Risk Management Gain

Areas of Application

- **Market Risk Management:** Calculate Value at Risk + other risk measures | Attribute specific risk components | Easily switch valuation currencies, benchmarks and yield curves | Actively identify and steer risk exposures
- **Credit Risk Management:** Analyze term structure effects | Support for CreditMetrics® and CreditRisk+ | Define custom yield curves | Calculate exposures and expected losses | Import external cash flows matrices | Use dynamic credit risk attribution | Calculate Marginal Credit Risk
- **Operational Risk Management:** Basel II compliant operational risk module | Definition and monitoring of KRI and mitigating actions | Data quality checks | Workflow control and exception handling | Provides assistance for SOX compliance
- **Valuation / Mark to market:** Compute theoretical prices (extended support for derivative instruments and structured products) | Define proprietary benchmarks using model portfolios or synthetic instruments and baskets
- **Limit Management:** Use triggers and alarms if limits are infringed | Initiate workflows | Support for volume, performance and risk limits
- **Performance + Risk Attribution:** Assign positions to composite portfolios using Boolean operators | Store allocation definitions for further use | User defined classification schemes and composite benchmarks
- **Simulation:** Apply scenarios, stress tests and simulations to portfolios, groups and baskets | Use Monte Carlo simulations | Analyze foreign exchange and price effects of buy and sell transactions | Boolean operators for defining groups
- **Workflow Management:** Define conditions and rules for routing and archiving data and reports | Feed several target systems | Build a central risk calculation framework
- **Exception Handling / Data Scrubbing:** Clean and reconcile several data sources | Define exception handling and quality checks for faulty data | Intuitive error resolution
- **Risk + Performance Reporting:** Out-of-the-box or customized risk and performance reports | Enrich reports with data from internal applications | Compliant with AIMR GIPS + IASB IFRS

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The All-in-One Solution for Risk Management

Import and Export

IMP EXP	Oracle | DB2 | MS-SQL | Informix | InterBase | Sybase | ODBC | XML | ASCII | CSV | HTML | Access | Excel, etc.
REP	User-specific reports | Formats: Print, On-Screen, Text, PDF, HTML
SYS	Proprietary systems | Plug-On concept
MOD	Further modules: Data Management | Business Process Management | Workflow Management
PRG	SQL | VBScript | JScript | Perl | Python | Delphi Script

Supported Instruments

Non-derivatives	Equities | Funds | Commodities | Currencies | Indexes | Interest rates | Swaps
Bonds	(Zero) Coupon Bonds | Convertible Bonds | Floaters
Derivatives	Futures | Forwards | FRA | Plain Vanilla Options | Warrants | Structured Products
Exotic Options	Asian Options | Barrier Options | Binary Options | Compound Options | Quanto Options | Dual Asset Options | Collar Swaptions | Ratchet Options

Supported Measures

- **Value at Risk:** Variance / Covariance | Historical | Monte Carlo (GARCH) | RiskMetrics | Marginal + Components VaR | Marginal Credit
- **Total Risk:** Specific Risk | Risk Aversion | Volatility | T-Statistics | Implied Volatility
- **Skill:** Information Coefficient | Value Added | Information Ratio
- **Fixed Income:** Price | BPV | Duration | Convexity | Modified / Price Duration | Accrued
- **Yield:** Fast yield calculators | AIBD | ISMA | Moosmüller | Braess Fangmeyer | IRR
- **Options:** Price | Delta | Gamma | Rho | Theta | Vega | Cost of Carry
- **Benchmarking:** Alpha | Beta | Tracking Error
- **Return:** Active Return | Specific Return | Excess Return
- **Risk-adjusted performance:** Sharpe Ratio | Treynor Ratio
- **Statistical indicators:** MAV | MACD | Stochastics

Supported Methods

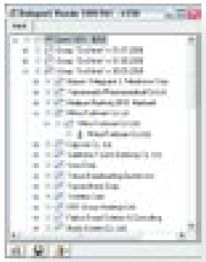
Basel II: Revised Standardised Approach (RSA) | IRB Foundation + Advanced Approach | Basic Indicator Approach (BIA) | Advanced Measurement Approaches (AMA)

