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## ASSET MANAGEMENT CEO OF THE YEAR:

## MARTIN GILBERT, STANDARD LIFE ABERDEEN

Martin Gilbert has come a long way since he co-founded Aberdeen Asset Management in 1983.

Some 35 years after launching the company, he has completed more than a dozen deals including (most notably and recently) the August 2017 merger with Standard Life.

Standard Life Aberdeen currently has some £655bn of assets under management which makes it the second largest asset manager in the UK and one of the top five managers in Europe by value of Gilbert is currently the co-chief executive with Keith Skeoch, the long-serving Standard Life who became chief executive of that firm in 2015.

The firm operates out of 50 locations worldwide with around 9000 people, 1000 of which are based at the merged firm's new headquarters on St

Andrew Square in Edinburgh, which became occupied in April 2018.

Gilbert and Skeoch said in a joint statement at the time: "With a rich and proud Scottish heritage, the business has evolved over the decades into a global organisation, whilst remaining at the heart of Scotland's economy and business community."

The Standard Life deal is only the latest in a series of transactions by Gilbert and his team however.

Aberdeen acquired Arden Asset Management in 2016, Advance Emerging Capital, FLAG Capital Management and SVG Capital's stake in a joint venture between the firms in 2015 and Scottish Widows Investment Partnership in 2014.

2013 saw Artio Global Investors

and the acquisition of RBS Asset Management was completed in 2010.

The firm acquired Credit Suisse's asset management company in 2009 and Goodman Property Investors in 2008.

In 2005, Aberdeen acquired the UK and US institutional businesses of Deutsche Asset Management

Gilbert told Global Investor in 2017: "We started with £50m – the only way we could grow into one of the biggest independents in the world was both organically and inorganically."

A graduate of the University of Aberdeen where he earned an LLB in law and an MA in accountancy, Gilbert received an honorary doctorate from Heriot-Watt University in 2014 and was elected a Fellow of the Royal Society of Edinburgh in 2017. ■

## ASSET SERVICES CEO OF THE YEAR:

## CIAN BURKE, HSBC SECURITIES SERVICES

Cian Burke had big plans for the custody division and was positioning it at the forefront of a group-wide initiative to make HSBC "a broader holistic client proposition"

Cian Burke became Head of HSBC Securities Services (HSS) in September 2014, having been the co-Head of that business from April 2010.

As the London-based head of the HSBC custody business he was responsible for delivering securities services solutions to the bank's many buy-side and corporate clients.

His division offered the full spectrum of custody and fund administration functions including global and local custody and clearing, traditional and alternative investment

fund administration, trustee and fiduciary oversight, and issuer service solutions including the provision of corporate trust and loan agency capabilities.

The business performed well under Cian's leadership. HSS increased adjusted revenue by 12% to \$1.75bn in 2017, making it one of the top performing units in HSBC's vast and diverse portfolio of businesses.

Yet he had big plans for the custody division and was positioning it at the forefront of a group-wide initiative to make HSBC "a broader holistic client

proposition".

Burke told Global Investor in a recent profile: "Increasingly, we are going to become less of an operational outsourced facility and more of a client-focused, integrated proposition that is fundamentally supported by technology."

Cian originally trained as a chartered accountant before joining HSBC in 1994.

In his almost 25 years with the bank, he held many senior positions within the Global Banking and Markets division, including Co-Head of HSBC Securities Services, Head of Prime Services Global Markets, CFO and COO of Global Markets, Head of Audit, Global Markets and COO Global Markets, Australia. ■

## ASSET MANAGER OF THE YEAR:

## LEGAL &amp; GENERAL INVESTMENT MANAGEMENT

Legal and General Investment Management has maintained in the past 12 months its leading position in asset management, with net 2017 inflows of £38.1 billion across its various business lines and regions.

Some 86% of L&G flagship funds beat their benchmark over the year to mid-2018. Some 89% of the firm's active fixed income funds out-performed their benchmarks while 90% of the LGIM multi-asset funds and 75% of the manager's property funds also outstripped their respective benchmarks.

L&G is particularly strong in UK defined benefit and defined contribution pension schemes where it is consistently a market-leader in net sales to the retail market.

In the DB, the firm continued to

develop its client engagement model while the L&G DB business goes from strength-to-strength, securing in mid-2017 its first £1bn workplace client while the biggest DC scheme in the UK moved to the L&G investment-only platform in late 2017.

The firm is working hard to ex-

pand its international business and is among the top two fund managers in Europe by assets under management.

The company also continues to innovate. In November LGIM launched its Future World Fund which offers better risk-adjusted equity returns than a conventional index strategy by deploying an alternatively-weighted index.

The fund also uses a climate 'tilt' to reflect the long-term investment risks linked to climate change. ■

The firm is working hard to expand its international business and is among the top two fund managers in Europe by assets under management.

## EQUITIES MANAGER OF THE YEAR:

## BAILLIE GIFFORD

Baillie Gifford has once again proven the value of its long-term, high conviction approach to active fund management.

The firm currently has about £180 billion under management which has been growing at about 13% per annum over the past decade, largely due to investment performance.

The 110-year old Edinburgh-based firm still operates a partnership structure which is conducive to its long-term investment approach and contributes to high levels of client satisfaction.

The average service of its 43 partners is over 20 years and the majority of Baillie Gifford managers joined the

firm through its graduate scheme.

The firm is well diversified internationally however, with only about a third of its business coming from UK clients while some 90% of its investments are made outside of the UK.

Baillie Gifford has had successes attracting defined benefit pension

funds in the UK as well as the US and Asia. It has also enjoyed new mandates from sovereign wealth funds.

The firm also has a hefty private defined benefit book where the firm is slowly de-risking into bonds and moving equities into passive strategies. These flows are being offset by increased demand from its UK intermediary business and some of its sub-advised relationships in the US, including its partnership with US giant Vanguard. ■

Baillie Gifford still operates a partnership structure which is conducive to its long-term investment approach and contributes to high levels of client satisfaction

## FIXED INCOME MANAGER OF THE YEAR:

## BLUEBAY ASSET MANAGEMENT

The Bluebay Asset Management Global Sovereign Opportunities Fund, launched in late 2015, has had a strong run partly due to its structure which allows the team to invest across regions and asset classes.

The Fund has an annualised return of nearly 10% (net of fees as at 31 March 2018) and has grown since launch from \$200 at the end of 2016 to over \$900m at the end of March this year.

