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## Thames River Capital Moves to Portfolio Management with CRD

*Excerpt from Buy-Side Technology highlighting Thames River Capital's implementation of the Charles River Investment Management System.*

Thames River Capital, a London-based hedge fund manager with \$13 billion under management now live on Charles River Development's compliance system, is user-testing two of its eight investment teams on Charles River's portfolio management system, set to go live next month.

The firm, which supports eight investment teams, each focused on its own asset class and region, was founded in 1998 and has been overhauling its technology for the past two years.

"Ten years ago, we started off very small and like a lot of firms, we bought a back-office system (Tradar) and then added home-built features as we grew," says Thames River's IT director Neil Tunley, formerly a managing director at Charles River. "That approach was fine for a number of years but we eventually needed to replace the in-house solutions in our architecture to support further growth."

Unsurprisingly, Charles River was selected last year to deploy post-trade compliance monitoring across all of the firm's funds. The compliance phase went live in January.

"The installation of the compliance piece was very quick and we were up and running within about four months," says Tunley. "The funds we run are a mixture of hedge funds and UCITS III funds, which are complex from a compliance and risk perspective. Charles River has enabled our compliance team to move off the combination of Excel spread sheets and in-house solutions that it was using previously."

The next phase of the project is to extend the vendor's flagship Investment Management System (IMS) to support portfolio management in equities and fixed income across two of the eight teams. Rather than electronic trading, the IMS will predominantly be used for internal portfolio rebalancing and creation of new orders, says Tunley. For the time being it will be restricted to two teams, though that may change later on.

According to Charles River, it is increasingly common for hedge funds to select its IMS initially for compliance and only move to front-office functionality later on.

"A few years ago, compliance was the last thing that the hedge fund community was interested in," says Justin Sycamore, regional sales manager at Charles River. "With the current market situation, compliance has become very important, not just for risk management but also to attract new investors. Potential clients want to see that hedge funds have a good system in place to monitor and control the investments they're making."