Present Value Analysis | Maturity Ladder Analysis | Time Horizon Analysis | Cashflow Analysis | Cashflow Projection | Backtesting

Black-Scholes | Garman-Kohlhagen (FX options) | Reiner-Rubinstein | Kemna-Vorst

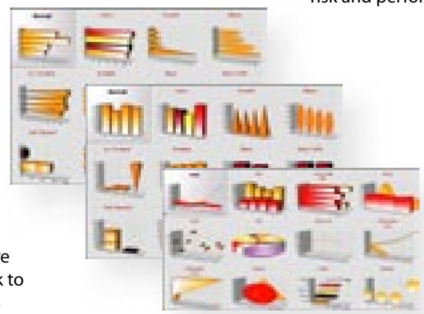
Binomial and trinomial trees | GARCH | ARMA | Principal Component Analysis | Bootstrapping | Newton-Raphson

GAIN Risk Management – The Interactive Risk Management Platform



Use the intuitive tree navigation to group and filter portfolios

Use the comprehensive pricing engine to mark to market your portfolios



Select the right chart to visualize risk and performance measures

Easily create dynamic, printable risk and performance reports

Increase the quality of your reporting by selecting from templates or by defining your own reports

More synergetic approach increases overall accuracy

The GAIN Risk Management platform emphasizes a synergetic risk management approach by combining data feed connectivity and data management, pre- and post-processing, instrument pricing and risk management.

Many risk management systems ignore that risk also stems from bad quality of source data and a wrong communication of results.

Quality & Accuracy

- Improve the quality of your input data with integrity checks and cleansing facilities
- Work with incomplete data and generate new time series based on predefined distributions
- Calculate volatilities and correlations using your own historical time series
- Modify volatility matrices and correlation matrices

Compatibility

- Support 15+ end-of-day and real-time data feeds
- Plug into virtually any software package and database system for dynamic import + export
- Open + scalable architecture
- Import and export user defined formats

Cost Savings

- All-in-one solution for Market / Credit / Operational Risk
- High protection of investment if underlying systems change (fast parameterization)
- Reduce maintenance costs significantly through integrated support tools
- Reduce risk and speed up the ROI by stepwise integration

Time Savings

- Accelerate integration by intuitive parameterization
- Archive reports, templates and processed data
- Use scripting languages to reduce the interfacing effort
- Use high speed yield calculators and function optimizers

Usability

- Simply aggregate risks and performance across branches, risk groups or portfolios
- Context sensitive display of results and reports
- Clipboard support and Excel-like interface
- Easily define macros, forms, workflows and reports graphically

Reporting

- Interactively define user specific real-time and batched reports and charts
- Export results to Word, Excel, Powerpoint, HTML, XML and PDF for further processing
- Use the integrated web content management system for creating custom web pages
- Multilingual user interface and multilingual reports

Security

- Use extensive error-logging and audit trail
- Utilize the fine-grained right and user management
- Define the desired exception handling for flaws in the source data
- Interface to NT domain servers, Active Directory, LDAP or any other security layer

Extras

- Support external plug-ins for specific functions
- Create new interfaces and functions with the integrated scripting and development environment
- Integrated scheduler and workflow manager
- Web application server connectivity

GAIN Risk Management – From risk analysis to risk control

The modular approach of GAIN Risk Management supports a step-by-step creation of a fully fledged risk management platform that synchronizes needs with expenditures.

GAIN Risk Management focuses on the quality of upstream or downstream processes like data quality checks and reporting to move from pure risk analysis to efficient risk control.

Risk Management starts at the data source

Offering links to 15+ data feeds GAIN grants access to high quality static data, events and pricing data for an unrivaled amount of instruments. Combining the intuitive user interface with automation features and proven data models results in reduced operational risk by eliminating input errors.