

BGC Brokers' Capitalab Portfolio Compression Service Executes the First Interest Rate Swaps and Options Combined Compression Cycle

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LONDON, July 17, 2017 /PRNewswire/ -- Capitalab, a division of BGC Brokers L.P., an entity within the BGC Partners, Inc. group (NASDAQ: **BGCP**) today announced that its Swaptioniser® portfolio compression service has successfully executed the first combined Swap and Option compression cycle, eliminating over \$100 billion of non-cleared Swaps, Swaptions and Caps & Floors notional, making it the largest Capitalab USD compression to date.

"We are very excited about this achievement. The ability to execute a single compression cycle with both Swap and Option products for our clients significantly increases the compression efficiency, in some cases achieving as high as 80% compression of the eligible Interest Rate Swaps," said **David Bachelier**, Singapore-based co-founder of Capitalab. "The inclusion of Interest Rates Swaps as part of product scope represents a key milestone for Capitalab, focused so far on Swaptions, Caps & Floors and FX Options."

"Combining the derivatives together allows our algorithm to leverage risk offsets between the products, making the whole greater than the sum of its parts. This approach is also designed to simplify operational aspects by executing one cycle instead of two to save client resource," said **Gavin Jackson**, Capitalab's London-based co-founder.

Multilateral Compression

Capitalab's Swaptioniser® is a multilateral portfolio compression service designed to allow participants to reduce their derivatives exposures, whilst maintaining neutral portfolio risk. The solution is highly customisable, built with a view to accommodate the large number of constraints and models used by options traders. Swaptioniser® completed its first compression of transactions in September 2015 and is used regularly by more than 25 major participants.

About Capitalab

Capitalab, a division of BGC Brokers L.P., provides compression services that are designed to bring greater capital and operational efficiency to the global derivatives market. It assists clients in managing the growing cost of holding derivatives, while helping them to meet their regulatory mandates. Through the Swaptioniser® service for portfolio compression of Interest Rate Swaptions, Interest Rate Swaps, Caps and Floors and FX Options, Capitalab looks to simplify the complexities of managing large quantities of derivatives to promote sustainable growth and lower systemic risk and to improve resiliency in the industry. The Capitalab brand is part of FENICS's fully electronic family of brands.

Capitalab is led by a team of former traders and quants from sell-side institutions, Olivier Alvarez, David Bachelier and Gavin Jackson, who together combine more than 40 years of experience in interest rates options trading and quantitative research. BGC Brokers L.P. is regulated by the UK Financial Conduct Authority and is based in London.

About BGC Partners, Inc.

BGC Partners is a leading global brokerage company servicing the financial and real estate markets. BGC owns GFI Group Inc., a leading intermediary and provider of trading technologies and support services to the global OTC and listed markets. The Company's Financial Services offerings include fixed income securities, interest rate swaps, foreign exchange, equities, equity derivatives, credit derivatives, commodities, futures, and structured products. BGC provides a wide range of services, including trade execution, broker-dealer services, clearing, trade compression, post trade, information, and other services to a broad range of financial and non-financial institutions. Through brands including FENICS, BGC Trader, Capitalab, Lucera, and FENICS Market Data, BGC offers financial technology solutions, market data, and analytics related to numerous financial instruments and markets. Real Estate Services are offered through brands including Newmark Grubb Knight Frank, Newmark Cornish & Carey, ARA, Computerized Facility Integration, NGKF Valuation & Advisory, and Excess Space. Under these names and others, the Company provides a wide range of commercial real estate services, including leasing and corporate advisory, investment sales and financial services, consulting, project and development management, and property and facilities management.

BGC's customers include many of the world's largest banks, broker-dealers, investment banks, trading firms, hedge funds, governments, corporations, property owners, real estate developers, and investment firms. BGC's common stock trades on the NASDAQ Global

Select Market under the ticker symbol (NASDAQ: BGCP). BGC also has an outstanding bond issuance of Senior Notes due June 15, 2042, which trade on the New York Stock Exchange under the symbol (NYSE: BGCA). BGC Partners is led by Chairman and Chief Executive Officer **Howard W. Lutnick**. For more information, please visit <http://www.bgcpartners.com>. You can also follow the Company at <https://twitter.com/bgcpartners> and/or <https://www.linkedin.com/company/bgc-partners>.

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Discussion of Forward-Looking Statements about BGC Partners

Statements in this document regarding BGC that are not historical facts are "forward-looking statements" that involve risks and uncertainties. Except as required by law, BGC undertakes no obligation to update any forward-looking statements. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see BGC's Securities and Exchange Commission filings, including, but not limited to, the risk factors set forth in the most recent Form 10-K and any updates to such risk factors contained in subsequent Forms 10-Q or Forms 8-K.

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