

ClearDox Helps SOCAR Optimize Back Office Processes

- Azerbaijan-based oil and natural gas producer [SOCAR](#) was struggling to manually process data to reconcile their positions on trades. This led to a strain on resources and increased financial risk due to position uncertainty.
- ClearDox's Automatic generation of trade matches helped to lessen manual processing on a variety of trades.

Data is the raw material that drives insights. But far too often, that data is inaccessible when it is needed most. Nowhere is this truer than in the middle and back offices

of the commodities world, where manual processes still reign, despite being highly inefficient — particularly when measured against the hyper-availability of data in the trading realm.

The ClearDox helped untangle the many manual handoffs, delivering greater efficiency, lower risk, and enhanced insight through faster and more accurate processing.

Below are three separate ways ClearDox helped SOCAR streamline their back-office processes and improve their reconciliation speed and accuracy.

Use Case #1: Marex Trade Position Reconciliation

The Challenge

Like many in the commodities world, SOCAR was reconciling transactions manually—a process that can take hours. It was no surprise that they struggled to complete these painstaking reconciliations every day.

But not knowing their position on their Marex Brokerage trades opened them up to financial risk.

The Solution

Within five weeks, ClearDox delivered a solution that captures daily position reports from Marex Brokerage and matches that with data from the internal CTRM trade system. The solution reconciled 12 distinct data points.

- Trade Date
- Close of Business Date
- Price Currency
- Contract/Product
- Exchange
- Call Put
- Buy Sell
- Lots
- Strike Price
- Delivery
- Trade Price
- Account Reference Number

The Result

The ClearDox solution delivered several immediate benefits:

- Automatic generation of trade matches helped to lessen manual processing. Person-hours also decreased.
- Reporting dashboard delivered instant insight into unreconciled items for immediate attention. Problem resolution time decreased as well.
- Tools for tracking unreconciled items provided active, real-time visibility of problems for both operations staff and management.
- Overall, the daily reconciliation process was shortened.

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Use Case #2: T1 Marex Trade Reconciliation

The Challenge

Following success with daily transactions, attention was turned to T1 deals. Many of the same problems existed: Slow and incomplete processes that took too many back-office resources, creating greater risk and uncertainty in position management.

The Solution

ClearDox used the daily Marex T1 Trade Report sent directly from Marex to match and reconcile against the internal trade system. As before, the solution was delivered and functional within five weeks. Six data points were part of the solution set:

- Trade Date
- Buy Sell
- Product/Contract symbol
- Notional Amount
- Price
- Lots

The Result

The addition of T1 trades allowed SOCAR to capture as complete a view of positions for risk management in as close to real-time as possible. With this speed and accuracy, the back-office team could immediately address their most important challenges.

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Use Case #3: Trayport Reconciliation

The Challenge

Building on success with Marex reconciliations, the ClearDox / SOCAR team turned their attention to reconciliation with the Trayport platform.

Previously, it often took a week or longer to fully reconcile these complex and often one-off transactions, dramatically increasing the probability of risky (and expensive) issues being left unresolved.

The Solution

ClearDox used the daily trade file from Trayport and reconciled it with the daily internal CTRM trade file. Specifically, six data fields were reconciled.

- Reference Number
- Product
- Start Date
- Lots
- End Date
- Price

The Result

As in the previous two examples with Marex, the Trayport solution dramatically increased the processing time for reconciliation, bringing problematic transactions to the immediate attention of the risk management team and decreasing the amount of manual work required to complete the reconciliation process.

The Trayport solution dramatically increased the processing time for reconciliation.



The Power of the ClearDox Solution

ClearDox combines the best in next-generation technology with deep experience in commodities markets to deliver a unique solution that quickly and completely addresses some of the most stubborn challenges faced in risk management and reporting for commodities trading operations.

Some of the highlights of the ClearDox approach include:

- **Commodity expertise:** The team at ClearDox has decades of experience in the commodities markets and it shows in the results we produce.
- **From turnkey to fit-for-purpose solutions:** ClearDox has the capability to deliver effective results with everything from out-of-the-box turnkey solutions to bespoke fit-for-purpose tools specifically designed and implemented for your unique circumstances and needs.
- **Best-in-class AI, matched to the task:** At ClearDox, we match tech to tasks in ways that ensure that the technologies deployed are the best choice for the challenge at hand.
- **Fast start/fast results:** Our solid technology foundation and deep expertise make it possible for us to deliver outstanding results in a short period of time, saving money for our clients.
- **Open and flexible technology:** ClearDox is designed with technical flexibility in mind, delivering solutions through open integrations that are platform agnostic. Security is always paramount in our fully managed on-premises or cloud-based solutions.

ClearDox is the only set of intelligent automation solutions that is designed specifically for commodities professionals by commodities professionals.

Now is the time to digitize and transform your processes across trading, finance, operations, and supply chain. Contact ClearDox to find out how.

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