Oracle Financial Services Liquidity Risk Solution Application Pack (OFS LRS)

Version 8.0.7.0.0

Release Notes

F15041-01

Financial Services

DOCUMENT CONTROL

Version	Date	Change Reference
8.0.7.0.0	Created: February 2019	Captured new features, fixed issues, limitations and known issues for OFS Liquidity Risk Solution Pack 8.0.7.0.0 release.
Created by: Vineeta Mishra	Reviewed by: LRS Dev	Approved by: LRS QA

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PREFACE

This section provides supporting information for the Oracle Financial Services Liquidity Risk Solution (LRS) Pack Release Notes, and includes the following topics:

- Purpose of This Document
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PURPOSE OF THIS DOCUMENT

This document contains release information for the following products:

- Oracle Financial Services Liquidity Risk Measurement and Management (OFS LRMM)
- Oracle Financial Services Liquidity Risk Regulatory Calculations for US Federal Reserve (OFS LRRCUSFR)
- Oracle Financial Services Liquidity Risk Regulatory Calculations for Reserve Bank of India (OFS LRRCRBI)
- Oracle Financial Services Liquidity Risk Regulatory Calculations for European Banking Authority (OFS LRRCEBA)
- Oracle Financial Services Liquidity Risk Regulatory Calculations for Bank of Thailand (OFS LRRCBOT)
- Oracle Financial Services Liquidity Risk Regulatory Calculations for Bank Negara Malaysia (OFS LRRCBNM)
- Oracle Financial Services Liquidity Risk Regulatory Calculations for Monetary Authority of Singapore (OFS LRRCMAS)
- Oracle Financial Services Deposit Insurance Calculations for Liquidity Risk Management (OFS DICLRM)

INTENDED AUDIENCE

This document is intended for users of Oracle Financial Services Liquidity Risk Solution Application Pack

DOCUMENTATION ACCESSIBILITY

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc

ACCESS TO ORACLE SUPPORT

Oracle customers have access to electronic support through My Oracle Support. For information, visit http://www.oracle.com/pls/topic/lookup?ctx=acc&id=info or visit http://www.oracle.com/pls/topic/lookup?ctx=acc&id=trs if you are hearing impaired.

Related Documents

This section identifies the documents related to OFS LRS Application Pack.

You can access the below documents online from the Oracle Help Center (OHC) documentation Library for OFS Liquidity Risk Solution (LRS) 8.0.7:

For existing customers of OFS Liquidity Risk Management (LRM):

- OFS Liquidity Risk Solution Application Pack 8.0.7.0.0 Release Notes on OHC Documentation Library
- OFS Liquidity Risk Solution Application Pack 8.0.7.0.0 Installation Guide on OHC Documentation Library
- OFS Liquidity Risk Measurement and Management Release 8.0.7.0.0 Analytics User Guide on OHC Documentation Library
- OFS Liquidity Risk Measurement and Management Release 8.0.7.0.0 User Guide on OHC Documentation Library
- OFS Liquidity Risk Regulatory Calculations for Reserve Bank of India 8.0.7.0.0 User Guide on OHC Documentation Library
- OFS Liquidity Risk Regulatory Calculations for US Federal Reserve 8.0.7.0.0 User Guide on OHC Documentation Library
- OFS Liquidity Risk Regulatory Calculations for European Banking Authority 8.0.7.0.0 User Guide on OHC Documentation Library

For new customers of OFS Liquidity Risk Solution (LRS) Pack:

- OFS Liquidity Risk Solution Application Pack 8.0.7.0.0 Release Notes on OHC Documentation Library
- OFS Liquidity Risk Solution Application Pack 8.0.7.0.0 Installation Guide on OHC Documentation Library
- OFS Liquidity Risk Measurement and Management Release 8.0.7.0.0 Analytics User Guide on OHC Documentation Library
- OFS Liquidity Risk Measurement and Management Release 8.0.7.0.0 User Guide on OHC Documentation Library
- OFS Liquidity Risk Regulatory Calculations for Reserve Bank of India 8.0.7.0.0 User Guide on OHC Documentation Library
- OFS Liquidity Risk Regulatory Calculations for US Federal Reserve 8.0.7.0.0 User Guide on OHC Documentation Library
- OFS Liquidity Risk Regulatory Calculations for European Banking Authority 8.0.7.0.0 User Guide on OHC Documentation Library

