

Agentic AI in Investment Operations

A Comprehensive Toolkit



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Introduction

For decades, investment operations has quietly been one of the industry's greatest competitive advantages. The firms that reconciled positions faster, produced more accurate NAVs, and responded quickly to investor requests, built reputations for operational excellence.

Today, however, the definition of operational excellence is changing.

Investment firms are managing increasingly diverse portfolios spanning public markets, private assets, digital assets, derivatives, structured products, and bespoke financing arrangements. At the same time, they face T+1 settlement cycles, rising regulatory scrutiny, growing investor expectations for transparency, and relentless pressure to scale without proportionally increasing headcount.

The challenge is not simply that there is more work to do. It is that the operating model itself has become unsustainable.

Highly skilled operations professionals spend much of their day investigating reconciliation breaks, tracing P&L movements across disconnected systems, validating month-end adjustments, coordinating with data engineering teams, and manually assembling reports from fragmented data sources. These activities are essential, but they are also repetitive, time-consuming, and increasingly difficult to scale.

This is why agentic AI has emerged as one of the most significant technology shifts in investment operations.

Unlike traditional automation, which executes predefined rules, or generative AI copilots, which generate recommendations for humans to act on, agentic AI can reason through complex operational problems, orchestrate multiple systems, execute workflows autonomously, and produce governed, auditable outcomes ready for human review.

According to a 2026 BCG analysis, agentic workflows can increase investment operations capacity by 55% to 65% and reduce operational costs by around 40%¹. For investment firms, the opportunity is not simply to automate individual tasks. It is to build a new operating model, one in which AI continuously monitors, investigates, recommends, and executes operational workflows while people focus on oversight, judgment, and exception management.

This shift marks the transition from operational excellence to **operational intelligence**.



¹ BCG - [Rebuilding Asset Management for an AI-First World](#), April 2026.

Introduction

What Makes AI “Agentic”

Many firms have already deployed generative AI in the form of copilots and chatbots. These tools are valuable for summarizing information and answering questions, but they still require a human to take every action. They are not designed to run institutional investment operations.

Agentic AI is different in a meaningful way: it reasons across multiple steps, executes workflows autonomously, validates its own output, and delivers a finished result grounded in live platform data.

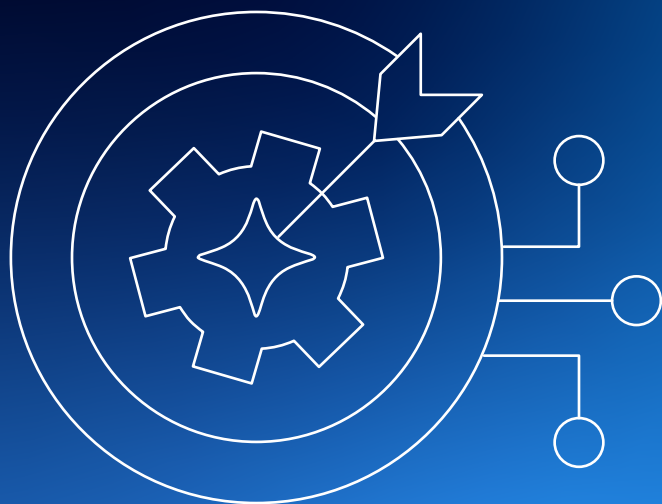
Governance is non-negotiable in an institutional setting. Every agent action must be reviewable, every output explainable, and every exception eligible for human review before downstream processing.

This toolkit is designed to help investment operations leaders evaluate where agentic AI delivers the most value, identify the capabilities that matter most, and assess readiness for deployment.

Generative AI vs. Agentic AI for Investment Operations

 Generative AI	 Agentic AI
Generates responses	Executes operational workflows
Uses uploaded documents	Works from live operational data
Requires manual follow-up	Completes multi-step processes autonomously
Limited governance	Full audit trails and configurable approvals
Generic knowledge	Native understanding of investment operations

The Top Operational Challenges and How Agentic AI Solves Them



Chapter 02

The Top Operational Challenges and How Agentic AI Solves Them

Investment operations workflows run in parallel every day across data, P&L, reconciliation, risk, treasury, and private credit. The one exception is month-end close, which brings all disciplines together in a single, high-stakes validation event. The following challenges outlined reflect that reality.

