How cloud and AI are transforming the future of market data

- More market participants are turning to cloud-based data services as a way of centralizing market data and making it more accessible.

- At the same time, exchanges, market data providers, aggregators, and trading systems are embracing the cloud as a delivery model by offering direct access to their data via cloud services, APIs, or partners.

- As we move into the new era of market data management, the need for cloud-based services has well and truly arrived.

Capital markets have embraced public cloud for market data
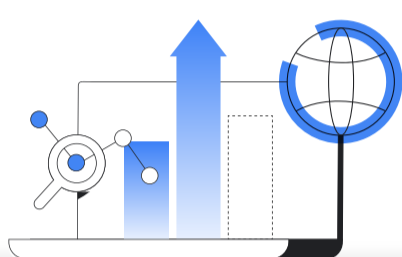
Distribution and consumption[1]

Public cloud-based services

68% of sell side and buy side users find it critical for market data providers to offer public cloud-based services.

Exchanges & trading systems

93% of exchanges & trading systems and data providers are offering cloud-based data and services.

All exchanges & trading systems expect to offer new cloud-based data services, such as derived data in the next 12 months.
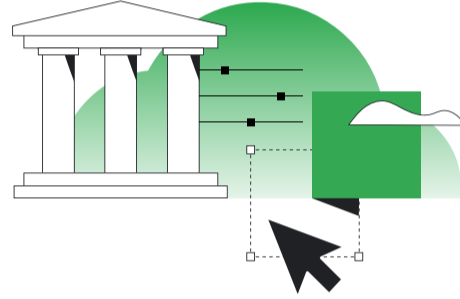
Sell side

Banks leverage cloud for analytics related to their trading businesses.

67% of sell side respondents consume cloud-deployed data.

88% intend to consume more.

" The most commonly cited use cases for cloud are connectivity, real-time data feeds and trading applications."

60% of banks intend to offer more cloud-based trading infrastructure to clients."

Buy side

90% of buy side respondents consume cloud-based data services, mostly for portfolio management.

70% of buy side respondents intend to consume more.

" The most common use cases for public cloud are planned to focus on compliance and regulatory reporting, middle- and back-office applications, and overall cost efficiency."

Artificial intelligence & machine learning

Using AI/ML in the cloud today

50% of exchanges & trading systems.

14% of buy side respondents.

55% of banks.

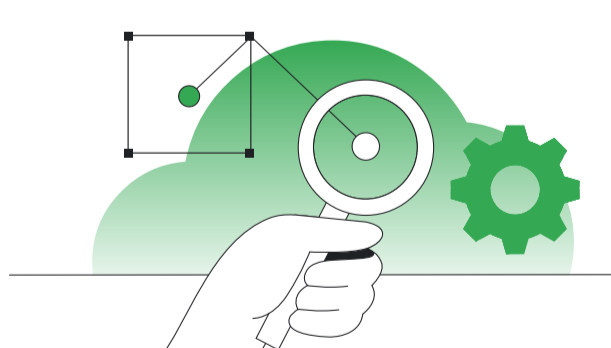Exchanges, trading systems, and data providers are prioritizing cloud and AI/ML for

Internal insights[2]

71% of institutions are using public cloud for data insights.

33% of new public cloud workloads will focus on data mining, data insights and advanced analytics.

" Data transformation, processing, analysis, and long-term storage are the top use cases."

Future AI/ML

tooling and infrastructure investments:

28% will focus on faster analytics and risk reviews.

27% will focus on data quality maintenance.

Interested in more data?

To learn more about these findings, download our two full reports:

The Future of market data: Distribution and consumption through cloud and AI

Exchanges and data providers: Prioritizing the cloud for internal insights

Visit our website to explore how Google Cloud solutions for capital markets fit into your market data technology strategy.