Fact Sheet

Foreign Exchange Functionality Within TradeFlow™
Increased Efficiencies and Flexibility for Foreign Exchange With Continuous Link Settlement

TradeFlow from Fiserv manages the processing of all foreign exchange deals between third parties and executing brokers. Foreign Exchange functionality supports Electronic Trade Confirmation and Settlement, handling the communication of MT300 messages.

Settlement Messaging
With TradeFlow, upon successful post-trade matching of a foreign exchange confirmation, an MT304 message is generated by the Foreign Exchange module. The Foreign Exchange module can be configured to facilitate routing transactions sent to a matching module, settlement module, or both. CLS (Continuous Linked Settlement) workflow is fully supported including the management of eligibility exemption criteria and SSI data.

Functional Description
The Foreign Exchange (FX) functionality within TradeFlow has been developed in line with best market practices and guidelines to allow users to manage exceptions in real time throughout the post-trade confirmation, affirmation and settlement instruction workflow.

Multiple inbound data formats and connectivity methods, confirmation and affirmation methods and settlement instruction formats can be supported within a multi entity/client framework.

Trades are captured from the clients' front office environments, parsed, validated at a technical level and stored in a normalized form. Trade data can be enriched using data from internal or external sources. The trade is then validated a second time to ensure that all of the business data required to process the trade has been supplied in an appropriate format and complies with TradeFlow validation rules. If a trade fails validation, it appears in an “Investigate” folder and will remain there until archived or action is taken to resolve the exception.

TradeFlow supports a local confirmation method based upon the MT300 message type (Foreign Exchange Confirmation). Matching exceptions such as mismatched or unmatched trades will appear in “Exceptions” folders where actions such as: Force Match, Break Match, Rejection and Accelerated Settlement can be made by

Key Benefits
- Centralized Netting – foreign exchange matching profiles align with local sources
- Custodian Communication – generate settlement instructions for MT304 messages
- Mapping of SWIFT Messages – continuous link settlement mapping for MT300 and MT304
- Accelerated Settlement – make your notification process more efficient
- Business Rules – settlement suppression, restricted currency check, value date validation
- Workflow Flexibility – perform spot trades and forward foreign exchange deals
TradeFlow is a complete post-trade processing solution allowing you to manage confirmation and settlement exceptions within a single integrated environment regardless of carrier, technology, format or method. The solution facilitates business growth enabling you to rapidly add new clients, utilities or instruments onto a common platform.

Full BDI/SSI support is provided within the solution. Both the affirmation and settlement messages associated with the trade are enriched using internally maintained standing settlement instructions (SSIs). If these do not exist, there are multiple SSI instructions available or the outbound message does not comply with SWIFT validation rules then the instruction is forwarded to an exceptions folder and user intervention is required to resolve the exception.

In addition to the workflow outlined above, the pack makes provision for CLS (Continuous Linked Settlement) eligible trades. If an FX is CLS eligible then it follows CLS specific workflow and messages are enriched with the appropriate CLS SSI data. Additional folders are available to support CLS eligible FX trade exceptions and eligibility criteria.

Client specific workflows can be created within editable rules, which are not impacted by upgrades to the core product.

Connect With Us
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