

# Buy Side

## TECHNOLOGY WEEK

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### IN BRIEF:

- ▶ *Deutsche Asset Management licenses Portia to replace existing portfolio management system*
- ▶ *Davidge Data Systems signs joint marketing agreement with A-T Financial*
- ▶ *ING Canada Group licenses PAM for securities and mutual funds*

## Hedge Clients Demanding Better Risk Measures in Light of LTCM

In the wake of Long Term Capital Management's near collapse and the revelations regarding the extent of its leverage — \$200 billion on equity capital of just \$4.8 billion — software providers were quietly preparing for some strong demands. It doesn't take a genius to see that the market is going to be hungry for software systems that can take some of the surprise out of such a situation. Though the risk system must run on the hedge fund's own system, the institutional clients would request detailed reports.

Pension funds, whose participation in

LTCM came as a huge shock to most, may be compiling lists of penetrating questions to ask their hedge funds in the future. Their mission will no doubt add whole new shades of meaning to the current rule of thumb that whatever the fund thinks is prudent is okay. Instead they will likely be asking, "What kind of risk management systems are these wizards running?"

"We've definitely seen a recent pick up in the demand for risk systems," says Mike Smith, a principal in Cutter Associates, a

*Continued on page 3*

## With FMCNET, Oppenheimer Notes Drop In Trade Exceptions in Need of Sorting

Oppenheimer Capital, the New York-based asset management firm owned by Pimco Advisors, has noted a steep drop in the number of trade exceptions it has to sort out, following its first year with Financial Models' FMCNET, the domi-

nant electronic trade confirmation (ETC) supplier in Canada.

"We have to interface with about nine different custodians," says Maria Scalisi, Oppenheimer's international settlement administrator, who announced the year-old imple-

mentation of FMCNET on Sept. 23. Scalisi's operation handles global settlement for 19 Oppenheimer funds. While the number of trades they can handle has increased 86% — to about 500 trades a day — the department is more grate-

*Continued on page 3*

## State Pension Funds Flock to QED Software

Several state-run retirement funds and treasury departments have installed systems from QED Information Systems, the Marlton, N.J.-based software provider reports. State funds that have migrated to QED range from the New Jersey Division of Investments, a \$70 billion pension fund, and a State Treasury operation that installed IMS software

over 10 years ago, to the 70-employee Louisiana State Employees Retirement System (LASERS), which is in the process now of customizing the IMS-2000 system to fit its needs.

Other clients include Ameritech Corporation, the Chicago-based telecommunications provider for the Midwest, which is

*Continued on page 2*

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