

Next Generation Reference Data Management for Banking and Capital Markets

An Informatica and Cognizant Webinar

Today's Speakers



Peter Ku, *Director of Financial Services Solutions, Informatica*
pku@informatica.com



Naveen Sharma, *MDM Practice Lead, Cognizant*
Naveen.Sharma@cognizant.com



Soumya Das Gupta, *MDM BFS Practice Lead, Cognizant*
Soumya.DasGupta@cognizant.com

Agenda

❑ Informatica and Cognizant – Who are We?

❑ Financial Services Sector Overview

- ❑ Industry and Regulatory Trends
 - ❑ Technology Issues and Business Impact
-

❑ SecurityCentral

- ❑ Overview
 - ❑ Components
 - ❑ Data Model
 - ❑ Sample Screen
-

❑ Banking and Capital Markets Success Stories

Informatica (NASD: INFA)

www.informatica.com

Company Facts

- **Founded:** 1993
- **Customers:** 4,500+
 - 621 Banking and Insurance Customers
 - 10 out of the top 10 global banks
 - 8 out of the top 10 insurance providers.

Analyst Recognition

- **#1 Leader** in Gartner Magic Quadrant for Data Integration (2011)
- Leader in Gartner Magic Quadrant for Data Quality (2011)
- Leader in Gartner Magic Quadrant CDI (MDM) (2010)
- Forrester Information-as-a-Service "Leader" (2010)
- Forrester Data Quality Wave "Leader" (2010)

Solutions for Financial Services

- Enterprise Data Integration
- Data Quality Management
- Reference Data Management for Counterparty and Securities Master
- Client/Customer Master Data Management
- Data Masking for Privacy Compliance
- Data Archiving
- Low Latency Messaging
- SWIFT® Compliant Data Transformation
- And more...



Cognizant (NASDAQ: CTSH)

www.cognizant.com

A leading provider of information technology consulting, and business process outsourcing services

With more than 50 global delivery centers and over 100,000 employees, we can offer a unique onsite/offshore delivery model to customers.



- Ranked at 484 on Fortune 500 list, with \$4.59 billion in annual revenue for 2010.
- 2011 Q1 revenue rose to \$1.37 billion, up 42.9% from 2010 Q1 and 4.6% sequentially.
- Fastest Growing Tier 1 IT Services Company
- Strategy of Reinvesting back into the business
- 111,000+ associates and 710 Plus Customers
- US headquartered with proven global delivery model
- SEC and SOX Mandated Strong Corporate Governance
- Over 50 global delivery & development centers, 25 regional sales offices,
- Over 12,000 projects in 40 countries



Industry Trends and Challenges

Overview – Business Needs & Challenges

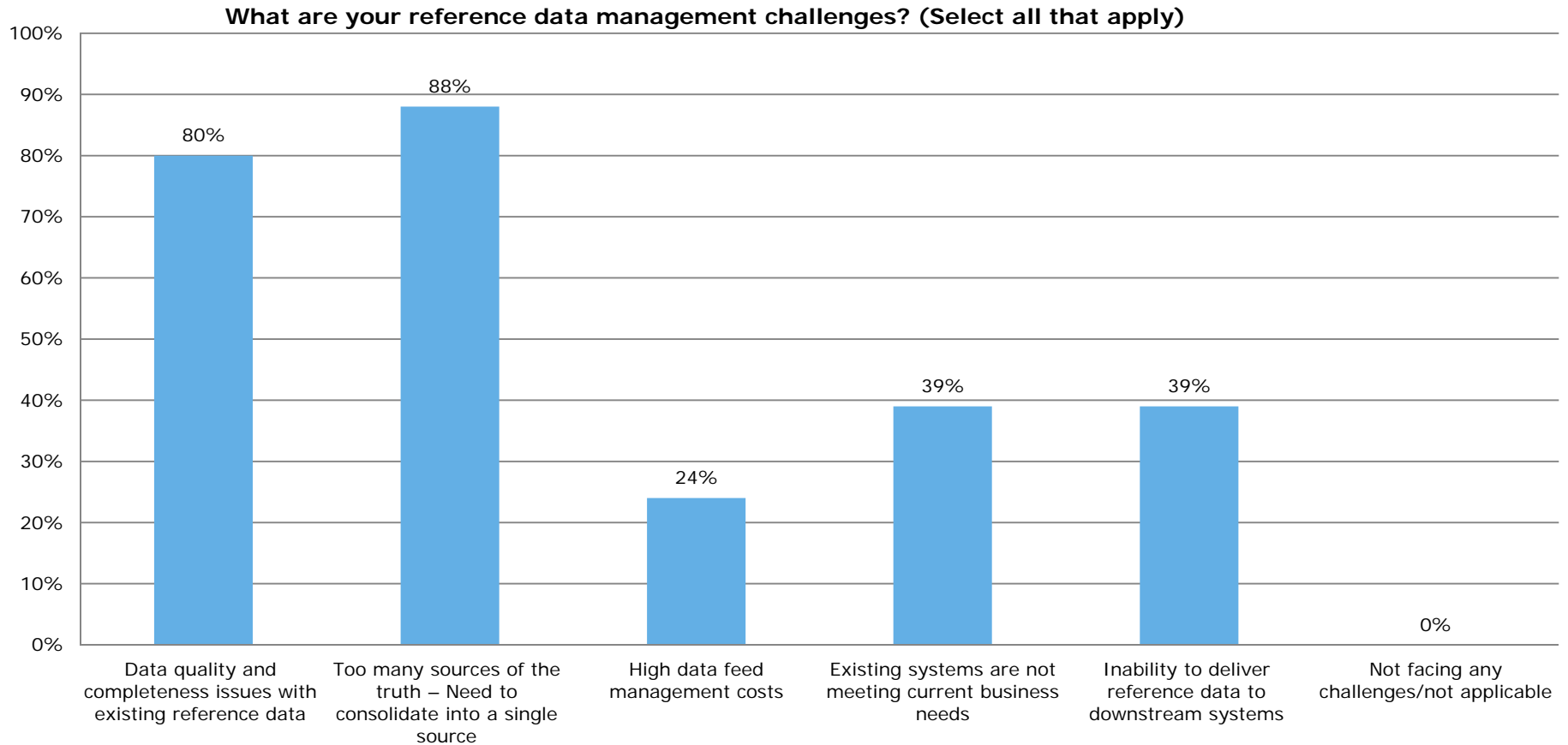
Businesses Need...

