Icon News - Spring 2019

Linedata Exchange
ASIA - **EUROPE** - NORTH AMERICA

SEA CONTAINERS, LONDON
4th June 2019

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Whitepaper
Setting out the Business Case for AI and Machine Learning Adoption

WatersTechnology & Linedata Whitepaper collaboration

In March 2019, Linedata collaborated with WatersTechnology to uncover business functions within investment management that are either already using AI and machine learning or where firms believe they will benefit from its implementation.

Download the full report here.

Linedata's Global Asset Management Report 2019: The Challenge of Data and Digitization

Asset Management Survey 2019 - Results out now!

For the 9th consecutive year, we've asked global asset managers what challenges them most, how they are adapting to cloud and digitization, where they're spending, and the trends that are driving the global asset management industry in 2019.

Download the full report here.

Fund Technology and WSL Awards 2019
Winner
Best Technology Provider - Overall

Win acknowledges platform's agility, scalability and performance!

Read the full press release here

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Breaking: Web Icon is now available!

▶ Live Web Icon

The first phase of Web Icon, delivering the operational screens required for Optima Workflows, is now live! Further phases are scheduled in future releases (see pg 5).

▶ Live Transaction type derivation

Icon can now automatically derive the default value of the Transaction type in Icon Trade transactions, based on the attributes of the transaction, including the attributes of the Asset for which the transaction is being added.

This new feature stems from the regulatory requirement of IFRS9, where the accounting treatment of the asset, namely capitalisation of expenses, depends on its IFRS9 category.

Please see CR P00028918 for further details

▶ Live Rules based pricing

Advanced pricing rules may be created for flexible price selection in portfolio valuation.

This allows for anything from a simple hierarchy of data vendors; to more complex rule-sets affecting the selection of data vendor, price source, price description and price time, based on any database fields.

Pricing definitions, consisting of multiple rules, can be defined and attached to multiple Icon Portfolios.

The pricing rules and definitions are user definable and constructed using PL/SQL.

Please contact the Icon Customer Support or Consultancy teams if you require any help with creating the PL/SQL Pricing Definitions.
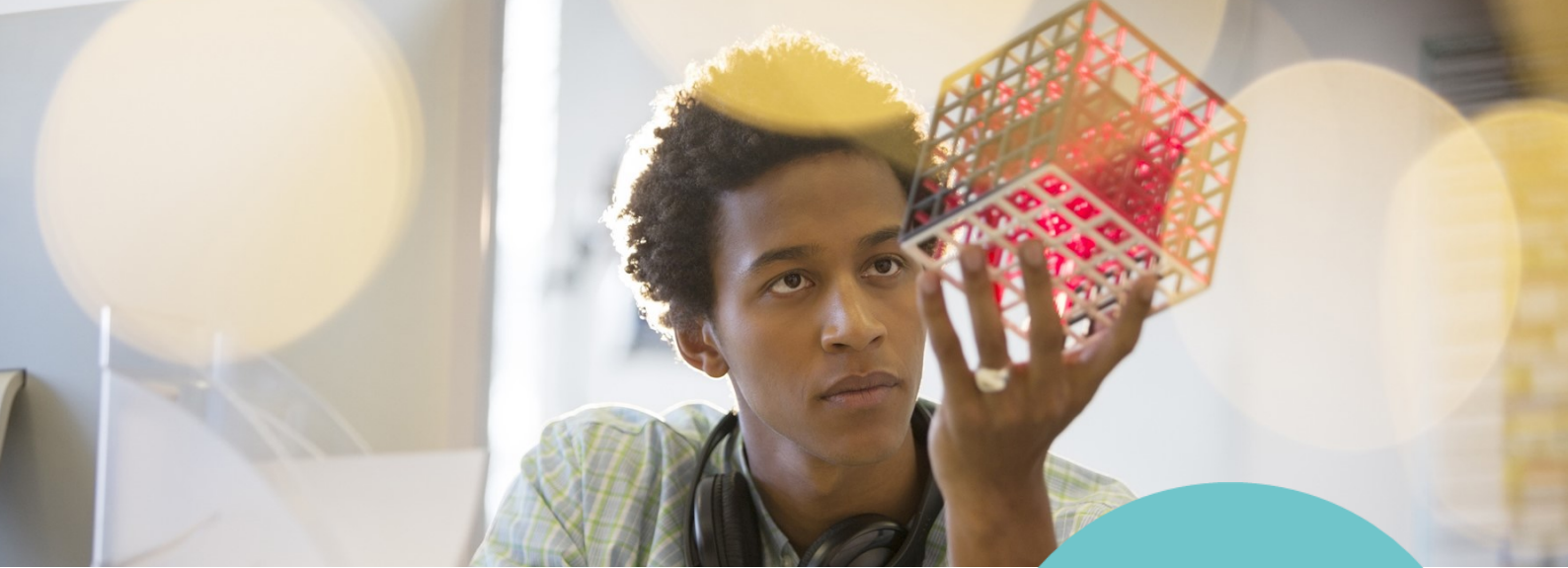
Please see CR I00000583 for further details.

