

# Oracle Financial Services Cash Flow Engine Cloud Service



Cash flow calculation is an integral part of finance and risk solutions for banks and other financial institutions. Oracle Financial Services Cash Flow Engine Cloud Service is designed to help institutions take a fresh and granular look at their cash inflows and outflows. It allows you to calculate cash flows of assets, liabilities, and off-balance sheet products at the individual instrument level. The application measures and models every loan, deposit, and off-balance sheet instrument individually. This helps to provide better insight into the granularity of cash inflows and outflows to be utilized for multiple non-regulatory and regulatory purposes. Due to its generic nature, the cash flow engine cloud service is suitable for any institution with exposure to financial instruments that requires detailed cash flows for analysis and reporting.

The cloud-native solution features a microservices architecture, robust APIs, and a single, transparent data model that enables institutions to embrace a component-based approach to modernization. The intelligent, award-winning user interface delivers a superior user experience and requires minimal maintenance.

## Go Granular

Oracle Financial Services Cash Flow Engine Cloud Service calculates cash flows at the account/instrument level. Since no aggregation is performed, you can do micro-analysis of each payment.

In addition to generating cash flows based on pure contractual terms, you can incorporate customer behaviors like prepayment, early redemptions, and non-maturity runoff profiles for more accurate insight. After computing the cash flows, you can perform unlimited dimensional analysis for advanced insight since cash flows are calculated at an instrument level.

## Wealth of output

Oracle Financial Services Cash Flow Engine Cloud Service goes well beyond standard cash flow factors for principal, interest, prepayment, and maturity. To optimize insight and auditability, it also calculates and stores many additional financial measures, including:

- Accrual period—rate set date
- Accrual adjusted and compounded interest rate used for calculations
- Repricing balance—before and after repricing interest rates
- Accrued interest

## Key Features

- Account-level cash flows using unique payment and repricing characteristics
- Daily rate forecasting—unique rate for a given day on repricing
- Fully auditable cashflow output— no black boxes
- Cash flow calculations for multiple time horizons
- Multiple accrual basis and compounding methods
- Integrated data validation rules
- Robust cash flow edits to perform comprehensive quality checks on input data
- Model-specific characteristics using patterns and schedules
- Account amortization using industry standard methods
- Robust prepayment and early redemption assumptions
- Premium and discount amortization using straight-line method
- Ability to apply business and holiday calendars to adjust payments
- Enterprise scale in the cloud

- Accumulated interest amount and interest credited
- Core and volatile runoff for non-maturing deposits
- Devolvement and recovery runoff for products like bank guarantees
- Non-performing loan runoff
- Periodic and life cap effect rate and amount
- Tease effect rate and amount
- Negative amortization balance
- Prepayment rate and runoff
- Mortgage offset account expected balance and runoff

## Make the most of instrument-level data

Oracle Financial Services Cash Flow Engine Cloud Service is designed to operate on instrument-level data, using Oracle's highly accessible and flexible financial data model.

Each account is modelled independently on a daily cash flow basis using daily forecasted interest rates, where applicable. To optimize insight, the solution supports a wide range of products—on- and off-balance sheet—with a variety of amortization and repricing methods, including:

- Revolving loans, mortgages, consumer loans, and leases
- Negative amortization mortgages
- Mortgage offset accounts
- Irregular payment and repricing schedules for agricultural or construction loans
- Step-up and step-down loans
- Balloon and bullet instruments
- Instruments with different interest and principal frequency and dates
- Bonds and money market instruments
- Open and fixed maturity deposits
- Tiered rate loans and deposits
- Annuities
- Swaps, caps, floors, forwards, and FX derivatives
- Inflation-indexed instruments

The robust solution uses numerous unique payment, interest rate, and holiday parameters to elevate the accuracy of cash flow models across multiple time horizons.

## Elevate the user experience, boost productivity

Oracle Financial Services Cash Flow Engine Cloud Service incorporates Oracle's award-winning Redwood interface design to ensure a modern and elevated user experience. The solution includes a transparent, intuitive design, simplifying rule creation and maintenance, providing business users with critical time to spend on analyzing results and making informed business decisions.

## Experience the Oracle Cloud Service advantage

Oracle Financial Services Cash Flow Engine Cloud Service is a true Software-as-a-Service (SaaS) application that combines industry-leading functionality, rapid

### Key Benefits

- Support stronger alignment of risk and finance with expanded transparency
- Enable cash flow analysis at the account level to meet rigorous regulatory and business requirements
- Optimize cash flow insight with granular analysis that incorporates account- and instrument-level data as well as numerous customer behavior, amortization, and pricing variables

### Oracle Cloud Service Impact

- Gain deeper and timely insights with advanced analytics and AI
- Reduce costs on hardware and physical facilities
- Easily integrate with existing solutions—anywhere, anytime
- Ensure extreme scale and reliability
- Continuously innovate and eliminate the cost, time, and risks for upgrades
- Achieve a highly personal user experience to boost productivity and effectiveness
- Ensure the highest levels of security

### Related Cloud Service Products

- Oracle Financial Services Profitability Management Cloud Service
- Oracle Financial Services Profitability Analytics Cloud Service
- Oracle Financial Services Funds Transfer Pricing Cloud Service
- Oracle Financial Services Asset Liability Management Cloud Service
- Oracle Financial Services Balance Sheet Planning and Optimization Cloud Service

implementation, extreme scalability and performance, and Oracle's commitment to world-class security.

The solution is engineered for the cloud and is built on Oracle Microservices Architecture—a platform-first model that incorporates a domain-driven microservices fabric; is true cloud-native, API-first, and ecosystem aware; and supports persona-driven intuitive user journeys. As a result, it can deliver infinite scale, simplify integration with other business-critical applications, and accelerate innovation.

Oracle's autonomous cloud infrastructure enables autoscaling and self-healing that improve availability and reduce management burden.

Built on Oracle's highly elastic, reliable, and secure cloud platform, you can rapidly deploy new technology and extend business insight, while meeting complex and dynamic compliance requirements.

Learn more about the benefits of [Oracle Financial Services Profitability and Balance Sheet Management Cloud applications](#).

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