

**SAP Solution Brief**

SAP for Banking

SAP Capital Markets Trading by Calypso

SAP Capital Markets Treasury by Calypso

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Objectives

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Solution

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Benefits

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Quick Facts



**Drive Innovation in Capital  
Markets, Simplify Trading,  
and Reduce Cost**



The Best-Run Businesses Run SAP®

## Run Simple with integrated front-to-back asset trading

# Run Simple with integrated front-to-back asset trading

Banks are navigating unprecedented change. Revenues and profitability are under threat in a challenging regulatory climate, while clients demand **higher service levels and more innovative products**. Banks have responded with separate trading solutions for different products, resulting in data and process silos, excessive IT spend, and costly barriers to innovation and growth.

What's needed is a way to streamline and simplify the entire asset-trading process, from accurate and timely risk pricing to front-office trading, efficient back-office processing, and a smarter treasury. That's why SAP offers a new approach.

The SAP® Capital Markets Trading solution by Calypso is a complete cross-asset trading platform that supports all of your cash and derivative products. SAP Capital Markets Trading works with the SAP Capital Markets Treasury solution by Calypso to keep you in sync with

liquidity and compliance requirements and support timely hedging decisions, balance sheet updates, and collateral adjustments.

Both solutions can work with your current SAP software, enabling you to maintain a single ledger for banking and trading, share a single source for payments and reconciliation, and consolidate compliance reporting and analysis. This streamlined approach supports innovation and growth while helping reduce total cost of ownership for your IT solutions.



# Manage risk and complexity across your trading portfolio

## Manage risk and complexity across your trading portfolio

Tightly link liquidity and capital management

Run a cost-effective, agile, and integrated operation

Around the world, capital markets are growing more sophisticated and complex – and more highly regulated. While new opportunities are constantly emerging, capitalizing on them means quickly assessing and mitigating your credit and market risks for every investment product. You also need to constantly innovate to stay competitive with new investment offerings, emerging market penetration, and streamlined, lower-cost compliance.

SAP Capital Markets Trading lets you manage your entire asset portfolio with agility. It uses a fast, compliant, and flexible framework to support all front-office activities for every investment product, including deal preparation, pricing and collateral management, as well as market and counterparty risk mitigation. Adding new asset categories to your portfolio is just a matter of enabling the built-in functionality for that category. And the configurable, standards-based architecture of SAP Capital Markets Trading speeds the development of your own custom investment products.



Looking for dramatic cost savings and a better ROI in capital markets for your bank? Front-office trading and treasury solutions are an ideal option.



# Tightly link liquidity and capital management

Manage risk and complexity across your trading portfolio

## **Tightly link liquidity and capital management**

Run a cost-effective, agile, and integrated operation

To achieve growth in capital markets, banks must eliminate the delays and lack of clarity between front-office trading and treasury. Getting the right information at the right time supports informed hedging decisions, balanced inventory, and compliant and funded balance sheets. And real-time, daily visibility into your bank's liquidity and credit status is crucial – especially if you want to avoid charges for intraday funding.

That's why SAP Capital Markets Treasury links front-office trading with your deployed SAP software to support complete liquidity, investment, and balance sheet management. Trading activities can be reconciled with your broader bank operation in real time. Trading-book collateral can be externally validated, priced, and synced up with your banking books. You can proactively manage banking-book changes caused by payment delays and early withdrawals, or quickly adjust collateral requirements based on real-time margin calls.



Gain unprecedented visibility with a unified treasury environment that supports greater agility in capital markets and long-term growth.



# Run a cost-effective, agile, and integrated operation

Manage risk and complexity across your trading portfolio

Tightly link liquidity and capital management

**Run a cost-effective, agile, and integrated operation**

The reliance by banks on multiple trading solutions makes it more challenging to maintain the long-term profitability, cost-effectiveness, and compliance of their diverse, high-volume trading operation. That's why SAP Capital Markets Trading and SAP Capital Markets Treasury are designed to work with the SAP enterprise software you are already running.

All of your trade-related payments, collateral positions, and financials can be processed and uploaded to your current SAP for Banking

solutions. Capital markets treasury and ledger positions can be uploaded to your parent bank's SAP Bank Analyzer set of applications and SAP ERP application for a bankwide view. And all of your completed trades can be maintained in the SAP Business Warehouse application for posttrade analysis and regulatory reporting. You won't have to worry about data delays, and your implementation costs are reduced, so you can rapidly scale up your trading operation for less cost and effort.

Rely on a single front-to-back trading platform and simplified solution architecture to support highly complex derivatives, hedging, and equities.



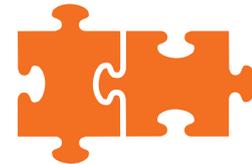
# Achieve compliant, competitive, and future-ready trading

## Achieve compliant, competitive, and future-ready trading

The SAP Capital Markets Trading and SAP Capital Markets Treasury solutions help you establish a single information and process infrastructure for trading, risk management, compliance, and accounting. The solutions fully support local currency and regional market requirements around the world – including Sharia trading laws.

You can reduce manual errors and delays with electronic straight-through processing, and your pricing decisions can be more timely and accurate. And by linking the software to your deployed SAP for Banking solutions, you can improve efficiency and time to market, reduce implementation costs, and establish a solid foundation for innovation and growth in capital markets.

Avoid silos. Move to a modern, integrated suite of cross-asset trading and treasury solutions that work with your SAP or third-party solutions.





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**Summary**

The SAP® Capital Markets Trading and SAP Capital Markets Treasury solutions by Calypso enable banks to simplify their infrastructure for trading, risk management, and back-office operations using a single consolidated approach. These market-leading solutions integrate with your current SAP for Banking solutions to improve efficiency and time to market while reducing operating costs, and they allow your bank to more effectively respond to regulatory changes.

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**Objectives**

- Mitigate credit and market risk, quickly comply with new regulations, and better allocate capital
- Simplify and streamline equities trading and processing to boost efficiency
- Support new product innovation and competitiveness in emerging markets

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**Solution**

- Full trade-to-treasury support for your entire asset portfolio
- Consolidated risk, pricing, hedging, liquidity, collateral, and balance sheet management
- Integration with deployed SAP software for shared customer and transaction-partner data, banking ledgers, payments, and reporting

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**Benefits**

- Simplify complex trade operations and reduce costs
- Monitor credit, market, and liquidity risks in real time
- Meet growing regulatory commitments
- Optimize capital management and improve returns
- Provide a platform for future innovation and growth

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**Learn more**

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