



SWIFT Scope for Intraday Liquidity Reporting

The end-to-end solution from SWIFT to support compliance with BCBS monitoring requirements

The global financial crisis has highlighted the need for improved liquidity management. As a result, regulators are putting more stringent regulatory frameworks in place with imminent implementation deadlines that include the monitoring of intraday liquidity risk.

In April 2013, the Basel Committee on Banking Supervision (BCBS) published a set of monitoring tools for intraday liquidity management, to enable banking supervisors to better monitor a bank's management of intraday liquidity risk and its ability to meet payment and settlement obligations in a timely basis.

Internationally active banks will have to report on their intraday liquidity flows on a monthly basis to their regulator in all countries and for all currencies in which they operate. The reporting requirements must be implemented between January 2015 and January 2019.

Beyond complying with this requirement, your bank is also likely to be concerned by the financial implications related to intraday liquidity management such as intraday credit lines usage across accounts, the risk and costs associated with exceptions, and the higher funding costs involved in having to square positions towards the end of the day.

SWIFT Scope Key Benefits

Monitor exposure across currencies
Monitor positions globally
Improve liquidity coverage
Feed BCBS reports
Reduce liquidity buffers

Applicability	Monitoring tools
All reporting banks	Daily maximum intraday liquidity usage
	Available intraday liquidity at the start of the business day
	Total payments
	Time-specific obligations
Banks providing correspondent banking services	Value of payments made based on behalf of correspondent banking customers
	Intraday credit lines extended to customers
Direct participants	Intraday throughput

▲ Figure 1 - BCBS monitoring tools for intraday liquidity management

Are you ready?

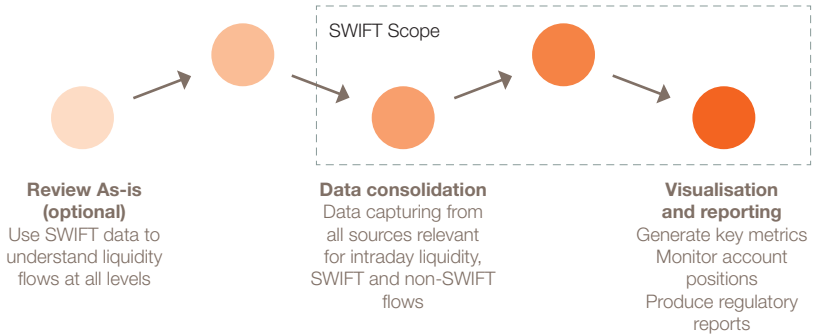
Your bank needs to report on its intraday liquidity flows. And that might not be easy.

For example, are you able to:

- Collect transactional data across currencies, accounts, and legal entities?
- Ensure consistency and accuracy of the data collected to provide reliable reporting to the regulator?
- Provide the right level of aggregation and granularity for different entities in different legislations?
- Prepare for a more consistent reporting to your customers and anticipate potential new opportunities?

Gap analysis
Leverage SWIFT experience to assess data coverage and reporting readiness

Data transformation / normalisation
Transform and normalise liquidity information flows, establish data logic and calculation metrics



A pragmatic approach

SWIFT Business Intelligence solutions can help you with your intraday liquidity monitoring and reporting through:

- Data sourcing for an 'as-is' analysis of your flows
- Data assessment and gap analysis
- Data collection and consolidation
- Data transformation and normalisation
- Visualisation and reporting

The SWIFT Scope end-to-end solution

SWIFT Scope for Intraday Liquidity Reporting is a powerful end-to-end business intelligence solution deployed on your premises that is lightweight and easy to implement. The solution's flexibility means that you are able to select the mix of services that best suit your requirements for intraday liquidity reporting.

SWIFT Scope covers the whole spectrum from data gathering, data transformation, storage and visualisation. To ensure cost-efficient implementation adapted to your specific requirements, any SWIFT Scope project comes with end-to-end project management, guided software installation and end user training.

How does it work?

SWIFT FIN intraday reports

To support your real-time position management, FIN messaging can be leveraged to build your liquidity database in a very pragmatic way.

The closing balance of the MT 950 statement, received the day before, will be used to determine the opening balance for each of the monitored accounts while settlement systems will provide you with a view on the forecasted entries.

Throughout the day, payments sent as MT 103 and MT 202 will be used to determine cash out positions. FIN intraday debit and credit confirmations (MT 900, 910) received from correspondent banks will confirm debit and credit entries near real-time.

