



## RiskCare design and build a new risk system

When Schroder Investment Management launched a new hedge fund for emerging markets, RiskCare rapidly designed an appropriate technology solution

### Background

Schroder Investment Management (SIM), the leading international asset management group decided to broaden the scope of services offered to its worldwide customer base by launching a new Global Emerging Markets Hedge Fund - the Schroder Astra Fund.

### Brief

With many issues and risks for SIM in launching a new business stream, it was critical that the appropriate technology solution could be put in place within a tight timeframe. Several options were considered, including an in-house build, off-the-shelf software and various external service providers, before SIM asked RiskCare to design the new system.

The final fully-functional decision support system had to provide real-time analysis and deal flow capability and needed to be fully integrated with SIM's existing systems infrastructure.

Realtime position keeping was essential, a requirement complicated by the fact that some positions would be held within the back office portfolio management system, while more complex instruments would need to be held separately.

Equally important were real-time price feeds from Bloomberg, with automatic or on-demand calculation of risk and P&L.

### What we did

- Designed and built a real-time pricing, risk, position keeping and P&L system within three months.
- Ensured that the solution met all the demanding functional requirements
- Ensured that support for the solution could easily be taken in-house after project completion.

**“RiskCare displayed the required combination of derivative and software expertise, with the added value of skilled in-house resources to augment the onsite consultants as required.”**

Martin Campbell,  
COO, Schroder Hedge Funds

“When you need to tightly integrate technologies as diverse as Portia, Bloomberg, Excel, C++, Visual Basic, ActiveX and Sybase, you need multi-skilled consultants and a more flexible approach than some of the larger consultancies whilst maintaining the discipline to complete the project without taking risks or cutting corners.”

Martin Campbell  
COO, Schroder Hedge Funds

## Project

Once the project had been scoped and signed off, there were only three months until the planned launch date for the fund.

Standard tools and environments were used to ensure that the software would be market standard, quick to initially develop as well as easy to support and enhance in the future.

It was important that the project did not overshoot its intended launch date. RiskCare's hands-on and transparent approach served to mitigate this risk. Regular progress meetings kept the client reassured that the system would be completed and fully tested in time for the launch date.

Schroders exercised unusual trades to extract value from unfavourable market conditions at the time, providing an early opportunity to test the reliability and robustness of the system at the extreme of its trading capability.

Upon delivery, users found the system particularly easy to use. It allowed them to focus more of their attention on actual investment decisions and they felt able to trust that the reporting and analysis would be there when it was required.

The system was handed over smoothly to SIM's in-house team and it continued to perform strongly.

## Technologies

RiskCare's solution proposed a combination of

- Visual Basic and Excel
- Sybase ASE providing persistent storage
- C++ analytics libraries providing a calculation engine.

## RiskCare view

The close working relationship between our own highly-skilled in-house team and the team at SIM ensured that a fully-functional decision support system for the Schroder Astra Fund was provided right on schedule.

**RiskCare's consultants help investment and asset management organisations get more from their technology.**

Talk to us and take a fresh approach to your next technology project.  
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