



## Factsheet

# Maximizing Returns and Efficiency for Pension Fund Managers

People are living longer and getting wealthier. Along with the introduction of new pensions schemes in many countries around the world, this creates attractive opportunities for funds – as long as they can overcome the challenges of low rates and growing regulation. Fusion Invest has the answer.

### Industry challenges

#### Complex conditions and cost pressures

Today's low interest rate environment and unstable outlook create difficult circumstances which compel the pension industry to seek better performance and higher yields. In response, many firms are looking to diversify across assets and geographies.

At the same time, when it comes to technology and systems there's strong pressure on total cost of ownership, because cost control and efficiency are the foundation for improved service and competitiveness. The ideal is an integrated system that allows for operations to be streamlined.

#### Regulation and investor scrutiny

With increased focus from regulators and investors, transparency into asset management is crucial, with easy reporting essential. The industry needs tools that ensure income and returns, can help manage assets and liabilities and can analyze performance attribution. Pension funds are willing to differentiate by designing risk-efficient investment portfolios and asset-liability matching solutions.

To respond to regulators' demands for risk transparency, the ability to consolidate exposures and sensitivities across all pension funds strategies is key and can often be challenging across both direct and delegated investments.

#### Outdated IT

Technology is moving fast. Artificial intelligence, machine learning and robotic process automation will soon enable enhanced returns and cost reductions. Investors are also now looking for services that use innovative digital channels – and as the industry moves to the cloud it will bring scalability, predictability and cost efficiency for everyone involved.

Institutions that have outdated legacy systems are at risk of missing chances to capture opportunities and efficiencies. They may also struggle to provide common essential functions such as pre-trade compliance.

### The Fusion Invest Solution

#### Optimized Search for Alpha

Fusion Invest features a unique dashboard that combines risk analytics and order-raising for collaborative investment decision support. With unrivaled asset class coverage and country-specific pricing, trading and risk capabilities, it enables diversification and superior risk-adjusted returns.

Plus, Fusion Invest makes it easy to design hedging strategies using derivatives in order to efficiently control the fund's risk profile.

#### Key Benefits

- Improved cost efficiency
- Better transparency
- Future-proof technology

## A Comprehensive Solution for Pension Funds

Fusion Invest provides the efficiency and transparency needed today, along with advanced features for optimum decision support and risk management.

### Cost efficiency

With a flexible operating model, Fusion Invest makes it possible for funds to evolve over time, from in-house to outsourced operations and from direct to delegated mandates as well as hybrid approaches.

The integrated system ensures all teams share the same version of the truth, in real-time, removing the need for costly reconciliations. And efficiency is supported further by an exception management process, coupled with strong Straight Through Processing (STP) and automation capabilities.

### Consistency and transparency

Fusion Invest supports the need for transparency by offering immediate and pre-trade views of most-wanted indicators on both assets and liabilities such as funding/hedging ratio, interest rate or inflation sensitivities and hedging gaps, and in-depth performance analytics.

And with customizable oversight of outsourced investment operations, it improves control and independence.

Analytics produced are available through dashboards and APIs to be published to C-level, portfolio and risk managers, pension plan beneficiaries and regulators.

### Future-proof technology

Using Open APIs, Fusion Invest offers access to fintechs and ability to interface with third parties for portfolio management and order raising. As pension funds look for more agility and cost optimization, Fusion Invest can be deployed on private and public clouds.

For more information visit [finastra.com/investment-management](https://finastra.com/investment-management) or contact us at [capitalmarkets@finastra.com](mailto:capitalmarkets@finastra.com)

### About Finastra

Finastra is building an open platform that accelerates collaboration and innovation in financial services, creating better experiences for people, businesses and communities. Supported by the broadest and deepest portfolio of financial services software, Finastra delivers this vitally important technology to financial institutions of all sizes across the globe, including 90 of the world's top100 banks. Our open architecture approach brings together a number of partners and innovators. Together we are leading the way in which applications are written, deployed and consumed in financial services to evolve with the changing needs of customers. Learn more at [finastra.com](https://finastra.com)

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