▶ Live Ops in closed periods

An operator with specific rights is now able to perform operations on transactions in a closed accounting period.

The main benefit of this functionality is that re-opening of closed accounting periods is no longer required. Re-opening of accounting periods carries a risk of unwanted transactions being entered into the database by other operators/processes. When any amendments to transactions that should have been performed before the period was closed, are needed, a special operator can perform these without the need to re-open the closed period.

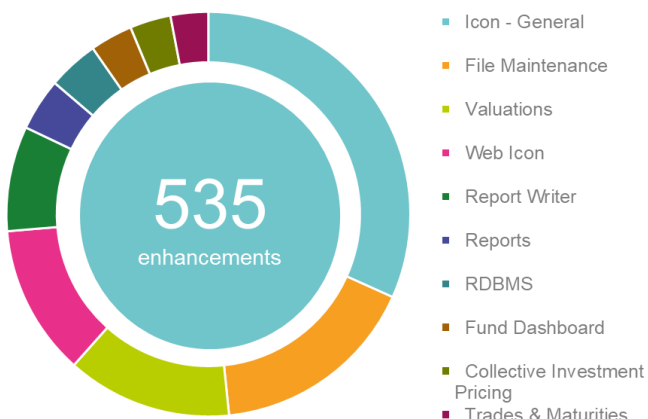Please see CR I00000584 for further details

Vision: Fund Admin Hub

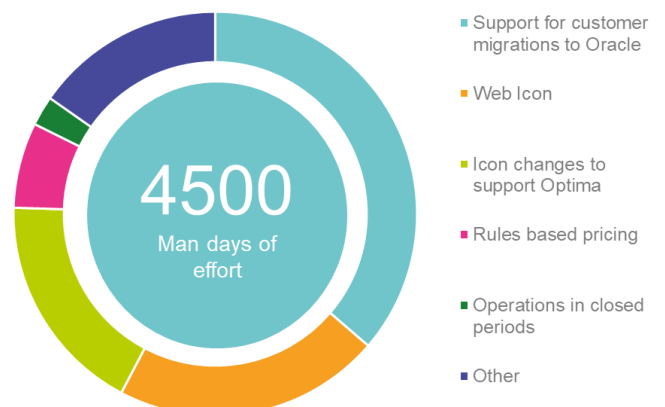A single, modern platform to drive efficiency and growth

Strategy

- Optima becomes single modular platform for fund admin applications

- Support client migrations onto scaleable architecture leveraging Oracle relational database

- Leverage web technology to present a modern user interface with user centric design and experience

- Continue to build out core accounting functionality, including enhancing instrument handling

- Maximise efficiencies through automation, exception management and workflow

- Improve reporting functionality, presentation and distribution

- Increase speed to market by building minimum viable modules and iterating using customer feedback; and adopting DevOps tools and practices for continuous integration and deployment

Mar / Sep
Semi-annual releases *

Top 10 Areas Updated in Icon 7.0

535
enhancements

- Icon - General
- File Maintenance
- Valuations
- Web Icon
- Report Writer
- Reports
- RDBMS
- Fund Dashboard
- Collective Investment Pricing
- Trades & Maturities

Icon 7.0 Key Projects

4500
Man days of effort

- Support for customer migrations to Oracle
- Web Icon
- Icon changes to support Optima
- Rules based pricing
- Operations in closed periods
- Other

*The increase in release frequency does not affect the Icon version support available which currently last for 3 years from release date. Dates may be adjusted to fit the size of the release. Optima releases will be more frequent.

