AUTOMATE AND OPTIMIZE COLLATERAL MOVEMENTS WITH BATON CORE-COLLATERAL

Improve financial and operational efficiency whilst reducing risk and scaling for growth

On-demand Actionable Insight

Access, on-demand, your firm's current margin obligations, details of collateral posted to CCP's and assets available for use - providing up-to-date actionable insight for effective decision-making. Core-Collateral aggregates and normalises all data for you from multiple data sources, including CCP's, custodians and nostro accounts.

Direct Connectivity to Multiple CCPs via a Single Interface

Directly connect and instruct multiple cash and securities movements, across multiple CCPs via a single, consolidated interface. Accelerating productivity, your users can instruct pledges or recalls, pre-check the eligibility of proposed collateral moves, process internal checks, track CCP acknowledgements and monitor the status of all moves.

Automate and Optimize Collateral Allocation

Core-Collateral allows you to take control, automating the delivery or recall of assets, according to the predefined rules you select, including waterfalls.

Often, a collateral allocation that was appropriate at the time the initial decision was made becomes suboptimal over time, and, with so many variables in play, this can be hard to identify manually.

Deploy configurable rules

Core-Collateral delivers zero friction workflows and configurable rules to optimize allocation. These rules can be set to run continuously, allowing for real-time identification, notification (and remediation) of inefficiencies or points of potential stress.

How it works:

THE BATON LONGBOX provides a consolidated view of all assets, both 'encumbered' – i.e. already posted to the CCPs – and 'unencumbered', which may be held in custodial accounts. The former are obtained via direct connectivity with the CCP, while the latter can either be uploaded to the Baton interface by the client or can be obtained via integration by Baton to the custodian.

THE BATON RULES ENGINE configures rules specific to the client's requirements, allowing clients to automate current processes. Each rule has a trigger, a condition and an action. In some cases the action is an alert, in other cases users configure the rule to propose actual movements to optimize their collateral usage.

THE BATON GATEWAY is the communications layer between Baton and the systems or processes operated by Financial Markets Infrastructure providers (CCP's, custodians, CSD's etc) as well as that of our customers. The Gateway supports a variety of API protocols as well as SFTP and robotic program applications (RPA).

THE BATON AGGREGATION TOOL provides a high-level summary of the collateral on deposit at CCPs and the bank's obligations. A domain model is created for all the post-trade flows Baton supports, to ensure an understanding of the state of the asset and where it is in the movement lifecycle.

Implementation

Leveraging the direct connectivity already established with key elements of the Financial Markets Infrastructure, Baton's Core-Collateral solution can be implemented in a matter of weeks and is deployed using Baton's secure, cloud-based, single-tenant architecture.

About Baton Systems

Baton Systems is revolutionizing the entire front-to-back post-trade process, introducing interoperable and connected digital market infrastructures from trade matching through to settlement. Empowering financial institutions to take control with automated, rules-based workflows, access to real-time information, and on-demand settlement, Baton is redefining what post-trade processing should look like: fully connected, friction-free, flexible and transparent.

Founded in 2016 by Silicon Valley technologists and capital market specialists, Baton's solutions are now being used by several of the world's largest financial institutions to facilitate the movement of billions of dollars of cash and securities on a daily basis.

Baton
Post-Trade • Redefined