



COLLATERAL MANAGEMENT

COLLATERAL MANAGEMENT SOLUTION THAT
ALLOWS FLEXIBLE USE OF A COLLATERAL POOL
FOR A NUMBER OF DIFFERENT PURPOSES.



For market participants such as domestic and foreign banks, brokers and dealers the cost of liquidity makes it crucial to minimise the amount of cash or collateral tied up for the settlement of daily securities transactions and interbank payments.

Optimisation of liquidity

VP SECURITIES Collateral Pledging solution makes it possible for market participants to settle securities transactions - both settlement and Corporate Actions payments - with the lowest possible liquidity requirements. By automatically pledging the value of an entire security account instead of each individual securities, the market participants benefit from a high degree of flexibility in collateral management. Furthermore, securities acquired in a securities settlement batch are immediately and automatically included as collateral.

The Collateral Pledging solution allows market participants to use the same collateral pool for other clearing purposes, such as the interbank retail payment clearing and foreign exchange clearing (CLS clearing).

Support for both commercial and central bank collateral

The system allows the collateralisation of lending between commercial banks for any clearing purposes, as well as for a number of purposes vis-à-vis the central bank, including securities settlement, Corporate Actions payments, and various interbank payment systems.

Benefits

- Minimise liquidity costs
- Optimise utilisation of collateral for multiple clearing purposes
- Acquired securities are automatically included as collateral
- Automated substitution
- Use trading book holdings as collateral
- Reduce operational risk through fully automated collateral management

Contact us



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