Icon Roadmap

Mar 2020

Continued support for clients migrating to Oracle

Improved instrument handling for assets with intra-period coupon rate changes, eg Bank debt, FRN, SONIA Bonds / Swaps

Further integration of Icon with Optima, including database changes required to improve exception handling and exception event audit trail, as well as the introduction of SFTP control for import / export

Encryption - enhanced to latest industry standards

Web Icon phase ii - standalone module in Optima

Derivation of valuation methods - further automation for funds subject to IFRS9

Sept 2020

Granular accounting - greater flexibility over account postings

Dedicated Credit Default Swap functionality

Web Icon phase iii - GUI redesigns (ii) - user experience optimised screen by screen

Further integration and enhancements for Optima

Continued support for clients migrating to Oracle

Check out the latest roadmaps on MyLinedata.com

Icon

Optima

Hot Topics

Sonia Bonds - A New Asset

We have started to see SONIA based assets appearing in portfolios administered on Icon. The Bank of England and other regulators are aiming to phase out LIBOR by the end of 2021 so we anticipate exposure increasing as we get nearer this date. Here is a brief explanation of the new coupon structure and the impact on Icon.

The new bond references the reformed SONIA benchmark, which references a broader range of transactions than the previous rate. A notable characteristic of these bonds is that the rate is not known in advance for a payment period, but is a geometric average of observed overnight rates. At present, this means data providers may be providing regular changes in fixing records.

We are working with data vendors to bring the appropriate data into Icon, with accrual and income calculations to be based on this new method.

Regulatory Outlook

Looking at the FCA and PRA business plans for 2019/2020, financial regulation in the UK is moving from a period of legislative change and implementation, to one of evaluation.

Operational resilience remains a key focus for both the regulators. One key area of interest will be cybersecurity and the use of cloud-based infrastructure.

The PRA will also begin to evaluate the effectiveness of SM&CR regime and will continue to focus on governance arrangements and accountability – the record-keeping and full and transparent audit trails provided by technology products will be fundamental to demonstrating compliance with SM&CR, which is being rolled out to all FCA regulated firms on 9 Dec 2019.

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Breaking: Optima 2.0 is now live!

Key Benefits

Create capacity for growth
By digitizing processes and controls, and leveraging technology to alert you to exceptions at the appropriate time, you can gain meaningful efficiencies so that you can administer more funds per person.

Speed to market
Typical Robotic Process Automation (RPA) solutions can take 6-8 weeks to implement. With the integrated IconBot, you can reduce that to hours or minutes.

Risk reduction
By digitizing processes and controls, it minimizes the risk of errors and omissions. Optima workflows guarantee consistency of execution.

Transparency
Get real time insights into your operation, so you can track progress and anticipate issues in advance. Accurately monitor KPI and KRI at a glance.

Auditability
Changes are date, time and operator stamped so you know exactly who did what and when. Attach evidence to exception verification with multiple levels of sign-off.

Process improvement
Track metrics over time to identify trends and improve processes to further increase efficiency.

Paperless office
Save costs on paper, printing and storage whilst doing your bit for the environment.

Job enrichment
By freeing up staff from regular and recurring tasks, it enables them to focus on qualitative, analytical and relational aspects, improving job satisfaction and reducing staff turnover.

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Optima

For fund admin teams who want to increase capacity and reduce risk, Linedata Optima is a modular solution that gives you greater operational efficiency and control. Unlike 3rd party workflow or RPA tools (that are document based or use screen scraping technology), Optima is exception or calendar based and directly interfaces with the underlying applications, enabling automations to be built in minutes / hours rather than weeks / months.

