



**NICE** · ACTIMIZE

**SURVEIL-X**

Anomaly Detection

Because Risk is A Moving Target

# Today's Ever-Changing Risks Demand a New Approach

In the world of financial services, change can be fast-paced and unrelenting. Regulatory requirements, communication and transaction patterns, even your firm's asset classes, services and business scope evolve over time. In the midst of these constant changes, your regulated employees are also becoming more sophisticated at averting detection. The reality is – risk is a moving target. If your compliance program relies mainly on prescriptive detection models that only focus on known risks, you could be compromising your firm's bottom line and reputation.

Furthermore, prescriptive analytical models which rely on static thresholds and set time frames aren't readily adaptable to today's highly dynamic markets. Set the thresholds too high and you could be missing something. Set them too low and your analysts are inundated by false alerts.

## SURVEIL-X Anomaly Detection: The Better Way

SURVEIL-X Anomaly Detection offers a better way. Leveraging decades of experience in advanced technologies (like cloud computing, speech analytics, machine learning and predictive analytics), NICE Actimize's SURVEIL-X can help your firm get out in front of changing conditions and uncover hidden compliance risks, without taxing resources.

Whereas traditional detection methods look for known things (e.g. a specific set of data, used in a specific context, within a specific timeframe), SURVEIL-X Anomaly Detection is fundamentally different. Using unsupervised machine learning, SURVEIL-X's advanced Anomaly Detection can detect previously undetectable behavior anomalies in regulated employee transactions and communications (for example communications or trading activity that's outside of the norm for a specific account, portfolio manager or trader).

Additionally, unlike rule-based models, SURVEIL-X Anomaly Detection doesn't rely on fixed thresholds, and can automatically adjust detection models as patterns in the data are recognized over time.

Better still, SURVEIL-X Anomaly Detection is offered as an overlay to our complete suite of market-leading surveillance solutions, so your firm can identify interconnected risks across all surveillance modalities – including Communications Surveillance, Markets Surveillance, Suitability Surveillance and Conduct Surveillance.

# How SURVEIL-X Anomaly Detection Works

SURVEIL-X Anomaly Detection is part of the SURVEIL-X Holistic Surveillance suite. The industry's first AI-powered, cloud-native, true holistic trade-related surveillance solution, SURVEIL-X detects all forms of risky behavior to ensure compliance with key global regulations, including MIFID II, Dodd-Frank, MAR, Regulation Best Interest and others, while also protecting firms from previously undetectable risks that could result in fines and reputational damage.

## 1. Establishes Profiles of Normal Behavior

SURVEIL-X Anomaly Detection analyzes data related to entities (for example individual traders, advisors, accounts, desks, and/or groups of traders and advisors) across a wide range of attributes, to establish profiles of normal behavior.

## 2. Identifies Anomalies

Using these profiles, SURVEIL-X then applies unsupervised machine learning to identify changes in behavior, thereby detecting anomalies and outliers that signify risky behavioral patterns. For example, is a trader or wealth advisor behaving differently than they've historically behaved? Or is that individual's behavior deviating from the group?

Rather than looking for a specific instance of suspicious behavior (e.g. insider trading), SURVEIL-X

Anomaly Detection is constantly on the lookout for usual behaviors that fall outside of the norm.



## 4. Self-Calibrates Models

SURVEIL-X Anomaly Detection can automatically enhance SURVEIL-X's model accuracy. SURVEIL-X's Anomaly Detection can be configured to analyze analyst's handling of alerts and can develop alert profiles which can be used to train existing models.

## 3. Presents Anomalies

When anomalies are detected, SURVEIL-X automatically generates alerts for first or second line compliance professionals to review. Discovered anomalies are presented to the compliance analyst on an intuitive dashboard. The analyst can drill down into the data, investigate further, and escalate issues as needed.

# SURVEIL-X Anomaly Detection Benefits



Uncovers hidden risks by identifying otherwise undetectable behavioral deviations



Enhances compliance efficiency by simplifying alert prioritization



Continuously improves the accuracy of detection as the system adjusts to patterns over time



Improves your firm's agility and speed in addressing market changes



Stronger, accurate detection reduces risk of reputational damage and fines



Lower false positive rates mean your analysts can focus on investigating and mitigating true risks



Removes repetitive tasks and reduces burden on your staff



Optimizes compliance operations across all surveillance modalities and business areas

## SURVEIL-X: Surveillance Revolutionized

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SURVEIL-X revolutionizes surveillance by providing complete surveillance coverage with both AI-powered and traditional expert rule-based analytics, and advanced visualization tools, all on a cloud-native platform that drives down total cost of ownership. SURVEIL-X offers unparalleled risk coverage for buy- and sell-side firms, insurance companies, crypto exchanges, regulators and more, by enabling accurate detection and rapid, thorough investigation of market abuse, inappropriate sales practices, conduct risk and otherwise undetectable compliance risks to insulate firms from fines and reputational damage.



## 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.

[niceactimize.com/compliance](https://niceactimize.com/compliance)

## Learn More

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