7 Operational Challenges Agentic AI Solves

Parallel workflows across data, P&L, reconciliation, risk, treasury, and private credit—converging at month-end close.

Reconciliation

Consumes too much analyst time



P&L Investigation

Too slow and too manual



Risk Monitoring

Depends on manual data assembly



Treasury, Financing & FX

Requires manual assembly across systems



Private Credit

Too complex to scale manually



Month-End Close

Relies on manual spot checks



Data Engineering

Bottlenecks slow operational agility



Agentic AI turns each challenge into a governed, auditable workflow—reasoned, executed, and reviewed end to end.

The Top Operational Challenges and How Agentic AI Solves Them

Operational Challenge 1: Reconciliation Consumes Too Much Analyst Time

The challenge:

Every day, operations teams reconcile positions, cash balances, transactions, OTC instruments, financing records, and administrator books across dozens of counterparties. Most discrepancies are routine. The difficulty lies in determining why they occurred.

Analysts move between accounting platforms, spreadsheets, broker statements, emails, and historical records before identifying a single root cause. As portfolios expand across private markets, digital assets, and increasingly complex financing arrangements, this process scales almost linearly with operational complexity. Unresolved breaks delay downstream P&L reporting, risk monitoring, NAV production, and investor reporting, and during periods of market volatility, those delays increase operational risk materially.

How agentic AI solves it:

Rather than presenting analysts with thousands of unmatched records, an agent investigates reconciliation exceptions autonomously. It identifies likely matches despite inconsistent identifiers, performs lot-level matching where required, analyzes historical patterns, explains probable root causes, and prioritizes exceptions requiring human attention. Analysts move from investigating every break to validating a small number of meaningful exceptions. Coverage spans equities, fixed income, listed derivatives, OTC instruments, futures, and digital assets across position quantities, cash balances, transactions, and OTC trades.

What to look for in a solution:

- Automatic matching across internal books and counterparty records, even when standard security identifiers do not align
- Lot-level matching for futures and options with clear explanations of every mismatch
- Root cause surfacing for each break, enabling resolution without manual lot-by-lot review
- Coverage across all instrument types including digital assets

The Top Operational Challenges and How Agentic AI Solves Them

Operational Challenge 2: P&L Investigation Is Too Slow and Too Manual

The challenge:

Explaining why P&L changed on a given day requires tracing movements across trading activity, accrued interest, FX gains and losses, and pricing adjustments, often across multiple disconnected systems. When P&L is unusual, the investigation becomes deeper and more urgent, consuming resources that cannot easily be spared during a busy market day.

How agentic AI solves it:

Agents analyze every contributing factor and deliver a complete, audited decomposition of P&L movements in seconds. Outlier positions are flagged automatically. On-demand performance attribution reports are generated by sector, industry, country, and market without manual data assembly. Every result is fully traceable and suitable for compliance review and investor reporting sign-off.

What to look for in a solution:

- Agents that instantly decompose P&L across trading activity, accruals, and FX from a plain-language request
- Automatic outlier detection that directs investigation to the right positions first
- On-demand performance attribution reports without manual data assembly
- Full audit trail for every decomposition, grounded in live accounting data

The Top Operational Challenges and How Agentic AI Solves Them

Operational Challenge 3: Risk Monitoring Depends on Manual Data Assembly

The challenge:

Risk monitoring is a continuous, parallel discipline, not a periodic report. Portfolio managers, front office teams, and risk functions review exposure throughout the trading day, and operations teams are responsible for the position accuracy those views depend on. Yet producing a position-level VaR report, tracking upcoming maturities across complex books, or assembling a daily portfolio summary can each take hours when done manually.

How agentic AI solves it:

Agents generate position-level risk outputs on demand in seconds. Upcoming expiries and maturities are tracked automatically across all books, with P&L at-risk calculations and a prioritized action list available before positions are at risk of incorrect handling. Concentration limits and emerging risks are surfaced continuously, not just at reporting intervals.

