

2002 DATA VENDOR SURVEY RESULTS

Scott Porter

For the eleventh year, Securities Operations Forum and The Summit Group have conducted their annual Data Vendor Survey and compiled a comprehensive report on the quality of the securities industry's data providers.

The mission of the Data Vendor Survey is twofold: To identify and define the underlying trends influencing the way in which financial information vendors provide their services; and to serve as a progress report on how well financial information providers are performing in meeting their clients' expectations.

This year's survey also attempts to continue to gauge the extent to which the Internet is being used as a source for securities data. Also, because this eleventh edition of the Survey represents the sixth time that on-line data services were rated, the data included in that section is more comprehensive.

The trend toward consolidation in the data vendor industry has continued, with another major player, Merrill Lynch Securities Pricing Service, dropping off the survey. The service was acquired by FT Interactive Data in early 2002, and ceased to operate under its own brand. Likewise, in the time that has passed since the last survey, Bridge Information has also ceased operating, its product lines purchased by various other vendors.

As the reader will see in the last section, many respondents indicated that this consolidation was a growing area of concern.

HOW THE SURVEY WAS CONDUCTED

This year's survey was organized and distributed very much like the 2000 survey. It was distributed to over 3,000 operations professionals in brokerage firms, commercial, trust and custody banks, global custodians, mutual funds, money managers and institutions with asset sizes ranging from under \$1 billion to over \$25 billion.

There were no major additions to the survey as consistency was stressed – only the previously mentioned two deletions were made.

Vendors were rated on a traditional Likert Scale, with "5" being excellent and "1" meaning very poor, in three categories: Coverage of Data; Accuracy of Data; and Reliability of Data. The ratings were further broken down into Bulk and On-line Delivery for each category. Each vendor was also individually scored in a comprehensive customer service section. There are now over 100 distinct categories of measurement in the survey.

While most of the vendors tracked by the last survey were also included in this year's report, consolidation in the industry reduced the number of data vendors examined from 12 to 10. In many cases, products were offered jointly, for example Standard & Poor's/Telekurs and Reuters via Standard & Poor's JJ Kenny.

CUSTOMER SERVICE

Overall, this year's survey results showed a continuing decline in ratings in all bulk categories, a trend that has continued unabated for five years now, as well as a noticeable decline in on-line categories. Two years ago, on-line categories had realized an across-the-board increase. It remains to be seen if this decline resulted from rising expectations or actual declining service.

In addition to determining the users' perspectives on the vendors' coverage, accuracy and reliability of data, the survey asked several questions dealing with customer service. The questions covered the vendors' use of technology, knowledge of their product and the data, whether issues are promptly addressed, and the overall level of customer service. Each vendor was rated on the same 1 to 5 scale used for the instrument portion of the survey.

As with the last few years, Xcitek dominated the customer service categories; Bloomberg came in second, and FT Interactive Data third.

The survey continued to track an Internet related question: Respondents were again asked to define the extent to which they retrieve securities data over the Internet as well as identify the type of data that is accessed.

RESPONDENT PROFILE

52% of respondents indicated that the asset size of their organization was greater than \$25 billion and 45% stated that over 5,000 accounts were affected by the data that they received. 63% of respondents stated that there were over 10,000 securities listed in their firm's database.

Money managers were the largest respondent by type of organization, representing approximately 34% of all survey responses, followed by brokerage firms (18%) and commercial and custodian banks (16%). Other participants included mutual funds, insurance companies and other institutional investors.

Furthermore, just under 70% of survey respondents were from the managerial ranks. Over

80% reported that they deal with Pricing or announcement information on a daily basis.

RESULTS FOR PRICING, ANNOUNCEMENTS AND FACTORS

The 2002 Data Management Survey was once again segmented based upon delivery method: Bulk Delivery of Data and On-line Access to the vendor's database. The three sections covered by the survey (Pricing, Announcements, Factors) also remained the same, as did the number and variety of instruments and data categories evaluated within them. Under the Pricing section, eight instruments were evaluated, while two instruments were studied for Factors and six information categories evaluated for Announcements. In all, each section category (coverage, accuracy and reliability of data) consisted of 16 sections or instrument categories.

EVALUATION OF BULK DATA VENDORS

The results of this year's survey proved to be slightly more stable than the last, as 20, or 42%, of category leaders were able to retain their leadership position in categories that they had won in the last survey. In the Reliability section, only four of 16 instrument categories featured repeat winners, while the Accuracy section featured nine. The coverage section again featured considerable turnover, as nine new category leaders emerged.

The number of bulk category section leaders in this year's survey rated as being only "adequate" (numerically represented by a score between 3 and 4) fell from 10 two surveys ago to 3 in this year's, reversing last year's slight blip upward in the number of category leaders. Overall, the average scores of category leaders in the Coverage, Accuracy and Reliability sections inched up very slightly. In general, international securities data categories lagged slightly behind all others.

