

Nodal makes contracts available on TT platform

Trading software provider Trading Technologies International (TT) has entered a commercial agreement with Nodal Exchange, part of EEX Group, that will make the US derivatives exchange's contracts available for trading through the TT platform.

Published 12 March 2020

By Wendy Lisney

EEX, which acquired Nodal Exchange in May 2017, announced its acquisition of Nasdaq Futures' (NFX) futures and options business in November last year.

"We're excited," Guy Scott, TT's managing director, sales Americas, told Global investor. "We've been working with these guys for a while since the NFX acquisition, so we're pretty much ready for production."

Under TT's agreement with Nodal, clients of the US derivatives exchange will be able to leverage TT's full suite of tools, including functionality for charting and analytics, algorithm design, automated trading, mobile trading, Financial Information eXchange services and application program interface development, to trade the complete range of products listed on Nodal Exchange.

These products include contracts for on-peak and off-peak power at commercially significant locations, cash settled natural gas contracts, US environmental contracts offered in partnership with IncubEx and cash settled, monthly term trucking freight futures contracts.

Scott said there aren't any live clients yet, but Chicago-based TT is wrapping up testing now and clients can connect as soon as they are ready. Many of

TT's existing clients have requested access to Nodal's commodity products and the software firm expects to add hundreds of users, including commodity trading and commercial energy firms, as well as proprietary trading groups.

"Nodal has a very significant share in power, so there's a lot of interest there," Scott said. "They are also growing their natural gas business; then an area that not everyone appreciates is their environmental products, which are growing quite nicely. We have desks within our existing clients that are trading crude products and gas, let's say, but they have an environmental desk that we've never done business with, and that will add another trading unit within an existing client."

Paul Cusenza, Nodal Exchange's chairman and CEO, welcomed the deal, saying it reinforces the exchange's strategy of offering best-in-class technology solutions and trading products. "We are very pleased to be collaborating with TT, which currently serves many leading energy trading entities," he said.

Nodal completed the migration NFX's US power futures and options contracts from Nasdaq Futures to its clearing house, Nodal Clear, in February. ■