What to look for in a solution:

- On-demand, position-level VaR reports including historical price analysis and concentration metrics
- Automated expiry and maturity tracking with P&L at-risk calculations and a prioritized action list
- Interactive dashboards for comparing performance and risk metrics across books and portfolios
- Coverage of all instrument types including OTC and fixed income

The Top Operational Challenges and How Agentic AI Solves Them

Operational Challenge 4: Treasury, Financing, and FX Require Manual Assembly Across Systems

The challenge:

Without simultaneous visibility across all counterparties and instruments, treasury teams cannot easily identify where financing savings exist or quantify the cost of suboptimal allocation. Comparing broker performance, modeling margin scenarios, and consolidating FX exposures are all processes that require manual assembly from multiple sources, limiting the frequency and quality of treasury decision-making.

How agentic AI solves it:

Agents compare repo rates and haircuts across all counterparties simultaneously, model margin scenarios, optimize collateral allocation, consolidate FX exposures across all business units, and recommend hedging and reallocation actions. Human approval is required before any transfers are executed.

What to look for in a solution:

- Identification of the best available repo rates and haircuts, with quantification of the gap against current terms
- Margin simulation across every bundle for any fund, counterparty, and date in a single consolidated view
- Consolidated FX exposure across business units with automated generation of hedge execution entries
- Rate shock scenario modeling and optimal cash reallocation validated against margin limits in real time

The Top Operational Challenges and How Agentic AI Solves Them

Operational Challenge 5: Private Credit Operations Are Too Complex to Scale Manually

The challenge:

Managing loan lifecycle events across private credit strategies requires processing high volumes of structured and unstructured data across multiple originators, servicers, and fund administrators. Manual data entry, spreadsheet-based tracking, and ad hoc document processing are not scalable approaches for firms deploying capital at scale in private credit.

How agentic AI solves it:

Loan notices, drawdowns, repricing documents, and servicing instructions in any format are automatically converted into structured booking templates and accounting entries ready for review. Interactive applications provide real-time portfolio monitoring across deal pipeline, fund performance, liquidity, compliance, and borrowing base, updated continuously.

What to look for in a solution:

- Automated processing of loan notices and drawdown requests in any format, without manual data entry
- Real-time loan-level visibility into key performance metrics including days past due, loan status, and total principal and interest received
- Support for the full loan lifecycle including primary and secondary purchases, paydowns, reversals, charge-offs, and interest receipts

The Top Operational Challenges and How Agentic AI Solves Them

Operational Challenge 6: Month-End Close Relies on Manual Spot Checks

The challenge:

Month-end close is where every operational discipline converges in a single, high-stakes validation event. Errors that reach investors, including stale prices, miscalculated fees, accrual anomalies, and posting breaks, carry significant reputational and regulatory consequences. Yet the validation processes that catch these errors are largely manual, creating capacity constraints and audit risk at precisely the moment when operational pressure is highest.

How agentic AI solves it:

A comprehensive close validation suite runs automatically: scanning every position for pricing anomalies, flagging fee variances and manual adjustment exceptions against configurable thresholds, validating intercompany entries in real time, and verifying accrual P&L directional consistency including instruments where sign conventions are inverted. Every exception is surfaced with supporting evidence and routed for human review before the close is finalized.

What to look for in a solution:

- Automated scanning for stale, missing, or cost-priced securities before they impact NAV
- Automatic flagging of fee variances, manual adjustment exceptions, and capital roll forward breaks
- Real-time intercompany balance validation before NAV discrepancies propagate
- Full audit trail output that satisfies investor reporting sign-off and compliance requirements

The Top Operational Challenges and How Agentic AI Solves Them

Operational Challenge 7: Data Engineering Bottlenecks Slow Operational Agility

The challenge:

Building, maintaining, and troubleshooting data infrastructure typically requires dedicated data engineering resources. This creates a bottleneck that slows the operations team's ability to respond to new data requirements, new asset classes, and new counterparty connections.

