

SmartStream Adds AI to Reconciliation Platform

6 April 2021



UK-based SmartStream Technologies has launched TLM Aurora Universal Data Control, an AI-enabled platform for managing the complex data underpinning firms' reconciliations activities.

TLM Aurora UDC builds on the technology used for SmartStream's Air, its next-generation AI solution for reconciliation processing, version 2 of which was officially launched in October last year. Air introduces advanced AI concepts like observational learning to the reconciliations and exceptions management process, helping firms meet their regulatory transaction and trade reporting requirements.

TLM Aurora UDC handles the full range of data from basic to complex matching, using AI, machine learning and cloud-native technologies. The launch is significant for SmartStream as it marks the first step in the company's rollout of a completely re-engineered backbone, built around a microservices framework and event-driven processing.

According to Roland Brandli, strategic product manager at SmartStream, “This is an exciting proposition, because we’ve been doing a lot of development work over the last 12 months, and TLM Aurora UDC encapsulates everything that we’ve been developing. We’re moving to a completely cloud-based microservice architecture, which gives a number of advantages. Clients can deploy it on public, private or hybrid cloud, it’s scalable and it also offers flexibility.”

With banks under pressure to modify their core systems due to wide adoption by regulators of the ISO 20022 messaging standard, TLM Aurora UDC accommodates industry demands by providing a comprehensive solution that goes above and beyond basic reconciliations, Brandli says.

“It’s based on open architecture and adaptable to all banking requirements, without the need to reengineer any operational processes,” he says. “And it’s not dependent on a database. Real-time databases are notoriously bad at scaling, whereas our streaming platform and event bus is specifically designed to scale.”

The event bus, which is built around Apache’s Kafka event streaming platform, is an important factor when performing reconciliations at scale, says Brandli. “The data becomes active and drives the process. Using a streaming platform is also much more flexible, as the data model is not as rigid as it would be in a database.”

Another important element of TLM Aurora UDC is its AI capabilities, says Brandli. “One of the biggest problems that banks face is what happens when data changes. The AI can help because it automatically adjusts the data by learning from what people are doing and mimicking those patterns. By monitoring, controlling and adapting processes, and by building new processes, resources can be freed up.”

TLM Aurora Universal Data Control is designed to be adaptable to any new data requirements, connecting to different types of data to provide full reconciliation and exception management capabilities, and can be consumed via the cloud or deployed on-premise or as a managed service.