- Grow Client Assets
- Stronger Customer Relationships
- Strategic Decision Support
- Risk Mitigation
- Regulatory Compliance
- Lower Operational Costs

Challenges They Face...

- Industry is witnessing consolidation - Growth via acquisition creates data fragmentation
- There is concerted move towards risk aversion; Regulatory reporting requirements are critical – no one is 'too big to fail'
- Increasing number of trades but lower volume-per-trade
- Lower profit margins per trade and High reconciliation costs
- Industry's moving towards STP

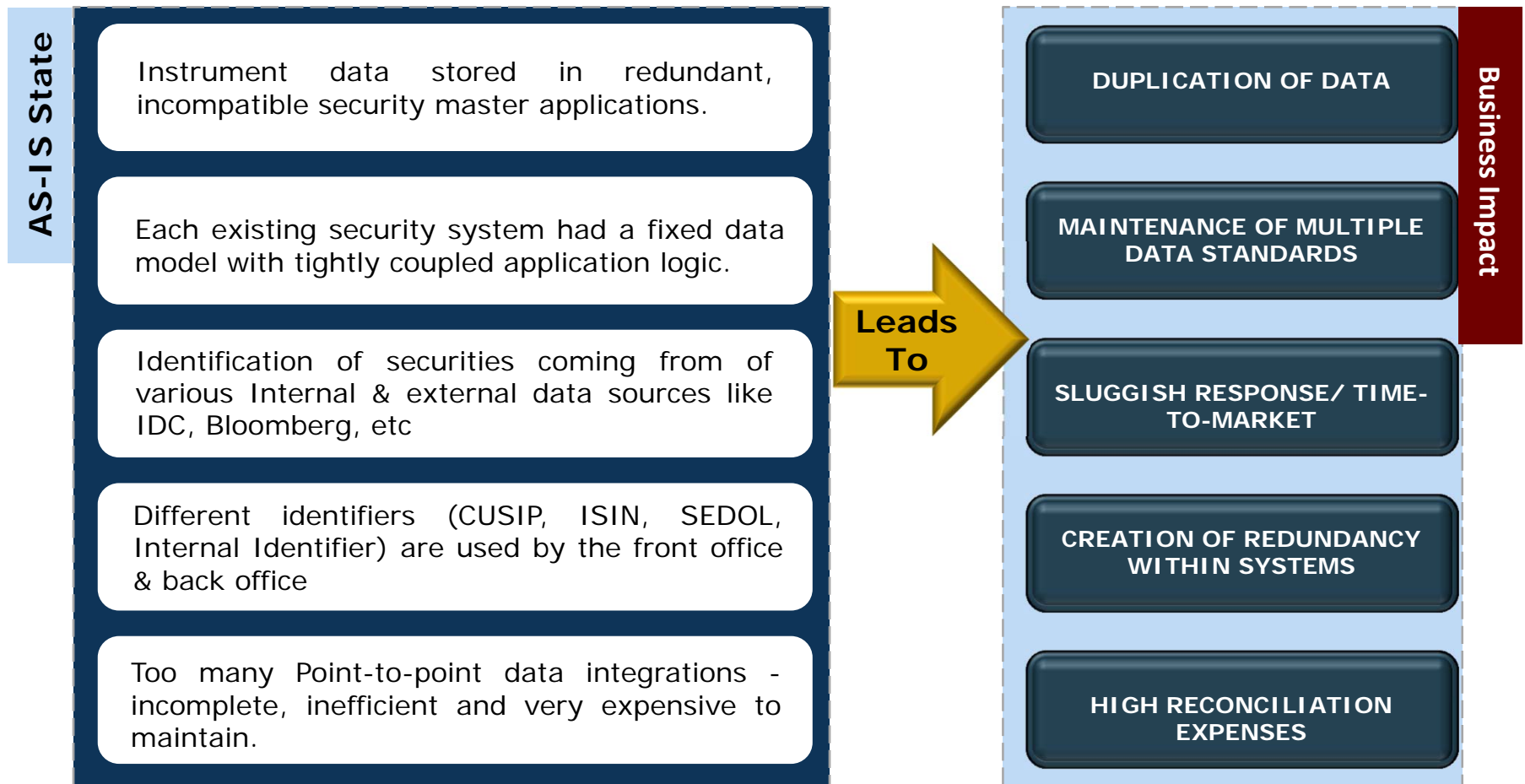
Polling Question #1



Technology Issues and Business Impact

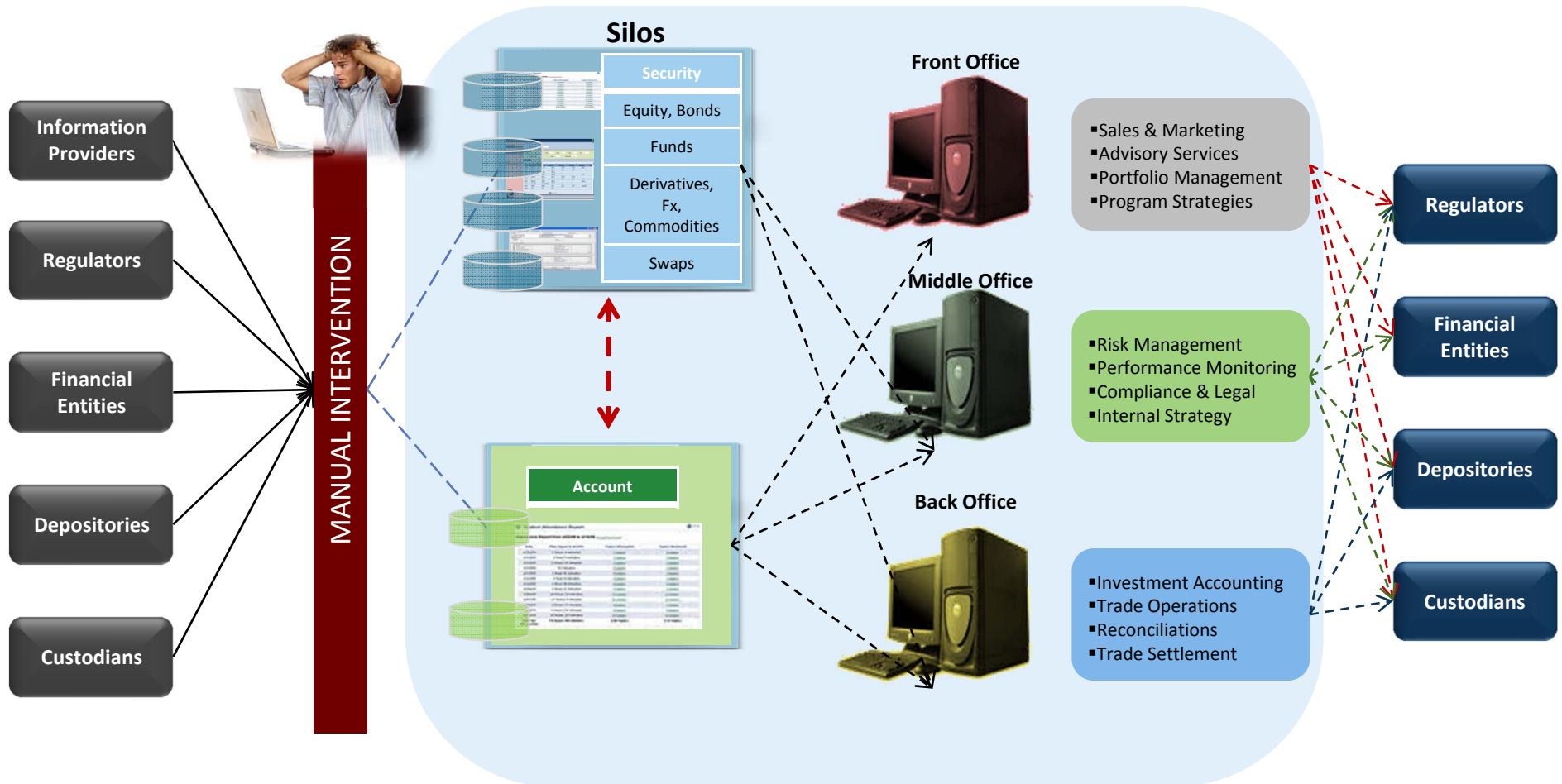
Managing Financial Instruments (Securities) Data

Present Scenario: Issues & Business Impact



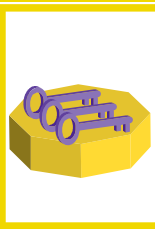
Managing Financial Instruments (Securities) Data

Present Scenario: Architecture Issues



Assembling the Best Version of Truth

Security Master Record



