

Case Study

Trade Order Management Solution for an Asset Management Firm

Client Profile

Client provides investment processing, fund processing, and investment management business outsourcing solutions to the financial services industry. The company operates in different market segments: Private Banking and Trust, Investment Advisors, Enterprises, Money Managers, among others.

Business Challenge

- Client's core legacy product was mainframe based and did not provide online real time information of the accounts and assets.
- Account positions, trade settlements, cash balances, etc. could only be updated through night jobs which resulted in significant delays in decision making for the end investors, investment managers, traders and brokers.
- The product architecture was such that it could not interface with third party systems or external interfaces in real time.

To address above mentioned issues, client's vision was to develop an open architecture platform which could provide an environment to build, integrate and provide competitive business solutions while still harnessing the power and robustness of mainframes.

Business Solution

NIIIT Technologies created the ODTs (Open Data Transactions) in the form of a middle layer between the user interface and the back-end (mainframe and ADABAS) that made the trust business functionality available through web-based applications. Development of Application Programming Interface (API) was carried out for following business applications.

- **Trade Order Entry (TOE)** module that creates security trade orders, tracks the orders thorough optional approval and authorization stages, releases the orders to trading areas and creates SMAC pending items from executed orders filled partially or completely.
- **Securities Movement and Control (SMAC)** sub-system enables the user to monitor and control the movement of securities into and out of its vault, a depository, Federal Reserve or Custodian Locations.

SMAC enables the user to process a variety of security transactions, including:

- Purchases and Sales
- Free Receipts and Deliveries
- Maturities
- Collective Trust Fund Admission and Withdrawals

- Transfer of Location
- Changes in Registration
- Repurchase Agreements

Impact Achieved

- Better decision-making capability for investments advisors and investment managers
- Data access and update could happen in real-time for account management, trading and cash management transactions