

A Scalable Solution for OCIOs

OCIO firms have seen significant growth in recent years, and that growth has come with the challenges of increased client demands—daily transparency, investments in alternative asset classes in this low-yield environment – and all this at a lower price point.

To address these challenges, OCIO firms need to scale up their operational ability to manage different assets, provide accurate and transparent reporting, and transform their costs to manage fee compression.

Clearwater can help.

Clearwater works with some of the world's largest OCIOs to solve their operational challenges. Clearwater provides daily automated investment data aggregation, portfolio accounting, performance monitoring, investment policy compliance, and reporting needs on more than \$5 trillion in assets globally.

How Clearwater can help OCIOs

Investment Data Aggregation and Reconciliation across Managers and Custodians

Clearwater has established connections with hundreds of custodians and institutional managers to source investment data daily, validate positions, pricing and security attributes and reconcile with trading systems to ensure that we feed clean data every day to our clients.

Automated Processing of Alternative Assets

Private equity and hedge funds are more in demand in this low-yield environment. With most of these investments providing periodic reporting through PDF statements, Clearwater utilizes a machine-learning based solution to extract information from these – capital calls, distributions, investment returns. This allows our clients to get accurate investment data, without the traditional approach of manual data entry.

Simplified Handling of Custody Accounts

Clearwater can sleeve a single custody account into “virtual” accounts for each of their clients. This provides OCIOs investment data at the granular level by client/strategy/account, while retaining the cost efficiencies of having a single custody.

Portfolio Accounting

Clearwater provides GAAP and IFRS accounting – not just trading P&L. OCIOs benefit from being able to provide support for accounting standards like FAS 157, CECL and reporting on realized and unrealized gains and losses. Through general ledger integration, Clearwater maps the end-clients’ chart of accounts to our platform.

Improved Balance Sheet Management

With derivatives playing an increasing role in hedging/alpha generation, margin optimization is key. We reconcile our data with that of FCMs and clearing brokers to ensure that margin calls are correct, and collateral amounts are accurate.

Investment Dashboard and on-demand Reporting

Our web-based, single-instance, multi-tenant platform provides daily visibility into your clients’ portfolios. Users can create their own reports on the fly, querying the data with attributes across 40+ data providers. Holdings, transactions, exposures, performance, and compliance are easily accessible to OCIOs and their end clients.

Counterparty Exposure Tracking OTC Derivatives

With managers entering into OTC contracts with multiple counterparties, it becomes imperative to monitor counterparty exposure for risk management purposes. Clearwater maps the counterparty information in the trade tickets to the LEI repository to report on overall counterparty exposure across transaction types, geographies and entities.

GIPS-Compliant Performance and Composites

Clearwater's performance calculations are daily and GIPS-compliant. Performance is tracked against custom and blended benchmarks and contribution is calculated by security, sector, asset class, duration buckets or any other attribute.

Investment Policy Compliance

Clearwater monitors portfolios daily against the investment policies of your clients, with the ability to override with reason.

Fund Look-Through for Pooled Investments

For comingled investments, Clearwater can look through the fund(s) to calculate total exposure to securities, sectors, and asset classes.

Daily "Valuation" of Private Funds

When managers create private funds, daily pricing is not available to the OCIOs. Clearwater tracks these funds to their assigned benchmark to calculate a daily "shadow" NAV. This allows OCIOs to track performance daily, with up-to-date data



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Clearwater Analytics is a global SaaS solution for automated investment data aggregation, reconciliation, accounting, and reporting. Clearwater helps thousands of organizations make the most of investment portfolio data with cloud-native software and client-centric servicing. Every day, investment professionals worldwide trust Clearwater to deliver timely, validated investment data and in-depth reporting.

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