

# Yousaf Hafeez (Waypoint) Episode 49

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## SUMMARY

*Yousef discusses his extensive experience in the market data industry, particularly his role in the evolution of BT Radiance, which has now merged with TNS International to form Waypoint. He highlights the importance of providing robust market data solutions and the growing demand for diverse data sources, particularly in emerging markets, as well as the impact of regulations like DORA on operational resilience in capital markets.*

- Yousef has 27 years of experience in the market data industry, significantly contributing to the growth of BT Radiance.*
- Radiance provided a managed solution for capital markets, simplifying connectivity and reducing costs for clients.*
- The merger with TNS to form Waypoint allows for a broader range of services under one umbrella, including low latency and robust data solutions.*
- There is increasing demand for access to data from emerging markets and alternative data sources.*
- Regulatory requirements, such as DORA, emphasize the need for operational resilience and robust technology in capital markets.*
- AI and cloud technologies are becoming integral to data processing, with a focus on high-quality data for effective model building.*
- The potential of quantum computing is recognized for its ability to process data at unprecedented speeds, although it remains separate from AI.*
- Tokenization and digital assets are gaining traction, with institutions increasingly seeking reliable data for these new asset classes.*

Speaker 1: Foreign. I mean I've known you for so, so many years as BT Radiance but you're now got absorbed, got merged with TNS International, then renamed Waypoint. So just to kick things off we're gonna have a good old chat as we just talked about but set the scene on, on who Yousef is, where you came from, a little bit about your sort of experience, your enormous experience in the market data industry and then let's segue into what BT Radiance was until very recently and what the bit of BT Radiance that has been absorbed into Waypoint, what that is and what Waypoint is.

Speaker 1: So that'll be. So let's kick off. Yeah, Yousaf, I'm going to put your LinkedIn profile on the link so people can look at that. But you know, where do you hail from? I, I don't know how long I've known you. A long, long time.

Speaker 2: We've known each other for many, many years so it's probably best not to reflect how long but a little bit about myself. So I think the, the key messages I've been in the market data world probably about best

part of 27 years now. So still quite new and really a lot of that came through joining Radiance right at the start of its development.

Speaker 2: So what I've been doing for those last 27 years is working with providers of data, whether that could be exchanges or alternative data sources, making sure if our customers want that data that is available over our platform. And we've had the extreme honor of growing the business from about three or four exchanges connected to our network to about 180.

Speaker 2: So we grew the amount of data available over the range network phenomenally. And also in addition to that we grew up the amount of places where customers could trade as well. So it's both sides of the equation is what we try to address at Radiance. The other thing we did at Radiance is we didn't just look at market data and trading, it was a whole SDP chain. It was looking at pre trade trade and post trade.

Speaker 2: And we try to make available applications which our customers wanted access to. So at a time when we were acquired or when Radiance was acquired by TNS, there were approximately 180 exchanges connected, 400 providers and who made around about 3,000 different applications available across the Radiance platform.

Speaker 1: And I mean, I think I understand what the Radiance platform is, but just to sort of explain, I mean I would call it an extranet or a communications hub maybe if we wind back, what is the problem that Radiance started out trying to solve? What was the problem that existed before Radiance came along and what exactly was this wonderful solution that Radiance came up with? Who does it help? How does it help?

Speaker 1: Is it relevant for every single player in the financial markets or is it I think the sort of bigger player? Well, set the scene a bit.

Speaker 2: Yeah.

Speaker 1: So the educational conversation, really the major

Speaker 2: problem we were trying to resolve was the capital markets community needed to communicate with many different participants. And the way it was being done was everyone was buying separate connections to each other, which was a very expensive, time consuming and complicated way of doing it. I mean from British Telecom, British Telecom was one of the providers of that communications.

Speaker 2: What Radius came along said is hey, have a connection to Radiance and through that single connection you can now have connectivity to all the different parties around the world you need to connect to. What this did was it reduced complexity, it reduced costs and it provided a far more resilient and robust solution for our customers.

Speaker 1: I mean was it cheaper or was there a fee to be paid for that simplification? I mean how did the

finances play out in that, that decision? If you were a customer.

Speaker 2: Yeah. So if, if you were a customer and you and did not use Radiance as an example, you, you, you'd need a separate connection to each of, each of your participants.

Speaker 1: That would Exchanges, for example, all the different exchanges, data vendors.

Speaker 2: Yeah, that would involve buying circuits, buying routers, then managing, supporting all of that complicated infrastructure. And what Reynolds did was I had to go away from all our customers. It was come to us, we'll provide you a managed solution, give you an SLA and you know, you can use this service and it gives you all the features you need.

Speaker 1: But what I mean again being cynical in those early days, I'm guessing why did some people want to stick with those direct circuits? I'm guessing you would lose something in speed and latency. I mean you're a, you, you're a middleman, aren't you? In middle thing that sits between the customer and the ultimate and that must add some latency. Is, is that a fair comment?

Speaker 2: I, I don't think latency was the primary driver in those days. I think you, what you had was two, probably two, two, two camps. First camp was we get it, this is going to save us time, it's going to reduce, reduce a lot of complexity for us. And there saying we want to manage our own networks for whatever reason. And they were very determined they were going to install their own lines and manage your own routers etc, and we got it.

Speaker 2: But there was the vast majority who definitely wanted a managed solution.

Speaker 1: And I mean, over the years, I mean, what. Again, I don't know, if you have these numbers at the top of your head, what proportion have gone. Well, I've gone to what. What was BT Radiance? The radiance that exists under Waypoint? I mean, again, a cruel question I was going to ask you to comment on was, you know, who are your miserable competitors, the fools who think they can compete with BT Radiance out. Out there? I mean, I.

