



Enterprise Data Management (EDM): Product control

Translating data into tighter controls on traders' P&L and superior reports for banks' auditing and management

Enterprise Data Management (EDM) helps banks' product control functions reconcile, monitor, approve and report daily P&L numbers based on their unique aggregation hierarchies, accounting logics, tolerance policies and workflows.

EDM's product control solution is a response to two main challenges faced by product control functions: firstly, the lack of accurate and efficient auditability around P&L reporting; secondly, the need for reliable P&L analysis in order to improve commercial decisions and fulfil audit demands.

Most product control functions traditionally solve the first of these challenges by using Excel spreadsheets or systems developed in-house. The latter tend to have a long time to market, are resource-heavy to maintain, and become obsolete within a few months of delivery. Furthermore, they are heavily reliant on manual work, which greatly increases operational risk due to human error. Improved operational efficiency means cost savings, more reliable data and reduced risk of serious fines.

Additionally, stricter regulatory requirements placed on VaR backtesting and overall data management operations (such as BCBS 239 and FRTB) require improved auditability for all reporting functions through tracking of past P&L and sign-off status, as well as end-to-end data traceability.

Reliable P&L analysis is also critical for banks in today's highly competitive environment. The ability to better understand and rely on accurate P&L data helps drive commercial investment decisions. Product control functions can better support their business counterparts by more easily identifying weak spots and growth opportunities.

EDM's product control solution responds to the industry challenges of accurate auditability and reliable P&L analysis by delivering the following:

P&L reconciliation and reporting across different hierarchical levels

Reconciliation of P&L numbers from traders, actual values and the general ledger, applying computation logics based on multiple accounting methods and handling P&L reconsolidation in case of hierarchy/desk restructuring

P&L attribution to support VaR backtesting

Calculation, consolidation and reclassification by risk effect, and comparison with revaluation attribution

KEY STATS

200+

clients globally

40+

managed services clients

CUSTOMERS

Administrators

Asset managers

Banks

Broker dealers

Commodity firms

Energy firms

Hedge funds

Insurance companies

Pension funds

Regulators

Vendors

Management of all data validations

Technical checks, business validations (including off-market rate checks), thresholds, stop/loss limits etc

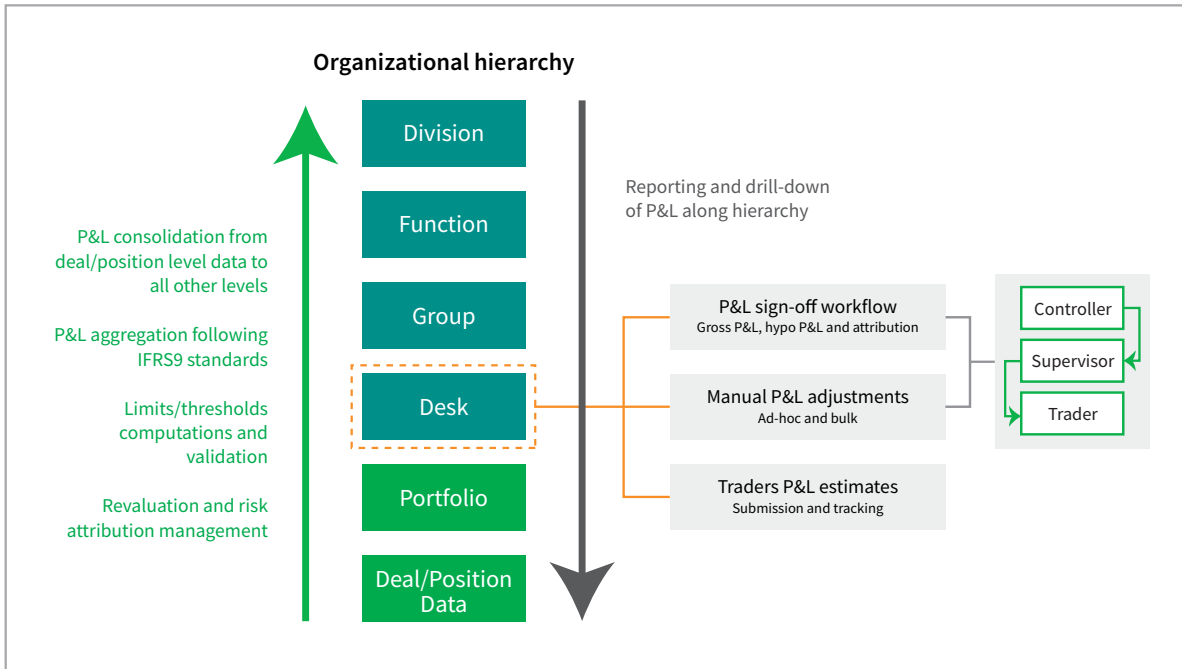
Full auditability

Automated and manual operations are audited and can be approved via four-eyes processes

Flexibility in configuration

A customizable workflow can adapt to each client's hierarchical structure and processes for data consolidation, validation reviews, manual adjustments, daily P&L sign-off and reporting

Main workflows within EDM product control solution



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AMERICAS
+1 212 931 4900

EMEA
+44 20 7260 2000

APAC
+65 6922 4200

sales@ihsmarkit.com