



Reaping the Benefits of CAT Compliance

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As Benjamin Franklin once said, “By failing to prepare, you are preparing to fail.” Even with the initial reporting phase of the Consolidated Audit Trail (CAT) implementation now scheduled for April 2020, large broker-dealers should still be elbow-deep in preparation.

The CAT reporting process will require broker-dealers to integrate, aggregate, analyze, prepare, submit, correct and archive massive amounts of data. There’s no way around it: Broker-dealers will have to automate the process, not just for efficiency, but to ensure data accuracy and integrity.

To manage the workload, many will invest in artificial intelligence (AI), robotics and machine learning solutions. Fortunately, the fringe benefits of these investments go well beyond basic regulatory compliance.

So, when it comes to CAT, think beyond compliance. Here are three ways to maximize your investment and drive positive, measurable change.

Full Trade Cycle Visualization

The SEC will be using CAT data to gain greater insight into trading activities, end to end. Why shouldn’t you do the same? Event reconstruction and pattern recognition of every order placed, routed and filled can provide a gold mine of detail useful in building future trade strategies.

Dynamic Analysis

As you get comfortable with your CAT data visualization engine, new ways to use the data will come to light. How many shares of stock were traded on a specific day by a specific trader? What exchange is yielding the greatest alpha and how can it be enhanced by asset class or day part?

Deep Digital Intelligence

It has been said the “data knows,” but you don’t – because you don’t have time to comb through the information and piece together conclusions. However, machines can, and with a combination of AI, machine learning and robotics, your CAT system can learn to fish for new insights. Is there hidden correlation between stock movement in a customer account that might be useful in managing your own company stock? Turn on the engines and let the data speak for itself.

Review our updated road map to compliance, along with the latest information and insights on CAT, and make sure you’re prepared for the upcoming compliance deadline.

[Click here to see all the latest.](#)

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About Protegent

FIS' Protegent is a suite of solutions that help automate financial institutions' compliance processes. It helps give financial institutions transparency into their data, while helping them to enforce and document their compliance policies and procedures. Protegent's solutions cover social media review, personal trading oversight, market abuse, Reg NMS, Order Audit Trail System (OATS), and transaction supervision and surveillance review. For more information email us at getinfo@fisglobal.com

About FIS

FIS is a global leader in financial services technology, with a focus on retail and institutional banking, payments, asset and wealth management, risk and compliance, consulting and outsourcing solutions. Through the depth and breadth of our solutions portfolio, global capabilities and domain expertise, FIS serves more than 20,000 clients in over 130 countries. Headquartered in Jacksonville, Florida, FIS employs more than 53,000 people worldwide and holds leadership positions in payment processing, financial software and banking solutions. Providing software, services and outsourcing of the technology that empowers the financial world, FIS is a Fortune 500 company and is a member of Standard & Poor's 500® Index.

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