CubeLogic

RiskCubed R3

CASE STUDY:

RISKCUBED SOLUTION -

CREATION OF A SINGLE PLATFORM FOR COLLATERAL MANAGEMENT

Workflow customizations for single platform creation

About the Client:

EDF Trading is global, asset-backed, and operates from source to supply wholesale power, natural gas, oil, LPG, environmental products, and LNG. They have been a client of CubeLogic and its software RiskCubed for about a decade.

The firm was founded in 1999 and has grown to around 700 people all over the world comprising the brightest talent in the global energy industry.

Benefits:

- Allowed the treasury team to reduce processing time for margin calls significantly
- Its integration within the RiskCubed toolset allows for flexibility without compromising security, speed, and reliability.
- Migration of collateral approval to RiskCubed results in a streamlined process with full archive functionality.
- Enabled the treasury team to manage payments and receipts for all collateral types in a single dashboard due to full integration with external payment providers and ledger systems.

The Challenge:

EDFT were looking to expand the scope of usage of the RiskCubed solution through the consolidation of their collateral management onto a single platform. This would involve the incorporation of approval processes and security controls without impeding the existing margining processes. Furthermore, this consolidated system would need to interact with external payment providers and ledger systems thus requiring robust failsafe mechanisms. The project was successfully completed during a time of incredibly high-margin activity.

> ***Integration of payment and journal systems to create an end-to-end automated solution for margining and collateral for RiskCubed at EDF Trading.***

Software Choice:

CubeLogic was chosen as their technology partner due to its unique ability to combine sophisticated credit application workflows with credit risk and portfolio management analytics.

The Vision:

The vision was to adopt a strategy of customizing existing workflows to allow further integration of collateral management onto a single platform. Since EDFT was already using RiskCubed over the years, it was decided to create this as it's extension.

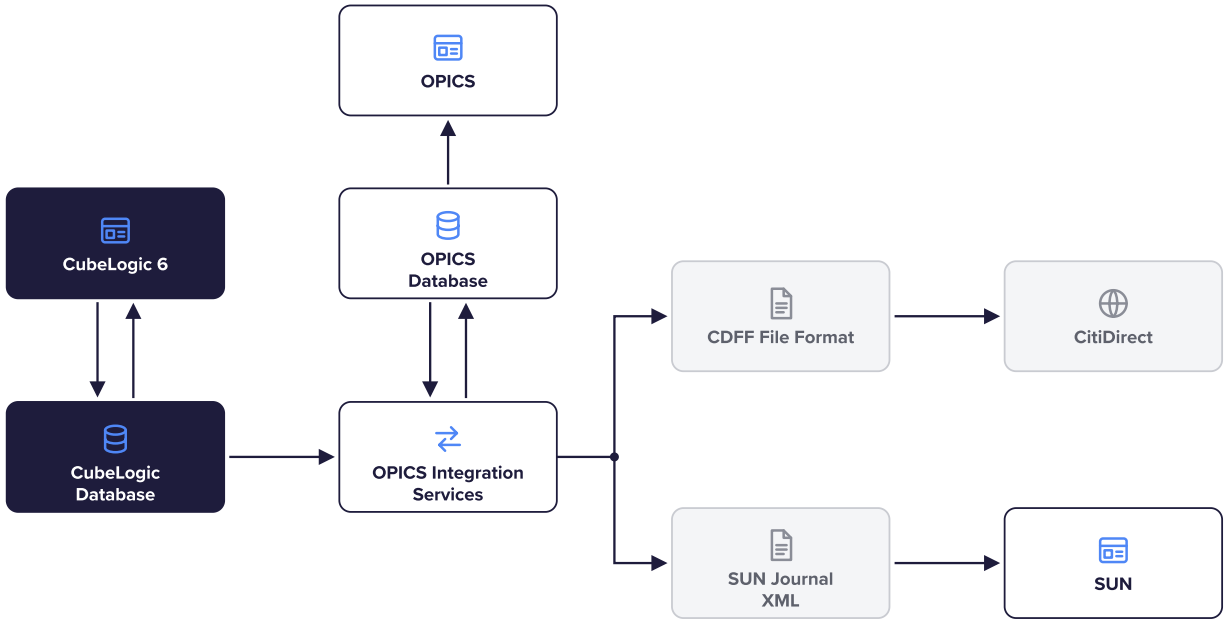
The Scope:

- Improve current margining process with workflow enhancements
- Integration of LC fee module
- Integration of margin interest module
- New workflows to handle payment details and approval processes
- New interface to handle payment and journaling entries for margining, margin interest, LC fees and cash collateral

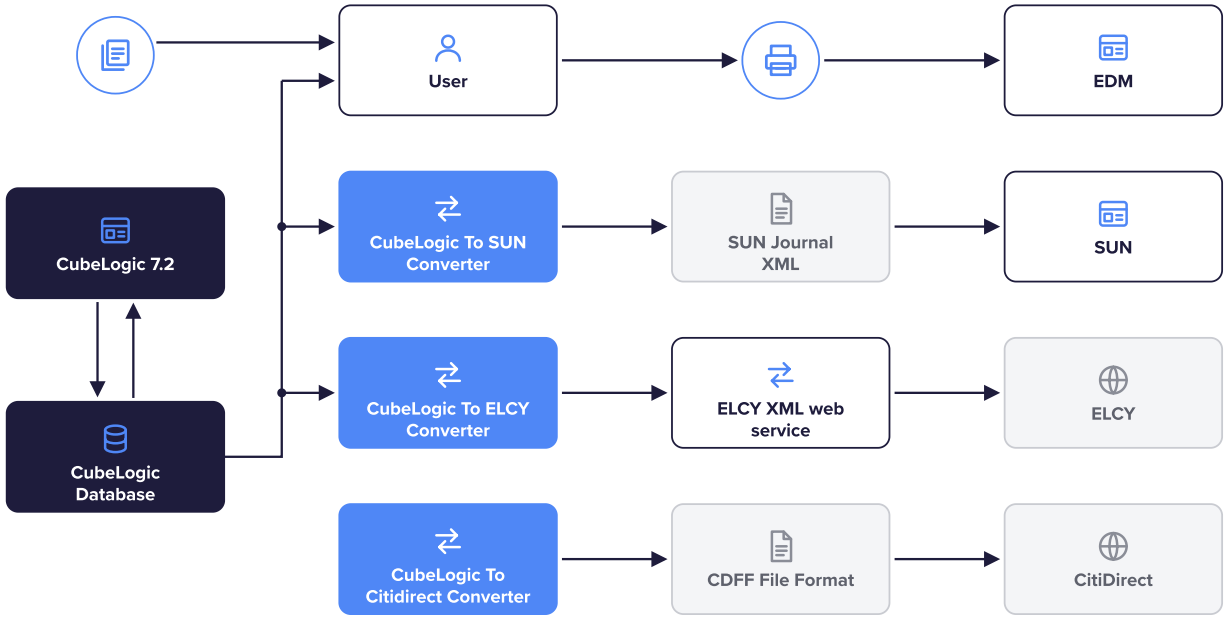
The Outcomes:

- Faster processing of margin calls
- Tracking and payment of LC fees are all handled within RiskCubed
- LC and collateral workflows streamline approval processes
- Archive of previous requests available in one location without the need for email backtracking
- Seamless integration with external payment and ledger systems

BEFORE IMPLEMENTATION



AFTER IMPLEMENTATION



About CubeLogic:

Our vision is to be a leader in enabling timely risk analysis to mitigate exposure and maximise returns on wholesale and trading activities in financial, energy and commodity markets. We constantly strive to provide forward-looking tools and indicators, allied to building a world-class professional services delivery capability, to support our clients in the implementation of this vision.

CubeLogic differentiates itself by leveraging Business Intelligence (BI) natively within its flagship Risk3 platform, as well as proven integration technologies, to enable clients to consolidate, analyse and mitigate risk in the most effective manner possible.

CubeLogic was founded by industry veterans in 2009. Through rapid, global growth, we now serve major tier one organisations within the financial services, energy and commodity sectors. We continue to provide value to our clients with offices in the UK, USA, Singapore and, India.