

# Broadridge Says Rising Cost Pressures and Risks Drive the Need to Centralize Operations Across Asset Classes

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LAKE SUCCESS, N.Y., March 20, 2013 /PRNewswire/ -- A new report released today by [Broadridge Financial Solutions](#) (NYSE:BR), a leading technology and operations solutions company for the global financial services industry, finds that leading financial firms are increasingly turning to external solutions providers as a way to attain post-trade processing simplicity while reducing technology costs and risks and enabling easier entry into new asset classes.

(Logo: <http://photos.prnewswire.com/prmh/20110920/MM71626LOGO>)

"In recent years, multi-asset class trading has exploded as buy- and sell-side firms utilize a broader array of investment strategies to improve performance and outperform their peers," said David Campbell, Senior Strategy and Product Manager, Securities Processing Solutions, International, Broadridge. "This diversification has occurred across both asset segments and geographies as firms seek out new opportunities for growth. The structural shifts occurring in global markets present challenges and opportunities to brokers and banks. They must determine how to best evolve their operating infrastructures to support service and margin growth."

Centralizing post-trade operations affords brokers enhanced business opportunities, streamlined operations and reduced operating costs. Resources once allocated to discrete – yet replicated – operational activities can be redirected elsewhere within the organization to meet growing customer demands and expand brokerage revenues. In so doing, brokers are able to create a flexible and scalable framework that simplifies operations. Three key factors are driving the need for change:

- An increased focus on risk reduction and client service
- Globalization accentuating the need for efficiency
- Rising cost pressures driving consolidation

According to Andy Nybo, Principal, Head of Derivatives at TABB Group, "Solving post-trade processing complexities across business lines requires an experienced partner with the ability to provide global multi-asset class solutions. You should look for a partner with proven functional expertise and an unparalleled understanding of building infrastructures to support all aspects of your operations."

In light of these current conditions, capital markets sell-side firms should assess their existing multi-asset class processing capabilities across the core areas of technology and operations, expertise, risk, and cost. Broadridge offers a structured approach to help financial firms successfully streamline post-trade processing across asset classes:

- **Develop a Multi-Asset Class Processing Roadmap** --Firms need to re-evaluate their approach to multi-asset processing based on the changing requirements of their businesses, their clients and regulators. They should assess their current or planned capabilities to incorporate disparate workflows, maximize efficiency and reduce operational bottlenecks, and identify operations and technology gaps that increase risks to the organization.
- **Evaluate Firm's Expertise** -- Multi-asset class processing expertise encompasses more than strong operational knowledge as trading across asset classes extends beyond connectivity to exchanges, clearing houses and trading counterparties. A seasoned resource pool with strong domain knowledge, including the ability to evaluate and adopt the industry's best practices across business units, is critical.
- **Evaluate Operational Risk Management** -- A necessary consideration for firms evaluating their multi-asset class processing capabilities is risk management. Multi-asset class processing structures can enhance risk management by: 1) identifying potential exposures through a central view across client and counterparty relationships before they occur; and 2) providing the expertise to appropriately respond to exceptions and issues, before they escalate costs and risks.
- **Assess Operating Costs** -- A final consideration for firms evaluating their multi-asset class processing capabilities involves cost. In an era of mounting budgetary pressures, firms must carefully weigh their ability to support and enhance multi-asset class processing while achieving cost savings and conserving capital.

For additional details or to download Broadridge's full whitepaper – "*The Multi-Asset Class Conundrum: Solving Post-Trade Complexities Across Business Lines*" – [click here](#).

## About Broadridge

Broadridge Financial Solutions, Inc. (NYSE:BR) is the leading provider of investor communications and technology-driven solutions for broker-dealers, banks, mutual funds and corporate issuers globally. Broadridge's investor communications, securities processing and operations outsourcing solutions help clients reduce their capital investments in operations infrastructure, allowing them to increase their focus on core business activities. With 50 years of experience, Broadridge's infrastructure underpins proxy voting services for over 90% of public companies and mutual funds in North America, and processes more than \$4.5 trillion in fixed income and equity trades per day. Broadridge employs approximately 6,200 full-time associates in 13 countries.

For more information about Broadridge, please visit [www.broadridge.com](http://www.broadridge.com).

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