- OFS Liquidity Risk Regulatory Calculations for Bank of Thailand 8.0.7.0.0 User Guide on OHC Documentation Library
- OFS Liquidity Risk Regulatory Calculations for Bank Negara Malaysia 8.0.7.0.0 User Guide on OHC Documentation Library
- OFS Liquidity Risk Regulatory Calculations for Monetary Authority of Singapore 8.0.7.0.0 User Guide on OHC Documentation Library
- OFS Deposit Insurance Calculations for Liquidity Risk Management 8.0.7.0.0 User Guide on OHC Documentation Library

You can access the OFS AAI documentation online from the documentation library for OFS AAAI 8.x:

- OFS Advanced Analytical Applications Infrastructure (OFS AAAI) Application Pack Installation and Configuration Guide
- OFS Analytical Applications Infrastructure User Guide

The additional documents are:

- OFSAA Licensing User Manual, Release 8.0.7.0.0
- OFS Analytical Applications Infrastructure Security Guide
- OFSAAI FAQ Document
- OFS Analytical Applications 8.0.7.0.0 Technology Matrix
- Oracle Financial Services Data Foundation Technical Documents (MoS Doc ID: 2170313.1). Refer the relevant version of the metadata sheet available in the MoS document (For CAS refer T2T Metadata Staging, and for SCD components refer SCD Metadata sheet).

See the below patches on for customer deliverables and data model file:

- LRS-Customer Deliverables for 807 (ID **28478231**)
- LRS Data Model Release for 807 (ID **28478980**)

1 Introduction

This chapter includes information about:

- Oracle Financial Services Analytical Applications (OFSAA)
- Oracle Financial Services Liquidity Risk Solution Pack

1.1 About Oracle Financial Services Analytical Applications (OFSAA)

In today's turbulent markets, financial institutions require a better understanding of their risk-returns, while strengthening competitive advantage and enhancing long-term customer value. Oracle Financial Services Analytical Applications (OFSAA) enable financial institutions to measure and meet risk adjusted performance objectives, cultivate a risk management culture through transparency, lower the costs of compliance and regulation, and improve insight into customer behavior.

OFSAA uses industry-leading analytical methods, shared data model and applications architecture to enable integrated risk management, performance management, customer insight, and compliance management. OFSAA actively incorporates risk into decision making, enables to achieve a consistent view of performance, promotes a transparent risk management culture, and provides pervasive intelligence.

OFSAA delivers a comprehensive, integrated suite of financial services analytical applications for both banking and insurance domains.

1.2 Oracle Financial Services Liquidity Risk Solution Pack

In Release 8.0.7, the approach to the earlier Liquidity Risk Management (LRM) application has changed with the introduction of separate Stock Keeping Units (SKU’s) for each jurisdiction. This release splits the original liquidity risk application, i.e. Oracle Financial Services Liquidity Risk Management, in to four SKU’s. These include:

- Oracle Financial Services Liquidity Risk Measurement and Management (LRMM)
- Oracle Financial Services Liquidity Risk Regulatory Calculations for US Federal Reserve (LRRCUSFR)
- Oracle Financial Services Liquidity Risk Regulatory Calculations for European Banking Authority (LRRCEBA)
- Oracle Financial Services Liquidity Risk Regulatory Calculations for Reserve Bank of India (LRRCRBI)

Additionally, four new SKUs, Oracle Financial Services Liquidity Risk Regulatory Calculations for Bank of Thailand (LRRCBOT), Oracle Financial Services Liquidity Risk Regulatory Calculations for Bank Negara Malaysia (LRRCBNM), Oracle Financial Services Liquidity Risk Regulatory Calculations for Monetary Authority of Singapore (LRRCMAS), and Oracle Financial Services

Deposit Insurance Calculation for Liquidity Risk Management (DICLRM), have been introduced, in this release.

