

## Financial Risk Analytics

# FRTB SA Service

### Are you ready for the FRTB Standardized Approach?

Under FRTB SA, all banks are required to calculate capital charges for their trading book positions based on a standardized approach, and only optionally use internal models. This involves classifying trading instruments into specific risk categories and applying predefined capital charges based on those categories.

### Can your system handle the prescribed sensitivity and curvature calculations?

While simpler to implement than the FRTB internal model approach (IMA), the standardized approach (SA) for market risk requires extensive analysis and development to turn regulation into a production-strength implementation. Missing regulatory requirements can inflate capital charges and put into question the profitability of a trading business.

### Fast track your regulatory compliance with S&P Global Market Intelligence

Our FRTB SA Service offers a lightweight, intraday aggregation, and analytics tool providing immediate access to SA calculations.

With lightning-fast calculations performed on a multi-asset risk engine, and fueled by our best-in-class market data, the solution supports all the components of the SA capital charge including:

- Sensitivity Based Method (SBM)
- Residual Risk Add-on (RRAO)
- Default Risk Charge (DRC)

Financial Risk  
Analytics—  
Product Set

Traded  
Market Risk

VaR/ES

FRTB SA

FRTB IMA  
Modellability

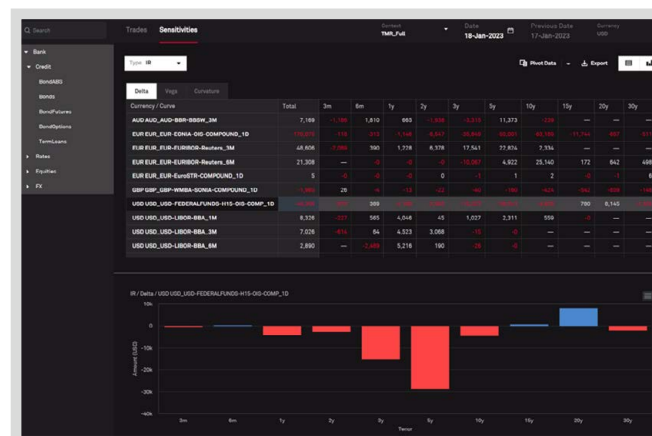
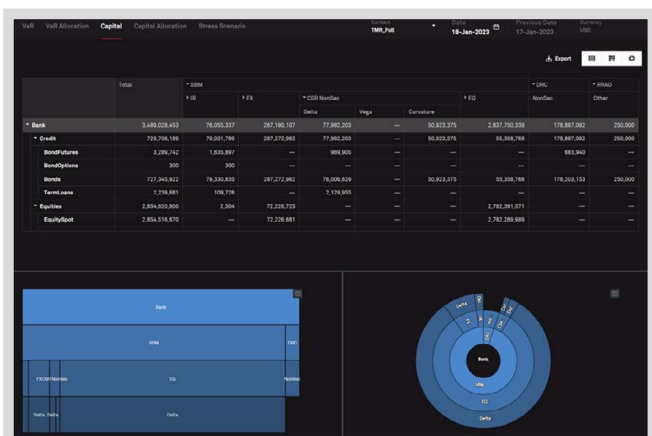
XVA

Counterparty  
Credit Risk

Buy Side Risk

The solution takes in sensitivities in an industry standard format (common risk interchange format—CRIF) and displays results via an intuitive, secure interface.

Reduce the total cost of ownership of your FRTB infrastructure and shorten delivery time while maintaining complete control and auditability.



## What differentiates S&P Global Market Intelligence?



**Achieve compliance for FRTB-SA:** Improve capital management and visibility with our SA solution, supporting your compliance with global and regional regulatory requirements as they evolve.



**Local market interpretation:** Our solution is pre-configured to follow our in-house experts' interpretation of the rules provided by the various local regulators. Users can also configure their own interpretation of the rules. Different risk weights can be used for what-if analysis on the effects on Capital.



**Spend less time on integration and configuration:** Get up and running with FRTB SA instantly. With intuitive functionality and easy cloud implementation, our solution reduces the resources needed to start your FRTB journey. Just login and go.



**Powerful analytics and data:** Flexibility in data and pricing utilizing S&P Global Market Intelligence's extensive data and pricing analytics. The solution evolves with the market—clients can access new functionality immediately without expensive upgrades.



**Reduce TCO:** Significantly reduce total cost of ownership (TCO). Managed by our team of technology and subject matter experts, we can free up your internal resources so you can focus on your other business priorities. This cloud hosted solution preloaded with S&P Global market data minimizes total cost of ownership and onboarding time.

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