market
(2018: 99.99%)