

Liquidity Risk Management and Regulatory Reporting

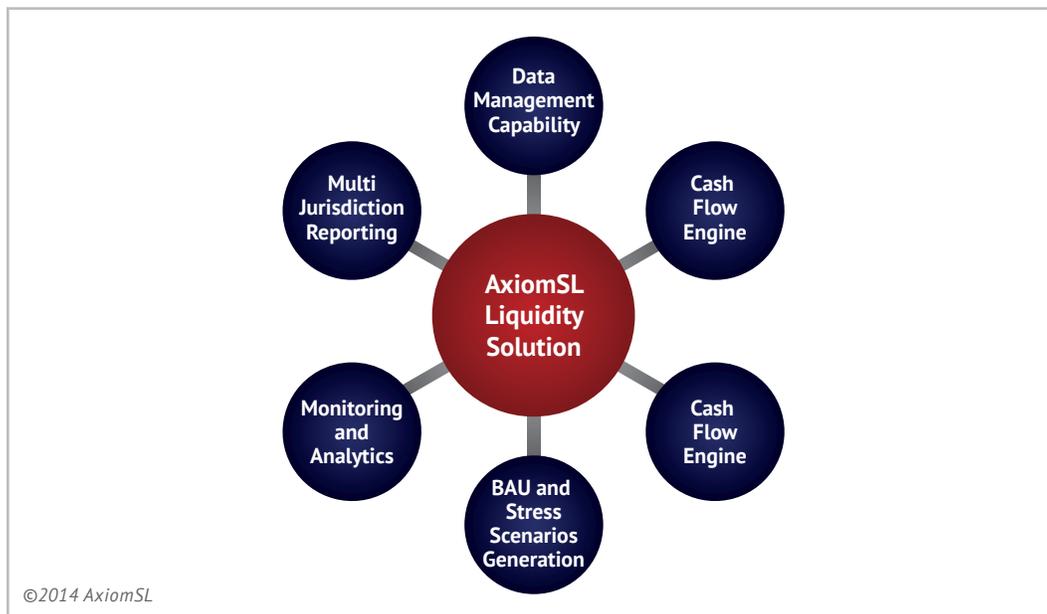
Liquidity risk management and regulation are at the forefront of challenges facing the global financial industry. Regulators have responded to systemic liquidity risk by introducing formal liquidity metrics into the reporting framework. Increased regulatory scrutiny combined with the changing nature of funding markets has forced banks to rethink their approach to liquidity risk management and re-prioritize capital management. The introduction of Basel III and CRD IV compels firms to collate detailed information in order to report both the short-term Liquidity Coverage Ratio (LCR) and long term Net Stability Funding (NSF) liquidity profiles.

Challenges: facing complex reporting regulations

Disparate sources of information – The key challenge for liquidity management lies in implementing a data management solution to integrate sources of information across multiple jurisdictions and business lines to meet the demands of a rapidly evolving regulatory environment.

Centralized capital allocation – ALM and treasury operations are obliged to look for ways to improve effectiveness by monitoring and analyzing the impact on liquidity buffers across business lines and allocating funding costs accurately.

Enhance visibility across silos – Financial institutions need a robust liquidity risk management solution that links siloed departments. This allows central operational teams to quickly set up and perform stress testing, ensuring sufficient liquidity during regular and stressed times. Together with risk and capital management, liquidity needs to be tied into a single calculation and reporting environment.



KEY BENEFITS

Empowers clients with a flexible, transparent, auditable and performance-driven product

• Strategic data-driven solution with complete transparency, drill down and clear audit trail

• Delivers a single global platform that accommodates multijurisdictional and multi-faceted reporting requirements

• Interfaces with clients existing business systems and processes

• Accommodates future compliance and reporting needs in a timely and efficient manner

(continued)

Transparency – Due to the regulatory requirement of intra-day monitoring, a leap increase in transparency is required. The stringent timeframes and uncertainty around the exact requirements, significantly raises the risk of banks creating unreliable and non-reconciling monitoring and reporting systems, and the chance of missing the implementation deadlines. This demands a process that can easily monitor reconciliation issues across other management systems.

