### Credit Cube - Collateral Enterprise Collateral Management for Energy and Commodities Trading

# In a fast changing regulatory landscape, the management and automation of collateral processes is a vital requirement for trading companies.

CubeLogic fully understands the needs of collateral managers and has brought to market an advanced collateral management solution for the Energy and Capital Markets sectors.

#### Fast Track to Advanced Collateral Reporting

The key to Credit Cube is to experience immediate business benefit, through technology. Credit Cube is a fast track to managing collateral, offering immediate business benefits without the need for expensive, long drawn-out implementation projects.

Credit Cube uses advanced OLAP technology to offer *an ultra-fast, real-time analysis tool.* Users access the cube through a *familiar and easy-to-use Excel front end.* Using pivots and charts, reports and graphing can be easily displayed, with a *variety of breakdown criteria and multiple drilldown possibilities.* 

There is *no complex set-up and configuration required*. A standard set of interfaces allow trades to be uploaded from a variety of trading platforms quickly.

Credit Cube includes a *powerful analysis tool and reporting engine, settlement, accrual risk, and current mark-to-market values*. Margin computations in the Credit Cube take into account all netting agreements and collateral, both settled and in flight.

Credit Cube can define and maintain a complete set of *margin letter templates* for automated margin calls.

Credit Cube Reporting utilizes Microsoft's SQL Reporting Services to provide a set of *standard preconfigured reports*, which can be delivered in Excel or PDF format. Moreover, users *can completely define their own reports* through the tool using the underlying Credit Cube data.

#### Cube features include:

- Completely automated collateral workflow process with full email integration;
- Extensive Collateral Reference Data capture including full Credit Support Annex rules;
- Support for all types of legal agreements, ISDAs and cross product master agreements;
- Impact management of collateral;
- Stressing and What-If analysis;
- Highly sophisticated reporting capability with multi-dimensional exposure analysis data cube;
- Dispute resolution and reconciliation;
- Support all types of collateral such as cash and letters of credit;
- Automatically compute interest on cash held and pledged.

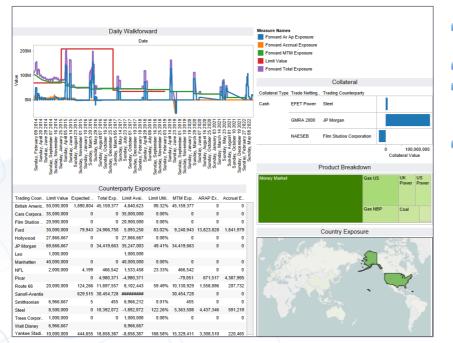
#### Immediate business benefits:

- Increased staff productivity through the automation of daily margin processes reducing manual calculations and potential errors;
- Ensure timely calling of margin requirements and challenge incoming calls through reporting and drilldown;
- Real-time engine with nothing pre-calculated, allows new and potential collateral to be added to gauge the impact on exposure and call requirements;
- Exposure reporting from MTM, Delivered not Invoiced, Invoiced not Paid, PFE, and Expected Loss;

- Use of familiar, industry standard tools;
- Real-time, self-service reporting.



	flow		-		-		
Refresh Workflow							
Diary Event(s)	Collateral Workflow -	Cpty Calls					
Watch List(s) Workflow Item(s)	Counterparty	Our Entity	CSA Reference	CSA Currency	Call Amount	Call Type	
Alert(s)	Bollywood	CubeLogic	CSA - 0080	GBP	300,000	Return to Our Entity	Generate Call
Collateral Events(s)	Bronze	OpenLink Internation	CSA - 0031	GBP	207,000	Return to Our Entity	Generate Call
Auto Settle Margin Calls (2)	Film Studios Corporation	OpenLink Utility	CSA - 0088	USD	29,410,000	Return to Our Entity	Generate Call
Auto Settle Margin Cans (2)	Lords	OpenLink Internation	CSA - 0026	GBP	50,710,000	Return to Our Entity	Generate Call
Collateral Interest - Cpty Calls (0)	Lotus	OpenLink Internation	CSA - 0005	GBP	790,000	Return to Our Entity	Generate Call
Collateral Interest - Our Calls (0)	Pinewood Studios	OpenLink Internation	CSA - 0024	GBP	330,000	Return to Our Entity	Generate Call
	Stadiums Group	CubeLogic	CSA - 0047	GBP	118,000,000	Return to Our Entity	Generate Call
Collateral Substitution - Cpty Calls (0)	The Metals Group Holdir	OpenLink Metals Trad	CSA - 0094 - Metals	Tr USD	1,560,000	Deliver to Our Entity	Generate Call
Collateral Substitution - Our Calls (1)							
Collateral Workflow - Cpty Calls (8)							
Collateral Workflow - Our Calls (13)							
,,	The Metals Group Holdi					All Amounts are in CSA E	Read Commence UCD
Dispute Log (26)		-					
Margin Call Settlement (18)	Exposure	2,06	4,925 CSA Am	ount	1,564,925	Settled Collateral	10,000
Partial Return Process (6)	Independent Amount	1	0,000 Roundin	g Amount	10,000	Unsettled	(
	Threshold Amount	50	0.000 MTA		10.000	Call Amount	1,560.000



#### Figure 1: Margin Call Inbox

#### The ultimate Business Intelligence tool

- Ultra-flexible multi-dimensional exposure Cube;
- Real-time calculation engine to compute daily margin calls;
- Manage all types of collateral in one place;
- Automate margin calls and perform liquidity analysis and what-if credit scenario analysis;
- Advanced reporting and analysis through Excel;
- Scalable solution for both large and small operations;
- Model counterparty downgrades;
- Highly extensible data mart;
- Manage all collateral contract reference data including the Credit Support Annex;
- Utilises the latest advanced Microsoft technology.

Figure 2: Credit Dashboard

#### **Technology Story**

- Built on top of Microsoft's Business Intelligence platform;
- Advanced OLAP database technology platform using Microsoft's SQL Server;
- Highly integrated with Excel for front end analysis directly on the Credit Cube;
- Sophisticated integration technology, ETRM agnostic;
- Microsoft Azure Compliant for Cloud-Based Deployment or on-premises.

CubeLogic provides Business Intelligence products and services in risk management for the energy, commodity and investment banking markets. In the current volatile market conditions, CubeLogic addresses the increasing demand for robust, cost effective Business Intelligence solutions for risk management. The founders of CubeLogic are all renowned experienced industry specialists who have an impressive track record of developing and implementing global risk IT solutions.

## For more information on the **Credit Cube** contact us on:

Tel: +44 (0)20 3870 1495 (London) Email: info@cubelogic.com Or visit: www.cubelogic.com