Security Name	Sec Type	Sub type	Internal ID#	Cusip	ISIN	Dividend Date	Ex Div Date	Issuer
Yahoo	Equity		Y12993X2	984332106	US9843321061	N/A	N/A	Yahoo ! Inc
Google	Equity		G99333X3	38259P102	US38259P5089	2/13/09	1/28/09	Google Inc
Vale	Equity	ADR	V8898adr2	204412209	HRRIO0RA0009	4/15/2006	04/16/2006	COMPANHIA VALE DO RIO DOCE



Security Name	Sec Type	Cusip	ISIN	Primary Market	Dividend Date	Issuer
Yahoo	Equities	984332106	US9843321061	USA	N/A	Yahoo ! Inc
Google	Equities	38259P102	US38259P5089	USA	2/13/09	Google Inc
Vale	Equities / ADR	204412111	HRRIO0RA0009	Brazil	4/15/2006	Companhia Vale



Sec Description	Sec Type	CUSIP	Primary Market	Dividend Date	Ex Div Date	Issuer
Yahoo	Common Stock	984332106	USA	N/A	N/A	Yahoo
Google	Common Stock	38259P232	USA	Feb-13-2009	Jan-28-2009	Google Inc
Vale – Comp Rio	CS / ADR	204412209	Brazil	Apr- 15 -2006	Apr- 16 - 2006	COMPANHIA VALE DO RIO DOCE

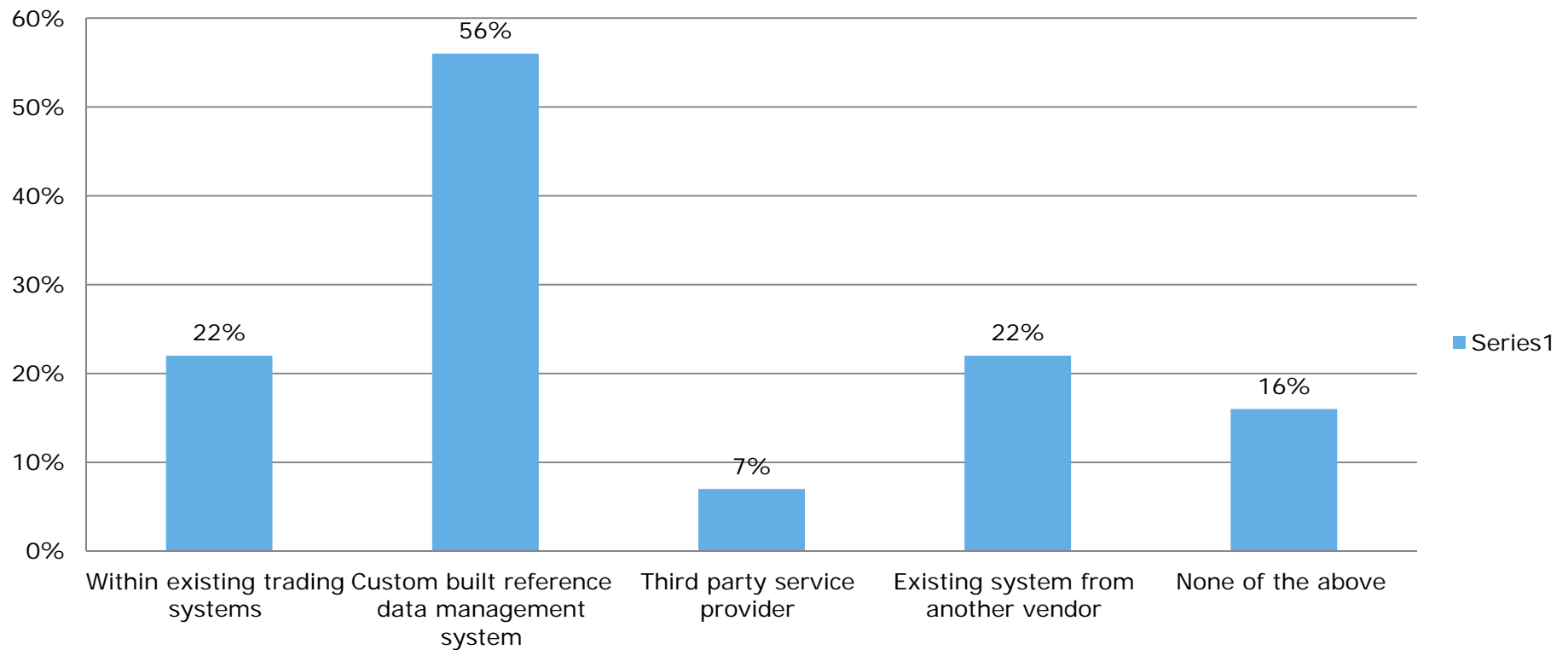


Internal ID#	Name	Ticker Symbol	Primary Market
Y12993X2	Yahoo	yhoo	NAS
G99333X3	Google	goog	NAS
V8898adr2	RIO – Comp Vale	rio	Bovespa



