



The Open Financial Market Platform (OFMP)

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Frederic Conrotte
Software Architect
Kaupthing Bank Luxembourg

Fabian De Keyn
Risk Manager
Kaupthing Bank Luxembourg

Plan

- Project background
- Victoria project at the Kaupthing Bank Luxembourg
- General Architecture
- OFMP Initial idea and proposal
- Future OFMP plan – Technical and Business levels
- Demo
- Q&A

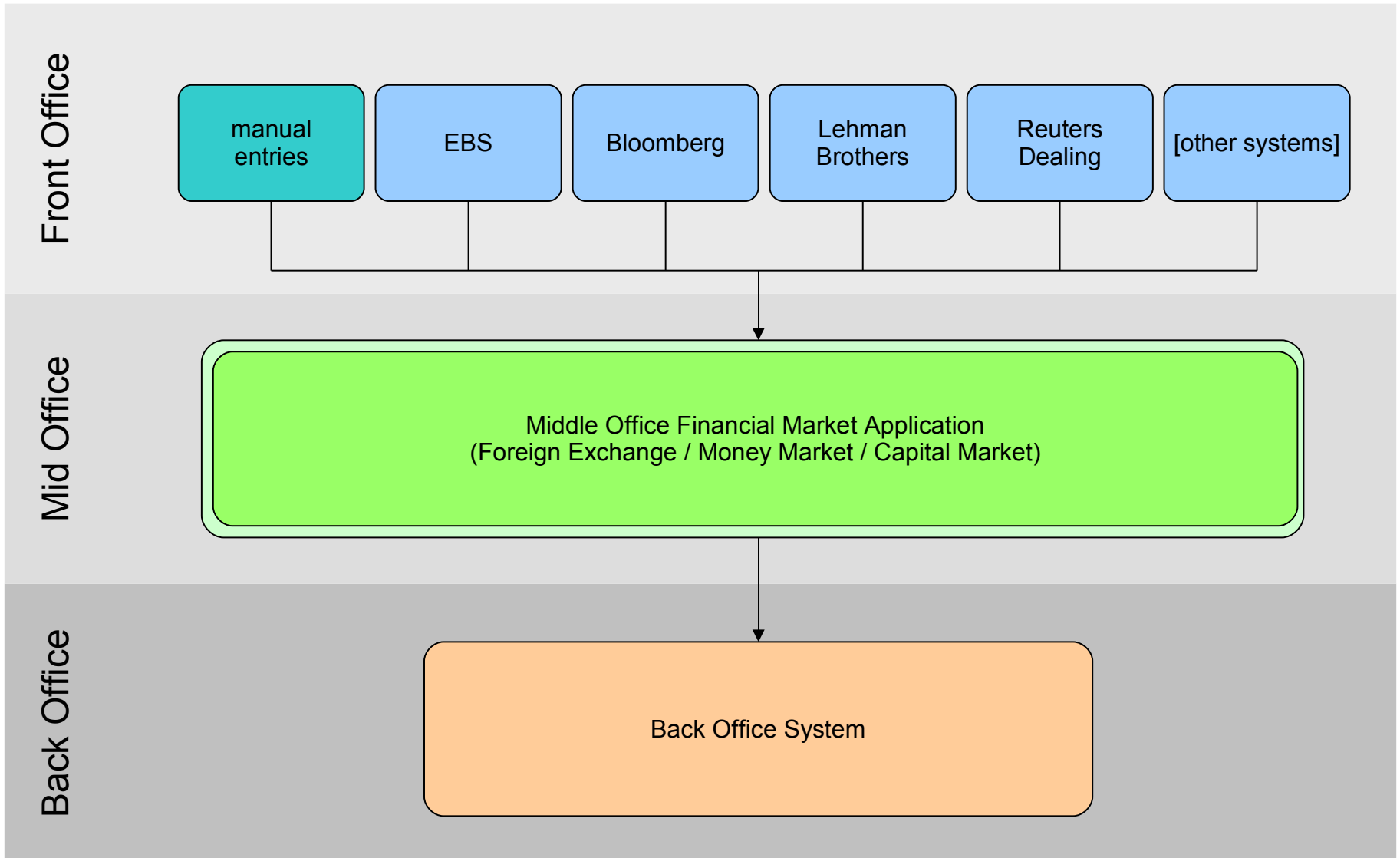
Project background

- “Victoria” project initiated by Kaupthing Bank Luxembourg Financial Market Department
- First analysis started in April 2006
- Prototype ready on August 2006 based on Eclipse RCP / J2EE
- Real implementation started on October 2006
- First release on March 2007 for Forex Desk

