TRS Automation Project - KT Script

## Slide 1: Agenda

Here's our agenda for today's KT session. We'll begin with an overview of the ELITE platform itself — the system that sits at the heart of this automation project. Then, we’ll introduce the Total Return Swap product to ensure everyone’s aligned on the business context. After that, we’ll look at how ELITE handles a TRS trade from start to finish — the end-to-end flow. I’ll also walk you through a demo of the swap booking UI, followed by a section dedicated to QA testing scope. Finally, we’ll wrap up with a few useful links and open up for questions.

## Slide 2: ELITE Overview

Let’s start with a quick overview of the ELITE platform. ELITE is our internal booking system, used primarily by the Front Office to book TRS trades and configure key trade attributes.  
  
It plays a central role in the automation initiative by replacing manual workflows done in EQ Editing. ELITE also integrates with multiple downstream systems — including AREA51 for event processing, EQRMS for risk reporting, and Ticket Blotter for trade monitoring.  
  
With this automation, ELITE helps us reduce operational risk and improve scalability by supporting complex trade configurations, schedule generation, and lifecycle events.

## Slide 3: Introduction to TRS

Let’s take a moment to understand what a Total Return Swap, or TRS, really is.  
  
In a TRS, one party — called the Total Return Payer — owns a reference asset, like a stock or a basket of equities. They agree to pay the other party — the Total Return Receiver — all the income from that asset, including dividends and capital appreciation. In return, the Receiver pays back a fixed or floating interest rate, often LIBOR plus a spread.  
  
This way, the Receiver gets exposure to the asset without actually owning it, while the Payer hedges their position. The reference asset itself remains with the Payer.  
  
This concept is important because everything in our system flow — from booking to pricing to lifecycle events — is built to support this type of financial arrangement.

## Slide 4: Why This Project?

Historically, the TRS booking process was done manually. This manual workflow led to delays, higher operational risk, and limited scalability as the volume of trades grew.  
  
To address these challenges, this project was initiated to automate the entire lifecycle of a TRS trade: from booking, to editing, to managing lifecycle events like increases and unwinds.  
  
By automating this process, we aim to reduce risk, improve efficiency, and enable the business to scale.

## Slide 5: System Overview (E2E Flow)

Now let's talk about how our systems are structured to support the TRS automation — in other words, the end-to-end flow from trade booking to downstream processing.  
  
This is the simplified end-to-end flow for how a TRS trade moves through our systems. It begins in ELITE, where the trade is booked. From there, the trade is sent to AREA51 for event processing. Then it flows downstream to other systems like EQRMS for risk management and reconciliation, and Ticket Blotter for visualization.  
  
Along the way, the system supports various lifecycle events such as Increase, Unwind, Amend, and Terminate. We also manage complexities like SecID creation and Basket handling.  
  
This structure allows us to ensure operational efficiency, reduce errors, and support large volumes of trades with confidence.

## Slide 6: Roles & Responsibilities

Let’s go over the key systems and what each of them does:  
  
- ELITE is responsible for trade booking and user interaction.  
- AREA51 handles the processing of trade events.  
- EQRMS supports risk reporting and data reconciliation.  
- Ticket Blotter provides a UI for the operations team to visualize trade activity.  
  
Even if you are not working directly with these systems, knowing what each one does is valuable for troubleshooting and cross-team collaboration.

## Slide 7: What’s in Scope This Release?

This release focuses on several key enhancements:  
  
- We are enabling full automation of Equity Swap booking,  
- Adding support for lifecycle events like Increase and Unwind,  
- Improving how we manage internal swap SecIDs,  
- And enhancing our handling of Basket products, which are composed of multiple underlying equities.  
  
These enhancements are critical to meeting business goals and scaling operations.

## Slide 8: Swap Details Page (Field Summary)

This is the Swap Details page in our TRS booking system. As you can see, there are many configuration fields here — covering counterparty, swap terms, equity, interest, termination rights, and more.  
  
We won’t go into the details of each field in this session, as this overview is meant to focus on the big picture. Just keep in mind that all of these fields ultimately contribute to generating the correct equity and interest schedules, which are shown on the right-hand side.  
  
There will be a separate KT session dedicated to walking through this page field-by-field, including what each input means, how it's validated, and what gets passed downstream. So for now, don’t worry about memorizing any of this — we’ll dive deeper in due time.

## Slide 9: Wrap-up & Next Steps

That brings us to the end of today’s high-level overview. I hope this session gave you a better understanding of what the TRS automation project is all about, and how it fits into our overall architecture.  
  
For those of you who will be more directly involved in QA or development, we will have detailed follow-up sessions to go deeper into specific workflows and tools.  
  
In the meantime, you can refer to the Confluence wiki and project documentation for additional reading. And of course, feel free to reach out to me or the project lead with any questions.

## Slide 10: Q&A and Guided Questions

Now I’d like to open the floor for any questions.  
  
To help get the conversation started, here are a few prompts:  
- What part of today’s flow was new to you?  
- Do you see any areas where your team might interface with this process?  
- Is there anything you’d like me to clarify before we go into more detail in future sessions?  
  
Don’t hesitate to ask. There are no wrong questions, and we're all here to help each other ramp up.