Robust system – The financial crisis also highlighted that many treasury departments are too reliant on manual processes and home-made tooling. This makes it challenging to respond effectively to the demands of a rapidly changing regulatory environment, creating spider-webs of more incoherent tools. Stress testing increases the demands on the liquidity systems further. A far more robust, automated integrated platform is required to ensure a flexible and controlled liquidity risk monitoring process.

AxiomSL Liquidity Solution

AxiomSL, global provider of regulatory reporting and risk management solutions, delivers solutions for all liquidity calculation and regulatory reporting, and provides a data-driven platform that meets the mandatory requirements. AxiomSL's solution addresses complex demands of liquidity risk management and reporting by providing flexible and scalable frameworks.

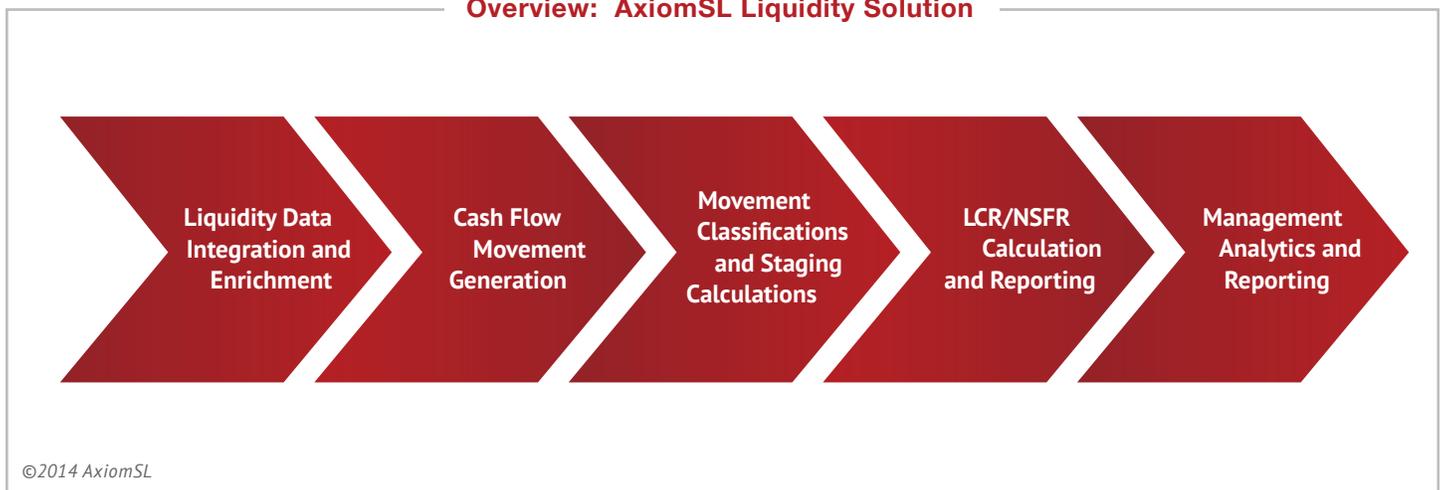
AxiomSL's strategic data-driven solution operates from one single platform, which means that clients can integrate data and workflow from a myriad of disparate sources into a single infrastructure. This solution addresses the challenges banks face of centralization, enabling them to address the analysis and reporting of required data, as well as modelling cash flows and implementing a wide range of stress and scenario tests in a cost effective manner.

AxiomSL's integrated platform enables financial institutions to meet regulatory reporting requirements with greater speed while ensuring full transparency and control, with a drill down ability to review reports to original data sources. More importantly, this empowers clients to successfully monitor risk and eliminate errors that can often occur through manual processes. As a result, the solutions deliver data integrity, traceability and transparency throughout the entire process. The flexibility of AxiomSL's platform enables users to comply with regional or global reporting requirements.

KEY FEATURES

- LCR & NSFR calculator
-
- Multi-jurisdictional reporting
-
- Dynamic dashboard
-
- Variance & trend analysis
-
- Cashflow generation engine
-
- Liquidity and capital stress testing

Overview: AxiomSL Liquidity Solution



©2014 AxiomSL

New York

London

Luxembourg

São Paulo

Beijing

Singapore

Tokyo