KONDOR+
STRAIGHT THROUGH PROCESSING
ONE PRODUCT, ONE DATABASE, ONE WORKFLOW:
INCREASING EFFICIENCY AND REDUCING COSTS FROM
THE FRONT TO THE BACK OFFICE
KONDOR+
INTEGRATING THE TRADE LIFECYCLE

PRE-TRADE
- Pricing
- Structuring
- Solving

DEAL
- Vanilla to exotics to structured products
- Analysis
- Position keeping

REPORTING
- Risk
- P&L
- Cash flow

CONFIRMATION
- Configuration matching
- SWIFT messaging

PAYMENT & SETTLEMENT
- Industry standards
- Risk management & compliance
- Integration with reconciliation engine

ACCOUNTING
- IFRS and IAS
- Multiple charts of accounts
- Reporting
- Hedge accounting

FRONT OFFICE

MIDDLE OFFICE

BACK OFFICE

OUTSTANDING CROSS-ASSET EXTENSIBILITY

HIGH PERFORMANCE STP

USER-CUSTOMIZABLE WORKFLOWS

LOWER COST PER TRADE
A CHANGING FINANCIAL LANDSCAPE: WHAT ARE THE CHALLENGES

Cost per trade is king
With declining revenues and profits, banks are using integrated front-to-back office systems to reduce their costs and improve operational efficiency. With increases in volume, there is a real focus on ‘cost per trade’ and reducing the number of manual interventions.

Balancing complexity with volume
Banks are seeking a new balance between complex high-margin products and low-margin ‘flow’ products. To grow revenues, financial organizations are refreshing treasury systems to cope with increased volumes while examining the best way to support current and future strategies for simple and complex structured products.

Speed matters
Rapid market changes present great opportunities for banks agile enough to develop and deliver new products across any asset class or instrument in days, rather than weeks or months. This ability to adapt to market changes quickly demands an extensible, cross-asset platform which can provide seamless front-to-back coverage, while allowing new products to be developed quickly without coding and which will ensure that new products are immediately integrated into the whole system, from trade capture through to validation, settlement, messaging, accounting, and netting.

Less risk and fewer errors
The tension between the front office’s demand for innovation and the back office’s need to automate processes can be balanced by ensuring that all products are supported by automatic front-to-back integration. This means no spreadsheets are needed, even for the most complex products. So while the complexity of the products will vary, from credit derivatives to simple treasury, the processes to support them are the same. This standardized structure results in fewer exceptions and also means that trading, market and reference data is consistent, reducing operational risk and improving reporting.

The regulatory painkiller
Greater regulation is fundamental to the new financial world, with regulations such as IFRS and IAS39 changing frequently and regulatory adherence varying between regions and countries. Banks’ trade processing platforms should support these changes and regional variations without significant extra work or disruption to their day-to-day trading processes. These include the ability to implement different accounting schemes for IAS39, support for revaluations, amortized cost calculations for bonds, mark-to-market for derivatives, and proving the effectiveness of hedge accounting.

HIGHER TRADING VOLUMES INCREASE THE NEED FOR BACK-OFFICE INTEGRATION
High-performance STP
Kondor+ provides comprehensive real-time STP across all asset classes, from vanillas to exotics and structured hybrids. It offers the latest advances in computing technology delivering unrivalled performance advantages.

Furthermore, Kondor+ drives data consistency across the organization by enabling the front and back offices to share the same financial libraries, such as reference, trade and market data.

User-defined workflow
The back-office module of Kondor+ is based on an event-driven architecture, from deal validation to accounting, which allows back-office systems to be easily configured to fit front-office events. This offers unparalleled flexibility in defining any STP workflow. Specifically, exceptions are virtually eliminated with automation, as they can be identified early in the trade lifecycle before they become costly errors.

While the back-office module of Kondor+ offers a ‘model’ configuration on initial set-up, it has comprehensive, customizable tools to define processes and replicate the workflows of any organization within the system, including extended validation rules and settlement procedures. This user-defined workflow streamlines back-office activities, leading to fewer failures, lower risks and significantly reducing costs per transaction.

