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Reporter: Jenna Lomax



SmartStream partners with Cassini Systems for initial margin

According to SmartStream, this partnership will also integrate Cassini's analytics platform to provide complete Standard Initial Margin Model (SIMM) calculations on OTC derivatives for clients in scope for phase four and five.

The International Swaps and Derivatives Association has developed a SIMM that can be used by market participants to provide a transparent and standardised margin methodology of bi-lateral trades.

BCBS-IOSCO defines rules for margin requirements on uncleared OTC derivatives known as uncleared margin Rules (UMR).

The rollout of UMR rules has now reached the buy side with phase four firms coming into scope in September 2019, and phase five firms in September 2020.

Jason Ang, programme manager for collateral management at SmartStream, said: "SmartStream's TLM Collateral Management platform is proven to manage credit and operational risk through collateral management."

He added: "We are delighted to be working alongside Cassini, whose expertise will complement our ability to manage complex business and regulatory requirements in this space."

Liam Huxley, CEO of Cassini Systems, commented: "As the rollout of UMR reaches phase five and impacts the full range of buy-side firms, the need for a complete and flexible, front to back SIMM calculation, including the generation of sensitivities, is fundamental."

He added: "Integrating Cassini's comprehensive margin and SIMM calculation capabilities will enable SmartStream to solve the regulatory initial margin requirements for its clients with a fully integrated and seamless solution."