



**GLOBAL DATA**

# **GLOBAL INVESTMENT BANK**

**Large Canadian bank uses Financial  
Instrument Global Identifier to  
streamline workflow & reduce costs**

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## BUSINESS SITUATION

To keep up with the ever-growing volume of instruments in the market today and to reduce the operational risks of corporate action handling, this Canadian bank urgently needed to upgrade its market data infrastructure to accurately maintain data lineage.

The bank had implemented the Financial Instrument Global Identifier (FIGI) around 2011 to keep market data consistent across the firm, create efficiency and reduce costs. The FIGI is an established global standard of the Object Management Group (OMG.org, an international nonprofit technology standards consortium)<sup>1</sup>. The OMG FIGI standard is issued and distributed by Bloomberg L.P. as a Registration Authority under the auspices of OMG.

## CHALLENGE

The bank, one of the largest and longest-lived financial institutions in the world (it has been operational for more than a century), employs thousands of people in dozens of offices worldwide; it found that its database for maintaining instruments and the associated metadata had grown significantly. One of the bank's challenges was keeping data in sync once a company went through a corporate action.

The bank's processes, previously linked to ISIN as a main identifier globally in multiple countries, had grown inadequate and were now seen to be failing. The bank was unable to store pricing at an exchange level using ISIN — critical to best execution, multicurrency pricing and valuation across positions maintained in different currencies. Additionally, any time an ISIN changed as a result of a corporate action, the linkage back to the original instrument was severed. For example, if company LMN Inc. changed its name to XYZ Inc., and its ISIN changed, the bank was completely unable to deliver the instrument to its clients as a continuous security. This also caused disruption to trade and position management because of rebooking, which resulted in errors in P&L. The bank was struggling with rising costs associated with these errors and the manual processes required to fix them.

## SOLUTION

The Bloomberg Open Symbology team consulted with the bank to understand the problems it was facing and its top priorities. Once the bank's goals were established, the Open Symbology team worked closely with bank professionals to develop a new approach to managing instruments and associated metadata using the non-changing FIGI as the primary key.

A joint decision was made: the bank would acquire the FIGI through Bloomberg Enterprise back office products already in place. These products incorporate the FIGI with no additional costs to users. Although the bank had to completely rewrite some of its processes, the mapping of FIGI to replace ISIN in its database was very straightforward. The bank also found that prioritizing the work by asset class and implementing the new processes for the products that caused the most pain first — equities being one — made the solution easier to carry out. The bank moved forward to include other asset classes, such as equity options and corporate bonds. Throughout, the support from Bloomberg's Open Symbology team helped to streamline the entire process.

## RESULTS

With the FIGI fully integrated as the backbone to the bank's security master, the bank began to realize benefits immediately. The decision to build its infrastructure around a primary key that never changes, that is more granular and that offers broader coverage than other commercially available identifiers and standards allowed the bank to maintain data lineage. The importance of understanding where the source of the data is coming from, where the data flows to and what has changed over time cannot be overstated and is critical for an investment bank. Additionally, using the hierarchy approach of FIGI assignment for equities, the bank is now able to store information at an exchange level, roll that information up to the appropriate country-level composite FIGI and, ultimately, tie all multiple listings of a stock to its share-class-level FIGI. The bank also no longer needs to worry about cases where ISIN assignment was lacking since FIGI offers comprehensive coverage across all asset classes.

<sup>1</sup> In 2011 FIGI did not yet exist as an OMG Standard; the shift to an OMG Standard came in 2015. Prior to that, the precursor to FIGI, the BBGID, was in place and functioned in the same way. For the sake of simplicity, we refer exclusively to FIGI in this discussion.

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The implementation of FIGI has tremendously increased efficiency and lowered costs for the bank by increasing data quality within its system and allowing its processes to become fully automated, thereby eliminating the need for manual intervention. The FIGI extends to all the bank's downstream systems, globally feeding trading and risk applications, and is also used for reporting purposes.

## ABOUT FIGI

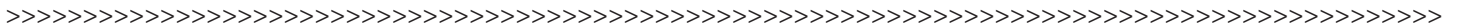
The Financial Instrument Global Identifier (FIGI) is an open data standard for identifying financial instruments across the globe. FIGI is more than a code — it is the methodology and system for defining how data is related, and how that information is conveyed. Defined and issued by the Object Management Group, Bloomberg was nominated to be the Registration Authority and a Certified Provider for the standard. The FIGI is a comprehensive, open and unchanging identifier that helps financial market participants, third-party data providers, exchanges, governments, settlement agencies and regulators improve connectivity, interoperability, transparency, and efficiency in the financial market place. Now available to the industry at no cost, [OpenFIGI.com](http://OpenFIGI.com) provides direct access to multiple tools for identifying, mapping and requesting free and open symbology datasets.

## ABOUT OMG

The Object Management Group® (OMG®) is an international, open membership, not-for-profit computer industry standards consortium, with representatives from government, industry and academia. OMG Task Forces develop enterprise integration standards for a wide range of technologies and an even wider range of industries. OMG's modeling standards enable powerful visual design, execution and maintenance of software and other processes. Visit [omg.org](http://omg.org) for more information.

**LEARN MORE**

Visit FIGI <GO> on the Bloomberg Terminal® or OpenFIGI.com. Contact support @OpenFIGI.com with inquiries regarding FIGI integration.



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