

Best Overall Sell-Side Product of the Year

Numerix

As with the Buy-Side Technology Awards, all category-winning products were considered for this award, the penultimate category of the Sell-Side Technology Awards and one of only two announced on the evening of April 21 at the Marriott Marquis in Times Square. The four journalists on the panel—Victor Anderson, Anthony Malakian, James Rundle and Jake Thomases—were looking for a product that had won its category not only convincingly, but one that addressed a particularly acute and topical challenge from a sell-side user-firm's perspective. Only one product, Numerix's CVA or Credit Valuation Adjustment tool, a sophisticated credit risk management application that has close to a 50–50 sell-side-to-buy-side split in across its user base, fit that bill.

CVA has, particularly since 2008, become the de facto credit risk measure for buy-side and sell-side firms, as it highlights the difference between the risk-free valuation of a portfolio and the value of that same portfolio taking into consideration the possibility or likelihood of a counterparty's default. Naturally, such calculations are extremely complex and time-consuming, which means that the ability to support fast and accurate calculations can provide sell-side firms with a competitive advantage. In this respect, Numerix CVA scores highly, allowing banks to calculate CVA measures for large portfolios on an intra-day basis, and incremental CVA in real time, which includes support for complex derivatives and structured products, utilizing a generic tree implementation of American Monte Carlo CVA, or Monte Carlo valuation of American options. CVA calculations can also be run ad-hoc for pre-trade analysis and dynamic CVA hedging. The Numerix CVA tool incorporates the vendor's CrossAsset analytics platform that supports three crucial requirements: flexibility, transparency, and the ability to meet regulatory demands in terms of satisfying counterparty credit risk exposures for Basel III compliance.

Numerix also supports any instrument type within its CVA framework by virtue of its CrossAsset analytics platform. Calculations for potential future exposure, funding value adjustment, debit value adjustment, and liquidity value adjustment, from both a trade and portfolio level, is also possible with full incorporation of multi-curve modeling.

—VBA



Victor Anderson, Abby Kahn, Jim Jockle, Tommy John, Emily Ahearn, Anna Barbashova and Cristin Riffle-Lash

NUMERIX REACTION

“Numerix is honored to be the recipient of not one, but two awards in the inaugural Sell-Side Technology Awards—for best credit risk solution and best overall sell-side product for the year. Globally recognized for its enterprise-wide counterparty credit risk management and robust approach to real-time CVA calculation, Numerix prides itself on its ability to anticipate market needs and drive innovation for OTC derivatives risk management and pricing analytics. Underpinned by the industry's most comprehensive library of market-standard models, the Numerix CrossAsset analytics platform offers a single analytics stack of scalable technology solutions for real-time derivatives valuation, risk and pricing analysis—and the transparency and flexibility to achieve performance through our server-based calculation engine, Numerix CrossAsset Server.”

—**Steven O'Hanlon, CEO and President, Numerix**

Valuation

Counterparty Credit Risk

Risk

The best trading decisions require the best analytics.

**Sell-Side
Technology** Awards
waterstechnology 2013

Best Overall Sell-Side Product of the Year
Winner
Numerix

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Best Sell-Side Credit Risk Product
Winner
Numerix

Numerix CVA leverages its industry-leading CrossAsset analytics platform to deliver a highly flexible, transparent solution to calculate, analyze and limit exposures across business units and optimize capital allocation reduction for Basel III compliance. A key differential for Numerix is its ability to support any instrument type within its Credit Valuation Adjustment (CVA) framework; calculations for PFE, FVA and DVA from both a trade and portfolio level are also possible with full incorporation of multi-curve modeling.

To learn why Numerix was named Sell Side Technology "Best Sell-Side Credit Risk Product" and "Best Overall Sell-Side Product of the Year" visit www.nx.numerix.com/Numerix-Best-Counterparty-Risk-Analytics.html


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Taking Analytics Further