The asset manager went further in February this year when it expanded its ESG offering by launching the Global High Yield ESG Bond Fund, reflecting the fact ESG is now integrated into BlueBay's investment process across all investment teams.

BlueBay claims to offer a different perspective to fixed income inves-

tors because of its background in hedge funds.

The firm also believes its size enables it to offer the operational depth and governance of an established asset manager and the ambition of a boutique.

These assertions are backed up by

performance. Some 90% of Bluebay funds outperformed their benchmarks or were on par with the peer group median over one year. The firm also prides itself on its ability to spot new or emerging investment opportunities as they arise.

Bluebay has also developed a new investment desk investment platform, the Alpha Decision tool, which supports the investment process across desks and provides transparency at every step of the investment process. ■

The firm also believes its size enables it to offer the operational depth and governance of an established asset manager and the ambition of a boutique.

## ETF/ PASSIVE MANAGER OF THE YEAR:

## AMUNDI

Amundi manages a total of over €1.4 trillion of which the ETF, Indexing and Smart Beta business accounts for about €90 billion. The Amundi ETF business recorded 50% organic growth in 2017 with assets under management increasing to €38 billion.

More recently, the Amundi ETF arm has passed €40 billion, making it the fifth largest ETF platform in Europe.

The increase in assets under management represents a doubling of net new assets compared to 2016, and was driven by successful exposures (floating rate notes, multi factor, emerging equities) as well as significant product innovation.

The French firm launched in late 2017 the Amundi ETF iSTOXX Europe Multi-Factor Market Neutral UCITS ETF which seeks to replicate the performance of the "strategy"

index iSTOXX Europe Multi-Factor Market Neutral.

This ETF aims to capture the potential long term outperformance of market's risk premia while offsetting the European equity markets' movements, the firm said.

The Amundi ETF business leverages the company's long history in

and experience of benchmark construction.

Handling over 100 standard and tailored indices, Amundi is recognised for the breadth of its indexing knowledge across all asset classes.

Amundi's size is also an advantage as it brings the full range of financial resources as well as significant bargaining power to our indexing solutions business.

For example, the Amundi ETF range average ongoing charge (OGC) is lower than the market: 23 basis points vs 30 bps, as of end March 2018. ■

This ETF aims to capture the potential long term outperformance of market's risk premia while offsetting the European equity markets' movements, the firm said.

**SMART BETA MANAGER OF THE YEAR:****LEGAL & GENERAL INVESTMENT MANAGEMENT**

Legal & General Investment Management launched in July 2017 its Diversified Multi-Factor Equity Fund targeting a range of return sources across global equities. The asset allocation team targets factor characteristics they expect to deliver returns over the long-term while diversifying risk where possible.

Factor-based investing is interesting because research has shown firms that demonstrate factor characteristics tend to outperform over the longer-term compared to indices for example. The Legal & General Investment Management fund's key factors are: value, namely stocks that trade at a discount to their prospective fair value based on company data; low volatility; quality, so that is stocks with strong sustainable returns characterised by high profitability and low leverage; and small capitalised firms which typically outperform larger firms over time.

Research has shown that targeting factors has added value, whilst diversifying across multiple factors is a prudent approach for investors who are uncertain about factor timing.

The multi-factor fund complements the Future World Fund launched in late 2016 which first in-

troduced the idea of factors to a conventional market-capitalisation weighted approach.

HSBC's UK DC pension scheme was looking to earn better risk-adjusted returns and find protection from the long-term financial risk of climate change. By working closely with HSBC, LGIM and FTSE-Russell were able to design a bespoke index which met the scheme's needs.

This index comprises a multi-factor equity strategy exposed to four factors on a balanced basis, in addition to a climate overlay which aims to manage the risk of transition to a low-carbon economy. ■

Research has shown that targeting factors has added value, whilst diversifying across multiple factors is a prudent approach for investors who are uncertain about factor timing.

**MULTI-ASSET MANAGER OF THE YEAR:****PRUDENTIAL PORTFOLIO MANAGEMENT GROUP**

Prudential Portfolio Management Group, which manages over £180 billion on behalf of Prudential UK, has some five funds that delivered strong performance in 2018 to complement solid growth in the two previous years.

The Prudential Dynamic Growth I returned 4.03% in the 12 months to the end of April compared to 1.25% for a comparable fund.

The Dynamic Growth II fund returned 4.85% against 1.25%, the Dynamic Growth III product yielded 5.23% against 2.08%, the Dynamic Growth IV fund was up 6.87% versus 4.08% and the Pru's Dynamic Growth returned 7.09% against 5.54% for a similar fund.

Prudential said the funds have already attracted assets under management in excess of £2 billion.

The success and popularity of the funds is partly due to daily monitoring of portfolios to ensure each asset class exposure does not drift too far, which helps generate the appropriate risk adjusted returns across the range.

PPMG's long-term asset allocation process has been in place for nearly

two decades and deploys sophisticated, proprietary modelling based on the analysis of future asset class performance characteristics combined with demographic and economic growth data.

The Dynamic Growth Funds have enabled access to much of this expertise for pension scheme members in a range of portfolios that are well diversified and regularly monitored whilst still being within the charge cap. Partnership with US giant Vanguard. ■

The success and popularity of the funds is partly due to daily monitoring of portfolios to ensure each asset class exposure does not drift too far.

## FUND OF FUNDS MANAGER OF THE YEAR:

## FIDELITY INVESTMENTS

The fund of funds market has been coming under pressure recently as managers across the industry have faced growing pressure to slash fees and become more transparent.

Some investors also struggle to understand the diversified nature of these investment vehicles and shy away from them in favour of single strategy products.

But Fidelity bucked the trend in February 2018 when the firm launched its Fidelity Select 50 Balanced Fund, a globally diversified investment product that effectively offers clients a new one-stop fund that offers access to the Select 50 investment list.

The Fidelity Select 50 is compiled by investment experts which are

then grouped into eight categories to make the investment process easier to navigate for investors. Fidelity also offers investors special discounts and a low cost service fee, which addresses one of the other major drawbacks of multi-funds products, namely that they tend to be

more expensive than single strategy funds.

Speaking on the Fidelity website, investment director Tom Stevenson said: "The Select 50 Balanced Fund is a quick and easy way to access the investment expertise that underpins Fidelity's popular Select 50 list of preferred funds. Speaking to our customers since the launch of the Select 50, it has become clear to us that we can go even further to help investors achieve better financial outcomes." ■

The Fidelity Select 50 is compiled by investment experts which are then grouped into eight categories to make the investment process easier to navigate for investors.

