

# Standard Chartered

## Leveling up collateral management

### Situation

SCB's back-office faced increasing challenges managing the volume of collateral for analysis, selection, and posting, leading to frequent human errors. As a result, 99% of margin calls were fulfilled using costly cash rather than utilizing the bank's unused long inventory.

Siloed systems and communication gaps between the trading and back-office units led to conflicts, with assets intended for trading being posted as collateral instead.

Additionally, SCB's collateral optimization system and algorithm required significant updates to adapt to the evolving landscape.

### Benefits



A fully transformed collateral management system that, for the first time, provided a detailed, shared, real-time view of the bank's complete inventory, enabling managers to optimize collateral posting while reducing errors and miscommunication.



Consolidation of all collateral inventory in a single platform, with real-time updates, integrated with IBM's ILOG optimization algorithm. Now, government bonds make up the majority of collateral postings.



Collateral managers can now read and write data simultaneously across the entire dataset, streamlining collaboration, ensuring real-time accuracy, and minimizing mistakes.



Analysts have significantly improved their ability to manage inventory over the long term, gaining the flexibility to slice and dice data, drill down into granular details, and explore any attribute across any dimension.

### End result

ActiveViam exceeded expectations by not only meeting the requirements for speed, volume, collaboration, and optimization but also providing a platform for comprehensive collateral analysis. This allowed SCB's business leaders to anticipate needs more effectively and maximize the utility of collateral, leading to estimated savings in the tens of millions.



*Atoti is the best in its class for aggregating huge data, slicing & dicing, analytics, visualization, smart alerting and What-if simulations.*



Samuel Koiki, **Programme Manager for Front Office Collateral and Optimization** at SCB