Speaker 1: I'm aware of the old savvy that has now become under Century Link. I think it is. Is it Lumen. Then you had Cult, the City of London Telecoms, which is. It is an ipc. And then there were some others. I think you mentioned Pico. I mean, what's the sort of landscape and if you take your share and then you and your competitors, I mean, how many people out there, what percentage of the market are still DIY doing it themselves?

Speaker 1: Are there any or many out there still doing that?

Speaker 2: There are customers still doing DIY and, you know, they have particular character, particular

requirements which are best served by a DIY solution. And even in those cases, what you find is customers who have done, Who've been a big DIY shop have then come back to Radiance to use us as a. Perhaps a doctor option in certain cases, or when they needed connectivity to really difficult places to reach, they've used ratings as well.

Speaker 1: In other words, a customer might want to say, look, new Stock Exchange or London, I really need direct connectivity with that one entity for a particular reason. But hey, for all these other ones, I don't. It's a hybrid. Effectively, you'd have BT Radiance, but you would have some direct connectivity. Is that a sort of normal, typical scenario?

Speaker 2: We see a lot of customers doing that and others have just said, you know, we'll go predominantly BT Radiance. I'll give you exact sort of radius, I apologize, and I'll give you an example. So there's a lot of market data vendors out there who will use rating services, They will have a DIY solution for the primary markets. But when you want to get to, say, the derivative feeds from the Casablanca Exchange, they will come to a radiance and say, oh, we need that.

Speaker 2: That's difficult for us to do. You're already connected. Can you please provide us with that connectivity?

Speaker 1: Yeah, no, it's horses for courses. Isn't it? I can imagine it's a combination of things and I suspect there are some customer entities out there, for whatever reason, could get the entirety of their inbound and outbound data from Radiance. I presume there are some players like that, but then there'd be some. I suppose if you're getting to things like hedge funds or high frequency trading, these slightly more sophisticated nuanced players, they're the ones that might want some direct connectivity or, or whatever.

Speaker 1: I mean, how, how does what you do, again I'm thinking to the training course I offer, you know, you've got

Speaker 2: things like, sorry, yeah, I would challenge that, so.

Speaker 1: How dare you.

Speaker 2: I know, I know, it's outrageous. End of conversation.

Speaker 1: I thought you were a friend. Do challenge me.

Speaker 2: So what you find is even those firms who position themselves as the lowest latency provider, or the firms who require their lowest latency services, they may have a DIY solution, but it will still come back to someone like Radius, say, oh, can you provide us with a backup solution or a solution which allows us to test on certain markets? The other thing I would say is, and this kind of jumps a little bit is the beauty of Waypoint is we now have that capability where we can say to customers, if you want very low latency services, Waypoint has

that express service which provides that low latency capability and, and you can also have radiant services as well.

Speaker 1: So I mean that's the logic of the Waypoint convergence of different companies with different solutions that you can go as a full service shop, if you will. Yeah, I actually, I think it's intriguing. I think there's good and bad to that sort of thing going on. I'll, I'll verge off into a slightly political, emotional sort of comment. I've noticed our industry, there's so many comings together of small and medium sized companies into ever bigger companies and I worry slightly that the sort of flexibility that the marketplace opportunities, if you get ever bigger companies, I suppose it makes the market more efficient, it makes you more efficient if you can do it under one sort of organization offering all these different services.

Speaker 1: But I just wonder whether that damages the market. Again, that's a bit of a curious what your take on that thought is.

Speaker 2: I don't think it does. I think what Waypoint does, it tries to address a clear customer need for different sets of services. And under the Waypoint umbrella you have those capabilities as a one stop solution. So I think it doesn't damage it. I think you are always going to get new entrants who will be, who will focus on a particular area.

Speaker 2: But I think in terms of what's happened with Waypoint, it makes perfect sense. And the feedback from our customers is that it gives them a broad range of services under one single umbrella. It's one stop solution for customers.

Speaker 1: And I mean, again, bit of a cruel question to ask you because it's quite new. I mean, how integrated is it of yet? Because I mean I, I've lived through companies merging and it all looks great on paper, but then within the organization there are other people like you who were the Radiance people, there were the TNS people, there were the different and, and, and all different accounting systems and sales forces and everything like that. I mean it's, it's quite a major task to actually merge all of that.

Speaker 1: I mean, again, what, what's. I'm sure it's all going wonderfully well, but I mean that's not easy.

Speaker 2: It's not easy. And I think one of the, the clever things Waypoint have done is they've decided they're going to have these separate capabilities. So they've kept the Radiance capability as a standalone capability, they've kept the express capability as a standalone capability. So you're not seeing that smashing of two networks. What you're seeing is two networks which provide very distinct services which our customers want.

Speaker 1: And I could imagine over the next few years they might gradually start to, you might end up with Waypoint this and Waypoint that and Waypoint something else and the original branding might go, but hey, that's the future. Let's sort of keep the conversation going. I mean, in your experience, and again, you've lived through a lot of this, you talk to a lot of these exchanges, to a lot of the data vendors, the customers, you're

talking to all the different points out there in the marketplace.

Speaker 1: Again, where we're sitting in 2026. I mean, I'm going to ask you about the big trends, the big issues that are out there. I mean, latency, I remember five, 10 years ago, maybe longer. It was, everybody was, every conference was talking about low latency. I don't hear latency being discussed that much. Maybe is it because it's a known quantity, everybody understands it, knows how to deal with. It's not particularly controversial or difficult.