This split does not impact any functionality. All functionalities present in the earlier OFS LRM will continue to be available, and fully supported as part of the four new SKU's mentioned above. Existing customers referring to the earlier LRM User Guide, Release 8.0.6, now need to refer to the jurisdiction specific user guides for the complete functionality. See Related Documents, for details.

OFS LRS application pack includes the following products:

- **Oracle Financial Services Liquidity Risk Measurement and Management (OFS LRMM)**:

  This application comprehensively addresses an organization's liquidity risk requirements, both regulatory and management. It covers non-regulatory calculations required for managing liquidity risk within the bank itself, including stress testing, counterbalancing, liquidity gap calculation, and comprehensive dashboard reporting and so on, and base regulatory calculations, i.e. Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), based on the guidelines issued by the Bank for International Settlements (BIS).

- **Oracle Financial Services Liquidity Risk Regulatory Calculations for US Federal Reserve (OFS LRRCUSFR):**

  This application includes liquidity computations that address guidelines issued by the U.S. Federal Reserve covering Liquidity Coverage Ratio, 5G Reporting calculations, Regulation YY Calculations, and non-regulatory features such as Forward LCR calculations.

- **Oracle Financial Services Liquidity Risk Regulatory Calculations for Reserve Bank of India (OFS LRRCRBI):**

  The application includes liquidity computations that address guidelines issued by the Reserve Bank of India (RBI), covering Liquidity Coverage Ratio, Net Stable Funding Ratio and Forecasting.

- **Oracle Financial Services Liquidity Risk Regulatory Calculations for European Banking Authority (OFS LRRCEBA):**

  The application includes liquidity computations that address guidelines issued by the European Banking Authority (EBA) covering Liquidity Coverage Ratio for Delegated Act (DA).

- **Oracle Financial Services Liquidity Risk Regulatory Calculations for Bank of Thailand (OFS LRRCBOT):**

  The application includes liquidity computations that address guidelines issued by the Bank of Thailand (BOT) covering Liquidity Coverage Ratio and Net Stable Funding Ratio.

- **Oracle Financial Services Deposit Insurance Calculations for Liquidity Risk Management (OFS DICLRM):**

  OFS Deposit Insurance Calculations for Liquidity Risk Management covers deposit insurance calculations for the purpose of liquidity coverage ratio and other calculations required for liquidity risk management.

- **Oracle Financial Services Liquidity Risk Regulatory Calculations for Bank Negara Malaysia (OFS LRRCBNM):**

  The application includes liquidity computations that address guidelines issued by the Bank Negara Malaysia (BNM) covering Liquidity Coverage Ratio and Net Stable Funding Ratio.

- **Oracle Financial Services Liquidity Risk Regulatory Calculations for Monetary Authority of Singapore (OFS LRRCMAS):**

  The application includes liquidity computations that address guidelines issued by the Monetary Authority of Singapore (MAS) covering Liquidity Coverage Ratio, Net Stable Funding Ratio and Minimum Liquid Assets Ratio.

2 Oracle Financial Services Liquidity Risk Solution

Oracle Financial Services Liquidity Risk Solution (OFS LRS) is an enterprise-wide, robust and comprehensive liquidity risk framework designed to address liquidity risk of banking institutions across the world. It helps financial institutions to:

- Drive liquidity ratio regulatory compliance and adhere to tight regulatory deadlines through pre-packaged rules and computations
- Engage in enterprise-wide comprehensive stress testing that feeds into the contingency funding planning process
- Improve risk reporting practices by leveraging an extensive set of reports and dashboards built out of an unified data model

The solution contains a common base SKU which is LRMM, and additional jurisdiction specific SKUs for Reserve Bank of India, US Federal Reserve, European Banking Authority, Bank of Thailand, Bank Negara Malaysia, Monetary Authority of Singapore, and Deposit Insurance Calculations. LRMM offers regulatory calculations for BIS, and co-exists with all other SKUs except Deposit Insurance Calculation. Each SKU serves as a point solution which addresses specific requirements in regard to local regulatory guidelines.

