

GLOBAL MULTI-ASSET CLASS MANAGER REDUCES MONTHLY REPORTING TIME BY THREE DAYS WITH FACTSET

› With FactSet, a global multi-asset class investment firm cut three days each month from its reporting times, freeing up hundreds of working hours for analysts to focus on client needs.



AUM
\$70B+

FIRM TYPE
Global Multi-Asset
Class Manager

THE CHALLENGE
Disparate products at
high costs

FACTSET SOLUTION
Fixed Income Portfolio Analysis
and Multi-Asset Class Risk

A large, global management firm was challenged with handling the wide range of asset classes in its portfolios. The firm sought a consolidated analytics, attribution, performance, and risk solution to streamline reporting and improve analytics.

The Challenge

A large, global manager seeks a multi-asset class analytics platform for attribution, performance, and risk.

With a growing range of investments, a global investment management firm faced difficulties in coverage, flexibility, and visibility across the wide range of asset types in its portfolio, including a multitude of global stocks, bonds, currencies, OTC derivatives, and potential new products of interest. The firm sought a single platform that would give management the ability to combine portfolios of different asset types for a firm-wide, holistic view of risk. The team also needed to be able to adjust analytics and results based on their view of the marketplace and sought to eliminate time-intensive, manual reporting processes, especially at period-end.

The firm found it was able to not only replicate its current process but improve analytics, close gaps in security coverage, unite teams across the organization, and cut hundreds of hours from its reporting processes.

The Solution

Consolidating services led the firm to improved efficiency and performance.

The team set about finding a system that would consolidate services, eliminate manual processes, and unite the diverse groups at the firm. As a first step, FactSet's product and research specialists worked alongside the investment team to fully understand the firm's processes and needs in analytics, attribution, and risk. With full security coverage as a system requirement, the team was pleased to discover that FactSet had 99% for fixed income and derivatives coverage natively with the ability to model the remaining 1%.

Next, the team sent FactSet five representative portfolios, focusing on the asset classes and securities that had proven problematic with past systems. They specified the methodology, assumptions, and results they required and received transparency into the technology, functionality, and analytics throughout the process.

The firm's system requirements:

- Breadth of coverage and to handle all requested securities and derivatives
- Analytical models, including option pricing models and prepayment assumptions
- Attribution models, with focus on fixed income, Brinson, and balanced
- Multi-asset class risk model
- Painless implementation plan, with a dedicated support team



Impressed with the results of this sample set, the firm began loading daily holdings, calculating analytics, and running daily reports with FactSet. To ensure a smooth transition, the firm at first used FactSet in parallel with its current system over a quarter-end to ensure all reporting requirements could be replicated.

FactSet implementation specialists worked closely with the firm in a multi-phased approach over six months. The first phase included loading YTD holdings for attribution and risk reporting. Phase two included loading and validating enough history to allow for three years of reporting for compliance and RFPs. Phase three included onboarding accounts from a subsidiary so that all of the firms' accounts were on FactSet.

The Outcome

The firm recovers hundreds of hours to focus on clients.

Since implementing FactSet, the global multi-asset class firm has reduced reporting times by as much as three days each month and freed hundreds of working hours for analysts to focus on client needs. The firm has also benefited from broader security coverage and modeling on all assets, as well as more accurate, dependable analytics thanks to FactSet's portfolio remediation service. The team values their newfound ability to quickly report UCITS requirements daily and has been able to automate period-end client reporting. The firm has continued to rely on a dedicated team of FactSet specialists, who provide transparency into FactSet's product roadmap and advocate for the team's development requests. Already the firm has received custom functionality to calculate return attribution for fixed income positions using their own yield curves.