

# Low Touch Compression

*(Partner Content from CME Group)* - The continued pressure of leverage ratios, G-SIB rules and constrained operational resources have driven banks to look for increasingly sophisticated compression solutions.

Low Touch Compression is the next evolution in the compression process delivering improved usability, user transparency and full automation together with API technology. Banks can now have a highly efficient compression process that can be run daily with all instruments supported by the CCP co-mingled in a single run, enabling further process consolidation and allowing banks to optimize the resource levels required to support the processes.

*NatWest Markets is pleased to be one of the first dealers to adopt low touch compression. The ability to compress different rates products simultaneously freed up operational resource, while the new LTC capabilities avoided several hours of processing time and system dependencies.*

**Ian Turner, Head of Flow Portfolio Optimisation, NatWest Markets.**

## BACKGROUND

Increasing balance sheet pressures, primarily from the leverage ratio and the implementation of rules governing global systemically important banks, drove banks to explore all the available options to mitigate the balance sheet impact. **The most effective tool is compression.**

With the relentless growth in OTC trading volumes over the last decade, banks demanded innovation and an increasing frequency of compression cycles as they looked to manage their escalating balance sheet costs, whilst operating against the backdrop of growing resource constraints and systems limitations. Moreover, the growing sophistication of compression techniques was placing an additional burden on banks as the importance of data accuracy became paramount.

To learn more, please visit [TriOptima Website](#)