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NEWS

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IN BRIEF

BlueCrest Capital Management, a hedge fund based in London, has gone live with a risk management solution from **Algorithmics**. A contract between the two was signed around January this year, following a three month selection process, for the vendor to provide a hosted risk management solution to BlueCrest.

According to Andy Aziz, EVP of risk solutions at Algorithmics, the firm competed with the incumbent vendor for the win. As Aziz explains, 'I don't think the incumbent provider enabled BlueCrest to address the wide range of asset classes and functionalities it was looking for'. BlueCrest's requirement for broad functionality, across many asset classes and including possible additions for future use, was the key criteria for Algorithmics' success in the selection.

'BlueCrest is always seeking opportunities to generate yields,' says Aziz, 'so it needed a system that was extensible enough to address new types of securities as it requires them.'

Also highlights that clients are able to customise Algorithmics' hosted solutions, which are specific to each client, rather than having 'standard ASP [application service provider] offerings'.

Aziz explains that, while Algorithmics markets to a broad spectrum of financial institutions, from banks and insurance firms, through pension plans to hedge funds, each sector displays 'varying degrees of appetite for an in-house solution versus a hosted solution'.

While the bulk of Algorithmics' business still comes from installing in-house solutions to banks and insurance firms, the vendor has in the last couple of years started to offer ASP solutions. 'We're agnostic as to whether a client wants an in-house or hosted solution. Based on clients requirements they will gravitate to one or the other. 'BlueCrest already had a hosted offering, so it may have chosen that right off the bat,' says Aziz.

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