

Profile

Firm type

1. Global online trading platform
2. 34+ years industry experience

The challenge

- > Managing complex multi-jurisdictional regulatory compliance
- > Need for scalable reconciliation automation
- > Support global expansion with robust workflows

The solution

AutoRek delivered a comprehensive reconciliation solution covering internal, external, and validation reconciliations to meet CASS 6 requirements.

The solution also includes automated reporting and exception management to support compliance and streamline CMAR processes.

The benefits

- > Fully automated regulatory compliance and reporting
- > Scalable solution supports global expansion
- > Improved cross-team collaboration and visibility
- > 90%+ reconciliation auto-match rate
- > Reduced manual effort and intervention

Case Study

Driving operational efficiency for CMC Markets in a complex regulatory landscape

Client Overview

CMC Markets is a world-leading financial services pioneer, offering a best-in-class global trading platform. It enables contracts for difference (CFDs) and spread betting on over 12,000 instruments.

Headquartered in the UK – and with offices in Singapore, Sydney, Canada and across Europe – CMC Markets boasts a portfolio of over 1 million global traders and investors and industry expertise spanning more than 34 years.



AutoRek

Challenge

CMC Markets is undertaking ambitious global expansion plans. This means increased regulatory scrutiny and the complexities of complying with requirements across multiple territories.

CMC Markets was seeking a reconciliation solution with out-of-the-box functionality, workflow capabilities, and the automation required to support its growth plans. AutoRek was selected for its templated CASS reconciliation and control solution and advanced workflow functionality.

Solution

Initially, AutoRek implemented an automated bank reconciliation solution. This was followed by a custody assets solution to help CMC Markets meet the requirements of its CASS 6 obligations. By consuming data from both internal records and external custodians, the solution performs internal asset reconciliation, external validation reconciliation and external asset reconciliation, in addition to extensive reporting of reconciled data.

Key elements of the solution included:

- ✓ **Internal asset reconciliation** - consuming and reconciling the daily client-level positions to aggregated custody-level positions.
- ✓ **External asset validation reconciliation** - consuming the trade and position statements from external custodians to provide a full view of safe custody assets. The validation process ensures that daily changes in asset positions are explained by reported trades, giving assurance of data completeness.
- ✓ **External asset reconciliation** - to compare the trades recorded internally by CMC Markets and those by external custodians. Exceptions identified are then enriched with asset prices and FX rates to enable further calculation of data for downstream reporting.
- ✓ **Reporting and management information** - for reconciled trades and positions throughout the solution. Key data repositories retain a record of all exceptions, which streamlines the month-end CMAR process.

Benefits

- 1. Simplified compliance**
As CMC Markets falls under the Financial Conduct Authority's remit, it was important for the solution to ensure compliance. With AutoRek, all regulatory reconciliation and reporting functions are fully automated. Every action performed is also logged and readily available for auditors.
- 2. Scalability to support company expansion**
Since implementation, CMC Markets had added several new bank, broker and custodian account reconciliations into their solution. The flexibility of AutoRek allows them to continue scaling operations, adding new reconciliations and data sources with ease.
- 3. Enhanced cross-team collaboration**
The in-built workflow functionality of AutoRek enables CMC Markets to connect its departments more seamlessly. During the matching process, different teams across the business are aware when items don't match and now find their resolution much simpler. The permission-controls functionality also ensures that employees operating the AutoRek environment have the necessary permissions aligned with their role.
- 4. Minimised manual intervention**
CMC Markets currently has a reconciliation auto-match rate upwards of 90%. This greatly reduces the manual work involved in completing reconciliations. Users now only need to sign off completed reconciliations or investigate the few transactions that haven't matched.

The in-built workflow functionality of AutoRek enables CMC Markets to connect its departments more seamlessly.

When accuracy counts. Be sure.

Get ready to transform your reporting processes

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