

Powerful solutions for margin, stock loan and debit finance management

Managing and accurately accounting for the costs associated with margin, stock borrowing and financing agreements is a major challenge for buy-side firms. Yet controlling these costs can have a significant impact on a hedge fund's bottom line.

The difficulty stems in large part from a lack of transparency into the margin and fee calculations. And it is made worse in a multi-prime environment, where gathering, managing and analyzing each prime broker's margin and financing statements becomes even more laborious. Without that transparency though, hedge funds may not realize how much incremental profitability is leaking away.

Take control of margin and financing costs

SS&C Advent's Syncova solution suite is the answer. Through the use of an automated and highly configurable calculation engine, Syncova's powerful tools enhance margin and financing management through high quality analysis, reconciliation (including integration to third-party reconciliation tools), replication, alerting, and reporting.

The result is unprecedented transparency, and improved accuracy and control over margin, financing and stock borrowing costs—knowledge that hedge funds can use to manage their counterparty relationships, minimize their margin and financing costs, and enhance their profitability.

Financing

Monitor, control and record debit financing and borrowing costs

Syncova Financing validates the accuracy of debit financing and borrowing charges by replicating the broker calculations. The system supports all calculation structures—including net and gross financing, asset-based financing, and tiered spreads—as well as any data format. All charges are then aggregated for detailed reporting, with exception reports highlighting key discrepancies and rate changes. In addition, brokers' daily reports can be imported and reconciled against predicted charges.

Attribute costs by trading strategy and/or portfolio manager

Financing costs can be allocated to positions at any level of granularity, whether by strategy, deal block or individual manager. Accruals can be fed back into the portfolio accounting system for a fully loaded P&L at the security level. This significantly improves reporting and transparency, and provides a more accurate understanding of the financing costs for each trade or strategy.

Financing key benefits

- Better manage all financing costs and stock loans across multiple counterparties.
- Validate the accuracy of debit financing and borrowing charges by replicating the broker calculations.
- Allows accurate side-by-side comparisons of broker rates.
- Shows firms whether they are paying the lowest possible financing costs and borrowing fees.

Margin

Replicate and reconcile margin charges

Syncova Margin supports the margin rules and methodologies of multiple prime brokers and OTC counterparties, enabling hedge funds to:

- Replicate and check prime broker rules and charges.
- Reconcile daily margin reports, with any calls and breaks highlighted for rapid resolution.
- Gain enhanced transparency into requirements, helping users predict and refine capital usage.

Better manage and negotiate counterparty agreements

Syncova Margin's powerful rules engine can model the margin approaches applied by multiple brokers and present them via a single screen. Hedge funds benefit from improved transparency, and the ability to analyze, manage and better negotiate their counterparty agreements. In addition, firms can quickly identify and resolve any issues with prime brokers.

Accurately attribute margin charges

Margin requirements can be assigned in various ways according to user defined attribution criteria, such as by underlying fund, manager or strategy. Generating accurate attribution reports for both margin and financing charges, including the ability to create margin trends and historical reports based on attribution, allows for improved analysis and control.

Margin key benefits

- Reduce the complexities of managing multiple prime broker margin requirements.
- Accurately consolidate and attribute margin by underlying fund, strategy or portfolio manager.
- Comprehensive reporting improves transparency and allows broker-by-broker comparisons to help reduce the risk of overcharges.

Syncova features

Automated data collection

Automate the gathering, managing and analyzing of data on margin and financing costs across multiple counterparties.

Complete, standardized view

Eliminate the need to review multiple reports in different formats from different providers.

Reduce risk of overcharges

Daily reports detail all counterparty financing accruals to ensure charges are accurate.

Accurately attribute costs to daily position P&L

Efficiently tie back financing charges and stock loan fees to positions at any level e.g. by strategy or trader.

Maintain counterparty control

Comprehensive reports enable better control, analysis and management of all counterparty agreements.

