BRADY

CRISK

Intelligent credit risk management for energy and commodities

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With substantial experience in credit risk processes at utilities and trading firms world-wide, the team behind Brady CRisk has developed a superior user experience, with the belief that rigorous credit risk management can be achieved with ease of use, simplicity and cost-efficiency.

Designed with 20+ years of energy and commodities market expertise

Volatile markets and stressed supply chains negatively impact earnings potential. Maintaining healthy cash flows demands intraday credit exposure analysis, real-time exposure reporting and a holistic view of liquidity across the business.

Brady CRisk is an enterprise wide credit risk and liquidity management platform designed specifically for market participants trading energy and commodities. It offers a fast and modern user experience that equips risk, credit, finance and compliance teams with all the market standards, processes and transparency around credit risk management.

Built for the cloud

CRisk is built to scale, delivering intuitive credit risk monitoring needs to both SME and multi-national companies. The solution can be deployed within the Brady private cloud or external cloud systems such as Azure or AWS. If preferred, the system can be deployed as an on-premise solution.

Quick implementation with no hidden costs

CRisk's core functionality is pre-configured making it quick and easy to set up with go live possible in just weeks. A fixed yearly service rate means there are no hidden extras.

Trusted and proven

CRisk has been designed to incorporate best practice in credit risk processes championed by leading industry bodies including the European Federation of Energy Traders (EFET).

Delivering competitive advantage

CRisk has been designed for managing credit data, applying limits, calculating and reporting risk exposures, defining workflow, margining and counterparty scoring.

- Highly intuitive UX; user defined reports take just minutes to generate
- Pre-deal checking to support more informed decisions by traders
- Ease of data analysis with PowerBI and other business intelligence tools
- Real-time exposure calculations; enter a trade, collateral or agreement and see the effect immediately
- Illustration of historical and PFE through projection of cash flows and price movements
- Automatic notification by email when a critical event occurs such as limit violations or exposure threshold breaches
- Ability to incorporate in-house models via excel templates
- Interfaces with ETRM, ERP and other finance/back office systems
- Full audit trail of user activity for compliance

B.

Key Features

Static data and limit capture

The foundation of any robust credit risk software solution is the ability to manage credit static data efficiently. By capturing country, industry and other static data categories, portfolios can be created that show exposure and expected loss concentrations. In addition, guarantees, netting and margin agreements can be captured and maintained.

OTC margining

Margining is intuitive in CRisk. Every morning, the system will produce a list of calls to be processed. The analyst will simply click on each call to verify the calculation, and a manager or colleague will electronically sign the call before it goes out as an email or fax to the counterparty. The system efficiently keeps track of calls, their status and their contribution to CSA balances and accrued interest.

Exposure calculations

CRisk is a real-time software solution, which calculates exposure 'on the fly' as deals come in or as static data is updated by the user. Exposure is rolled up to guarantor or legal hierarchy owner. The user can see both direct trading exposure with a counterparty and true credit exposure, adjusted for collateral.

Exposure reporting

A set of standard reports are provided as core CRisk comes with an intuitive reporting framework, enabling advanced users to define their own reports and publish for a desired group of users to access Reports can be exported to Excel and PDF and parameterised.

Counterparty Scoring

CRisk affords flexibility in how counterparty scoring is conducted. Multiple models can be applied and there are APIs to financial data suppliers. If desired, scoring models for counterparty assessment can be designed in Excel. However the actual scoring entries and entered data is saved in the scoring application itself. The solution offers historical reporting, peer group analysis and linear egression modelling. In addition there are models for KYC and CSR checks.

Credit workflow

Users are alerted of important credit events on screen or through emails. The system comes with a set of pre defined workflow queues out of the box The pre-defined workflows include 'Limit Exceeded', 'Limits Close to Exceed', 'New Limit Request', 'Violation of Trading Restriction', 'Security Expiring Within 30 Days' etc framework, enabling advanced users to define their own reports and publish for desired group of users to access. Reports can be exported to Excel and PDF and parameterised.

B.

Liquidity Risk

Cash flow desktop and CSA cash flow analysis

- Visual presentation of cash flow development
- Slice and dice cash flows as needed for your analysis
- Detailed breakdown of CSA cash flows

Reports

- Short-term and long-term cash flow details by entity, currency, market and many other dimensions

Stochastic analysis

- Projection of future cash flows, based on historical observations

Cleared trades

- New interfaces and calculation of variation margin/spot projections
- Can upload initial margin from external source

BRADY

Get in touch and see CRisk for yourself.

We'll be pleased to arrange a demonstration for you.

Contact us directly

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