

**LCH**

# Collateral Services Roadmap 2024

[collateral.product@lch.com](mailto:collateral.product@lch.com)

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**LSEG** POST  
TRADE

# Collateral Services – Roadmap

Introducing a new online Collateral Services experience for members and clients with the launch of Collateral Monitor and Collateral Manager which are being integrated into our LCH Digital platform and will eventually replace the existing CMS GUI.



## Now

Launch **Collateral Monitor** (LCH Ltd)

- Margin Calls (Beta exit)
- Collateral and Exposure (Beta launch)

**CMS** enhancements (LCH Ltd)

- Real Time Concentration Limit checks
- Custodial Seg Client Onboarding
- Non-Cash Collateral Extensions to Fannie Mae and Freddie Mac

**CMS** enhancements (LCH SA)

- US Expansion for CDSClear



## Next

Launch **Collateral Manager** (LCH Ltd)

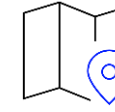
- Collateral Proposals
- Collateral Optimisation
- Portfolio Transfers with collateral

Enhance **Collateral Monitor** (LCH Ltd)

- Collateral Status (Beta launch)
- Collateral & Exposure (Beta exit)

**CMS** enhancements

- Extend Triparty Custodians to include BONY (LTD)
- Non-Cash Collateral Extensions (LTD and SA)



## Later

Digital service extensions

- Monitor/Manager for LCH SA
- Decommission legacy CMS GUI
- Custom banking report layouts and decommissioning of redundant/duplicate reports

# Collateral Services – 2024 Delivery Plan

	H1 2024	H2 2024
Headlines	<ul style="list-style-type: none"> <li>Partner with members to enhance Collateral Monitor Beta and design Collateral Manager Beta</li> </ul>	<ul style="list-style-type: none"> <li>Launch Collateral Manager Beta, continue partnership with members to improve experience for Monitor and Manager</li> </ul>
CMS	<ul style="list-style-type: none"> <li>Move Concentration Limit checks on non-cash collateral to the point of entry in CMS GUI or via Swift MX instruction.</li> <li>Extend non-cash eligibility to MBS Fannie Mae and Freddie Mac</li> <li>US Expansion to support FCMs for CDSClear (LCH SA)</li> </ul>	<ul style="list-style-type: none"> <li>Migrate Collateral MX messaging to FINPlus - Enabling standard version control of messaging on the FINPlus service with annual SWIFT upgrades</li> <li>FMX Market go live</li> </ul>
Collateral Manager	<ul style="list-style-type: none"> <li>Cash and Securities – discovery phase including engagement and feedback from Members. Prioritising pain points and areas for improvement to be planned into the development stage.</li> </ul>	<ul style="list-style-type: none"> <li>Migration and development of enhanced GUI's and Workflow Improvements of Cash and Security Instructions.</li> <li>Discovery phase for enhancements for Portfolio Transfer with the aim to migrate to Collateral Manager from CMS in 2025.</li> </ul>
Collateral Monitor	<ul style="list-style-type: none"> <li>Margin Calls – complete Beta feature and improve experience based off partnership and feedback with members.</li> <li>Collateral and Exposure – discovery phase including engagement and feedback with members.</li> </ul>	<ul style="list-style-type: none"> <li>Collateral Status – discovery phase with the aim to launch a Beta feature in 2025.</li> <li>Collateral and Exposure – Beta feature go live with the aim to exit Beta in early 2025.</li> </ul>

## Collateral Services Beta Program:

- As we develop the new Collateral Services apps, we encourage members to join our Beta Program to provide feedback and learnings which we can use to enrich our Design and Development journey. To join, please email [collateral.product@lseg.com](mailto:collateral.product@lseg.com), we will then reach out to arrange a one-to-one Discovery session.

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## Collateral Services – Spotlight Items

### Custodial Segregation

- Relaunch of the Custodial Seg product within the Swapclear Service with the onboarding of clients in 2024
- Main features for clients:
  - Segregated positions, liabilities and collateral
  - Client can choose to deliver non-cash collateral directly to LCH (rather than via its SCM)
  - The SCM remains responsible for ensuring the open positions are appropriately collateralised and that all other obligations relating to the account are satisfied (no impact to existing clearing workflows or margin calculations)

### ISO 2002 Migration

- Launch LCH CBPR+ Swift My Standards Portal
- Remove swift message grouping to PPS Banks as a pre-requisite to CBPR+ go live
- Roll out CBPR+ ISO messaging to PPS Bank and Correspondent network – London, New York, Sydney, NZ, Norway etc. (Cross Border Payments and Reporting). We are engaging directly with PPS Banks to identify testing milestones and go live dates
- Continuation of HVPS+ ISO messaging roll out (High Value Payments System)

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Want to know more?

## Contact us

### Address

10 Paternoster Square, London, EC4M 7LS, UK

### Email

[collateral.product@lch.com](mailto:collateral.product@lch.com)

- Aine Hester  
Director – Collateral Services
- Martin McCrystal  
Senior Manager – Collateral Services
- Grace Charlesworth  
Manager – Collateral Services

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