



News Release

26 June 2019

SGX Launches Asia's First Portfolio Compression Service for Listed Derivatives

Singapore Exchange (SGX) is the first exchange in Asia to extend a portfolio compression service from over-the-counter (OTC) products to listed derivatives. The service is launched in collaboration with Capitalab, a division of BGC Brokers LP, an entity within the BGC Partners, Inc. (NASDAQ: BGCP) group of companies.

Michael Syn, Head of Derivatives at SGX, said; "SGX and Capitalab are responding to market participants' need for an efficient service to optimise their outstanding positions with increased capital and cost savings. In 2014, SGX was the first Asian exchange to run compression on OTC derivatives. Today, we are again leading the way by extending portfolio compression onto listed Asian derivatives."

David Bachelier, co-founder of Capitalab, says; "We are delighted to enter the equity derivatives space, where we believe there is much to be done in optimisation of notional exposures and margins. This first execution in a new asset class celebrates Capitalab's innovative DNA in collaboration with SGX and our clients."

SGX is offering portfolio compression of the listed Nikkei suite of contracts comprising the SGX Nikkei 225 Index Options, SGX Nikkei 225 Index Futures and SGX Mini Nikkei 225 Index Futures.

Portfolio compression is a risk-reduction technique that enables participants to lower capital costs and reduce open positions of derivatives that carry some of the highest cost of capital per unit of notional exposure in the industry. The service has been widely used by participants in the OTC derivatives markets. During the period 2014-2017, SGX ran compression exercises for its OTC financial derivatives tearing up a total of US\$135 billion which is equivalent to 39% of outstanding positions.

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About Singapore Exchange

Singapore Exchange (SGX) is Asia's leading and trusted market infrastructure, operating equity, fixed income and derivatives markets to the highest regulatory standards. As Asia's most international, multi-asset exchange, SGX provides listing, trading, clearing, settlement, depository and data services, with about 40% of listed companies and over 80% of listed bonds originating outside of Singapore.

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SGX is the world's most liquid international market for the benchmark equity indices of China, India, Japan and ASEAN and offers commodities and currency derivatives products. Headquartered in AAA-rated Singapore, SGX is globally recognised for its risk management and clearing capabilities. For more information, please visit www.sgx.com.

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, as well as Initial Margin Optimisation service and fully automated trade processing, 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. BGC Brokers L.P. is authorised and regulated by the UK Financial Conduct Authority and is based in London. BGC Brokers LP is a subsidiary of BGC Partners, Inc. (NASDAQ: BGCP), a leading global brokerage and financial technology company.

About BGC Partners, Inc.

BGC Partners is a leading global brokerage and financial technology company. BGC's 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. BGC, BGC Trader, GFI, Fenics, Fenics Market Data, Capitalab, and Lucera are trademarks/service marks and/or registered trademarks/service marks of BGC Partners, Inc. and/or its affiliates.

BGC's customers include many of the world's largest banks, broker-dealers, investment banks, trading firms, hedge funds, governments, corporations, and investment firms. BGC's Class A common stock trades on the NASDAQ Global Select Market under the ticker symbol "BGCP". 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 BGC at <https://twitter.com/bgcpartners>, <https://www.linkedin.com/company/bgc-partners> and/or <http://ir.bgcpartners.com/Investors/default.aspx>.

Discussion of Forward-Looking Statements about BGC

Statements in this document regarding BGC that are not historical facts are "forward-looking statements" that involve risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements. 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 and Special Note on Forward-Looking Statements set forth in these filings and any updates to such risk factors and Special Note on Forward-Looking Statements contained in subsequent Forms 10-K, Forms 10-Q or Forms 8-K.

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