

Counterparty Credit Risk Optimisation

Powered by **triBalance**

triBalance is a multilateral risk mitigation service reducing systemic risk and optimising counterparty credit risk (CCR) exposures. By simplifying and de-risking OTC derivative portfolios, the costs associated with maintaining them are significantly reduced.

- Optimises bilateral and cleared CCR by inserting new offsetting transactions
 - Reduces the cost of funding uncleared margin requirements and CCP IM
 - Reduces capital requirements from SA-CCR and RWA
- Supports the largest network of dealers optimising CCR
- High level of automation – Low touch.

Capabilities

- Reduces contagion and systemic risks
- Multi-target optimisation reduces capital and funding costs of maintaining derivatives portfolios
 - IM exposures
 - Leverage ratio (SA-CCR)
 - RWA
- Efficient balance between added notional/trade count and CCR reduction
- Enables more efficient use of operational and financial resources.

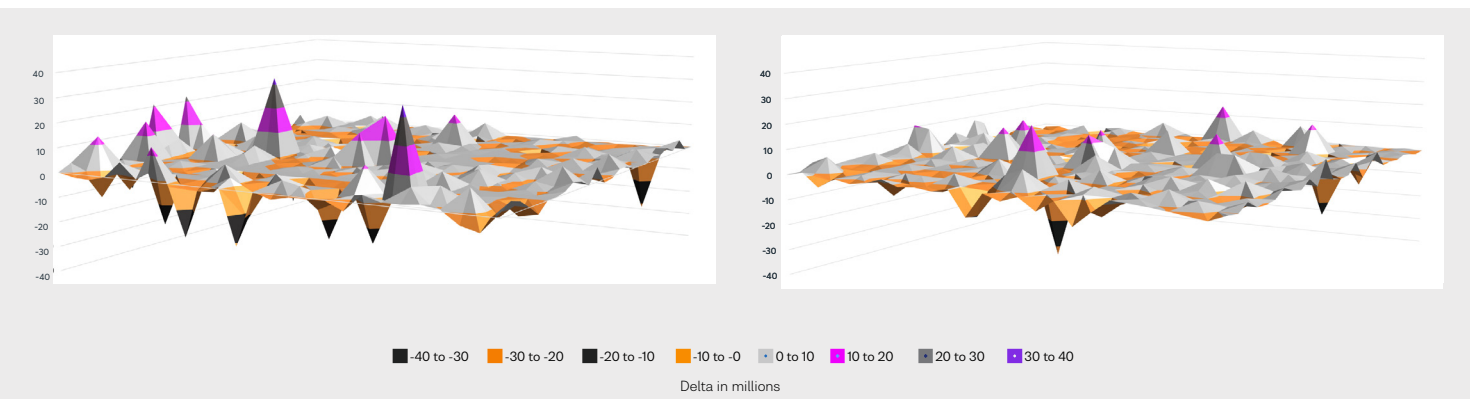
Features

- Introduces specific sets of risk-reducing transactions to optimise CCR exposures
- Regular asset class specific rebalancing cycles adding market risk neutral packages of trades
- Maintains market risk neutrality for each participant
- Unlocks netting opportunities across counterparties without using novation
- Multilateral solution for maximum optimisation efficiency
- Manages legacy exposures simultaneously
- Easy to use, scalable and consistent.

Counterparty risk optimisation

CCR **before** triBalance

CCR **after** triBalance



Manage your counterparty risk to maximise use of capital and minimise the cost of funding IM.

Benefit	Optimisation	FX	Rates	Credit	Equity	Commodity
Margin	SIMM* – UMR	✓	✓	✓	✓	✓
Margin	CCP IM	✓	✓	✓	–	–
Capital	SA-CCR	✓	✓	–	Work in progress	Work in progress
Capital	IMM (RWA)	✓	✓	–	Work in progress	Work in progress

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Transition to SA-CCR

SA-CCR changes the focus of leverage ratio capital from gross to net exposures, this disruptive change impacts banks in different ways, depending on their CCR profile.

Our comprehensive SA-CCR solution provides an efficient CCR management tool suitable for all market participants, irrespective of jurisdictional domicile. Through a built-in cost reduction approach, the all-in CCR cost of keeping an OTC derivatives portfolio is optimised allowing firms to continuously manage their CCR related costs.

Scalability through automation

The value of working with a trusted, simple and uniform process is crucial to achieve scalability without increasing resource spent. Optimise your CCR exposures using triBalance.

- Automated input data via Acadia's Initial Margin Exposure Manager
- API interface facilitate automation of proposal verification as well as data upload/download
- STP delivers rebalancing transactions directly to the correct entities and trading books

Getting started with triBalance

Getting started with triBalance is quick and easy. triBalance is a web-based service with no software installation necessary. Our client managers are available for training front, middle, and back office personnel and once you are onboard, they will guide you through the simple preparation steps for triBalance.

Security above all

Data Security	ISO 27001 certified since 2009
Legal certainty	Robust legal framework
24 / 5 Service	Our triReduce / triBalance team is working for you around the clock in Tokyo, Singapore, Stockholm, London and New York
Control	Stringent controls to protect all participants in compression and optimisation runs
Integrity	16 years of experience in delivering fair and impartial compression results for more than 260 regular clients

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