

# CAPITALAB ENHANCES RATES OPTIMISATION WITH SA-CCR AND RWA FOCUS

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LONDON, April 26, 2022 /PRNewswire/ -- Capitalab, a division of BGC Brokers LP, an entity within the BGC Partners, Inc. (NASDAQ: BGCP) group of companies, announced today enhancements to its Rates Optimisation service enabling clients to optimise multiple capital metrics simultaneously. Alongside the optimisation of non-cleared and cleared Initial Margin (IM), the service has now successfully included additional metrics: Risk Weighted Asset (RWA) capital under the Internal Models Method (IMM) and Standardised Approach for Counterparty Credit Risk (SA-CCR) leverage exposure.

The Capitalab Rates Optimisation service has been running routinely since October 2017, multilaterally shrinking delta, vega and curvature counterparty risks and impactfully reducing both non-cleared IM and cleared IM at the Central Clearing Counterparty (CCP). Clients set their optimisation constraints, accommodating variables such as counterparty risk, market risk and Credit Support Annex (CSA) terms, with the service facilitating automated trade processing.

Jonathan Mullings, Head of Sales and Business Development at Capitalab, said, "We are delighted to bring this latest innovation to our post-trade optimisation service. Targeting RWA (IMM) capital in conjunction with SA-CCR leverage and initial margin exposures allows exciting results to be achieved for our clients. We have found that targeting multiple capital metrics simultaneously is the way to deliver efficient savings holistically, while optimising for any one metric in isolation may worsen other metrics."

Capitalab hosts biweekly rates optimisation cycles across G4 currencies and will include SA-CCR and RWA (IMM) optimisation in future cycles.

## **About Capitalab**

Capitalab, a division of BGC Brokers LP, provides compression services that are designed to bring greater capital and operational efficiency to the global derivatives market. It assists clients in managing the growing cost of holding derivatives, while helping them to meet

their regulatory mandates. Through the Swaptioniser<sup>®</sup> service (for portfolio compression of interest rate swaptions, interest rate swaps, caps and floors, equity options, FX and FX options), as well as the Optimisation<sup>™</sup> service, Capitalab looks to simplify the complexities of managing large quantities of derivatives to promote sustainable growth and lower systemic risk and to improve resiliency in the industry. The Capitalab brand is part of the Fenics fully electronic family of brands. BGC Brokers LP is authorised and regulated by the UK Financial Conduct Authority and is based in London. BGC Brokers LP is a subsidiary of BGC Partners, Inc. (NASDAQ: BGCP), a leading global brokerage and financial technology company.

## **About BGC Partners, Inc.**

BGC Partners, Inc. ("BGC") is a leading global brokerage and financial technology company. BGC, through its various affiliates, specializes in the brokerage of a broad range of products, including fixed income (rates and credit), foreign exchange, equities, energy and commodities, shipping, and futures. BGC, through its various affiliates, also provides a wide variety of services, including trade execution, brokerage, clearing, trade compression, post-trade, information, and other back-office services to a broad range of financial and non-financial institutions. Through its brands, including FMX<sup>™</sup>, Fenics<sup>®</sup>, Fenics Market Data<sup>™</sup>, Fenics GO<sup>™</sup>, BGC<sup>®</sup>, BGC Trader<sup>™</sup>, Capitalab<sup>®</sup>, and Lucera<sup>®</sup>, BGC offers financial technology solutions, market data, and analytics related to numerous financial instruments and markets. BGC, BGC Trader, GFI, Fenics, FMX, Fenics Market Data, Capitalab, and Lucera are trademarks/service marks and/or registered trademarks/service marks of BGC and/or its affiliates.

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## **Discussion of Forward-Looking Statements about BGC**

Statements in this document regarding BGC that are not historical facts are "forward-looking statements" that involve risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements. These include statements

about the effects of the COVID-19 pandemic on the Company's business, results, financial position, liquidity and outlook, which may constitute forward-looking statements and are subject to the risk that the actual impact may differ, possibly materially, from what is currently expected. Except as required by law, BGC undertakes no obligation to update any forward-looking statements. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see BGC's Securities and Exchange Commission filings, including, but not limited to, the risk factors and Special Note on Forward-Looking Information set forth in these filings and any updates to such risk factors and Special Note on Forward-Looking Information contained in subsequent reports on Form 10-K, Form 10-Q or Form 8-K.

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