BNP Paribas Corporate & Investment Banking: Managing Risk in Real Time with a Centralized View

BNP PARIBAS
CORPORATE & INVESTMENT BANKING

Executive overview

Company

Vision

Why SAP

Solution

Benefits

Company
BNP Paribas Corporate & Investment Banking

Industry
Banking

Products and Services
Finance, advisory, and capital market service

Web Site
http://cib.bnpparibas.com

SAP® Solutions
SAP® Sybase® IQ server, SAP BusinessObjects™ Business Intelligence platform, SAP Sybase Adaptive Server® Enterprise, and SAP Sybase Replication Server®

Every day, in an ever-evolving financial market, senior management at BNP Paribas Corporate & Investment Banking strives to serve the interests of the company's most valuable assets: its clients. To bring top-notch solutions for managing risks and assets, the company needed a reliable transactional system providing a centralized, real-time view of liquidities and the bank's cash position. With the right combination of SAP® solutions, management now effectively manages risk in real time.

Executive overview

Company

Vision

Why SAP

Solution

Benefits

Serving the investment interests of clients worldwide

BNP Paribas Corporate & Investment Banking (BNP Paribas CIB) provides financial, advisory, and capital market services. The company is a globally recognized leader in many areas of expertise, including structured finance and derivatives across a variety of asset classes. BNP Paribas CIB also has a solid corporate advisory franchise in Europe and Asia. The bank is part of the BNP Paribas Group, which is one of the strongest banks in the world as rated by Standard & Poor's and has a presence in more than 80 countries with more than 200,000 employees.

80

Countries served worldwide

Executive overview

Company

Vision

Why SAP

Solution

Benefits

Optimizing business intelligence with a centralized view

In the context of the current financial-sector crisis, investment banks must optimize their operational and financial risk-management processes to promote performance at the highest levels. Helping ensure that senior management has a real-time view of liquidities and the bank's cash position to implement appropriate hedging strategies is a core strategic aim of the BNP Paribas CIB Asset Liability Management and Treasury division.

To achieve this objective, the division has implemented a global liquidity management and control system based on an optimized business intelligence (BI) infrastructure to meet two strategic objectives:

- Provide required reliability and security for risk management assessments
- Promote higher analytical decision-making capabilities for senior management

The bank's BI project, called Worldwide Asset Risk Management (WARM), provides senior management with a global real-time view of the bank's asset-liability management to enable detailed and responsive decision making.

"The Asset Liability Management and Treasury division represents the backbone of the BNP Paribas CIB group. Our role is strategic – we are here to refinance the bank."

Jean-Pierre Demont, Applications Manager,
BNP Paribas Corporate & Investment Banking

Executive overview

Company

Vision

Why SAP

Solution

Benefits

Using analytical performance to gain operational excellence

Currently the company accommodates more than 2,000 users and stores over 400,000 deals per month using Kondor+, by Misys, running on the transactional databases of SAP® Sybase® Adaptive Server® Enterprise. These millions of records, across five global hubs, are replicated in real time using SAP Sybase Replication Server® in the WARM global data warehouse that has a data volume of more than 2 TB.

75%

Reduction in disk space requirements

The WARM project includes six dedicated instances of SAP Sybase Replication Server, making it one of the largest implementations in the world that enable spontaneous data updates. "SAP Sybase Replication Server provides solid reliability," says applications manager Jean-Pierre Demont. "We have yet to encounter any incidents since implementation."

To meet BNP Paribas CIB decision-making needs and with the aims of improving report performance and gaining faster response times, the global BI architecture uses four SAP Sybase IQ server clusters combined with the SAP BusinessObjects™ BI platform. The choice of SAP Sybase IQ was key for BNP Paribas CIB, in particular for its innovative data compression and column-oriented storage architecture features.

"Table structure databases are not designed to meet performance requirements," Demont says. "Comparing SAP Sybase IQ to traditional databases is similar to comparing efficient intelligence generation versus a brute-force approach. The compression facility has allowed us to reduce the disk space required for each project considerably – by a ratio of 4 to 1."

Executive overview

Company

Vision

Why SAP

Solution

Benefits

Maximizing results with a real-time, global view

Daily, more than 200 users access the solution that combines SAP Sybase technologies and the SAP BusinessObjects BI platform to make various types of requests including immediate, predefined, complex, and ad hoc reports. Traders run risk and profit and loss reports while middle-office personnel run audit reports. Regional management, treasury personnel, and BNP Paribas CIB senior global management based in Paris also rely heavily on various reports.

The combination of SAP Sybase IQ and the SAP BusinessObjects BI platform enables users to run critical reports in three seconds instead of 30 minutes. "Traditional databases limited the performance of the BI platform in the past," Demont says. "But in our case, SAP Sybase IQ has liberated the functionality of the SAP BusinessObjects BI platform – allowing it to meet the needs of business analysts much more effectively."

"The performance of SAP Sybase IQ, combined with the SAP BusinessObjects BI platform, is crucial for our banking activities. The two technologies allow us to obtain a centralized view of liquidity risk that we can now manage in real time."

Jean-Pierre Demont, Applications Manager,
BNP Paribas Corporate & Investment Banking

Executive overview

Company

Vision

Why SAP

Solution

Benefits

Extending system benefits across multiple functional areas

The benefits of using both SAP Sybase IQ and the SAP BusinessObjects BI platform are visible at various technical and functional levels: clear performance improvements, savings on maintenance resource costs, and a reduction of required storage space. "The combination of SAP Sybase IQ and the BI platform is critical for treasury activities and allows us to obtain a centralized view of our global activity," Demont says. "Thanks to the system performance, we are able to manage liquidity risk in real time."

The business intelligence infrastructure that has been implemented by the Asset Liability Management and Treasury division is used as a reference within the entire BNP Paribas Group.

"This organization and its functionality are now a real benchmark that no one can question. The project's results are prompting us to consider extending the solution across all commercial finance sites, such as those in other countries."

Jean-Pierre Demont, Applications Manager,
BNP Paribas Corporate & Investment Banking

CMP21224 (12/08)

©2012 SAP AG. All rights reserved.