

## Risk management systems that satisfy your shareholders, not just the regulators



Get more from your technology. Take a fresh approach

Many risk systems are designed just to ‘tick a box’ rather than generate business intelligence and increase revenue. Good risk management starts by mitigating losses, but it can also improve your prices and support product innovation.

### Ensure data quality

Effective risk management starts with quality data and accurate modelling. We incorporate rigorous operational controls to ensure data quality without restricting business activity. We also build and validate trading models that cover risk factors across all your products and businesses.

### Integrate market and credit risk

With factors for market and credit risk becoming increasingly entwined, we treat these exposures as two sides of the same coin. We help you protect your portfolios against credit defaults as well as market volatility, by integrating these risk factors and processes into a single framework.

### Pervasive risk management

Your risk data is a valuable source of business intelligence. We build systems that feed your data into your front-office practices, giving you powerful risk analysis when you make your investment decisions.

Interactive GUIs allow you to run ‘what-if’ scenarios and gain an intuitive understanding of exposures and hedges. Traders benefit by knowing their risk at the ‘point of trade’ leading to more risk-aware quotes.

### Managing credit complexity

Risk management is driving the development of innovative financial products, with risk measures embedded into structured and securitised investments. We help investment banks and asset managers to handle these complex exposures by streamlining their processes and significantly reducing the time it takes to calculate price and risk.

Our risk consultants select, build, implement and enhance systems that accurately assess market and credit risk and deliver positive business results.

#### Our services include:

- Requirements definition and gap analysis
- Software selection and implementation
- Design and build systems
- Front office model integration
- Extensions for new financial products
- Data quality controls
- Regulatory compliance spanning Basel II/CAD2, SOX, IAS 39/FAS133 and MiFID

“RiskCare demonstrated that they could provide highly skilled personnel with the breadth of knowledge and the specialist skills we required for Convertible Bond analysis.”

Cater Allen International

We independently assess major software suppliers and work with them to extend the functionality of their products and customise them for effective integration into your operation.

## Our experience

From desktop solutions to grid-enabled farms, we advise on all aspects of your technology strategy, software selection and integration of risk management systems.

### Faster credit exposure calculations

We enhanced a credit and risk reporting infrastructure for correlation trading. We improved data management and integrated the latest pricing libraries.

The new system handles millions of factors, and the time taken to mark-to-market and calculate exposure has been reduced from days to hours.

### Expanded coverage of exotics

We integrated new exotic products into an existing market risk system, which included FX options, OTC derivatives and credit products.

To ensure accuracy and consistency, we validated and calibrated the models. Then we reviewed all data sources and risk factors to re-engineer credit exposure calculations and provide a more comprehensive VaR.

### Regulatory compliance

We applied Basel II regulations to a global credit risk infrastructure. We integrated a credit limit monitoring system and developed the necessary models to correctly calculate and validate risk-weighted assets.

### Comprehensive risk management

We implemented a global risk management system to monitor and report market risk across all fixed income products.

The system integrated data from more than 1,500 portfolios and ensured data quality during trading that 'followed the sun'. Just-in-time data controls verified the data from US desks before trading moved to AsiaPac. Further checks were made between AsiaPac and EMEA and again between EMEA and the US.

**We don't just offer technology systems to accurately assess your market and credit risk. We also help you embed risk management procedures throughout your organisation.**

We understand that your risk, trading and IT functions have different agendas and needs. We work with them to design and integrate a system that matches their various requirements and offers them tangible business benefits.

## Transform your risk management.

To talk to one of our consultants about enhancing your risk management technology, call +44 (0)20 7489 2900 or email [risk@riskcare.com](mailto:risk@riskcare.com)

For more about our services, visit [www.riskcare.com/risk](http://www.riskcare.com/risk)

