

## Wallstreet FX

Global, cross asset solutions for high-performance STP workflow

[www.wallstreetsystems.com](http://www.wallstreetsystems.com)



# FACT SHEET: Wallstreet FX eOperations STREAMLINING POST-TRADE EXECUTION MANAGEMENT USING WALLSTREET FX eOPERATIONS



The Wallstreet FX eOperations solution gives you the necessary tools to help your customers manage trades post-execution. It extends back-office efficiencies, while overcoming typical STP breakdowns, including payment netting and splitting, client on-boarding, manual matching and cash reconciliation. This functionality enables Wallstreet FX users to give full visibility and control of all transactions to their customers.

The client-facing solution empowers corporate customers to gain information about their trade processing status online. They are also able to manage and review their settlement and confirmation data and manage deal by deal settlement changes. Additionally, eOperations enables online deal verification and settlement instruction repair, secure and authenticated confirmations on the web, validation and release of bilateral nettings and payments splitting.

Delivering 24x7 availability, the solution can be hosted either by the customer or via Wall Street Systems ASP model. It is delivered as a set of web pages that can be easily integrated into the existing web infrastructure of the bank. There is also a Java Object Toolkit version of the solution available for clients that want to develop it further to suit their needs. The solution is delivered as a 'blank template' that can be branded through the use of cascading style sheets, client specific imaging and full international localization.

Wallstreet FX eOperations is an integrated, web-enabled post-trade system that allows you to meet the increasing demands of your customers while simultaneously reducing your costs and operational risks.



## BUSINESS CHALLENGES

The rise of e-trading over the past decade has led to increased competition in the financial marketplace. Transaction costs have been reduced and trade execution is more convenient than ever. This, combined with new regulatory demands, has forced both banks and their buy-side customers to look for ways to improve the efficiency of post-trade execution with better services, more transparency, greater internal controls, and improved data and operational risk management.

The challenge for banks is to acquire tools that help their customers manage trades post-execution while facilitating an increase in their own operational efficiency and straight-through-processing (STP) rates.

The challenge for buy-side institutions is to have a more complete, real-time picture of their trading activity, regardless of whether trades were executed via the phone, an ECN, portal, or other execution venue.

Banks can meet these challenges and provide value-added services by implementing an integrated, web-enabled post-trade system. It gives the buy-side a full repository of trading data available in real-time showing all trades executed, regardless of execution venue. This repository also provides their customers with a full audit trail and the transparency they require to meet compliance regulations. Additionally, banks can shift some of the non-STP effort involved in back office processing from the sell-side to the buy-side. This shift affords the buy-side with more visibility and control over their transactions – allowing them to benefit from increased interaction with their banking partners, giving them better control over their account management and allowing for increased efficiency for both parties.

# KEY FEATURES

## DISPLAY ALL ACTIVITY TO CUSTOMER

Because Wallstreet eOperations is fully integrated with the Wallstreet database, all trades and other activity can be displayed to the customer over the internet – no matter where the trade was booked. Other specialized web trading systems only show trades that were executed within that particular venue – and thus, the customer will not get a full picture of their total activity with the bank.

## MARK-TO-MARKET VALUATION AND CUSTOMER REPORTING

Wallstreet eOperations will display mark-to-market P&L information as well as accrued interest (where appropriate) for trades. Bank customers can see all this online at any time, for any date in the past. Other systems may offer similar functionality, but most require banks to create special reports in order to distribute this information to their customers, taking time and effort.

## TRADE SETTLEMENT

Trades need to be settled once they're executed. For some trades (including FX forwards), settlement information is not known at the time of execution. In the past, banks and their customers would have to agree to the settlement instructions over the phone, and the bank's back office employee would type this information into a system. With Wallstreet eOperations, the customer can now go online and easily select predefined instructions or even enter new information. The process is much more efficient and cost-effective for all parties. As settlement information is entered, the trade flows through the Wallstreet FX workflow monitors, just as if the bank employee was doing this. All trades – no matter where they may have originated – can now be settled over the web with Wallstreet eOperations.

## SETTLEMENT APPROVAL

Because of Sarbanes-Oxley and other regulatory requirements, customers now demand maker/checker capabilities when settling trades. Wallstreet eOperations provides these maker/checker capabilities and allows for easy trade authorization – with all approval activity monitored and logged within Wallstreet FX.

## PAYMENT NETTING

For trades that are settling on the same day, Wallstreet eOperations has extended our existing payment netting capabilities so that customers can choose which trades to net and process the netted settlement – all available in a web-based process. Without this functionality, banks and their customers waste time and money by using email, fax or phone to satisfy their payment netting requirements.

## PAYMENT SPLITTING

Trades can now be split into multiple settlements over different accounts using eOperations functionality – web-enabled and fully integrated with Wallstreet FX.



Split payment screen

## TRADE CONFIRMATION

Customers can now confirm trades over the web. This functionality allows customers to view the official trade confirmation and either approve or reject the trade. Wallstreet eOperations is fully integrated with the confirmation matching capabilities contained in Wallstreet FX, thereby eliminating the need to manually confirm these trades either via email or over the phone. The process is fully logged and monitored within Wallstreet FX; banks now get a holistic, complete picture, in real-time, of all trading activity with the customer. Similarly, customers get an easily accessible, understandable, real-time presentation of all of their trading activity with the bank. Additionally, they are provided with the necessary trade administration tools to minimize the pain associated with confirming and settling trades.

## MAINTENANCE OF PAYMENT INSTRUCTIONS

Customers can maintain their own payment instructions over the web. This functionality is totally integrated with Wallstreet FX, thereby eliminating duplicate data input. Appropriate controls and approval processes are built into the software to ensure that instructions are accurately captured and reviewed prior to being activated.

## BUSINESS CHALLENGE

## WALLSTREET FX SOLUTION

### IMPROVE POST-TRADE EFFICIENCY

- ▶▶ Wallstreet FX eOperations is a web-based integrated system that helps banks and their customers better manage trades post-execution.

For banks, eOperations functionality allows for some of the non-STP efforts involved in back office processing to be shifted online to the customer. This shift reduces the bank's resource requirements, improves their post-trade efficiency, and increases their STP rate.

For customers, eOperations functionality provides online access to many important post-trade processes. These web-based tools boost transparency, increase internal controls and improve post-trade efficiency for your customers.

### PROVIDE CUSTOMER TOOLS

- ▶▶ Wallstreet FX eOperations functionality provides a number of different web-based tools for your customers to manage their trades post-execution:

- Customers have online access to mark to market P&L figures which results in greater data transparency.
- Customers have access to trade confirmations for all deals executed with the bank. Trades can be confirmed online resulting in greater internal control and visibility along with improved efficiency of the confirmation matching process. Additional benefits can be derived by linking the web confirmation matching process to Wallstreet FX – the core back office processing system – enabling automatic updates on trade status and the movement of the trade for settlement or exception processing as required.
- Customers have the ability to assign settlement instructions to all deals. Online tools allow for the selection of predefined settlement instructions or new instructions for all trades. Historically, settlement instructions were agreed over the phone, but as frequently occurs with some trades such as FX forwards, the instructions may not be known at the time of trade execution. Allowing customers to assign settlement instructions over the web for these types of trades eliminates the need for the manual intervention and updates.
- Customers have the ability to control payment netting and trade splitting. This online functionality gives customers better control over this time consuming process.



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