

## Case Study – Data Gaps in Credit Exposure Reporting

### Context

- The client is the US branch of a G-SIB and required to participate in the **BIS reporting framework** capturing the linkages between global systemically important financial institutions and their **exposures to different sectors and markets**.
- This reporting requirement is known as the Institution-to-Institution **Credit Exposure report**.
- The bank partnered with Vox to produce this report, and develop processes to capture regulatory data not previously stored at the bank.

### Approach

- Vox business analysts moved forward on several critical tracks simultaneously: iterating through **SQL reporting parameters** for each product type with SMEs in collaboration with the bank; **coordinating the effort between CCPs and the bank's IT group** to acquire new CCP statements; and using **an existing reporting tool** to construct and coordinate a process for the Credit, Finance, Treasury, and Operations departments to manually report items that could not be automated.
- The final step was taking the **stored procedures for each product**, combining the output with data collected from manual reporting, and rolling all of the steps into a single automated report for weekly production.

### Results

- The tactical solution delivered by Vox business analysts successfully **automated 99% of the report items**, minimizing the risk of manual errors and eliminating the need for additional resources.
- With the **reporting deadline met**, the analysts documented the solution process and data flows, and drafted the final business requirement documentation for handoff to production engineers.
- Further, this effort yielded additional reports from the same code for SME use, and **reduced the amount of manual reporting** for other processes at the bank.

### Issue

- The first challenge was understanding the **precise regulatory requirements**, as there was no precedent at the bank for a single report that covered credit exposure information for every product and all positions.
- The next challenge was identifying and then **remediating gaps in data coverage**, especially with the CCP (Central Counterparty) reporting requirements