



FS ALM_360

Your 360-degree solution for Asset Liability Management & Treasury

FS ALM_360 in a nutshell

- Scenario engine for financial statement modeling and ALM stress testing.
- Forward modeling of balance sheet term structure, liquidity and open currency position.
- Macro-hedging overlays using interest rate swaps, bond futures, fx forwards and cross currency swaps.
- Customizable inputs and outputs to meet specific needs of each institution
- Insightful reports and dashboards
- Implementation supported with data integration, training and ongoing support.

About Frankfurt School

- Full-fledged private university based in Frankfurt am Main / Germany
- Leading business school in Europe
- Bachelor, Master, and PhD programmes
- Executive and online education
- International Advisory Services – consultancy, development, and education
- World-wide coverage with several regional offices

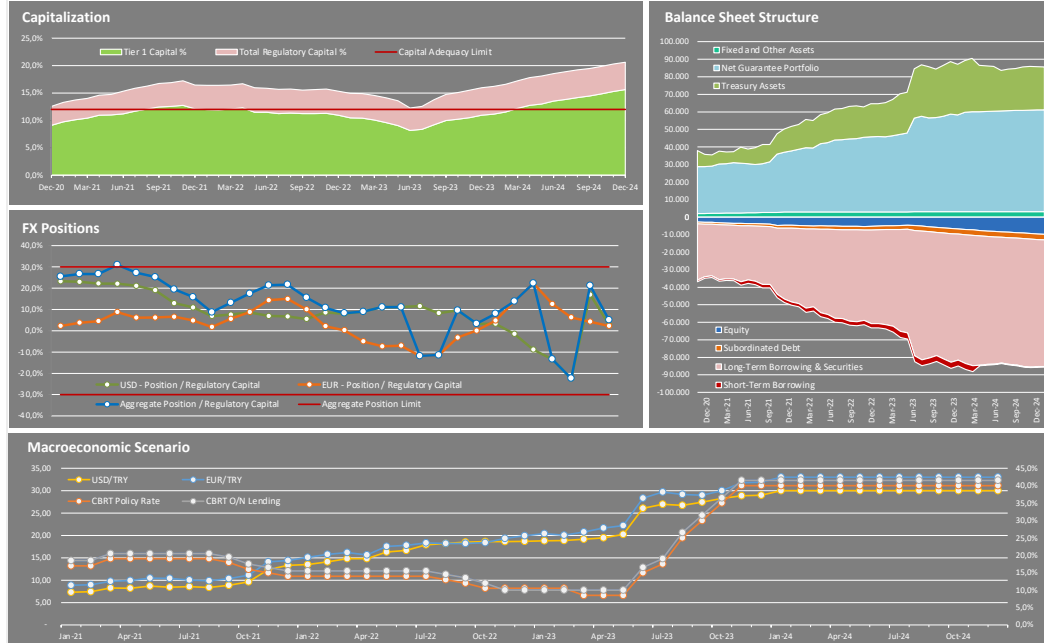
Features

- Configure up to 20 fixed rate and 3 variable rate loan products across three operating currencies.
- Estimate forward non-performing loans and ECL provisions based on PD and LGD scores at disbursement.
- Model demand and term deposit supply in up to 3 operating currencies.
- Deal-by-deal contractual payment schedules for funding liabilities and capital market issuance in multiple currencies.
- Calibration workspace for training model estimates against materialized accounting figures.
- Monthly LCR forecast, repricing gap report and EVE analysis, NPV balance sheet etc.

Users

- Smaller Banks / SME Banks
- Microfinance institutions
- Leasing companies
- NBFIs lenders / PAYGo providers

>> ALM_360 Dashboard



COMPREHENSIVE

Stress testing engine

DETAILED

Scenario planning platform

CUSTOMIZED

Treasury survival kit

Impacts

- Comprehensive analysis and modelling of balance sheet, income, and cash flows
- Supports financial planning and decision-making.
- Proactive liquidity management including stress-testing, maturity gap analysis, and concentration analysis.
- Standard metrics of interest rate, credit, and FX risks under various customizable scenarios including the effect of derivative hedging instruments.
- Effective stakeholder communication through insightful reports and dashboards.
- Allows for customization of inputs and outputs to meet specific needs of each institution.
- Compliance with regulatory risk and capital requirements
- Improves financial performance and identifies opportunities to increase revenue, reduce costs, and manage risks more effectively.

Tools Included

- Balance Sheet analysis
- Income analysis
- Cash-flow analysis
- Liquidity management
- Stress-testing (credit, liquidity and FX)
- Maturity gap analysis (liquidity, FX and interest rate)
- Deposit / portfolio concentration analysis
- Repricing gap
- Duration gap analysis
- Derivative hedging strategies using: interest rate swaps, bond futures, forex forwards and cross currency swaps.

