



Frankfurt School

FS ALM_360

Your 360-degree solution for Asset Liability Management & Treasury

FS ALM_360 in a nutshell

- Excel-based 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

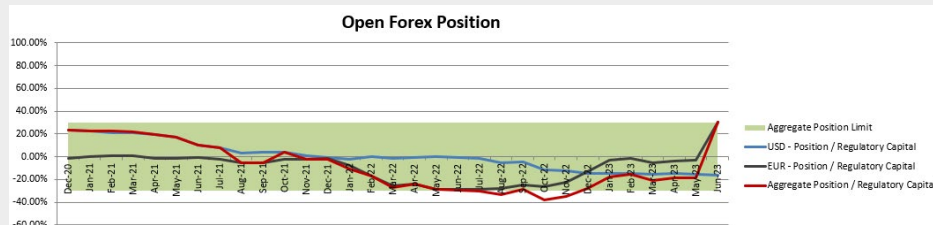
- Configure up to 20 fixed rate and 3 variable rate loan products across three operating currencies.
- Estimate forward non-performing loans and ECL provisions based on PD and LGD scores at disbursement.
- Model demand and term deposit supply in up to 3 operating currencies.
- Deal-by-deal contractual 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
- NBFI lenders / PAYGo providers

Interest Rate Repricing Gap Report		31/Dec/2022		TRY					
Periodic Repricing Gap		(5,141,830,604)	2,476,737,247	530,656,459	1,874,714,272	612,448,242	480,370,816	347,576,661	
Traditional Gap Analysis:	Impact on Net Interest Income over 12 months, if reference rate changes by:	4.00% ----->		(70,096,231)					
		-4.00% ----->		70,096,231					
	Co-Movement Weighted Gaps - Rate Increase	6,956,231,580	2,810,069,584	458,521,608	1,504,468,272	359,570,265			
	Co-Movement Weighted Gaps - Rate Decline	6,956,231,580	3,043,296,583	458,521,608	1,504,468,272	359,570,265			
Using Co-Movement	Impact on Net Interest Income over 12 months, if reference rate changes by:	4.00% ----->		396,152,446		Net Interest Income full year 2022			
		-4.00% ----->		(403,926,679)		3,361,724,637 TRY -12.02% Net Interest Income at Risk			

Contractual Maturity Gap All Currencies		31/Dec/2022		TRY	All Items in Functional Currency Equivalent				
Assets		≤ 1 month	1m < x ≤ 3m	3m < x ≤ 6m	6m < x ≤ 9m	9m < x ≤ 12m	12m < x ≤ 18m		
Total Liabilities and Equity		23,133,618,080	17,245,018,080	9,957,900,000	4,180,000,000	4,294,000,000		-	
Total Contractual Maturity Gap - TRY equivalent		(2,329,034,390)	(10,643,107,965)	(4,340,361,601)	481,092,896	(1,224,426,523)	4,112,890,488		
		31/Jan/2023	28/Feb/2023	31/May/2023	31/Aug/2023	30/Nov/2023	31/Mar/2024		
Funding Concentration: Roll Over in % of Total Borrowing		0.00%	35.15%	31.55%	0.00%	0.00%	0.00%		



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 PortfolioGuard_360

Customized portfolio management dashboard

Synopsis

FS ALM_360 is a long-range financial statement model designed for banks, MFIs and other NBFI lenders. 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.

