

## Collateral management product of the year: Smartstream

Asia Risk Technology Awards 2020



Jason Ang, Smartstream

Smartstream has been a leading solutions vendor for more than 20 years, supporting upwards of 70 firms that range from large, Tier 1 sell-side firms to smaller, buy-side firms. The firm is a proven leader in collateral management and the Asia Risk Award for collateral management product of the year recognises both its years of expertise in this space and its innovative solutions.

Collateral management is really at the heart of an organisation's operations and Smartstream's solution helps to meet the needs of receiving and sending data to both upstream and downstream systems within a bank's infrastructure.

On the announcement of this award, *Asia Risk* spoke with Jason Ang, global programme manager at Smartstream, to discuss what makes the firm and its product unique.

"When it comes to this product, we have about 20 years' worth of experience in development," he says. "In terms of that experience, what we have is not only a very solid, high-quality code base, but we also have a lot of people who have dedicated their lives to this type of work. A lot of it is around the intellectual capital as well as the support and expertise that we can bring in, in terms of our people."

Smartstream's TLM Collateral Management solution is a response to the market demand for a comprehensive collateral management product for firms of all sizes, with a focus on accessibility and scalability.

With the goal of ensuring future scalability, system performance is tested weekly to over two-times current peak volumes. Ang says: "Our clients have a lot of confidence in our ability to scale, to grow with the market, to handle these types of volumes, and also to handle the complexity and regulations, in ways that are continuously updated by an experienced crew."

One *Asia Risk Award* judge similarly said that Smartstream was ahead of the curve in the way in which it "put a very focused lens on customer needs to be able to meet industry requirements, and catered for not only big Tier-1 firms but also the smaller firms in scope. The TLM Collateral Management system is flexible and [it is] easy to build scale and handle large volumes."

TLM Collateral Management is at the forefront of regulations and industry requirements and it works together with clients and industry bodies to bring in their own expertise with the regulatory functionality. Ang notes that "while there are regulations that come up, there can also be different interpretations for those regulations, and so having a consensus of a large body of clients as to how to implement those regulations and to create a system to do this is very important."

Part of what makes the solution unique is that Smartstream doesn't co-mingle its data – and this makes it especially relevant for the Asian markets. Ang explains how "for our hosted environment, we do not co-mingle client data, which means data from one client resides exclusively within their own database. This is especially important for some of the jurisdictions, especially in Asia that really don't want any co-mingling of client data, but still want to take advantage of cloud hosting".

Smartstream has been busy over the past 12 months, rolling out technical updates, new regulatory functionality, and a design overhaul to introduce its new browser-based user interface for the core application, all of which help the efficiency of the daily tasks for the margin analysts it serves.

Despite the Covid-19 pandemic, which has impacted organisations around the globe, Smartstream's solutions have been able to provide seamless support and manage the ever-growing volumes of transactions they've seen. As one *Asia Risk Award* judge noted, Smartstream's "support and reliability are key areas in which they differentiate from other vendors".

This customer-oriented approach is bolstered by its long-serving support staff, depth of solution functionality, reliable code, proven scalability and flexible deployment.

Specifically addressing security and data concerns from clients, Ang says that "the cost reduction of the cloud is really a compelling factor for our clients, but they want to make sure that there's security, that their data is safe, and that there is interoperability between their systems as well."

Automation is particularly valuable for smaller firms that have fewer resources and need to be able to process large-scale data in a cost-effective way.

Moving forward, Smartstream plans to continue to grow their global reach and comprehensive regulatory coverage through their offerings. Ang notes that they will continue working on the speed of upgrades and lowering the cost of upgrades.

“Once you know what regulations have come in and how your clients want them implemented, the next step is the speed of implementation,” he says. “We want to be able to quickly bring our clients up to the latest version at low cost and low risk. We do so by having high quality code, share our testing as a service to our clients, and creating robust Public APIs as an example of the many other ways we help our clients execute their upgrades.”