

# Pricing Solution for a **\$40+ Billion** Multi-Strategy Asset Manager

One of the oldest fund managers has automated its pricing process using **IVP Price Master**

Achieved **100%** data transparency | Automated **100%** of data sources

## CHALLENGE

A **\$40+ billion multi-strategy asset manager** focused on distressed securities, commodities, debt, private equity, private credit and real estate was facing the below challenges:

- » More than 150 pricing sources
- » Inconsistent data gathering process from vendors and brokers and their scalability, maintenance and time-series view
- » Over seven internal interconnected systems with no single system for the golden copy of pricing and reference data
- » Stress around backdated pricing and postings
- » Calculating and storing the contextual data from various internal systems and vendors

**IVP performed an initial needs assessment to help the fund determine its core requirements for pricing automation. Key business needs for the fund included:**



Integration across the complete spectrum of sources



Creation of a golden copy of pricing and reference data



Analysis and management of the pricing waterfall logic



Complete automation – involvement of the fund pricing team for only review and exception management purposes

## SOLUTION

After evaluating multiple options, the fund decided to implement IVP Price Master as an enterprise-level pricing solution. The team first reengineered the current pricing process along with automation of the pricing sources and then subsequently, the waterfall logic to arrive at the final price was implemented along with the multi-level approval workflow. The final step in the process was to post the prices in real time to the downstream accounting system.



### Phase 1: Analysis

#### Reengineering of the current process and business requirement gathering:

- Performed a complete study of existing applications and available data points
- Formulated a new process to ensure acquisition and completion of data points
- Completed a one-time configuration of static/reference data attributes
- Incorporated custom calculations
- Finalized the business requirements for the target state



### Phase 2: Implementation

#### Automate data consolidation with full transparency

- Integration of portfolio data with security and position details
- Automated FTP/API-based connectivity with vendors, brokers and internal systems
- Waterfall pricing rules for each of the asset class to arrive at a final price
- Implementation of key pricing tests as per the valuation policy
- Provided a GDPR-compliant solution with approval workflows along with complete user access and control
- Automated real-time pricing updates to the downstream systems via messaging services
- Provided complete lifecycle of the data for transparency, reconciliation and audit purposes
- Trained users on UI-based configurations for ETL and set up of new waterfall logic and pricing sources

## RESULTS

