



# FS PortfolioGuard\_360

Customized portfolio management dashboard

## FS PortfolioGuard\_360 in a nutshell

- Forward-looking portfolio management toolbox
- Early warning system to identify and control portfolio risks before they materialize
- Combining various tools for a 360-degrees portfolio management
- Interactive dashboards to oversee all portfolio risk KPIs in one place
- Act instead of react

## 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

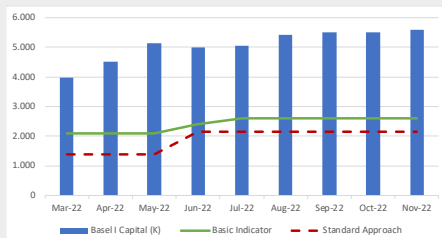
## Features

- Forward-looking risk identification with Transition & Vintage Analysis
- Integrated Early Warning System (EWS) with customizable warning thresholds and action triggers risks
- Transition analysis for arrear trend and PD assessment
- Vintage analysis for early portfolio changes identification
- Reliable and continuous portfolio risk management
- Risk visualization and reporting package

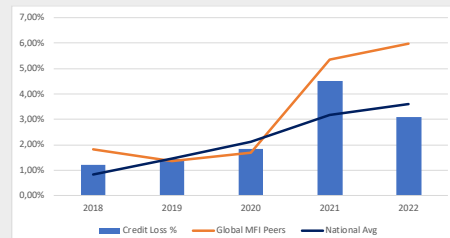
## Users

- Commercial (SME) banks
- Microfinance institutions
- Insurance companies
- Leasing companies
- Pay-as-you-go providers
- Mobile operators
- Digital marketplaces and ecosystems

Capital Adequacy



Credit Risk Peer Analysis



Disbursements by Rating Grade / Score Range

>> Loan Disbursements		Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Trend
Class 1	EXCELLENT	450.000	250.000	250.000	200.000	400.000	300.000	250.000	250.000	125.000	
Class 2	GOOD	700.000	400.000	650.000	500.000	450.000	350.000	300.000	350.000	255.000	
Class 3	ABOVE AVERAGE	650.000	700.000	900.000	750.000	650.000	700.000	550.000	590.000	350.000	
Class 4	AVERAGE	700.000	1.050.000	1.200.000	1.150.000	700.000	850.000	900.000	950.000	650.000	
Class 5	BELOW AVERAGE	500.000	1.300.000	1.350.000	1.300.000	1.050.000	1.050.000	400.000	1.100.000	500.000	
Class 6	WATCH LIST	225.000	175.000	275.000	300.000	225.000	250.000	300.000	375.000	650.000	
Class 7	SPECIAL MENTION	145.000	195.000	240.000	180.000	245.000	210.000	295.000	260.000	310.000	
Class 8	SUBSTANDARD	90.000	135.000	90.000	150.000	75.000	150.000	150.000	225.000	150.000	
Class 9	DOUBTFUL	100.000	95.000	60.000	60.000	35.000	50.000	115.000	115.000	85.000	
Class 10	LOSS	-	-	-	50.000	-	-	25.000	-	-	
<b>Total SME Disbursements</b>		<b>3.560.000</b>	<b>4.300.000</b>	<b>5.015.000</b>	<b>4.640.000</b>	<b>3.830.000</b>	<b>3.910.000</b>	<b>3.285.000</b>	<b>4.215.000</b>	<b>3.075.000</b>	
<b>Weighted Avg Score</b>		<b>3,7</b>	<b>4,2</b>	<b>4,1</b>	<b>4,3</b>	<b>4,0</b>	<b>4,2</b>	<b>4,4</b>	<b>4,5</b>	<b>4,8</b>	

## EARLY

Risk Detection

## COMPREHENSIVE

Overview of all Portfolio Risk KPIs

## FLEXIBLE

Tailoring to your exact Needs

## Impacts

- Enhanced portfolio management
- Portfolio risk mitigation by identifying upcoming risks in their early stage
- All key portfolio risk indicators in one place
- Reduced operational costs from streamlined processes
- Deepen financial inclusion by enabling lenders to reach a wider range of borrowers and provide loans to those who may have been previously excluded

## Tools Included

- Portfolio at Risk, Collection Rate and many more standard credit risk indicators
- Transition Matrix
- Vintage Curves
- Concentration Risk
- Early Warning System
- Time series and trend analyses at different levels of granularity
- Risk Dashboards