## WEALTH MANAGER OF THE YEAR:

## BORDIER UK

Bordier UK is one of a handful of private, family-owned UK wealth managers. Among its key opportunities, the firm has launched international versions of its main vehicles to cater for the growing community of non-domicile clients taking up residency in the UK who, with expat investors, are looking for non-UK assets and offshore custody.

The company feels it combines the investment excellence of its larger asset management peers with the high-touch approach of smaller wealth management specialists.

The investment team is long-established, led by its chairman and chief investment officer who have been working in those roles for more than 20 years in which time they have seen many stock market cycles. Bordier also has solid foundations, boasting a Tier 1 Capital ratio over 30%.

The firm's main products -- the Wealth Management Service (WMS), the Platform Managed Portfolio Service (PMPS) and the Bordier UK Managed Portfolio Service (BMPS) -- all have Defaqto 5 star ratings, mak-

ing Bordier one of only four managers to have retained its top rating across three categories for the past five years. The Bordier WMS Defensive strategy, for example, has produced consecutive positive returns for the last 15 calendar years.

Bordier UK has also been working hard on its distribution channels and has invested in its client portal to improve the online experience though more granular reporting. The firm has also launch an App for Android devices to enable more clients and advisers to access the portal. ■

The investment team is long-established, led by its chairman and chief investment officer who have been working in those roles for more than 20 years.



## INFRASTRUCTURE MANAGER OF THE YEAR:

## INFRACAPITAL

Infracapital is a London-based infrastructure investment specialist that has raised and managed over £3 billion of funds across essential infrastructure sectors. The company's focus is to build and actively manage a diverse and stable portfolio of essential infrastructure businesses in the UK and Europe.

Part of M&G Prudential, the European arm of the US financial giant, Infrastructure's platform offers investors multiple ways to access essential European infrastructure with strategies in both greenfield and brownfield infrastructure.

The team brings over 450 years of relevant experience and has developed a proven track record since 2001 having successfully invested across

a range of sectors, geographies and strategies.

2017 was a busy year for Infracapital with various highlights:

- Infracapital Partners I returned 2.2x capital to investors
- Infracapital Partners II delivered a 24.9% internal rate of return as well as a 9.2% average yield since inception (as of September 2017)
- The Infracapital Greenfield Partners

closed with £1.25 and well above its £1bn target. Its plan is to invest in the later stage development, construction and/or expansion of European economic infrastructure, targeting higher returns than traditional brownfield investments

- The firm established Digital Infrastructure Investment Partners after winning a mandate from the UK Government to invest in high-speed digital infrastructure in the UK

Infracapital Partners III, which targets mid-market European infrastructure, made in June 2018 its first investment by acquiring a majority stake in CCNST, a leading provider of broadband services in Germany. ■

## ESG MANAGER OF THE YEAR:

## ROYAL LONDON ASSET MANAGEMENT

Being responsible matters to Royal London Asset Management (RLAM). Experts at the UK investment house have spent years understanding global environmental, social and governance (ESG) risks and opportunities.

Recently, the rewards for doing so have been significant.

During the twelve months to end of March 2018, all of RLAM's sustainable funds outperformed their target.

Higher exposures to cloud computing, electric vehicles, immuno-oncology and agriculture have led to some of the success.

Another sector the firm has invested in is artificial intelligence (AI), which RLAM believes will be transformative to society.

An example is in healthcare, where AI could improve the correct diagnosis rate of disease.

In each of these areas, RLAM has

had a consistent approach to the selection of companies suitable for its sustainable range of funds.

It is a process that is inherently flexible across equities and fixed income, capable of meeting client needs on both a segregated and pooled basis, and works worldwide.

The house view at the firm is that the integration of ESG factors into investment decision making is underestimated and, at the same time, difficult to accomplish.

This creates both an investment opportunity and a competitive edge for investment teams already active.

As more funds flow into ESG, RLAM's experts believe that a strong

focus on the sector allows more effective identification of opportunities and that innovation, social improvement and financial return go hand in hand.

Because RLAM believe that responsible investment is a way of doing business, clients can expect to get this as standard – and it's not all about responsible stock picking.

The firm votes according to principles of good corporate governance and engages with companies and regulators to push for a more progressive approach on ESG issues.

It is also making progress on integrating ESG factors where they are relevant to investment in non-screened funds.

Collaborating with other investors to strengthen the arguments for good practices in these areas continues to be core to RLMA, as well as being transparent to clients and to the general public on its successes and challenges. ■

## LDI MANAGER OF THE YEAR:

## INSIGHT INVESTMENT

Insight Investments, part of BNY Mellon, has grown rapidly in the past decade to manage over £585 billion of assets and this is largely due to its success in Liability-Driven Investments, which make up three quarters of its total investments.

Insight was one of a handful of firms to spot a change in demand as assets peaked and investors became increasingly concerned about cash flow and meeting liabilities.

For Insight, the management of asset and liability risk involves economic performance, the management of complexity and risk, and responding to market and regulatory changes.

All of Insight's full discretionary mandates outperformed their benchmarks in 2017, meaning 86% of Insight's funds have outperformed

their benchmarks over the past three years and 82% of its funds have excelled over the past five years.

Insight's LDI assets under management increased a tenth in 2017 and this was largely due to the manager winning more business from existing clients, obviously a strong

endorsement of its service.

Insight has also delivered in the past year some new features:

- It was innovative in exploring alternative sources of repo liquidity, which have led to a material reduction in repo funding costs and greater levels of repo liquidity
- It worked with industry stakeholders to ensure the regulatory environment works
- Insight delivered an approach that combines a standalone longevity hedge with an LDI and credit investment approach ■

For Insight, the management of asset and liability risk involves economic performance, the management of complexity and risk, and responding to market and regulatory changes.

## EMERGING MARKETS MANAGER OF THE YEAR:

## BLUEBAY ASSET MANAGEMENT

Although its heritage lies in hedge funds, BlueBay Asset Management is best known as a specialist fixed income manager with a significant focus on emerging markets (EM).

The company's EM team is made up of over thirty experts with an average 15 years of experience between them, making the division one of the largest, dedicated and most sophisticated EM investment units.

Given the firm's focus on developing of new asset classes within EM and advocating the merits of local debt in global portfolios, it's also frontrunner in the field.

