

REUTERS JRISK - WHATS NEW

MANAGE RISK AND PROFITABILITY IN REAL-TIME AT EVERY STEP OF THE TRADE

Reuters JRisk is a real time risk management and analytics platform that combines cross-asset functionality with an application framework built on SOA technology.

It integrates trade-management operations, valuation and risk analysis, scenario analysis, P&L decomposition and trading scenarios and limits all within an open, flexible and extensible framework.

With access to reusable business components, the application framework enables you to leverage your investment in Reuters JRisk to support the evolving needs of your businesses.

You can quickly and predictably customize existing Reuters JRisk functionality to bring tailored solutions into production in short time frames. And unlike packaged or tool-kit vendor systems, you can build new applications during the implementation phase without relying on the strategic direction or roadmap of a software vendor.

Reuters JRisk enables you to accelerate development time for complex applications, reducing costs and improving ROI.

Reuters JRisk is used by global investment banks, and leading hedge funds and asset managers in the US, Europe and Asia.

FUNCTIONAL ENHANCEMENTS

Portfolio Construction and Optimization

Construct efficient portfolios using Quantal's proprietary optimizer. Impose your own views on expected return for equities by entering returns or ranked scores. Account for transaction costs and apply global, country, sector and security specific constraints.

Monte Carlo VaR Simulation

Simulate future values of instruments in a portfolio, taking into account the correlation of each of the instruments. Offered in conjunction with the historical simulation, the Monte Carlo feature re-values each instrument in the portfolio, using tens of thousands of potential sets of future market data.

Stress Testing and Scenario Analysis

Perturb key rates and view the effect on the portfolio value and risk. The Quantal forecasted covariance matrix is used to create consistent shocked market data. All instruments are then re-priced using the JRisk pricing engine. Both historical and user defined scenarios are supported.

Historical Value at Risk

Calculate value at risk by comparing the actual volatility of components or risk elements within a portfolio to the historical sensitivity of those components. This provides a range or distribution of possible losses. A single value at risk can then be calculated for the selected confidence level. Historical VAR is one of several different methods for calculating VAR in JRisk.

Real-Time Market Data Blotter

View configurable streaming market data by asset class in a customizable blotter. Features include streaming quotes and updated P&L, sorting and filtering of positions, user configurable columns and formatting, and the ability to save and share layouts.

New Risk Measures

- Correlation Matrix Delta
- Compound Correlation Delta
- Credit Name Analytic risk measure
- Parallel Correlation
- Net Notional Amount
- Notional by Maturity for CDO/CDS
- Notional by Date Maturity for CDO/CDS

Expanded Asset Class Coverage

- Corporate Bonds
- Bonds with embedded Options
- Equity/Index OTC Options
- Forward Rate Agreement
- Floating Rate Notes
- Convertible Bonds

TECHNICAL ENHANCEMENTS

The scalable architecture of Reuters JRisk has been extended to provide direct integration with Thomson Reuters market and reference data platforms. Users have direct access to [Reuters DataScope](#) pricing and reference data as well as [Reuters Market Data System](#) streaming and page based content.

For more information on Thomson Reuters risk management solutions contact your Thomson Reuters account manager or visit www.reuters.com/risk.

THOMSON REUTERS TRADE & RISK MANAGEMENT

Thomson Reuters is the largest provider of Trade and Risk Management solutions globally serving over 750 financial institutions. Thomson Reuters solutions offer sophisticated, tailored functionality at every step of the trade – from STP enabled front-to-back trading systems to enterprise wide risk management – allowing our customers to efficiently manage their market, credit and operational risks. And we have the global strength that is required of a long term strategic partner with more than 950+ risk professionals in 83 countries. Thomson Reuters was recently recognized as the “Best Trading System Vendor” in Risk magazine’s “Risk 20” awards.

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About Thomson Reuters

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