See the below patches on for customer deliverables and data model file:

- LRS-Customer Deliverables for 807 (ID **28478231**)
- LRS Data Model Release for 807 (ID **28478980**)

The OFS LRS pack comprises:

- Oracle Financial Services Liquidity Risk Measurement and Management
- Oracle Financial Services Liquidity Risk Regulatory Calculations for US Federal Reserve
- Oracle Financial Services Liquidity Risk Regulatory Calculations for Reserve Bank of India
- Oracle Financial Services Liquidity Risk Regulatory Calculations for European Banking Authority
- Oracle Financial Services Liquidity Risk Regulatory Calculations for Bank of Thailand
- Oracle Financial Services Deposit Insurance Calculations for Liquidity Risk Management
- Oracle Financial Services Liquidity Risk Regulatory Calculations for Bank Negara Malaysia
- Oracle Financial Services Liquidity Risk Regulatory Calculations for Monetary Authority of Singapore

2.1 Oracle Financial Services Liquidity Risk Measurement and Management

This section includes:

- New Features
- Bugs Fixed in This Release
- Known Issues/Limitations

2.1.1 New Features

The computations related to Bank of International Settlements (BIS) in the erstwhile OFS LRM application are available in this SKU.

The features included in this release are:

- Liquidity Ratio Calculation as per BIS guidelines
- Liquidity Gap calculations
- Intraday Liquidity calculations
- Stress Testing through Business Assumption framework
- Counterbalancing
- Liquidity dashboard reports

For detailed information on usage of the listed features, see Oracle Financial Services Liquidity Risk Measurement and Management User Guide, and Oracle Financial Services Liquidity Risk Measurement and Management Analytics User Guide Release 8.0.7.0.0 on OHC Documentation Library.

2.1.2 Bugs Fixed in this Release

The fixed, enhanced, or modified bugs as part of OFS Liquidity Risk Measurement and Management Release 8.0.7.0.0 are:

Bug Number	Comments
28473391	Missing rules have been added for the process LRM -BIS - DETERMINING REVISED MATURITY

2.1.3 Known Issues / Limitations

There are no known issues or limitations associated with this release.

2.2 Oracle Financial Services Liquidity Risk Regulatory Calculations for US Federal Reserve

This section includes:

- New Features
- Upgrading to LRS 8.0.7 (For existing USFR customers only)
- Bugs Fixed in This Release
- Known Issues/Limitations

2.2.1 New Features

The features related to U.S Federal Reserve in the erstwhile OFS LRM application are available in this SKU.

The features included in this release are:

- Liquidity Coverage Ratio (LCR) calculations as per U.S. Federal Reserve
- 5G Reporting calculations as per U.S. Federal Reserve
- Regulation YY calculations
- Forward Liquidity Coverage Ratio calculations

For detailed information on usage of the listed features, see Oracle Financial Services Regulatory Calculations for US Federal Reserve User Guide, Release 8.0.7.0.0 on OHC Documentation Library.

2.2.2 Upgrading to LRS 8.0.7 (for existing USFR Customers only)

Note the below points:

- New Deposit Insurance Calculation (DIC) Run for calculating the Federal Deposit Insurance Calculation (FDIC) requirements is introduced in this release. See the Oracle Financial Services Deposit Insurance Calculation for Liquidity Risk Management User Guide, Release 8.0.7.0.0 on OHC Documentation Library for details on the requirements.
  - You can find the new FDIC run in the Run Management UI.