In terms of performance, the BlueBay Emerging Market Credit Alpha Fund has seen success over the past twelve months.

The investment vehicle is now among the leading performers year-to-date in its peer group, according to Morningstar data.

The Global Sovereign Opportunities Fund has an annualised return since inception of 9.9% while its assets under management have climbed above \$900 million (March 2018) compared to \$200 million when it launched in 2016.

BlueBay's sophisticated trading techniques, which utilise a wide range of instruments, including derivatives, puts it in a solid position to continue generating strong returns in the space.

The firm is confident that it will continue accessing the right opportunities across multiple sub-asset classes as the EM sector as the asset class develops.

In the near term, the absolute-return style Emerging Market Credit Alpha Fund and the unconstrained Emerging Market Absolute Return Bond Fund are well suited to the current environment, focusing on performance differentiation within the EM universe.

The Emerging Market Absolute Return Bond Fund also provides flexible, concentrated and liquid exposure, which BlueBay believes is critical for alpha generation in this space.

In February, Polina Kurdyavko, who was previously the co-head of the BlueBay EM debt desk, took on sole responsibility of the division. ■

## FIDUCIARY MANAGER OF THE YEAR:

## RUSSELL INVESTMENTS

Russell Investments has in recent years established itself as one of the top provider of fiduciary management services in the UK where its excellence has seen it win business as investors have sought to counter the effects of rising liability valuations, increased volatility and greater pressure on sponsor covenants.

**R**ussell Investments works with clients to deliver better outcomes at a total portfolio level, using its core capabilities extending across asset allocation, capital markets insights, factor exposures, manager research and portfolio implementation.

Key benefits of using Russell are: advising on strategic decisions that remain under the client's control; taking responsibility for the decisions the client doesn't have the time or expertise to handle; taking responsibility for the efficient implementation of all aspects of the strategy; and holistic reporting to help the client stay focused on man-

aging the appropriate funding level.

Fiduciary Management at Russell Investments draws on significant in-house expertise spread among 25 UK fiduciary partners, 32 account administrators and 78 portfolio managers.

Russell Investments looks to differentiate its service based on: bespoke services; a unique approach to fiduciary management based on inhouse expertise; superior outcomes for

members; investment tools; and comprehensive trustee training.

Russell maintains for trustees an investment-focused training programme offering a comprehensive, accessible and up-to-date overview of the knowledge needed in order to carry out the trustee role.

Russell Investments Multi-Asset Growth Strategy (MAGS) has over nine years' successful track record, achieving a smooth growth path and showing resilience in difficult market environments.

Since inception, MAGS has beaten or performed in line with its RPI+4% target and achieved 73% of the equity market upside with 60% of the volatility, as of the end of last year. ■

Russell prides itself on its ability to deliver transition outcomes in-line with expectations, across all asset classes.

## MARKETING CAMPAIGN OF THE YEAR:

## STONE MOUNTAIN CAPITAL

Stone Mountain Capital is an independent alternative investment boutique focused on credit and equity.

**T**he London-based firm provides alternative investment research and solutions to institutional clients around the globe based on extensive cross asset and risk management expertise in structuring and capital introduction for hedge funds, private assets and corporate finance.

The company in the past year has retained existing clients and welcomed new customers on the advisory side. As per January 2018, Stone Mountain Capital had total alternative Assets under Advisory (AuA) of \$51.1 billion, of which \$48 billion was

mandated in hedge fund AuM with the remainder in private assets and corporate finance.

Investor and asset manager clients benefit from extensive alternative investment solution experience, gathered and applied in mandates, within leading institutions across the globe like: investment, commercial, private and central banks, regulators, insurance companies, asset managers, pension funds, sovereign wealth funds, hedge funds, fund of funds, private equity funds, private debt funds, family offices, consultants, multinational corporates and com-

modity traders across various alternative investment asset classes.

For investor clients, Stone Mountain provides access to a diversified pool of more than 30 hedge fund managers with liquid strategies across four main asset classes: credit / fixed income; equity; tactical trading; and fund of hedge funds.

For limited partner (LP) clients the firms supplies access to a pool of more than 10 private asset managers and direct investments with longer term and illiquid strategies across the four main assets classes: private debt / private credit; real estate; infrastructure/ real assets; and capital relief trades (CRT) for financial institutions. ■

## INVESTMENT CONSULTANT OF THE YEAR:

## BFINANCE

As a privately owned investment consultant, bfinance prides itself on its independence, transparency and hands on approach.

Put simply, the firm's mission is to put greater power in investors' hands in an industry that frequently sees asset owners at a disadvantage in terms of alignment, resources and information.

Headquartered in London, bfinance works with institutional asset owners around the globe on the implementation of investment strategy, from fund manager research and selection to portfolio design, monitoring and fee benchmarking.

Its commitment to a conflict-free, implementation-focused business model means it provides each client with real customisation, rigorous analysis to support decisions and a stronger negotiating position with

service providers.

During the twelve months to March 2018, the volume of assets on which the firm advised was 57% higher than a year ago.

The expansion of activity was supported by staff recruitment, including three new senior director hires.

A new unit - Portfolio Solutions - was also formed in October 2017 with a new managing director Malcolm Hunt appointed as its head.

The division represents a considerable expansion of service provision in monitoring, fee benchmarking and risk analytics.

Meanwhile, bfinance opened an office in Chicago in late 2017 - its eighth with London, Sydney, Montreal,

Toronto, Paris, Munich and Amsterdam.

The firm also has a geographically diverse client base, having worked with investors in 35 countries. Korea is a relatively new addition to that list.

In manager selection, one key attraction is that bfinance does not have "buy-lists" but instead provides "full universe" coverage and customised tenders. This delivers a full audit trail for investors to validate decisions, rather than relying on consultant's stamp of approval.

The knock on effect is that investors have a stronger negotiating position, creating competition on terms and fees.

bFinance's unconventional (yet increasingly copied) fee model for manager selection sees the winning manager, not the investor, pay a consultancy fee - a transparent fixed cost communicated up front. ■

## TRANSITION MANAGER OF THE YEAR:

## BLACKROCK

BlackRock is the market-leader in transition management and underlined this fact in 2017 when it managed on behalf of clients over 400 transitions comprising some \$273 billion of assets.

BlackRock has been pushing its transition management business hard in the Asia, hiring more people in the region where its list of clients has more than doubled since 2016.

The New York-based money management giant established a formal joint offering with iShares, also part of the group, to assist clients with their ETF trading needs and transition assignments to minimise cost and risk.

