

Strategic Trade Reporting Solution

The Requirement

Our client, a major North American bank, required a cross-asset class strategic trade reporting solution with the immediate priority being a Dodd Frank (DFA) Trade Reporting solution. Having already built an in house system for DFA Rates and Credits, the bank soon realized that it did not have the internal resources necessary to expand this solution to Phase 2 DFA asset classes – FX, Equities and Commodities (known as CD2). The bank therefore decided to look at vendor solutions capable of delivering strategic trade reporting for these asset classes.

Key Business Drivers



Fast to
Compliance



Improved
Productivity



Better Risk
Management

The selection process

Having decided to engage with an external provider to support this important project, the bank conducted a rigorous selection process. To do this they identified a small group of potential companies and then produced a number of scripted mini POCs which were designed to demonstrate the chosen supplier's ability to deliver the key functionality they needed. MA was selected as the preferred vendor.

In 2012 the bank commissioned a formal POC around reporting to the FXTR. This involved end-to-end processing and round trip connectivity to the DTCC. This was successful and the client then formally contracted with MA in October 2012 to licence **futureLANDSCAPE** as their DFA solution for managing FX, Equities and Commodities asset classes (CD2). Within four months, MA configured, tested and deployed the solution, the bank performed extensive User Acceptance Testing and the system was then deployed live ahead of the regulatory deadline for CD2 with full CFTC compliance. Back-loading was also successful and the system is now reporting all live trades.

Wide ranging and complex

This was an incredibly wide ranging and complex project involving many organisational challenges (cross asset class co-ordination), numerous edge cases and significant trade volumes. It was made even more difficult by the constantly changing regulatory requirements, but the inherent flexibility of the MA solution and the close working relation that was developing between the two organisations meant the bank was able to satisfy its demanding requirements quickly and efficiently.

Post-Project

Since DFA go live, we were asked to configure JFSA reporting for the FX asset class and had this ready ahead of 1st April 2013 go live. We subsequently worked with the bank to expand the solution to fully support their EMIR and Canadian trade reporting for FX, Equities and Commodities asset classes.

The Benefits

The Bank achieved full CFTC compliance in accordance with DFA requirements in a timely and cost-effective manner. This project demonstrates the industry knowledge of MA staff and the speed with which our solution can be configured and re-configured to cope with regular changes in market requirements. To quote the bank – "we could not have done this without MA."

About Us

Message Automation is a specialist company completely focused on assisting organisations improve the efficiency of their OTC derivatives processing since 2003. Our clients include several tier one investment banks and buy side firms.

www.messageautomation.com

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