

## Using *MORS* as treasury and risk control solution

### Evli Bank's need for consolidation

Evli Bank has an active equity trading operation and a separate five-person treasury. In accordance to the bank's origins as an equity brokerage house, it was natural to start the full-scale system replacement project by selecting a new equity trading specific software. The growing banking business side also initiated a replacement plan to the current loan solutions. To consolidate the trading and banking side under one treasury system Evli selected *MORS*.

Until this point the Bank had benefited from a very good IT department and consequently the solutions developed in-house were advanced and of a very high standard. However, as the trading volumes and the banking side grew, it became clear that a new wider banking system was needed aside the new equity trading system to support the increase in capacity.

The Bank decided to implement the backbone systems from TietoEnator, Bank Syst as the banking system, ProBroker as the equity trading system and UFW for the treasury back office. The treasury operation on top of these decided to implement *MORS* as the Front and Middle Office Treasury solution.

Mr. Bengt Wahlström, Head of Treasury, Evli Bank, comments, "In the system selection phase we were impressed with the flexible usability *MORS* has, in addition the modern technology and overall flexibility were criteria for us and we finally found it with *MORS*." The Bank looked at many other systems prior to selecting *MORS* including specific front office solutions and complete STP solutions, however, *MORS* met the requirements of the bank.



### ABOUT EVLI BANK

Evli Bank Plc is an independent investment bank, whose clients are Finnish and international institutions and companies, as well as wealthy private individuals.

Evli was established in 1985, and has ever since been a pioneer and trailblazer in the rapidly developing capital markets. Evli owes its leading position to its strong expertise and experience, and its ability to find new solutions for clients in fluctuating markets. The company serves clients in international groups in three different business units: Asset Management, Capital Markets, and Corporate Finance. Evli's mission is to produce value to its clients through its competence.

Evli Group employs close to 340 staff and operates in Finland, Sweden, the Baltic countries, Poland and Luxembourg as well as in North America through its joint venture Nordic Partners Inc. Evli Group's equity capital totals EUR 57.0 million and the BIS capital adequacy ratio stood at 15.2% on 31 March 2007.

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### ***MORS* – an obvious choice**

What Evli found in *MORS* was in fact a complete treasury system offering Front Office and Middle Office functionality – according to Mr. Mika Kari, Head of Risk Management, Evli Bank, “*MORS* has flexibility making it ideal for a niche bank like us whose requirements are different in many ways to larger banks.” With Deal Capture supporting all the relevant instruments for Evli including FX, Options, Bonds and FRAs among many others, it was an obvious choice.

The Bank implemented *MORS* in less than 6.5 man-weeks around the year end of 2006 and 2007. Mr. Jarkko Heikkilä, Risk Controller/Project Manager, Evli Bank, comments, “One of the reasons we selected *MORS* was that we knew that it would be user friendly and fast to implement. And the implementation progressed as expected, even during the implementation we added several tailored functionality into the system.” Also, during the implementation, *MORS* partnered with Reuters to develop a robust interface (*MORS* RI) made especially for server data processing of market data. Project Manager continues, “Even with this new interface being developed by *MORS* the project was still completed in the 6.5 man-weeks.”

Initially the plan was to implement *MORS* once the new backbone systems were in place. However, as *MORS* was fast and easy with a cost effective implementation process, it was possible to implement *MORS* temporarily partly on top of the old systems. This was decided even knowing that this temporary phase would perhaps only last 12 to 18 months. The Bank went live with *MORS* far sooner than expected. Mr. Wahlström, Evli Bank comments, “Having *MORS* in place already now even we are still strengthening the backbone was very worthwhile thanks to the smooth interfacing between systems. As soon as we went live with *MORS* we could see the benefits.”

### **Reaping the benefits**

Mr. Kari, Head of Risk Management, Evli Bank, “Implementing *MORS* as the Bank’s treasury and risk control solution has been successful. The treasury is benefiting from the ability to enter deals directly into the system saving much time. For the users in the Risk Control department they now have more time available to them to analyse the data.” *MORS* tracks risks, results and positions in real-time, enabling the Risk Control to monitor and control figures as they appear. This has saved a significant amount of time and has significantly increased the quality of work enabling the risk controllers to focus more on their core business and value added activity – the trading control and risk management – instead of data collection.

### **What’s next?**

*MORS* continues to support Evli Bank and, where possible, works with them to offer new functionality. Mr. Wahlström, Head of Treasury, Evli Bank, comments, “We have seen what *MORS* is capable of both in terms of the solution and the people and we look forward to discovering new possibilities for using *MORS*’ control and reporting features and benefiting from new functionalities that the company can offer us in the future. Our ambition level reaches for example to the automated reporting of the key end-of-day risk and result figures for our top management in a mobile format.”