

News Release

NRI Announces Look-through Highway for Banks and Asset Managers

- New service will reduce burden of Basel III compliance -

TOKYO, March 7, 2018 - Nomura Research Institute, Ltd. (NRI), a leading provider of consulting services and system solutions, today announced a new service offering, the “Look-through Highway,” for asset managers and banks. The service will significantly reduce operational burden related to Basel III compliance for financial institutions, and over 13 asset managers, as well as 10 banks in Japan, will begin using the service on April 1st, 2018.

As banks looking for larger revenue sources have been increasing investment of capital into funds, enhanced risk management becomes more necessary. As a result, banks have demanded asset managers provide a variety of data and reports related to the funds. This demand has resulted in a significant burden of administrative work for both asset managers and banks, as there is no standardized format or process for this exchange of data and reports between the two parties.

Using Look-through Highway, asset managers can standardize data and reports that previously had to be prepared individually for each bank. In addition, banks can now better receive standardized data and reports, which makes it easy for them to analyze across funds and format and input data.

As part of the service, NRI now calculates and provides banks with risk sensitivity ratings based on account balance data. As a result, banks can see the full risk landscape of the funds they own, which is a requirement for regulatory reporting.

“NRI is always monitoring the capital markets ecosystem looking for areas of inefficiency that we can use our deep expertise to address on behalf of our customers and partners,” said Katsuhiko Fujita, Senior Managing Director of NRI. “As banks and asset managers continue to demand more of each other, we see this as a prime opportunity to use our strong suite of solutions to address the operational and compliance that are dragging down these new processes.”

With a combined use of Look-through Highway and T-STAR/GX (*1), asset managers can enjoy the optimal efficiency across their data stream, from creation to delivery.

*1 T-STAR/GX offers various functions, based on back-office/market data, such as calculation of time-weighted rate of return; performance attribution analysis; viewing of balances, transactions, rates of return, etc. from various angles (by asset class/sector/stock type); report documentation; compliance checks; and disclosure documentation for major sponsors. This aims to support front- and middle-office operations of portfolio management for asset managers (investment advisors, investment management companies, trust banks, pension funds and other sponsors), thus providing comprehensive support for the Plan-Do-See cycle in asset management business.

For more information, visit http://fis.nri.co.jp/en/service/list/P-T/T_STAR_GX.html

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About NRI

Founded in 1965, NRI is a leading global provider of system solutions and consulting services with annual sales exceeding \$3.7 billion.

NRI offers clients holistic support of all aspects of operations from back- to front-office, with NRI's research expertise and innovative solutions as well as understanding of operational challenges faced by financial services firms. The clients include broker-dealers, asset managers, banks and insurance providers. NRI has its offices globally including New York, London, Tokyo, Hong Kong and Singapore, with over 12,000 employees.

For more information, visit <https://www.nri.com/fit/>

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