

# JonesTrading

## Best Outsourced Trading Provider

JonesTrading's heritage goes back seven decades following the Great Crash. George Jones, Sr, the grandfather of current chairman, William "Packy" Jones, was one of the principals of equity brokerage firm, Mitchum & Tully, later to become Mitchum, Jones & Templeton in the 1950s. Jones Sr helped grow the firm into the largest equity brokerage headquartered outside of New York. The firm's outsourced trading office is based in Charleston, South Carolina.

Over the decades, JonesTrading has had a singular focus: securing liquidity for its clients, regardless of style or strategy. Clients rely on JonesTrading to proactively source the liquidity needed to execute block trades in domestic and global equities, options and listed derivatives.

By remaining neutral and ensuring that its clients remain anonymous at all times, the firm executes client trades in a way that minimises market impact and opportunity cost. This has led to JonesTrading becoming a highly valued platform by a large array of hedge funds and traditional asset managers. Moreover, by using best-of-breed third-party trading tools and independent research, it creates a seamless link for the firm's traders to act as an extension of its clients' trading desks.

Reflecting on last year, Jeff LeVeen Jr, Managing Director and Head of Outsourced Trading, says: "In 2017 we saw continued demand for the outsourced trading offering. We had tremendous interest from both launching managers, but also clients that were currently outsourcing with our competitors. We selectively added a number of clients to our platform and we're seeing follow through as we enter 2018."

The majority of JonesTrading's outsourced trading clients are US equity long short managers running AUMs of USD50 million to USD1 billion-plus. "We cover a number of sector-focused managers and a number of generalists as well," confirms LeVeen.

JonesTrading is owned and run by its



**Jeff LeVeen, Managing Director and Head of Outsourced Trading at JonesTrading**

traders which has helped to create a culture of interdependence and trust.

"This spirit of cooperation," says LeVeen, "not only makes the trading network more cohesive, but also fosters a creative environment where traders can proactively find liquidity on behalf of each individual client. The emphasis on retaining experienced traders as a cornerstone of our business also helps to explain why we have one of the lowest turnover rates in the securities industry. As Packy Jones is proud to say when new people arrive: 'Welcome to your last job,'" says LeVeen.

JonesTrading views itself as the 'go to' destination for institutions wishing to engage in any outsize or difficult trade. In short, it acts as an industry engine for liquidity generation. Its traders apply their knowledge to every trading situation to assist clients in meeting their investment goals and in improving overall portfolio performance.

LeVeen adds: "Building an outsourced trading platform that has the best possible access to the legacy business of JonesTrading was an easy decision. Many of our clients understand that electronic trading is necessary for both minimising the cost to execute and providing an additional layer of anonymity.

"Our platform also provides our clients uncompromised access to our internal block liquidity. This internal liquidity gives our clients the opportunity to source liquidity not currently available to them in dark pools. This aspect of our offering is extremely valuable to our larger outsourced clients who are trading larger positions in potentially less liquid stocks," explains LeVeen.

On winning this year's award, Packy Jones comments: "It's a great honour to be recognised by Hedgeweek and its subscribers. This is yet another acknowledgement of the hard work we have put into building a well respected platform for clients looking to outsource their trading." ■