

## Case Study: RiskSeer™ at WestLB AG

*“Formicary consistently provides us the reliability, commitment and professional services which can be counted on during the ups and downs of projects”*



Dr Gerd Börker, Head of IT Trading, WestLB AG

### Company

WestLB is a €290 billion international bank employing around 6,000 people in 35 different locations worldwide. WestLB offer a full range of products and services, focusing on lending, structured and project finance, capital markets, asset management, transaction services and real estate finance.

### Benefits

- Streamlines end-of-day pricing processes
- Gives authorised users a clear view of open positions on demand
- Offers market conformity checks to monitor when set tolerance levels have been broken
- Facilitates full audit history meeting FSA and other regulatory requirements

### Background

WestLB had a number of trading, risk and settlement systems across multiple business areas and wanted to increase efficiency by streamlining operations and achieving straight-through-processing from front to back office. In order to meet this initiative, the bank chose to reduce the number of disparate applications in use placing particular emphasis on one single trading system.

As a result the application that was in use for securities was replaced. Whilst the new system met the goal for straight-through-processing, it did not have the same functionality that the Risk Management team required to gather and process end-of-day pricing data.

### Requirements

The team's essential requirements were the ability to view a list of open positions and update the market value from any number of pricing sources, either from market data vendors such as Bloomberg and Reuters or using internal pricing sources. Authorised users needed to be able to access, manipulate and validate all data and export it to the trading system in order to calculate an accurate value of the bank's P&L.

### Solution

WestLB chose to use Formicary's RiskSeer™, which delivered an out of the box solution that integrated seamlessly with the new trading system, market data sources and internal applications. RiskSeer™ also provided an API toolkit ensuring it could be quickly and easily customised to meet specific requirements.

By working closely with the Risk Management team, Formicary was able to further identify areas of improvement that were above and beyond the capability of the previous application including automation of manual processes, market valuation on demand and transparency. All actions in RiskSeer™ are audited ensuring clear and concise monitoring of data and easy, accurate reporting.

*“RiskSeer™ has given WestLB a faster, more accurate, transparent and audit proven end-of-day process where operational risk is minimised. It dramatically reduces the time required to calculate P&L whilst a global rollout provides a clear view of the bank's market value and risk exposure on demand.”*



Regina Marinina, Head of Risk Engineering London, WestLB AG