CATEGORY SUMMARY

In the Coverage of Data section, Bloomberg and Xcitek earned the most category awards, with Bloomberg earning 12 and Xcitek earning 4 awards, while Telekurs/S&P earned 1.

Bloomberg and Xcitek also dominated the Accuracy of Data section, with Bloomberg earning 10 awards and Xcitek earning 4, while FT Interactive Data and Telekurs/S&P each earned 1.

Bloomberg fared best in the Reliability of Data category as well, with 8 honors, while Xcitek had 4 and Standard & Poor's and FT Interactive Data each had 2.

Bloomberg swept virtually the entire Bulk Data - Pricing section, leading twenty two separate categories, up from five section categories last year, which was only the second year the vendor appeared in the top spot in any sections in this category. Wins by Standard & Poor's JJ Kenny and

FT Interactive Data kept Bloomberg from sweeping the section entirely.

Xcitek continued its dominance of the corporate action categories, winning every category, including a tie with Telekurs/S&P for International Corporate Actions - Bonds, Coverage. Xcitek has now dominated the bulk corporate action categories for the last three surveys. Telekurs/S&P also won for International Dividends & Interest, Accuracy, and Standard & Poor's won for North American Dividends & Interest, Reliability. FT Interactive Data earned top honors for International Dividends & Interest, Reliability and North American Dividends and Interest, Accuracy.

Bloomberg swept all six Bulk Factor categories. With Bridge and Merrill Lynch Securities Pricing Service out of the way, Bloomberg has now dominated this category for two consecutive surveys.

Bulk Data Coverage Category	1999		2000		2002	
	Top Vendor	Rating	Top Vendor	Rating	Top Vendor	Rating
Pricing						
North American Equities	Bloomberg	4.4	Merrill Lynch SPS	4.4	Bloomberg	4.4
North American Fixed Income						
Municipals	JJ Kenny	4.3	S&P / JJ Kenny	4.3	Bloomberg	4.7
Corporates	Interactive Data	4.0	Bridg FIS / JJ Kenny	4.1	Bloomberg	4.5
Governments	Reuters	4.3	Bloomberg	4.4	Bloomberg	4.3
MBS	Bloomberg	4.1	Merrill Lynch SPS	4.1	Bloomberg	4.8
ABS & CMO	Bloomberg	3.8	Merrill Lynch SPS	4.1	Bloomberg	4.4
International						
Fixed Income	Telekurs	3.7	Telekurs / S&P MLSPS*	4.0	Bloomberg	4.1
Equities	Reuters	4.0	Telekurs / S&P	4.4	Bloomberg	4.4
Announcements						
North American Dividend & Interest	Merrill, Muller	4.3	Bloomberg	4.5	Bloomberg	4.3
North American Corporate Actions						
Fixed Income	Xcitek	4.5	Xcitek	4.6	Xcitek	4.3
Equities	Xcitek	4.4	Xcitek	4.4	Xcitek	4.4
International Dividend & Interest	Valorinform	3.8	Telekurs / S&P	4.3	Bloomberg	4.1
International Corporate Actions						
Fixed Income	Xcitek	4.1	Xcitek	5.0	Xcitek & Telekurs / S&P*	5.0
Equities	Xcitek	4.2	Xcitek	5.0	Xcitek	3.8
Factors						
MBS	Bridge	4.4	Bloomberg	4.6	Bloomberg	4.7
ABS & CMO	Bridge	4.5	Merrill Lynch SPS	4.7	Bloomberg	4.5
Average		4.2		4.4		4.4
* Indicates a tie						

Bulk Data Accuracy		1999		2000		2002	
Category	Top Vendor	Rating	Top Vendor	Rating	Top Vendor	Rating	
Pricing							
North American Equities	Bloomberg, Int. Data	4.2	Bloomberg	4.3	Bloomberg	4.3	
North American Fixed Income							
Municipals	JJ Kenny	4.4	S&P / JJ Kenny	4.1	Bloomberg	4.4	
Corporates	Bloomberg, Int. Data	3.8	Merrill Lynch SPS	4.1	Bloomberg	4.3	
Governments	Merrill, Muller	4.1	Bridg FIS / JJ Kenny	4.3	Bloomberg	4.3	
MBS	Bloomberg	4.0	Bloomberg	4.1	Bloomberg	4.4	
ABS & CMO	Interactive Data	3.9	Merrill Lynch SPS	3.9	Bloomberg	4.2	
International							
Fixed Income	Telekurs	3.7	Telekurs / S&P	5.0	Bloomberg	4.0	
Equities	Reuters	4.0	Bloomberg	4.5	Bloomberg	4.4	
Announcements							
North American Dividend & Interest	Merrill	4.3	Merrill Lynch SPS	4.5	FT Interactive Data	4.1	
North American Corporate Actions							
Fixed Income	Xcitek	4.4	Xcitek	4.4	Xcitek	4.3	
Equities	Xcitek	4.3	Xcitek	4.5	Xcitek	4.4	
International Dividend & Interest	Valorinform	4.0	Telekurs / S&P	3.7	Telekurs / S&P	3.7	
International Corporate Actions							
Fixed Income	Xcitek	4.0	Xcitek	5.0	Xcitek	4.3	
Equities	Xcitek	4.2	Xcitek	5.0	Xcitek	4.3	
Factors							
MBS	Bridge	4.2	Bloomberg	4.5	Bloomberg	4.4	
ABS & CMO	Bridge	4.3	Merrill Lynch SPS	5.0	Bloomberg	4.3	
Average		4.1		4.4		4.3	

