BMO Reduces Market Data Spend 30%

With Xignite Market Data Management Solution

> "I needed to understand what data license accounts were downloading third party data, and how many times. I had to try to solve a licensing issue, but I did not know who was using the account. Maybe I could track it down, but where then is that data flowing?"
>
> Director and Global Head of Market Data
> BMO Financial Group

The Challenge:

Market data within the bank was being managed system-by-system with multiple market data requests. It was unclear which accounts were downloading data, how many times the data was being downloaded, and if the data was being downloaded across different legal entities.

The inability to pull access and usage information for vendor audit requests was increasing non-compliance risks and the likelihood that the bank would pay for more data than was used.

Internal inefficiencies were compounding the problem. Duplicate data requests were coming from multiple groups, or requests came for data not used in the current processing cycle. Each request, even if it is unused or duplicate, had an associated fee, increasing avoidable costs.

BMO needed a centralized method to address critical usage issues such as data entitlement, tracking, use allocation, and compliance. The bank needed to be able to identify, and access the source of the information, and tie licensing information to vendor data. Access to this market information had to be controlled to prevent unauthorized access of data. The bank required an on-premise solution that was quick to deploy but would not have high infrastructure setup and maintenance costs.

The Solution:

To address these challenges, the bank chose Xignite's Market Data Management as a Service solution to power an internal project application named Skyway.

With Xignite's cloud-native market data management solution every data request made by any BMO user can be logged so that data officers can more easily understand usage and ensure compliance. It helps optimize data spend by analyzing consumption patterns and eliminating duplicate data requests.

BMO uses Xignite's Optimization Microservice to process the data they license from a leading market data provider. Xignite's solution is data-vendor agnostic and has connectors available for numerous market data providers.

> " The platform will pay for itself within a year to two years' time, through hard dollars and optimization. There's also a soft-dollar save, which is mitigating your non-compliance risk "

Director and Global Head
of Market Data
BMO Financial Group

BMO's market data officers, using Skyway, can now easily manage permissions for users for market data access by simply toggling on/off the different fields that a user is entitled to access. The platform allows the admin to control access by individual Per Security fields and also makes it easier to administer by grouping these field entitlements together.

Xignite's powerful cloud-based platform was quick to implement. It just required a secure connection to the AWS cloud. Rather than spending months setting up a secure infrastructure, the tool was set up in a matter of weeks.

Results

BMO saw immediate benefits, and experienced a quick return on investment, reducing their market data spend by 30%.

The bank reduced costs by:

· Collecting Data Centrally

· Streamlining Operations

· Reducing Audit Risks

· Improving Negotiating Position

· Reducing Time to Market

· Eliminating Infrastructure Management Costs

The solution improved the bank's security posture and data usage control, providing the ability to enforce the traceability of data and track entitlements and distribution of data. The platform provides CDO/CEO level project visibility and easy access to the information needed to support vendor audits and compliance requirements, including the Volker Rule. In addition, the usage information has been leveraged to improve the bank's negotiating position with vendors. Based on the ongoing success, the bank is driving to quickly on-board additional data sets and expand usage.

About Xignite

Xignite has been disrupting the financial and market data industry from its Silicon Valley headquarters since 2006 when it introduced the first commercial REST API. Since then, Xignite has been continually refining its technology to help fintech and financial institutions get the most value from their data. Today, more than 700 clients access over 500 cloud-native APIs and leverage a suite of specialized microservices-delivered modules to build efficient and cost-effective enterprise data management solutions. Visit http://www.xignite.com or follow on Twitter @xignite