



Citi and HSBC foreign exchange prime broking first to go live with Capitolis Novation

Capitolis has dramatically accelerated the completion time for FX options novations, benefiting prime brokers, executing banks and buy side participants

Citi and HSBC were live with the service at the end of 2018

NEW YORK, LONDON AND TEL-AVIV – 8 February 2019 - Capitolis, the pioneering technology provider for the capital markets, announced today that Citi and HSBC are the first FX prime brokers to be live on Capitolis Novation, its ground-breaking novation service in foreign exchange. The two leading banks were live in December 2018 and contributed to bringing the service to the market alongside Capitolis. The service has streamlined the novation process, helping to meaningfully reduce the time it takes for FX options novations to complete, for the benefit of the sell and buy side.

Capitolis Novation is a technology platform which automates the currently manual workflow in both FX prime broking and bilateral trading, working collaboratively to provide capital efficiencies for the FX market. The service helps reduce overall balance sheet notional and risk exposures that banks currently employ to meet their regulatory capital requirements. Launched in May 2018, Capitolis has created the first industry-wide platform for end-to-end FX novation processing.

Christopher Perkins, global head of OTC clearing and head of foreign exchange prime broking at Citi said, "Citi remains focused on delivering industry-leading capital and operational efficiencies to our clients with robust scale and automation. We are excited to partner with Capitolis since its inception to drive capital optimization and reduce costs through automated FX options novation processing."

Vincent Bonamy, global head of Global Intermediary Services at HSBC said, "Efficiency and transparency have always been at the heart of our Global Intermediary Services offering for clients. The FX Prime Brokerage novation tool will provide access to liquidity and credit in the FX options market, while allowing clients to offset their positions across their network of banks."

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Gil Mandelzis, CEO of Capitolis said: “Citi and HSBC have partnered with Capitolis to be at the vanguard of establishing this industry solution for FX novation. We are grateful for them for helping us bring it to market with their incredible support, technical expertise and collaboration to shape what we believe will be a meaningful solution to address a key constraint in the capital markets.

“We are further grateful that they have used this service extensively across all their client activity, with executing banks and counterparties and for their proactive commitment to growing the community of participants across the buy and sell-side. The community is growing rapidly, and we are adding functionality to the solution. We believe for the market to continue to grow in a sustainable way it needs new methods of thinking and infrastructure which this solution addresses.”

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About Capitolis

Capitolis is a pioneering technology provider for the global capital markets. Founded by key industry executives from banking and financial technology, Capitolis’ mission is to build new products and services to address capital markets constraints, initially in equities and foreign exchange. These employ Capitolis’ proven expertise in finance, distribution and processing to better connect appropriate capital with the best collaborative solutions to clients all over the world. For further information, please go to our [website](#) and [LinkedIn](#).