



Risk Technology Awards 2022 Winner

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Bank ALM system
SS&C Algorithmics

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To keep pace with expanding regulations, tightening budgets and the need for more insightful information management, banks are trying to capitalise fully on their asset-liability management (ALM) and liquidity risk systems. To address these challenges, SS&C Algorithmics ALM has been designed with business-driven interfaces, built on high-performance analytical engines to deliver exceptional, comprehensive results and leverage the scalability and flexibility of cloud.



Duncan Cryle

The solution is scalable across market segments and supports a worldwide client base. It supports ALM, liquidity risk, funds transfer pricing and treasury professionals with interest rate risk in the banking book and liquidity regulatory compliance, and balance sheet risk management.

SS&C Algorithmics ALM provides a powerful calculation engine that can get closer to treasury modelling than traditional systems. Banks can look at the interest rate, basis, optionality, liquidity, foreign exchange, volatility and credit risks in one place, applying deterministic, stochastic, historical and macroeconomic scenario analysis to assist stress-testing and provide strategic insights and optimisation. An intuitive browser-based application allows configuration of product-modelling structures, behavioural and planning assumptions, scenarios and orchestration of simulations. Business users can directly parameterise ALM models, create sandboxes and undertake ad hoc runs.

In-memory reporting with SS&C Algorithmics' Workspace Analyzer allows for interactive tabular and rich visualisations, period-on-period analysis, drill-down and reaggregation of data. For regulatory liquidity risk, SS&C Algorithmics can categorise models and populate supervisory templates.

SS&C Algorithmics ALM provides wide product coverage, including over 200 product types, covering banking and trading book requirements. Clients have accurate optionality pricing of features such as caps, floors and callability, as well as faster run times.

Behavioural modelling, powered by equation builders and Python, allows modelling of most complex requirements related to pre-payments, expected credit losses, term-deposits early withdrawals and non-maturity product modelling. This means SS&C can replicate client models exactly.

SS&C Algorithmics ALM offers multiple deployment options, including full hosting on SS&C Cloud. It has been fully tested for deployment on major third-party cloud providers including Microsoft Azure, Amazon Web Services and Google Cloud Platform to support clients with enterprise-wide cloud initiatives. Managed ALM on SS&C Cloud now offers the solution in a service model. This includes all necessary components for secure, high-performance and scalable operation of the risk management system.

In the past year, SS&C Algorithmics enhanced balance sheet planning and optimisation framework in line with market expectations. To support Libor transition, it now offers an advanced multi-curve, open construction framework for the simultaneous bootstrapping of Libor, the overnight indexed swap rate and new risk-free rates. SS&C Algorithmics also launched a new regulatory reporting service covering liquidity risk and credit regulatory capital. In addition, Scenarios as a Service (SaaS) offers novel financial modelling for Covid-19 pandemic stress-testing scenarios, which regulators are increasingly driving.

The judges said:

- "SS&C Algorithmics ALM is a very good product."
- "SS&C responded well to year two of the Covid-19 challenge."
- "I think this is one of SS&C's strongest solutions."
- "This is truly a global product."

Duncan Cryle, Senior director, product management at SS&C Algorithmics, said:

"SS&C Algorithmics is pleased to have won the bank ALM system of the year in the prestigious Risk Technology Awards for the second time. SS&C has continued to grow over the past few years and invested significantly in our risk solutions. On top of our existing highly flexible and performant risk engine and powerful user-friendly interfaces, we've evolved our solution as a cloud-native SaaS offering. We've fully updated our solution for the Libor reforms. And we've extended our balance sheet planning and optimisation frameworks to give clients unparalleled ability for analysis and stress-testing to meet evolving needs such as for climate risk." ■