Polling Question #2

How are you currently managing your securities reference data?



Cognizant SecurityCentral

Cognizant SecurityCentral

Overview

SecurityCentral:

- Is a centralized data repository, validation, enrichment, and dissemination solution.
- It Improving efficiencies, accuracy, and controlling costs by centralizing the management of third-party data feeds.
- Has the ability to deploy and manage a global data standard across an enterprise for security reference data management for improved consistency and accuracy in reporting.

INSIDE SECURITYCENTRAL

Golden Copy of Securities with global standardized numbering/identification

Cross referenced to other securities and their traded market information across geographies

Meta data on Market , Country Codes , Currencies

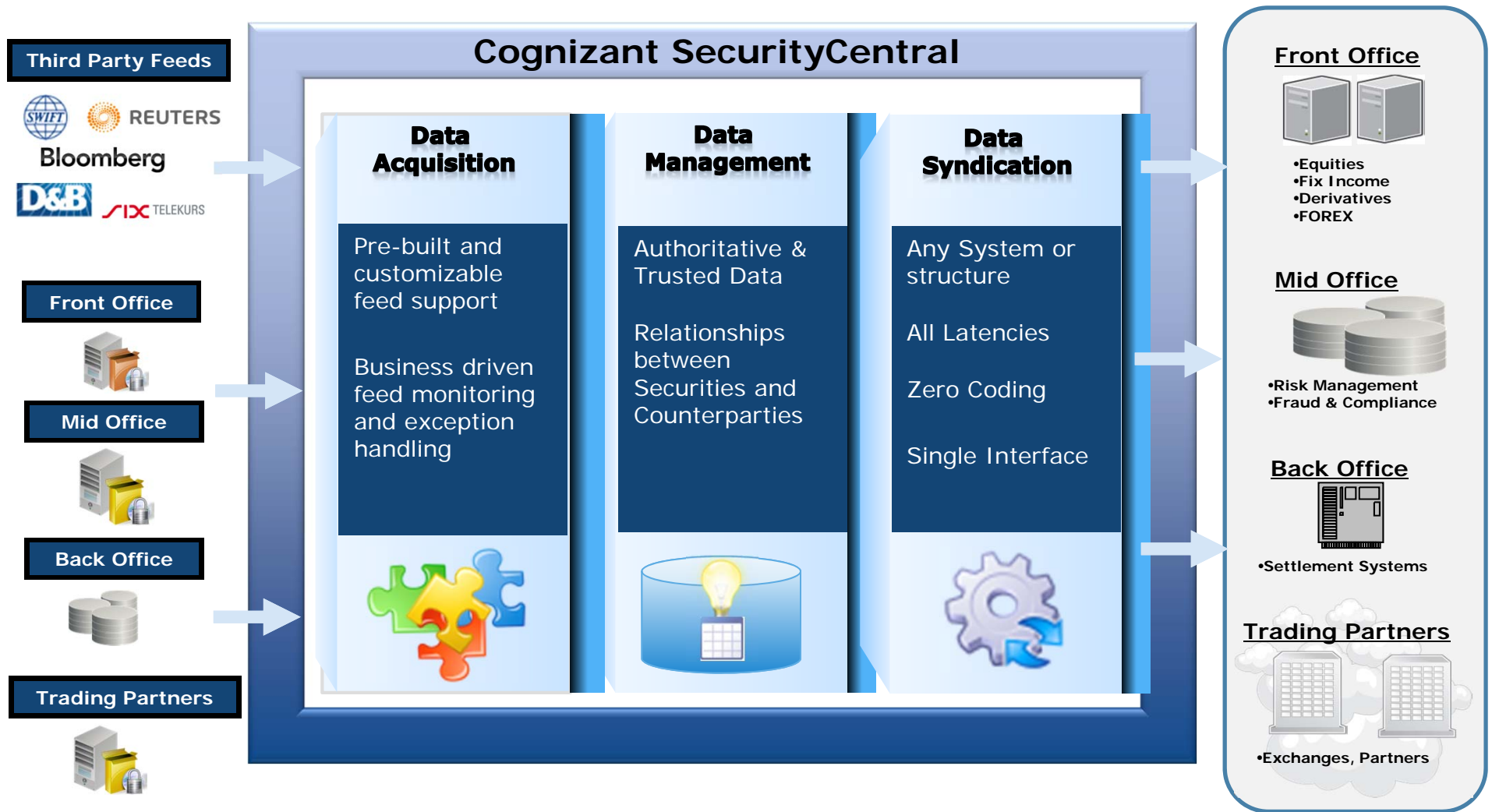
End-of-day holdings, positions and pricing for all instruments, accounts and portfolios under management

Relationship with Counter-Party database with cross-reference to all other identification systems