In addition, securities settlement confirmation messages (that is, MT 545, 547), can complement this to calculate your intraday cash positions across branches and entities connected to SWIFT.

Automated data consolidation

Your liquidity or treasury centre can receive a real time copy of a set or all cash-related messages from any of your branches/entities. SWIFT takes care of the service set-up based on your configuration requirements and the process is completely transparent to the IT and operation of your branches and/or correspondents. You can define a flexible set of criteria to trigger the copy mechanism for one or several account(s) or branches/entities. For countries with strict data confidentiality or privacy regulations, specific customer data can be filtered out of the copy sent to you. The partial copy can also be restricted to the information that you need.

Additional data sources

SWIFT can leverage additional sources of liquidity information as well as internal reference data such as exchange rates, legal entities and account purposes to further enrich the analysis.



Data sourcing

- Branch network
- Correspondents
- Market Infrastructures



Messaging & FINInform

- Automated real-time copy of selected SWIFT messages with transaction details



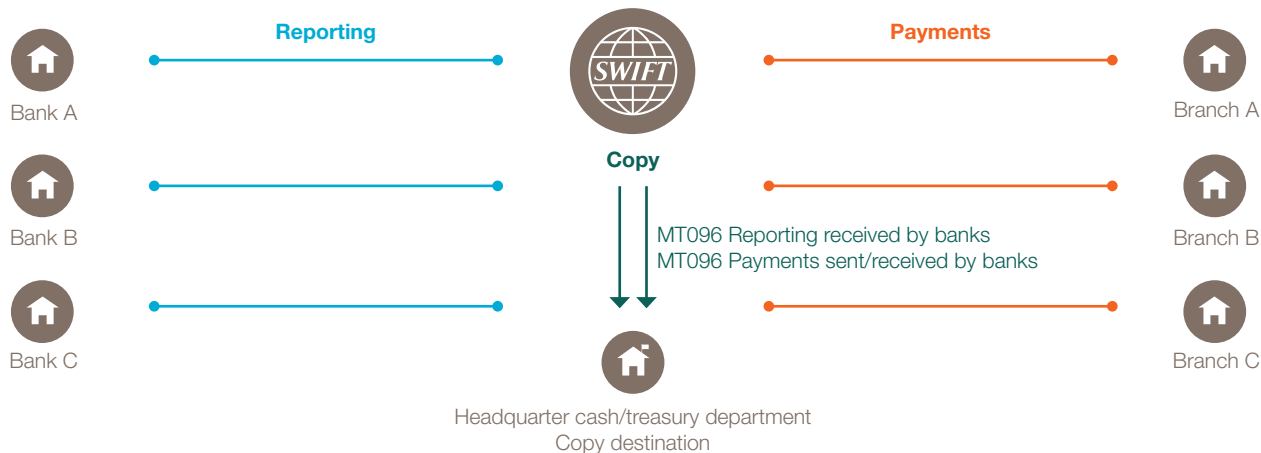
Bank premises

- Database storage
- Additional data sources



SWIFT Scope

- Analytics
- Reports
- Dashboards



▲ Figure 3 - SWIFT FINInform

On-site business analytics

A variety of data visualisation options provide valuable insights into your intraday liquidity positions. Based on the liquidity reporting database, SWIFT will build reports with retrospective and previous day views on intraday liquidity flows and positions. This information, illustrated in a clear, graphical way, provides decisive support for more informed reporting.

SWIFT Scope is your solution for intraday liquidity monitoring and reporting, and offers the following dashboards:

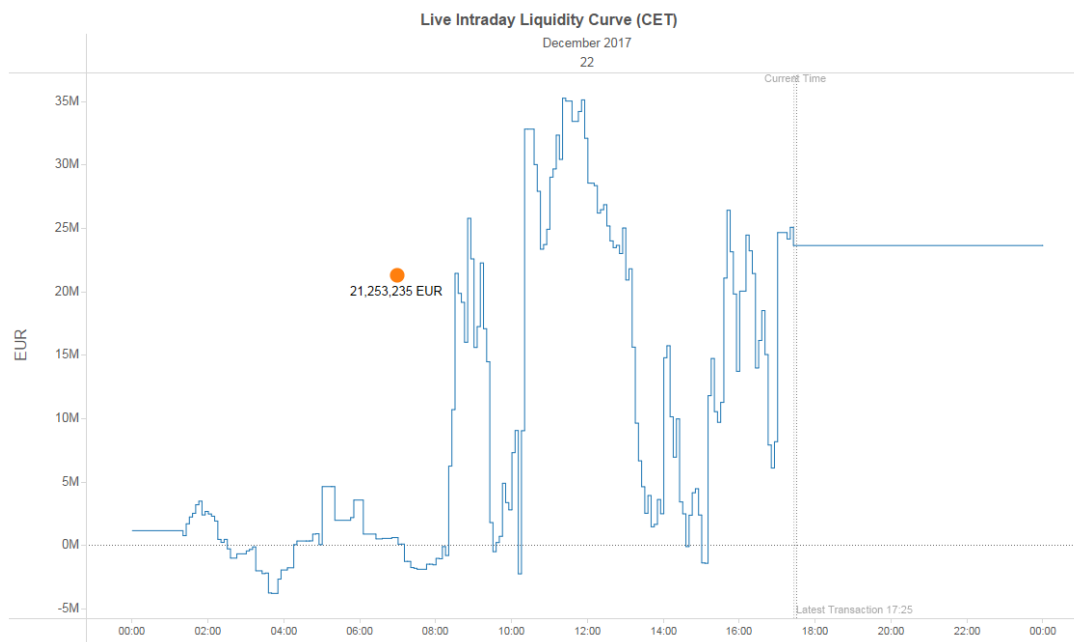
1. Nostro Live Intraday Liquidity
2. Vostro Live Intraday Liquidity
3. Intraday Liquidity Reporting Form
4. Nostro Intraday Liquidity Reporting
5. Statement Lines QA
6. Direct Participant Metrics
7. Vostro Intraday Liquidity Reporting
8. Vostro Payments

All dashboards and reports can be consolidated:

- by correspondent
- by currency
- by account

SWIFT can deliver dashboards offering different levels of consolidation as per customer request or regulatory requirements.

For further information about SWIFT Scope and the full SWIFT Business Intelligence portfolio, please visit www.swift.com/BI or email Swift.Scope@swift.com



▲ Figure 4 - Live liquidity monitoring by currency

About SWIFT

SWIFT is a global member owned cooperative and the world's leading provider of secure financial messaging services. We provide our community with a platform for messaging and standards for communicating, and we offer products and services to facilitate access and integration, identification, analysis and regulatory compliance.

Our messaging platform, products and services connect more than 11,000 banking and securities organisations, market infrastructures and corporate customers in more than 200 countries and territories. While SWIFT does not hold funds or manage accounts on behalf of customers, we enable our global community of users to communicate securely, exchanging standardised financial messages in a reliable way, thereby supporting global and local financial flows, as well as trade and commerce all around the world.

As their trusted provider, we relentlessly pursue operational excellence; we support our community in addressing cyber threats; and we continually seek ways to lower costs, reduce risks and eliminate operational inefficiencies. Our products and services support our community's access and integration, business intelligence, reference data and financial crime compliance needs. SWIFT also brings the financial community together – at global, regional and local levels – to shape market practice, define standards and debate issues of mutual interest or concern. SWIFT's strategic five year plan, SWIFT2020, challenges SWIFT to continue investing in the security, reliability and growth of its core messaging platform, while making additional investments in existing services and delivering new and innovative solutions.

Headquartered in Belgium, SWIFT's international governance and oversight reinforces the neutral, global character of its cooperative structure. SWIFT's global office network ensures an active presence in all the major financial centres.

For more information, visit www.swift.com or follow us on Twitter: [@swiftcommunity](https://twitter.com/swiftcommunity) and LinkedIn: [SWIFT](https://www.linkedin.com/company/swift).

About SWIFT's Business Intelligence portfolio

Launched in 2005, SWIFT's Business Intelligence (BI) portfolio encompasses an entire suite of intuitive tools including analytics, insights, consulting services and economic indicators designed to grow with customers' business needs. The current portfolio includes Watch Analytics, a platform to analyse and report traffic volumes, value and currency by market, message type and region especially focusing on payments, trade finance, foreign exchange and securities markets. Watch Insights offer visual and business oriented dashboards on a subset of correspondent banking traffic.

The gpi Observer Insights monitors adherence to the gpi rulebook – the 'business rules' is extended to gpi Observer Analytics. BI Services, including BI for gpi, bring value beyond the data, and SWIFT Economics feature the monthly RMB Tracker, RMB Market Insights report and FX Performance Insights.