

**LCH**

# Collateral Services Roadmap 2023

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April, 2023



**LSEG** POST  
TRADE

# Collateral Services – Roadmap

Introducing a new online Collateral Services experience for members and clients, plus advanced capabilities for those that need them. The new features are integrated into our LCH Digital platform and will eventually replace the existing CMS GUI.



## Now (2023)

Launch **Collateral Monitor** (LCH Ltd)

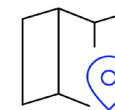
- Margin Calls
- Collateral and Exposure
- Collateral Status



## Next

Launch **Collateral Manager** (LCH Ltd)

- Collateral Proposals
- Collateral Optimisation
- Portfolio Transfers with collateral



## Later

Digital service extensions

- Monitor/Manager for LCH SA
- Custom banking report layouts
- What-if hypothetical simulations ‡
- Automated reallocation of collateral ‡
- Direct client access †
- Decommission legacy CMS GUI

### Basic capabilities:

- Real-time enquiries; up to 30 days of history; per collateral account; core data elements; fixed layouts; web GUI and download only

### Advanced capabilities (price TBC):

- Basic plus; up to 10 years of history; additional data elements; multi account and market selection; group, aggregate, pivot data; customizable layouts; API access (improved SWIFT MX and now also REST API); what-if hypothetical simulations ‡, automated reallocation of collateral ‡.

# Collateral Services – 2023 Delivery Plan

	H1 2023	H2 2023
Headlines	<ul style="list-style-type: none"> <li>• Collateral Monitor - API &amp; GUI showcase</li> </ul>	<ul style="list-style-type: none"> <li>• Collateral Monitor - beta launch (LCH Ltd)</li> </ul>
CMS	<ul style="list-style-type: none"> <li>• <b>FCM Buffer allocations</b> for CDSClear members</li> <li>• <b>FCM Collateral accounts</b> for CDSClear members</li> <li>• Enhanced <b>Eligibility checks</b> for LCH SA members</li> </ul>	<ul style="list-style-type: none"> <li>• Migration to Cloud infrastructure</li> </ul>
Banking Reports	<ul style="list-style-type: none"> <li>• Access Banking reports from <b>LCH Digital</b> portal</li> </ul>	<ul style="list-style-type: none"> <li>• Migration to Cloud infrastructure</li> </ul>
Collateral Analyser	<ul style="list-style-type: none"> <li>• Launch segregated modules allowing members to purchase only what they need</li> <li>• Eligible ISIN extended to full eligible ISIN list</li> </ul>	<ul style="list-style-type: none"> <li>• Launch for LCH SA</li> </ul>
Collateral Manager		<ul style="list-style-type: none"> <li>• Showcase new <b>Collateral Manager GUI</b> to members - including new collateral proposals screens and collateral substitution</li> </ul>
Collateral Monitor	<ul style="list-style-type: none"> <li>• Enhanced <b>Margin Call Request</b> MX Message (Colr.003) available to members</li> <li>• Showcase new <b>Collateral Monitor GUI</b> to members - including collateral &amp; exposure enquiry screen, outstanding margin calls and collateral status dashboard and enquiry</li> <li>• Definition of <b>ISO API specification</b> – partnering with Members and SWIFT to specify a new ISO Collateral API</li> </ul>	<ul style="list-style-type: none"> <li>• Beta launch for <b>Collateral Monitor basic</b> features</li> <li>• Beta launch for <b>Collateral Monitor advanced</b> features</li> </ul>



# Collateral Services – Value Proposition

	Basic	Advanced
Platform	Real-time enquiries with up to 30 days of history Per collateral account Core data elements in fixed layouts Web GUI, SFTP and download only	Basic plus; Up to 10 years of history Multi account/market with group, aggregate, pivot data Additional data elements; customizable layouts API access (SWIFT MX and REST API)
Banking Reports (Basic) Collateral Analyser (Advanced)	<ul style="list-style-type: none"> <li>• <b>Member Reporting:</b> 30 days of history across 18 Banking reports in fixed PDF and TXT formats per mnemonic</li> <li>• <b>Public Reporting:</b> 30 days of history across 7 reports in fixed PDF and TXT formats covering: FX rates, pledged securities, haircuts, prices and fees data</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Reporting Aggregate:</b> 2 years + history of aggregated collateral and exposure data</li> <li>• <b>Reporting Client:</b> client level breakdown of collateral and excess</li> <li>• <b>Limits:</b> concentration limit and minimum cash requirement usage</li> <li>• <b>Eligible ISIN:</b> eligibility, haircuts, prices, fees, and concentration limits - <i>for full eligible ISIN list<sup>‡</sup></i></li> </ul>
Collateral Manager <i>replacing CMS from 2024</i>	<ul style="list-style-type: none"> <li>• <b>Collateral Proposals:</b> Deposit and withdraw cash, securities and triparty collateral</li> <li>• <b>Collateral Optimisation:</b> Substitute and transfer collateral; adjust preferences for automated repayment and allocation of collateral; manage LSV</li> <li>• <b>Portfolio Transfers with Collateral:</b> Select, nominate and consent to collateral transfers accompanying a client PT request</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Advanced Collateral Proposals:</b> Colr.007 and Colr.008 Deposit and withdraw cash, securities and triparty collateral via SWIFT MX; <i>Colr.005 to cancel previous instructions<sup>‡</sup></i></li> <li>• <b>Advanced Collateral Optimisation<sup>‡</sup>:</b> Colr.010, Colr.011, Colr.012 Substitute Collateral via SWIFT MX; Colr.017, Colr.018 to manage excess cash margin; <i>what-if hypothetical simulations; automated reallocation of collateral</i></li> </ul>
Collateral Monitor <i>launching in 2023</i>	<ul style="list-style-type: none"> <li>• <b>Margin Calls:</b> Outstanding calls; up to 30 days of call history</li> <li>• <b>Collateral and Exposure:</b> Consolidating real-time excess cover; opening, available, settled and future mark-to-market balances; today's collateral movements</li> <li>• <b>Collateral Status:</b> Per account dashboard for collateral proposal status; collateral settlement status; historical collateral movements up to 30 days; status history per instruction and highlighting instructions that require attention</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Advanced Margin Calls:</b> extended margin call history; margin call performance; aggregated data; multi-account/market selection; SWIFT MX Colr.003 Margin Call Requests</li> <li>• <b>Advanced Collateral and Exposure:</b> aggregated collateral movement and exposure data; multi-account/market selection; group, pivot and customise views; EOD Colr.016 Collateral and Exposure statements plus real-time Rest API</li> <li>• <b>Advanced Collateral Status:</b> 10 years+ history of collateral status data; multi-account/market selection; Colr.006 Cancellation Status</li> </ul>

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Want to know more?

## Contact us

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