Unique Matching algorithm for accurate matches

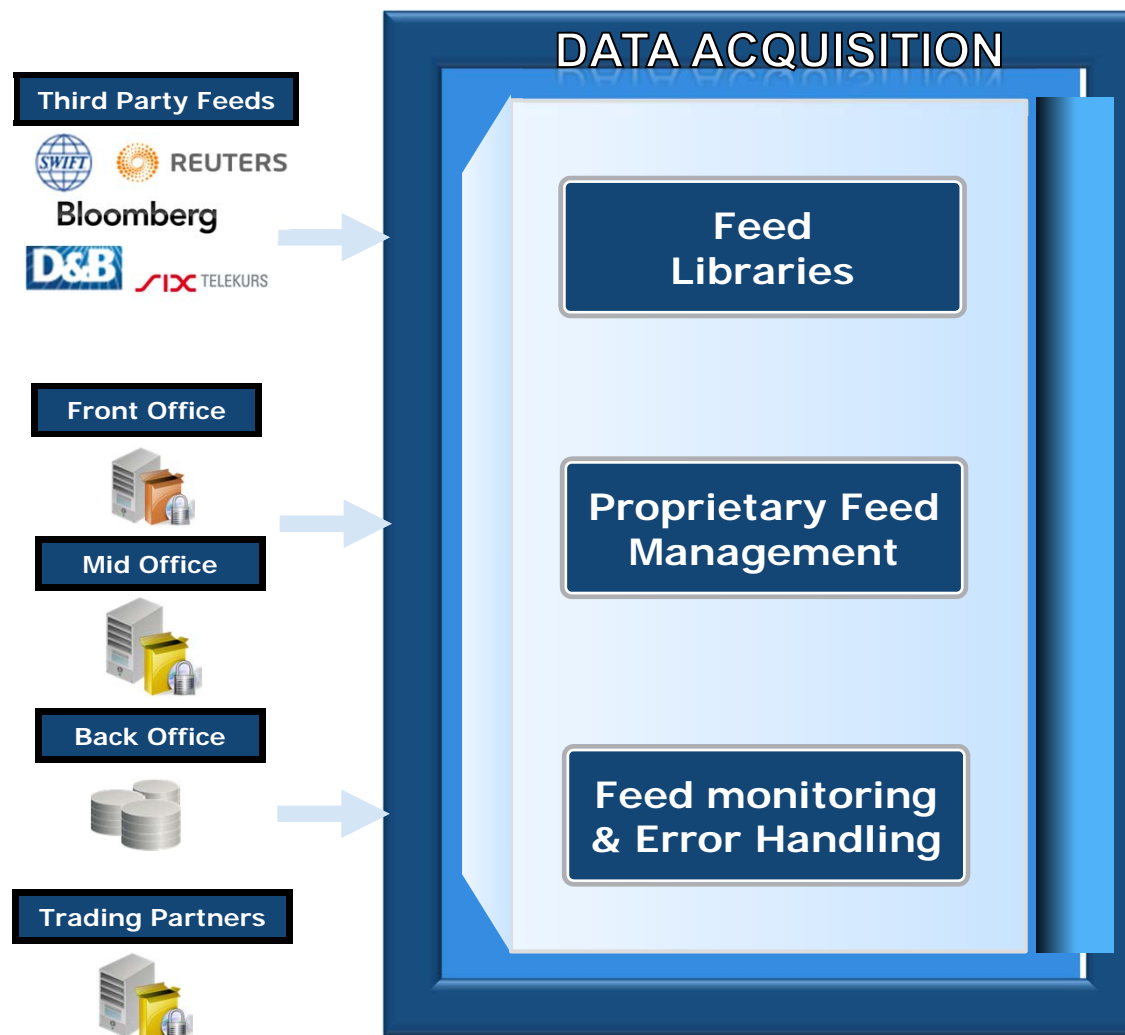
Managing Financial Instruments (Securities) Data

Need for Modern Technology for Reference Data Management



Cognizant SecurityCentral

Data Acquisition & Feed Management



What is it?

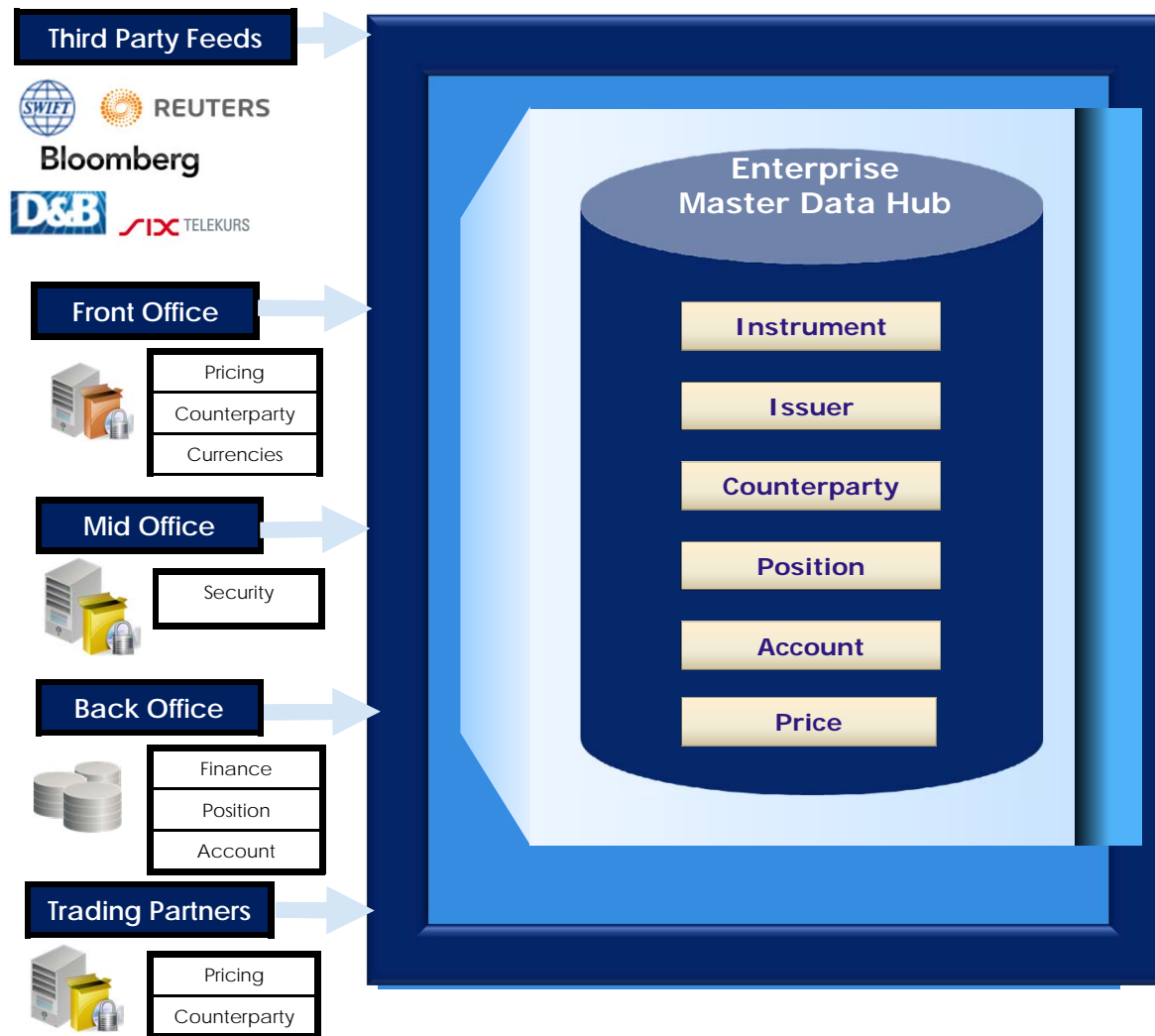
- Data Onboarding Solution to integrate internal and external data
- Pre-built support for vendor feeds (Bloomberg, Reuters, Telekurs)
- Integrated exception monitoring and error handling

