

Initial Margin Analytics

Firms that are in scope for the calculation and posting of initial margin rules on uncleared portfolios are faced with a variety of operational challenges. OSTTRA triCalculate can help you streamline your IM processes and make more informed IM business decisions with comprehensive IM analytics.

Today's planning. Tomorrow's success

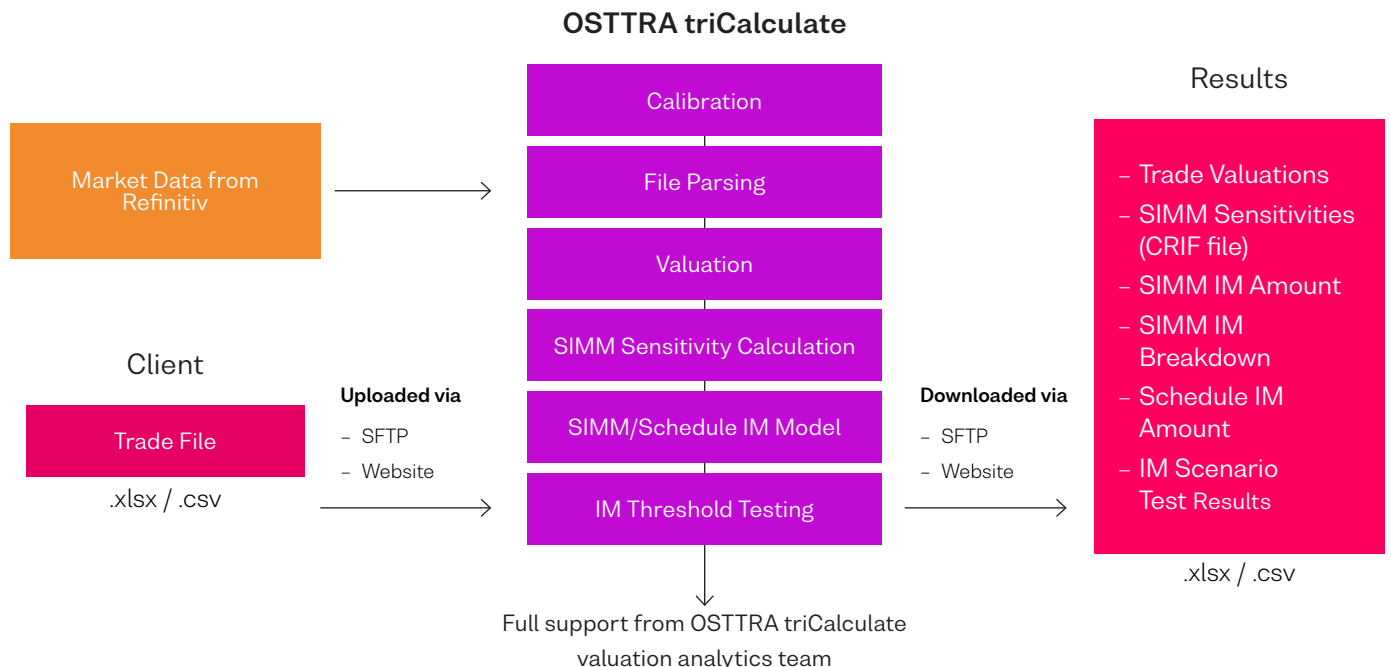
IM analytics provides crucial insight into your options for IM calculation, and helps analyse the impact of trading against different counterparties.

Proven, comprehensive, & customisable

IM analytics are customisable to your requirements and can be provided on a periodical or ad-hoc basis. With no upfront fees, all that's required to get started is a simple trade file in any format, representing a real or hypothetical portfolio.

How it works

OSTTRA triCalculate IM analytics helps clients who are in-scope or preparing to be in-scope for the IM rules to understand and optimise their IM exposure:



With IM analytics you can determine:

SIMM™ vs. Schedule

Both the schedule method and the ISDA Standard Initial Margin Model (SIMM) are widely used throughout the industry. We support both methodologies and can help in the SIMM™ vs. schedule decision-making process with analytics on the effects of each methodology on IM costs.

