



Case Study:

# Fundsquare

## Cross-border Funds Trading

### BACKGROUND

The Luxembourg Fund industry is a world leader in cross-border distribution of funds. Luxembourg funds are distributed in more than 70 countries across Europe, Asia, Latin America and the Middle East.

In 2013, the Bourse de Luxembourg established Fundsquare to deliver a more efficient and standardised infrastructure to automate the distribution of Luxembourg funds using state-of-the-art technology.

Fundsquare formed strategic partnerships with Altus and SWIFT who provided the technical backbone for the automated fund trading service with high capacity order routing, sophisticated order lifecycle management and comprehensive monitoring and reporting.

The Fundsquare platform went into live operation in 2014 and offers:

- Order management and related communication.
- Information and reporting services.
- Regulatory reporting services.

### THE CHALLENGE

A number of different legal and technical standards and communication methods were being used by the fund industry to conduct its investment trading. Many transfer agencies had different functionality, some manual and some automated.

An opportunity arose to help transform this issue when the idea of creating a central hub for anyone to conduct their trades quickly and cost efficiently with the assurance of using a secure network was identified in Fundsquare.

The proposition needed to deal with the complexities of automated and manual users and with the large trading volumes that were expected. It also needed to be an accessible and simple system for distributors and transfer agents to use.

### ALTUS ENGAGEMENT

Altus' reputation and expertise in the investment market made the company a perfect partner to help provide this solution.

Altus had already worked with a number of leading investment businesses both in the UK and mainland Europe developing and integrating Altus Funds Gateway (AFG) and the Altus Investment Gateway (AIG) to enable straight through processing (STP) for fund trading.



# Fundsquare: Cross-border Funds Trading

Altus had a solid reputation for understanding the complexity around technical messaging and how it is used in the real world which meant they could effectively deliver a solution quickly, efficiently and to a tight budget.

## RESULTS

Working collaboratively, Altus presented a sophisticated but cost-effective solution based on the foundations of its existing funds trading products, enhanced, with new features to suit the Luxembourg market.

The system was integrated with existing Fundsquare information services to dovetail order processing with an extensive database of fund information. This allowed Altus to simplify the order input process for distributors, provide improved validation services and present a highly informative dashboard to users. The project was delivered quickly and within the agreed timeframe.

Working with several partners Altus developed an

approach to suit the clients delivery needs throughout several phases of work;

Phase 1 - Scoping and solution

Phase 2 - Initial release – core engine, high speed trading, basic tracking of orders.

Phase 3 - Order – user interface stage, management login, sandpit environment and user experience trials.

Phase 4 - Functionality improvements and adjustments.

The result is a user-friendly order management interface and central hub that tracks orders as they flow through the system. Fundsquare has achieved its objectives to support a standardised cross-border distribution service for investment funds.

“We are proud that Fundsquare has been developed by and for the industry. Looking ahead, we see great potential for growing the number of services that Fundsquare can offer to fund professionals.”

**Dominique Valschaerts**, CEO of Fundsquare

Find out more

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