Benefits:

- Lower Data Onboarding costs
- Centralize existing data feed management processes
- Reduce costly data handling errors

Cognizant SecurityCentral

Data Management

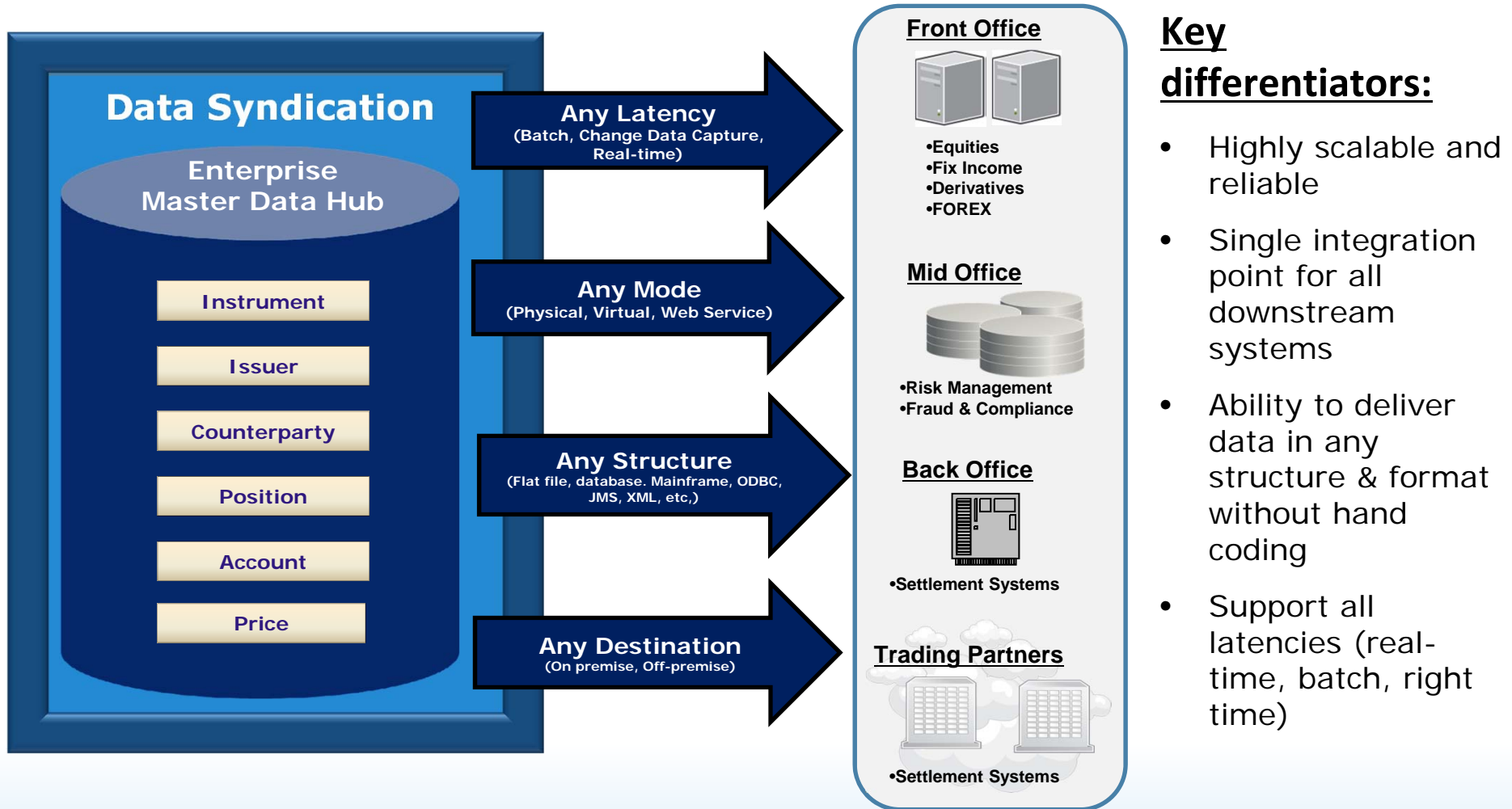


Key Differentiators:

- Flexible Data model
- Robust Match-Merge Configuration for both Instrument and Issuer
- Configurable data consolidation and survivorship logic
- Metadata Management
- Integrated data quality engine with profiling
- Exception handling and workflow
- Support for multiples domains (e.g. securities, counterparties)

Cognizant SecurityCentral

Data Syndication



Cognizant SecurityCentral

Coverage: Global *Classification of Financial Instruments* Compliant Data Model

■ **Bonds**

■ **Equities**

■ **Mutual Funds**

■ **Derivatives**

■ **Swaps**

■ **Forex**

■ **Credit Securities**

■ **Money Market**

■ **Currencies**

■ **Indices**

Cognizant SecurityCentral

Sample Issuer Screens

SecurityCentral Help About Log Out

Home **Search** Tasks Bloomberg Headlines Welcome, Security Master

Search Issuer Instrument Market Account Country Party

Search #1 **Exxon Mobil Corporation**

Exxon Mobil Corporation Edit Save Send for Approval Revert View Hierarchy More Actions

ISSUER NAME:	Exxon Mobil Corporation	ISSUER SHORT NAME:	XOM	MNEMONIC:	EXXON	SECTOR TYPE:	ENERGY
AML FLAG:	N	KYC STATUS:	YES	ISSUER DESCRIPTION:	(NYSE: XOM) or ExxonMobil, is an American multinational oil and gas corporation		
ISSUER SUB TYPE:	CONGLOMERATE						

