

asset servicing times



SmartStream Technologies has partnered with Numerix, a provider of risk technology solutions, to meet the International Swaps and Derivatives Association's (ISDA's) collateral management obligations.

In order to facilitate The Basel Committee on Banking Supervision-International Organization of Securities Commissions guidelines for margin requirements relating to over-the-counter (OTC) derivatives, ISDA has proposed a Standard Initial Margin Model (SIMM) to be used by market participants to provide transparency in the collateral management space.

SmartStream's TLM Collateral Management solution reduces operational risks and costs associated with collateral management and will reduce counterparty disputes for clients dealing in collateral management for OTC derivatives.

According to SmartStream, Numerix's advanced computational abilities make it possible to generate the risk sensitivities required by ISDA SIMM that are leveraged as input into initial margin calculations.

Jason Ang, programme manager for TLM Collateral Management at SmartStream, said: "SmartStream's TLM platform is proven to manage credit and operational risk through collateral management, we are delighted to be working alongside Numerix, whose expertise will complement our ability to manage complex business requirements in this space."

Steve O'Hanlon, CEO of Numerix, commented: "As new transactions become subject to initial margin requirements, front-to-back SIMM calculations, including the generation of fast and accurate SIMM sensitivities, have become critical."

He added: "By partnering with SmartStream we are happy to make Numerix SIMM capabilities available to a greater set of market participants."