The firm also established a new transition management team in Budapest providing additional coverage to BlackRock's client base in Europe, the

Middle East and Africa.

BlackRock took the unusual step in late 2017 of splitting the transition management function into two

BlackRock said: "Today, every transition assignment is led by a transition manager, who is responsible for the coordination and planning aspects, and a transition portfolio manager

who is responsible for the trade strategy, strategy implementation and reporting. By bringing the best of breed expertise to each and every aspect of the transition, our clients' transitions benefit from the highest standard of care and attention."

As the largest fund manager in the world, BlackRock clients also benefit from the sheer size and scale of BlackRock's trading desks.

BlackRock's transition management business has a global footprint with more than 50 dedicated individuals. ■

The success and popularity of the funds is partly due to daily monitoring of portfolios to ensure each asset class exposure does not drift too far.



## CLIENT CLEARING BROKER / TRANSFER AGENT OF THE YEAR:

## SOCIETE GENERALE SECURITIES SERVICES

SGSS focused in 2017 on business development with European asset managers and saw its assets under administration rise 8% to €651bn.

The French bank has seen particular success in Luxembourg where it is the second largest fund administrator and its assets under administration grew a tenth last year.

Among its key wins were: Notable Blue Orchard, a Swiss asset manager specialised in microfinance, mandated SGSS for the launch of a fund in Luxembourg; Qatar National Bank mandated SGSS to act as custodian and administrator to an Irish fund; Optimum Financial Management selected SGSS for custody, custo-

dian and administration services on its French rights funds; while large banks like Unicredit continued to rely on SGSS to distribute their funds.

The French bank sees an advantage over rivals in its ability to produce a flexible service while most other banks are focused on large volume clients.

SGSS also delivered a new ESG reporting solution allowing institutional investors and asset managers to rate their investments against a broad set of Social and Corporate

Governance (ESG) indicators using MSCI data and methodology.

A new service called "Ideal" allows clients to outsource trade order routing and execution and has been selected by Borletti Group while a more integrated solution "Cross-wise" has been implemented for one client to leverage a complete front to back solution (from execution to back office services) combining the expertise of SGSS and the technologies of Simcorp Dimension. ■

The French bank has seen particular success in Luxembourg

## ASSET SERVICING TECHNOLOGY INNOVATION OF THE YEAR:

## BNP PARIBAS SECURITIES SERVICES

BNP Paribas' acquisition of Janus Henderson's mutual fund administration and accounting platform (finalised in April) makes it the first European bank to administer US mutual funds.

This development means BNP Paribas Securities Services can offer a complete multi-asset class, middle-to-back office solution covering all major markets, including the US.

The asset servicing division also strengthened its local expertise and capacity in the Netherlands in September 2017 with the acquisition of Dutch fund house ACTIAM's middle and back office platform.

As well as acquisitions, BNP Paribas Securities Services has also been supported by numerous client mandates globally of late.

In March, the firm landed a major piece of custody and depositary business from French asset management

firm Carmignac, representing €44 billion (£38.8 billion) in assets.

Meanwhile, BNP Paribas recently launched a tri-party collateral management service, the first product launch of this type in our industry for 15 years.

The model will make use of technologies and algorithms to enable clients to monitor and anticipate their collateral needs in real time, and to mobilise collateral quickly and securely.

Elsewhere BNP Paribas Securities Services is developing Planetfunds, a digital fund distribution platform leveraging blockchain, big data and artificial intelligence, to offer fund sellers and fund buyers a global digital solution designed to enhance the entire

fund distribution chain.

The idea here is to speed up the onboarding process for both fund buyers and asset managers. Fund buyers using Planetfunds will only have to upload their profile and investor onboarding documents once. This information will then be shared easily with the various management companies on the platform.

Planetfunds also aims to improve the process of buying and selling funds thanks to an end-to-end trade execution solution relying on embedded business rules and shared information.

Finally, the platform's analytics tools should help investors explore fund data to compare and select funds, and fund managers to fine-tune their distribution.

The first functionalities of the platform will be released from mid-2018 onwards. ■

## INDEX PROVIDER OF THE YEAR:

## STOXX LIMITED

Stoxx, the main German index provider, has been busy in the past 12 months.

The firm launched in April the new iSTOXX RiskFirst LDI index family, which had been developed with RiskFirst, the UK's leading provider of risk analytics and reporting solutions to the defined benefit pensions market.

Stoxx delivered in March a new multi-dimensional offering for high-speed solutions which involved opening up its established index calculation service to the wider market to address growing demand and launching a new index brand Omnient

In February, Stoxx said the iSTOXX Global Diversity Impact Select 30 In-

dex and the iSTOXX Europe Diversity Impact Select 30 Index had been licensed to Goldman Sachs for the issuance of structured products.

In January, the index firm launched the Stoxx AI Global Artificial Intelligence Index, covering about 200 Artificial Intelligence firms from a range of industries.

Matteo Andreetto, CEO of STOXX, said at the time: "AI technologies present an unrivalled investment opportunity, yet investors need solutions to discern hype from a real opportunity."

In November, it built on a long-standing relationship with Citigroup

by introducing the iStoxx Global Economic Growth Select 50 and licensing this to the US bank for the purposes of issuing structured products.

Also late last year, Stoxx cut a deal to allow Yuanta Securities to launch a passive index fund based on the iStoxx MUTB Asia/Pacific Quality Dividend 100 Index as the underlying, and the index provider hired Rick Chau as its new head of Asia-Pacific based in Hong Kong. ■

AI technologies present an unrivalled investment opportunity

## FINTECH INNOVATION OF THE YEAR:

## VISIBLE ALPHA

Visible Alpha made its commercial launch in early 2017 and has already established itself as the pre-eminent investment research tool, partly because it has helped hundreds of European buy and sell-side firms comply with the research unbundling rules enshrined in Mifid II.

The firm supplies research tracking and valuation tools used by more than 100 asset management firms, with a combined \$16 trillion under management, and some 450 sell-side firms including the world's top research suppliers.

Visible Alpha resides in a competitive space, as various new firms have emerged to try to help clients answer the challenges posed by the Mifid II unbundling requirements. Yet Visible Alpha claims to be unique because it provides an end-to-end solution that enables clients to discover, consume, track, budget, value and pay for re-

search content.

Visible Alpha collates sell-side research on over 8,500 listed companies and enables investors to evaluate consensus where available and interrogate discrepancies.

