

# SmartStream, Cassini partner on initial margin solution

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Fintechs SmartStream Technologies and Cassini Systems have partnered to help buy side firms comply with initial margin requirements.

On March 20, UK-based firm SmartStream Technologies announced a partnership with UK fintech Cassini Systems to give buy side firms a view of their initial margin requirements across the lifecycle.

Cassini's analytics will be integrated into SmartStream's TLM Collateral Management Platform so that firms can reduce counterparty disputes and operational costs while having transparency over the SIMM calculation and risk of the portfolio in one place.

This September, the uncleared margin rules introduced as part of post-crisis reforms will capture all entities with uncleared derivatives of more than \$750 billion notional.

Phase four of the five year phase in process which begun in September 2016 is [expected to capture less than 100 firms](#).

However, in September 2020 the rules will include firms with over \$8 billion in uncleared derivatives notional, which could include hundreds of firms.

"As the roll out of uncleared margin requirements reaches phase five and impacts the full range of buy side firms, the need for a complete and flexible, front to back SIMM calculation, including the generation of sensitivities, is fundamental," Liam Huxley, chief executive officer of Cassini Systems, said in a statement.

"Integrating Cassini's comprehensive margin and SIMM calculation capabilities will enable SmartStream to solve the regulatory initial margin requirements for its clients with a fully integrated and seamless solution," Huxley added.

The International Swaps and Derivatives Association (Isda) established a standard initial margin model (SIMM) considered to be an "easy to use standard" for market participants to calculate their initial margin.

In September 2018, tech firm CloudMargin said [firms had bought into the Isda SIMM model](#), and that it was expecting a lot of the traction in the later phases of uncleared margin requirements.

According to Neil Ryan, chief operating officer at risk analytics firm Quaternion Risk Management, [the market could benefit from a consistent approach](#) using the same models and methodology along with the same market data history.

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