

SmartStream Publishes Paper Highlighting the Importance of Managing Intraday Liquidity to Generate Revenue

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SmartStream Technologies, the financial Transaction Lifecycle Management (TLM) solutions provider, today released a white paper to inform financial institutions of the regulatory pressures imposed on intraday liquidity requirements. This has now moved beyond reporting positions to actively managing and controlling intraday liquidity, all in an effort to reduce costs and increase profitability.

The white paper titled: *~Intraday Liquidity Management: From a costs discussion to a revenue opportunity* – explores the benefits that can be realised by financial institutions when they transform intraday discussions from an operational burden into adding true business value. It also analyses how institutions can leverage next-generation technologies like Cloud, Artificial Intelligence and Machine Learning to achieve the goals of real-time, active management of global intraday liquidity.

Nadeem Shamim, Head of Cash and Liquidity Management, SmartStream, brings over 30 years of experience in the industry, comments: While this may seem to be another exercise in regulatory compliance, active intraday management offers a competitive advantage in the changing regulatory landscape. It provides added benefits to both banks and their customers. In the past, intraday liquidity management was a nice to have, but this has moved to a must have and the trend is to optimise the management of intraday liquidity, from a cost perspective to a potential revenue generating exercise. This typifies the kind of discussions we are currently having with our customers on a daily basis.

The paper reviews the regulators views and the monitoring tools available, including stress testing scenarios. Additionally, the value drivers suggest that whilst meeting regulatory obligations is undoubtedly front and centre for most financial institutions, the ability to manage liquidity intraday and to stress test liquidity demands are not simply a matter of regulatory interest. There are considerable business optimisation opportunities that can come from having a strengthened intraday liquidity framework. Finally, the paper discusses the current status of where banks are now with their monitoring of intraday liquidity.