Bulk Data Reliability		1999		2000		2002	
Category	Top Vendor	Rating	Top Vendor	Rating	Top Vendor	Rating	
Pricing							
North American Equities	Reuters	3.8	Reuters	4.4	Bloomberg	4.5	
North American Fixed Income							
Municipals	JJ Kenny	4.2	Bloomberg	4.4	Telekurs / S&P	4.5	
Corporates	Interactive Data	4.1	Merrill Lynch SPS	4.3	Bloomberg	4.5	
Governments	Interactive Data	4.1	Telekurs / S&P	5.0	Bloomberg	4.2	
MBS	Interactive Data	4.2	Merrill Lynch SPS	4.3	Bloomberg	4.7	
ABS & CMO	Interactive Data	4.1	Merrill Lynch SPS	4.3	Bloomberg	4.4	
International							
Fixed Income	Interactive Data	3.8	Telekurs / S&P	5.0	Bloomberg	4.2	
Equities	Int. Data/Reuters	3.8	Telekurs / S&P	4.9	FT Interactive data	4.1	
Announcements							
North American Dividend & Interest	Merrill Lynch	4.8	Interactive Data (M)	4.1	Standard & Poor's	4.3	
North American Corporate Actions							
Fixed Income	Xcitek	4.5	Xcitek	4.5	Xcitek	4.4	
Equities	Xcitek	4.4	Bloomberg	4.5	Xcitek	4.3	
International Dividend & Interest	Valorinform	3.7	Interactive Data (M)	3.8	FT Interactive data	4.1	
International Corporate Actions							
Fixed Income	Xcitek	4.0	Xcitek	5.0	Xcitek	4.3	
Equities	Xcitek	4.2	Xcitek	5.0	Xcitek	4.7	
Factors							
MBS	Bridge	4.4	Merrill Lynch SPS	4.7	Bloomberg	4.3	
ABS & CMO	Bridge	4.5	Merrill Lynch SPS	4.8	Bloomberg	4.3	
Average		4.2		4.5		4.4	

EVALUATION OF ON-LINE DATA VENDORS

Once overwhelmingly dominated by Bloomberg, the on-line categories are now split among Bloomberg, Telekurs/S&P, Xcitek, FT Interactive Data and Reuters via S&P. Four years ago, Bloomberg enjoyed well over half of all first place awards for the coverage, accuracy and reliability of online data, but relinquished its dominance last year. This year, Bloomberg still finished first, with 14 first-place finishes and finishing close to the leader in several others.

Xcitek continued to dominate the on-line corporate actions categories, winning 10 out of 12 categories, both North American and International. Meanwhile, Telekurs/S&P dominated the international categories, and FT Interactive Data did well with fixed income. Standard & Poor's JJ Kenny reclaimed its dominance in the municipal category, winning all three on-line categories – coverage, accuracy and reliability.

As with last year's survey, no online category leaders were rated below "Good" (a numerical

rating of 4.0 to 5.0) on this year's survey. That has now held for three consecutive surveys, but four years ago seven top on-line vendors received only "Adequate" ratings. Also similar to last year, only about one-third of vendors were able to repeat their category victories. Two years ago, this percentage was over 60%.

CATEGORY SUMMARY

In the Coverage of Data section, Standard & Poor's, Bloomberg and Xcitek each one four awards, while FT Interactive Data won two and Reuters won one. The Accuracy of Data Section was similarly concentrated, with Bloomberg winning five categories, Standard & Poor's (with Telekurs and Reuters) winning four, Xcitek winning three and Reuters and FT Interactive Data each claiming one. FT Interactive Data had their best showing in the Reliability of Delivery section, along with Bloomberg and S&P (with Telekurs and Reuters), with four wins each; Xcitek had three wins and Reuters had one.

