

NumeriX Supports Financial Stability Forums Proposals to Enhance Market and Institutional Resilience

April 21, 2008 - NEW YORK- Friday, April 11, 2008, the Financial Stability Forum presented to the G-7 Finance Ministers and Central Bank Governors a paper on recommendations to strengthen the world's financial system. While covering several topical issues affecting the stability of the global economy, several points centered on improvements to the derivatives and structured credit markets; measures which would enhance transparency and bring efficiency in the market. NumeriX, the independent analytics provider serving the derivatives and structured products market has published the following statement.

"NumeriX commends the work of the Financial Stability Forum as a significant step forward in fostering transparency in the derivative and structured credit markets," said Steven R. O'Hanlon, NumeriX President and Chief Operating Officer. "As we work with many institutions in this market, we are continually surprised by consistent over reliance on broker pricing and proprietary valuation models, many which have now proven less than adequate. Through our work in providing enhanced market standard analytics, we are leading the charge in leveling the playing field by providing institutions and auditors a common benchmark in which to price and value securities."

Kevin Samborn, NumeriX Chief Technology Officer also commented, "from a systems perspective, many organization infrastructures for trade capture, processing and settlement have not been able to keep pace with the innovation in the markets. Clearly, while there has been a fundamental shift whereby new security types need to be evaluated internally prior to execution, the ability for most organizations to implement new systems can take months."

Samborn continued, "Most importantly, to meet the demands of the regulatory community, institutions will need to integrate standard analytics throughout the entire trade management process, from front-to-back office – essentially a practice of analytic straight through processing. Organizations are going to need to look outside themselves to address these issues. Only through education and the development of new standards will institutions be able to restore confidence."

O'Hanlon also stated, "some of the world's leading financial institutions have made it repeatedly clear to us, that whether it be for risk management purposes or executing alpha strategies, the derivatives and structured products markets are now an essential part of global economy."

About NumeriX

NumeriX is the award-winning, independent leader in pricing and risk analytics for fixed income, credit, foreign exchange, hybrids, cross currency, commodities, inflation rate and equity derivatives. NumeriX has a financial engineering and quantitative team composed largely of PhDs on the same scale as the very largest of financial institutions. More than 275 clients across 25 countries rely on NumeriX for speed and accuracy in valuing their structured products and derivatives. Trading and risk platform vendors leverage NumeriX analytics to gain a time-to-market advantage by embedding the power of NumeriX into their systems. Founded in 1996, the company is privately held and has offices in New York, Chicago, Santa Fe, Toronto, London, Paris, Singapore and, Tokyo. For more information visit www.numerix.com or type NUMX <GO> on the BLOOMBERG PROFESSIONAL® service.