INSTRUMENT Google Search ISSUER CLASSIFICATION ISSUER ADDRESS ISSUER COUNTRY ASSOCIATION Relationships

Switch to Table View New Edit Delete

INSTRUMENT NAME:	MOBIL 8.625%	SHORT NAME:	XOM8.625	MNEMONIC:	XFI
SHORT DESCRIPTION:	Fixed Income Issue Raised as a part of capital restructuring	ISSUE AMOUNT:	250	ISSUE OBJECTIVE:	DEBT RAISING
MINIMUM DENOMINATION:	10000	INCREMENTAL DENOMINATION:	1000	MINIMUM LOT SIZE:	1
INSTRUMENT HOLDING TYPE:	DEMAT	NO OF UNIT ISSUED:	250000	CALLABLE/PUTABLE:	NO
INSTRUMENT CLASS:	DEBT	ISSUE_PRICE:	1000	LT_TAX_RATE:	15
ST_TAX_RATE:	30	Bo Class Code:	DEBT	INSTRUMENT TYPE:	DEBT
ISSUE DATE:	1/Aug/1991	ISSUE PAR:	1000	ISSUE PRICE LOWER BAND:	1000
ISSUE PRICE UPPER BAND:	1000	ISSUE PRIMARY INDEX:	NYSE	ISSUE CURRENCY:	USD 840
VALID FROM:	1/Jan/2001	INSTRUMENT SUB TYPE:	CORPORATE BOND	STATUS:	ACTIVE
MATURITY/EXPIRY DATE:	15/Aug/2021	MATURITY/EXPIRY TYPE:	1	QUOTATION TYPE:	1

Record 1 of 1 < >

RATING STATISTICS CORPORATE EVENTS IDENTIFIERS INSTRUMENT MKT ASSOC ACCOUNT INSTRUMENT ASSOC COUNTRY OF LISTING

New Edit Delete

Cognizant SecurityCentral

Sample Instrument Screen

SecurityCentral Help About Log Out

Home Search Tasks Bloomberg Headlines Welcome, Security Master

Search Issuer Instrument Market Account Country Party

Search #1 Debt Information

Debt Information Edit Save Send for Approval Revert View Hierarchy More Actions

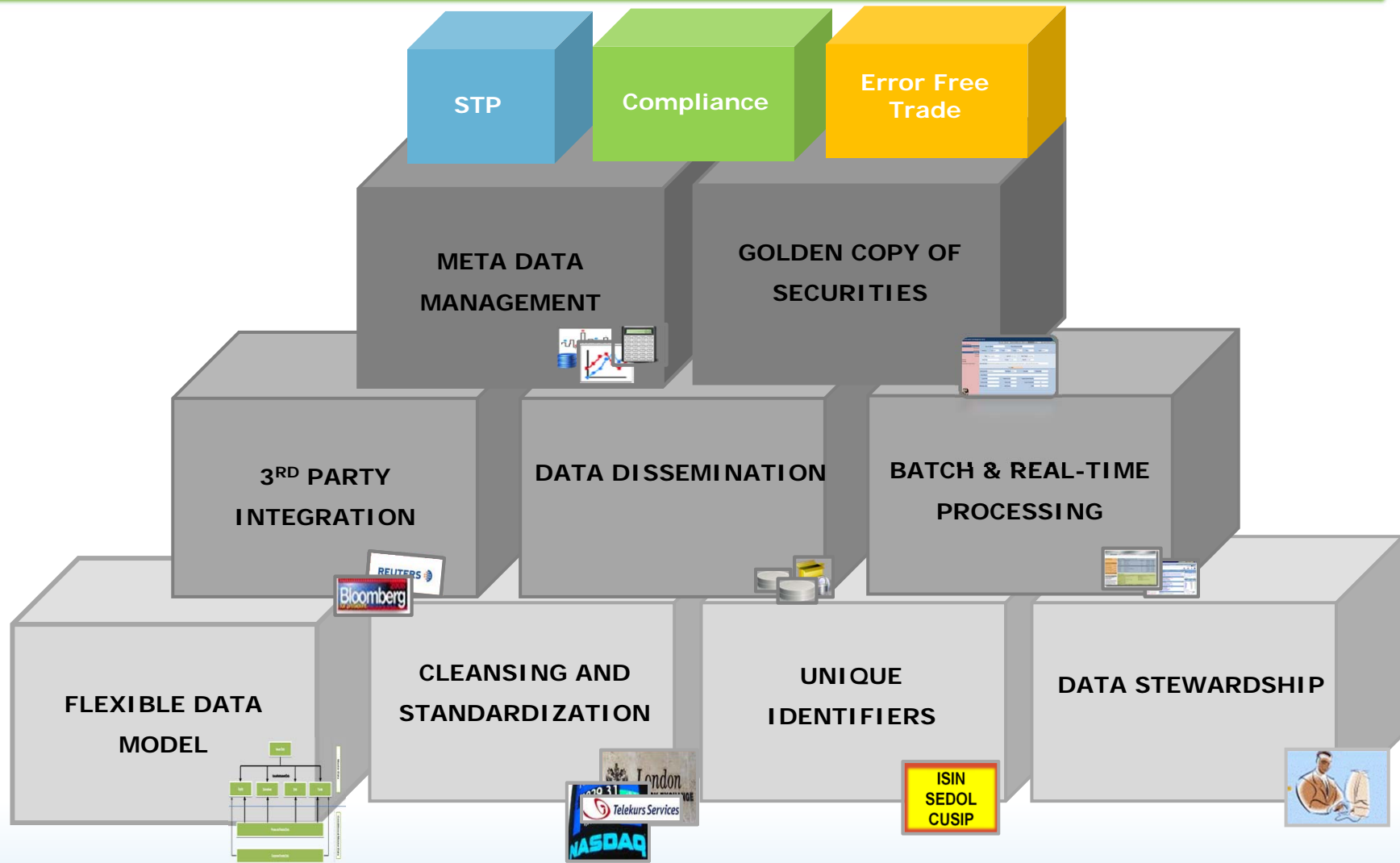
Issuer Rowid Fk:	44	INSTRUMENT NAME:	MOBIL 8.625%	SHORT NAME:	XOM8.625
MNEMONIC:	XFI	SHORT DESCRIPTION:	Fixed Income Issue Raised as a part of capital restructuring	ISSUE AMOUNT:	250
ISSUE OBJECTIVE:	DEBT RAISING	MINIMUM DENOMINATION:	10000	INCREMENTAL DENOMINATION:	1000
MINIMUM LOT SIZE:	1	INSTRUMENT HOLDING TYPE:	DEMAT	NO OF UNIT ISSUED:	250000
CALLABLE/PUTABLE:	NO	INSTRUMENT CLASS:	DEBT	ISSUE_PRICE:	1000
LT_TAX_RATE:	15	ST_TAX_RATE:	30	INSTRUMENT TYPE:	DEBT
ISSUE DATE:	1/Aug/1991	ISSUE PAR:	1000	ISSUE PRICE LOWER BAND:	1000
ISSUE PRICE UPPER BAND:	1000	ISSUE PRIMARY INDEX:	NYSE	ISSUE CURRENCY:	USD 840
VALID FROM:	1/Jan/2001	INSTRUMENT SUB TYPE:	CORPORATE BOND	STATUS:	ACTIVE
MATURITY/EXPIRY DATE:	15/Aug/2021	MATURITY/EXPIRY TYPE:	1	QUOTATION TYPE:	1
Is Issue OID:	N	Coupon Characteristic:	FIXED	Interest Pmt Frq:	SEMI-ANNUAL
Redemption Value:	N/A	Instrument Series:	N/A	Issue Date:	1/Aug/1991
First Accrual Date:	15/Aug/1991	Maturity Date:	15/Aug/2021	First Interest Pmt Dt:	15/Feb/1992
Lsi Div date:		Option Type:	N/A	Strike Type:	N/A
Exercise Type:	N/A	COUPON RATE:	8.63	INTEREST CURRENCY:	USD 840
PRICE INTERVALS:		DEBT_TYPE:	CORP	Vld Flg:	Y
Bond Name:	MOBIL 8.625%	Bond Price:	1000	Instrument Type:	BOND
Is OID:	NO	Is Extendible:	NO	Is Amortizing:	NO
Is Perpetual:	NO	Is Physical Bearer:	NO	Is Physical Registered:	NO
Is Book Keeping Entry:	NO	Is Defeasance Eligible:	NO	Registration Status:	TAXABLE
Bond Size:	248	Is Callable:	NO	Call Type:	0
Basis Point Spread:	48	Is Puttable:	NO	Put Type:	
Sink Type:		Sink Exercise Type:	N/A	Step Coupon Rate:	
Day Count Basis:		Yield Day Count Basis:			

