Intraday Counterparty Limit Monitoring
DASHBOARD

OrdersLimitCheck

Account	Total Notional	Limit Notional	Remaining	% of Limit	Alert %
Factset	476,565,230	600,000,000	123,434,770	79.4%	95.0%
FlexTrade	510,741,123	1,000,000,000	489,258,877	51.1%	95.0%
Interactive Brokers	484,476,967	800,000,000	315,523,033	60.6%	95.0%
Merryl Lynch	489,598,466	500,000,000	10,401,534	97.9%	95.0%
Bloomberg	503,311,303	600,000,000	96,688,697	83.9%	95.0%
Reuters	526,987,152	550,000,000	23,012,848	95.8%	95.0%
Fidessa	469,290,438	1,200,000,000	730,709,562	39.1%	95.0%
Fidelity	471,459,444	1,500,000,000	1,028,540,556	31.4%	95.0%

BUSINESS PROBLEM:

Hedge funds utilize multiple counterparties as prime brokers to trade, finance and clear their assets within a defined risk exposure (e.g. gross notional basis, gross market value, DV01 and VAR). Managing multiple counterparties' risk exposure in real-time is complicated and challenging. For many funds, traders only realize that they have hit their credit limits with a specific prime broker after they try to trade and find that they are unable.

OBJECTIVE:

Create a frontend that aggregates and displays limits across different prime brokers with disparate systems.

KEY STAKEHOLDERS:

- Traders who currently have no vision into limit status
- Risk Analysts who only receive end-of-day exposure information

SOLUTION OVERVIEW:

3forge has produced a real-time intraday limit dashboard which allows traders & risk teams to monitor trading limits, notional, margin & risk exposure per counterparty. It provides alerting via text, email, pop-up, sound, and more, informing users when the firm is near its limit with a specific prime broker.

The dashboard is highly configurable permitting customizable views based on their requirements (eg. limit thresholds, product limits, risk exposure, alert types, and more).

It gives both a high-level aggregate overview of the limits, total & remaining exposure per prime broker, plus the ability to drill down to individual outstanding orders to see where the potential risk positions are coming from.

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KEY RESULTS:

Traders no longer experience frustration and confusion from rejected orders while risk analysts get to intervene in real-time to lower broker risk exposure rather than end of day

CONCLUSION:

3forge allows firms to build applications very quickly. It easily plugs into multiple data sources (DBs, pricing feeds, OMS/EMS/PMSs, risk systems), virtualizing, aggregating and visualizing real-time & static information in a consolidated dashboard which can initiate workflows, alerts, drill downs and provide more sophisticated analysis.

This functionality was utilized to solve real-world problems that saved Trader time and improved risk analysis.