## Contact us



# FS PortfolioGuard\_360

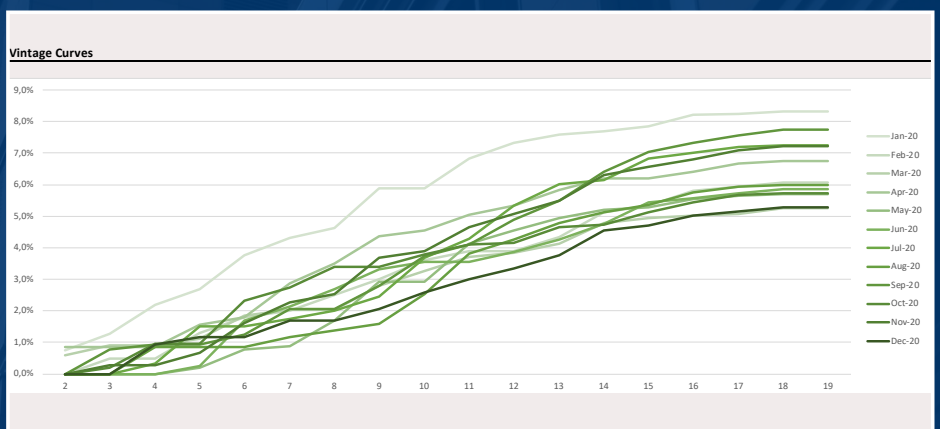
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## Synopsis

FS PortfolioGuard\_360 is a compilation of forward-looking portfolio risk management tools that - through their interplay - ensure a holistic and reliable portfolio KPI tracking and early risk identification. While a lot of SME banks still limit their portfolio risk assessment to a PAR-analysis, the FS PortfolioGuard\_360 provides an overview of all relevant portfolio risk indicators that shift the risk assessment to the future, while a PAR-analysis is always lagging behind.

**Transition Matrix**

TM	Settled	Current	1-30	31-60	61-90	91-120	121-150	151-180	>180	w/o	1y PD
Settled	100,0%	-	-	-	-	-	-	-	-	-	-
Current	37,2%	54,1%	1,1%	1,2%	0,7%	0,8%	0,7%	0,6%	2,3%	1,3%	5,7%
1-30	34,6%	26,7%	1,2%	0,6%	0,5%	0,4%	0,5%	0,5%	24,4%	10,6%	36,4%
31-60	23,8%	7,1%	0,3%	0,2%	0,1%	0,1%	0,2%	0,3%	45,2%	22,7%	68,5%
61-90	8,8%	2,2%	0,1%	0,0%	0,0%	0,1%	0,1%	0,2%	56,5%	32,0%	88,9%
91-120	0,9%	0,6%	0,0%	0,0%	0,0%	0,0%	0,1%	0,1%	59,5%	38,7%	98,4%
121-150	0,2%	0,1%	0,0%	0,0%	0,0%	0,0%	0,0%	0,1%	61,8%	37,7%	99,6%
151-180	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,1%	64,4%	35,4%	100,0%
>180	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,1%	65,1%	34,7%	100,0%
w/o	-	-	-	-	-	-	-	-	-	100,0%	-



## Benefits

The FS PortfolioGuard\_360 bundles a holistic portfolio risk assessment in one central, interactive dashboard. Instead of going through a variety of datasets and tools to obtain KPIs, users of PortfolioGuard\_360 have all relevant numbers immediately accessible. Through the interplay of its combined portfolio risk measurement tools, the PortfolioGuard\_360 effectively allows to identify and track all upcoming changes in the portfolio structure from their very beginning. The integrated Early Warning System (EWS), gives your institution the necessary time to act, instead of reacting when a risk has already materialized.

## Implementation

The FS PortfolioGuard\_360 is a modular toolbox that can be adapted to the particular needs of your institution. All necessary tools will be provided as Excel / PowerBI tools or web-based apps which can be connected to your core banking system through an interface. The implementation will be conducted in a joint effort between Frankfurt School consultants and the IT department of your institution.

## In Focus: Vintage Analysis

A vintage analysis is an arrears-based portfolio statistic providing valuable early indicators of default trends across the entire portfolio or – if needed – specific segments like loan product, customer profile, region and/or business unit.

## In Focus: Transition Matrix

A transition matrix is a tabular representation of arrears migrations specifying the likelihood of further deterioration towards default / write-off conditional to the current state of the receivable. It is the basis for PD assessment and ECL calculation in MSME banking, hence IFRS-9 compliant loan loss provisioning.



**Contact us**

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FS PortfolioGuard\_360 contributes to:

**8** DECENT WORK AND ECONOMIC GROWTH

**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE

**10** REDUCED INEQUALITIES

**16** PEACE, JUSTICE AND STRONG INSTITUTIONS

