Release Information

Allocare AMS

Release 9.9

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Copyright and Comments

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1. Introduction

This release information describes the most important items delivered by Allocare AMS Release 9.9.

The delivery of the software releases is handled via support or project managers. For additional information regarding functionality please contact our support:

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2. New Functionality – Overview

2.1 Flexible Portfolio Valuation (FPV)

Flexible Portfolio Valuation (FPV) is a module of Allocare AMS that allows a new way of how the system assigns prices and FX Rates to investment positions within portfolios. A valuation schema can be linked to a portfolio that defines a set of rules for price selection. Price selection is based on criteria of the position being valuated and the available time series. If no schema is available or the schema does not assign a price, the system uses default prices as before.

Note:	Flexible Portfolio Valuation is a license steered module.

2.2 BVV2 Reporting

New BVV2 reports have been developed to support the changes introduced by the new law revision 2009 (*Berufliche Vorsorge: Anpassung der Anlagebestimmungen 2009*).

2.3 Term Sheet Editor for Structured Products

Information in the term sheet of an issuer of a structured financial product can be entered in the new Term Sheet tab in the Investment editor, if a supported certificate is chosen as Investment Type. The system then automatically builds an underlying portfolio modelling a correct decomposition. With the help of this underlying portfolio method calculations (e.g. VaR or fair value) become feasible. The number of supported certificate types is extensible.

2.4 Look & Feel

Allocare AMS is available with various new look and feel features now. Besides new icons in the application, different themes and colour schemes can also be applied to the workspace. Menu items can be accessed via Navigation pane and can also be organized as favourites. A tabbed workspace has been introduced in the application. The data lists can also be organized as docked panes in the workspace.

2.5 Decimal Precision

The system supports customisation of the decimal digits count for value based methods (e.g. value, exposure) together with the related rounding logic.

In addition, there are cases when due to floating point arithmetic, rounding would round down contrary to what would be expected from an exact calculation. The rounding functions used in the application and database have been reworked to minimise the occurrence of these cases and to behave identically.

3. New Functionality – Details

3.1 Look & Feel

Skins and Colour Schemes: The application supports several visual skins and colour schemes. The Analysis Tree allows row colouring based on the hierarchy.

Navigation Pane: A Navigation pane is now available in the workspace that organizes all the menu items from the main menu in a hierarchical tree structure. It enables the user to explore the longer menu drop-downs more easily than having to open each menu item and then the required sub-menu.

Favourites: Menu items can be organized into favourites within the Navigation pane, thus providing easier access to the most-used functions.

Tabbed Workspace: Navigation between windows opened in the application has been made easier via tabs arranged along the upper side of the application workspace.

Docking Windows: All data lists can be docked as individual panes to one of the four edges of the workspace. This enables easier access to the most-used lists. Docked windows can also be set to 'Auto-hide', in order to keep the workspace clear of the lists currently not in use.

3.2 Multiple German Languages

Allocare AMS now provides a possibility to install the application in either German-Switzerland or German-Germany language.

3.3 Portfolios

FPV Schema in Portfolio Editor: On the Calculation tab a schema can be linked which is then used to retrieve prices and FX Rates when calculating values for the portfolio based on the new Flexible Portfolio Valuation (FPV) module.

3.4 Investments

Investment Object Editor Term Sheet Tab: The system models certificates and structured products by underlying portfolios containing respective investments. A Term Sheet tab in the Investment Object editor allows entering data for the certificates. The creation of the underlying portfolio and its components is then done automatically by the system. When calculating (e.g. VaR), the components of the underlying portfolios are used. The supported certificate types in Allocare AMS 9.9 include outperformance certificates, (outperformance, capped, reverse) bonus certificates, (barrier) discount certificates, (capped) twin win certificates and tracker certificates.

Quanto Options: The system supports fair values and greeks for quanto options (options on underlyings in another currency than the options' currency). Quanto options are often used as components of certificates.

Multiple Underlying Portfolios: More than one underlying portfolio can now be specified for Investment Objects. Each underlying portfolio is distinguished by an associated drill down code. The underlying portfolios of an Investment Object can also be displayed in the Analysis Tree using the drill down operation. The drill down operation now involves a drill down schema that is used to prioritize which underlying portfolios to display.

3.5 Transactions

Performance Delivery / Receipt: New transaction types 'Performance Delivery (Long/Short)' and 'Receipt (Long/Short)' have been added which allow defining a price and FX rate that are then used for the calculation of (performance relevant) flows.