On Line Coverage		1999		2000		2002	
Category	Top Vendor	Rating	Top Vendor	Rating	Top Vendor	Rating	
Pricing							
North American Equities	Bloomberg	4.5	Bloomberg	4.6	Bloomberg	4.6	
North American Fixed Income							
Municipals	JJ Kenny	4.3	Bloomberg	4.4	S&P / JJ Kenny	4.4	
Corporates	JJ Kenny	4.3	Merrill Lynch SPS	4.5	Reuters S&P	4.7	
Governments	Bloomberg	4.5	Bridge FIS / JJ Kenny	5.0	FT Interactive Data	4.4	
MBS	Bloomberg	4.1	Merrill Lynch SPS	4.3	FT Interactive Data	4.3	
ABS & CMO	Bloomberg	4.0	Bloomberg	4.1	Reuters S&P	4.5	
International							
Fixed Income	Reuters	4.2	Bloomberg	4.5	Telekurs / S&P	4.5	
Equities	Reuters	4.6	Telekurs / S&P	4.4	Telekurs / S&P	4.2	
Announcements							
North American Dividend & Interest	Bloomberg	4.1	Bloomberg	4.8	Bloomberg	4.5	
North American Corporate Actions							
Fixed Income	Xcitek	4.7	Xcitek	4.8	Xcitek	4.6	
Equities	Xcitek	4.8	Bloomberg & Int Data	4.9	Xcitek	4.4	
International Dividend & Interest	Xcitek	4.8	Telekurs / S&P	4.5	Telekurs / S&P	4.5	
International Corporate Actions							
Fixed Income	Xcitek	4.6	Valorinform	5.0	Xcitek	4.5	
Equities	Xcitek	4.8	Telekurs / S&P	4.3	Xcitek	4.0	
Factors							
MBS	Bloomberg	4.2	Merrill Lynch SPS	5.0	Bloomberg	4.4	
ABS & CMO	Interactive Data	4.3	Merrill Lynch SPS	5.0	Bloomberg	4.4	
Average		4.4		4.6		4.4	
* Indicates a tie							

On Line Accuracy Category	1999		2000		2002	
	Top Vendor	Rating	Top Vendor	Rating	Top Vendor	Rating
<i>Pricing</i>						
North American Equities	Blmberg, Int. Data	4.2	Bloomberg	4.5	Bloomberg	4.4
North American Fixed Income						
Municipals	JJ Kenny	4.4	Bloomberg	4.4	S & P / JJ Kenny	4.5
Corporates	Interactive Data	4.1	Merrill Lynch SPS	4.5	Reuters S&P	4.3
Governments	Bloomberg	4.3	Bdge FIS/ JJ Kenny	5.0	FT Interactive Data	4.3
MBS	Interactive Data	4.3	Merrill Lynch SPS	5.0	Bloomberg	4.1
ABS & CMO	Interactive Data	4.2	Bloomberg	4.2	Bloomberg	4.2
International						
Fixed Income	Reuters	4.0	Telekurs / S&P	5.0	Telekurs / S&P	4.5
Equities	Reuters	4.5	Reuters	4.4	Reuters	4.3
<i>Announcements</i>						
North American Dividend & Interest	Standard & Poor's	4.2	Standard & Poor's	4.7	Telekurs / S&P	5.0
North American Corporate Actions						
Fixed Income	Xcitek	4.7	Xcitek	4.6	Xcitek	4.5
Equities	Xcitek	4.7	Bloomberg	4.4	Xcitek	4.3
International Dividend & Interest	Valorinform	4.3	Bloomberg	4.1	Telekurs / S&P	4.3
International Corporate Actions						
Fixed Income	Xcitek	4.4	Xcitek	4.5	Xcitek	4.5
Equities	Xcitek	4.8	Xcitek & Telkrs/S&P*	4.0	Bloomberg	3.7
<i>Factors</i>						
MBS	Bloomberg	4.1	Merrill Lynch SPS	5.0	Bloomberg	4.3
ABS & CMO	Interactive Data	4.5	Merrill Lynch SPS	5.0	Bloomberg	4.2
<i>Average</i>		4.3		4.6		4.0
* Indicates a tie						

