You need to consider the point(s) of failure you have. A centralized system has everything centrally managed, meaning you have a single point of failure (all risks in one place). With a distributed system you have multiple points of failure (small risks in multiple different places) that are interconnected (the connections themselves could be points of failure too). You need to achieve a proper balance between the two extremes.

XML, ISO 20022 and other standards

Extensible Markup Language (XML) is a general-purpose markup language which is "extensible" as it allows users to define their own tags. With XML different commercial systems may communicate so that the exchange of information can become much easier. ISO 20022 is the ISO Standard specially crafted for Financial Services Messaging. It has a Metadata Repository which offers descriptions of messages and business processes. Part 4 of ISO 20022 describes major XML design rules.

The Financial Information eXchange FIX protocol was initiated in 1992 for international real time exchange of security transactions and market information. The International Swaps and Derivatives Association ISDA is a trade organization for over-the-counter derivative transactions. It manages the Financial products Markup Language FpML, which is an XML message standard specially for OTC derivative trading.