Speaker 1: Is that why I'm hearing less about it? I mean, what, that's just one issue. I want you to talk about the others.

Speaker 2: But latency, if you want low latency, it's a really difficult thing to achieve and We've been lucky. In Waypoint we have the express capabilities which does that. It's still a very, very strong requirement. You have a group of customers who want the lowest latency characteristics or low latency characteristics, but you also have a set of customers who say the lowest latency is not their primary goal.

Speaker 2: And hence you've got the ratings capabilities which provide a good high quality deterministic latency feature for them. And that's an absolutely fine. But you say if you're, if you want, what customers want is the ability to come to someone like Waypoint and say, I need this for this particular function, for another function, I need this service. And as I say, that's all now available under one umbrella.

Speaker 1: And I mean, it's interesting what you just say. I mean, there is a part, a section of the market audience, if you will, who want that ultra low latency or low latency, because latency is a spectrum, you know, it's not one thing, it's not binary. You either have low latency or you have high latency. It's everything in between. So again, I lost my thought. I was explaining that I had a great idea that I was going to pitch to you and it's completely gone from me, so I'll have to sort of start from scratch again.

Speaker 1: So you've got that. I know what it was. It was because you mentioned that word deterministic. I suppose there's a part of the audience who want certainty and determinism and reliability and you can't necessarily have all of that. You tend to have to make some choices. I mean, you can probably have a very low latency with a certain degree of determinism and reliability. But again, is it fair to say you can't have your cake and eat it?

Speaker 1: You can't have everything. Or can you? At a certain price. Maybe price is another point, you know.

Speaker 2: Oh, price is definitely the point. I mean, I think for us it really depends on what the customer wants, wants to achieve and that's what we can deliver. You know, if they, if they want low latency, fine. I think the other thing I wanted to mention about low latency is if you want low latency, you need to work with a group of people who really understand it. It's not just about going and buying a circuit. It's about people who actually understand what the customer is going to do with it.

Speaker 2: They understand the routers, the firewalls, the servers, which are all going to be part of the end to end process. People go out there and say, well, we have a low data service.

Speaker 1: Great.

Speaker 2: I think the difference is we also have people who have been in this, been in the low latency world for 20, 25 years and really understand the best servers, the best switches, the best routers or whatever to use in that end to end process.

Speaker 1: Yeah, no, I think it's as you say, it's about that expertise and I think it's what you were just saying, the end to end latency. There are so many elements of the journey, the routers, the firewalls, the communication, the system, I don't know, whatever it is, and it's the end to end latency that matter. If you have a brilliant sort of low latency section in that journey, but the rest of it is terrible, then you've lost that benefit.

Speaker 1: I mean, let's broaden out the conversation a little bit. I mean, again, in your vast experience, what do you see currently the big issues that you think everybody needs to get a handle on and then let's talk about them. What are the big issues? I mean, we talked about latency, you know, we, we talk about AI, we talk about cloud. I mean, I'm throwing these as suggestions, but what, when you're out there talking to people, what do you end up in the last couple of years and definitely this year, where does that conversation land?

Speaker 1: What are most people focusing on? What are you most focusing on in those conversations?

Speaker 2: It kind of varies depending on who you talk to. But I think the kind of general, kind of key headlines will, will be clue things like access to more and more data sources, particularly emerging markets. So, you know, I mentioned Casablanca earlier as an example, but you know, it's getting places like Egypt, you know, getting to places like Saudi, getting to Latam, the exchanges in Latam, these are becoming more and more of interest to our customers.

Speaker 2: And it's. Yeah, what we provide is the ability to reach all these venues very quickly, very simply. I think the other thing we hear more and more is regulation and regulation depends on where you are in the world and which regulation that comes up. You know, we still hear customers talking about DORA as an example and being compliant with dora.

Speaker 1: Well, let's come, let's not lose. Well actually let, let's focus on it. I mean, there's two big points. I'm sure you've got more you were coming to. Good. I'm conscious of. Well, actually hit me with a couple because I written some notes down, then we'll go back over each of them in a bit more detail. So you're talking about Access to more geographic locations. But I would also throw in there and also diversity of data supplies, alternative data.

Speaker 1: There's a lot of other types of data out there, not just geographic diversity, but data type diversity.

That's one thing. Then regulation, which you, you've got your doors, then you've got all the stuff about consolidated tapes. We'll, we'll come back to that.

Speaker 2: The third bucket I would use and this kind of a very big bucket is technology.

Speaker 1: Yeah.

Speaker 2: You know where you throw AI into that. We throw blockchain into that bucket. There's a whole range of, or even quantum. There's a whole range of customers are looking at, discussing, debating and they're looking for help whether it's improve, whether it's in developing proof of concepts or whether it's actually going.

Speaker 1: Let's talk so you know, access to data, regulation and technology. Three talks. Let's kick off with that access one. I mean obviously you've got the geographic diversity. I sort of get that because I mean how many exchanges do you. Well, how many exchanges are connected to radiance exchanges?

Speaker 2: 180.

Speaker 1: But I've heard people talk about there being like 300 exchanges. Is that, I mean that means a few are not connected to you yet, correct?

Speaker 2: Absolutely, Andy. And we connect exchanges based upon customer demand. So if our customers want to go somewhere, we will make that available. We do try to look at the future where kind of try to anticipate where our customers want to go and pre build stuff as well sometimes. But we are a customer driven organization so we tend to go where our customers want to go.

Speaker 1: Yeah, you're not too speculative. I suppose you've got to be careful. I mean, are there any patterns in that? I mean is it like, oh, let's all go to Latam and therefore there's, you know, there's Brazil, there's Mexico, there's you know, Ecuador and Argentina. Do you look at a region then try and pick it off? I mean are there any regions that there seems to be more interesting in the last year and a bit. Or is it literally country by country, suddenly one country's hot rather than a bigger region?