    Process Purpose Map = Deposit Insurance Calculation, Module / Functionality = FDIC
  - The new FDIC run is a replacement to the previously available Insurance Calculation Engine vis-à-vis LRM Process name = LRM - US - Account Insured and Uninsured Amount Computation. The existing process will no longer be available for use post LRM upgrade to LRS 8.0.7.
  - The new DIC Run for FDIC calculations is a pre-requisite batch which needs to be executed successfully before a LCR contractual / BAU run can be triggered. See the Oracle Financial Services Deposit Insurance Calculation for Liquidity Risk Management User Guide, Release 8.0.7.0.0 on OHC Documentation Library for information on how to execute a FDIC run.

- The new DIC Run / Calculations will require additional download (DL) requirements – See the document - OFS DICLRM V8 0 7 0 0 DL Specs.xlsx on MOS for details.
- LCR USFED run will refer to the insured and uninsured amounts calculated as per FDIC run / calculations. See the Oracle Financial Services Deposit Insurance Calculation for Liquidity Risk Management User Guide, Release 8.0.7.0.0 on OHC Documentation Library for information for more details.

2.2.3 Bugs Fixed in this Release

The fixed, enhanced, or modified bugs as part of OFS Liquidity Risk Regulatory Calculations for US Federal Reserve, Release 8.0.7.0.0 are:

Bug Number	Comments
28425860	Collateral amount reported for 100%encumbered securities under I.O.8

2.2.4 Known Issues / Limitations

There are no known issues or limitations associated with this release.

2.3 Oracle Financial Services Liquidity Risk Regulatory Calculations for Reserve Bank of India

This section includes:

- New Features
- Known Issues/Limitations

2.3.1 New Features

The features related to Reserve Bank of India in the erstwhile OFS LRM application are available in this SKU.

The features included in this release are:

- Liquidity Coverage Ratio (LCR) calculations as per Reserve Bank of India
- Net Stable Funding Ratio (NSFR) calculations as per Reserve Bank of India

For detailed information on usage of the listed features, see Oracle Financial Services Regulatory Calculations for Reserve Bank of India User Guide, Release 8.0.7.0.0 on OHC Documentation Library.

2.3.2 Known Issues / Limitations

There are no known issues or limitations associated with this release.

2.4 Oracle Financial Services Liquidity Risk Regulatory Calculations for European Banking Authority

This section includes:

- New Features
- Known Issues/Limitations

2.4.1 New Features

The features related to European Banking Authority (EBA) in the erstwhile OFS LRM application are available in this SKU.

The features included in this release are:

- Liquidity Coverage Ratio calculations as per EBA – Delegated Act

For detailed information on usage of the listed features, see Oracle Financial Services Regulatory Calculations for European Banking Authority User Guide, Release 8.0.7.0.0 on OHC Documentation Library.

2.4.2 Known Issues / Limitations

There are no known issues or limitations associated with this release.

2.5 Oracle Financial Services Liquidity Risk Regulatory Calculations for Bank of Thailand

This section includes:

- Release Highlights
- Known Issues/Limitations

2.5.1 Release Highlights

This is the first release of Oracle Financial Services Regulatory Calculations for Bank of Thailand (LRRCBOT).

The features included in this release are:

- Liquidity Coverage Ratio calculation as per guidelines specified by Bank of Thailand (BOT)
- Net Stable Funding Ratio calculation with pre-configured available and required stable funding factors as per guidelines specified by Bank of Thailand (BOT).

For detailed information on usage of the listed features, see Oracle Financial Services Regulatory Calculations for Bank of Thailand User Guide, Release 8.0.7.0.0 on OHC Documentation Library.

2.5.2 Known Issues / Limitations

There are no known issues or limitations associated with this release.

2.6 Oracle Financial Services Deposit Insurance Calculations for Liquidity Risk Management

This section includes:

- Release Highlights
- Known Issues/Limitations

2.6.1 Release Highlights

Deposit insurance schemes have been implemented in most countries, to safeguard the interest of the depositors in the event of bankruptcy of the depository institution. With the introduction of regulations such as Basel III, the insured portion of a deposit is required to be identified and treated appropriately for liquidity risk purposes. Regulations such as FDIC 370, mandate banks to identify and report the insurance coverage at an account level for various ownership rights and capacities, to ensure that the insurer pays out the amount due to depositors in a timely manner.

