

# Oracle Banking Liquidity Management

Digital technology is rapidly expanding its influence on the corporate landscape and the way enterprises function globally. Enterprises are developing newer business strategies that involve the need for efficient utilization of their global liquidity.

Regulatory changes, such as Basel III, have significantly impacted some long standing liquidity management techniques and substantially affected the way banks handle liquidity. With an environment of negative interest rates in several geographies, managing liquidity across markets, currencies and business units has become complex and increasingly challenging. These new challenges have triggered a radical reshaping of the corporate treasury landscape and the way corporate interacts with banks.

Banks need to support their corporate customers to manage liquidity effectively and enable them to derive maximum benefits at minimal cost. For companies both large and small with global operations, managing liquidity has its own challenges like inability to know cash in hand (cross border and/or cross currency), inability to mobilize and manage cash to take corrective actions. To be more relevant and benefit from digitalization, banks need to invest in new and innovative capabilities to support their corporate customers with efficient liquidity management services.

## ORACLE BANKING LIQUIDITY MANAGEMENT

Oracle's Liquidity Management solution enables banks to run a single centralized stand-alone liquidity management solution based on contemporary technology with ability to support comprehensive liquidity management techniques. The solution supports techniques such as pooling, sweeping, interest optimization and additional avenues for higher yield investments like money markets and term deposits with flexibility to cater to country regulatory restrictions.

Using Oracle's Liquidity Management solution banks can provide real-time, accurate and consolidated information to facilitate efficient / effective liquidity management for corporate customers. Oracle helps banks enable complete visibility into cash positions for their corporate customers. This results in better utilization of available funds and reduced interest costs through short-term bank borrowings.

### VALUE TO BANKS

- Bootstrap banks play in the transaction banking with "Purpose-Built" Liquidity Management platform
- Gain a standalone global liquidity platform with contemporary architecture that enables rapid "change programs" and quick wins
- Leverage customer friendly tools including dash boards, heat maps and simulation techniques
- Offer customized liquidity techniques and be a valued partner to corporate customers
- With data masking and portability functionalities, banks can help customers navigate and control the choices they have on data sharing and privacy

## EFFICIENT POOLING AND SWEEPING

Using Oracle Liquidity Management solution banks can setup and manage complex cash concentration and pooling structures for their corporate customers. Oracle supports physical sweeps and notional pooling along with N-tier combination of sweeping, pooling and hybrid structures. The solution supports multiple cash concentration methods with multiple models of re-allocation. Notional pooling aids in virtual netting of balances and supports calculating interest on the combined credit and debit balances of the accounts of all the subsidiary accounts which are part of the pooling arrangement, without physically transferring any funds.

## SUPPORT MULTI-COUNTRY, MULTI-BRANCH, MULTI-CURRENCY LIQUIDITY MANAGEMENT

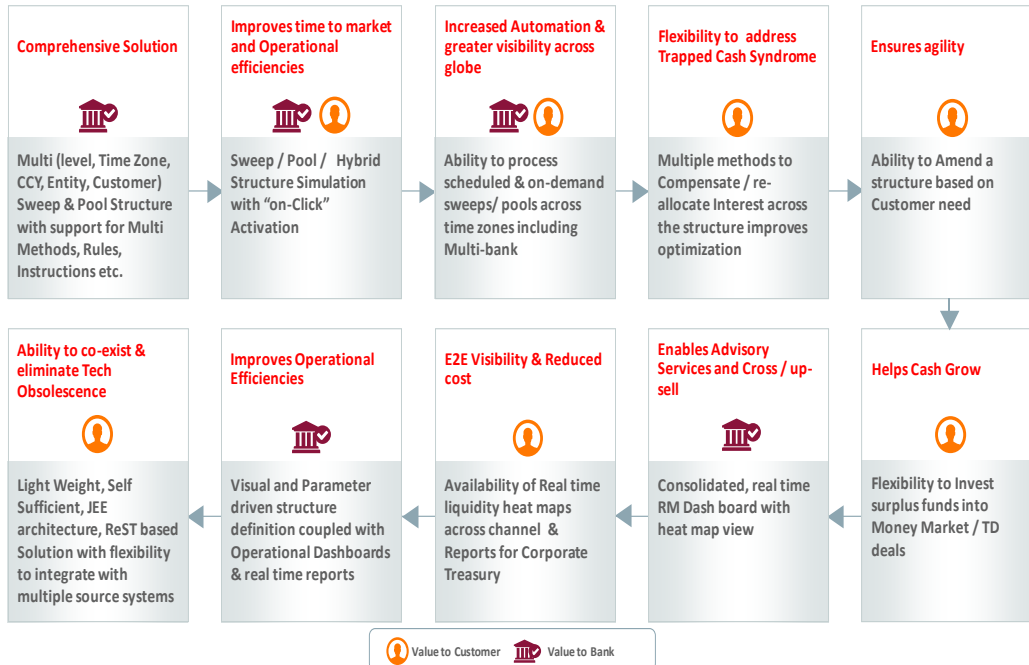
Oracle's Liquidity Management Solution supports a multi-country, multi-branch, multi-currency liquidity management structure. This enables the system to keep track of balances in accounts, calculate interest on the accounts as well as track the history of the sweep/pool structure. The solution helps in optimizing liquidity both domestically and across currencies and borders. The solution supports cross-border techniques like follow-the-sun and against-the-sun sweeping to centralise cash on a global basis.

## SUPPORT THE ENTIRE LIFE CYCLE EVENTS OF LIQUIDITY MANAGEMENT

Oracle's Liquidity Management Solution allows banks to offer their corporate customers best of breed solutions supporting the entire life cycle events of liquidity management.

### VALUE TO CORPORATES

- Gain a unified real-time view of global liquidity structures and underlying multi currency accounts and balances
- Enhance returns through investment into high yield instruments like money markets and term deposits
- Deploy comprehensive and flexible liquidity techniques
- Review and modify liquidity structures to meet dynamic organizational and regulatory demands



The solution helps in setting up rules for sweeping and pooling, interacting with external accounts, executing batches and reporting liquidity position. This reduces organizational and structural inefficiencies that are detrimental to liquidity management.

## COMPREHENSIVE SUPPORT FOR PAYMENTS

The interface between Oracle Banking Liquidity Management and Oracle Banking Payments will help in centralization of payments operations. The solution supports real time payment settlements and ensures 24\*7\*365 availability with multi-time zone, multi-currency, multi country, multi-source capabilities, addressing all payment types.

## PRE-BUILT APIS FOR EFFICIENT LIQUIDITY MANAGEMENT

Oracle Banking Liquidity Management offers pre-built RESTful APIs enabling banks to provide user experiences specific to customer needs. The solution offers API services like structure list, structure view, manual sweep initiation, sweep log and structure hold to build connected experiences and efficiently manage liquidity.

## BEST-IN-CLASS REPORTING AND DASHBOARDS

Oracle Banking Liquidity Management provides real time consolidated visibility to effectively manage liquidity with simulation and dashboard capabilities. Corporate customers of banks can manage their daily liquidity in a consolidated and effective manner. The solution is flexible and agile that can accommodate changing customer requirements in-terms of tracking and reporting.

## ENABLE PRIVACY AND CONTROL OVER CUSTOMER DATA

With Oracle Banking Liquidity Management, banks can help customers navigate and control the choices they have on data sharing. Banks can also offer digital solutions that customers want, in the way they want them, while ensuring data privacy controls. With a streamlined approach towards managing customer data, banks can reduce cost and eliminate efforts involved in supervising sensitive data.

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