Speaker 1: I'm floundering here, help me out.

Speaker 2: No, it kind of varies over time and I'm sure David, you've seen this as well. I think 15, 15 years ago everyone would have been talking about Asia and so that's where we want to go. I think now predominantly Asia's covered. What we're seeing from customers now is it's really difficult to, to get Connected in Middle east help us out. It's really difficult to get connections to Latam help us out.

Speaker 2: So that's what we think. I think the, the other point I would say is it's about connections to the



exchanges in, in those locations or. But it's also. They want connections to other participants in, in those locations. Well, they want to connect other brokers as well.

Speaker 1: Yeah, so, so because you're talking about the trading, not just the data.

Speaker 2: Absolutely.

Speaker 1: The trading dimension as well. And, and apps I suppose supporting it. I mean India was in the last couple of years I've heard a lot of people talking about in the Indian stock markets going gangbusters and whatever more than China for example. I mean everybody thought China was the, the great, great opportunity. But India potentially, have you seen that?

Speaker 2: We, we see growth in all those locations. China is interesting. We, it's one of those locations where it's, you know, we see demand for access to certain venues in China and we were able to provide them with our access like CFATs for example. India, India is great. You know, as you say it's going.

Speaker 2: The market's growing phenomenally. We're seeing more and more participants getting involved in India. We're seeing people who want connectivity to Indian venues, we're seeing people who want colocation facilities in India. So I would say from our perspective India is probably hotter than China at the moment.

Speaker 1: I mean that's what I've been sort of hearing and again when we talk about this geographic diversity of all these different markets, another theme that I think is linked to that is this, you know, 24 by 7 or 24 by 5 or whatever. The, it's this idea of having access to markets. The US markets predominantly 24 hours a day and maybe seven days a week or six and a half days a week or whatever it is the point being enabling allowing some trader in Australia or in Singapore or in China to be able to trade out of hours with some of the US markets and I suppose vice versa.

Speaker 1: But I think it is mainly the desire of people say in Asia to want to be able to trade the North American markets when the North American markets now are closed. I mean how does that discussion, that area, how are you affected? Where does radiance fit into that conversation?

Speaker 2: So we will go where our customers want to go to. So what we saw from our customers there isn't a requirement to trade outside normal US working hours and hence we are working with these extended hour platforms. Whether it be Bruce, where it would be Blue Ocean, etc, cboe, Platforms. So we are connected to the platforms where our customers want to be able to reach.

Speaker 2: And the great thing is what we do is we'll provide access to multiple platforms and customers can choose. We're only connected to one or several of those platforms.

Speaker 1: I mean, have you seen a lot of interest that, that 24. What, what is it? Is it 24 by five, 24 by six and a

half? I can't remember what the. What, what is everybody talking about?

Speaker 2: It kind of varies by as a class and it varies by which platform you're talking about. So we, we. Well, I, I tend to use the word, the words extended hours to cover them all. Yeah, so. So what we see is customers in Asia want access to those US platforms. So as I say, we've been working with them for 18, 24 months, some of them.

Speaker 2: So it is growing, there's growing interest. Yeah, it's definitely a market which is going to increase over time.

Speaker 1: But yeah, watch this space. We watch this space. I think is, is. Yeah, no, I mean, it's an interesting evolving topic. Let's switch to that. The second of those big topics. You know, the whole regulation and regulation is and has been important for multiple years. I mean, you know, so one regulation you mentioned was Dora. Can you. I mean, I've got a rough idea of Dora, but you know the Digital Operations Act. Yeah, that was it.

Speaker 1: You, you know better. So yeah, start off with that one, but then talk more generally about regulation, what you're seeing and hearing and how it affects the market data industry.

Speaker 2: Yeah, I mean, Dora, at a very high level, it was designed to ensure the operating resiliency of the capital market space. And it put in place certain frameworks requirements on users or in capital markets. And the requirements were varied by what you were doing, whether you were in classes, systematically important or not. So what we saw is the requirement to have resiliency and robustness in technology increase phenomenally.

Speaker 2: The requirements have processes and audits to show that and prove that increased. And I think what it's done is it's made people think about how they design and develop technology to make sure it is very, very robust indeed. Whether that be. And from a network perspective, for a data center perspective. So yeah, what you see is customers increasing, saying, you know, we want primary Dr.

Speaker 2: Site, we want a Dr. Data site.

Speaker 1: Disaster recovery.

Speaker 2: Yes. And what, and what they're doing is, you know, kind of working out how far do we need to be away to make sure we are fully resilient

Speaker 1: if one goes down which entities were systematically Important. I mean, can you give us a very brief which, which entities out there have been are deemed to be systematically important? Which begs the question, which ones aren't?

Speaker 2: Yeah, so some of the, I mean from a technology perspective, some of the big cloud providers would

deem to be systematically important. And if you look at number of people who were moving applications to the cloud, it made sense for that to happen. From our perspective. Yeah, it was. And our customers were saying to customers, okay, you want to use the cloud, makes perfect sense.

Speaker 2: We'll give you the connectivity, we'll make sure it's resilient, you're linked to different regions as an example, all that good stuff to make sure they're compliant.

Speaker 1: Well, in fact, you've just made me realize and throw the question at you. Was Radiance deemed systematically important? Did you come under the, you know, the BDIs of the regulator set and have to show your audit trail of resilience and robustness under dora?