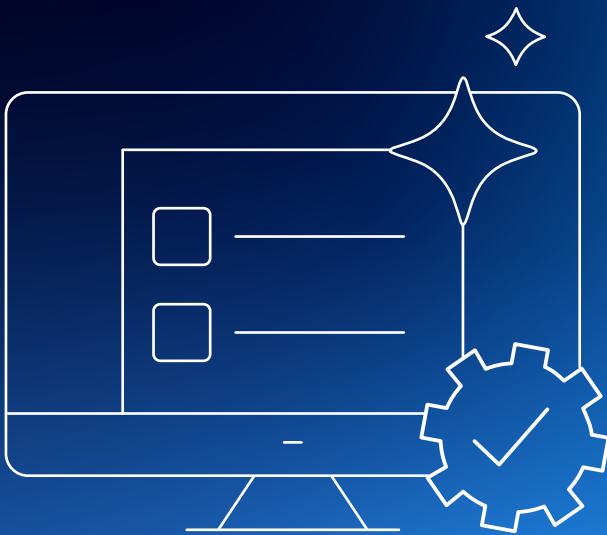
How agentic AI solves it:

An analyst describes what they need in plain language and an agent assembles the data flow, configures components, connects to external sources, and authors data quality rules automatically. When a process fails, the agent investigates run history, identifies root cause, and recommends a fix without requiring engineering support.

What to look for in a solution:

- Natural language data flow building that assembles and configures components without manual engineering
- AI-assisted debugging that analyzes run history and stage-level output to identify root cause
- Natural language data querying that translates plain-English questions into results, without requiring the user to write queries

An Agentic AI Readiness Cheat Sheet



Chapter 03

An Agentic AI Readiness Cheat Sheet

Identify Your Highest-Priority Use Cases

Use these questions to identify where agentic AI will deliver the most immediate value at your firm.

Reconciliation and P&L

- ☐ Do analysts spend more than 30 minutes per day manually assembling and reviewing P&L reports?
- ☐ Is reconciliation across positions, cash balances, transactions, and OTC trades dependent on manual matching and lot-by-lot review?

Treasury, Financing, and FX

- ☐ Does your treasury team lack simultaneous, real-time visibility into financing rates and margin requirements across all counterparties?
- ☐ Is FX exposure consolidated manually, requiring queries across multiple systems before hedging decisions can be made?

Month-End Close

- ☐ Is stale pricing detection a manual process at month-end, relying on analyst spot checks?
- ☐ Are fee variances and materiality exceptions identified reactively, after investor reports have already been prepared?

Private Credit and Loan Operations

- ☐ Are loan lifecycle events, credit notices, and drawdown requests processed through manual data entry and spreadsheet-based tracking?

Risk and Portfolio Monitoring

- ☐ Are risk reports assembled from disparate sources, making on-demand, position-level analysis difficult to sustain?

