Corporate liquidity management module

The efficient management of liquidity and cash flow has always been a core function of corporate treasury, but in today’s complex, fast-moving, and technology-driven environment, it demands far greater attention than ever before.

Given this increased focus on cash flow, corporates need a liquidity management solution that will help to increase visibility, reduce risk and improve the availability of cash across the business.

Liquidity management has increasingly become vital to corporate treasury departments, which need to manage working capital and to optimize surplus funds in a rapidly-changing regulatory environment.

A corporate liquidity management solution that automates the movement and pooling of money across and between different banks will improve efficiency and straight-through processing (STP). This in turn will give corporations a more transparent view of liquidity, which will enable them to optimize interest rates and gain a better understanding of—and tighter control over—where cash flow is located globally.

Liquidity management solutions

Our liquidity management module offers a range of liquidity management tools to manage cash flow, credit and working capital across many accounts. Using the module’s physical balance consolidation capability, treasurers can improve cash flow, provide a consolidated view of surplus funds available across accounts and currencies, reduce external borrowing and liquidity risk, manage foreign currency liquidity requirements, and enhance visibility of cash across the group.

Using the module’s notional balance consolidation capability, treasurers can optimize interest to offset account balances, reduce interest costs, maximize net returns and provide greater visibility over cash positions.
Features

- Allows for the set up and execution of automated sweeping and notional pooling instructions
- Enables set up and execution of third-party bank sweeping
- Supports local currency and cross-currency instructions
- Simplifies the definition of passive pool structures
- Manages inter-company loans
- Calculates interest and allocates benefits

Business benefits

Implements visibility and cash flow forecasting
To ensure that corporations meet their future financial obligations, a corporate treasurer needs visibility into current cash positions, as well as an accurate view of future cash flow and funding requirements. The liquidity management module enables optimization of liquidity available across multiple bank accounts and currencies.

Reduces risk
Using the liquidity management module, banks can help their corporate customers improve their business operations and centralize liquidity management for the more effective management of foreign exchange and interest rates, which will ultimately maximize revenues and minimize risks.

Improves business decision support
The liquidity management module enables a real-time view of cash, thereby enabling corporations to improve decision making. Visibility into a firm's cash and liquidity position allows corporate treasurers to analyze surplus funds to make better investment and borrowing decisions.

Improves profitability
Liquidity management enables a corporate treasurer to leverage idle balances with automated pooling and sweeping instructions to improve day-to-day cash flow. Our liquidity management solution provides an overall cash position to a treasurer, allowing them to gain more control over working capital across the entire organization. Using an integrated approach to liquidity management will improve profitability and enhance forecasting for the firm.

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About Finastra

Finastra is building an open platform that accelerates collaboration and innovation in financial services, creating better experiences for people, businesses and communities. Supported by the broadest and deepest portfolio of financial services software, Finastra delivers this vitally important technology to financial institutions of all sizes across the globe, including 90 of the world's top 100 banks. Our open architecture approach brings together a number of partners and innovators. Together we are leading the way in which applications are written, deployed and consumed in financial services to evolve with the changing needs of customers. Learn more at finastra.com

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