



INTRADAY LIQUIDITY CALCULATION AND OPTIMIZATION

RECONCILIATION | IntelliMatch Cash and Liquidity Monitor

The challenges: regulation, risk management and real-time transparency

Liquidity regulation is making it critical for banks to gain constant access to accurate cash positions across their accounts, and forecast future positions with new precision. In particular, the Basel Committee For Banking Supervision (BCBS) has now issued BCBS248: a set of regulatory guidelines for managing intraday liquidity positions and risk. With an intraday approach to liquidity reporting, banks can not only achieve compliance but also determine funding, borrowing and lending requirements. They can seize opportunities created by surpluses, minimize penalties for shortfalls, and optimize the distribution of funds for higher returns. They will also be better placed to improve customer satisfaction through earlier payments, respond to changes in liquidity buffers and manage the impact of negative interest rates. Additionally, intraday and projected views of positions are critical to managing counterparty, trading and settlement risks and preventing the breaching of limits.

But for an up-to-the-minute, detailed understanding of cash flows, cash managers also need the ability to manage complex flows of data. Typically, multiple

systems and message types are responsible for generating intraday positions – making it difficult to deliver a consolidated view of liquidity on a timely basis.

The answer: automated calculation, analysis and management of intraday liquidity positions

For a real-time and projected view of cash positions at aggregated and granular levels, banks need to automate the capture and presentation of cash flow data. With highly automated data processing tools, cash managers can respond proactively to intraday breaches and deviations from expectations, and the corresponding impact on overall funding levels.

FIS can help

FIS' IntelliMatch Cash and Liquidity Monitor provides cash managers with powerful tools for intraday liquidity monitoring, reporting and forecasting, plus the ability to interact with payments on a manual and automated basis. For cost-effective reporting under BCBS248, streamline the collection of liquidity data and deliver a timely, accurate, consolidated view of positions and risks across currencies, entities and counterparties. Gain a rapid



Dynamically calculates real-time positions throughout the day

DID YOU KNOW?

In a recent FIS survey, 90% of banks see liquidity monitoring as very important to their strategies, and 62% report an increase in activity over the last year.

FIS – IntelliMatch Cash Management and Compliance Survey.

Empowering
the Financial World



understanding of cash flow status, while continuously matching projections against settlements. Process cash flows, statements, advices, confirmations and collateral information to easily calculate intraday positions and counterparty exposure, and drill down into the details. Validate and adjust projected positions, track them against defined limits, and initiate payment holding, releasing and sweeping in response to surplus balances, deficits or potential limit breaches. Sweep funds from secondary to main accounts, understand funding balances at cut-off times and receive alerts when projected transactions fail to take place before cut-off.

The FIS solution: IntelliMatch Cash and Liquidity Monitor

Intraday liquidity monitoring

– capture and calculate intraday positions

With a complete, global view of a bank's positions, IntelliMatch Cash and Liquidity Monitor dynamically calculates real-time positions intraday. See positions by currency, entity, counterparty and asset class; drill down to branch, account and individual cash flow level. Make more efficient use of cash with an up-to-the-minute understanding of funding, borrowing and lending requirements.

Balance projections and tracking

– project positions and track against limits

Calculate projected positions according to anticipated cash flows and planned payment events. As a result, help identify future funding, borrowing and lending requirements, or take advantage of forward market rates. Compare projections against actual to understand confirmed balances before cut-off times and reveal unexpected surpluses or deficits. Set limits on positive and negative balance amounts, and define workflow rules to notify automatically of potential threshold breaches.

DID YOU KNOW?

According to a recent SWIFT survey, 42% of respondents stated they do not receive a complete set of SWIFT messages from all their correspondent banks on an intraday basis, but will need the means to do so for BCBS248 reporting.

SWIFT – Intraday liquidity reporting: Survey Findings.

Sweeping and payment interaction

– respond to liquidity issues with auditable workflow processes

Initiate payment holding, releasing and sweeping manually at any point in the day, or set sweeping rules for automated workflow. Use four-eyes approval processes for interactions, and store audit trails on all activity. Monitor cash flow and payment dashboards to understand funding balances at set cut-off times. See the real-time status of cash flows, whether projected, actual, confirmed, unconfirmed and unexpected.

Generation of regulatory reports and business intelligence

– gather reporting data efficiently and cost-effectively

The solution automatically collects and presents all data required for BCBS248 compliance, with integrated business intelligence capabilities for comprehensive management reporting and analytics.

Part of a complete liquidity management solution

– benefit from seamless integration with FIS' trading and risk systems

For a comprehensive Basel III solution, IntelliMatch Cash and Liquidity Monitor can be integrated with additional FIS products, including solutions for credit risk management, stress testing, collateral optimization and liquidity risk management.

Improve compliance, risk management and cash management through automation

IntelliMatch Cash and Liquidity Monitor provides centralized automation for the calculation, analysis and monitoring of intraday liquidity positions. To automate your cash management environment, contact FIS at www.fisglobal.com

About FIS

FIS is a global leader in financial services technology, with a focus on retail and institutional banking, payments, asset and wealth management, risk and compliance, consulting and outsourcing solutions. Through the depth and breadth of our solutions portfolio, global capabilities and domain expertise, FIS serves more than 20,000 clients in over 130 countries. Headquartered in Jacksonville, Florida, FIS employs more than 55,000 people worldwide and holds leadership positions in payment processing, financial software and banking solutions. Providing software, services and outsourcing of the technology that empowers the financial world, FIS is a Fortune 500 company and is a member of Standard & Poor's 500® Index. For more information about FIS visit www.fisglobal.com