How it works...
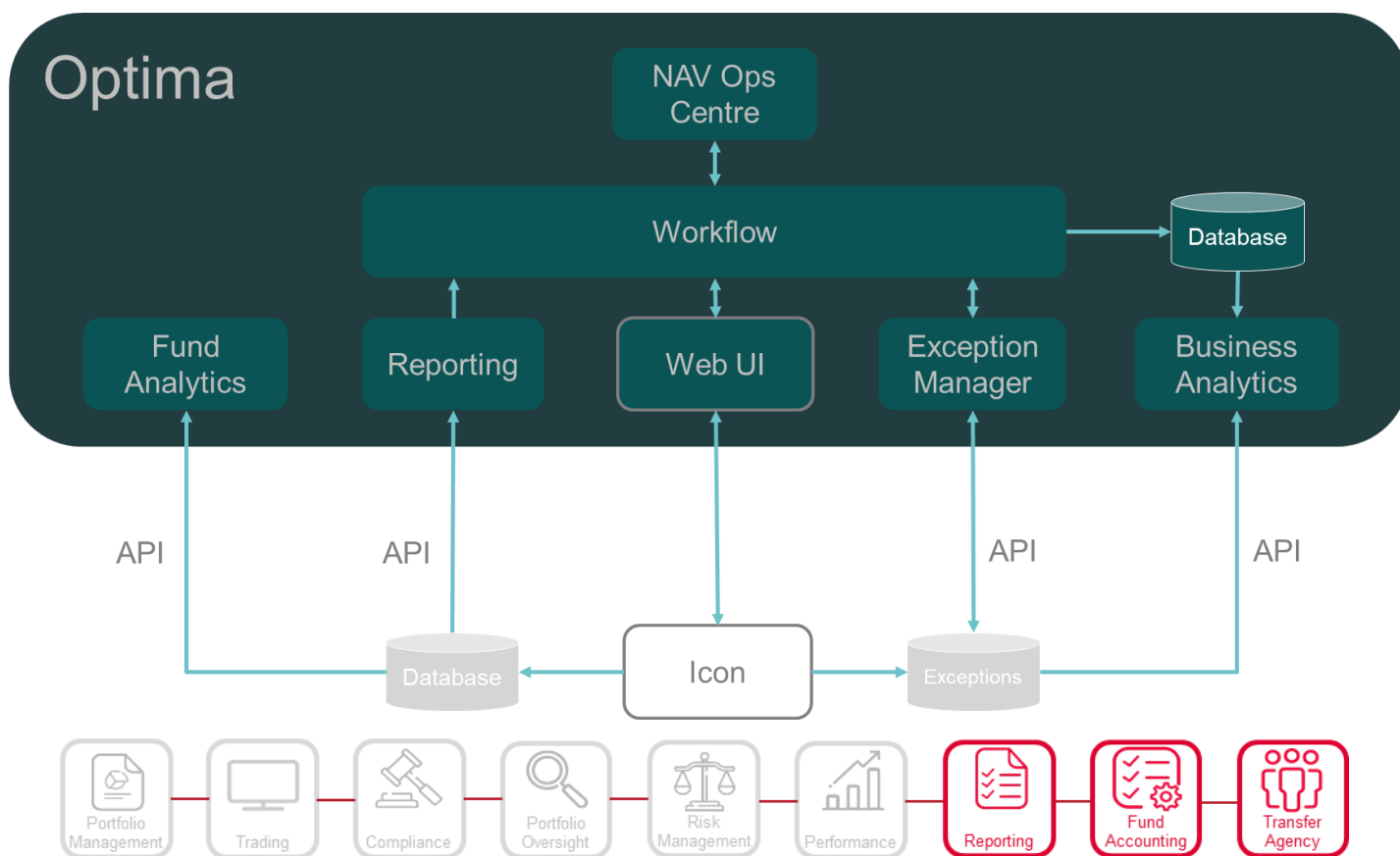
Linedata Optima **2.0** - **Workflow** *and* **Business Intelligence**

	Modules
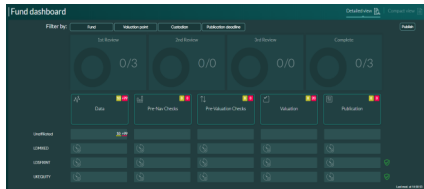
NAV Operations Centre

Use this interactive dashboard to get a high level view of your NAV production progress throughout the day, customised to each user's profile and access rights. Filter and drill down into the exception manager or workflow as required to view, verify or resolve exceptions.
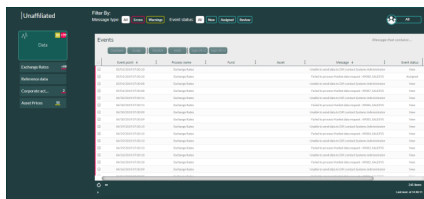
Exception Manager

