



Subsector: Investment Banking

Job Family: Trade Management

Impact Level

Today, this role is responsible for clearing, settlements, margin and collateral management as well as follow-up and regulatory obligations and corporate actions.

High Impact

Consolidated Activities

	Today	Future
Trade Clearing and Settlement	Execution is rule-based, high volume, and document intensive all of which can be enabled by technology. RPA and workflow automation tools are leveraged to automatically update accounts and monitor adherence to payment agreements.	Distributed ledger technology (blockchain) could fundamentally transform transaction documentation, resulting in the redundancy of reconciliation that is performed today, therefore reducing settlement risks.
Collateral and Margin Management	Execution of tasks is tedious and involves manual collation of data from multiple sources e.g., collateral management often involves fragmented processes as it relies on many tools and software. Banks have started to leverage RPA to handle margin management.	RPA solutions combining machine learning skills will continue to be used in addressing margin calculation, margin calls and valuation (i.e., using machines to interpret unstructured emails) and automatically populate terms into margin call management systems. Despite automation, human intervention will be required for complex exception cases.

In the next

3-5 years ...

This role will switch from delivering routine tasks, to exception management, driving initiatives that focus on automating trade support, and facilitating decisions in reducing counterparty credit risk. Human judgment and the ability to design creative solutions will be required.

Skills Differentiators:

- ▶ **Automation Management:** The job holder will upskill to oversee automated systems, ensuring that operations requirements are met and focus on the continuous improvement of machines.
- ▶ **Advanced Digital Acumen/Literacy:** On-going upskilling will be required to ensure job holders are familiar with new electronic platforms, and capable of using advanced AI-tools.
- ▶ **Process Excellence:** With good understanding of the existing operations, the job holder can help to highlight the root cause of process inefficiencies and identify the right processes that require automation.
- ▶ **Complex Problem Solving:** The job holder will need to examine complex problems that are escalated and leverage available resources to develop and execute solutions.
- ▶ **Risk Awareness:** Deep understanding of risk and control remain critical. By removing manual processes the job holder can focus to support the management of counterparty credit risk.





Subsector: Private Banking

Job Family: Trade Management

Impact Level

Today, this role sits in the middle office, overseeing trade support. It is responsible for the processing of trades covering the validation, enrichment, and affirmation of trades, and ensuring that all controls are in place.

High Impact

Consolidated Activities

	Today	Future
Trade Booking	Job holders assist the front office in ad-hoc booking requests and update the middle office systems. Some banks are already using RPA and workflow automation tools.	In the future this could either be done effortlessly by Traders, or automated entirely.
Trade Enrichment	Execution of task is document-intensive. Some banks have already automate trade enrichment related tasks.	APIs can enable access to new data sources of additional trade-related information across relevant systems.
Trade Affirmation/ Confirmation	Execution involves issuance of trade confirmation, reporting trade to regulatory authorities, and issuing settlement instructions. Often, STP is applied. For paper-based documents, technology like OCR can enable similar changes.	RPA will continue to be used, enabling automated verification of trade details with counterparties for transactions involving electronic confirmation. Blockchain could also help to streamline the order-to-settlement process and significantly reduce the amount of work.
Pre- and Post-Trade Analytics	Advanced Analytics are applied to model capital, balance sheet and tax impacts pre-trade to better understand the actual trades executed and to gain insights into areas for profit generation.	Taken to the next level, analysis could be performed in real time – alerting the Trader if they appeared to not act appropriately in response to economic or sentiment analysis.
Governance and Control	Execution involves ensuring trades are booked timely on the trade date and anomalous trading activities are escalated and investigated.	The job holder will continue to oversee the control of trading and propose enhancements to improve processes.

In the next

3-5 years ...

Most of the tasks (except trading control) performed by this role will be automated. As complex/exotic trades will continue to be too complicated to automate, this role will continue to contribute in a complex transaction – focusing on structure/documentation of complex trades.

Skills Differentiators:

- **Automation Management:** As automation takes place, the job holder will upskill to oversee systems, ensuring that operations requirements are met before seeking continuous improvement opportunities.
- **Advanced Digital Acumen/Literacy:** On-going upskilling will be required to ensure job holders are familiar with the new electronic platforms and capable of using advanced AI-tools.
- **Process Excellence:** With good understanding of the existing operations, the job holder can help to highlight the root cause of process inefficiencies and identify the right processes that require automation.
- **Data Interpretation and Analysis:** The job holder will need to be skillful in interpreting data to extract key insights for recommendations, decisions or actions.
- **Complex Problem Solving:** The job holder will need to examine complex problems that are escalated and leverage available resources to develop and execute solutions.

