

Case Study

Real-time Collateral Optimization, IBOR, and Portfolio Management

Large Asset Manager Selects Calypso for Unique Blend of Centralized Data, Real-Time Insights, and Scalability

The Firm:

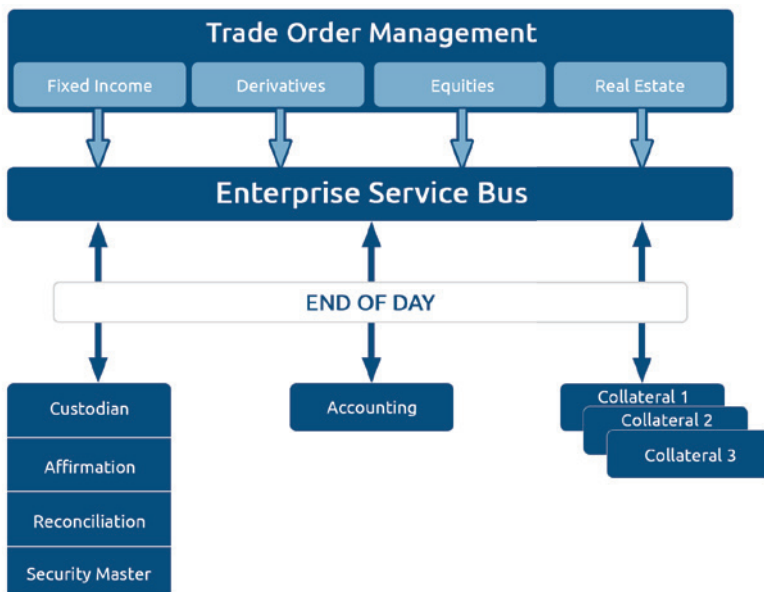
One of North America's largest and most diverse institutional investment management companies, with >75B AUM.

Background:

The firm's existing infrastructure was struggling to satisfy the needs of the business, and the following issues were the top concerns:

- No centralized, real-time view of their available collateral or outstanding margin calls
- No "golden copy" of portfolio positions or collateral inventory
- No ability to make portfolio management decisions in real-time
- Redundant origination systems requiring duplicate data entry and extensive reconciliation
- Slow rollout of new functionality/asset classes

The firm determined they could solve these problems with a technology upgrade, and they selected Calypso as their partner because our solution addressed each of their critical requirements.



The firm's existing infrastructure couldn't provide real-time data, had no centralized data view, and lacked portfolio management functionality.

BENEFITS SUMMARY

- Real-time portfolio management
- IBOR – "Single Source of Truth"
- Yield enhancing collateral optimization
- Consolidated systems, faster time to market
- Reduced TCO, streamlined infrastructure

Call to Action:

Their key objectives were as follows:

- **Real-time collateral optimization** – They wanted real-time views of both their collateral inventory and outstanding margin calls
- **IBOR** – They needed a "single source of truth" to facilitate better decisions and restore confidence in their systems
- **Real-time portfolio management** – Their PMs needed the ability to monitor their portfolios and take action in real-time
- **Faster rollout** – They needed the ability to respond more quickly when the business requested new functionality/asset classes

Why Calypso

The firm already had several best-in-class vendor solutions deployed across their organization, including Calypso for derivatives processing, SimCorp for accounting, and Charles River for order management. They were looking for one of the incumbents to expand its footprint rather than introduce a new vendor.

They conducted an extensive analysis of each incumbent's capabilities, and only Calypso had the scope and scalability to meet all of their requirements.

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Calypso's Solution: IBOR, Portfolio Management, Collateral

Calypso's combination of collateral optimization, centralized data, and real-time portfolio management addressed each of the firm's critical pain points.

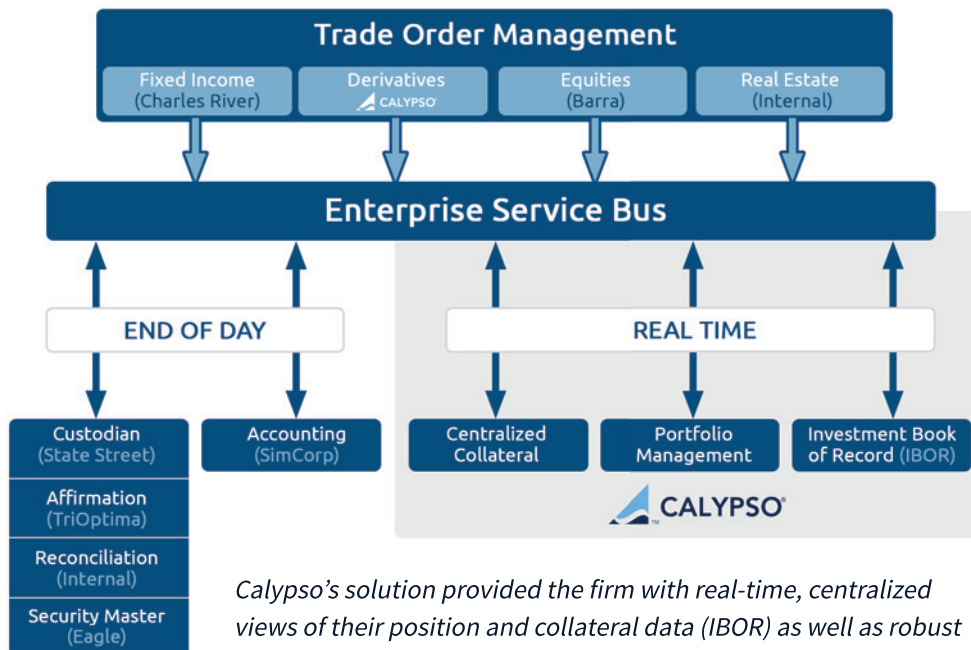
Our award winning collateral solution allows them to replace their siloed approach with our centralized inventory repository, real-time analytics, and real-time reporting, as well as our cheapest-to-deliver optimization algorithm.

Calypso also works well as their Investment Book of Record (IBOR), providing them access to a "single source of truth" across the organization. Our centralized database combines intraday trading activity for all asset classes with cash inflows, redemptions, and corporate actions so everyone has access to the same information in real-time.

They also benefit from the sophisticated real-time portfolio management capabilities in our Portfolio Workstation. Our solution allows them to customize their portfolio views and monitor positions to ensure compliance with both client & regulatory mandates. It also allows them to measure performance and compute tracking error against relevant benchmarks. As soon as problems (or opportunities) arise, they can place trade orders and rebalance their portfolios.

The Result: Streamlined Data, Faster Time to Market

Using Calypso as the backbone of their IT infrastructure allows them to accelerate their ability to roll out new functionality and introduce new asset classes. The business was limited by their previous infrastructure, and Calypso delivers a solution that works well for all stakeholders in the organization.



Calypso's solution provided the firm with real-time, centralized views of their position and collateral data (IBOR) as well as robust portfolio management functionality.

Portfolio Workstation

- Valuation & Risk
- Un/realized Gains & Losses
- Performance Measurement
- Benchmarking
- Cash Forecasting

IBOR

- Intraday Position Keeping
- Data Quality Management
- Corporate Actions
- Dynamic Reporting
- Multi-Custodian

Collateral Management

- Real-time Inventory
- Intraday Margin Calls
- Cheapest to Deliver Optimization
- Cross Margining
- Legal Agreements

Front-to-Back Trading

- Multi-asset (cash & derivs)
- Execution
- Settlement
- Allocation
- Confirmations