



Atoti Market Risk

Take control of enterprise risk

- Speed up market risk projects and manage enterprise-wide risk
- Consolidate across risk engines, business lines, product types
- Create a global view of closing and intraday risk



Introduction

Quantitative easing. Rumbling oil prices. Tariff fatigue. Currency de-couplings. Managing market risk as an endless cacophony of potential it falls ceaselessly pile up remains a quandary for many organizations.

Atoti Market Risk is a business solution that provides financial institutions with the ability to calculate risk measures and perform train-of-thought analysis on very large datasets across hundreds of dimensions – at scale.

Market Risk, Accelerated

Atoti Market Risk consumes data from clients' existing risk engines, valuation engines, OMS/EMS systems, transaction processing systems and aggregates it on the fly. As data is queried, calculations are performed on the aggregate data sets facilitating speed-of-thought analysis and providing an immediate response. The solution readily accepts real-time, incremental updates and only those metrics that are impacted are recalculated.

Results are available as a set of predefined but configurable dashboards, which serve as a starting point to do more interactive analysis, or to design and save as customized dashboards. Atoti UI also affords the user the ability to generate and email reports automatically at predefined times.

Slice 'N Dice Your Market Risk

Atoti Market Risk allows a risk analyst to drill down and examine the impact of a sharp jump in VaR from one day to the next. VaR and historical VaR can be measured over any given time period provided the set of data has been loaded into the Atoti datastore. Besides the ability to examine VaR-related measures, users can slice-and-dice risk sensitivities (including exotic sensitivities such as theta, volga, vanna and gamma) and aggregate them on the fly.

Risk managers and analysts can drill down to PnL from one business day to the next and see all of the inputs that have created any metrics. The PnL Explain process allows a user to quantify the changes in the PnL from one business day to the next, based on the closing prices for each day and show the impact of each input. For example, if the underlying interest rate in a swap changed overnight, the risk analyst can drill down to that one piece of data to confirm where the change came from, then aggregate the sensitivities and interpret the change using the actual day-over-day shift in market data.

PnL Explain becomes an easy task with a tool that provides the ability to drill down and examine granular level data.

Seamless implementation

The software is delivered with a core and a reference implementation. The core provides risk calculations such as VaR/SVaR, Component Incremental VaR and Expected Shortfall on top of the basic aggregation (e.g. net sum) of the primary inputs (e.g. PnL simulations, sensitivities) loaded into the solution. The reference implementation provides an ETL format, sample set of bookmarks and predefined measures. Customizations can also be made to conform to client data models, workflows, and structures, etc.

Run 'What-If' Scenarios....

Atoti Market Risk uses native What-If capabilities to, for example, allow a user to simulate the impact of a negative earnings report on a large equity position at the book or desk level. The user can add or subtract the equity position from the portfolio or desk and instantaneously see the results. This analysis can be applied across jurisdictions and legal entities to create a full picture of enterprise risk.

The What-If functionality also allows a user to make a change to any piece of data and immediately see the results. For example, a user can replace and scale the sensitivities' data providing the ability to navigate maximum control over any relatable (or unthinkable) scenario. One scenario can be kept, and the others discarded.

Permitting the movement of positions from one portfolio to another to interactively compare the impacts on risk and performance assists with optimizing returns.

...Then Sign Off

Additionally, Atoti Sign-Off has been configured for market risk as a tool to allow the user more control to audit and verify the business and manage the daily product control function. A user can create a "mandate" (a collection of trades) that needs to be signed off, (i.e. all trades in a particular book; all portfolios within a particular fund).

While checking a trade, if a risk manager spots an anomalous movement in PnL from one day to the next, he or she can use Atoti Sign-Off to drill down to lower level data (such as new or amended trades), investigate the cause, make the necessary adjustments to reflect the correct data and bring it back into line in real time and submit for approval. An audit trail is maintained to capture all changes.

Atoti Sign-Off handles the end-of-day approval process and risk mandate validation steps and, like any ActiveViam Business Solution, is configurable at any level to align with an organization's structure.

Atoti Market Risk allows users to define KPIs and limits and manage by exception for approaching or actual breaches of calculated Measures.

Atoti Market Risk benefits:



Off-the-shelf but configurable data model, calculators and business process



Cost-effective, seamless solution that adheres to an organization's hierarchies



Guarantee user experience without compromising future upgrades



Support growth at scale with highly optimized calculations



Monitor incremental intraday risk



Create What-If simulations to facilitate the decision-making process

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About ActiveViam

Founded by a group of industry experts, ActiveViam understands the data analytics challenges faced by financial institutions across trading desks, risk, and compliance. That is why we pioneered the use of high-performance analytics in finance, helping the largest investment banks, asset managers and hedge funds make better decisions, explain results with confidence, and simulate the impact of their decisions. We are not generalists.

Our mission is to deliver train-of-thought analysis on terabytes of data in the most cost-effective way so our customers can explain their results with confidence and model the scenarios that will optimize their business. We are a pure player specializing in risk data analytics for one of the fastest-moving and most regulated industries with a presence in the world's leading financial market places – London, New York, Singapore, Sydney, Hong Kong, Paris and Frankfurt.

At ActiveViam, we take pride in being experts in developing and supporting a purpose-built analytics technology that has been recognized as "FRTB Product of the Year" by Risk and by Waters Technology as the "Best Sell-Side Credit Risk Product."

For more information please visit:

www.activeviam.com