OFS Deposit Insurance Calculations for Liquidity Risk Management (OFS DICLRM) covers deposit insurance calculations for the purpose of liquidity coverage ratio and other calculations required for liquidity risk management. The application identifies insurance eligible accounts under a particular deposit insurance scheme, the right and capacity under which these accounts are held and the insurance limit provided by the country specific insurer for each account. It allocates the insurance limit to the account level based on the ownership right and capacity, and identifies the insured and uninsured portion of the account.

The features included in this release are:

- Ownership Right and Capacity (ORC) Classification as per FDIC Part 370
- Insurance Calculations as per FDIC 370
- Deposit Insurance Calculations as per SDIC, Singapore
- Deposit insurance Calculations as per PIDM, Malaysia

For detailed information on usage of the listed features, see Oracle Financial Services Deposit Insurance Calculations for Liquidity Risk Management User Guide, Release 8.0.7.0.0 on OHC Documentation Library.

2.6.2 Known Issues / Limitations

There are no known issues or limitations associated with this release.

2.7 Oracle Financial Services Liquidity Risk Regulatory Calculations for Bank Negara Malaysia

This section includes:

- Release Highlights
- Known Issues/Limitations

2.7.1 Release Highlights

This is the first release of Oracle Financial Services Regulatory Calculations for Bank Negara Malaysia (LRRCBNM).

The features included in this release are:

- Liquidity Coverage Ratio calculation as per guidelines specified by Bank Negara Malaysia (BNM)
- Net Stable Funding Ratio calculation with pre-configured available and required stable funding factors as per guidelines specified by Bank Negara Malaysia (BNM).

For detailed information on usage of the listed features, see Oracle Financial Services Regulatory Calculations for Bank Negara Malaysia User Guide, Release 8.0.7.0.0 on OHC Documentation Library.

2.7.2 Known Issues / Limitations

There are no known issues or limitations associated with this release.

2.8 Oracle Financial Services Liquidity Risk Regulatory Calculations for Monetary Authority of Singapore

This section includes:

- Release Highlights
- Known Issues/Limitations

2.8.1 Release Highlights

This is the first release of Oracle Financial Services Regulatory Calculations for Monetary Authority of Singapore (LRRCMAS).

The features included in this release are:

- Liquidity Coverage Ratio calculation as per guidelines specified by Monetary Authority of Singapore (MAS)

- Net Stable Funding Ratio calculation with pre-configured available and required stable funding factors as per guidelines specified by MAS.
- Minimum Liquid Assets ratio as per guidelines specified by MAS

For detailed information on usage of the listed features, see Oracle Financial Services Regulatory Calculations for Monetary Authority of Singapore User Guide, Release 8.0.7.0.0 on OHC Documentation Library.

2.8.2 Known Issues / Limitations

There are no known issues or limitations associated with this release.

3 Oracle Financial Services Analytical Applications Infrastructure

For details about the requirements, new features, bugs fixed, and list of known issues in OFS Analytical Applications Infrastructure, see OFS Advanced Analytical Applications Infrastructure (OFS AAAI) Application Pack Readme and documents on OHC Documentation Library.

4 Hardware/Software Tech Stack Details

The hardware/software combinations required for OFS LRS 8.0.7.0.0, are available at OTN Tech Stack.

5 Licensing Information

Information about the third party software tools used in OFS Liquidity Risk Solution Application Pack 8.0.7.0.0 is available in the OFSAA Licensing Information User Manual Release 8.0.7.0.0, at the OHC Documentation Library.

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Oracle Financial Services Liquidity Risk Solution Application Pack, Release 8.0.7.0.0

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Oracle Corporation
World Headquarters
500 Oracle Parkway
Redwood Shores, CA 94065
U.S.A.

Worldwide Inquiries:
Phone: +1.650.506.7000
Fax: +1.650.506.7200
www.oracle.com/ financial_services/