

Instinet Launches BlockMatch Asia

An evolution of CBX Hong Kong, including Conditional Orders.

Hong Kong, February 21, 2022 – Instinet Pacific Limited today announced the launch of BlockMatch Asia, an Alternative Liquidity Pool for non-display trading of equity securities. Previously operated as CBX Hong Kong, BlockMatch Asia provides two distinct order books: a Limit Crossing Book and a Market-on-Close Book, now adding a Conditional Book for the submission and management of conditional orders.

Conditional orders give clients the opportunity to find liquidity in block sizes as users can rest a large parent order while working the order elsewhere in the market. Resting conditionally means users can seek contra liquidity without the opportunity cost of having to rest a firm order in a single venue. As the matching of conditional orders takes place within non-display mechanisms, users are able to manage risks of signaling and market impact.

Within BlockMatch Asia, conditional orders can match at the mid-point price of the primary exchange, enabling users to save half the bid-offer spread, which is particularly relevant in APAC markets such as Hong Kong, where bid/offer spreads can average around 12 basis points.

Ralston Roberts, Global CEO of Instinet, said: “Accessing quality block liquidity continues to be a critical, yet challenging goal for our clients. We believe that Instinet’s role as an agency broker is to help our clients access the widest possible variety of opportunities and manage implicit costs and market impact. The launch of BlockMatch Asia as an evolved venue in the region will give our clients increased opportunity to efficiently execute block trades in APAC securities, while minimizing the risks of negative selection.”

Stuart Knowling, CEO of Instinet Pacific Limited, said: “We believe that now is the time to introduce conditional orders through BlockMatch Asia because it’s the next evolutionary step in the market microstructure. Clients are always looking for liquidity and conditional orders are perfect for that in some of the tougher to trade markets in the region. The service will go live with Hong Kong securities first before expanding to provide trading for other APAC markets, making it pan-regional in its reach.”

Clients can access BlockMatch Asia via Instinet’s entire suite of products, including algorithmic trading strategies, Newport® EMS, direct FIX connection, or as a destination through other sell-side firm algorithms.

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About Instinet

Instinet provides technologically advanced, agency-model brokerage services to institutional clients worldwide. As the wholly-owned execution services arm of Nomura Group, Instinet seeks to add value across the investment life cycle, providing: **Agency Execution Services; Crossing & Liquidity;** and Workflow Solutions via **Instinet Technology Solutions**. We help institutional investors create, protect and capture alpha, reduce complexity, and lower overall trading costs to ultimately improve investment performance. Over the course of our more than 50-year history, Instinet has been a pioneer in electronic trading, creating an array of now industry-standard technologies and services. For more information on how Instinet's commitment to being nimble and innovative helps clients every day, please visit instinet.com
