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Galle turns to Traiana for post-trade processing

EXCLUSIVE

By Kris Devasabai

Galle Global Macro Partners has joined Traiana's Harmony network in a move that reflects the emphasis many hedge funds are placing on improving post-trade efficiency and reducing operational risks.

Thomas Barket, chief operating and risk officer of Galle Global Macro Partners, said the Harmony network offered a solution to many of the operational complexities associated with running a multi-prime hedge fund operation.

"It has allowed us to improve the reliability, efficiency and scalability of our operational platform and helped reduce operational risk. The Harmony network has proved to be a very scalable way for us to achieve post-trade straight-through processing," said Barket.

Traiana was initially developed as a post-trade processing solution for sell-side institutions in the foreign exchange business. It has since been expanded to cover futures and equities and was opened up to buy-side companies in 2006.

Traiana was acquired by the London-based inter-dealer broker ICAP in 2007.

Traiana's Harmony network provides a single connection to multiple market participants through a hub-and-spoke model. The system normalises messaging across the network and provides tools that enable members to electronically process financial transactions.

Harmony is widely used as a post-trade processing solution by the sell side, particularly for foreign exchange transactions. Around 500 financial institutions, including the major prime brokers, custodian banks and clearing companies, are members of the network, said Roy Saadon, co-founder and general manager of Harmony at Traiana.

Hedge funds can use Harmony to affirm, confirm and reconcile transactions electronically with prime brokers and manage allocations in real time.

Barket said the Harmony network had helped Galle reduce the workload and costs associated with managing connections with multiple counterparties.

"Harmony normalises the messaging across mem-

bers so we don't have to build connections to each prime broker according to their individual specifications. Traiana is a market standard so it is scalable. There is no need to re-invent the wheel for every prime broker and executing broker we connect to," said Barket.

Traiana has been fully integrated into Galle's trade capture software, allowing the company to reduce operational risks associated with the manual entry of information. Harmony automates post-trade processing and provides Galle and its counterparties with real-time updates through all phases of the trade lifecycle.

The real-time nature of the system also means Galle's risk systems can be updated with portfolio information "as accurately and quickly as possible," said Barket.

Galle was established in January 2010 by Sri Wijegoonaratna, who was previously a managing director at Fortress Investment Group and a portfolio manager of the Drawbridge Global Macro fund. Barket was also previously a managing director at Fortress.



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