Speaker 2: Arranus itself was not deemed to be systematically important. What you may have found is in situations like that is the parent company may have had some additional requirements, but RADIUS by itself it was not classified as systematically important.

Speaker 1: But I suppose there's a sort of. It sets off a trend, doesn't it? I mean I remember seeing a presentation from a guy, I think it was refinitiv then, it's now LSEG data and analytics and saying, well actually look, we were doing all this stuff and anybody should be doing all this stuff anyway. I mean you're really having to prove and you have to show your systematic approach to having a resilience built in, in and it's not an owner.

Speaker 1: You know, most companies should have been doing that anyway and all you've got to do is prove it to the regulator. And I think I remember Singapore, is it the monetary authority of Singapore? I remember many years ago they, they had this thing to, to banks that banks had to be 99 uptime or something. I can't remember the. But they were. Because going back to your point, I think what these regulators, what country governments are saying is the financial markets, the capital markets are critical to our economies and we can't afford significant substantive downtime.

Speaker 2: Absolutely, absolutely. And I think you've raised a really, really good point. Most firms were doing a lot of the requirements of DORA as business usual beforehand. Yeah, I mean, I'll tell you register, we given our customers are the most demanding in the world, you know, capital markets customers. We were, we were. Everything we did was resilient.

Speaker 2: Everything we did was robust. It was designed to meet the requirements of capital markets. So for a lot of people the requirements DORA will come business as usual. Others kind of did see it as oh my God, I didn't need to do new processes, new systems or do something differently. But I think the, yeah, people who were supplying services to the, you know, tier one banks who were supplying services to other large capital market participants, they were doing as business usual.

Speaker 2: This was not.

Speaker 1: And isn't there an equivalent? I can't remember one of the SEC reg. I mean there's an equivalent or similar resiliency requirement in some of the US markets. I can't remember which one it was

Speaker 2: that there's different requirements all around the world. So as a Virgin Australia is Virgin Australia in Singapore. But if you, if you break it down and, and look at all of them, by and large DORA gives you, you know, if you comply with dora, it will give you a large amount of compliance. So we don't have additional regulations and

Speaker 1: if you've got the checklist to prove it then you probably can give that to other regulators. So be beyond this resiliency element. What, what other on the regulation side. I mean the thing I would note is all the discussions in Europe about the consolidated tape and, and, and then there's a, a revamp of the consolidated tape in, in the US markets. I think Canada has a sort of equivalent of consolidated tape. I mean we talked about Asian markets.

Speaker 1: I mean they cooperate but they're still, you know, there's not really a, an obvious Pan Asian regulator. You would have, you know, the monetary authority of Singapore, the Hong Kong, I forgot the Hong Kong. There's. Each country's already got its regulator rather than being a regional one now something low browser storage. Hang on. Apologies for the breakdown in service. There was a little bit of a technical problem and I had to re record Yousef's second part.

Speaker 1: So we now move elegantly I hope in to part two. Yousef, welcome back. Everybody will see this in the edit. We had a little bit of technical difficulty previously which meant half of our podcast you only heard my voice. I mean really, that's all that necessary? Who wants to hear from you, Yousef? I mean it was, it was a classic one sided conversation. So we're going to re record and we'll actually hear what you've got to say.

Speaker 1: So apologies to the audience and policies to you. Saf. We're doing this again the last 20 minutes of the podcast. Where we got to at the last session is we were just about to start Talking about the technology topic and I think I'll throw at you, I mean we for a long time used to be talking about latency and I think we talked about latency earlier on, so let's not go back on that. But I think the two topics that have really critical in the last few years now, cloud, maybe the last 10 plus years and then the last couple of years and especially this year, AI.

Speaker 1: And I think the two are linked sort of the cloud. You know, actually now when we're recording, we had the engineering stream a couple of days ago and it was interesting that we had AWS speaking, we had Google speaking, we had Oracle speaking. Suddenly the cloud providers that we never used to hear from in a marquee data world are front and center of our world. So the cloud seems to be an enabling element of, of AI.

Speaker 1: I mean where you're sitting and what you're doing in your new role at Waypoint and what have you, I mean, set the scene AI, what's, what's your take on it? What, what are the great advantages and where are some of the perils and pitfalls?

Speaker 2: I think the, yeah, everyone looks at AI as a means of doing a lot more work, a lot faster, processing more data, faster saving costs, et cetera. For me personally, I think the key thing about AI is you've got to build the right models. And in order to build the right models, you need really good quality data. So it comes back to our world. I'm afraid, David, the underlying component here is data.

Speaker 2: If you have rubbish data, your results are going to be rubbish. So I think from a Waypoint perspective, what we do and what we have been doing is providing customers with high quality data which they can edit, format and use to generate hopefully very good results. And way we see this working for us is, and for our customers is we will continue providing data they have today, but data they will need going forward.

Speaker 2: But what we see is customers demanding access to more and more data streams. So we will be constantly looking to add those data streams to enable customers to build their models, to do their AI, large learning models, et cetera.

Speaker 1: I mean, are you, I mean, you're a little bit analogous to the cloud providers. What I mean by that is, you know, the cloud providers sit up there in the cloud and I think one of the reasons they are so fixated on AI is that a lot of the work that is taking place is taking place in the cloud rather than on prem. And I'm curious, would Waypoint ever insert something in the Waypoint Waypoint cloud, if you will.

Speaker 1: It's not public cloud, it's the Waypoint Extranet, which is analogous to a cloud. Or are you talking about just providing nice flows, good flows, high quality flows of data that you would look to the clients to do the modeling on? Prem, I think when we had the last chat, when I was looking back at it, this idea of actually building your own LLM maybe.