The US-based company only launched in Europe in mid-2017 and that region already accounts for a

fifth of group revenue.

The company received in January a ringing endorsement from some of the world's top research providers when Goldman Sachs joined existing investors Bank of America Merrill Lynch, Citigroup, Jefferies, Morgan Stanley and UBS and staked a collective \$38 million of equity finance.

This was followed by an additional investment in February from HSBC.

Visible Alpha has partnership agreements in place with S&P, Global Market Intelligence, Thomson Reuters, IHS Markit, Liquidnet, FactSet, Instinet and ITG. ■

The firm also believes its size enables it to offer the operational depth and governance of an established asset manager and the ambition of a boutique.

**REAL ESTATE FUND ADMINISTRATOR OF THE YEAR:****RBC INVESTOR & TREASURY SERVICES**

In April 2018, a survey by KPMG concluded that when real estate fund managers look out over today's services provider landscape, they will likely come away with a positive impression.

**T**he study found that fund administrators have significantly strengthened operational performance and capabilities and are delivering more tangible value by investing in people, processes and platforms. RBC Investor & Treasury Services (RBC I&TS) is a leading example.

Earlier this year, RBC I&TS enhanced the leadership of its PCS business by appointing Imran Khan from Vistra Group as global head of PCS operations.

"We are investing significantly in our PCS business and Imran will focus on exceeding client expectations and enhancing our global operating model for this important sector," said Paul Bridgeman, managing director, global line operations, RBC I&TS.

Through its Advanced Client Experience (ACE) programme, the company has created digitisation labs and has launched four applications over the past 18 months. Recent enhancements to the fund accounting app include a real-time net-asset-value sta-

tus progression overview, highlighted net-asset-value exceptions and an integrated audit log of key actions.

RBC I&TS has also launched a series of data visualisation features to pilot clients and in 2018 will make them accessible to its wider client base while broadening and deepening insights through the use of advanced analytics.

The company continues to enhance its regulatory solutions and an expanded Governance and Regulatory Solutions (GRS) group oversees a dedicated General Data Protection Regulation (GDPR) change program, hosts regular client roundtables and webinars, delivers weekly digests and curates daily content from Thomson Reuters Global Regulatory Intelligence. ■

**PRIVATE EQUITY FUND ADMINISTRATOR OF THE YEAR:****NORTHERN TRUST**

Northern Trust has continued to innovate in the private equity space, particularly in the area of fund administration.

**I**n February 2017, the firm launched the first commercial deployment of blockchain technology for the private equity market.

This could be a potential game-changer for private equity administration and other asset classes.

It was followed by an announcement in March 2018 that companies can now carry out audits of private equity lifecycle events directly via blockchain.

The enhancement allows auditors to have its own blockchain node, providing access to relevant fund data to enable real-time audit capabilities.

Northern Trust, along with PwC and other firms in Guernsey, proved that auditors can now access fund data held on the private equity block-

chain to specific events.

Overall, Northern Trust's private equity fund administration capabilities form an integral part of the Chicago-headquartered bank's global alternatives asset servicing solutions practice.

This supports more than \$1 trillion (£750 billion) in alternative assets on behalf of asset managers and asset owners, including over \$78 billion in private equity assets under administration (as of December 2017).

New asset servicing mandates include the Northern Pool, which combines £46 billion in assets from the Greater Manchester, West Yorkshire and Merseyside local UK government schemes, which recently picked Northern Trust for custody, securities

lending and private equity administration.

"We appointed Northern Trust based on their proven experience in the UK pensions market and their ability to offer us a range of holistic reporting, custody and alternative administration solutions, in accordance with the government's requirements of putting the highest and most expedient levels of regulation and asset safety at the heart of the Northern Pool," Ian Greenwood, chair of the collective investment vehicle, said in April. ■

This could be a potential game-changer for private equity administration and other asset classes.

## TRADING SYSTEM OF THE YEAR:

### TORA

TORA is a cloud-based investment technology platform that supplies all the features needed to manage investments. The company, founded in 2004 in San Francisco and Tokyo, has an integrated, modular solution that supports order management, execution management, portfolio management, compliance, analytics and risk.

In its formative years the company targeted Asian hedge funds and asset managers through its Hong Kong, Singapore and Sydney offices but the company has focused on Europe more recently, opening an office in 2016 and launching a Mifid II solution in 2017.

TORA, which offers connectivity to over 100 international equities, derivatives, foreign exchange and other markets, also opened a New

York office last year.

2017 was a breakthrough year for many reasons. TORA signed one of Asia's fastest growing hedge funds and displaced the most widely used OMS and EMS platforms at a global multi-billion AUM fund.

TORA's 2017 revenue was up a fifth on the previous year while its headcount globally increased by a tenth.

Some 2017 landmarks include:

- The release of a new reporting solution that gives asset managers real-time insight into their trading operations anytime, anywhere
- The launch of an AI-Driven pre-trade analytics tool to help firms meet stricter Mifid II best execution requirements
- The release of the TORA Ticketing System which provides advanced pre- and post-trade allocation, trade reconciliation, commission management and investment book of records (IBOR) functionality
- The enhancement of its stock locate module for short trading which now represents the largest e-locate network in the market
- Drastically enhanced trade volume capacity and processing speed ■

## BEST TECHNOLOGY PRODUCT: REGULATORY CHANGE:

### BROADRIDGE FINANCIAL SOLUTIONS

As the post-trade technology partner to some of the largest investment banks in the world, Broadridge faced late last year a huge undertaking in getting all of its clients ready for the introduction of the vast European Mifid II reforms in January 2018.

But the US technology firm came through the ordeal with flying colours, ensuring with a relatively small team that some 12 clients went live on the same day with the firm's Mifid II solution.

Mifid II has been in the making for years but Broadridge still had to deal with some last minute changes such as the inclusion on December 29 of a Trading on Trading Venue field by one Approved Reporting Mechanism, and the Legal Entity Identifier suspension which meant some firms that were previously out

of scope were thrown back in play.

Based on feedback from working groups, Broadridge responded to requests by developing powerful data lineage and traceability functionality for operational oversight, exception management, categorisation, assigning of responsibility and re-

mediation.

The company in late 2017 managed the integration with its business of Message Automation, which was acquired in March last year. Message Automation is now the regulatory reporting arm of Broadridge, which supports multi-jurisdictional regulatory reporting in 10 jurisdictions, with more to follow, according to the firm.