On Line Reliability Category	1999		2000		2002	
	Top Vendor	Rating	Top Vendor	Rating	Top Vendor	Rating
<i>Pricing</i>						
North American Equities	Bloomberg	4.5	Bloomberg	4.4	Bloomberg	4.6
North American Fixed Income						
Municipals	INT. Data/JJ Kenny	4.4	Merrill Lynch SPS	5.0	S & P / JJ Kenny	4.6
Corporates	Interactive Data	4.3	Reuters	4.5	Reuters S&P	4.5
Governments	Bloomberg	4.4	Bridg FIS / JJ Kenny	5.0	FT Interactive Data	4.4
MBS	Interactive Data	4.5	Bloomberg	4.4	Bloomberg	4.6
ABS & CMO	Interactive Data	4.5	Merrill Lynch SPS	4.5	Bloomberg	4.2
International						
Fixed Income	Bloomberg	4.1	Telekurs / S&P	4.7	Bloomberg	4.0
Equities	Reuters	4.3	Reuters	4.4	Reuters	4.7
<i>Announcements</i>						
North American Dividend & Interest	Standard & Poor's	4.1	Standard & Poor's	4.7	Telekurs / S&P	4.3
North American Corporate Actions						
Fixed Income	Xcitek	4.7	Xcitek	4.6	Xcitek	4.6
Equities	Xcitek	4.8	Xcitek	4.5	Xcitek	4.7
International Dividend & Interest	Xcitek	4.5	Bloomberg	4.4	Telekurs / S&P	4.3
International Corporate Actions						
Fixed Income	Xcitek	4.4	Xcitek	5.0	Xcitek	5.0
Equities	Xcitek	4.5	Bloomberg	4.1	FT Interactive Data	4.2
<i>Factors</i>						
MBS	Bloomberg	4.2	Merrill Lynch SPS	5.0	FT Interactive Data	4.4
ABS & CMO	Interactive Data	4.5	Merrill Lynch SPS	5.0	FT Interactive Data	4.4
<i>Average</i>		4.4		4.6		4.5

OVERALL TRENDS

BULK AND ON-LINE DATA

Although the average scores of the leaders in each section were in line with past results, the cumulative averages, which take into account the performance of all vendors, experienced a slight decrease. Whereas last year, all six sections reported cumulative averages above a score of 4.4, this year the cumulative bulk average was only 3.99, and the cumulative online average was 4.07.

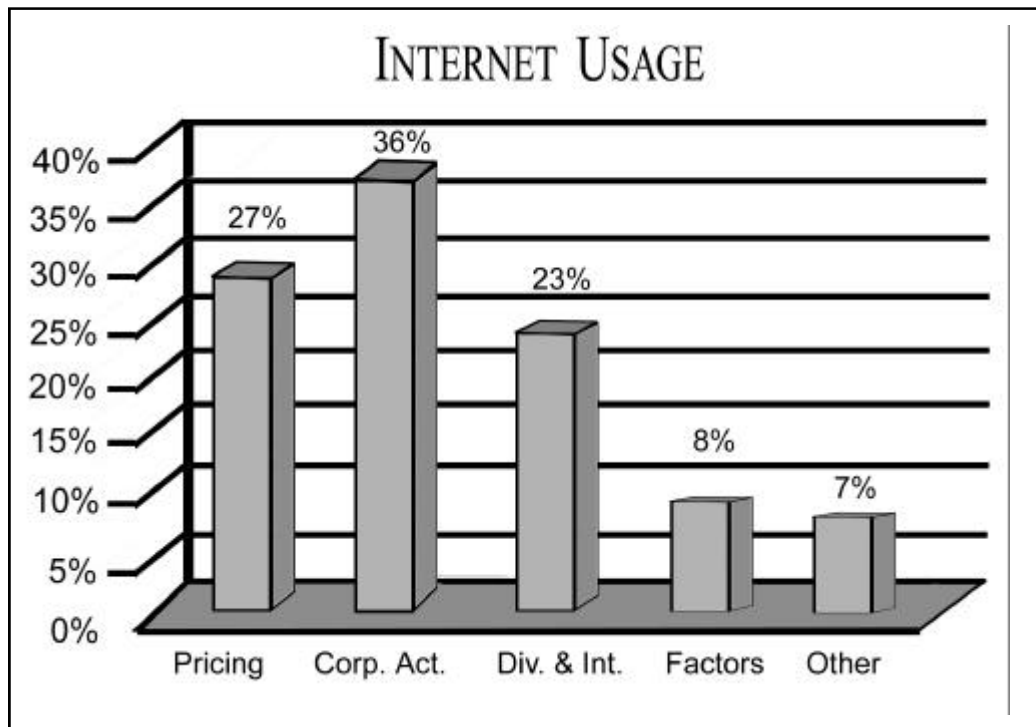
These findings indicate that, although the vendors that were recognized as top leaders in certain categories maintained a high level of consistency, the second-tier data providers have slipped some.

The convergence of the on-line and bulk sections observed in past sections continued this

year as the average ratings for all categories stayed close together. In fact, most average category scores were within a few tenths of a point of one another.

INTERNET USAGE

For the third time, the survey asked questions dealing with the Internet as a source for securities related data. A substantial 77% of all survey respondents reported that they use the Internet to obtain securities data, up from 66% last year. 36% said they use the Internet for corporate actions data, 27% for pricing data, 23% for dividend and interest notifications, and 8% for factor data. 9% of respondents use the Internet to obtain information on "other" data types.



