

# Advanced Portfolio Technologies (APT)

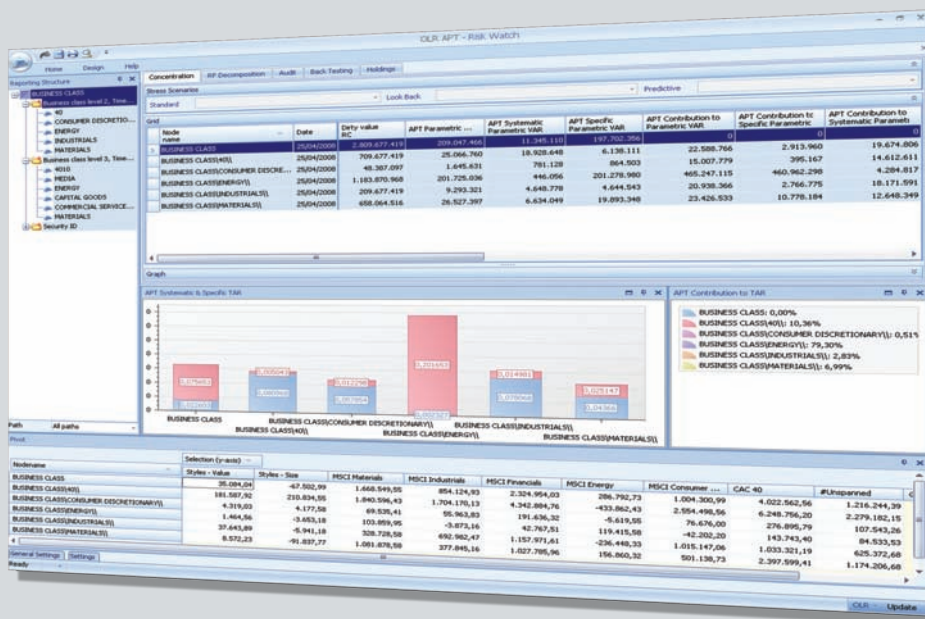
RISK WORKFLOW POWERED BY APT



SimCorp Dimension provides an efficient solution for clients who require the ability to understand the risk to their portfolios, without having to maintain their own risk models. When using SunGard APT's fully integrated 'Reporting Plug-in' module, clients benefit from APT's market-leading models to explore and report a range of analytics based on shipped and stored risk models.

The APT Reporting Plug-in is based on a sophisticated yet easy-to-use interface that fully supports all required data transport between SimCorp Dimension and the APT calculation server. This interface also fully supports all SimCorp Dimension key features, such as the investment structure, funds decomposition and reporting structure.

*"This is an important step ahead in our strategy aiming at offering a highly valuable solution to different organisational needs and constraints. Without jeopardising integration and thereby introducing operational risk, our clients can now easily base their risk reports on SimCorp Dimension's efficient risk workflow powered by APT's robust multi-factor models."*  
 Olivier Riva, Manager, Risk and Performance, SimCorp



Risk analysis screen

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### MULTI-FACTOR RISK MODELS

APT risk models offer comprehensive coverage of all instrument types, and SimCorp Dimension users can select from risk models that cover single-country, regional and global varieties to estimate a broad range of value-added analytics. These analytics include: Value at Risk (VaR), Conditional VaR, Ex-ante Volatility, Tracking at Risk (for portfolio, benchmark and active bet), risk budgeting and factors-based analysis (for user-selected explanatory factors, such as economical, fundamentals, sectors, countries, style and yield curve movement).

Implementation is quick and as the APT calculation engine is installed within the firewall of the user's organisation, it assures maximum safety and optimal response time. The APT calculation engine estimates all risk measures queried by SimCorp Dimension. Calculations are based on risk models (data files) regularly shipped by APT (typically weekly) to allow for a more rapid reaction to attributing sources of risk.

*"To satisfy all the requirements of modern risk management, users need access to stored risk models. APT can provide best-of-breed risk models coupled with a wide range of risk measures. With APT integration into SimCorp Dimension, users will have the best of all worlds."*

*Laurence Wormald, Head of Research, SunGard APT*

### FULLY INTEGRATED APT REPORTING PLUG-IN ALLOWS CLIENTS TO:

- work within the familiar SimCorp Dimension operating platform, thus reducing time spent learning how to utilise the plug-in;
- store all risk key ratios in the SimCorp Dimension data warehouse, so all reports are easily and safely produced from one single database, saving time and eliminating potential inconsistencies;
- streamline processes by removing dependency on an in-house built interface, thus reducing operational risk and focusing on core value-added activities;
- fully leverage the existing platform in terms of data, setup and system features, thus securing maximum consistency and saving resources with a single point of entry;
- minimise project risk and go in production quickly, by using shipped models and a standard interface fully integrated to SimCorp Dimension's risk reporting workflow.

### APT'S STATISTICAL MULTI-FACTOR MODELS:

- incorporate a trusted methodology used by investment managers and traders for over 20 years;
- are updated frequently, providing analysis which is responsive to changes in market structure;
- provide an intuitive attribution of risk to explanatory factors;
- allow the user to create a wide range of factor-based risk reports.

