



CASE STUDY

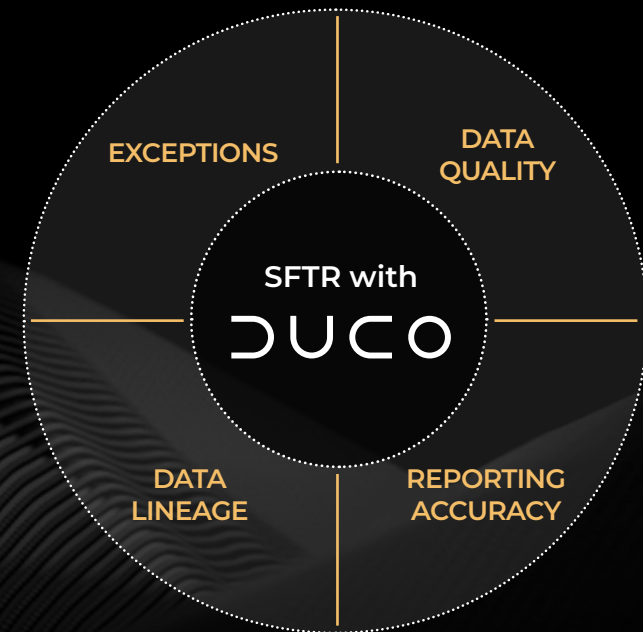
Using Duco for SFTR

Top 5 European bank

OVERVIEW

After a successful MiFID II global deployment, this top 5 European bank chose Duco as the reconciliation system for their SFTR regulatory reporting.

With Duco's technical capabilities and professional services expertise, the customer was up and running with an end-to-end reconciliation solution for SFTR reporting within 18 days.



SFTR CHALLENGE

Data integrity and quality

For SFTR reporting, firms need to pull data from multiple internal sources, enrich it, then send it on to the repository.

Errors and inconsistencies can occur at any step in this process. Firms need a way to quickly and accurately reconcile data between systems.

Reporting complexity

For SFTR reporting there are up to 155 data fields that need to be populated, but the actual number varies depending on asset class and which type of report you need to fill out.

Data lineage

For accurate, fully-auditable reporting, firms need the capability to track data back to its source - even many years after the trades took place.

Exceptions management and process optimisation

Reporting firms require a robust way of tracking and fixing any errors or inconsistencies thrown up during the reporting process.

DUCO SOLUTION



Flexible data ingestion

With Duco, our customer was able to upload data from multiple source systems straight into Duco with little or no transformation required.

Once in the system, the data was normalised and enriched using Duco's unique Natural Rule Language - with no need for code.



Expert knowledge

With our in-house regulatory experts, we helped the client isolate which fields were mandatory, conditional or optional, and which needed reconciliation.



Complete control

Duco enabled the bank to normalise and reconcile their critical reporting data, which was then fed downstream into risk and reporting systems. The regulatory team now has full confidence that their data is clean, and can easily trace it back to source.



Frictionless workflow

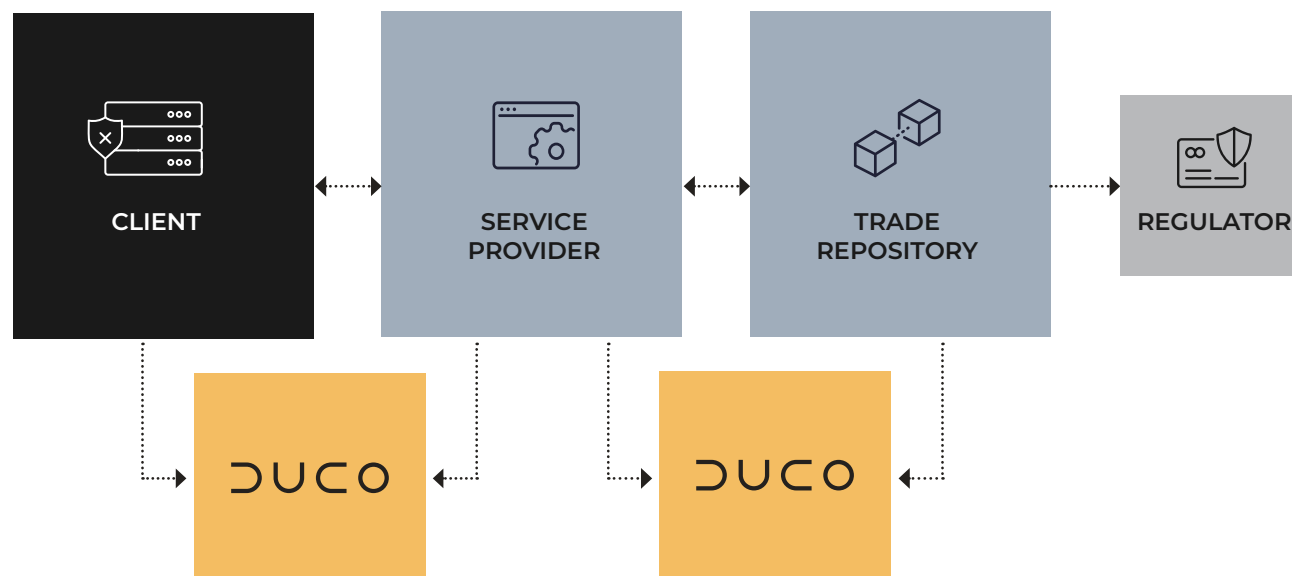
With Duco's advanced break management system, the customer was able to set up workflows quickly and easily. These are now live and automatically route any exceptions to the appropriate team or user for review and resolution.

IMPLEMENTATION

The customer chose Duco for its flexibility and agility. Unlike traditional data integrity systems, Duco does not have a predefined schema that the data needs to conform to. The client was able to upload data from any source system and Duco could adapt to it.

Duco is now live and being used to ingest, normalise and reconcile data across the entire SFTR reporting lifecycle, including:

- + Ingestion and normalisation of data from source systems
- + Data validation across the bank's internal systems and external counterparties
- + Reconciliation between the bank, its Service Provider and the Trade Repository
- + Exception management of all breaks



HOW IT WORKS

- 1**
SFTR data flows into Duco and is normalised
- 2**
Duco used as a reconciliation checkpoint between internal systems, ensuring data integrity
- 3**
Duco used as a validation check between the bank and its counterparties
- 4**
Duco used to reconcile against the Trade Repository, to ensure the bank's Service Provider has reported correctly
- 5**
Duco used to manage all the exceptions and breaks from these reconciliations

RESULTS

- + Completed all SFTR reporting requirements in 18 days, including data analysis, reconciliation build, configuration, testing and downloadable dashboards for reporting
- + As a SaaS solution, Duco was available near-instantly, without any long and expensive installation projects.
- + Duco replaced all manual reconciliation processes for SFTR reporting, resulting in improved operational efficiency and reduced costs
- + The bank is both compliant in the short term, and has a sustainable, auditable process set up to meet the ongoing demands of the regulation

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Get in touch today to see how Duco can help ensure you comply with SFTR from go-live and meet the regulator's increasingly high standards for data quality. Either contact us at info@du.co or get a [free data assessment](#).

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