Announcement

Kynec and Razor Risk Partner to Revolutionize Initial Margin Management

KYNEC | Razor

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Kynec and Razor Risk are pleased to announce a global partnership that delivers Resource Management desks a single, integrated platform to independently calculate and manage Central Counterparty (CCP) and Uncleared Margin Rules (UMR) initial margin (IM) requirements.

Financial institutions are increasingly focused on improving the efficiency of their collateral management processes as rising costs and growing scarcity continue to pressure XVA desks' PnL. This partnership offers a groundbreaking solution to address these challenges by combining Kynec's Rubicon platform with Razor Risk's industry-leading initial margin engine.

Kynec's Rubicon platform brings clients unparalleled insight and control over their firm-wide collateral to improve PnL and operational resilience. By consolidating margin positions across multiple CCPs (centrally cleared trades) and bilateral CSAs (non-cleared trades), Rubicon streamlines collateral management. Its dashboards and workbench tools empower users to identify optimization opportunities, analyze collateral funding, and generate detailed reports within a controlled environment.

Razor's initial margin engine, trusted by leading CCPs globally, calculates IM using SPAN, HVaR, and other industry-standard methodologies. Acting as the powerful calculation backbone, Razor delivers precise and rapid results that seamlessly integrate with Kynec's platform. This partnership equips clients with a unified, efficient solution for margin validation, hypothetical portfolio analysis, and incremental IM calculations—all delivered in near real-time.

This integrated solution provides financial institutions with a powerful tool to validate IM numbers across CCPs and UMRs, assess hypothetical portfolio scenarios, and calculate incremental initial margin requirements on new trades – all delivered in near real-time. By combining Kynec's data-driven insights with Razor's calculation expertise, firms can navigate the complexities of regulatory requirements with confidence and efficiency.

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Uses of Rubicon

Managing collateral P&L

CCP data consolidation

Reporting

Risk management

Requirements

Web-based, out of -the-box solution

Connects directly to CCP, Brokers and other systems Extensive security, monitoring and audit trail.

Revenue Opportunities

Alerts for margin concentrations, over-collateralization and haircuts

Insight over P&L drivers

Detailed decision support for collateral optimisation

Operational Resilience

Shared golden source of CCP information for analysis and reporting

No locally supported spreadsheet solutions

Full audit trail

Cost Savings

Staff spend less time collecting and processing data

No IT maintenance or support costs

Robert McWilliam, CEO, Kynec, commented:

“Our clients were looking to integrate IM calculations into their consolidated view of their collateral. In particular the ability to look at the impact of new trades and portfolio changes on existing portfolios. Razor Risk’s heritage with the clearing houses, make them an obvious choice.”

Rami Cassis, CEO, Razor Risk, added:

“We are excited to collaborate with Kynec in delivering this transformative solution to the market. By integrating Razor’s high-performance margin engine with Kynec’s Rubicon platform, we’re equipping clients with the tools they need to meet today’s margin challenges with precision and speed. This partnership underscores our commitment to innovation and helping firms stay ahead in an evolving regulatory landscape.”

About Razor Risk

Razor™ the award-winning risk management platform provides advanced analytics and scenario calculations to achieve best practice in managing risk exposures for credit, market, clearing and liquidity risk within a single application. The Finance Risk and Capital Workbench delivers “at-your-fingertips” early warnings, planning and immediate analyses from existing data sources.

Razor’s advisory services help clients tackle the numerous challenges faced in the ever-changing risk management and regulatory compliance arenas, by offering a combination of qualitative, quantitative, regulatory and technology skills.

About Kynec

Founded by XVA traders to solve the collateral liquidity, funding and optimisation problems they faced in their day-to-day work.

Too much time spent gathering data and working with incomplete data inspired us to take a new approach to managing margin. Our Rubicon platform is your single connection to the margin marketplace extracting data from multiple CCPs and bilateral collateral pools before transforming it into timely, actionable information.

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