Speaker 2: Yeah. So it's interesting you mentioned the cloud and how important that is and fully agree. But we shouldn't underestimate the importance of customers building their own solutions as well. So what we see a lot of customers have is a hybrid solution. Yes, they will use cloud, absolutely. But they will also do a lot of processing on their own servers in their own data centers.

Speaker 1: Yeah.

Speaker 2: So we honestly see this very hybrid solution. To answer your second question, from our perspective, we are the providers of the infrastructure which allows customers to get access to data. I think that's where we are really good at doing and I think that's where we'll be kind of focusing our efforts on.

Speaker 1: But I mean, are you, I'm probably going to describe this terribly, you know, grabbing the data from an exchange or a vendor or whatever, and just passing it through as quick as you possibly can to your customers? I mean, is there no. Does it not sit in the Waypoint world, the radiance world of old, or whatever, and do you not plan to, or do you not do anything with it while it's sitting in your world? Or is your value add passing it through as efficiently, effectively and as fast as possible?

Speaker 1: Is that where you fit or do you do anything with it on its way between the original data providers and your customers?

Speaker 2: So predominantly we provide our customers with access to raw data. So whatever a producer publishes is what we carry across our network and make available to them. There are certain instances where we may normalize data, but by and large we are providing raw data feeds and I think that's our strength and that's what we, what we have been very good at doing and hopefully will carry on doing for many, many years.

Speaker 1: I hope you, I hope you will. And again, maybe I'm tapping in more into you Yousef and your general viewpoint rather than the Waypoint view. I mean, I, you know, I do want you to get as much of a sales pitch in for Waypoint as you can, but I also value your general experience in. So maybe, maybe rather than taking the Waypoint perspective, you know, you talk to a lot of people in the marketplace, a lot of the same people that I talk to.

Speaker 1: And again, luckily we had that event a couple of days ago and there was a lot of talk about getting data, to your point, about rubbish in, rubbish out, or as Americans say, trash in, trash out. The idea of getting data ready for AI. And you used a word a second ago, normalize. I mean we've used normalization for 20, 30 years, maybe 40. I mean normalization is not a new concept. And you normalize data to make it more digestible.

Speaker 1: If you know that that's what normal. It standardizes, if you will, the flow of data. So that if your systems understand one data model, one format, but if they're trying to understand 20 different data models and different languages and different protocols, they would get indigestion. Mixing my metaphor, terribly. But what I couldn't get from the conference we had two days ago is the normalization that we need for AI is that newer and different to the normalization that I grew up with.

Speaker 1: Triarc and rmds and Trep and all those good things. Do you follow where I'm coming from?

Speaker 2: I think the difference is in an AI world there's a lot more data which needs to be normalized and the data coming in, which needs to be normalized is coming in lots of different formats. So in the world we came from, David, it was got you to feed from an exchange bank. Now you're looking at text, you're looking at sentiment, alternative data, you're looking at satellite imagery, et cetera, et cetera.

Speaker 1: It's unstructured data, isn't it? Alternative data, structured data, which is another big theme that's being talked about in our world. Okay, you're right. And if anything, and again, I don't know what your take on this is the classic real time pricing data from exchanges which we talk about, latency has been a hot issue for many years on that. I don't think AI can do much with that. I think AI is more being applied to, you know, the satellite imagery, all this unstructured data.

Speaker 1: Because AI is quite good at putting structures as something that's unstructured. Is that a. I mean, have you seen and heard any AI projects with, with the sort of fast moving ultra low latency data, I mean machine

learning, which is AI route. Again, I'm mixing so many different concepts up there because frankly I don't understand it makes sense, make sense of it all from a yousef.

Speaker 2: I think from a data perspective, I think it's really important. Real time data and what we class as historical data is being used by our Customers to generate AI models or build AI models. So the data we know and love is a key component of them building their AI applications. So, yes, customers want to consume more and more data, but the data, the traditional data for our clients, is a key fundamental component of that.

Speaker 2: Without that part, a lot of them couldn't build their models.

Speaker 1: I'm now going to demonstrate the classic. A little learning is a dangerous thing. But I remember, yeah, machine learning, which is a subset of AI, has been around for a long time, and I think machine learning was very applicable to pattern recognition. There was a lot of pattern recognition in the. You know, machines are very good at recognizing patterns from lots and lots of data, numeric data especially. And then ChatGPT came along. I mean, I don't know what was that, three years ago, four years?

Speaker 1: I don't know when it first emerged. It's recent, but that was generative AI. And that's where we first started hearing this phrase, LLM. Large language models. And they were heavily based on language, not numbers. In fact, in the early days of ChatGPT, I think there was a lot of criticism that ChatGPT and the like weren't very good at doing numeric type calculations. They were very good at taking lots of language and making sense of it.

Speaker 1: And I'm. Yeah. So I don't know where I'm going with this. Again. Another theme that came out two days ago was this all changes so quickly. You and I would be having this chat now and we'll be making de facto statements, and then suddenly we'll be looking at this in six months. Say, they're so wrong.

Speaker 2: Absolutely. The pace of technology evolution is. Yeah, he's off the scale. I mean, you look back 10 years ago, people talking about fast servers, you know, having the fastest possible service. Everyone now is talking about AI and how to process data. And as we, as we saw the other day, you know, the next step already stopped talking about Quantum. Yeah, we used to live Quantum. So the evolution and the pace of evolution is Bristol.

Speaker 1: Let's dwell on Quantum briefly because again, I remember talking to my good friend Brennan Carly, who did, I think the second podcast, or was it the first? I don't know. He was one of my original podcasts. But he was always a guy I would go to and still do for advice on this. And he said to me in his New York office once, David AI. I was studying this at university in the 70s. I've dated and aged Brennan now by saying that.

