

An Alliance Unrivalled in Performance

In a strategic alliance, SimCorp and TS Imagine have combined their respective expertise and products to provide an integrated, multi asset class solution for superior order and execution management.

A single system approach, based on complementary, best-of-breed functionality, leverages the knowledge and functionality within each platform and covers the entire buy-side trading lifecycle from front to back.

This unique offering acts as a central repository for trading data and reporting, integrating the OMS and EMS in a genuinely synchronized manner and tackling many of the pain points associated with current OEMS offerings in the market.

The solution meets the much needed requirement for workflow simplification in the front office by enabling institutional investors to consolidate multiple execution platforms into one integrated solution across asset classes.

The alliance offers coordinated support and development that surpasses the current third-party integrations from vendor to vendor, enabling a seamless two-way flow of information and an integrated workflow between systems. It also helps overcome existing difficulties concerning slow order entry, data sharing, automation and transparency with which many portfolio managers, traders and compliance officers must contend.

As such, it enables clients to protect alpha, drive effective communication with portfolio managers and lower operational risk.

The
SimCorp
TS Imagine
Alliance

TSIMAGINE

 **SimCorp**

The Current Challenges in the Market and How This Alliance Meets Them

Since the separation of EMS and OMS in the 1990s, the two systems have grown increasingly further apart in functionality and integration. The market has been largely reliant on the Financial Information exchange (FIX) to address the need to integrate both systems. The FIX protocol enables communication, but as a market standard tool that was designed to aid electronic communication between buy-side and sell-side, it is limited in integration and scope with a number of shortcomings.

A standard FIX integration does not allow for reporting of important elements such as live counter party exposure, compliance information or cost analysis on a pre-trade basis.

Reduced Operational Risk

If a trader uses two systems that communicate exclusively via FIX, there is a high risk of data slippage along the workflows. Along with this risk of error, there is no single audit trail against which to check, while error risk likelihood increases with each additional system. The SimCorp-TSI alliance makes available all data in either system.

| Referential Data | Trade History | Exposure Levels |
|-----------------------|-----------------------|---------------------|
| Tick Data | Analytical Data (TCA) | Broker Restrictions |
| Counterparty Exposure | Full Allocation Rules | |

Providing a continuous communication loop on a single platform reduces the typical risks associated with multiple integrations via FIX connectivity.

- ✓ **Single audit trail** for ease of trade error tracking
- ✓ **Two-way, real-time data transfer** for **best execution**
- ✓ **Mapping consistency** for operational efficiency
- ✓ **Automated communication** between trader and portfolio manager
- ✓ **Central repository** for regulatory and standard periodic reporting

Streamlined Functionality

The marketplace of vendors is consolidating. OMS platforms are slowly merging towards EMS platforms' functionality and vice-versa. Their respective functionalities are quite different and the prospect of excelling at both core functions is improbable.

The SimCorp-TSI alliance allows each system to excel at its individual strengths, rather than competing for functionality coverage. This creates a unified trade workflow that combines the two product types and eliminates the duplications that are historically common in both.

Both EMS and OMS handle many activities for which we can now merge functionality and manage them all from one single platform.

| | | |
|-------------------------|--------------------|---------------------|
| Staging of Orders | Pricing Stores | Block Trading |
| Shaping of Orders | Creation of Orders | Order Fills |
| Smart Order Routing | Trade Execution | Broker Restrictions |
| Basket Trade Processing | Broker Algorithms | |

One Solution. One Vendor Support Line

A reliance on multiple vendors often generates a slow, fragmented and expensive support model. It can result in ownership and accountability issues, often resulting from a lack of holistic understanding of the architectural landscape. This in turn can lead to long and sometimes painful resolution times.

A one-system approach solves this bottleneck. SimCorp and TSI have aligned themselves to offer a single point of contact for customer support, queries and accountability.

Whenever breaks due to new functionalities occur, such as new broker algorithms, liquidity venues and tools that traders require, amongst others, the fixes and Quality Assurance (QA) on the client specific workflows will be tested by both SimCorp on the OMS side and by TSI on the EMS side before the client sees it. In other words, there will be a familiarity with the shared workflows that goes much deeper than the standard FIX certification.

There is a dedicated communication layer across both products, so the right processes can be implemented for clients. The instrument types will be considered in terms of how this communication layer will work and will be coordinated accordingly when new instruments and strategies are duly added.

Access to Data

It is essential that data is accessible by all parts of the front office – yet the EMS and OMS are separate silos of key information. The FIX protocol doesn't provide this critical access.

