

Application Stories

Merrill Lynch Delivers Exceptional Client Service Using Web-based MathSoft StatServer® Technology

Business Challenge

Merrill Lynch is one of the world's leading financial management and advisory companies with offices in 43 countries and total client assets exceeding \$1.8 trillion. As an investment bank, it is the top global underwriter and market maker of debt and equity securities, and a leading strategic advisor to corporations, governments, institutions, and individuals worldwide.

Global technological changes have reduced international barriers, creating new ways of doing business. Capital is dispatched around the world more quickly and new technological tools are required for companies to remain competitive, and to capitalize on the swelling demand for asset management services. The financial services industry is experiencing a "relationship revolution", in which to remain competitive, companies require entirely new ways to interact with clients.

Merrill Lynch's Corporate and Institutional Client Group is the world's most complete investment bank. The group is able to assemble teams of professional financial experts under the guidance of a knowledgeable relationship manager to provide solutions uniquely tailored to client problems. With speed and agility, these teams can then recombine in different forms and bring their industry and product expertise to bear on a different client problem or opportunity, perhaps half a world away. To facilitate this process, Bart Dowling, Global Fixed Income Strategist, and Doug Wilde, Global Investment Strategist, developed a Web-based financial services application providing Merrill Lynch Global Research with an opportunity to act globally while maintaining strong local relationships with its clients.

Dowling and Wilde researched and developed a portfolio management portal called Merrill Lynch Global Research Interactive Portfolio (ML-GRIPSM). The portal consolidates next-generation research reports, market views, relevant databases, and provides powerful analytical tools. ML-GRIP provides Merrill Lynch institutional clients with a free comprehensive resource for financial information and analysis from the company's perspective. The portal leverages the expertise of more than 800 analysts globally covering the stock, bond, and currency markets. "We believe the site provides our company with a unique ability to generate portfolio advice specific to the needs and mandates of institutional investors worldwide," says Wilde.

"Every week our professional market analysts prepare more than 700 reports covering the stock, bond, and currency markets. A portal strategy is essential to allow our customers to select reports that meet their regional needs and avoid information overload. Further, we can post a report once and make it available to all of our clients saving time and resources," says Wilde. MathSoft's Web-based technology and consulting services provided a solution to enable Merrill Lynch to deliver its expertise and financial analytics to its clients globally.

"After an exhaustive search of leading analytical software vendors and e-business consulting firms, we selected MathSoft Inc. The company's financial products and consulting expertise complemented our business needs," says Dowling.



Business Solution

The team was interested in providing one-stop shopping for financial services including competitive market research, databases, and Web-based analytics. "We were interested in providing a portal that would offer our clients information and powerful analysis capabilities in an easy-to-use, flexible format to meet their investment needs," says Wilde.

Historically, Merrill Lynch clients would need to gather their own databases, invest in a desktop optimization package and spend hours analyzing their portfolios. The Merrill Lynch team centralized the relevant databases and provided a powerful optimization tool to their clients for free through ML-GRIP. Now, Merrill Lynch institutional clients, are empowered with in-depth analytics and the information they need on their desktops.

"After thorough evaluation of optimization packages on the market, we selected NuOpt for S-PLUS®. It is one of the fastest optimizers available and offered our clients unparalleled graphic capabilities. NuOpt combined with MathSoft StatServer provides the Web-based delivery and powerful tools we need," says Dowling. ML-GRIP builds model global equity portfolios considering local regulations and currency exchange. This free service gives Merrill Lynch clients a comprehensive tool for evaluating global portfolio risk to make better investment decisions while saving time and resources.

"MathSoft's consulting services group was instrumental in designing, implementing, and making this portal a reality. The professionalism and understanding of our e-business needs was exceptional. They were able to respond to changes quickly and provide expertise that enhanced product delivery. With their help, we are now able to provide our customers an unbeatable financial services resource," says Dowling.

Today, after 1-1/2 years of extensive research and development, the portal is ready for Merrill Lynch customers. Dowling and Wilde are rolling out the service to clients in the United States, the UK, Japan, Hong Kong, Singapore, and Europe. The ML-GRIP portal reflects the company's exceptional ability to think, anticipate change, innovate, and execute ideas to build long-term client relationships. Merrill Lynch is a leader providing its clients with the technology they need to compete in the new global economy.

Benefits

- Consolidated data, reports and analytical tools saving Merrill Lynch and its clients time and improving decision support capabilities.
- Timely delivery of mission critical financial information to key decision makers
- Desktop delivery in a familiar Web environment

Business Tools

- MathSoft StatServer®/S-PLUS®
- NuOpt for S-PLUS® (Portfolio Optimizer)

