



Best buy-side risk management product

Numerix

Numerix keeps cleaning up at *WatersTechnology's* awards. The New York-based firm won three categories in this year's SST Awards in April, including best overall technology provider. Oneview Asset Management (OVAM), a cross-asset, real-time risk and portfolio management platform, continues that trend by emerging top in this year's best buy-side risk management product category. Numerix takes back the title from last year's winner, Axioma, continuing the tussle between the two firms: Numerix won the category in 2017, while Axioma won it in 2016.

Cloud-based OVAM, also responsible for Numerix's win in the best implementation category (page 62), provides portfolio risk management support across a range of assets. Its secret sauce is its ability to overlay models on illiquid instruments in order to extrapolate their prices and present them on an intra-day basis, similar to more liquid products.

According to Martin Toyer, Numerix's CTO, clients need to be able to assess the risk of a portfolio that might comprise very different instruments, or be managed by single portfolio managers in particular regions. Portfolio management is becoming even more important with developments in regulation and market practices, such as the move to Value at Risk (VaR) margining. "Once you start thinking about your risk management in terms of portfolio risk management, and you start saying that VaR is a crude tool and that you want to look at different subsets of a portfolio, but apply stress-tests and other scenarios, it really isn't particular to a single asset class," Toyer explains. "It's about saying: I want to see these risk measures over multiple positions. Risk managers need to change the scenarios and subsets of portfolios to suit current market conditions."

In 2019, Numerix integrated OVAM with a wider range of sell-side pricing models and added additional support for structured products and crypto markets. It will continue decoupling products from the main Oneview solution to suit clients' needs, and will add new risk measures, VaR models and stress-testing scenarios in the coming months.

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