

Client	The client is a leading financial services institution, providing a full range of products and services for large pools of investment assets		
Project Name	Intra-group and Whole-firm Liquidity Application		
Project Start Date	October 2009	Project End Date	February 2010
Industry	<input type="checkbox"/> Commercial banking	<input type="checkbox"/> Insurance	
	<input checked="" type="checkbox"/> Fund Custody & Investment Services	<input type="checkbox"/> Investment banking	
	<input type="checkbox"/> Private banking	<input checked="" type="checkbox"/> Asset and wealth management	
	<input type="checkbox"/> Retail banking	<input type="checkbox"/> Corporate	
	<input type="checkbox"/> Broker / Dealer		
Category of Service	<input type="checkbox"/> Mergers & Acquisitions	<input checked="" type="checkbox"/> Regulatory compliance and reporting	
	<input type="checkbox"/> Portfolio risk management	<input type="checkbox"/> Business process creation	
	<input checked="" type="checkbox"/> Specialised risks	<input type="checkbox"/> Training and people change	
	<input type="checkbox"/> Data Quality	<input type="checkbox"/> System selection and implementation	
The Challenge	<p>The client has a number of branches and subsidiaries in the United Kingdom. In the wake of the adoption of Policy Statement 09/16, <i>Strengthening Liquidity Standards</i>, the client requested advantage to assist the client in:</p> <ul style="list-style-type: none"> evaluating the benefits and feasibility of applying for a whole-firm liquidity modification (branches) and intra-group liquidity modifications (mismatch banks and full-scope BIPRU investment firms); and drafting the modification applications. 		
Approach and Solution	<p>avantage was appointed to the “Liquidity Project Steering Committee” and evaluated the merits of applying for a modification. advantage evaluated whether it is realistic to expect that the subsidiaries would have sufficient liquidity capacity, particularly in a stressed environment, not to have to rely on the Group without holding a significant liquidity buffer, i.e. evaluating the amount of “trapped liquidity” and how significant a drain this could be on operating performance. In addition, advantage evaluated the reporting advantages that would be gained from liquidity modifications. The client decided to proceed with the applications.</p> <p>avantage assisted the client in drafting the applications which were successfully submitted to the Financial Services Authority.</p>		
Results and Benefits	<ul style="list-style-type: none"> Thorough evaluation of the merits of applying for whole-firm and intra-group liquidity modifications; Accelerated delivery of draft liquidity modification applications together with relevant supporting evidence. 		
Software used	Not applicable		

