

## How Eagleye Is Being Deployed By Banks Today

Chris Leong  
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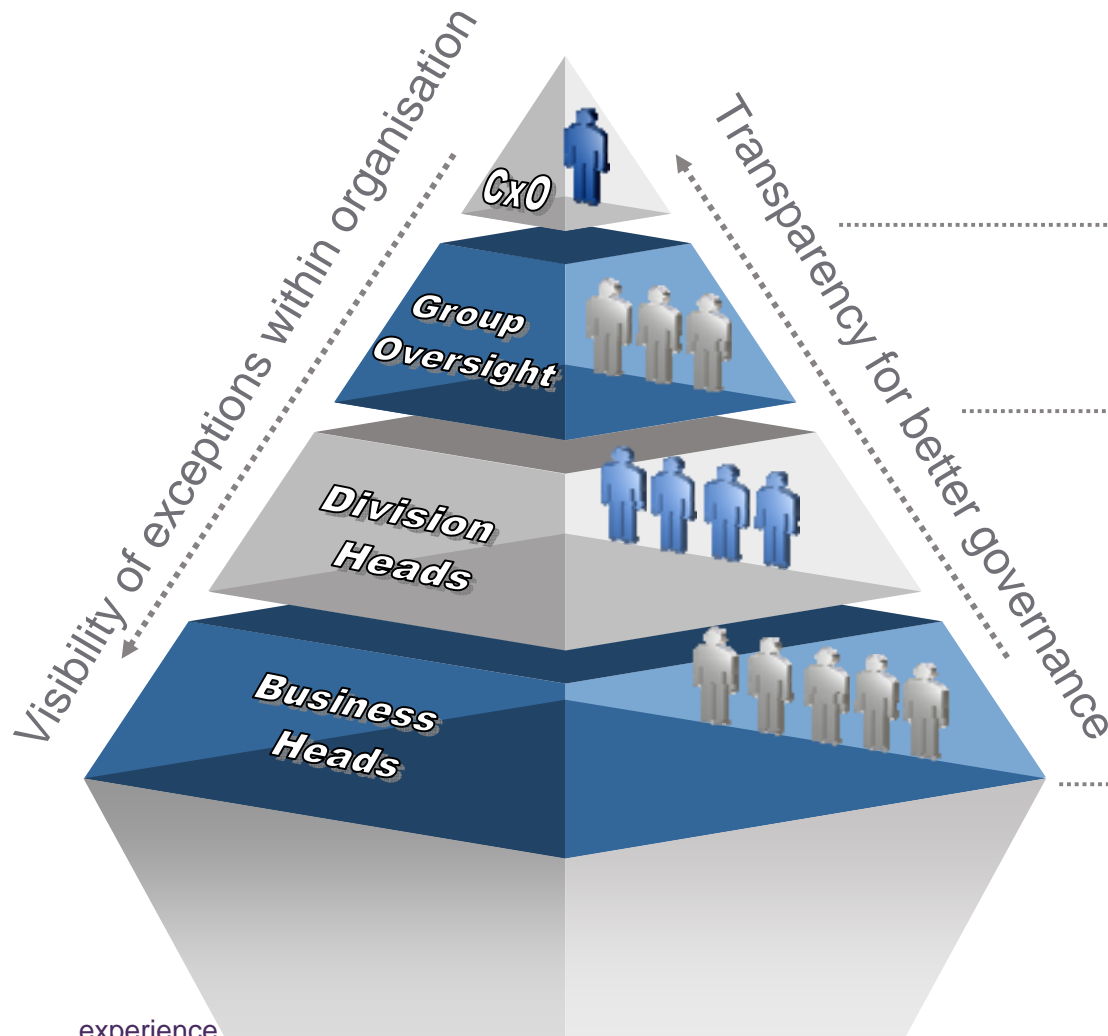
# Financial Institutions Need To Be Aware Of Various Exceptions In A Timely Manner to Effectively Manage Their Risks



