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Daniel Chia and Cynthia Siantar left lucrative careers in the financial industry to build their start-up. They explain why their trading app Call Levels is worth their while.
Eye on the market

Daniel Chia and Cynthia Siantar left lucrative careers in the financial industry to build their start-up. Here's why they think Call Levels is worth their while.

| BY RACHEL PHUA & JOAN NG |

On June 23, traders around the world found themselves glued to their desks as the results of the UK’s referendum on its European Union membership trickled in. Daniel Chia, however, was among those who rested easy. Chia had set targets for his foreign exchange positions and was certain he would be notified instantly; his assets hit those pre-set targets, thus enabling him to make the necessary trades. His confidence rested in an app he had written himself.

Chia is a co-founder of Call Levels, an app that notifies traders when their investments hit a specified price. His idea for the company is based on personal experience: Prior to founding Call Levels, Chia spent more than seven years in the investment industry, first as an investment manager at GIC and then as vice-president at Hong Kong hedge fund manager Ortus Capital Management. As an active investor and trader, Chia had numerous call levels set up at the brokerage houses he traded through. He would receive calls daily from people whose job it was to watch the market and inform him when a stock or currency hit a set ceiling or floor.

"When markets tanked overnight in 2008, I had at least 20, 30 people calling me in the middle of the night, so I was able to mitigate my portfolio losses," Chia recalls. A friend of his, who held similar positions, was not so lucky: "As a retail investor [with no access to a call levels service], he slept through the night. And the next morning, he saw that his portfolio was down by $200,000."

Now, Chia is bringing that service to the masses with Call Levels. Currently, his app tracks the price movements of more than 10,000 assets in foreign exchange, commodities, stocks and indices. In May, the company signed an agreement with brokerage firm DBS Vickers Securities. The agreement adds Singapore Exchange-listed equities to the list of assets that users can track as long as they are clients of DBS Vickers. The latter has more than 300,000 clients, which should mean a substantial addition to Call Levels’ existing pool of 100,000 users.

Chia and co-founder Cynthia Siantar are looking to work with other financial institutions on similar agreements. "We want to build an open interface so that we can offer the service to other institutions on other platforms that the user is comfortable with [getting notifications on]," he says. Besides marketing it to financial institutions as a value-added service for clients, Chia and Siantar are also positioning Call Levels as an in-house solution for employees.

Financial institutions are expected to be the primary source of revenue for Call Levels. But the company is also exploring ways to generate some revenue from retail investors. At the moment, Call Levels is free to download and use. However, users can set only 15 call levels. "One of the most frequent requests we get is for more call levels, and many are willing to pay for it," says Chia. "So, there are plans to roll out a chargeable premium service by 3Q 2016."

Another planned addition to the app is the ability to see what other call levels are popular. Chia thinks this feature might be a more useful investment tool than most of the research and news that are available today. The targets of the majority would be a clear indicator of market sentiment.

From Facebook to fintech

Chia and Siantar did not set out to start a fintech firm. The duo had initially spearheaded a social media start-up with Taqia Jamil, now head of design at Call Levels. Called BlastOut, it allowed users to interact anonymously with people at the same event. While he was studying applied mathematics at Harvard University, Chia became friends with Facebook co-founder Dustin Moskovitz. So, he was among Facebook’s earliest adopters. At the time, Chia says, Facebook enjoyed an element of intimacy and geographical proximity. People studying at Harvard used it to find other people studying at Harvard. BlastOut was to do the same thing, but for a single event.

As BlastOut grew and raised money from investors, however, Siantar says they were forced to rethink this proposition. Frequently, they were asked to say what the one thing was that they did well, but there was no good answer to this question. So, Siantar and Chia began asking themselves another question instead: What kind of app would you use every day? And that was how the idea for Call Levels came about.

"When I was at GIC, I was using call levels as a crutch," says Chia. "I set them with almost every bank I knew, because if something happens at 4am you want to know."
The idea was much easier than the execution, though. As a self-taught coder who built his own programme for high-frequency trading at Otoro, Chia began writing the code for Call Levels on his own. But it turned out to be far more complicated than he imagined. "I think a lot of people underestimate how difficult it is for simplicity to occur," he says. Also, there was the problem of latency, or how long it would take Call Levels to notify its customers after a price level was hit. The app works on cloud technology, which tends to sit in servers all around the world but is not necessarily close to an exchange or to customers. "You need a lot of code to be able to handle [that latency]."

