



# MIR and Omgeo

Automation brings clarity to cross-border trade processes.

## ALERT

- Benchmarks
- Central Trade Manager
- Connect
- MarketMatch
- OASYS Global
- Transaction Report

Increasing efficiency and improving same day affirmation rates were the key drivers in MIR Investment Management’s decision to implement Omgeo Central Trade Manager<sup>SM</sup> and Omgeo ALERT<sup>SM</sup>.

Armik Ayoubdel – Chief Operating Officer from MIR Investment Management Pty Limited - talks about the benefits of the newly automated trade processes.

Australian investment manager MIR Investment Management Pty Ltd offers strategies that target high returns by having high conviction portfolios. Established in June 2003, MIR is headquartered in Sydney, Australia and has offices in Melbourne and Singapore. MIR has assets under management of approximately AUD 4 billion.

In its early years MIR focused exclusively on domestic Australian equities. In 2007 MIR expanded into the Asian region, focussing on Asia Pacific ex-Japan equities and Asia Pacific Hedge Fund strategies.

The move to cross border trading posed some challenges in the post trade arena for MIR. Their previous Australia centric methods of processing and settling trades were not applicable to deals executed with brokers and custodians offshore. In addition, an expected increase in trading volumes gave renewed importance to MIR’s goal of making its trade processing mechanisms as efficient as possible.

### Regional Portfolio Expansion Highlights the Need for Change

Initially MIR outsourced the processing of Asian trades to a third party. However, inefficiencies in the process remained, in particular delays in trade affirmation. As the volume of cross-border trades grew, MIR began looking for a solution that could address issues of scale across multiple regional markets.

The search for a more efficient way to manage cross border trades led MIR to Omgeo and its central matching platform, Omgeo Central Trade Manager (Omgeo CTM). Omgeo CTM offers exception only processing, real-time settlement instruction enrichment via the Omgeo ALERT database and automated settlement notification to custodians and interested third parties.

**“Confirmation of our trades could take until Trade Day +1. Since implementing Omgeo our post trade reconciliation process is being completed on the same day meaning we have a more efficient workflow.”**

Armik Ayoubdel, Chief Operating Officer, MIR Investment Management Pty Ltd.

As a further measure to increase efficiency in its back office and to help avoid trade failures, MIR elected to adopt Omgeo ALERT, the largest global database of standard settlement instructions (SSI). Omgeo ALERT enables MIR to participate in a community of investment managers, broker dealers and custodian banks to automatically share accurate SSIs worldwide.

### Leveraging Existing Infrastructure

To MIR it was important to choose a system that:

- Could handle high trade volumes
- Had a strong track record in offshore markets
- Would be easily integrated with MIR’s existing front and middle office software suite, to deliver an automated end to end process.

Omgeo was able to provide MIR with a solution that met all of these criteria. Omgeo CTM is the only global solution for post-trade matching of the economic details of trades. In addition, a proven interface between Omgeo CTM and Charles River already existed, making the integration of the two systems a simple process. MIR was pleasantly surprised when implementation of Omgeo CTM took only four weeks.



www.omgeo.com

**“Vendors use the phrase ‘Plug and Play’ a bit loosely, but this ended up being reality when it came to the Omgeo/Charles River interface implementation.”**

Armik Ayoubdel, Chief Operating Officer,  
MIR Investment Management Pty Ltd.

The decision to take on Omgeo CTM has brought MIR a number of significant benefits. Most importantly, they have achieved their goal of increasing same day affirmation rates. MIR now boasts a 100% same day affirmation rate for its Asian equity trades.

(Same day affirmation (SDA) refers to the completion of the trade verification process on the day the trade is executed. SDA leads to greater certainty in the post trade environment.)

**“As we strive for operational excellence, working with Omgeo to bring trade matching capabilities in house has helped to reduce operational risk, specifically by handling trade matching exceptions on the same day.”**

Armik Ayoubdel, Chief Operating Officer,  
MIR Investment Management Pty Ltd.

MIR’s increased capacity to handle trades is another important advantage gained from the project. As Asian assets grew, MIR was able to handle the resulting growth in trade volumes while keeping operational costs under control. Automated central matching of all cross-border trades means that MIR is able to manage these transactions on an exception-only basis. Trade discrepancies are now identified early in the process enabling MIR to resolve problems in a more efficient manner.

MIR has also been able to automate the process of communicating settlement instructions with counterparties across the Asia region using Omgeo ALERT.

#### Set for Growth

MIR’s decision to automate the processing of its cross border trades using Omgeo CTM has bestowed increased efficiency and greater transparency upon the company. With increased SDA rates and the move to straight through processing, MIR can further expand into

offshore markets, safe in the knowledge that it has the capacity to manage the resulting growth in trade volumes without experiencing an increase in operational risk.

**About MIR Investment Management PTY Ltd**  
MIR Investment Management Pty Ltd is a boutique funds management organisation embracing the best of qualitative and quantitative processes in the implementation of a superior value orientated strategy. MIR was established with the objective of transparency to its stakeholder, no compromise on excellence and a determination to pursue high alpha outcomes.

#### About Omgeo

Omgeo creates certainty in post-trade operations through the automation and timely confirmation of the economic details of trades executed between investment managers and broker dealers. Every day Omgeo enables an efficient community of more than 6,000 financial services clients in 46 countries to manage matching and exception handling of trade allocations, confirmations and settlement instructions.

Omgeo has also extended its trade lifecycle coverage to include counterparty risk management, which supports end-to-end collateralisation and reconciliation across multiple asset classes. Leading organisations rely on Omgeo to help manage an increasingly complex investment industry by providing operational stability and solutions that complement the focus on profitability in an era of escalating trade volumes. Across borders, asset classes and trade lifecycles, Omgeo is the global standard for operational efficiency across the investment industry. Formed in 2001, Omgeo is jointly owned by the DTCC and Thomson Reuters.

For more information about Omgeo please visit [www.omgeo.com](http://www.omgeo.com) or contact us at [askomgeoasia@omgeo.com](mailto:askomgeoasia@omgeo.com)

#### About Charles River

Charles River Development provides innovative technology systems and services to over 315 investment firms worldwide. The Charles River Investment Management System is a comprehensive, integrated software suite for decision support/portfolio management, real-time pre-trade/post execution/ end of day compliance, order management/electronic trading and centralised post-trade processing. It is scalable, easy to use and integrate, supports 24x7 global operations and incorporates real-time electronic trading via FIX



[www.omgeo.com](http://www.omgeo.com)