



AsiaRisk Awards 2022

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Technology vendor of the year

Murex

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Murex's Asian business has had a good 12 months: a nearly 10% growth in project activity across the region, totalling 80 projects and 49 go-lives.

In 2021, 42% of existing Asian customers ran extensive change programmes. Common themes were: discontinuation of interbank benchmarks; regulatory compliance; and digital transformation.

MX.3

Murex's success is underpinned by its pioneering trading, risk management and post-execution technology, known as MX.3. This platform provides a wide range of analytical tools across all asset classes, such as stochastic volatility diffusion modelling on FX and equities and capital market solutions for Libor benchmark reform. MX.3 speeds up the pace at which clients can roll out new innovations, thereby making sure they don't miss the narrow opportunity afforded by rapidly evolving market conditions.

This has allowed some bank clients to launch new digital channels, exposing their pricing and technology services to a wider universe of clients and helping them increase market share. China and Malaysia were particularly active in this area during 2021.

Time to market is critical for many of Murex's clients, and explains why so many of them have stuck with the tech vendor for so long. For example, a series of new exchanges have been established in Asia this year: China launched the world's largest emissions trading system in 2021, followed shortly by Singapore Exchange's Climate Impact Exchange in 2022. DBS has also recently launched its Digital Assets Exchange.

As soon as each of these exchanges were launched, clients immediately wanted to trade the new asset class. The problem is that creating a new desk is technically challenging, and commands a great deal of effort to understand the specificities of the new product and how they can be efficiently managed in line with local rules.

This is where Murex's integrated platform really came to the fore, and clients across the Asia region were able to launch trading desks for some of these new products within less than three months.

"Collaboration with Murex has enabled us to capitalise our infrastructure and expertise, so we can scale up the carbon trading quickly," says the head of trading and structuring at one regional bank. "Murex is the right technology for us to start on these [new] trading [activities], at scale and very quickly."



Daijirou Morinaga, managing director, co-head of client services Apac, Murex

MX.3 has also managed to maintain a stable level of performance during the recent turmoil that has been seen in the market – something that has clearly been appreciated by clients.

Platform updates

Murex works hard to constantly improve its platform and make sure that it is always up to date. It does this by dividing its 800 developers into 73 'agile teams' – close-knit groups of coders and testers who are able to develop incremental value in a short amount of time.

Last year, Murex was able to move from twice-yearly releases of the software to quarterly versions. This was possible by ratcheting up the number of 'user stories', which are descriptions of a new feature that has been written from the end-user's perspective.

These increased by 18% during 2021. As a result, Murex managed to incorporate 60 new product evolutions (equivalent to 5,000 user stories) in each quarterly release.

Such incremental improvements included new products such as cryptocurrencies, extended coverage for XVA, transition coverage for Asian FX-implied benchmarks and new stochastic models for autocallables.

Murex is also working on a new set of APIs that will allow clients to 'plug' their own applications into the trading platform, so that they can further enrich it with their own proprietary logic and functionality.

The improvements that Murex has made to its MX.3 platform, coupled with excellent response times and high-quality customer service, resonates well with clients, according to Daijirou Morinaga, co-head of client services Apac, Murex.

"Maintaining the capital markets product offering up to date is one of the requirements for [our] bank to stay competitive," says one senior manager within a Japanese bank. "As the financial models underlying those products evolve, prompt and reliable information-sharing by vendors with financial competency like Murex has proven essential to us."

Thanks to Murex's "deep knowledge and excellent support", this particular bank was able to successfully transition away from the Ibor benchmark well ahead of schedule.

Another client, a product business manager from a Chinese bank, says: "We have been working closely with the Murex team to successfully roll out new structures progressively last year. MX.3's comprehensive derivatives catalogue, strong analytics capabilities and flexible structuring tools enable us to continue to enrich our structured deposit offerings in the Chinese market." ■