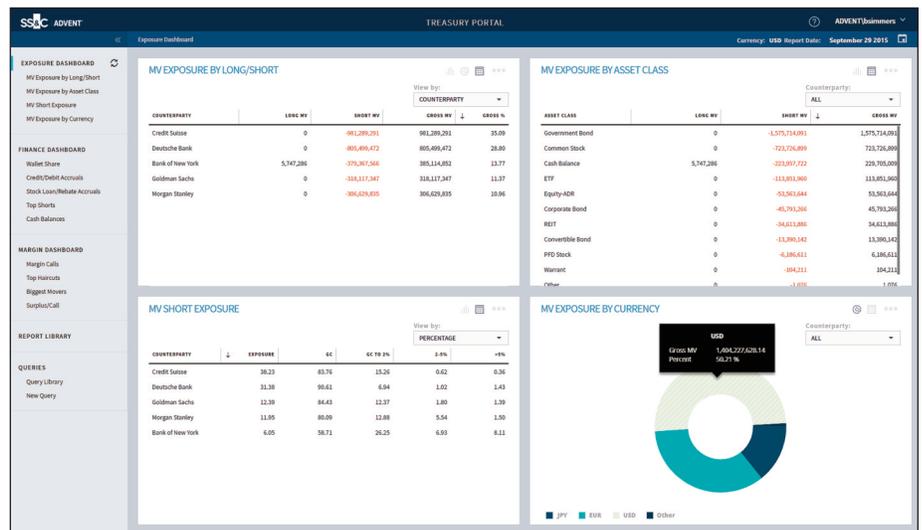
Financing reconciliation

Reduce operational risk by quickly identifying and resolving issues with prime brokers.

Anytime, anywhere access and management

Intuitive web dashboards, and the potential to integrate Syncova into your existing web portal, allow quick and easy access to comprehensive reports.

Syncova portal



Reporting

Powerful reporting capabilities deliver a variety of daily reports detailing all counterparty margin requirements and financing accruals. This ensures hedge funds have total visibility into their margin commitments and financing costs at the start of each day—including access to full cross-fund or cross-counterparty views of all key data at roll-up and granular levels—to enable enhanced control, analysis and management of all counterparty agreements.

Fingertip access with a modern web portal

Our sophisticated web portal features three dashboards (Exposure, Financing, Margin) that give users the flexibility to slice and dice their data in multiple ways, providing transparency into key fund/counterparty level activities.

Comprehensive querying capabilities

Through the portal, users can access the Syncova query builder. It is an intuitive, multi-purpose query mechanism that allows users to create reports, run ad-hoc queries, and export query results to Microsoft Excel. Queries can be saved, imported or exported, and have privacy settings applied to them.

Flexible reporting

Syncova Financing contains a rich and fully extensible data model. All data related to every calculation is stored, providing a rich source of data for operational and management reporting.

Syncova's comprehensive library of standard reports includes:

- Margin and financing summary—providing a daily overview across all counterparties
- Margin and financing daily change

- Financing attribution
- Exposure—by country, currency, sector or other custom parameters
- Borrow rate comparison
- Position level financing

Customized reports can also be easily created and added to the standard report suite to meet specific requirements.

Choice of deployment options

Depending on your business needs, firms can take advantage of the full functionality of Syncova in one of two ways:

- As an on-premise software installation in your data center.
- Securely delivered through SS&C Advent's cloud delivery model, with a dedicated support team responsible for system monitoring, maintenance and technical upgrades.

Proven service partner

With more than 4,500 clients around the world, from established global institutions to small start-up practices, SS&C Advent is a recognized technology leader in the investment management industry. We have been delivering unparalleled precision and ahead-of-the-curve solutions for more than 30 years, helping hedge funds around the world to minimize risk, grow their businesses and thrive.

Get in touch at advent@sscinc.com to learn more about how Advent Syncova can support your business goals.

