



## STREAM CREDIT MONITOR

*Understand your position at every moment of the day*

With around-the-clock trading on global exchanges, unprecedented growth in global futures and options trading, exchange demutualization and consolidation, and more sophisticated methods of asset management, it's never been more challenging to analyze and control credit, manage counterparty exposure and handle collateral management.

Broker/dealers, FCMs and banks have to stay on top of intraday swings in stock, sector and currency valuations, key market events like the suspension of trading, and changes in account portfolio positions. Meanwhile, system constraints can lead to issues with data integrity, risk aggregation and intraday monitoring. It's a daunting task.

SunGard's Stream Credit Monitor solution helps firms recognize and manage their exposures in real-time while improving client service.

Stream Credit Monitor leverages the ability of StreamCore, SunGard's vendor-neutral data management framework, to aggregate data from multiple sources into a single stream of data. Stream Credit Monitor uses this data to generate accurate information for any holding – equities, fixed income or listed derivatives.

Stream Credit Monitor is more than a margin call issuance tool. It's a credit management solution that provides a wide array of warning and informational events, enabling users to evaluate risks and exposures while risk avoidance steps can still be taken. This workflow approach allows a firm to process vast quantities of its clients' obligations automatically, leaving time to focus on the exposures and issues that are true exceptions. This can help enhance profitability and strengthen core competencies.

Stream Credit Monitor offers five modules to meet each firm's individual needs:

### **Portfolio Margin**

- Computes both strategy-based margin and risk-based margin in the portfolio margin account
- Derives risk-based margin computations from theoretical prices on securities, which are hypothetically evaluated to determine worst-case loss scenarios at a specific point in time
- Displays detailed risk arrays for both maintenance and house calculations
- Helps reduce overall margin requirements

### **Reg T Margin**

- Offers sophisticated strategy-based margin and option optimization
- Includes cash account processing and guarantee/combined/linked processing
- Measures concentration and illiquidity
- Supports hypothetical modeling

### **Futures Margin**

- Computes the exchange margin for the majority of global futures exchanges
- Segregates U.S. Regulated, Secured, and Non-U.S. Regulated account types
- Offers sophisticated risk-based margin output and call management workflow

### **Counterparty Exposure**

- Automates credit risk monitoring for repo and other financing products
- Supports online inquiry of the calculation results – current and historical
- Delivers alerts that notify firms of counterparty exposure
- Supplies a flexible rules engine to categorize haircuts

### **Collateral Management**

- Monitors loans secured by negotiable assets in real-time
- Delivers alerts to identify troubled accounts
- Features a flexible rules engine to categorize haircuts
- Supports the creation of loan account relationships, allowing firm to combine accounts

These modules, in combination with the core functionality, provide a credit workflow that can be adapted for each firm's credit policies and lines of business. For example, Stream Credit Monitor can be deployed to process both Reg T and portfolio margin accounts, including Reg T cash account processing for U.S. broker-dealers. An FCM's clearing business in U.S. capital markets can use

the solution to manage its futures accounts exposure. And non-US firms that hold all types of asset classes in the same account can perform a combined set of margin calculations using both risk-based, exchange-driven margin methods and strategy-based margin on non-derivative positions.

Firms managing futures, Reg T, and portfolio margin business can leverage the linked account feature to summarize exposures and equity for a given client, helping the firm to understand where excess and deficits exist across the whole of the client's investment accounts. In addition, firms can monitor counterparty exposure for the financing portions of the business, as well as collateral monitoring related to loans on listed and fixed assets.

Stream Credit Monitor provides a range of benefits internally as well. The back office will appreciate that it supports a wide range of investment types, exchanges and trading systems, while its real-time event handling helps improve STP automation. Compliance and audit managers can also benefit, because the system produces and stores a complete audit trail of all historical calculation data. Rather than generic reports, results are generated in the format of the relevant exchange for maximum ease of use.

Stream Credit Monitor supports multi-currency transaction and requirement processing and carries the majority of global futures and derivative exchange margin methods in its calculation engine, making it easy to execute in global markets.

#### ***Reliability, performance and compatibility***

Stream Credit Monitor can be deployed as an outsourced ASP solution or hosted internally. The system resides on Sun Microsystems' systems, which deliver business-critical requirements such as open standards technology, high scalability and security.

In today's global markets, there is no such thing as a standard credit workflow. Every firm approaches credit management differently based on their tolerance for risk and sensitivity to the regulatory constraints of their markets. With its automated workflow and a deep and customizable rule set that stores the firm's credit policies, Stream Credit Monitor helps customers manage credit effectively across virtually all asset classes.

#### **KEY BENEFITS OF STREAM CREDIT MONITOR:**

- Helps firms act before exposures may be realized
- Provides a single platform, helping to streamline operations and reduce risk
- Helps prevent errors and problems and reduce IT complexity and cost
- Is designed to adapt to each firm's specific requirements and policies
- Helps improve workflow

#### **NEED MORE INFORMATION?**

Contact your sales representative at +1-800-825-2518 or visit us at [www.sungard.com/streamcreditmonitor](http://www.sungard.com/streamcreditmonitor).