

# Case Study

## Australian Securities and Investment Commission (ASIC)

Kx for Surveillance solution was selected by the Australian Securities and Investments Commission (ASIC) for meeting its statutory obligation to oversee Australia’s licensed financial markets. The solution is used for the detection of trading anomalies and irregularities that may indicate disorderly or prohibited trading across the full range of asset classes and products traded.

Kx for Surveillance was chosen by ASIC as the preferred **scalable, robust** and **technologically advanced solution** to deal with the ever complex nature of trading which is characterised by faster trade speeds, increased trade and order volumes and dispersed liquidity. The solution went live in November 2013, within 9 months of starting the project.

**Multi Asset & Multi Market:** High-performance data capture (rates, trades, orders, news) across multiple asset classes and markets

**Backtesting & Calibration** – allows surveillance analysts to test new alert algorithms against historical data and to recalibrate alerts to minimize false positives



**Market Visualization**  
highly flexible dashboards for monitoring real-time trading activity and performing post-trade analysis

**Market Replay** – to reconstruct trading and rerun analyses by stepping forward and backward through historical data

Kx for Surveillance was selected because of its functionality in the following key areas:

- 1) Event processing for **real-time** alerts
- 2) **Post-trade** Processing for historic alerts
- 3) **Market Database** capture in real-time
- 4) **Integration** to multiple data sources
- 5) An optional **Managed Service** capability

**Alerts** – flexible CEP engine and alerts definition for instant deployment and detection of patterns indicating market abuse, erroneous trading or malfunctioning algorithms

A historical database of market information including trades, orders, cancellations, news and other events enable comprehensive **post-trade analysis** and a **market replay engine** supports the visualization and rerunning of analytics on historical data to look for previously unknown trends and patterns.

**Greg Yanco, senior executive leader of market and participant supervision in ASIC, commented on the solution** *"Given the dynamism of the market environment, we wanted a system capable of capturing and analysing data from all our participants on all markets in real time. With this implementation we can identify questionable activity straight away and act upon it"*

### Main Themes

- Regulatory Solution
- Multi-Agency
- Large Data Volumes
- Multiple Interfaces
- Multi-tenanted
- Complex Data – structured and unstructured
- Hosted Solution
- Multi Asset