

Key Pain Points of Portfolio Monitoring



BITA Risk Monitor in a Nutshell

An industry-leading portfolio monitoring platform with institutional strength risk capabilities delivered to Private Client Wealth Managers. BITA Risk Monitor delivers enterprise level oversight and control to firms across all business units, offices and locations.

In talking to compliance and governance teams in wealth management firms for over ten years, seven common challenges have emerged as being the pain points for portfolio monitoring.

BITA Risk has consistently delivered a comprehensive portfolio monitoring solution, addressing all of these issues in one software installation - BITA Risk Monitor. Here is how we make this possible.

i) Spend time where it matters



Whenever an advisor wishes to view the risks in a portfolio, the information needs to be there, readily available. This data also needs to be available enterprise wide. Rather than conducting daily monitoring on a single portfolio, advisors need reports across their entire organisation - every client segment and every portfolio manager - with full drilldown. In other words, they need the big picture.

We deliver:

- **Efficiency:** Replace ad-hoc portfolio monitoring with automated daily analysis & reduce data gathering effort by 90%. Ensure 100% coverage, every day
- **Control:** Deliver enterprise level insight across all portfolios, by client segment, manager/advisor and team, office or country
- **Improved client retention:** Timely insight and resolution of portfolio misalignment ensures client portfolios are managed correctly
- **Regulatory best practice:** Quick, easy delivery against regulatory Suitability and Best Practice requirements

ii) Know exactly where to look

Knowing exactly where to look means highlighting the firm's process efficiency around exception management. Wealth managers and advisors need efficiency of process in order to scrutinise their activities for the entire year. To achieve this, a transparent, demonstrable process for monitoring and managing portfolio risk and suitability across an entire organisation is required.



We deliver:

- **Demystifying of data:** a clear understanding of whether portfolios are being managed in accordance with their investment mandate
- **Automated portfolio monitoring:** delivering daily pre- and post-trade analytics to managers and central governance
- **Integrated exception management:** supporting investment managers with intuitive tools
- **Demonstrable best practice to drive business growth:** improved client confidence, intermediary trust and appeal to more complex mandates; automation and exception management to underpin the confidence to scale; and the ability to manage and mitigate reputational risk

iii) Know the risks that are lying in wait

Wealth management firms need to know that they are managing their portfolios consistently across the organisation. In practical terms, this means assessing the risks that their assets represent and ensuring that all advisors and managers are applying the same rigour in each and every office.

Business owners must know that all client groups are being treated the consistently, across all offices and managers. They must understand the risks that individual holdings represent within client portfolios and know what threat these represent to their business.

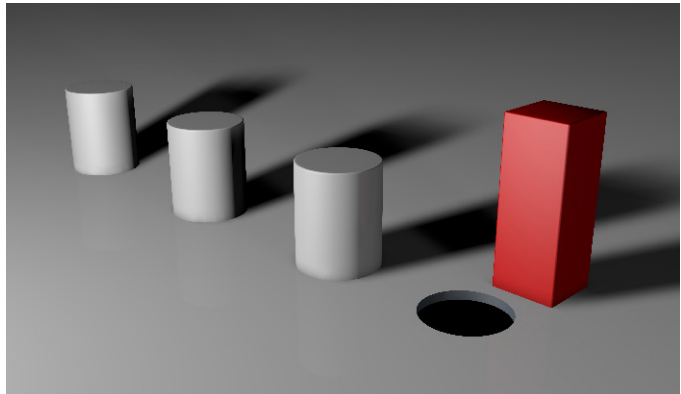


We deliver:

- **Support to central investment teams:** defining quantifiable risk and suitability parameters, configured to suit variations across business divisions and client segments
- **Detailed oversight:** portfolio analytics at a level of granularity that fulfils regulatory requirements – and lets you sleep at night
- **Risk expertise:** accommodating investments which are harder to risk assess, such as newer funds lacking historical performance data or relatively new issues
- **An integrated workflow:** preserving investment manager autonomy within an organisation's framework

iv) Support when processes no longer 'fit'

When a wealth management firm is involved in mergers and acquisitions or is simply taking on a new book of business, the processes inherited may not always fit with the way the firm currently operates. Onboarding teams or managers can be problematic: the firm may need to realign investment strategies or investment approaches across the organisation or introduce additional ones. The need for consistent ESG monitoring is certainly pushing this issue up the agenda for all wealth management businesses.