Kondor+ benefits at a glance
• Reduce overhead
  STP makes manual processes the exception

• Maximize windows of opportunity
  Quick cross-asset extensibility including structured products

• Expandable high performance
  Ability to handle peak volumes in a full STP environment

• User-defined workflow
  Replicate the workflow of any organization within the system

• Rapid implementation
  Kondor+ projects deliver almost immediate competitive advantage

• Regulatory compliance
  ‘Out of the box’ compliance with IFRS and IAS39

• Simplicity
  No coding, even for structured products
Get to market faster
Time-to-market for technology implementations is critical, particularly for systems to support complex instruments such as structured products. Kondor+ projects minimize the implementation window, resulting in lower costs and faster competitive advantage. Misys team of certified consultants will work with our customers to ensure that they get access to our award-winning technology faster.

Kondor+ is delivered as a pre-packaged configuration which includes generic charts of accounts, standard accounting workflows, standard settlements for all asset classes, ISDA confirmations, SWIFT messages and revaluations. In addition to accelerating the initial implementation, the generic framework allows customers to benefit from our broad experience as well as industry best practice.

Increase effectiveness – intuitive usability
Kondor+ offers outstanding usability on two levels. First, the interface is intuitive and easy to use and lets users optimize their desktop environments and workflows to match their preferred ways of working. Second, Kondor+ enables non-technical staff to easily customize the original pre-packaged configuration to suit their own requirements without the need for specialist developers.

A lighter regulatory touch
Kondor+ removes much of the administrative burden of managing the varying regulatory requirements of different regions and countries. As standard, it includes all the tools and processes needed to comply with the regulatory requirements relating to the initial recognition, classification, subsequent measurement of financial instruments and reporting.

It allows the implementation of both IAS39 and local accounting charts and schemas, and includes a comprehensive hedge accounting module for both prospective and retrospective testing. Support for IFRS implementations includes IAS39 classifications (such as held-to-maturity, available-for-sale and trading), fair value and amortized cost-processing reporting.

SWIFT messaging is embedded in Kondor+ to provide automated support for inbound and outbound messages. Standard mappings of settlements and confirmations messages deliver ‘plug and play’ configuration. Real-time matching is provided and automatic message validation increases efficiency, reduces costs and improves the institution’s market reliability.

KONDOR+ IS VERY FAST TO IMPLEMENT, DELIVERING ALMOST-IMMEDIATE COMPETITIVE ADVANTAGE
MISYS RECENT MARKET RECOGNITION

NUMBER ONE TRADING SYSTEM TECHNOLOGY PROVIDER

RISK TECHNOLOGY RANKINGS 2011

Number One Overall Trading System
Number One Trading System – Equities
Number One Trading System – Foreign exchange
Number One Trading System – Interest rates
Number One Derivatives pricing and risk analytics – Equities
Number One Derivatives pricing and risk analytics – Interest rates
Number One Support services – Implementation efficiency

STRUCTURED PRODUCTS TECHNOLOGY RANKINGS 2012

Number One Trading System – Credit
Number One Trading System – Cross Asset
Number One Trading System – Foreign Exchange
Number One Trading System – Rates
Number One Risk Management – Collateral Management

NUMBER ONE RISK MANAGEMENT TECHNOLOGY PROVIDER

ASIA RISK TECHNOLOGY RANKINGS 2011

Number One Overall Risk Management
Number One Trading System – Equities
Number One Trading System – Foreign exchange
Number One Trading System – Interest rates
Number One Derivatives pricing and risk analytics – Equities
Number One Derivatives pricing and risk analytics – Interest rates
Number One Derivatives pricing and risk analytics – Hybrids
Number One Support services – Implementation efficiency

BEST TRADING PLATFORM BACK OFFICE

ASIAN BANKER TECHNOLOGY AWARDS

LEADING SINGLE TECHNOLOGY PLATFORM – PORTFOLIO, TRADING AND RISK MANAGEMENT

HEDGE FUND JOURNAL AWARDS 2011

BEST RISK MANAGEMENT INITIATIVE

ASIA ASSET MANAGEMENT AWARDS

ABOUT MISYS

Misys is at the forefront of the financial software industry, providing the broadest portfolio of banking, treasury, trading and risk solutions available on the market. With 1,800 customers in 120 countries our team of domain experts and partners have an unparalleled ability to address industry requirements at both a global and local level.

Misys was formed by the merger of Misys with Turaz, which includes the award-winning Kondor+ product line. Combined they are able to address all customer requirements across both the banking and trading book businesses. Misys is the trusted partner that financial services organisations turn to for help solving their most complex problems.

Find out more at www.misys.com

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