



**BANCO CENTRAL
DO BRASIL**

Central Bank Sets Up Financial Data Monitoring Process Using Informatica Platform

“The goal was to capture accurate information in the three key areas of the Market Monitoring System (SMM): market risk, liquidity risk, and operations analysis. With this objective in mind, the Central Bank (BACEN) decided to invest in a project to integrate and improve the quality of its data, thus enabling it to monitor the operations of 5,000 financial institutions throughout Brazil on a daily basis.”

— Francisco Abreu, Manager
Market Monitoring System
Department of Information Technology,
Central Bank of Brazil

About the Central Bank of Brazil

The Central Bank of Brazil is the public agency responsible for drafting and implementing the nation’s monetary and lending policies. It ensures the stability of the currency’s purchasing power and regulates and oversees the financing system to guarantee that it remains solid and efficient.

Challenges

To monitor the daily operations of 5,000 financial institutions throughout Brazil, the Central Bank must capture accurate information in the three key areas of its Market Monitoring System (SMM): market risk, liquidity risk, and operations analysis.

The SMM is one of the pillars maintaining the stability of the national financial system. It enlists such tools as charts, tables, and reports to monitor financial institutions as well as operations in the market of federal government securities.

The department responsible for analyzing SMM outcomes was in need of a sophisticated, highly interactive system to handle such functions as analysis, query, response, new analysis, and new query.

Solutions

To meet this challenge, the Central Bank has chosen the PowerCenter® platform, a solution offered by Informatica Corporation.

During the project’s planning phase, the information technology area identified 23 business processes to be implemented using the PowerCenter solution so that risk and liquidity specialists in the oversight area could monitor the national financial system. After analyzing and defining its business requirements, the Central Bank asked CETIP, an over-the-counter clearinghouse and Central Securities Depository and derivatives registrar, to submit the data needed to implement the project. “The solution has made it viable to input data, manipulate it, and make the results available for consultation and analysis. It is now possible to input or process data using the BACEN rules for transactions. The solution supports the high volume of data, and its performance is outstanding,” says Francisco Abreu, Manager of the Market Monitoring System in the Central Bank’s Information Technology Department.

Using PowerCenter, it is possible to document and integrate all the data analyzed by the SMM, ranging from occasional operations to information that assesses the health of the financial institutions.

PowerCenter enables users to integrate data either in real time (on-line) or on demand using a service-oriented architecture, with all the flexibility and scalability necessary to meet the many demands for data integration in a corporate environment.

This unique platform includes security and auditing functions that allow for access to and the distribution of information needed to improve the quality of operations and decision making at both the corporate and department levels. It can also provide information to other financial institutions via the Internet.

Informatica Corporation's solution currently offers 550 project and process management tools for the analysis of data, making it possible to handle a huge array of 150 "worklets," or sets of tasks.

"Using PowerCenter," Francisco Abreu explains, "it is possible to document and integrate all the data analyzed by the SMM."

Results

The Central Bank has been a client of Informatica Corporation since 2002, and it began to use PowerCenter for its Market Monitoring System in 2006. PowerCenter has helped the bank present concrete information not only for assessing the market and liquidity risks of specific financial institutions but also for evaluating the national financial system as a whole.

According to Abreu, "It is very important to have a goal of commitment between institutions and also a goal for their financial health. This is now possible thanks to a complete and consistent database that takes the Central Bank to another level and allows it to look toward new horizons never envisioned before."

The Central Bank is enjoying other benefits thanks to its use of Informatica products:

- The national financial system is more secure, and there is an assessment of each institution's liquidity.
- The Department of Banking Oversight is currently employing at least three auditors to analyze information on the financial system and its operations that fail to fit the standard pattern, since the software is already issuing alerts in such cases. Auditing has now become faster and more efficient.
- Data from about 2 million financial system transactions is being received and processed every day.

"We are pleased with Informatica Corporation. The PowerCenter solution has provided us with processing and management capabilities for the analysis of data and at the same time has enabled us to integrate the entire project," says Francisco Abreu.

Of the 23 processes identified, 6 of them will be implemented by March 2009. One process, the data input module, represents 60 percent of the entire project because of the complexity and large volume of information involved.

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