We deliver:

- **The ability to quickly identify cohesive and divergent investment approaches:** across all business units.
- **The tools to manage the business units:** by rapidly enhancing your existing infrastructure – not rewriting your entire process

v) Don't wait for it to break



Despite the fact that every wealth management firm may be fulfilling their MiFID II suitability requirements, their existing IT infrastructure is likely to be creaking at the seams or not performing this task optimally.

Many wealth managers are over-dependent on excel spreadsheets and deploying multiple manual workarounds in order to gather their portfolio monitoring data. You need to reduce or eradicate these manual processes in order to mitigate your client and firm's risk.

We deliver:

- **Oversight:** enterprise-wide oversight, delivered daily to your desktop
- **Risk monitoring:** a 'Best in Class' automated risk monitoring module
- **Insights:** exceptional portfolio insight and analytics

vi) Know the whole story

Whilst quarterly reports may afford some comfort to clients, it may mean that for over 90% of the year the portfolios are not monitored (aside from the occasional, labour intensive ad-hoc spot check). We have found that quarterly reporting reveals less than 2% of a portfolio's annual history.

By replacing ad-hoc or infrequent portfolio monitoring with automated daily analysis, wealth firms can reduce their data gathering efforts by 90%.



We deliver:

- **Portfolio monitoring:** pre- and post-trade
- **Exceptions:** an integrated exception management process
- **Institutional strength risk models:** delivered by experienced risk experts
- **Time to market:** quick, easy deployment

vii) Understand what lies beneath



Many wealth management firms will be adequately monitoring asset allocation, but not the holdings themselves. This is rather like looking at a salad – when you look from the top down it may appear fine but when you look from the side there may be a number of worrying additions.

Advisors must be able to assess whether their portfolios really are suitable. Whether they need the big picture or the nuanced detail, they should truly understand the risks that lie within the portfolios they manage. To combat this threat, wealth management firms should have the infrastructure to deliver insights and analytics across the entire portfolio, including ESG pillars, themes and factors.

We deliver:

- **Exceptional portfolio insight:** and analytics
- **Peace of mind:** to Portfolio Managers, Investment Managers, Intermediaries and Investors

Why BITA Risk Monitor?

Turn a mandate or Investment Policy Statement from a filed piece of paper into a living document through three key elements of the monitoring process.

1

Business Management

- Understand and manage enterprise exposures
- Identify trends and patterns across your business
- Quickly identify and efficiently manage business risk
- Scale analytics across all client segments, offices and business divisions

2

Supporting Investment Managers

- Daily desktop alerts, highlighting accounts that need attention, and why
- A better understanding of portfolio exposures, risks and top contributors
- Ability to model pre-trade scenarios, considering risk and suitability factors
- Easy exception management, incorporating approval workflows
- Intuitive workflows, integrated within an existing infrastructure

3

Process Automation and Integrity

- Automate and reduce data gathering effort by up to 90%
- Reduce your susceptibility to data gaps – ensure 100% coverage, daily
- Enhance your existing infrastructure with easily consumable, yet institutional strength risk analytics

For more information on how BITA Risk Monitor can benefit your business, please contact us on BITARisk@corfinancialgroup.com



Contact us

Visit: www.corfinancialgroup.com

About corfinancial

corfinancial provides software solutions and advisory services to banking and financial services organisations worldwide. The firm has offices in London, New York and Boston.

There are five key problem areas corfinancial looks to solve through its primary software and service offerings:

BITA Risk provides end-to-end private client suitability, portfolio management, risk, ESG and monitoring oversight solutions;

brought together in BITA Wealth to mirror and systemise the investment process of wealth managers and private banks and available individually for CIO and investment teams.

SureVu empowers buy- and sell-side firms to efficiently monitor and track security trades throughout the settlement lifecycle, enabling users to proactively manage and oversee settlement exposure.

salerio is a post-trade processing solution that enables asset

managers, hedge fund managers and securities/fund services firms to automate the flow of securities and treasury trades from matching through settlement.

costars is an investment administration platform for third party administrators, fund supermarkets and wealth management companies.

paragon is a comprehensive front-to-back office fixed income portfolio accounting, processing and reporting solution for banks.

other solutions from

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salerio.

Automates the flow of securities and treasury trades from matching through to settlement.

SureVu.

Track security trades throughout the settlement lifecycle to manage and oversee settlement exposure.

paragon.


Fixed-income accounting hub delivers front to back office portfolio accounting and processing solutions.

costars.

Retail funds/transfer agency solution providing end-to-end administration for collective investments.

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