PARTICIPATING VENDORS

Bloomberg
FT Interactive Data
Reuters
Telekurs Financial
Standard & Poor's

DataStream
JJ Kenny
Dow Jones
Financial Information
Xcitek

2002 BULK DATA RESULTS

Xcitek again dominated the Announcements section, taking 11 out of 12 corporate actions related bulk categories. FT Interactive Data was again the most frequent runner-up in those categories, and they also scored top scores for North American Dividend and Interest Notifications, Accuracy, and International Dividend and Interest Notifications,

Reliability. The only other vendors to earn a first place finish in the Bulk Announcements component of the survey were Telekurs/S&P and Bloomberg. Bloomberg, which last year swept all three categories of North American Dividends and Interest, won only for Coverage this year, while Telekurs/S&P and FT Interactive Data each one two awards in Accuracy and Reliability.

Summary of 2002 Results - Announcements (Bulk) (Top 3 vendors in each category)

Data Coverage	Rating	Data Accuracy	Rating	Reliability	Rating
North American Dividend & Interest Notices					
Bloomberg	4.4	FT Interactive Data	4.1	Standard & Poor's	4.33
FT Interactive Data	4.3	Bloomberg	4.0	FT Interactive Data	4.32
Standard & Poor's	4.3	Standard & Poor's	4.0	Telekurs / S&P	4.20
International Dividend & Interest Notices					
Xcitek	4.31	Telekurs / S&P	3.7	FT Interactive Data	4.1
Telekurs / S&P	3.90	Bloomberg	3.6	Bloomberg	3.8
FT Interactive Data	3.80	FT Interactive Data	3.4	Telekurs / S&P	3.7
North American Corporate Action Notices, Fixed Income					
Xcitek	4.40	Xcitek	4.3	Xcitek	4.4
S&P/ JJ Kenny	4.24	Bloomberg	4.0	Bloomberg	4.3
Bloomberg	4.17	S&P/ JJ Kenny	4.0	FT Interactive Data	4.2
North American Corporate Action Notices, Equities					
Xcitek	4.40	Xcitek	4.4	Xcitek	4.30
FT Interactive Data	4.24	FT Interactive Data	4.1	FT Interactive Data	4.29
Bloomberg	4.17	Bloomberg	4.0	Bloomberg	4.17
International Corporate Action Notices, Bonds					
Telekurs / S&P	3.75	Xcitek	4.3	Xcitek	4.3
Xcitek	3.75	FT Interactive Data	3.3	Telekurs / S&P	3.8
FT Interactive Data	3.30	Telekurs / S&P	3.3	FT Interactive Data	3.8
International Corporate Action Notices, Equities					
Xcitek	3.80	Xcitek	4.3	Xcitek	4.7
FT Interactive Data	3.73	FT Interactive Data	3.6	FT Interactive Data	4.0
Telekurs / S&P	3.57	Telekurs / S&P	3.5	Telekurs / S&P	3.7

The Bulk Factors categories, which were dominated by Merrill Lynch Securities Pricing Service last year, were swept this year by Bloomberg, which won all six categories. FT

Interactive Data, which acquired Merrill Lynch Securities Pricing Service earlier this year, was second in each category. No other vendors received scores in this category.

Summary of 2002 Results - Factors (Bulk) (Top 2 vendors in each category)

Data Coverage	Rating	Data Accuracy	Rating	Reliability	Rating
MBS Factors					
Bloomberg	4.7	Bloomberg	4.4	Bloomberg	4.3
FT Interactive Data	3.9	FT Interactive Data	3.8	FT Interactive Data	4.1
ABS & CMO Factors					
Bloomberg	4.5	Bloomberg	4.2	Bloomberg	4.3
FT Interactive Data	3.9	FT Interactive Data	3.8	FT Interactive Data	4.1

Bloomberg dominated the Bulk Pricing section with 20 first place finishes, including sweeps of the North American Equities, International Equities, Corporate Fixed Income, MBS, ABS and

Government categories. The only other category winner was Standard and Poor's JJ Kenny, which won for Municipal Fixed Income.

Summary of 2002 Results - Pricing (Bulk) (Top 3 vendors in each category)