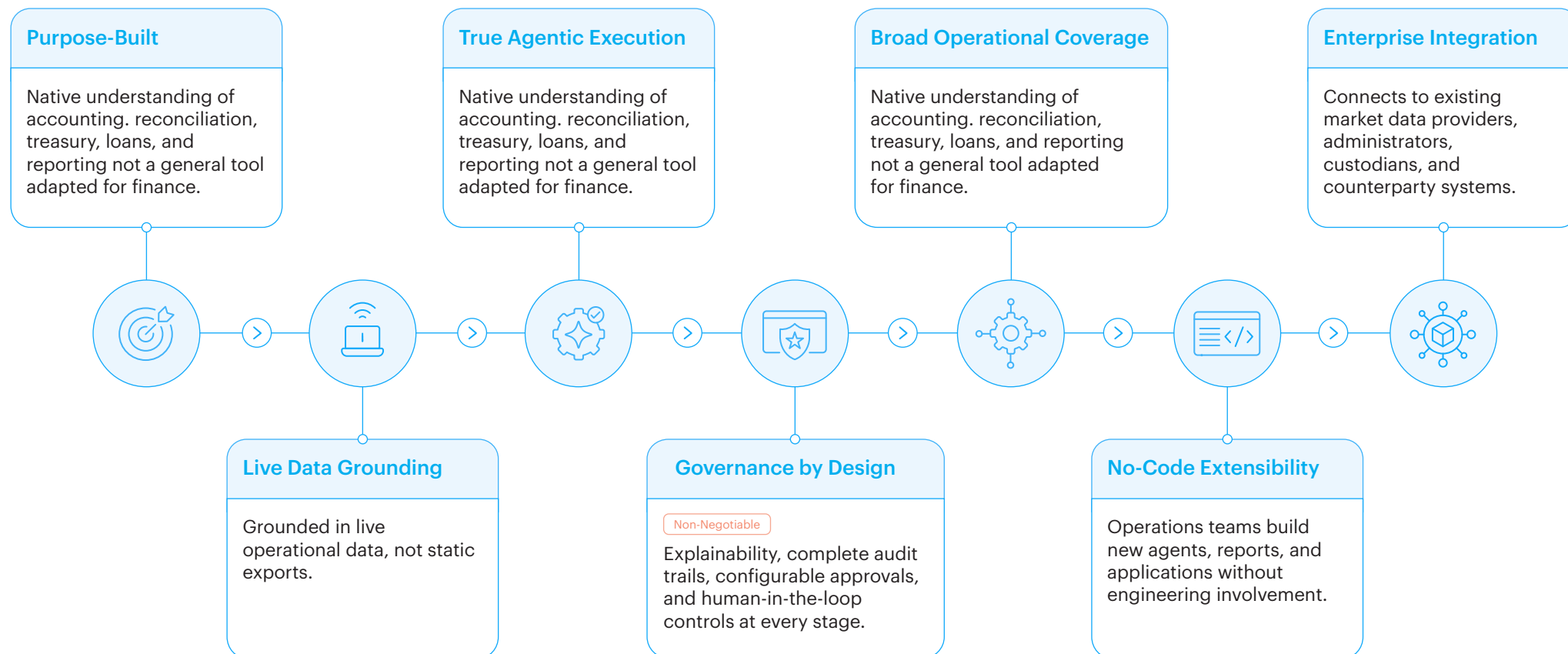
Data and Infrastructure

- ☐ Do operations staff rely on data engineering support to answer routine analytical data questions or build new data flows?

An Agentic AI Readiness Cheat Sheet

Evaluate Any Platform Against These Criteria

Seven checkpoints for institutional-grade agentic AI deployment.



How Arcesium Helps

Arcesium Intelligence is Arcesium's agentic AI platform, purpose-built on an investment industry data model covering the full lifecycle of investment operations. Unlike general-purpose AI tools adapted for finance, it is designed to understand the operational context behind investment workflows, from reconciliation and accounting to treasury, private credit, and regulatory reporting.



Built for Governed, Auditable Agentic Execution

Every agent and application ships with governance and human-in-the-loop controls as a core capability, not an afterthought. Each execution produces a complete, traceable audit trail. Exceptions are routed for human review before downstream processing, and every output is explainable and grounded in live platform data. The same governance framework applies to every custom agent and application, ensuring extensibility does not come at the cost of control.



A Comprehensive Catalog of Agents and Applications, Ready from Day One

Arcesium Intelligence ships with a comprehensive catalog of pre-built agents and applications ready for clients to use from day one, spanning every operational domain addressed in this toolkit.

- **Agents** automate the execution of operational workflows: P&L analysis and attribution, reconciliation, treasury and financing optimization, FX management, risk and portfolio monitoring, private credit and loan servicing, NAV and GAV close validation, and data engineering. Each agent accepts a plain-language request and returns a finished, auditable result.
- **Applications** provide interactive operational visibility across the business: daily performance monitoring, portfolio comparison across books and strategies, broker performance comparison covering financing costs and market data, financial statements generated from live accounting data, and dedicated private credit dashboards covering deal pipeline, fund performance, liquidity, compliance, and borrowing base.

How Arcesium Helps



Builder Tools: Extend Without Engineering

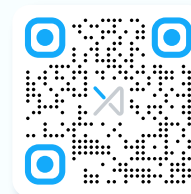
Agent Studio provides three no-code builder tools that allow operations teams to create custom automation without engineering involvement:

- **Agent Builder** composes new custom agents from a plain-English description, grounded in your platform data, complete with built-in governance controls.
- **Report Builder** turns a natural language report request into a fully configured, scheduled, and deliverable report in a single conversational session.
- **Application Builder** generates working web applications wired to your actual platform data from a plain-language description.

Organizations can begin with targeted use cases and expand toward a unified operating model where AI continuously supports investment operations across the enterprise.

Ready to see Arcesium Intelligence in action?

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