



AsiaRisk Awards 2024 WINNER

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Technology vendor of the year
Murex

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The past 12 months have been characterised by lingering uncertainty over the global economy and business environment. Staying quick and nimble is more important than ever.

As a technology vendor, Murex places adaptability front and centre of everything it does, constantly enriching its MX.3 platform to ensure institutions can respond to new market opportunities as soon as they spot them. Continuous investment into product development has resulted in 650 new features being released every quarter.

This year, Murex saw three themes drive client activity: new product launches, evolving regulation and modernisation of technology. In Asia-Pacific (Apac), this translated into 48 extension projects across 12 countries with existing clients, and the onboarding of three new customers.

In India, Murex was quick to respond to a surge in demand for structured products, caused by an easing of restrictions of derivatives trading. As a result, three Indian clients started using the vendor's MX.3 platform for non-linear interest rate derivatives on compounded secured overnight financing rate data.

Responding to the industry's increasing focus on operational resilience, the tech vendor says it has dedicated more than 3,000 person-days in the past year to bolstering defences, focusing on zero-trust deployment and adopting open standards for advanced authentication and interoperability. But, quickly adding new requirements to the software is only part of the answer.

"In today's fast-paced world, every system is potentially a 'legacy system'," says Daijiro Morinaga, co-head of client services for Apac. "Financial institutions face accelerating technology obsolescence, changing regulations and dynamic market conditions. Too often, updating a system is a lengthy and costly exercise standing in the way of adopting innovation."

Need for speed

An uncertain business environment and the growing regulatory focus on operational resilience have been fuelling banks' interest in agile ways of managing technology change.

"Meeting new regulatory demands and the business growth objectives is a daunting task for most IT departments," says Morinaga. "We made it our mission to facilitate the adoption of technology innovations, quickly and often."

This approach resonates well with clients, such as OCBC, a long-standing partner of Murex, which adopted the MX.3 regulatory toolkit for its derivatives reporting needs.

"To support diverse demands originating from various jurisdictions OCBC operates in, the regulatory reporting programme required a sustainable solution for trade reporting across a complex and customised product suite," says Rajesh Amin, head of treasury platform, group technology at the Singapore bank.

Earlier this year, OCBC tackled the second phase of the Commodity Futures Trading Commission (CFTC) rules rewrite, mandating the adoption

of the unique product identifier classification system.

The partnership with Murex allowed OCBC to meet the CFTC requirements in just three months, well ahead of the regulator's deadline. The bank is now looking to implement similar projects with the Monetary Authority of Singapore and the Australian Securities and Investments Commission's revised derivatives reporting rules.

"Murex continues to support us in building a solid regulatory reporting framework that is both cost-effective and tailored to our needs," says Amin.

Towards evergreen IT

The shift towards managed services and software-as-a-service has been under way for a while now. What is fairly new, from an Apac perspective, is the enthusiasm with which larger banks in the region are starting to embrace an outsourced model.

"This is a trend we have been seeing for some time in Europe and North America, and it's now coming to Asia," says Morinaga. "Financial institutions are all struggling with the pace, cost and predictability of injecting innovations into their production environments."

MXevolve managed services are built to meet these demands, offering continuous integration and frequent upgrades to address technical, business and regulatory changes.

"MXevolve is a game-changer for our Apac customers in attaining evergreen IT. And the growing demand for these services is testament to their value," says Morinaga.

To support this demand, Murex launched its Asian testing centre in Vietnam this year.

Future enhancements

Looking ahead, Murex is integrating artificial intelligence (AI) and machine learning into its platform.

One promising application could offer significant improvements when pricing structured products, particularly in terms of speed and smoothing out options sensitivity.

Development is still ongoing, but Murex aims to offer pilot versions of AI- and machine learning-driven features within the next year.

The technology vendor is also developing a new, comprehensive investment management solution for buy-side players, with the objective of going to market in Apac in 2025.

"Financial institutions need to change constantly, whether due to technology evolutions, new businesses appearing or new regulatory requirements," says Matthieu Avanthey, Murex's head of product management for Apac. "Change is inherently difficult for financial institutions – banks should not be 'moving fast and breaking things', they need to be careful. Our focus is now to bring them our experience to help them move as quickly as possible in the safest possible way." ■