3.6 Analysis Tree and Analysis Matrix

Restore Last: Users can now select if they want to save the information provided in the Analysis Tree or the Analysis Matrix input area. The saved settings are automatically restored whenever the tree or the matrix is opened the next time.

3.7 Methods, Attributes, and Time Series

FPV: All valuation methods and exposure methods as well as all performance methods have been adapted to the new FPV schemes. However investment statistic calculations use system default prices.

Decimal Precision: A system setup allows to define the number of decimal places for valuation and rounding logic.

Weekly Interest Payments: Weekly frequency is supported in calculation of AI and AI Monetary.

Accrued Days: A new method 'Accrued Days' counts the number of accrued days for interest.

Interest Reset Period: Floater having an interest definition rule with reset frequency different from the payment frequency is now supported in calculation (e.g. an investment that pays quarterly interest but with a weekly or daily Libor resetting).

3.8 Scenarios

Key Rate Moves: The Scenario editor lets define moves for single key rates or for groups of key rates. This allows simulating any changes of term structures in scenarios.

Forecast Horizon: When evaluating scenarios the system considers the passing of time up to the forecast horizon. Matured or expired investments as well as decreasing time value of derivatives are considered.

3.9 Corporate Actions

New Status for Incomplete Coupons: A new status 'Preliminary' has been introduced to load coupon corporate events with missing or even wrong information. Such events have to be corrected manually and made available for screening and further processing.

Refresh Corporate Event list: It is now possible to refresh the Corporate Events in the Corporate Event list.

3.10 Reports and Report Books

BVV2 2009: Three new reports are available:

- Report 'Overview of BVV2 Limits' displays the limits in a graph and checks the new limits from BVV2 articles 54 and 55.
- Report 'Overview of limits at category level' gives a more detailed tabular overview and checks limits at category level of BVV2 article 55.

- Report ‘Individual Limits’ checks limits on investment level based on BVV2 article 55.

The existing BVV2 reports are still available because the revision 2009 allows using the current regulations until end of 2010.

Asset Listing: In order to support the new FPV functionality the report has a new parameter ‘Show Valuation’ to display additional information about prices and FX-rates (‘Time Series’, ‘Provider’, ‘Exchange’, ‘Date’, ‘Default’, ‘Prio’) for each investment position.

3.11 Allocare AMS Executive

Flexible Portfolio Valuation: Allocare AMS Executive supports FPV schemes, multi-level drilldown and drilldown schemes (for multiple underlying portfolios) in Analysis Tree export.

3.12 Allocare AMS Web

Constraints Check On-the-Fly: In Allocare AMS Web, constraints can be checked now either by calculating on-the-fly or by using the pre-calculated constraint statistics. System administrator can configure whether to use the pre-calculated statistics or to calculate on-the-fly. This configuration will be applicable for all the users of the system. If only on-the-fly computation is configured, the Constraint Monitor in the Portfolio Overview module does not appear, since the real-time calculation is not possible in this context. If both are configured, the decision lies with the user to select any one.

PDF Reports for all Modules: Data presentation (tables as well as graphs) can be exported to the PDF format.

BVV2 2009: The BVV2 module has been adapted to the revision of 2009.

Portfolio Overview: The page supports now the use of any derived attribute.

4. System Requirements

4.1 Operating Systems

In Allocare AMS release 9.9, the following operating systems are supported:

- Windows XP Professional (SP2) is supported for workstations.
- Windows Vista Business is supported for workstations.
- Windows Server 2003 is supported as server operating system running Microsoft SQL Server or Internet Information Services (SP1 required for SQL Server installation).
- Windows Server 2008 is supported as server operating system running Microsoft SQL Server.

4.2 Database Management Systems

Allocare AMS release 9.9 will run on:

- Microsoft SQL Server 2005 (SP2 required, SP3 recommended).
- The application is now using ODBC 3.0 and requires SQL Server Native Client.

4.3 Web Servers

Allocare AMS Web release 9.9 will run on Microsoft IIS 6.0. ASP.NET 2.0 (Microsoft .NET Framework 2.0 is required, SP1 recommended).

4.4 Web Browsers

In Allocare AMS Web release 9.9, the following browsers are supported:

- Microsoft Internet Explorer version 6.0 up to 7.0
- Browsers fully supporting Mozilla version 1.8.1.8 up to 1.8.1.20, e.g. Netscape or Firefox

Note: The supported upper version can be configured in the Allocare AMS configuration file. As long as a newer version is backward compatible, only the configuration file needs to be changed.