Incorporate business controls in to the application, which only surfaces exceptions when action is required by the user, instead of relying on users identifying errors from reports. Automatically associate a workflow with an exception type. Attach documents to an exception for audit trail. Multiple levels of sign-off dependent on severity.
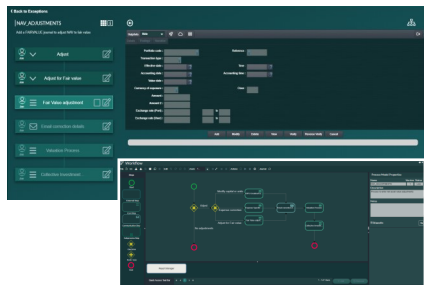
Workflow 2.0

The user experience has been completely redesigned to make it much quicker and easier to complete workflows. You can draw processes with the drag and drop designer and Optima now translates this into a checklist style workflow. Include procedure notes, manual steps, comments, email steps or invoke the underlying application. Improve collaboration between users, rebalance workload within teams, add calendar assignments to ensure tasks never get forgotten.
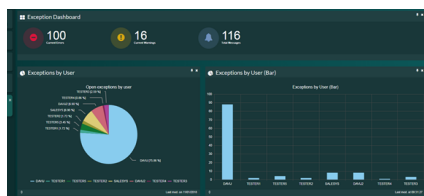
Custom Dashboards

Create real time dashboards for:
Fund intelligence - analyse portfolio data with drill-down charts and tables
Business intelligence - track key operational risk and performance metrics
Ships with a library of charts, build your own or ask us to write them for you.
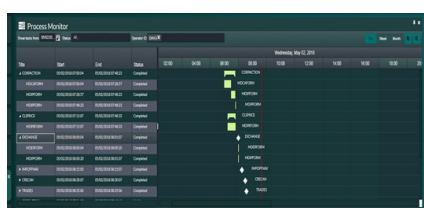
Process Monitor

View all scheduled jobs as a gantt chart and track progress at a glance. Quickly identify late running tasks to enable early intervention and remediation.

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COMING SOON…

NAV OVERSIGHT MODULE

FEATURES AND BENEFITS

Phase I

- View results by Fund / Fund Group / Rule / Rule Group

- Filter by results by status

- Drill down into exception detail

- Associate workflows or email third parties to resolve exceptions

- Verify or resolve multiple exceptions at once

- Multiple levels of sign-off depending on severity of tolerance breach

Phase II

- Intuitive Rule Manager to assign rules to funds and groups

Phase III

- Rule builder - quickly and easily design your own business control rules using the wizard to generate the code

Contact your relationship manager or Jon Trinder, Product Manager, if you would like to hear more and discuss adding any other potential features.

Results Dashboard

Exception Detail

Rule Manager

Rule Builder

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COMING SOON…

REPORTING MODULE

FEATURES AND BENEFITS

- Query building Wizard – no code solution

- Sub-reports (drill down and drill through)

- Chart & Report Library

- Pixel perfect reporting

- Selection of chart types

- White label - embed logos and own branding

- Report collation into single document

- Report scheduler

- Document workflow management

- Output as HTML, XML, PDF, DOC, CSV, XLS

- Delivery via email, file server, web portal and SFTP

Contact your relationship manager or Jon Trinder, Product Manager, if you would like to hear more and discuss adding any other potential features.

Combine data from multiple products and databases

Drag-and-drop, snap-to-grid report designer
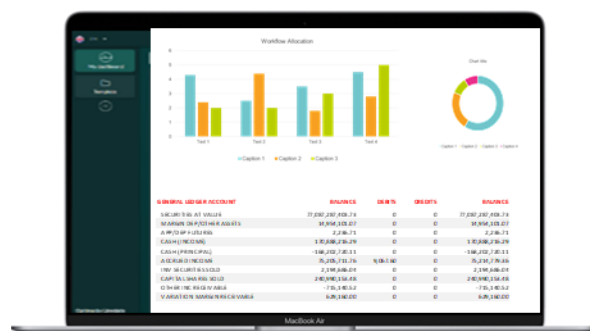
Web portal for client reporting