

“With Advent, we are able to support our growth, realise more operational economies of scale and efficiencies, and ensure we can offer the high level of services we want to give our clients.”

Zoltan Horvath, Systems Manager, Pareto Asset Management

Operating flexibility, scalability and robust compliance capabilities are essential in today's environment. So when leading Norwegian asset manager Pareto Asset Management decided to upgrade to a more modern technology infrastructure that could support its future development and growing regulatory responsibilities, it turned to a tried and tested partner: SS&C Advent.

APX wins out

From its early days Pareto Asset Management has relied on Advent's technology—starting with Axys® for portfolio management and reporting, and expanding the relationship with Advent's Moxy order management system and Tradex for fund order management and distribution. But when Pareto wanted a new portfolio management and reporting system, Advent Portfolio Exchange (APX) had to earn its place.

“We reviewed the products available in the market, but APX met all our criteria,” says Zoltan Horvath, Pareto Asset Management's Systems Manager. “Plus the migration was very smooth and cost efficient, which was important.”

Having a system with the functionality to support all the asset manager's security types was a primary criterion. Sophisticated client and regulatory reporting was another factor. In addition, the firm needed a platform with the flexibility to support its future development following the merger with fellow Pareto Group asset management company Pareto Nordic Investments.

Platform for expansion

Merging the two managers will boost Pareto's assets under management by approximately 10%. It will also greatly increase the number of portfolios and clients, and instrument scope and complexity.

“With Advent, we are able to support our growth, realise more operational economies of scale and efficiencies, and ensure we can offer the high level of services we want to give our clients,” says Mr. Horvath. And by leveraging APX, Pareto is “better equipped to cope with the huge increase in regulatory demands we face.”

Fast and easy reporting

Timely and comprehensive reporting capabilities are an important part of meeting those demands. The enhanced functionality within APX enables Pareto to streamline inefficient processes and build more sophisticated reports to satisfy both its regulatory obligations and client expectations. Improving the firm's ability to extract information from the database for reporting purposes, and conduct data quality checks, was another major objective.

“The system is far easier to understand and use, so training time for new users is drastically reduced,” notes Mr. Horvath. Everyday operation is also more efficient, automated and intuitive. “For example, you can navigate faster, the set up and overview of clients is simpler, and we can better track whatever we do, which helps mitigate operational risk,” he explains.

Profile

Client: Pareto Asset Management

Location: Oslo, Norway

Description: Independent asset manager, catering to large and mid-sized companies, pension schemes, foundations, trusts and high net worth individuals

AUM: U \$5.5 billion

Background

- Advent client since 1998
- Long-time user of Advent's solutions for portfolio management, trading and fund order management
- Wanted the latest technology to support business changes and future development
- Keen to improve regulatory compliance efficiencies

Solution

Advent Portfolio Exchange®, Moxy®, Rules Manager®, and Tradex®

Benefits

- Leverage a highly flexible, scalable and efficient platform to support management of mutual funds and discretionary mandates
- Enhanced client service with more responsive reporting capabilities
- Improved and simplified regulatory reporting
- Pre- and post-trade compliance ensuring portfolios remain in line with mandates

Enhanced compliance with Rules Manager

Pareto has further strengthened its compliance infrastructure with the addition of Advent Rules Manager. Used in conjunction with Moxy, it dramatically cuts the time staff spend checking trades against client and policy restrictions, reducing the risk of errors and freeing compliance teams to focus on exceptions.

"Some of our portfolios have asset allocation agreements," explains Mr. Horvath. "All the regulatory and internal checks that we need to run at different frequencies to ensure we maintain those allocation percentages are made in Rules Manager. The safety of the checks is better, and it is not so manually time-consuming. Rules Manager runs in the background and you only have to deal with the breaks. So that's a really important tool."

And because Advent Rules Manager provides a complete documented history of all the breaks in a given period, the firm can easily report on any incidents. "That's a big value add," says Mr. Horvath.

Full scale auditing

More transactions, more operating staff and increasing complexity make auditing vital. APX addresses this need with full scale auditing on all the data in the system. "By analysing the audit information we can identify potential operations improvements, as well as better support complex compliance cases," notes Mr. Horvath.

Fund order automation using Tradex

Enhanced control and efficiency of its funds order flows has been another priority for Pareto. Tradex replaces Pareto's manual procedures with a highly automated workflow, enabling the firm

to manage higher transaction volumes with less effort and greater risk control, and saving significant time when implementing new product lines.

"The system allows our teams to monitor the transaction process all the way from order collection to completion," says Mr. Horvath. "Thanks to Tradex we have a fully integrated transfer agent solution, with complete straight through processing from end client orders through to NAV calculation. That is enormously powerful."

Partnership in action

Of course, technology quality is the principal concern when working with any IT vendor. But the human side to the relationship is of enormous importance too.

Pareto's Rules Manager implementation is a case in point. "We wanted to do most of the installation ourselves, but knew we would run into problems we couldn't solve," reflects Mr. Horvath. "Advent was on standby for most of the time, and just helped us when we needed. It was great service."

The ongoing support Pareto enjoys is another winning factor. "The support Advent provides works much better than I ever experienced with other systems. They are fast, reliable and flexible. That is a major plus."

It is this combination of useful, usable and flexible technology, backed by strong, long-term relationships that has made Pareto's partnership with Advent so fruitful. "Advent is the cornerstone here. We couldn't do without them," says Mr. Horvath.

"Advent was on standby for most of the time, and just helped us when we needed. It was great service."

"Advent is the cornerstone here. We couldn't do without them."