ISSUER RATING STATISCS IDENTIFIERS CORPORATE EVENTS COUNTRY OF LISTING Relationships

Switch to Table View New Edit Delete

Cognizant SecurityCentral

Components



Success Stories



Informatica Success Story

Global 50 Global Investment Bank

Enabling Compliance and Improving Risk Management

The Challenge

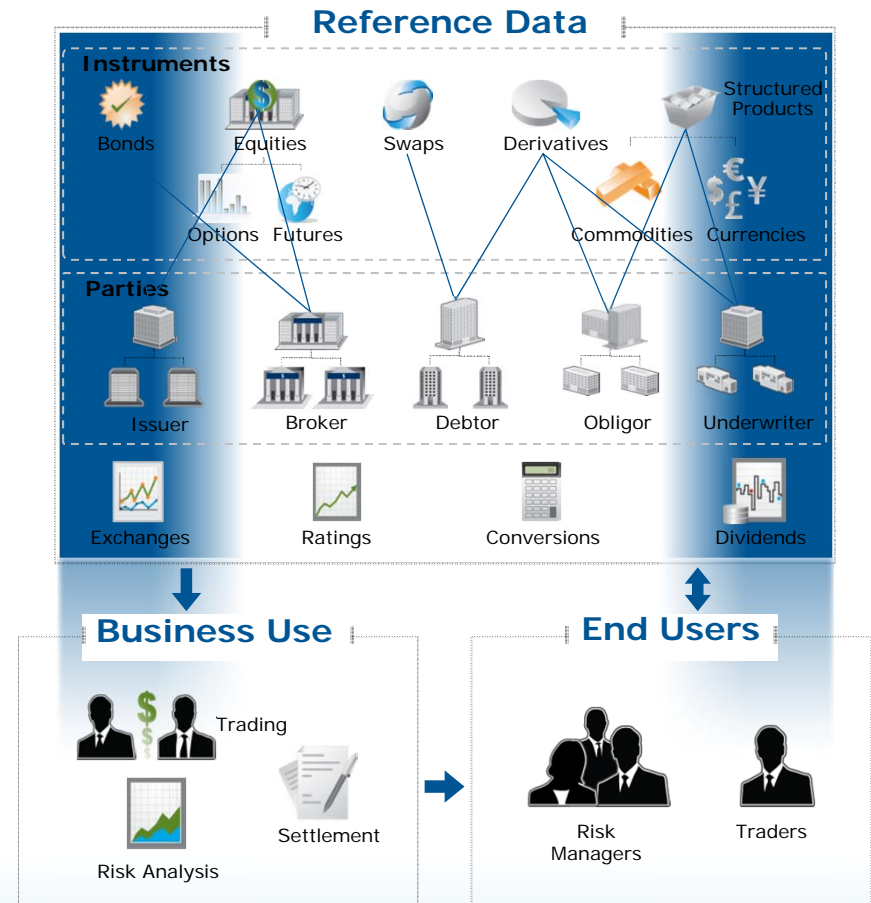
- Inability to provide transparency for OTC instruments for Dodd-Frank compliance.
- Unable to provide timely and complete picture of business that the bank is doing with a client.
- Spent millions on failed securities reference data projects with no tangible results.

Informatica Advantage

- Bank deployed Informatica **Securities Reference Data Solution as an Instrument Master** consolidating each of the instrument data repositories.
- The system holds end-of-day holdings, positions and pricing for all instruments, accounts and portfolios under management at the bank.

Results / Benefits

- Complete picture of security-related information and improved data quality allows for better decision making.
- Decreased number of third party data feeds saves money.
- Decreased integration and maintenance costs.



COGNIZANT

Q&A



Contact Information



Peter Ku, *Director of Financial Services Solutions, Informatica*
pku@informatica.com



Naveen Sharma, *MDM Practice Lead, Cognizant*
Naveen.Sharma@cognizant.com



Soumya Das Gupta, *MDM BFS Practice Lead, Cognizant*
Soumya.DasGupta@cognizant.com