

# AFTAs 2023: Most innovative third-party technology vendor (data, data services & data management)— SmartStream Technologies

Project: Reference Data Utility (RDU)

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## Overview

Cross-referencing the symbology of securities is an everyday exercise for financial institutions, although it is often manually intensive and error-prone. In response, SmartStream Reference Data Utility (RDU) developed a symbology cross-referencing function providing an alternative to manual mapping. The service works by connecting and linking symbols used by vendors, exchanges, etc. It creates, in effect, a common language between symbols, acting as a translator between previously non-communicating platforms.

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“ Nasdaq joined the SmartStream RDU, which provides a hub for systematic internalizers (SIs) to register financial instruments in a centralized database through their Approved Publication Arrangement. One of the key ambitions of Mifid II is to promote transparency and investor protection. The ability to provide markets with accurate and complete data, regardless of trading type, is an important component in this ambition, and one that Nasdaq is happy to support by joining the SI Registry.”

Fredrik Ekström, vice president and head of Nordic fixed income, Nasdaq

## Surfacing innovation

SmartStream developed the symbology cross-referencing capability allowing anyone to look up a Refinitiv Instrument Code (RIC) and obtain a financial instrument global identifier. The service works by connecting and linking symbols used by vendors, exchanges, etc., connecting the front, middle, and back offices by marrying the various symbology mappings, similar to the structure within a bank and acting as a translator between previously non-communicating platforms. Underpinning this capability is the SmartStream RDU, which collects and processes vast quantities of detailed information on listed derivatives, equities, and fixed income, from sources across the globe.

## Examples of innovation

By offering full cross-referencing of exchange symbology and industry identifiers, the SmartStream RDU delivers a set of symbology data that can be integrated with trading platforms, pricing fees, and risk management systems, etc. Critically, the data is delivered at the start of the trading day. Additionally, the SmartStream RDU's managed service can be used as something of a risk management tool, enabling users to understand how the instruments they hold are connected, allowing them to assess the cascade effect if and when market anomalies/uncertainties occur.

## The future

One of SmartStream's goals for the cross-referencing service is to add links that can tie an ESG score to a Legal Entity Identifier, allowing users to assess which securities may be liable to become stranded assets.

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**“ The RDU collects vast quantities of highly detailed information on listed derivatives, equities, and fixed income, from sources across the globe. It is a neutral party and a utility from which all users benefit. The RDU cross-referencing service is straightforward for users to tap into and, importantly, enables firms to use their human capital**

**more intelligently. We deliver a robust set of symbology data that can be integrated easily with trading platforms, pricing fees, risk management systems and so forth.”**

**Linda Coffman, EVP, SmartStream Technologies**

## **Why they won**

Some things never change. This year's AFTAs sees yet another win for SmartStream, thanks to its outstanding Reference Data Utility, which won this category in last year's awards. Its most recent win comes on the back of the RDU's success in the best reference data managed service category in this year's Waters Rankings. If ever there was a product worthy of the “perennial winner” appellation, it is SmartStream's RDU. Any initiative that reduces manually intensive tasks (and consequently, errors) is a good thing. Not only does SmartStream's symbology cross-referencing function improve efficiency, accuracy, and throughput, but it allows firms to redeploy staff to higher value tasks, leaving all the donkey work to the RDU.