The company does not operate a European reporting platform however, enabling clients to choose their preferred reporting outlet. ■

Mifid II has been in the making for years but Broadridge still had to deal with some last minute changes



## COLLATERAL MANAGEMENT SYSTEM OF THE YEAR:

### BNP PARIBAS SECURITIES SERVICES

BNP Paribas Securities Services launched in October 2017 a triparty collateral management service that connects collateral takers and collateral givers to help them address new regulations that require market participants to collateralise their financing and over-the-counter derivative trades to manage counterparty risk.

Trading firms are increasingly looking for more sophisticated collateral management solutions that enable them to mobilise their assets quickly and use a wider range of securities to back up their trades.

Patrick Colle, general manager of BNP Paribas Securities Services, said: "BNP Paribas Securities Services has a strong and diversified client base, which puts us in an ideal position to ease the circulation of collateral between buy and sell-side market participants as well as cen-

tral clearing counterparties - something that few collateral platforms do today. Our objective is to create a community of collateral takers and collateral givers to develop a comprehensive pool of liquidity and remove bottlenecks in the sourcing of collateral."

As a tri-party collateral agent, BNP Paribas Securities Services handles its clients' collateral needs, from net exposure calculation, automatic collateral allocation and substitution, to physical settlement and custody of these assets.

The service also comes with innovative features such as the ability to provide access to segregated markets, therefore enabling clients to access previously untapped sources of collateral.

Furthermore, as a global and local custodian, BNP Paribas Securities Services is able to give clients the opportunity to source collateral directly on the domestic markets in which they invest, therefore alleviating the burden of constant collateral inventory management. ■

BNP Paribas Securities Services has a strong and diversified client base

## RISK MANAGEMENT SYSTEM OF THE YEAR:

### THOMSON REUTERS

Connected Risk is the Thomson Reuters best-of-breed governance and compliance software platform, delivering optimal risk management through an enterprise-wide view of risk.

The platform draws on various sources from outside and within the client organisation into a single, aggregated view of risk. Connected Risk seamlessly integrates critical risk data to deliver a holistic, enterprise-wide view of risk.

The service works by prioritising data using advanced mapping, and making the information easier to understand through a system of tags, structures, charts, and a shared taxonomy.

In the past 12 months, Thomson Reuters has added the following

modules:

- Regulatory Change Management – automates and streamlines the regulatory change management process
- Model Risk Management - applies robust governance and review procedures to all critical models
- Audit Management – performs risk assessments, planning, reporting and issue follow-up through robust audit lifecycle management
- Risk Management - creates flexible assessment frameworks with integrated incident capture and key

risk indicator tracking.

- Connected Risk offers a fluid approach to risk management that allows you to tailor your own solutions on our platform or take our out-of-the-box risk solution and refine them as necessary.

By seamlessly consolidating data, risk professionals are empowered to make more informed decisions and pinpoint critical risk exposures, enabling acceptable risk to be embraced with confidence.

Thomson Reuters believes that, whilst risk professionals seek a holistic GRC technology offering, clients can't always dislodge legacy solutions that are rooted throughout their organisations. For that reason, Connected Risk connects with client's legacy solutions. ■

**EXCHANGE****OF THE YEAR:****EUREX**

Frankfurt-based Eurex has continued to lead the European derivatives market with innovation.

At the end of May 2018, Deutsche Boerse, the parent of Eurex, dipped back into the mergers and acquisitions market with a definitive agreement to acquire GTX's ECN business from GAIN Capital Holdings for \$100 million.

The exchange hit in January an all-time high in single stock dividend futures with a total of more than 650,000 traded contracts, meaning an average daily volume of more than 27,000 contracts.

At the end of the year, Eurex said that in 2018 it will further expand its suite of capital efficient products like total return futures, the STOXX portfolio and its MSCI derivatives universe. In November the exchange launched three options on fixed income ETFs.

Late in 2017, just before the introduction of the Mifid II rules, Eurex launched a new fixed income service that allows bank's broker desks and inter-dealer brokers to contact market-makers with request for quotes.

Randolf Roth, member of the Eurex Executive Board, said: "We continue to innovate and adopt our market structure to the evolving needs of the financial industry and the real economy."

The exchange launched in October Euro-BTP options which builds on the BTP futures products already available at the exchange to extend clients ability to hedge their exposure to Italian interest rates. ■

**CLEARING HOUSE****OF THE YEAR:****LCH**

LCH, which is majority-owned by the London Stock Exchange, may face opposition to its dominance in swaps clearing from European politicians citing Brexit but for now, it is the clear market-leader in swaps and other asset classes.

In 2017, the main swaps clearing platform SwapClear processed a mind-boggling \$873 trillion in notional swaps, which was up nearly a third on the previous year which LCH attributed to new clients in new regions.

SwapClear also offers a trade compression services which has struck a chord particularly with the largest investment banks who are keen to use compression to reduce their balance sheets and, therefore, their capital allocation commitments.

SwapClear compression volumes broke \$600 trillion in 2017, which was up 58% on the previous year.

ForexClear, the smaller foreign exchange clearing platform, has seen even stronger growth, handling in 2017 some \$11 trillion in notional outstanding, which was up from \$3.2 trillion in 2016. ForexClear handled some \$4.3 trillion of notional in the first three months of this year, which was more than in all of 2016.

RepoClear, the repo service, had last year the busiest year in its history, clearing €175 trillion across the LCH clearing houses in London and Paris, which was up a quarter on 2016.

LCH also launched its SwapAgent service, a new service that supports complex derivatives that are not cleared, going live first with cross-currency swaps. ■

**FUND ADMINISTRATOR****OF THE YEAR:****BNY MELLON**

BNY Mellon provides fund administration services for a wide variety of funds globally, including money market, equity, bond, multi-manager, ETFs, fund of funds and alternative investment funds.

The firm's wider asset servicing business supports institutional investors in today's fast-evolving markets, safeguards assets and enhancing the management and administers client investments through services that process, monitor and measure data from around the world.

The firm leverages its global footprint and local expertise to deliver insight and solutions across every stage of the investment lifecycle.

The trends seen by BNY Mellon in the past year include an ongoing shift to passive (ETFs in particular) growth in alternatives, including an increased interest for loan funds and property funds, and the progressive impact of ESG. In 2017, the firm supported over 2,600 funds were supported in Europe, the Middle East and Africa.

Locally domiciled funds in the UK, Ireland, and Luxembourg are a big part of BNY Mellon's client base.