<b>P&amp;L</b>	<b>Collateral Shortfalls</b>	<b>Counterparty Exposures</b>
<b>Margin Calls</b>	<b>Stop/ Loss Limits</b>	<b>Credit Limits</b>
<b>Data Integrity</b>	<b>Economic Capital</b>	<b>Capital Adequacy</b>
<b>Limit Utilisations</b>	<b>Customer Mandate Breaches</b>	
<b>Country Exposures</b>	<b>Policy Breaches</b>	<b>Liquidity gaps</b>
<b>Currency Exposures</b>	<b>Watch lists/ Restricted Investments</b>	
<b>Unsettled trades</b>	<b>Short selling</b>	
<b>Positions in restricted countries/ counterparties</b>	<b>Large price movements</b>	
	<b>Rating downgrades</b>	<b>VaR</b>

# Accountable Persons At Various Levels Within The Financial Institutions Need Relevant Information In A Timely Manner...

... to make **effective** decisions



Need information about levels of exceptions across the organisation to govern and be accountable

Need awareness of exceptions across the organisation to control risks and ensure policies are met

Need awareness of division level exceptions to control risks and ensure alignment to strategies

Need awareness of business level exceptions to control risks and operations

# How We Helped Our Customers Resolve Their Challenges Through Our Extensible *Proactive* Monitoring Solution

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- **What is it about?**
- Its about getting the right information to the right person at the right time, so that the best decision can be made by the accountable persons at the optimum time
  
- **What did our customers achieve?**
- Improved Transparency + Better Oversight = Effective Risk Governance. It is not about ticking the boxes! People who need to be aware of relevant information, are kept informed on an exception basis. Less Is More!
  
- **What are the other benefits?**
- Increased efficiencies through automated monitoring and control processes
- Reduced operational risks through automated and auditable monitoring and control processes (no need to use spreadsheets or sift through reports to look for problems, ***no more workarounds!***)
- Improves visibility of risk metrics and promotes culture of awareness
- Competitive advantage

Risk Department	
Alerts	
1.	Notification is required of all back valued & cancelled deals in Opics
2.	Foreign exchange deals that are loaded with a maturity (value date) greater than 6 months
3.	rate tolerance:
3.1	foreign exchange deals (exchange rate)
3.2	deposit and loan deals loaded with zero interest rates
4.	Monitor NOP limits (Total NOP limit as well as limits per currency)
5.	Dealer limit breaches
6.	Credit Risk
6.1	Payments to customers from accounts with insufficient funds
6.2	loans (large repayments)
6.3	Large loan pay-outs
7.	Position transfers between traders
8.	Monitor stop loss limits per portfolio
9.	liquidity risk alerts
9.1	deposits (large withdrawals)
9.2	Deposit large placements
9.3	10 largest deposits maturing within 31 days as percentage of total liabilities.

Credit Risk Department	
Alerts	
1.	Notification is required every time that a limit gets loaded or adjusted on CRLM
2.	Notification is required every time that a limit gets loaded or adjusted on ACOD or in the event that the accounts get opened to accommodate a cash flow,
3.	Notification of any changes to an OPICS account,
4.	Notification of any FEC extension authorisation,
5.	Confirmation flag of interest rate changes in OPICS with all lending customers
6.	Notification of funds deposited to ceded accounts
7.	Notification of the lifting of a hold on a ceded account
Back Office	
1.	Notification of deals as it hits the repair queue
2.	An alert to advice that an entry has hit the suspense account
3.	An alert for unverified deals
4.	An alert for any deal reversed on Opics may it be for any reason to keep a tab on the amount and reason for reversals.
5.	Duplicate deals in Opics
6.	Extensions on deals

Monitoring internal policies and gap monitoring



Monitoring group credit limits, cumulative P&L, FX positions



Monitoring credit utilization against collateral value



Monitoring counterparty and counterparty group credit and settlement limits, time-banded bond open position limits, portfolio VaR/economic capital requirement /minimum capital requirement



# Deploying Eagleye To Address Key Challenges At Financial Institutions Can Realise Desired Benefits



# You Can Manage What You Can See For Effective Risk Management But You Can't Manage What You Can't See

## RADAR FAILURE

Risks Monitored  
Risks Controlled  
~~Risks Managed~~



Risks Unmonitored  
Risks Uncontrolled  
Risks Unmanaged

