

Whitepaper: Capital Market Projects Brief



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1 Background of Anshinsoft

Anshinsoft has been implementing solutions for capital market back-office automation for the last 9 years in US, UK and Asia Pacific region. The solutions delivered include securities trading and settlement back office systems for security brokers, custodians and asset managers supporting multiple asset classes in multi-currency and multi-market setting. These solutions are based on Anshinsoft's proprietary implementation framework developed using the Java/Java EE standards. Many of these systems are running live and continue to be supported & maintained by Anshinsoft's off-shore support teams. The following list describes some of these solutions along with their functional scope and also the technology platforms used for implementation.

1.1 Miscellaneous Consulting Engagements

Apart from implementing large scale, custom developed back-office systems for broker, custodian and asset management companies, Anshinsoft also has a proven track record of executing several consulting engagements in the Capital Market domain, in areas such as requirement analysis and solution road map recommendations for broker back office operations and compliance reporting.

1.1.1 Back Office System Evaluation for VNDS, Vietnam

VNDS is one of the one of the largest brokerage houses in Vietnam, head-quartered in Hanoi. VNDS have an integrated back and front office that caters to their current requirements. However, with exponential growth of business, they wanted to assess if their existing system would be able to meet their future requirements and also to analyze their future business requirements (including the establishment of an Asset Management subsidiary) for recommending them an IT solution roadmap.

A short term study was conducted in Hanoi by a senior team from Anshinsoft, in collaboration with their management team and the users. In the evaluation report, Anshinsoft proposed a solution roadmap and a series of recommendations addressing the following areas:

- How to stabilize and enhance the existing systems and operational infrastructure to support current operational growth of the firm
- How a new integrated STP enabled back-office system will enable them to achieve the much demanded business efficiency, deal with volume growth and make them ready to support their business road-map in an increasingly complex and dynamic capital market environment in the Far East.

1.1.2 Business Process Study for Visor Capital, Kazakhstan

Visor Capital is one of the largest brokerage houses in Kazakhstan, head-quartered in Almaty. Visor Capital currently manages its entire process flow through a mostly manual process and wants to take steps towards automating their entire back office operations by implementing a system that would seamlessly handle increased trade volumes which is already becoming an area of concern.

A detailed study was conducted covering the existing business process of Visor Capital, KASE market practices and their existing systems. Accordingly a solution roadmap, along

with a comprehensive migration plan, was proposed to support the following major functional requirements of the firm going forward:

- T+0 Settlement
- Support all KASE (Only Stock Exchange in Kazakhstan) traded security types and other foreign exchanges
- Reference data including Securities, Account and Customer
- Manage post-trade lifecycle of a KASE trade
- Billing and Invoicing
- ADR/GDR Conversion
- Financing
- Corporate Action
- Overdraft
- Regulatory Reporting

1.1.3 SEBI Compliance Reporting Requirement Analysis for UBS, HK

Anshinsoft made a detailed study of the business process related to compliance reporting to SEBI (The regulator for Indian capital market) and recommended how UBS Hong Kong can overcome major constraints (manual intervention, missing client information, missing company names) and streamline the process. An onsite study was conducted with the purpose of arriving at a tactical short term solution to overcome the existing constraints.

Emphasis was given on making recommendations to modify the existing systems, in order to achieve the following objectives:

- Maximize the level of automation in the report generation process
- Identify whether more reliable alternative systems exist to capture source data
- Streamline the workflow including the exception capturing and dealing process

1.2 Reporting Solution for Goldman Sachs, NY

Anshinsoft implemented an enterprise scale, fully web-enabled reporting system for Goldman Sachs Asset Management (GSAM) to complement their risk modeling and forecasting of equity fund portfolios functions. The system was implemented using Anshinsoft's Java based reporting engine (Repro) and deployed on GSAM's proprietary Portfolio Analysis and Construction Environment (PACE) platform - their risk and return attribution system that is used to forecast risks across the spectrum of equities managed by GSAM. Some of the example reports are: Exposure Attribution, Stock Attribution Analysis, Variance Analysis, Risk Liquidity, Portfolio Exposures, etc. This environment uses different mathematical models to monitor, analyze and predict risk, such as Tracking Error, Barra, etc. The reporting system incorporates more than 50 unique reports which are generated by several hundred clients resulting in thousands of reports being generated each day. The reports are accessible over secured web portal with appropriate access control and can be generated on demand in real time or pre-generated through scheduled nightly batch processes. The system has been in production for more than five years and Anshinsoft still continues to provide

maintenance, report enhancement and technical support to GSAM using an off-shore based service model.