Turnkey solutions for easy access to US mutual fund market and distribution in more than 40 markets is another compelling offering.

The bank supports more than 199 transfer agency clients worldwide and provides sub accounting services to over 150 million active accounts.

As one of the world's largest global custodians with \$33.3 trillion in assets under custody and presence on six continents, 35 countries and 100+ markets – BNY Mellon is a bank with local experience and global strength. ■

# SFTR and Brexit threaten to expose regulatory reporting weakness

Mounting costs threaten to overburden firms as reporting obligations grow writes **David Farmery**, Head of Business Development, Message Automation, Broadridge Financial Solutions

Faced with additional stress on regulatory reporting functions, firms with a patchwork of reporting technology will risk coming undone. The Securities Financing Transaction Regulation (SFTR) and Brexit each pose different challenges for those banks and asset managers whose report delivery is siloed by asset class and function.

Since 2012, when we tackled the initial Dodd Frank reporting required by the CFTC, we have seen a maturing in the way that firms approach regulatory

technology (regtech). Historically, banks and asset managers would tackle multiple regulations, individually. Senior management, when building their initial solutions to comply with Dodd Frank in 2012, had an expectation that those same solutions would function globally, given the common agreement on market reform set out by the G20 in 2010. Regulators did not see it that way when it came to enacting the reforms locally.

When the European Markets Infrastructure Regulation (EMIR) came into effect, it was very different, in terms of its structure, to Dodd Frank. Therefore the systems that people had built in-house for Dodd Frank were not fit for purpose for EMIR.

All of a sudden, a second big budget and development were needed in Europe. That was repeated as the G20 agreement was rolled out across Asia and other jurisdictions. Tactical solutions were built on tactical solutions, in order to hit compliance deadlines.

## POSITIVE CHANGE

We believe that the industry has reached a tipping point. It is apparent that the in-house, tactical approach is costing many firms a fortune both to maintain and to expand, whenever new requirements are imposed.

As it offers no competitive advantage and has many standard elements between businesses, there is a willingness amongst senior management to explore alternative vendor-based, mutualised approaches to reporting. The trigger for many was MiFID II. Its complexity led many businesses to take the first step in implementing a strategic trade-reporting solution.

Broadridge took on six new clients during that process, almost all of which had an in-house solution, or had previously delegated reporting and decided in the face of the requirements they were going to handle MiFID II differently. Once MiFID II was out of the way many chose to migrate everything over to their new multi-jurisdictional strategic platform. That momentum has been sustained. Post-MiFID we are signing and implementing new clients who are going through the same process.



**David Farmery**, Head of Business Development, Message Automation, Broadridge Financial Solutions

## DRIVERS FOR CHANGE

The first common driver occurs when an institution needs to change or upgrade one or more core systems. Often reporting logic has been embedded within the legacy system and implementing a new system gives them the opportunity to address their reporting needs in a more system-agnostic manner.

Existing arrangements are often siloed, with firms using different reporting stacks across different jurisdictions and for different asset classes. Such an approach is multiplying maintenance costs and operational costs, removing any synergies or cross-training for the operational team, and often reporting to different trade repositories (TRs), creating additional external costs.

The decision that firms must make is either to build a new platform on top of the existing technology, to build from scratch or to look for a system externally.

The second driver we have seen is a shift from delegated reporting to in-house reporting. Often this is driven by concern about the loss of control in reporting, while responsibility to the regulator is retained. In some cases delegation responsibility shifts based upon different trading scenarios, creating operational complexity and risk.

The third driver stems from institutions wanting to move into new areas of business which changes their regulatory status. For example, some sell-side businesses building up US business may need to register as a swaps dealer in the United States. That carries a reporting obligation, in real time, based upon Commodity Futures Trading Commission (CFTC) regulations to a US Trade Repository. Equally, dealing with Swiss counterparts in Europe can require brokers to support delegated reporting under FinFrag if they are to win business.

## IMPROVING TOTAL COST OF OWNERSHIP

To implement a strategic platform, banks and asset managers need technology that is truly capable of working cross-asset. It must extract trade event information from disparate source systems, capturing data once, enriching it, harmonising it within a common data model and then using that data to populate trade reports across markets and jurisdictions. Having the ability to ingest a trade event once, determine which rules it is in scope for, and in cases where it might be caught by several – for example EMIR and for MiFID – is where a holistic platform can deliver intraday at an operational level. It enables the firm to support a single Regulatory Operations team, which tracks cross-jurisdictional exception handling.

Over the medium-term, having trades represented in a harmonised data standard allows new regulations to be onboarded rapidly. Specific information that a new jurisdiction or regulation might need can be mapped

**We believe that the industry has reached a tipping point. It is apparent that the in-house, tactical approach is costing many firms a fortune both to maintain and to expand, whenever new requirements are imposed**

into the data standard. Formatting the output for the relevant trade repository is managed simply, through dropping in new business rules.

## THE IMMINENT RISK

Looking ahead there are new challenges, which a strategic approach can futureproof against. The first is Brexit, which will potentially lead firms to create separate entities in mainland Europe and in London. That potentially means a new operational team, although reporting could still continue to be centralised. However there will likely be a bifurcation of where those reports go to. We are having Brexit conversations with existing customers now, setting up the infrastructure to support their European entity.

The second is ongoing regulation. Stock lending and repurchase agreements will come into scope for reporting under the SFTR for the first time in 2019.

From a pure regulatory reporting perspective we see few challenges for our platform in supporting SFTR. There will be new data sources, new asset classes, and quite a few new moving parts. There are certainly new market infrastructures that need to be in place to support it. There is nothing unique about SFTR from a reporting point of view but there will be challenges within firms organisationally, for example, SFTs have never been reported before. These organisational challenges impact both the buy side and sell side. With the provision for delegating reporting, buy-side firms may be looking for their brokers to report on their behalf, but equally it is part of the continuum, and if they have their MiFID II reporting in-house, they may be tempted to continue to build on that for SFTR.

The big risk is where a business has a disconnect internally. Regulatory reporting teams are often fully supportive of leveraging a strategic solution to do all of their reporting, but a desk or business with no exposure to other regulatory reporting may see their systems and reporting as proprietary to their function, creating a silo which stops the business from driving down costs.

Looking ahead there are two imminent situations, one political, one regulatory, which present major challenges for a tactical approach to reporting. To keep ahead of the risks, senior management should develop an assertive strategic approach now. ■