



## Press Release

### **Scotia Capital becomes Liquidity Provider through Cognotec's unique Liquidity Linq service**

**London, June 21, 2001** - Scotia Capital, the corporate and investment banking division of the Scotiabank Group and Canada's top-ranked foreign exchange bank\*, is one of the first wave of FX liquidity providers to Cognotec's unique Liquidity Linq service. Scotia Capital was the first bank to cover the market risk of another North American based bank's client positions in a range of currencies.

World-leading e-commerce services provider Cognotec has developed Liquidity Linq™ to allow banks to expand the service they offer their clients by facilitating outsourcing of market making of currencies in which the bank does not make markets. This unique service is made possible by Cognotec electronically linking banks that use the company's e-commerce platforms (AutoDeal LITE™ and AutoDeal DIRECT™). An AutoDeal bank can be a liquidity provider with another being a liquidity taker. Takers can use the service to offer a vastly expanded range of currencies to their customer base or extend their service on a 24-hour basis if they so wish. Liquidity providers meanwhile enjoy increased transaction volumes in currencies in which they specialize, all processed on a straight-through basis.

Both Scotia Capital and the liquidity-taking banks are users of AutoDeal LITE, the Cognotec flagship service that has been adopted by over 90 banks around the world. Of these, 35 banks in 17 countries have adopted the Liquidity Linq service.

Scotia Capital will electronically receive real time requests for prices made by the liquidity-taking bank's clients. The Scotia Capital price is then delivered to the requestor electronically. All deals are processed on a full STP basis and invisibly to the end client. Customer details and credit risk remain with the liquidity-taking bank.

"There are many benefits to becoming a Liquidity Provider through the Liquidity Linq system," says Barry Wainstein, Managing Director and Global Head, Foreign Exchange and Money Markets, Scotia Capital. "As well as offering the opportunity to penetrate a new market segment of regional banks in an efficient and cost effective manner, it has allowed Scotia Capital to improve the service we offer our clients. Currently, we are investigating other Liquidity Linq opportunities with banks on the AutoDeal LITE system."



### **Scotia Capital**

Scotia Capital is a leader in the corporate and investment banking industry, with a presence in both major and regional financial centres around the world. Scotia Capital is a member of the Scotiabank Group. For more information visit [www.scotiafx.com](http://www.scotiafx.com), [www.scotiacapital.com](http://www.scotiacapital.com) or [www.scotiabank.com](http://www.scotiabank.com).

\* As ranked in Euromoney's 2001 Foreign Exchange Poll, according to overall market share.

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