Speaker 1: But he said the problem was computer hardware and technology wasn't up to the job, you need so much processing. I mean, we hear with one of the things AI needs is massive data centers and massive power because you need all that computational sort of energy and power. And I, you know, it was interesting listening

to Laura, Laura Jones, I think, I hope I got her name right from, from lsec. Excellent presentation. Was, you know, quantum when it comes, and we're still uncertain about when it's going to come, you know, how will it change things?

Speaker 1: I mean, will it, I don't know. Yousef, if you've got a better finger on the pulse of this, you know, can quantum computing massively accelerate what AI can do? Is that, is that one of the things? I mean, we talk about cryptology, you know, it'll break, you know, passwords and 128 code encryption, all this, that, that it will damage. But will it make AI faster, better? I don't know.

Speaker 2: I'm not sure it will make AI itself faster and better. I think what quantum does, it gives you the ability to process data a lot faster, a lot quicker and in greater quantity and look for patterns which weren't previously detectable. So I think quantum, for me personally, it sits on to one side of AI. It may be that AI sits on some point, AI sits on quantum.

Speaker 2: But at the moment, why I see quantum is it's a standalone technology which really helps people to process data at a pace and a scale which is unfathomable right now.

Speaker 1: And I think it was interesting that we had that presentation at the FISD event on April 29th. If anybody's watching this, this was April 29th, 2026, and as a bit of bad luck, we were competing with our good friends over at the Stack Benchmark Council who were running their event in London on the same day and they had presentations. You and I were chatting about this on quantum computing and I think it's interesting. I cast my mind back to my good friend Josh Carroll, if he's watching this, and I think he was at RBC at the time in New York.

Speaker 1: This is probably 10 plus years ago when we first started talking about cloud. In the early discussions it was what was cloud? We've almost forgotten cloud now because it's just, it's part of our day to day life. And in the last four years AI has been the new thing. And I think it was interesting yesterday it was all about agentic AI. I mean generative AI was one conversation. We're now on to agentic AI. But again, I don't know, somebody mentioned this in the, in the drinks, the non alcoholic drinks that we had at lunchtime about.

Speaker 1: Was it Claude? Some company had used Claude, one of its agents and that agent had deleted their entire database even though they explicitly told it not to do So I suppose this. And we in the financial markets are really nervous about what can be allowed to do or not to do. And it would appear that the guardrails just didn't failed completely. Did you read about that story?

Speaker 2: No, I missed that one.

Speaker 1: Yeah, it was a couple of days ago and apparently it just wiped out their database. It deleted stuff completely. That sort of thing is frightening. I mean agentic. So any particular observations on the agentic AI?



Speaker 2: I was going to go back to quantum actions from. All right, yeah, yeah, sorry again. I want to bring back the data. What does quantum require? Data.

Speaker 1: Yeah.

Speaker 2: So even though, you know, we, we've got this, all this wonderful new technology, the building block for all these technologies is the data. And if again, if you can't provide those applications and systems with the data or if you partner with poor qualitor, to use your expression, you get trash out. Yeah, but yeah, so yeah, it doesn't matter what technology you use. A really, really important part is the ability to access the data.

Speaker 2: You need to build your models and test your metaphors.

Speaker 1: It was interesting. Again, it's fresh in my mind. So I'm thinking back to the conference two days ago and it's something I've been struggling with when we talk about engineering and recognize there's a whole sub genre, data engineering, which I think normalization would be a subset of data, you know, data engineering, I mean system engineering and communications engineering, these are all sub genres. But data engineering is actually looking at the data itself and how it's structured, how it's organized, what the data model is and in some way working on that or understanding that better to get the maximum benefit from it.

Speaker 2: And your last guest at the event on 29th of April. So I apologize, I forgot his name. Yeah, don't worry, it was on a panel on the panel with you.

Speaker 1: Oh, Nigel Thielen. Nigel,

Speaker 2: he made a really great point is finding people who have the skill sets where they understand data and the technology and the application and finding those people is very, very rare.

Speaker 1: And he was saying, and you'll probably have to pay them a lot of money. And I think everybody's conscious of which careers are going to survive the AI onslaught. I mean, I was watching or listening to a podcast. We've basically said that humans would be obsolete in five or six Years, literally, AI is going to wipe out all knowledge workers, which I think we would probably fit into that category. And then once robotics really gets going, even plumbers and electricians will be sort of out of date.

Speaker 1: Luckily, I'll be well and truly retired. Or even worse, you'll be creeping up there. But I worry for the next generation. So let's segue, let's segue. The other topic is digital assets. You know, distributed ledger technology, blockchain, crypto, all of that tokenization. I've thrown a whole lot of words at you. Again, it's all related. What are you seeing going on there? And again, can you in some way relate it to our world of market data?

Speaker 2: Sure, absolutely. I think the first thing I would say about bundle all those things together is it gets

talked about a lot and we assume it's been around for years. It's actually a relatively new technology, I think. Yeah, the first bitcoin was processed in about 2007 or 2009, so it's still relatively new technology. But I think what's happened over those years is you're seeing the business case for that technology becoming stronger and stronger.

Speaker 2: And for me personally, I think things like tokenization, which run over DLT is a really compelling event. I think the ability to tokenize, whether it's Treasuries, where it's real estate, where it's commodities, is a very attractive proposition. And what we're seeing is the takeout of tokenization is increasing. The other thing I would say around a whole DLT area and particularly for the area we work in, capital markets, you've seen things like DLT applications specifically or DLT platforms specifically for capital markets and our Mission Canton Network as an example.

