case study

Samsung Securities & Omgeo

First broker in Asia live on Omgeo Central Trade Manager℠ (Omgeo CTM)

SAMSUNG SECURITIES

As the first broker in Asia to be live on Omgeo CTM, Samsung Securities provides its clients with fully automated post-trade processing. Mr. Shin-bin Kim, Head of Clearing and Settlement of Samsung Securities, shares his views on how central matching improves operational efficiency and mitigates risk.

Samsung Securities (Samsung) is a well known leader in the Asian securities industry. Established in 1982, it is one of the major securities firms in Korea and boasts 95 branches worldwide. To maintain this position, Samsung continuously seeks to stay ahead of industry trends.

Samsung offers customer-focused, solution-orientated retail brokerage and wealth management services for individual investors. For public and private enterprises, Samsung offers institutional brokerage, investment advisory, investment banking and capital markets services. Samsung achieved a net income of KRW 245.3 billion (US$210 million) in FY2009.

The recent global financial crisis led Samsung to focus even more on the importance of operational stability and risk management. Samsung was looking for a cost-effective way to further improve its post-trade processes by leveraging existing infrastructure and achieving a quick and clear return on investment. Its main objectives were to achieve faster settlement times, to build a robust infrastructure and, last but not least, to become a truly global player.

The decision to adopt Omgeo CTM

Samsung has been using Omgeo OASYS Global℠, Omgeo's cross-border and domestic trade allocation and confirmation solution, to process its trades for twelve years. It recently started looking for a more advanced and robust solution to enhance the level of automation in post-trade processing and risk mitigation. The decision to move to Omgeo CTM from OASYS Global allowed Samsung to achieve its objective to increase efficiency and maximise return on investment while leveraging the existing back and middle office infrastructure. Omgeo CTM enables Samsung to provide its clients with greater responsiveness, transparency and efficiency.

> "Over 400 of our counterparty clients process their trades via Omgeo. Omgeo's global community allows us to connect more effectively with our trade counterparties around the world. Omgeo's solutions are critical to our post-trade infrastructure."
>
> Mr. Shin-bin Kim, Head of Clearing and Settlement of Samsung Securities.

Smooth Implementation

Omgeo's flexible implementation options provided Samsung with an effective and straightforward integration experience. A FIX interface enables Samsung to send their FIX confirmations directly to Omgeo CTM. By using the standard Omgeo CTM interface for FIX, Samsung benefits from automating the confirmation process and moves to true end-to-end STP.

Operational Benefits for Samsung

Omgeo CTM achieves increased operational efficiency and minimizes operational risk by a flexible and non-sequential workflow allowing both parties to take a more proactive role in post trade processing.

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ALERT
Benchmarks
Central Trade Manager
Connect
OASYS
OASYS-TradeMatch
ProtoColl
TradeHub
TradeSuite ID

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Benefits for Samsung include:

- Faster and more reliable post-trade processes – Real-time, central matching capabilities provide full transparency of trade status to Samsung and its counterparties. Both blocks and confirmations are sent to Omgeo CTM in a few seconds, enabling Samsung to confirm trades quickly and easily.
- Easier exception handling – Samsung is able to monitor details of mismatched trades more effectively. Omgeo CTM's non-sequential workflow gives Samsung the opportunity to proactively resolve recognized errors at any time not being dependent on the Investment Manager.
- Enhanced SSI enrichment – By using both Omgeo CTM and Omgeo ALERT℠, the industry's largest and most compliant web-based global database of standing settlement instruction (SSIs), Samsung can automatically enrich both blocks and contracts with SSIs. In addition, it can easily re-enrich amended trades with SSIs. By sharing accurate SSIs with its counterparties without manual intervention, Samsung has increased productivity and reduced risk.
- Improved performance – With Omgeo CTM, Samsung experiences higher Same Day Affirmation (SDA) rates, (consistently above 94% on T and 98% on T+1) further mitigating operational risk.

Increased Competitive Advantage

The migration to Omgeo CTM has provided Samsung with the ability to grow its trade volumes and expand the portfolio across global markets and asset classes.

> "Being the first broker/dealer in Asia to go live on Omgeo CTM gives us a significant competitive advantage. Indeed, the decision to implement Omgeo CTM, a cutting edge post-trade solution, means that our clients see us taking a leading role in the broker community."
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> Mr. Shin-bin Kim, Head of Clearing and Settlement of Samsung Securities

About Samsung Securities

Samsung Securities (Samsung) is Korea's leading securities firm offering customer-focused, solution orientated retail brokerage and wealth management services for individual investors. Samsung also offers institutional brokerage, investment advisory, investment banking and capital markets services for public and private enterprises. With a vision to lead financial services developments in the greater Asian region, Samsung Securities is all about our people: the industry's brightest and most experienced financial advisors, highly acknowledged research analysts, results driven investment bankers and trader and institutional sales representatives.

About Omgeo

At Omgeo, we are the operations experts, automating trade lifecycle events between investment managers, broker/dealers and custodian banks. We enable 6,500 clients and 80 technology partners in 52 countries around the world to seamlessly connect and interoperate. By automating and streamlining post-trade operations, we enable clients to accelerate the clearing and settlement of trades, and better manage and reduce their counterparty and credit risk. Our strength lies with our global community and our ability to adapt our solutions to enable clients to realize clear returns on their investment strategies, while responding to changing market and regulatory conditions. 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, please visit **www.omgeo.com**.

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