The alliance makes it easier for our clients to access certain pieces of key data regularly.

- ✓ Start-of-Day Positions (Stock Lending)
- ✓ Market Analysis (Liquidity Aggregation Tools)
- ✓ Pre-Trade Market Impact and Risk Analysis
- ✓ Cost Analysis on a Pre-Trade Basis
- ✓ Request for Quotes

Simplified Implementations and Upgrades

New tech implementations and upgrades require heavy investments of resources and capital, which amplify when multiple systems and numerous vendors are involved. The SimCorp-TSI alliance eliminates this pain point with a two-pronged approach.

Firstly, we synchronize products and upgrade paths with mutual QA testing and deliver the system via a single implementation project, giving the client a key contact person to liaise with. This alleviates the need for the client to add resources, hence saving costs for this purpose.

Secondly, with the advent of the alliance TSI effectively becomes another module within SimCorp for clients to opt into. As TSI is fully certified on SimCorp Dimension and delivers a true SaaS platform, the implementation and management of the upgrades are both fast and seamless, requiring little input from clients. Synchronization is not limited to the support service.

One of the key goals of the alliance is to also synchronize development releases so that the upgrade path is seamless for our end clients.

SimCorp – TS Imagine Functionality and the Roadmap to Centralized, One Application Control

Within the Alliance, TSI and SimCorp have committed to create the market's first truly consolidated EMS-OMS platform with a built-in, continuous feedback loop.

Working with the early adopter clients, we have highlighted the following items that bring the two systems closer together to mitigate against inherent operational and integration risks.

The fusion of both systems into one consolidated platform empowers asset managers to exercise total control over order shaping.

- ✔ Baset Trading
- ✔ Multi-Day Orders and Auto Book
- ✔ Futures Calendar Spreads
- ✔ Post-Trade Allocations
- ✔ Commissions and Override
- ✔ Ownership Sync
- ✔ Broker Restrictions
- ✔ CFD and Hybrid Orders
- ✔ Display Pre-Trade Allocations
- ✔ Short Sell Electronic Locate
- ✔ Enriched Data Share
- ✔ Alliance Order Shaping API

The Benefits of an Integrated OMS and EMS

A more tightly integrated OEMS trading workflow, breaks down typical silos between the buy-side OMS and execution management tools.

Builds on the benefits of an integrated front to back solution. Provides streamlined access to liquidity and advanced execution workflows via the EMS.

- ✔ Central Repository for Trading Data
- ✔ Competitive Reporting Solutions
- ✔ Pre-Trade Compliance with Broker Restrictions

The Best of Both Worlds

The alliance solves problems that exist in the current marketplace. Pre-trade allocations and the shaping of the order, simply can't be achieved without a tight relationship in place, or else trades are executed based on missing (thus bad) information. Our current pipeline of development is based on real world issues and the actual shortcomings of third-party integrations. Our unified trading workflow creates a unique platform greater than the sum of its parts. It addresses a functionality gap and enables the asset management community to build upon a solid platform, while decreasing operational and regulatory risk.

Above all, our alliance delivers unrivalled and unprecedented efficiency. The buy-side has a fiduciary responsibility to their investors and limited resources to spend on multiple partnerships and integrations.

Together, SimCorp and TSI provide best-in-class support for most asset classes while maintaining focus on each solutions core respective strengths. We can align our efforts to support the client, instead of competing with one another. This results in a truly pioneering, value generating approach for asset managers.

The Alliance: Five Ground-Breaking Differentiators for Asset Managers

One system approach across the front, middle and back office equipping the trader with more data and analytics.

A centralized, cross-asset class view for multi-asset investors (fixed income, equity, derivatives, alternatives, FX) so a trader has the complete picture for decisions and required actions.

Fully integrated front office functionality provides compliance officers, trading desks and users with a single, scrubbed, real-time data source at the core.

Regulatory and client mandate support: the blurring lines among the front office groups require technology that allows for the tightest level of adherence to regulatory and client mandates, so a trader receives all exceptions and restrictions on their dashboard in real-time.

Customization ability: while standardization for efficiency is desirable, a trader will always require the ability to apply a level of customization to meet their individual focus, providing them with the specific data that allows them to be unique and to differentiate.

For More Information, Please Contact Us

Chris Parry
Product Manager
SimCorp
2nd Floor, 100 Wood
Street, London
EC2V 7AN
chris.parry@simcorp.com

Grant Lowden
Head of Partnership Sales
TS Imagine
York House
23 Kingsway, London
WC2B 6UJ
grant.lowden@tsimagine.com