Forex Risk Stress Test		Trigger Date: 31.Dec.2022		TRY Equivalent Figures							
Exchange Rate Scenario	Trigger Date -1m	Trigger Date	+ 30 days	+ 60 days	+ 90 days	+ 120 days	+ 150 days	+ 180 days			
	Nov.22	Dec.22	Jan.23	Feb.23	Mar.23	Apr.23	May.23	Jun.23			
USD/TRY Exchange Rate - Functional Currency per USD	18.64	19.00	20.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00
EUR/TRY Exchange Rate - Functional Currency per EUR	19.35	20.00	21.00	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50
On Balance Sheet Forex Translation Gain / Loss		- 11.953.321	- 8.722.694	19.710.677	0	0	0	0	0	0	0
Forex Translation Gain / Loss from Off Balance Hedges		- 32.500.000	- 50.000.000	- 75.000.000	0	0	0	0	0	0	0
Principal Hedge Result		(44.453.321)	(58.722.694)	(55.289.323)	-	-	-	-	-	-	-
Currency-Stressed Differential Net Interest Income		818.745	4.703.401	12.523.632	12.138.024	12.102.857	12.023.686	12.036.0	12.036.0	12.036.0	12.036.0
Net Interest Paid (-) / Received (+) on Cross Currency Swaps		4.866.667	4.887.500	4.918.750	4.918.750	4.918.750	4.918.750	4.918.750	4.918.750	4.918.750	4.918.750
FX Interest Income Sensitivity		5.685.412	9.590.901	17.442.382	17.056.774	17.021.607	16.942.436	16.954.750	16.954.750	16.954.750	16.954.750
Capital Adequacy Ratio (BCBS Standardized)	13.91%	13.14%	12.80%	12.40%	12.57%	12.69%	12.63%	12.82%	12.82%	12.82%	12.82%
Underlying Forex Positions	Nov.22	Dec.22	Jan.23	Feb.23	Mar.23	Apr.23	May.23	Jun.23			
USD - Open On-Balance Sheet Position in USD	- 43.732.310	- 49.385.328	- 49.422.041	- 48.719.624	- 51.729.910	- 50.423.925	- 52.164.697	- 55.051.6	- 55.051.6	- 55.051.6	- 55.051.6
USD - Off-Balance Sheet Position in USD	0	0	0	0	0	0	0	0	0	0	0
USD - Net Open Position in USD	- 43.732.310	- 49.385.328	- 49.422.041	- 48.719.624	- 51.729.910	- 50.423.925	- 52.164.697	- 55.051.6	- 55.051.6	- 55.051.6	- 55.051.6
USD - Net Open Position % of Regulatory Capital	-12.60%	-14.98%	-15.71%	-16.21%	-17.14%	-16.52%	-17.17%	-18.06%	-18.06%	-18.06%	-18.06%

Interest Rate Risk: Net Present Value Balance Sheet				TRY Equivalent	
Select Analysis Date: 31.Dec.2022					
Parallel Yield Curve Move in TRY: +/- %				4.00%	
Parallel Yield Curve Move in USD: +/- %				0.00%	
Parallel Yield Curve Move in EUR: +/- %				0.00%	
				Baseline	Scenario Valuation
Assets				31.Dec.2022	1 Jan.2023
Treasury Assets					
Vaults, Central Bank and Correspondent Balances				9.371.511.640	9.371.511.640
Money Market Placements (Residual)				9.745.937.023	9.650.738.615
Securities under Repo & other Encumbered Assets				50.000.000	38.000.000
HQLA Bond Portfolio				1.325.000.000	1.121.000.000
IRRBB Hedges - Net Replacement Values				-	-
Banking Book Fx Hedges - Net Replacement Values				(478.236.161)	(490.994.885)
Trading Book (Marked-to-Market)				489.500.000	489.500.000
Total Treasury Assets				20.503.712.502	20.179.755.370
Client Loan Portfolio - TRY Equivalent					
Consumer Overdrafts				502.766.382	501.123.624
Retail Installment Credit				617.685.718	604.892.509
Consumer Durables USD				2.170.668.008	2.170.668.008
Passenger Vehicles EUR				3.212.173.132	3.212.173.132
SME Overdrafts				1.193.749.782	1.189.842.830
SME Working Capital				1.011.791.421	996.778.875
SME Trade Finance USD				1.155.811.784	1.155.811.784
Tourism Seasonal EUR				1.460.963.637	1.460.963.637
Tourism Capital EUR				4.137.483.269	4.137.483.269
SME Support Programs				124.899.323	117.392.257

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.

Implementation

FS ALM_360 is an Excel-based, 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.



Contact us

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FS ALM_360 contributes to:

