

Cloud-based Markets Surveillance



**DON'T COMPROMISE
ON SURVEILLANCE**



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Markets surveillance is not a new requirement for financial institutions but it is becoming more complex by the day. MAR, Dodd-Frank, and MiFID II all dictate that firms must have comprehensive surveillance programs to detect and prevent market manipulation. MAR also raised the regulatory bar by broadening the definition of regulated asset classes and requiring firms to monitor for cross-product and cross-market manipulation, as well as intent.

Additionally, it's no longer sufficient just to have a market surveillance program in place. Some regulations also mandate that regulatory risk management controls and supervisory procedures must be reasonably designed – which makes one-size-fits all approaches to market surveillance less viable.

Compromising on markets surveillance comes at a high cost. As well as being fined and sanctioned for engaging in market manipulation, firms can also be penalized for not implementing reasonable measures to detect it in the first place.

In today's increasingly regulated environment, there's no room for compromise. Count on NICE Actimize's Cloud-based Markets Surveillance technology to protect your firm's reputation and bottom line.



Is Your Markets Surveillance Solution Putting Your Firm at Risk?

Whether you've built your own expensive in-house surveillance solution or invested in a hodge-podge of third-party technologies that don't work well together, outdated surveillance technology could be putting your firm at risk.

Do your analysts struggle with disparate technologies and connecting the dots? Do they spend inordinate amounts of time working in different systems, reconstructing trades, and performing other manual tasks? Are high false positive rates eating up resources and driving up the cost of compliance? Are you lacking the asset class and communication channel coverage needed to comply with all regulations? Are you unable to effectively monitor for cross-market or cross-product market manipulation? And when a risky trade is discovered, do your analysts lack case management tools to quickly and thoroughly reconstruct and investigate it?

If you answered 'yes' to any of these questions, NICE Actimize can help.

Introducing NICE Actimize Cloud-based Markets Surveillance

With NICE Actimize's Cloud-based Markets Surveillance, you get the best of everything, in one platform. Our award-winning technology combines comprehensive coverage, market-proven analytics, holistic surveillance, and investigative tools, along with the unrivalled value.

With NICE Actimize's award-winning Cloud-based Markets Surveillance, you won't compromise on:

Coverage

NICE Actimize offers a single platform for OTC and exchange traded instruments, so you can protect your firm from multi-million-dollar fines and irreparable brand damage with proven, comprehensive coverage for even the most complex market manipulation scenarios.

In fact, no other company provides a broader array of out-of-the-box detection models covering every regulation and asset class – from equities and fixed income, to foreign exchange, swaps, futures and options.

With cross-product and cross-market manipulation falling under greater regulatory scrutiny, markets surveillance solutions need to provide coverage for these risks as well. NICE Actimize's cross-product and cross-market analytics help firms prevent sophisticated market manipulation (and associated lost revenue and reputational damage) by detecting the manipulation of related instruments (a security and its derivative), and by detecting the manipulation of an instrument (traded on different venues).



Analytics

In the world of markets surveillance, high false positive rates can be crippling. They consume valuable resources and increase the chance of overlooking real violations. False negatives (not catching a legitimate violation) are equally troubling and can result in sizeable fines.

If your current markets surveillance solution applies a one-size-fits-all approach to analytics and alerting, you could be putting your firm at risk on both fronts.

NICE Actimize's best-in-class markets surveillance analytics have been proven to reduce false positives by up to 70%. In collaboration with some of the largest global financial services firms in the world, NICE Actimize has developed hundreds of out-of-the-box (OOTB) surveillance detection models, providing the broadest risk coverage for all asset classes and regulations.

Better detection starts with our market-proven OOTB models, but it doesn't stop there. A customizable rules engine allows analysts to modify OOTB models to address specific business requirements, and even tailor alert thresholds based on trading activity. For example, firms can modify alert model thresholds based on an individual instrument's liquidity, or average daily trading volume, or for specific venues (to reflect their unique market activity).

Insider trading violations can destroy a firm's reputation and cost hundreds of millions of dollars. Because insider trading is tricky, models designed to detect it are often plagued by excessive false positives. To address this, NICE Actimize's insider trading models analyze news source and sentiment, along with price movement.

Case Management

If your current markets surveillance solution stops short of providing investigative tools, you'll be pleased to know that NICE Actimize's Cloud-based Markets Surveillance comes with our award-winning ActOne case management solution built right in.

ActOne consolidates all alerts in one interface, giving your analysts a complete view of risk across the enterprise. ActOne applies automation and intelligence to the compliance investigation process. Intelligent automation, powered by RPA, automates repetitive, manual investigative tasks, while policy-driven workflows guide analysts through each action they need to take. Analysts can also use ActOne to collaborate with team-members, escalate cases, upload documents and notes, and share detailed findings. ActOne is so effective at streamlining the investigative process that it can reduce investigation time by up to 70%.

Analysts can easily build complete trade timelines and automatically pull in related communications, while meeting 72-hour mandated turnaround times for investigations. They can even 'replay' market activity around an alert to quickly visualize and provide context, increasing efficiency for analysts.

Your analysts will spend less time on manual work and more time proactively managing risk.

Holistic Trade Surveillance

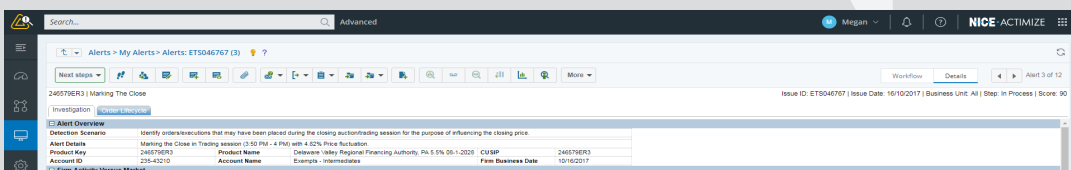
When your markets surveillance and communications surveillance solutions don't work together, you're left with blind spots and gaps. For example, your markets surveillance solution might detect potential market manipulation, but the key to unlocking intent may lie in an entirely different system that analyzes trader communications.

With NICE Actimize's holistic approach, connecting the dots is easy.

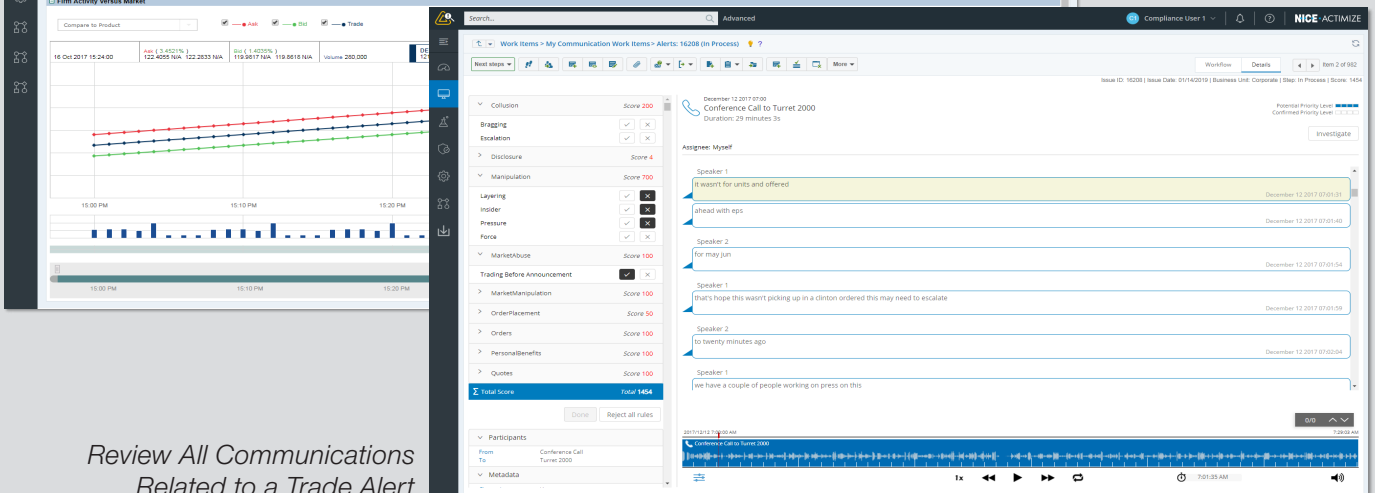
NICE Actimize is a market leader in both trade and communications surveillance. But the real magic of our solutions is how they work together.

Gone are the days where analysts need to toggle back and forth between siloed systems and manually piece information together. NICE Actimize's patented correlation engine relieves your analysts of tedious, error-prone tasks by searching billions of records and automatically correlating and analyzing trade and communications data (voice, email, chat, instant messaging), to connect everything together.

Our automated trade reconstruction solution takes this a step further by creating a full timeline of the trade lifecycle, and all associated communications. Adding communications provides additional context so analysts can assess alerts faster and more thoroughly. In fact, they can save up to 80% of the time they would otherwise spend manually finding, retrieving and reviewing related communications.



One click to
Correlate Alerts with
Communications



Value

If your firm uses multiple point solutions for surveillance, you know they can drive up infrastructure, support, and training costs. NICE Actimize's Cloud-based Markets Surveillance is part of an integrated suite of solutions that can significantly reduce your TCO. Our solutions are delivered on a unified cloud-based platform for an affordable, all-inclusive subscription fee. Your firm gets unrivalled value without compromising on capabilities. Our turnkey solution is also a great alternative to 'home grown' solutions, which can drain IT resources.

Our Markets Surveillance solution comes with our award-winning case management tool and market data feeds from over 200 exchanges, included for free. So your firm benefits from more accurate detection and robust investigative capabilities, without the added cost.

Effective markets surveillance relies on reliable order and execution data. Forgo the professional service fees and leave the work to us! Our data management team will handle all of your exchange, Order Management System (OMS) and Clearing House data integration needs,* easing the integration process. Our proprietary adapters for leading Order Management Systems make data integration quick and clean.

Our cloud-based solution also makes it easy to adapt to change – whether it involves new regulations, additional asset coverage requirements, or expanding into new trading locations.

*for select list of Alerts exchanges, OMS and Clearing Houses that are supported, please email compliance@niceactimize.com

Alerts with Market Graph

The screenshot displays the NICE Actimize Markets Surveillance interface. At the top, there's a search bar and navigation options. The main area shows an alert for 'NIKE' with a market graph. The graph displays price movement over time, with a current price of 104.24 and a spread of 0.02. Below the graph, there's a table of alerted transactions.

Order ID	Execution ID	Account ID	Trader ID	Side	Price	Quantity	UTC Date Time	Local Date Time	Product ID	Exchange	Currency	Capacity	Counterparty Account ID	Notional Value	Principal Amount	Maturity Date
0154688	E134685	ACCT_UC26	N/A	Buy	62.21 USD	5,800	2017-12-10 11:30:00.000	2017-12-10 11:30:00.000	US8841081031	E_NYNS	USD	Principal	N/A	N/A	N/A	N/A
Asset Class		Equities		Order Type	N/A	Symbol	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Strike Price		N/A		C/P	N/A	Time In Force	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Client Data 1		US		Client Data 2	N/A	Client Data 3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Drill-down to Alert Detail

About NICE Actimize

NICE Actimize is the largest and broadest provider of financial crime, risk and compliance solutions for regional and global financial institutions, as well as government regulators. Consistently ranked as number one in the space, NICE Actimize experts apply innovative technology to protect institutions and safeguard consumers and investors assets by identifying financial crime, preventing fraud and providing regulatory compliance. The company provides real-time, cross-channel fraud prevention, anti-money laundering detection, and trading surveillance solutions that address such concerns as payment fraud, cybercrime, sanctions monitoring, market abuse, customer due diligence and insider trading.

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