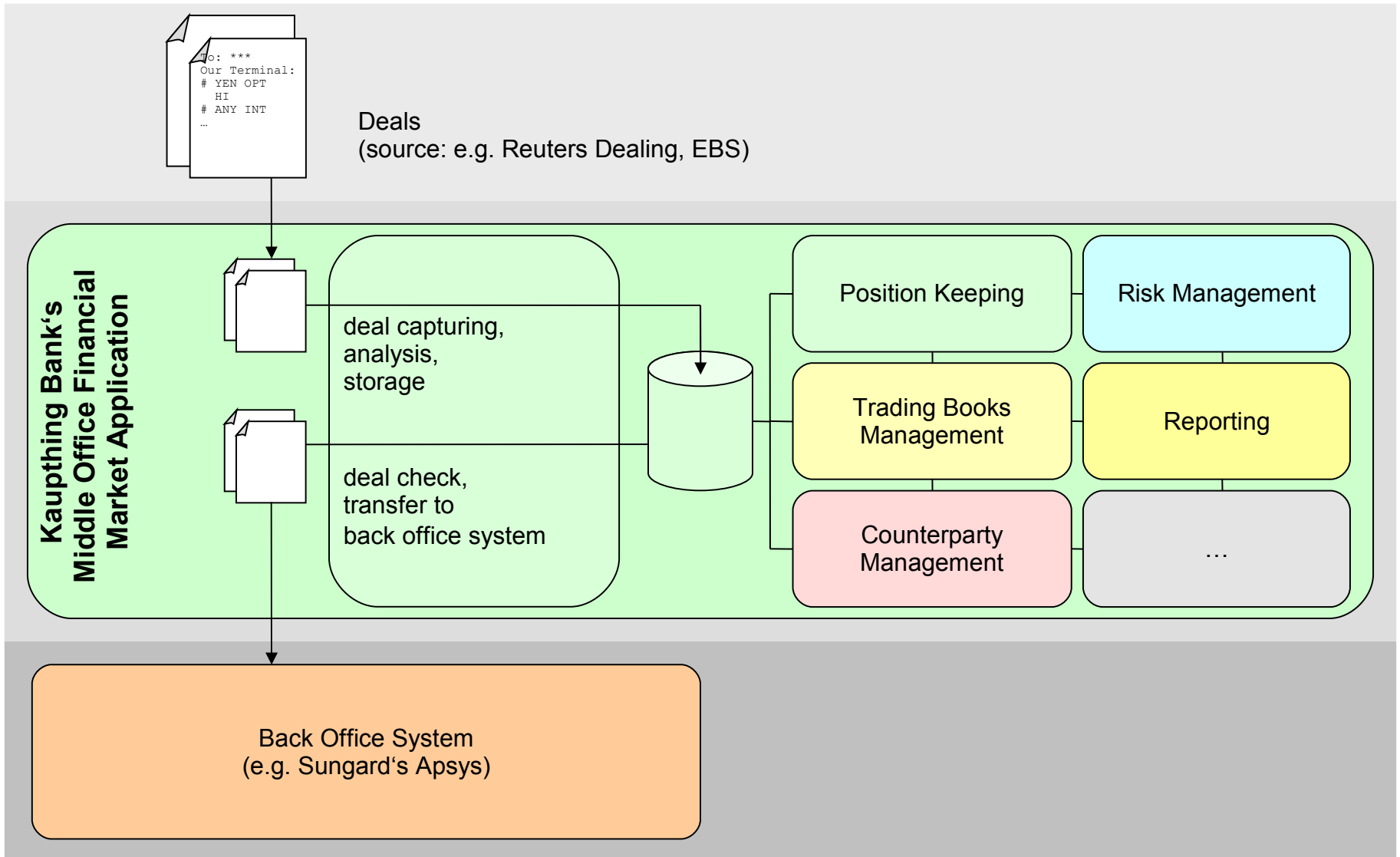
Victoria Project Current Features

- Middle Office Financial Market Platform
- STP Front Office to Back Office work flow
- Coverage of Forex and Money Market Desks
- Spot, Forward, Swaps, Loan and Deposits supported
- Profit and Loss, Position Keeping
- CLS compliance
- On-Demand Reporting

Middle Office Financial Market Application



Middle Office Financial Market Application



General Architecture

- Eclipse RCP for client side
- Java Web Start for deployment using WebRCP
- Eclipse Data Binding
- JBoss AS and J2EE/Spring framework
- Acegi Security and IBatis persistence framework
- JUnit tests suites
- Client notifications and STP work flow with JMS
- BIRT Report Engine

OFMP Initial idea and proposal

- A way to ensure long term support for the platform
 - Speed-up development through external contributions
 - Reduce the “black box” risk and vendor lock in
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- Don't reinvent the wheel
 - Building 2 types of communities: technical and business
 - Create integration point for several existing financial applications

Functional Structure

Technology oriented

Business oriented

Common

- Background job scheduler
- Business rules engine
- Reporting infrastructure
- Currency calendar
- ...

Risk Controlling

- Real time position keeping
- Intra-day risk management
- Reconciliation process
- Position mark to market
- ...

Environment Definition

- Market data management
- Counterparty management
- Trading guidelines management
- Trading books management
- ...

Risk Management

- Market risk measurements
- Derivatives instrument pricing
- Stress testing
- Monte Carlo methods
- Simulations
- ...

Business Standard

- CLS Compliancy
- P&L Calculation
- Order management
- Pricing
- Portfolio management

Future plan – Technical level

- FPML (fpml.org) Data Structure
- FIX Protocol
- OSGi
- SOA Service bus
- Model Driven Architecture

Future plan – Business level

- Next year:
 - Portfolio Management,
 - Limits management,
 - Handling of classical derivative products :
TRIS, IRS, Currency and Equity options.
 - Capital Market integration,
 - Real-time mark-to-market,
 - Matlab integration.

More information

- Eclipse OFMP Project Proposal
<http://www.eclipse.org/proposals/ofmp/>
- Eclipse OFMP Newsgroup