

ssing, according to sources.

Sources say Chase has also used these Infinity products to develop a back office exotics derivatives processing system that has since been extended to include the more established, standard derivatives, such as single currency interest rate swaps.

Not Entirely Smooth

However, Infinity's deployment at Chase hasn't been entirely smooth. Sources say a Montage-based systems project at Chase's U.K. back office processing centre in Bournemouth collapsed earlier this year.

In their quest for growth, the two developers' product lines are increasingly overlapping, however. Since their respective Chase and Chemical implementations, Infinity has developed a set of turnkey, front office derivatives valuation and analytics applications, according to Lang.

Conversely, Renaissance has been working to enhance its data model, develop value-at-risk based application modules, and use its XFIC (Extensible Financial Integrated Components) and OIL (Opus Interface Language) features to enable users to incorporate data from other systems into Opus for consolidated risk management.

Infinity has joined with Toronto-based systems developer TrueRisk to develop a JPMorgan RiskMetrics-based value-at-risk application module using its toolkit and data model (*DE&T*, June 26). This module is now complete and is being marketed by Infinity.

WEST MERCHANT... (from page one)

seeking comment on the proposed Summit installation. Other bank technology managers decline to comment, as do Summit and Renaissance officials.

Sources say WestLB signed a global deal for Renaissance's Opus earlier this year. The parent bank will continue to use Opus to support swaps trading in its treasury department, these sources add. But the bulk of its swaps operation is being transferred to West Merchant and will rely on Summit applications.

WestLB uses a variety of systems to support its trading operations worldwide. It is using Infinity Financial Technology's Montage to develop a global risk management system at its Dusseldorf headquarters (*DE&T*, June 26). The bank is also deploying ADS Associates' Global Trader deal entry and risk management application across the Asia/Pacific region (*DE&T*, August 21).

Up until July of this year, Danneman was based in Frankfurt as Deutsche Bank's head of swaps. He was relocated to London following a decision by Deutsche

to move its swaps trading to the U.K. Deutsche then formally took over management of its London-based subsidiary Morgan Grenfell. Sources say Danneman left Deutsche for WestLB soon after DMG's formation.

These sources add that Danneman has been charged with expanding West Merchant from a merchant bank specialising in trade finance to a full-scale capital markets operation. The bulk of WestLB's capital markets trading will operate from West Merchant, sources say.

On the derivatives side, sources estimate that West Merchant has around 18 swaps traders in London and 13 in New York, though these numbers are set to rise. The bank is planning a move to a new 200-position trading room in London next year.

For its part, Deutsche Bank has been evaluating several possible global swaps platforms for some time now. Sources say the bank had been considering Infinity, Renaissance and C-ATS Software, but has now narrowed its shortlist to Summit and an internally developed derivatives application.

RISK MANAGEMENT & INTEGRATION

BNS DERIVATIVES SUBSIDIARY GOES LIVE WITH OPUS AND RISKWATCH

BANK of Nova Scotia's newly formed global derivatives group has started live trading in its Toronto, New York, London and Tokyo dealing centres. The bank is using a mix of proprietary and third-party derivatives trading and risk management systems to offer customers a wide range of risk management products, including interest rate, structured equity and long-term foreign exchange derivatives in all major currencies, say bank officials.

Scotia Capital Markets (SCM), as the new group is known, has deployed California-based Renaissance Software's Opus as its primary derivatives trading support system. In addition, SCM's financial engineering group is using Toronto-based Algorithmics' RiskWatch risk management system and Applix's real-time Unix spreadsheet package. The financial engineering group is also developing proprietary derivatives trading and risk management models using California-based Silicon Graphics' workstations and graphics software.

Late last year, BNS derivatives technology staff developed their own two-way object/relational data interface between Renaissance's Opus and the bank's underlying Sybase relational data repository (*DE&T*,