SIMM™ Sample

party_id	counterparty_id	slfo	risk_class	sensitivity_type	bucket	trade_count	pledgor_im	secured_im
DEMO	TEST COUNTERPARTY					13	4,984,065,924	4,853,965,789
DEMO	TEST COUNTERPARTY	RatesFX				9	4,984,065,924	4,853,965,789
DEMO	TEST COUNTERPARTY	RatesFX	FX			9	4,575,607,489	4,509,875,243
DEMO	TEST COUNTERPARTY	RatesFX	FX	Vege		4	511,334,995	511,334,995
DEMO	TEST COUNTERPARTY	RatesFX	FX	Vege	EURGBP	2	128,754,147	128,754,147
DEMO	TEST COUNTERPARTY	RatesFX	FX	Vege	USDCBP	2	421,254,187	421,254,187
DEMO	TEST COUNTERPARTY	RatesFX	FX	Curvature		4	65,732,246	0
DEMO	TEST COUNTERPARTY	RatesFX	FX	Curvature	EURGBP	2	3,763,165	3,763,165
DEMO	TEST COUNTERPARTY	RatesFX	FX	Curvature	USDCBP	2	9,876,162	9,876,162
DEMO	TEST COUNTERPARTY	RatesFX	FX	Delta		9	3,998,540,248	3,998,540,248
DEMO	TEST COUNTERPARTY	RatesFX	FX	Delta	USD	7	3,937,210,387	3,937,210,387
DEMO	TEST COUNTERPARTY	RatesFX	FX	Delta	EUR	2	306,188,972	306,188,972
DEMO	TEST COUNTERPARTY	RatesFX	IR			13	554,090,546	554,090,546
DEMO	TEST COUNTERPARTY	RatesFX	IR	Delta		13	554,090,546	554,090,546
DEMO	TEST COUNTERPARTY	RatesFX	IR	Delta	GBP	11	493,780,945	493,780,945
DEMO	TEST COUNTERPARTY	RatesFX	IR	Delta	USD	7	300,345,189	300,345,189
DEMO	TEST COUNTERPARTY	RatesFX	IR	Delta	EUR	2	42,152,650	42,152,650

Schedule Sample

party_id	counterparty_id	Asset class	IM requirement (% of notional exposure)	trade_count	Gross_IM	Party Mtm	NetReplacementCost Pledgor Party	GrossReplacementCost Pledgor Party	NetReplacementCost Secured Party	GrossReplacementCost Secured Party	pledgor_im
DEMO	TEST COUNTERPARTY	Credit: 0-2 year duration		2	0	0	0				
DEMO	TEST COUNTERPARTY	Credit: 2-5 year duration		5	0	0	0				
DEMO	TEST COUNTERPARTY	Credit: 5+ year duration		10	0	0	0				
DEMO	TEST COUNTERPARTY	Commodity		15	0	0	0				
DEMO	TEST COUNTERPARTY	Equity		15	0	0	0				
DEMO	TEST COUNTERPARTY	Foreign Exchange		6	8	3,155,478,000	-512,666				
DEMO	TEST COUNTERPARTY	Interest Rate: 0-2 year duration		1	2	504,250,000	1,266,000				

Sample your future IM costs

It's essential to understand what your IM cost will be. IM analytics allows you to identify a suitable portfolio for your first week's, month's, and year's worth of trading and to simulate your IM cost across all eligible relationships, allowing a more accurate depiction of your IM cost.

Which counterparties are in-scope and when

It is a requirement to actively exchange regulatory IM with all in-scope counterparties that exceed the IM threshold. We can help you prioritise setting up your IM agreements where you anticipate this threshold to be breached sooner rather than later.

How to redistribute risk

OSTTRA triBalance can help simplify your OTC derivatives portfolios and reduce funding costs of meeting initial margin obligations. This is achieved through multilateral rebalancing of counterparty risk exposures. The service is available for FX, rates and equity risk classes and can optimise across both bilateral and cleared relationships.

Bringing it all together with a seamless IM solution

With IM analytics providing the insights you need to decide your IM calculation method, identify and prioritise in-scope counterparties and reduce IM funding costs, you can then use our seamless IM solution to calculate your inputs, manage your margin calls and resolve your disputes.

For more information please email info@osttra.com

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