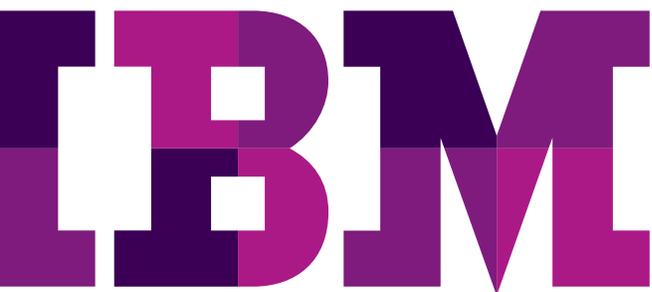# IBM Algo Risk Service on Cloud—Update

IBM® Algo Risk Service on Cloud extensions are optional service extensions that complement and augment the award-winning Algo Risk Service on Cloud, enhancing its already powerful functionality and offering clients the flexibility to customize the service even further. Algo Risk Service on Cloud extensions give clients of Algo Risk Service on Cloud access to a range of advanced data management, optimization, analysis and reporting tools, managed and supported by IBM's industry-leading financial engineers and risk practitioners, in an environment customized to each client's specific business requirements.

Extension	Overview	Key benefits
IBM® Algo Risk Service Optimizer on Cloud	Algo Risk Service Optimizer on Cloud offers clients with access to the interactive Algo Risk Application the capacity to construct, model and analyze flexible optimization problem lets and share results. The extension's sophisticated optimization framework and interactive risk dashboard gives portfolio and risk managers the capability to solve many specific allocation problems faced by asset managers and owners, and to meet the diverse risk and optimization requirements of multiple audiences in an institution.	• Enables production of efficient frontiers of optimal portfolios. • Supports interactive rebalancing of portfolios with respect to multiple desired investment objectives under diverse hard and soft constraints. • Generates allocation or specific trade ideas to match attributes of a benchmark or target, such as duration, and achieve various risk/return tradeoff levels.
IBM® Algo Risk Service Custom Scenario on Cloud	Algo Risk Service Custom Scenario on Cloud, available to Algo Risk Service on Cloud clients who subscribe to the interactive Algo Risk Application and/or the standalone IBM® Algo Risk Service Advanced Reporting on Cloud extension, represent sophisticated, customized enhancements of the standard scenarios available in the Algo Risk Service on Cloud. This extension offers clients the capability to create, implement and update scenarios tailored to their specific risk profiles and changing market conditions, supported by Algo Risk Service on Cloud professionals.	• Offers custom scenarios designed to reflect the distinct risk profile of each client. • Enables access to the powerful scenario engine for the generation of customized scenarios. • Supports accurate determination of relevant scenarios with support from experienced Algo Risk Service on Cloud professionals.
IBM® Algo Risk Service Counterparty Credit Risk Exposure on Cloud	Algo Risk Service Counterparty Credit Risk Exposure on Cloud offers clients the capacity to model long-term credit scenarios and analyze different exposure outputs with specific views of credit exposure to counterparties. This extension enables the monitoring, measuring and management of counterparty credit risk, with clients being able to see the impact of changes in portfolio composition on both market and credit exposure.	• Enables access to capabilities to compute exposures, and to build long-term scenario sets for computing potential future exposure. • Supports market and credit views in the same application. • Offers additional aggregations to allow for the creation of specific credit views.
IBM® Algo Risk Service Intra-day Processing on Cloud	Algo Risk Service Intra-day Processing on Cloud, available to subscribers of the interactive Algo Risk Application and/or the Algo Risk Service Advanced Reporting on Cloud extension, offers clients the option to request updates of portfolios and risk analytics for an agreed period (e.g., hourly) that is shorter than the standard overnight Algo Risk Service on Cloud batch process.	• Enables rapid, intra-day response to changes in the risk profile of a firm or portfolio. • Accommodates portfolio reconciliation with its incremental process accounting for changes in the "grace period" after books are closed. • Supports a global portfolio where it might be necessary to analyze risk in diverse regions and time zones as financial market data becomes available.

Extension	Overview	Key benefits
IBM® Algo Risk Service Data Archive on Cloud	Algo Risk Service Data Archive on Cloud offers clients the option of storing data over longer periods to help meet regulatory or internal reporting purposes. This extension represents an enhancement of the standard storage available in the Algo Risk Service on Cloud.	• Supports meeting regulatory or internal policy requirements for particular periods of data storage. • Offers clients the security of safe additional data storage, over periods customized to their specific needs, with the option of efficient retrieval at different times.
IBM® Algo Risk Service Advisory	Algo Risk Service Advisory offers clients access to IBM's experienced financial engineers, risk practitioners and analysts to provide advice before, during and after implementation of the Algo Risk Service on Cloud. This service presents clients with the expertise to configure and customize the Algo Risk Service on Cloud to meet their specific requirements.	• Provides clients access to the knowledge and experience of IBM's industry leading risk professionals. • Offers close consultation and discussion to support the optimal integration of the Algo Risk Service on Cloud with a firm's organizational processes and business needs. • Provides advanced training workshops, seminars and executive presentations to assist clients in optimizing implementation speed and efficiency.
IBM® Algo Risk Service Axioma Equity Models on Cloud	IBM Algo Risk Service on Cloud has agreed with Axioma, one of the world's leading equity modelers, to incorporate Axioma's fundamental equity factor models (World Wide & Regional) into the Algo Risk Service offering. With this relationship, clients gain access to a cutting edge factor model as well as a sophisticated multi asset class portfolio risk evaluation system. Investment managers can use factors for portfolio construction decisions and risk officers can perform scenario analysis on portfolio and department level exposures. Both parties benefit from the consistency in methodology across the firm. Clients are able to utilize all the existing service functions consistently across asset classes which includes an integrated advanced equity fundamental factor model from Axioma. Service functions that includes: drill-down, attribution and decomposition capabilities across all analytics with the addition of meaningful equity factors, accessing scenario dependent analytics across absolute and relative risk analysis via an interactive GUI where the valuation and re-valuation during simulation are consistent with "best of breed" modelling practices specific to the asset class, utilizing powerful what-if, virtual portfolio, limits, virtual benchmark capabilities	Axioma is a consulting firm staffed with seasoned industry experts who actively develop and support robust, transparent and cutting edge equity models that have found widespread acceptance in the industry. • Axioma's fundamental factor model calculates exposures to Common Market factors, Style factors, Industry Factors (GICS), Country factors and Specific risks. IBM Algo Risk Service on Cloud supports the World Wide model currently with the option to expand to available regional models. • Equity modelling can be brought into a multi-asset class perspective without loss of detail for any stand-alone form of analysis, including absolute and relative risk attribution and support for optimization. • Fundamental factor models allow one to attribute risk to meaningful factors and align the investment process with the risk process.

About IBM Analytics

IBM Analytics software delivers data-driven insights that help organizations work smarter and outperform their peers. This comprehensive portfolio includes solutions for business intelligence, predictive analytics and decision management, performance management, and risk management.

IBM Analytics solutions enable companies to identify and visualize trends and patterns in areas, such as customer analytics, that can have a profound effect on business performance. They can compare scenarios, anticipate potential threats and opportunities, better plan, budget and forecast resources, balance risks against expected returns and work to meet regulatory requirements. By making analytics widely available, organizations can align tactical and strategic decision-making to achieve business goals. For further information please visit **ibm.com**/analytics

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