

## CASE STUDY

# Guotai Junan International Launches New Trading Operations in Hong Kong with Finastra

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Henry Yu

Head of Financial Products,  
Wealth Management,  
Guotai Junan International

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## At a Glance

### Solution

- Fusion Sophis

### Service

- Fusion Adopt



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### Henry Yu

Head of Financial Products,  
Wealth Management,  
Guotai Junan International

### About Guotai Junan International

Guotai Junan International (GTJAI) is among the largest capital markets and securities companies in Hong Kong. GTJAI offers a broad range of financial services in the equities, securities and exchange-traded derivatives markets.

### The Challenge

Keen to expand its operations, GTJAI launched a project to bring its over-the-counter (OTC) and exchange-traded derivatives products to the Hong Kong market. To fuel growth and maximize its market share, GTJAI looked for a robust, cost-effective trading solution that could enable a short time to market for its new services.

### The Solution

GTJAI deployed Fusion Sophis—Finastra's end-to-end equities derivatives trading and cross-asset risk solution. The Finastra solution gives GTJAI the tools it needs to create and manage a diverse range of trading instruments across underlyings from one stable, intuitive and highly flexible platform.

### The Implementation

By working with the Finastra Global Services team and using the Fusion Adopt program, GTJAI achieved a rapid implementation—going live within seven months as planned.

### The Result

Placing Fusion Sophis at the heart of its trading operations has enabled GTJAI to fast-track its Hong Kong expansion. At the same time, the Finastra solution gives the financial institution the robust and reliable systems it needs to effectively manage a dynamic and complex risk portfolio.

[gtjai.com](http://gtjai.com)



Implementing Fusion Sophis has been a real game-changer for our business. We simply wouldn't have been able to overcome the complex risk and compliance challenges associated with setting up operations in a new market without it.”

**Henry Yu**

Head of Financial Products,  
Wealth Management,  
Guotai Junan International

## GTJAI brings its industry-leading trading products to the Hong Kong market by establishing new sell-side operations powered by Fusion Sophis from Finastra

### New Ventures

Home to the third-largest stock exchange in Asia by market capitalization, Hong Kong is one of the most attractive places to do business for many organizations worldwide.

As GTJAI had already built a highly successful securities brokerage business in Hong Kong, expanding operations to become a full-service financial institution was a natural next step.

Henry Yu, Head of Financial Products, Wealth Management at GTJAI, explains: “We are committed to building a totally new platform in Hong Kong to cater to the needs of our clients for tailor-made OTC structured products and exchange-traded derivatives products, such as warrants and Callable Bull/Bear Contracts. To make this venture a success, we wanted to find a versatile, stable and scalable trading solution that would enable us to price and manage, on a real-time basis, the market risk of a wide range of financial instruments.”

To hit the ground running in Hong Kong, GTJAI needed a trading platform that would help it get to market quickly. At the same time, the financial institution was eager to ensure that any new solution would offer the robust real-time risk monitoring and modeling capabilities it required to support its expansion goals.

### Recipe for Success

GTJAI selected Fusion Sophis from Finastra as the risk management platform to support its new Hong Kong operations. Finastra's ultra-flexible, end-to-end solution provides the foundation for the financial institution's trading activities—enabling GTJAI to offer a wide variety of equity derivatives, from futures, listed options and warrants, to flow exotics and structured products.

“We looked at a number of solutions from different providers, but only Finastra could meet all our needs and deliver a quick time to market,” says Henry Yu. “We knew that Fusion Sophis was the right solution for us when we saw that it would give our traders the tools that they require to effectively manage daily operations and associated trade lifecycles.

“Finastra's local presence in Asia and its long-track record of successful implementation projects was a key factor in our decision to select Fusion Sophis. We knew that we could count on Finastra to drive our expansion plans and offer support if we ever encountered any difficulties.”

### Rapid Expansion

Following a quick implementation within seven months, GTJAI is now using Fusion Sophis to power its equity derivatives business in Hong Kong. The solution allows the team at GTJAI to effectively manage the market risk of equity-linked products, as well as other FX and Interest Rate risk.

Henry Yu says: “Implementing Fusion Sophis has been a real game-changer for our business. We simply wouldn't have been able to overcome the complex risk and compliance challenges associated with setting up operations in a new market without it. Through Fusion Sophis, we've managed to get our business up and running in Hong Kong quickly and effectively.”

“Fusion Sophis has become an essential part of our daily trading activities,” adds Henry Yu. “For instance, the solution drives our product lifecycle management, helps us monitor the overall cost of our products, and provides sophisticated value-at-risk analysis tools. What's more, the real-time risk management feature of the solution tool is helping us to make smarter, more timely decisions and adjust our contingency planning at the pace of market changes.”



## Finastra worked closely with GTJAI to plan and deliver a successful implementation of Fusion Sophis



The Finastra Global Services team were very professional and responsive and understood our need for a fast deployment.”

### Henry Yu

Head of Financial Products,  
Wealth Management,  
Guotai Junan International

GTJAI plans to enhance Fusion Sophis in the months ahead by connecting it with more of its internal processes.

“We aim to integrate our in-house pricing models with Fusion Sophis,” says Henry Yu. “Doing so will make forecasting and modeling on all of our trading activities much more convenient, so our front- and back-office teams can focus more time on adding value instead of crunching numbers.”

### Partners in Growth

Finastra worked closely with GTJAI during the implementation to help the financial institution achieve a quick time-to-market through the Fusion Adopt program. Fusion Adopt provided the financial institution with a streamlined implementation, which utilized market best practice and proven techniques, delivering for the financial institution with minimal disruption to their business.

Henry Yu explains: “I’ve worked with Finastra Global Services twice before on other implementation projects and, as ever, the team delivered excellent service and expert support. The Finastra Global Services team were very professional and responsive and understood our need for a fast deployment—meeting us on a weekly basis to ensure we stayed on track and hit important implementation milestones.”

During the deployment, employees from GTJAI worked hand-in-glove with Finastra consultants, who provided the financial institution with essential user training sessions.

“Finastra did much more than implement Fusion Sophis,” says Henry Yu. “The Finastra Global Services team helped us to clearly define and optimize key workflows and adapt Fusion Sophis to our unique needs. Thanks to the in-depth training offered by Finastra, our traders were able to quickly get to grips with the solution.”

Henry Yu concludes: “Finastra have played an important role in helping us to expand our operations into Hong Kong and develop our business. We value Finastra’s support and look forward to working with them in the future.”

### About Finastra

Finastra unlocks the potential of people and businesses in finance, creating a platform for open innovation. Formed in 2017 by the combination of Misys and D+H, we provide the broadest portfolio of financial services software in the world today—spanning retail banking, transaction banking, lending, and treasury and capital markets. Our solutions enable customers to deploy mission critical technology on premises or in the cloud. Our scale and geographical reach means that we can serve customers effectively, regardless of their size or geographic location—from global financial institutions, to community banks and credit unions. Through our open, secure and reliable solutions, customers are empowered to accelerate growth, optimize cost, mitigate risk and continually evolve to meet the changing needs of their customers. 90 of the world’s top 100 banks use Finastra technology. Please visit [finastra.com](https://finastra.com)

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