Contact us



Frankfurt School

FS Risk 360

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FS ALM_360

Customized Portfolio Management Dashboard

>> ALM_360

Detailed Scenario Assumptions Timeline		Actuals Through 30 Nov-2022				
[1] Market Assumptions	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
LBH Policy Rate	17.00%	17.00%	19.00%	19.00%	19.00%	19.00%
CBRT O/N Lending	18.50%	18.50%	20.50%	20.50%	20.50%	20.50%
3M USD SOFR	0.06%	0.01%	0.01%	0.01%	0.01%	0.01%
3M EURBOR	-0.55%	-0.53%	-0.54%	-0.53%	-0.55%	-0.55%
3M TRY Treasury Yield	17.98%	18.08%	17.77%	17.87%	18.70%	18.57%
Deposits						
Rate Paid on Money Market in TRY	18.50%	18.50%	20.50%	20.50%	20.50%	20.50%
Rate Earned on Settlement Accounts in TRY	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Rate Earned on Short Term Placements in TRY	18.00%	18.00%	20.00%	20.00%	20.00%	20.00%
Rate Earned on Short Term Placements in USD	-	-	-	-	-	-
Rate Earned on Short Term Placements in EUR	-	-	-	-	-	-
Yield Earned on HQLA Bond Portfolio in TRY	12.98%	13.08%	12.77%	12.87%	13.70%	13.57%
USD/TRY Exchange Rate - Functional Currency per USD	7.31	7.42	8.15	8.20	8.67	8.48
EUR/TRY Exchange Rate - Functional Currency per EUR	8.87	8.96	9.77	9.81	10.46	10.39
Modified Duration of HQLA Bond Portfolio (total)	6.00	6.00	6.00	6.00	6.00	6.00
Market Yield of 10yr Bond Future Underlying in TRY	12.98%	13.08%	12.77%	12.87%	13.70%	13.57%
Market Yield of 10yr Bond Future Underlying in USD	1.85%	1.60%	1.10%	0.70%	0.80%	0.65%
Market Yield of 10yr Bond Future Underlying in EUR	1.82%	0.55%	0.50%	0.50%	0.45%	0.45%
5-year Swap Rate (fixed leg) in TRY	13.40%	13.58%	17.07%	16.32%	17.20%	17.07%
5-year Swap Rate (fixed leg) in USD	0.40%	0.80%	0.80%	0.80%	0.80%	0.80%
5-year Swap Rate (fixed leg) in EUR	-0.50%	-0.55%	-0.60%	-0.60%	-0.55%	-0.55%
10-year Swap Rate (fixed leg) in TRY	13.98%	13.98%	18.22%	18.82%	17.70%	17.57%
10-year Swap Rate (fixed leg) in USD	1.00%	1.25%	1.50%	1.00%	1.40%	1.40%
10-year Swap Rate (fixed leg) in EUR	-0.55%	-0.30%	-0.25%	-0.25%	-0.20%	-0.20%

Capture Bond Futures Transactions for IRRBB Macro Hedges				
Notional Coupon of Underlying in % p.a.:				
No.	Transaction Type	Currency	Bought / Sold	Notional in Currency
1	10-yr Bond Futures	EUR	Sold the Future (Short the Bond)	10,000,000
2				
3				

TRY	USD	EUR		
12.00%	6.00%	6.00%		

Expiration Date	Date Opened	Price on Open % of notional	Date Closed	Price on Close % of notional
31-Dec-2024	31-May-2024	125.10%	31-Dec-2024	125.10%

Interest Rate Repricing Gap Report					
Co-movement Reference Rate		31-Dec-2022		TRY	
decline	Increase	>> Assets	≤ 1 month	1m < x ≤ 3m	3m < x ≤ 6m
0.00%	0.00%	Treasury Assets			
100.00%	100.00%	Vaults, Central Bank and Correspondent Balances	594,089,726	-	-
100.00%	100.00%	Money Market Placements (Residual)	4,278,740,757	2,567,244,454	855,748,151
100.00%	100.00%	Securities under Repo & other Encumbered Assets	10,000,000	20,000,000	20,000,000
100.00%	100.00%	HQLA Bond Portfolio	42,500,000	42,500,000	85,000,000
100.00%	100.00%	IRRBB Hedges - Positive Replacement Values	-	-	-
100.00%	100.00%	Banking Book Fx Hedges - Pos. Replacement Values	1,247,485,714	1,247,485,714	-
100.00%	100.00%	Trading Book (Marked-to-Market)	116,250,000	232,500,000	116,250,000
		Total Treasury Assets	6,289,066,198	4,109,730,169	1,076,998,151

Capture Interest Rate Swap Transactions					
No.	Transaction Type	Currency	Bought / Sold	Notional in Currency	
1	Standard Interest Rate Swap	USD	Pay Variable / Receive Fixed	25,000,000	
2					
3					

Effective Date (Start Date)	Maturity	End Date (Close-Out)	Fixed Leg Rate % p.a.	Variable Rate Reference	Settlement Frequency p.a.
10-May-2024	5 Years		4.60%	3M USD SOFR	2

Synopsis

FS ALM_360 is a long-range financial statement model designed for banks, MFIs and other NBFIs. It covers risks related to portfolio quality, liquidity, capital adequacy, foreign exchange rates, and market interest rate changes. The tool provides actual and forecasted data on lending, investing, funding activities, and operating expenses to create detailed financial statements, ratios, and risk schedules. It is useful for medium-term forecasting, strategic planning, financial reporting, and risk schedules for managers, supervisors and creditors. The tool quantifies key risks within a five-year horizon, ensuring compliance with risk policies and lender covenants.

Implementation

FS ALM_360 is an open-source tool, offering a user-friendly interface and the flexibility to customize inputs and outputs to meet and respond to your specific needs. The implementation of FS ALM_360 is supported by our team of experts, who provide guidance on data integration and assist with the setup and maintenance of the model. We also offer training and capacity building to equip your institution with the required knowledge and skills to manage financial and treasury operations.

Benefits

FS ALM_360 offers a 360-degree analysis and forecast of your financial statements, bringing financial planning to the next level. The tool improves liquidity management and includes various metrics to assist in proactive risk management. Similarly, the tool covers all relevant aspects for interest rate and currency risk management and includes relevant credit risk metrics to be considered in financial planning. Reports and dashboards assist in data visualization and management reporting to foster proactive decisions and risk mitigation.

FS ALM_360 contributes to:

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



+

Contact us

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