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Success Story

RCI Banque

groupe RENAULT

Since January 2002, **riskpro™** supports the worldwide treasury and funding activities in terms of ALM and liquidity management for RCI Banque group which provides auto loans, leasing and services for Renault and Nissan.

The Challenge

In the year 2000, RCI Banque was looking for more integrating and automating the treasury aspects of its worldwide financial activities comprising i.a. the financing of the worldwide credit and leasing activities. For this purpose, RCI acquired the Diagram Treasury Back office System (now a Reuters Company). To increase the automation of the risk management analysis and increase the scope of the analysis methods and product type covered RCI acquired in Fall 2000 **riskpro™**.

The Results

After a 12 months interface development effort, **riskpro™** went live in January 2002. The main benefits, as stated by Monsieur Stouvenot, Project Manager, are:

- the scope of the system allowing also real asset and liability management
- the number of implement interest rate and liquidity analysis methods
- the scope of the covered financial instruments
- the possibility to implement interest rate scenarios
- the accuracy of calculations

To increase the reporting capabilities of **riskpro™**, RCI Banque has even further developed on BusinessObjects an additional reporting layer based on cash flows and key rate durations. One of the key benefits of **riskpro™** as stated by Monsieur Stouvenot is: "The automation of reporting having led to faster and more accurate results with higher productivity giving us more time to analyze our business."

RCI Profile

French RCI Banque is the financial services arm of the Renault Automobile group.

Balance sheet: € 19.5 billion
Staff: 3'450
New loans and leasing contracts p.a. nearly 1 million
RCI has its **headquarters** in Noisy-le-Grand

Start of production with **riskpro™**: January 2002

riskpro™

About the riskpro™ implementation

The implementation of **riskpro™** started in October 2000 with the interfaces analysis. The implementation project was managed by RCI.

It involved resources from the dealing room, the financial risk management, the internal IT department and technical staff from Diagram. Key to the success was a working group approach of all concerned parties.

The internal IT department was mainly responsible for the technical coordination, the testing and the set up of the BusinessObjects layer. Diagram developed the interfaces from their product to **riskpro™**. The role of IRIS AG was limited to mapping analysis support to Diagram, 4 days functional training and technical support to the IT department - mainly to support the set up of the BusinessObjects reports; all in all approximately 30 days. The system went live in January 2002 after a 3 months parallel run.

riskpro™ Configuration at RCI Banque

Analysis Methods

- Exposure Analysis
- Value at Risk
- Dynamic Simulation
- CAD Market Risk

Covered Instruments

- Undefined maturities (deposits, cash flows)
- Defined maturities (bonds, loans, mortgages, annuities)
- Structured products (series, regulator amortizers, etc.)
- Options (Cap, floors, FX, IR options)

Utilities

- Account grouping
- Selection/Aggregation
- Contract and event viewer

Architecture / Number Of Users

- Client/Server
- 2 concurrent users
- 4 registered users

Contact

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