Data Coverage	Rating	Data Accuracy	Rating	Reliability	Rating
North American Equities					
Bloomberg	4.5	Bloomberg	4.3	Bloomberg	4.5
FT Interactive Data	4.2	FT Interactive Data	4.1	FT Interactive Data	4.4
Reuters	4.0	Reuters	3.6	Reuters	4.0
International Equities					
Bloomberg	4.4	Bloomberg	4.4	Bloomberg	4.25
Telekurs / S&P	4.0	Telekurs / S&P	4.1	Reuters	4.13
FT Interactive Data	3.9	Reuters	3.8	Telekurs / S&P	4.00
Municipal Fixed Income					
Bloomberg	4.7	Xcitek	4.4	Xcitek	4.5
S&P/ JJ Kenny	4.6	Bloomberg	4.4	Bloomberg	4.4
Bloomberg	4.1	S&P/ JJ Kenny	3.9	FT Interactive Data	4.2
Corporate Fixed Income					
Bloomberg	4.5	Bloomberg	4.4	Bloomberg	4.5
Reuters	4.3	FT Interactive Data	4.0	FT Interactive Data	4.1
FT Interactive Data	4.0	Reuters	3.9	Reuters	3.8
MBS					
Bloomberg	4.8	Bloomberg	4.4	Bloomberg	4.7
FT Interactive Data	4.3	FT Interactive Data	4.0	FT Interactive Data	4.2
Reuters Via S&P	3.8	Reuters Via S&P	3.5	Reuters Via S&P	3.7
ABS & CMO					
Bloomberg	4.4	Bloomberg	4.2	Bloomberg	4.4
FT Interactive Data	4.0	FT Interactive Data	3.9	FT Interactive Data	4.1
Reuters Via S&P	3.4	Reuters Via S&P	3.8	Reuters Via S&P	3.4
Government Agencies					
Bloomberg	4.33	Bloomberg	4.25	Bloomberg	4.25
FT Interactive Data	4.31	FT Interactive Data	4.07	FT Interactive Data	4.07
Reuters Via S&P	4.20	Reuters Via S&P	3.20	Reuters Via S&P	3.20
International Fixed Income					
Bloomberg	4.0	Bloomberg	5.0	FT Interactive Data	5.0
Telekurs / S&P	4.0	FT Interactive Data	4.5	Bloomberg	4.4
FT Interactive Data	3.7	Telekurs / S&P	3.8	Telekurs / S&P	3.9

2002 ON-LINE DATA RESULTS

As was the case in the Bulk component of the survey, Xcitek dominated the On-line Corporate Action portion of the survey. The vendor earned top honors in ten of twelve corporate actions

related categories. The vendors to break through Xcitek's dominance were again Telekurs/S&P, which swept the International Dividend and Interest Notices category, and Bloomberg, which did well in North American Dividend and Interest Notices.

Summary of 2002 Results - Announcements (On-Line) (Top 3 vendors in each category)

Data Coverage	Rating	Data Accuracy	Rating	Reliability	Rating
North American Dividend & Interest Notices					
Bloomberg	4.5	Telekurs / S&P	5.0	Bloomberg	4.3
FT Interactive Data	4.5	Bloomberg	4.3	Telekurs / S&P	4.3
Telekurs / S&P	4.3	FT Interactive Data	4.2	FT Interactive Data	4.1
International Dividend & Interest Notices					
Telekurs / S&P	4.3	Telekurs / S&P	4.30	Telekurs / S&P	4.3
Bloomberg	4.1	FT Interactive Data	3.91	Bloomberg	4.2
FT Interactive Data	4.1	Bloomberg	3.90	FT Interactive Data	4.0
North American Corporate Action Notices, Fixed Income					
Xcitek	4.6	Xcitek	4.5	Xcitek	4.6
Bloomberg	4.3	Bloomberg	4.2	Bloomberg	4.4
FT Interactive Data	4.2	FT Interactive Data	4.0	FT Interactive Data	4.1
North American Corporate Action Notices, Equities					
Xcitek	4.4	Xcitek	4.3	Xcitek	4.7
Financial Information	4.3	Bloomberg	4.1	Bloomberg	4.4
Bloomberg	4.2	Fin. Info & FT Int *	4.0	Financial Information	4.3
International Corporate Action Notices, Bonds					
Xcitek	4.5	Xcitek	4.5	Xcitek	4.5
Telekurs / S&P	4.1	Bloomberg	3.7	FT Interactive Data	4.0
Financial Information	4.0	FT Interactive Data	3.3	Financial Information	4.0
International Corporate Action Notices, Equities					
Xcitek	4.0	Bloomberg	3.71	FT Interactive Data	4.2
Telekurs / S&P	4.0	FT Interactive Data	3.67	Bloomberg	4.1
Bloomberg	3.8	Telekurs / S&P	3.50	Telekurs / S&P	4.0
* Indicates a tie					

The On-line Factors categories, which were dominated by Merrill Lynch Securities Pricing Service last year, were instead dominated this year by Bloomberg, which won four of the six

categories. FT Interactive Data, which acquired Merrill Lynch Securities Pricing Service earlier this year, was second with two first place finishes. No other vendors received scores in this category.

Summary of 2002 Results - Factors (On-Line) (Top 2 vendors in each category)

Data Coverage	Rating	Data Accuracy	Rating	Reliability	Rating
MBS Factors					
Bloomberg	4.4	Bloomberg	4.3	FT Interactive Data	4.4
FT Interactive Data	4.0	FT Interactive Data	3.9	Bloomberg	4.3
ABS & CMO Factors					
Bloomberg	4.4	Bloomberg	4.2	FT Interactive Data	4.4
FT Interactive Data	4.2	FT Interactive Data	4.1	Bloomberg	4.2

The Online Pricing section was again a battlefield this year, as five vendors vied for supremacy. Bloomberg finished first in seven categories, including a sweep of North American Equities. Telekurs S&P took four top honors,

including a sweep of International Fixed Income. S&P JJ Kenny Swept the Municipal category, while FT Interactive Data swept the Government/Agency category.

