



SwapOne BuySide

SwapOne BuySide provides full swap lifecycle management and detailed cash reconciliation between buy-side firms and prime brokers

For more information on SwapOne BuySide and other IHS Markit products and services, please contact MK-SwapOneTeam@ihsmarkit.com

The negative affirmation and periodic reset process associated with portfolio swaps has resulted in operational inefficiencies for hedge funds, asset managers and fund administrators. It means cash flow discrepancies are not rectified promptly, increasing financial risks for all parties to the swap. The process of verifying a portfolio swap reset, including all underlyings with open positions, is also very labour-intensive. Without the proper tools, many buy-side firms have no choice but to accept numbers which they cannot easily verify.

SwapOne BuySide addresses the challenges of the reset process created by negative affirmation by providing a solution that is unique in the market today. It delivers full swap lifecycle management of positions across counterparties and reconciles buy-side and prime broker cash accruals at the trade level on a daily basis. This proactive exception-based affirmation solution highlights discrepancies and enables users to raise these with their prime brokers immediately.

The solution is based on IHS Markit technology that is widely used on the sellside. A SaaS delivery model, hosted securely in the cloud, is recommended. Alternatively, the software can be installed and run on site within an organization.

Operational efficiency

Buy-side firms often trade with multiple prime brokers and regularly deal with reporting differences and intricacies. SwapOne BuySide pools all information together, providing a single sign-on entry point to collectively look at all breaks at any point in time. Standardised screens and formatting simplify the process, allowing users to concentrate on issues rather than searching large volumes of different reports to establish the current situation.

Quick discrepancy resolution

The exception-based design of the solution enables users to quickly identify the origins of inconsistencies between their cash accrual numbers and those of their prime brokers. This facilitates the prompt resolution of discrepancies.

Reduced costs

SwapOne BuySide enables firms to avoid the labour and other costs associated with manually managing swap resets. It frees up middle-office and operational staff to focus on higher-value activities.

Investor confidence

By adopting an industrialised process for cash accrual reconciliation, buy-side firms reduce operational risk, benefit from increased accuracy and give investors greater confidence in the numbers they provide.

MiFID II

SwapOne BuySide can provide regulatory reporting systems with the detailed transaction information that is required under MiFID II.