Speaker 2: And I think that adds a lot of credibility. And we can see something like Canton being used by a large number of tier one banks, a lot of hedge funds, a lot of market data lenders.

Speaker 1: What is it? I'm not familiar with it. If the audience might not.

Speaker 2: It says distributed ledger technology designed specifically for the capital markets. And what it does, it takes in a particular requirements or capital markets around privacy, security, etc. So much. In my opinion, a very, very robust, high quality DLT platform specifically for capital markets.

Speaker 1: How do you spell it?

Speaker 2: C A N, T O, N. Look

Speaker 1: that up, look that up, audience. And again, from a data perspective, if you've got tokenization going on, if you've got these newer digital assets, which if I'm correct, sort of run in parallel with the traditional, the tradfi sort of all the Instruments that we're used to, equities or derivatives or commodities or whatever, all of those markets. Then you've got these new, are they new instruments?

Speaker 1: I mean they're almost derivatives in a sense. They're linked to a, you know, if you've got an equity, if you've got a bond, that's the traditional market. And then if you tokenize it, if you turn it into a digital asset, then you've got a whole different set of tradable products, but also data related to those products. I mean, is there is. Where does one get the data, the market data, the pricing data for all these tokenized digital assets?

Speaker 2: Okay, so I think when you talk about market data for digital asset world, you probably need to look at a couple of things. So market data for crypto assets, starting point. There's lots of different venues out there, you're producing data and you've got some very good firms who specialized in crypto market data. Caico being a great example, French based.

Speaker 1: Yeah.

Speaker 2: You are also members of fisd. So they have a very good platform for making that crypto data available. Secondly, what you're seeing is when you start talking about tokenization that also generates data and you're seeing firms who are making that data available where it's allowed to be made available to a wider community. So you are seeing different streams of data, you're seeing it being consumed by more and more people.

Speaker 2: And I think what's interesting for me is the institutional take up of that data. So if you look at, I've been talking about cryptos for many years, unfortunately. So if you start, if you look at cryptos about 10 years ago, I would say it's predominantly retail. People may disagree with me.

Speaker 1: I get you, I agree with you.

Speaker 2: And what you're seeing now is more and more institutions in that world and they need the data to be able to provide to their clients or to be able to generate the derivative products from it as well.

Speaker 1: Well, and again, we're running out of time, but I mean, a thought that occurs to me is the sort of correlation and relationship between the tradfi world and, and the new, you know, whatever one was the word I was searching for. But you know, the defi. That's the word I was looking for. And cryptocurrencies arguably are a completely distinct new asset class. And I don't know if by looking at cryptocurrencies you can infer any meaning or signals relating to traditional currencies, for example, but if you're talking about tokenization Tokenization implies that it relates to another asset like a bond or an equity

Speaker 2: or something like that.

Speaker 1: And therefore it'd be interesting to say if you're trying to look at a market like equities, would you get signals from a tokenized market which would inform you about what the movement of the original market was and vice versa? I don't know the answer to that. It strikes me that you would. That the two would influence each other.

Speaker 2: I think the answer is yes, you would. I mean, if you assume, you know, take what's being traded in U S Treasuries today in, in our standard market, and it's now, that same treasury product is now just being tokenized, being traded in that way, the, the amount of trades, who's trading it, the volumes, et cetera, will have a impact on, on

Speaker 1: the other, other market. Again, that's a whole podcast and it's in its own right, so may have to invite you, invite you back on that. But you were at this point in time where I always offer to my guests, you know, one or two final words. Anything you didn't get to say that you really wish you could have said on this podcast, please do.

Speaker 2: I think one of the items which would be really interesting for a future podcast, and not by me, but hopefully by someone who knows more, is predictable markets. I think that's a really exciting.

Speaker 1: Oh, prediction Mark.

Speaker 2: Yes, yes, I think that's a really interesting market. I think it has potential to be a game changer. We've seen more and more customers moving into that area.

Speaker 1: But I mean, a lot of insider trade, I mean there was a guy, a US SEAL or something who bet on the Venezuela thing, you know, anyway. Yeah.

Speaker 2: Putting that to one side. Yeah. So in terms of final words, I think what I would say is Waypoint Trading Solutions is really a unique company. It's brought a number of capabilities together under one umbrella, the Waypoint umbrella. And what those capabilities include the Express product, which is our low latency offering, which is, as we discussed earlier, designed for customers who need that low latency service and latency is really, really important to them.

Speaker 2: Then you got a set of customers who want a robust, high quality availability service and you know, access to a wide range of applications of data and Radiance is perfect for that. Then you want people, customers who want to outsource their entire market data platform. And the Sentinel services is an absolute.

Speaker 1: I will put the, I'll put your LinkedIn link URL and I'll put the Waypoint website. But I mean everybody should go and buy lots, lots of stuff from, from Waypoint, not least because Youssef's there. But no, it's, it's a, it's a. I know a few people in the company and it's, it's an interesting one and look, I think, I think the audience out there needs to understand what Waypoint does because it's a new player bringing together two or three sort of longer standing players.

Speaker 1: So I think interesting trend going on that you said it's been a pleasure twice we've done this now so I hope this recording has worked otherwise you'll have to come back and we'll do it again. I'm wearing a different shirt. I'm not sure whether my shirt's the same one or not. It is a clean one, I assure the audience. So look, a pleasure, Youssef and I'm sure we saw each other on Tuesday but I'm sure we'll see each other again soon.

Speaker 1: Thank you.

Speaker 2: Thank you.