Summary of 2002 Results - Pricing (On-Line) (Top 3 vendors in each category)

Data Coverage	Rating	Data Accuracy	Rating	Reliability	Rating
North American Equities					
Bloomberg	4.6	Bloomberg	4.4	Bloomberg	4.63
FT Interactive Data	4.2	Reuters	4.3	Reuters	4.60
Reuters	4.1	FT Interactive Data	4.1	FT Interactive Data	4.43
International Equities					
Telekurs / S&P	4.20	Reuters	4.5	Reuters	4.7
Bloomberg	4.17	Bloomberg	4.2	Bloomberg	4.4
Reuters	3.90	FT Interactive Data	3.9	FT Interactive Data	4.1
Municipal Fixed Income					
S&P/ JJ Kenny	4.4	S&P/ JJ Kenny	4.5	S&P/ JJ Kenny	4.6
Bloomberg	4.1	Bloomberg	4.2	Bloomberg	4.4
FT Interactive Data	3.9	FT Interactive Data	3.9	FT Interactive Data	4.0
Corporate Fixed Income					
Reuters / S&P	4.7	Reuters / S&P	4.3	Reuters / S&P	4.6
Bloomberg	4.3	Bloomberg	4.2	Bloomberg	4.2
FT Interactive Data	4.2	FT Interactive Data	4.0	FT Interactive Data	3.8
MBS					
FT Interactive Data	4.29	Bloomberg	4.1	Bloomberg	4.6
Bloomberg	4.27	FT Interactive Data	4.0	FT Interactive Data	4.2
Reuters / S&P	3.80	Reuters / S&P	3.7	Reuters / S&P	3.8
ABS & CMO					
Reuters / S&P	4.5	Bloomberg	4.2	Bloomberg	4.4
Bloomberg	4.2	Reuters / S&P	4.0	FT Interactive Data	4.1
FT Interactive Data	4.1	FT Interactive Data	3.9	Reuters / S&P	4.0
Government Agencies					
FT Interactive Data	4.4	FT Interactive Data	4.3	FT Interactive Data	4.4
Bloomberg	4.3	Bloomberg	4.1	Bloomberg	4.4
Reuters / S&P	4.0	Reuters / S&P	4.0	Reuters / S&P	4.0
International Fixed Income					
Telekurs / S&P	4.5	Telekurs / S&P	4.0	Telekurs / S&P	4.0
Bloomberg	3.9	Bloomberg	3.7	Bloomberg	4.0
FT Interactive Data	3.6	FT Interactive Data	3.0	FT Interactive Data	3.7

CUSTOMER SERVICE

In addition to rating the vendors for coverage, accuracy and reliability of data, respondents were asked several questions pertaining to their vendors' technology, response time, data and product

knowledge and overall customer service quality. Xcitek finished first in three of the categories, including overall customer service, while bloomberg finished first in two, including the category on keeping up with today's technology.

Does your vendor keep up with today's technology? Bloomberg 4.40 Xcitek 4.27 FT Interactive Data 4.05	Your vendor's product knowledge? Xcitek 4.40 Bloomberg 4.39 FT Interactive Data 4.10
Are issues promptly addressed by your vendor? Xcitek 4.33 Bloomberg 4.08 FT Interactive Data 3.74	Your vendor's data knowledge? Bloomberg 4.38 Xcitek 4.27 FT Interactive Data 3.95
Overall quality of customer service? Xcitek 4.13 FT Interactive Data 3.82 Standard & Poor's / JJ Kenny 3.75	

INDUSTRY CHALLENGES IDENTIFIED

As part of the survey, respondents were asked to identify the most significant challenges facing the industry today. Many respondents voiced similar concerns to those expressed in last year's survey, but many new issues were also raised.

Consolidation and its effects on data management continued to be a frequently expressed concern, as was deficiency in customer service and vendor product knowledge. A new area of concern was the availability of data for after-hours trading.

The most common challenges identified this year were:

1. Capacity and overgrowth
2. Inaccurate and outdated pricing of infrequently traded securities
3. Lack of product knowledge by vendor
4. Unavailability of data for international securities

In addition to identifying new problems, respondents were asked to indicate the level of progress made in addressing challenges that were identified on the last survey. 52% felt that the industry had made progress in keeping up with the industry's rate of change; 58% say vendors are still too inflexible with their fees; and 36% still cite a need to adopt and enforce standards for securities data. ▲

Improvement	Challenges Identified in 2000	No Improvement
52%	Keeping up with rate of change	38%
33%	Inflexibility of vendor fees	58%
54%	Need to adopt and enforce standards	36%

Scott Porter is Executive Editor of Securities Operations Letter and Global Custody News.