

FINASTRA

Millennium  
bcp

## Case Study

# Delivering world-class investment products to millions of customers

Millennium BCP enhances trading and risk management with Sophis - helping the bank deliver rapid and reliable services to investors.





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*Using the latest version of Sophis, we've increased the productivity of our risk management validation processes by 10 percent."*

**Marco Barata**  
Project Specialist, Millennium BCP

## About Millenium BCP\*



6.2 million customers



€1 billion  
investment portfolio



6,000 employees

Founded in 1985, Millennium BCP is the largest privately held bank in Portugal and serves over 6.2 million customers. As well as retail banking products, Millennium BCP offers a range of investment banking services, including delta one equity and commodity trading products.

[millenniumbcp.pt](http://millenniumbcp.pt)

## Finastra's Solution

### Sophis

Sophis is an integrated industry-leading portfolio management solution for investment banks and investment managers. It is recognized by the market as the most comprehensive solution available and is deployed around the world, for front-to-back processing of equity derivatives, commodities, and delta one

activities. It helps financial institutions achieve operational efficiency and support regulatory compliance. Cross-asset and scalable real-time pricing and risk reports provide transparency on the books, with detailed drill-down analytics to control risks and grow revenues.

\*Stats are true at publication date.

## The challenge

### Preparing for growth

With demand for OTC products, especially equity and commodity derivatives on the rise, Millennium BCP set out to expand its operations by refreshing the infrastructure powering these services.

With €1 billion of assets under management Millennium BCP plays a significant role in Portugal's banking sector. As well as operating as the biggest market maker for certificates in the country, the bank offers customers a wide range of investment banking services—including a full suite of delta one products traded on most major equity and commodity indexes.

Operating in volatile markets carries significant risk and the bank works around the clock to monitor its extensive portfolio. Marco Barata, Project Specialist at Millennium BCP explains: "Understanding market trends and accurately evaluating our customers' market positions and investments is absolutely mission critical to our business. With a clear insight into markets and our products, we can ensure

the best possible returns for our customers and reduce risk."

For over two decades, Millennium BCP has used Sophis from Finastra to successfully drive risk management across its delta one and commodities trading activities. However, in a fast growing technological environment, leaving the IT infrastructure unchanged will result in new risks emerging that threatened to disrupt its investment activities.

"The existing version of the software was no longer compatible with the latest versions of our preferred operating systems, and the vendors of those operating systems were planning on withdrawing support," says Barata. "Naturally, we wanted to act fast to avoid the potential hazards to system

security that this could create and ensure that our investment banking operations could continue to run smoothly and scale to meet rising demand."

## The solution

### Next-generation risk management

Undertaking an IT infrastructure refresh provided Millennium BCP with the perfect opportunity to upgrade to the latest version of Sophis—unlocking new features.

Upgrading to the latest version of Sophis would enable Millennium BCP to harness the power of the latest generation of IT infrastructure and provide traders with a more modern, intuitive user experience.

“We have a longstanding relationship with Finastra,” continues Barata. “As well as using Sophis for risk management, we also run our front-to-back trading operations with Finastra Summit. During this time, we’ve seen how powerful and reliable Finastra solutions are, so continuing to drive risk management with Sophis was an obvious choice.”

He continues: “Not only would upgrading Sophis help us move to newer IT infrastructure, it would also provide us with a more modern user interface. We were also pleased to discover that the latest version of Sophis enables users to retain historical information about an index after it been refreshed, which would eliminate the need for us to track this information in a separate system and make it much easier for traders to find later on.”



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Project Specialist, Millennium BCP

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***Finastra was always there to resolve any issues that we ran into during the project quickly—and the team continues to provide help when we need it.***

**Marco Barata**

Project Specialist, Millennium BCP

## Delivery journey

### Expert-lead deployment

**Millennium BCP, Finastra and Kyndryl worked as unified team to ensure a smooth transition to the latest version of Sophis and ensure best practice.**

With the IT infrastructure refresh presenting a series of complex technical challenges, Millennium BCP was keen to engage Finastra and its infrastructure services provider Kyndryl to advise on the optimal configuration for Sophis.

"We don't often carry out large scale IT infrastructure refreshes, so we wanted to engage the experts to make sure that we wouldn't run into any issues," says Barata. "Finastra played a vital role in helping us configure Sophis correctly for our new environment and they worked closely with

Kyndryl to ensure that we could maximize the benefits of the upgrade."

He adds: "Without the expert support from Finastra, we simply wouldn't have been able to carry out the project ourselves. Finastra were always on hand to resolve any issues that we ran into during the project quickly—and the team continue to provide help when we need it."



## The result

### Reducing risk

Millennium BCP achieves a 10 percent improvement in the productivity of risk management validation processes—helping traders work even more efficiently.

With the latest version of Sophis powered by modern IT infrastructure underpinning its risk management activities, Millennium BCP is well placed to continue growing its investment banking business.

“Using the latest version of Sophis we’ve increased the productivity of our risk management validation processes by 10 percent,” comments Barata. “This means that they can focus more time on delivering value to customers. What’s more, the accuracy of our interest rate calculations has greatly improved, so it is now much easier for us to spot and mitigate any potential risks linked to interest rate rises and, in turn, protect our customers’ investments.”

Millennium BCP has received positive feedback from its trading team on the user interface of Sophis.

Barata explains: “While our trading teams are accessing the same data they used previously, Sophis now presents this information in a much more user-friendly way, which helps the track market and investment data much faster and with greater confidence. Moreover, we’ve noticed that we can train new hires to use the solution much faster than before, which frees more time for us to focus on higher-value activities.”

He concludes: “With Sophis supporting risk management at Millennium BCP, we can monitor risks with high accuracy and detail and offer customers the ability to make trades in real time. Ultimately, this helps us to keep providing excellent services to our customers and puts us in a strong position to continue growing our investment operations.”

## Contact us

### About Finastra

Finastra is a global provider of financial software applications and marketplaces, and launched the leading open platform for innovation, FusionFabric.cloud, in 2017. It serves institutions of all sizes, providing award-winning software solutions and services across Lending, Payments, Treasury & Capital Markets and Universal Banking (Retail, Digital and Commercial Banking) for banks to support direct banking relationships and grow through indirect channels, such as embedded finance and Banking as a Service. Its pioneering approach and commitment to open finance and collaboration is why it is trusted by over 8,000 institutions, including 45 of the world's top 50 banks. For more information, [finastra.com](https://finastra.com)

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