



Case Study

Leading U.S. Airline

MAXIMIZING OPERATIONAL EFFICIENCY DURING TIMES OF MARKET UNCERTAINTY

The year 2020 was a challenge for investors. The global uncertainty caused by COVID-19 led to large market fluctuations in virtually every industry. Air travel came to a standstill for several months, leaving some airlines with a daily cash burn of over \$20 million for a brief period of time.

During times of economic uncertainty, business leaders cannot afford to wait days for answers to simple questions. Having access to daily, reconciled data on-demand is necessary to ensure the decisions being made aren't made on feeling or intuition.

Yet, many corporate treasury teams have trouble calculating basic values needed by business leaders such as their portfolio's exposure. This is because the reporting available on legacy systems can be difficult and even expensive to customize, leaving accounting teams to perform manual calculations in external spreadsheets with complex formulas and macros, which are risky, time-consuming tasks.



\$11

Billion in AUM

Types of Investments

Treasury Bills
Commercial Paper
MMF

ROI

Reduced time creating
board reports by 90%

How long does it currently take you to check your exposure to a certain issuer? How about a certain country or currency?

If the answer is more than 30 seconds, your organization is likely using an outdated solution and is at a disadvantage compared to your peers.

Companies using legacy software often find themselves spending valuable time performing manual tasks such as data aggregation and reconciliation, instead of value-added analysis.

The Solution

As a global leader in aviation, this major airline had a plan in place to maximize their operations during this time of uncertainty. They opened six separately managed accounts (SMAs) with \$250 million each.

An SMA is a portfolio of assets managed by an external investment firm. Global firms are increasingly seeking this investment route for their unique ability to offer more customization in strategy, approach, and management style than traditional investments.

However, the team had never entered an SMA in the past, and their legacy solution wasn't equipped to handle their needs. That meant the team needed a partner with a solution that was able to quickly and efficiently aggregate and reconcile data from hundreds of external entities and data connections.

This Fortune 500 company selected Clearwater as they recognized that managing and analyzing their growing portfolio would require detailed accounting that no other investment accounting solution could provide.

How Clearwater Helps Facilitate Entrance to SMAs

Clearwater enables investors around the world to navigate the complexities of entering SMAs by delivering instant insights into their portfolio data.

“We’ve received overpayments from SMA’s in the past and have been able to identify them quicker than the lender thanks to Clearwater.”

Manager, Treasury Services

By connecting directly to this airline’s custodians, brokers, and third-party data sources, Clearwater aggregates and reconciles over \$11 billion of their portfolio, daily. This reconciled dataset is used across different reports and modules and simplifies reporting on items such as:

- Reporting unrealized gain/loss
- Tracking new purchases and sales
- Viewing unpaid accrued interest
- Forecasting future income
- Managing accounting changes associated with investments moving from long to short-term classifications.

Automating Board Reporting

Treasury teams are also tasked with the creation of board reports, a traditionally time-consuming task. The management team has seen a 90% time savings in the creation of these board reports by using Clearwater’s customizable reporting to export a file in the exact specifications needed for their downstream systems to the board. Clearwater clients are also able to use Enhanced Statements to create polished board reporting books and statements.

Instant Insights for Accurate Decision Making

Hundreds of other corporations learned a valuable lesson during this time of uncertainty: reporting and accounting tools are critical. Without instant access to data, making intelligent and factual decisions is difficult and can create disproportionate risk in an organization.

Don’t wait for the next large market event to reconsider your current accounting software. Proactive business leaders understand the value of instant data and eliminating manual tasks. The right time to upgrade your toolset is today, don’t wait!

See how Clearwater can help your organization.

[Speak to an Expert >](#)

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