An EBS Solution

EBS Liquidity Optimization is a complete FX workflow solution from ICAP’s award-winning EBS business. It provides the tools customers need to price end-client business more effectively and to maximise the value they retain from that business. It enables them to increase profitability efficiently and with less risk.

Benefits
- Strengthens processes for understanding the value and volume of end-client flow
- Enables increased revenue retention from existing flow through greater efficiency from improved electronic price-making, reporting and risk management
- Allows customers to identify:
  - Issues with less profitable end-client business
  - What flow they should internalise
  - How to manage end-client FX risk
- Adds additional value through in-depth reporting and analysis
- Enables unmanaged risk to be eliminated

EBS Liquidity Optimization services and tools

EBS Business Analysis
EBS Business Analysis is a unique advisory process that enables customers to understand the value and volume of flow they receive from their end-clients.

This 'discovery phase' provides EBS with the information we need to be able to recommend the most appropriate EBS Liquidity Optimization solutions.
**EBS Client Value Analyzer**
The EBS Client Value Analyzer is a cornerstone of the EBS Liquidity Optimization process. It provides accurate information on the value of client trades as they reach the bank and on market behaviour in the period after those trades have reached the bank.

An ongoing process that runs in real time, the EBS Client Value Analyzer analyses a bank’s end-client flow. The analysis allows a bank to determine which EBS Liquidity Optimization tools will be most effective across its FX workflow.

**EBS Price Optimizer**
The EBS Price Optimizer enables banks to construct a better core price on which to base end-client prices and electronic trading prices (for laying off risk to market venues). It takes into account a bank’s risk appetite; liquidity executable by the bank; and expected price movements during the round-trip time between making the price and accepting risk based on that price.

**EBS Yield Optimizer**
The EBS Yield Optimizer automates risk management of flow either through internalisation or through routing trades directly for hedging, as appropriate. The internalisation algorithm (‘Variable Netting Algorithm’ or VNA) internalises flow based on a number or risk parameters and sends periodic orders for hedging.

**EBS Execution Optimizer**
The EBS Execution Optimizer automates market execution. It places execution orders into the market in accordance with various rule sets, in order to achieve the best probability of fill at the best rate.

**Accessing EBS Liquidity Optimization**
EBS Liquidity Optimization tools are closely integrated with EBS Market and EBS Direct, using both platforms as their execution venues and market data sources.

To find out how EBS Liquidity Optimization can add value to your business’s entire FX workflow, email claudia.kerr@ebs.com.

www.ebs.com/solutions/liquidityoptimization

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**About ICAP and EBS**
ICAP is a leading markets operator and provider of post-trade risk mitigation and information services. The Group matches buyers and sellers in the wholesale markets in interest rates, credit, commodities, FX, emerging markets and equity derivatives through voice and electronic networks. Through our post-trade risk and information services we help our customers manage and mitigate risks in their portfolios. For more information, visit www.icap.com.

ICAP’s award-winning electronic EBS business is at the heart of global spot FX trading and remains the core source of genuine, executable spot FX liquidity for professional trading counterparties in all market conditions. For more information, visit www.ebs.com.