



COLLATERAL RISK MONITORING

CHALLENGE



Enabling near real time risk monitoring capability



Dealing with large transactional data sets & complex event management – multiple asset classes, valuation methodologies



Fully automate the end to end process including:

- Data integration
- Complex calculations to compute collateral value
- Generate Decision recommendations



Aggregate intra-day price data from multiple external sources.

APPROACH



Collateral Eligibility module provides the ability to review the eligibility of the underlying securities based on the business rules and risk policy.

Collateral Recording module is designed to enable the integration with underlying transaction platforms.



Collateral Valuation module provides configurable valuation methodologies using multiple intraday price feeds via API calls or file sources.

Collateral Risk Monitoring module provides the ability to monitor risk exposures, defined risk events and recommends action to be taken. The rule engine provides a robust framework to configure and maintain business rules.

IMPACT



Enables client to proactively identify, anticipate and reduce operational risk and mitigate credit risk.



Intuitive user interface aids decision making thru easy retrieval & presentation of relevant intelligence required for credit decisioning.



Reduces operational & regulatory risks by ensuring standardization and automation of complex calculations associated with the process of measuring, monitoring and reporting the risks involved.



CLIENT NEED

A strong framework to reduce operational risk and mitigate credit risk, associated with collateral management programs dealing with multiple asset classes.

"The platform provides the ability to monitor intra-day price movements & quantify their impact on a diverse set of asset classes each with their unique valuation complexities. The focus is on providing intelligence to ensure timely credit decisioning. The architecture provides flexibility in maintaining business rules to meet the dynamic business needs."