

Payment Systems Report - 2016

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In this seventh edition of the Payment Systems Report, the boxes focus on three topics of interest to the industry that renders payments clearing and settlement services as well as to those taking part in them. First, the international debate revolving around the optimal capital level of Central Counterparties (CCPs) is approached. Due to the fact that risks arising from clearing activities are to a great extent covered by specific financial resources (i.e. margins and collective funds), CCPs must count on their own financial resources to ensure they are properly capitalized at all times to address credit, counterparty, market operational, legal and corporate risks not being hedged by specific financial resources. Second, as a supplement to the previous Report's box about international experience on securities' temporary transfer operations, a box is included with respect to securities' lending in Colombia, and the function and role played in that market by certain financial infrastructures such as the Stock Exchange of Colombia and the Central Securities Depository. Third, based on information on the large-value payments system—CUD, an analysis is carried out in order to establish the evolution of payments for certain periods as well as the use of diverse liquidity sources as a strategy designed to meet them. This analysis makes it possible to understand the individual behavior of each participant and helps to establish behavioral patterns (profiles), the changes of which can be analyzed over time for the purpose of identifying and dimensioning financial risks with a systemic impact, related to clearing and settlement activities in local financial markets.