Complications such as these are the reason there is no other service like Call Levels in the market today. "It is very resource-intensive," says Siantar, pointing out that similar services may exist online but with a time lag. "We are able to inform specific clients about their specific call levels with real-time information within a given time, like a split second. The concept is not novel, but it is difficult to build it to scale and yet keep the cost low. That’s why banks, even if they have some sort of internal monitoring system, don’t open it up to their clients. They may be supporting 1,000 employees and spending millions. They can’t support another 300,000 clients."

Chia jokes that if he had known how much stress it would involve to build Call Levels, he might not have done it. But today, the app is working well for its users. When news emerged that the UK had voted to leave the European Union and the pound sterling declined sharply, Call Levels informed 2,000 people in two minutes. "Call Levels is able to handle all the data and still work reliably... During the Brexit outcome and the euro-Swiss franc flash crash, when the market was moving very quickly, our system continued to perform," Siantar says.

**Making sacrifices**

As former high-fliers in the financial industry with prestigious backgrounds — Chia has a Master’s degree in financial mathematics from Stanford University and was an equities market associate at HSBC — Chia and Siantar have had an earful from disappointed parents who wanted to know when they would be getting a "real job".

Besides parental pressure, there have been financial sacrifices too. Since they started the company in 2014, neither has drawn a salary. They have sunk tens of thousands each into Call Levels. And it was only this July that some of the company’s investors told them to start paying themselves a salary. Call Levels counts 500 Startups and Lippo Group, the conglomerate founded by Mochtar Riady, among its investors. Last November, 500 Startups led a pre-Series A round of funding in which Call Levels raised about $500,000. Lippo Group put in an undisclosed amount three months later.

Siantar acknowledges that they are fortunate in having been able to build a substantial buffer of savings before embarking on their start-up journey. And so they do not exactly have to go hungry. Chia, in particular, remains an active trader and relies on his investments for income. But they warn other would-be entrepreneurs that there are major financial hurdles to building a successful company. "When I left, I had to make a lot of adjustments. I couldn’t buy things I didn’t need. I couldn’t go for expensive meals. But you have to cut down and change your lifestyle," he says.

Chia also advises entrepreneurs to make sure they have the necessary financial resources before starting out. Even with a good team and idea, money — or the lack of it — ultimately determines which start-ups survive. "You never know when you need to make sacrifices to move things forward, and you need to have the right resources to hurdle through and tide things through," he says.

Despite the sacrifices, Siantar does not regret her move. "People asked whether I was afraid of failure, particularly after living on such a substantial salary," she says. "I said I had nothing to be scared of. I realised [working in a bank] wasn’t what I wanted. I wanted to gain new experiences and, even if it did not work out, I would emerge more resourceful, and that would still be more useful."

**Daniel Chia, 36, and Cynthia Siantar, 30, co-founders of Call Levels**

**What is the biggest sacrifice you have made for Call Levels?**

Chia: I had to give up a high salary and a stable career. But I told myself I wanted to change the future, because as an investment manager, you are always working for others. You aren’t remaking the future. Siantar: I am not ready to settle down, that’s for sure. I’ve seen how much effort it takes to raise a family, and yet most of my attention is on Call Levels right now. So, I have to put a lot of other decisions at bay.

**What advice do you have for aspiring entrepreneurs?**

Chia: Enter from a position of strength if you can. That means putting your own money into the company. You need to use the money and build something first because if you are a start-up without traction, people would just brush you off. They won’t want to work with you until you have something to show.

Siantar: I agree. And with a financial stake in the company, you wouldn’t have to give in to investors’ demands as much because you are also a shareholder. Your investors also can’t suddenly lowball your valuation.

**What are the call levels on your app telling you now?**

Chia: Prior to the Brexit vote, I personally had a short position on the pound versus the US dollar, as we saw a lot of interest at the $1.25 to US$1.30 level. The downside resistance level of US$1.30 was hit in early July and I took profit then. Since then, we have seen 68% of users creating upside levels of up to US$1.35.