

Case of Study

How a leading APAC Bank mitigates Conduct Risk with Holistic Surveillance and Trade Reconstruction

Trade communications, especially voice, are complex to monitor and more complex to efficiently conduct surveillance on. Voice is the most difficult channel to detect misconducts and control conduct risk. In this case study, you will learn how Fonetic provided an automated solution, and helped a leading APAC bank to comply with regulations and save resources on preventing conduct risk.



THE ORGANISATION

Australasian Leading Bank

THE SOLUTION

Fonetic Trade Comms Suite

Mitigate risks:

- Conduct surveillance over 100% of communications (voice, email & chats) and trades
- Review alerts on conduct in a timely manner

Reduce costs

- Centralise all trade communications into a single repository to provide holistic surveillance across a broad range of communication
- Reconcile communications with their trades automatically to reduce the need for manual retrieval and trade reconstruction

One of the biggest banks of the Australasian Area has a total recorded time of more than 1600 hours per day from audio lines and more than 400.000 text communications, with emails and financial chats.

Monitor and retrieve all communications quickly and easily



With such high volumes, performing forensic investigations; from communications recovery to review and analysis, consumed many months and resources.

Besides the conduct risk challenges inherent to the activity, the Bank faced more risk exposure due to regulatory pressure to deliver trades reconstructed in a timely manner.

The Challenge

1. The Bank needed to **improve its compliance efficiency**. The number of false positives and time spent in communications analysis is significantly high if every channel is analysed separately without its context.
2. The institution needed to improve their surveillance capabilities to proactively **identify all suspect behaviours on time before they lead to regulatory fines**.
3. The Dodd-Frank Act requires banks to hand in **reconstructed trades in a 72 hours period**. Several people and days were needed to locate the specific trade and the communications that were associated with it.

The Solution

1. The Bank deployment of Fonetic Trade Comms Suite that allows them to perform surveillance in every channel of communication and trades from a **single platform which saves time and makes compliance teams more efficient**.
2. Every conversation of the trading floor is analysed and generates alerts automatically when **typical behaviours that lead to fraud are detected**. Alerts are reviewed and either closed or escalated for a complete investigation.
3. **Trade reconstruction is performed automatically**, Fonetic links all trades with their communications proactively and continuously. Reconstructed trades can be exported in seconds when requested by regulator.

Trade reconstruction enhances surveillance capabilities





The Results

The Bank has improved its surveillance efficiency exponentially.

Here are some of the benefits they are enjoying with the implementation of Fonetic Trade Comms Suite:

- **Reduce false positives** up to 80%
- Monitoring **more than 20 sites**
- **Reduce costs** by using an omni-channel platform
- Monitor communications in **5 languages**
- **Mitigate risks** through refined alerts on suspicious behaviour
- Produces reports on employee activity and communications

Why Fonetic?

- More than 10 years of experience in voice and text analytics and integration
- Proactive trade reconstruction
- Truly unique capabilities in voice surveillance
- Multi-language capabilities providing a global solution
- Specialist on solving problems through Artificial Intelligence and Machine Learning

Streamline your surveillance processes

Contact us at:

info@fonetic.com or

+44 (0) 207 796 8655