

RISK MANAGEMENT SOFTWARE PACKAGES SOLUTION FOR PERFORMANCE ASSESSMENT

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Abstract

This stuff is presenting a short introduction of the software application aiming to assess different types of risk for different types of interested users acting in different risk environments. A traditional targeted market for this application is the financial market place of any kind but also consulting companies doing BI projects, SME to multinational corporates, universities and Non and Governmental Organisation. The application has five different modules structured over three different difficulties levels, accordingly user's needs and skills. There is an entry, an intermediate and an advanced user access level dealing with assessment of SME- Corporate, Sovereign and Project / Portfolio Risk and Optimisation.

Keywords: Corporate Risk Rating , Sovereign Risk Rating, Investment Quantitative Analysis, Risk Assessment Software Solutions, Qualitative Corporate – SME Assessment

Risk Management Assumptions

a. About Types of Risk Management

- Commercial enterprises apply various forms of risk management procedures to handle different risks because they face a variety of risks while carrying out their business operations.
- Effective handling of risk ensures the successful growth of an organization.
- Various types of risk management can be categorized into the following:
 - Operational risk management: Operational risk management deals with technical failures and human errors
 - Financial risk management: Financial risk management handles non-payment of clients and increased rate of interest
 - Market risk management: Deals with different types of market risk, such as interest rate risk, equity risk, commodity risk, and currency risk
 - Credit risk management: Deals with the risk related to the probability of nonpayment from the debtors
 - Quantitative risk management: In quantitative risk management, an effort is carried out to numerically ascertain the possibilities of the different adverse financial circumstances to handle the degree of loss that might occur from those circumstances
 - Commodity risk management: Handles different types of commodity risks, such

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as price risk, political risk, quantity risk and cost risk

- Bank risk management: Deals with the handling of different types of risks faced by the banks, for example, market risk, credit risk, liquidity risk, legal risk, operational risk and reputational risk
- Nonprofit risk management: This is a process where risk management companies offer risk management services on a non-profit seeking basis
- Currency risk management: Deals with changes in currency prices
- Enterprise risk management: Handles the risks faced by enterprises in accomplishing their goals
- Project risk management: Deals with particular risks associated with the undertaking of a project
- Integrated risk management: Integrated risk management refers to integrating risk data into the strategic decision making of a company and taking decisions, which take into account the set risk tolerance degrees of a department. In other words, it is the supervision of market, credit, and liquidity risk at the same time or on a simultaneous basis.
- Technology risk management: It is the process of managing the risks associated with implementation of new technology

Software risk management: Deals with different types of risks associated with implementation of new software

b. Modelling Risk

Risk modeling is about modeling and quantification of risk. For the financial industry, the cases of credit-risk quantifying potential losses due, e.g., to bankruptcy of debtors, or market-risks quantifying potential losses due to negative fluctuations of a portfolio's market value are of particular relevance. Operational risk, quantifying potential losses incurred due to failing processes is a relevant issue for any form of organization.

Using Advanced Assessment Software Packages To Analyse Risk

a. Sme – risk knowledge – qualitative assessment

InSight SME is an online instrument that quickly and synthetically answers your daily business questions:

- Does the company have all the necessary resources?
- How big are the business risks?
- Does my company have any weaknesses?
- Can I increase profitability? How competitive is my business?

The online report generated by InSight SME is useful for both diagnosing and creating your company's business strategy.

inSight – Your business understanding

You have at hand an online learning toolbox that can assist in testing your level of understanding business - you will find out if:

The resources of the company are sufficient

The company can afford a certain exposure to risk

The company can increase its profit

The company is competitive

This report delivered by inSight is useful for financial diagnosis, risk assessment and through the complex process of creating your corporate development strategy.

inSight will help you mainly to better understand the main factors that make a business working and performant.

inSight is targeting to identify the competitive level and the risk factors of any type of business no matter the industry. The dimensions taken into account are the four elements of competitiveness and risk:

Apply the "Four C's of Competitiveness" in Your Non-Financial Analysis

The 4C of competitiveness

C1 – Critical thinking and the profile of the business

C2 – Capacity and the resources that the company has

C3 – Conditions of the internal environment

C4 – Costs and financial performance

Apply the "Four R's of RISK" in Your Non-Financial Analysis

The 4R of risk:

R1 – Market risk

R2 – Financial risk

R3 – Economic risk

R4 – Operational risk

inSight answers 4 essential questions for any business:

Should you apply for a credit or a financial aid?

Where does my company stand compared with the competitors?

How can I develop a realistic business plan?

Which are the milestones for the strategy of my company in the year ahead?

You have access to a learning toolbox aiming to evaluate the dimensions having an impact on the profitability of any business.

inSight is the ideal learning and testing environment to find out the appropriate answers for all these questions!

The report generated by FincoRating software platform through inSight contains information about the current situation of your company and also recommendations regarding future adjustments that can improve your organization's results.

Qualitative & Quantitative Scoring

a. Micro – eXpert™: Corporate

Micro - eXpert™ offers an in-depth view of a company's financial position, scores and analysis not found from other sources, predicting future payment habits, financial stability and comparisons to industry standards. You can make credit and investment decisions with even greater confidence.

Micro - eXpert™ is an informative, in-depth evaluation of a company's financial stability and other key qualitative factors. This easy-to-read report provides helpful data in predicting a company's potential financial stress and contains key information about a company, meant to help your organization:

- Identifies companies that have slow payment experiences or a company that may be undergoing financial stress
- Uses Business Ratios to help make sure a company has enough assets to pay you
- Compares a company to others in the same industry regionally or across your country
- Looks into the business background of a company's history
- Looks to assess the overall risk exposure of the company
- Looks to assess the interest rate value at which the company can borrow money and a S&P compliant rating note
- Looks to assess the management of resources and their flexibility to markets changes
- Assess the market value of the company using advanced formula to express a “near real” value

Micro - eXpert™ toolbox includes following functionalities:

- Quantitative and Qualitative Analysis based on accounting data
- Rating Reports using 15 financial ratio analyses dealt on five different categories
- Quick Assessment of the company's market value
- Five different analysis reports, with combinations of corporate and industry Analysis based on up to six years historical data series
- Possibility of doing rating simulation - “auto-rating” with personalized and updated data sets
- Credit Risk Assessment compliant with S&P and Fitch standards
- Possibility to search after several types of financial indicators, counties, cities, VAT no, Industry Code, Risk Indicators, Financial Capacity, Management Scoring etc.
- Huge financial data base with more than 50,000 active companies
- Graphics representation of the indicators and their dynamics
- User friendly access and navigation software system
- Industry standards and compliance fully implemented in *FincoRating™*

Introducing additional data, the user can get benefits of supplementary reports as:

- o Bank scoring (Conan Holder and Z - Scoring – Altman Model)
- o Equity Cash Flow Valuation
- o Capital Cash Flow Valuation
- o Free Cash Flow Valuation
- o Discounted Dividend Valuation
- o Dividend Growth Valuation

A noteworthy fact is that *Micro -eXpert™* generates a comprehensive current analysis and diagnosis report, based on the current business environment conditions, macroeconomic indicators, other local, regional and global macroeconomic key factors, as well as the potential risk exposure that may have an impact on company's future development.

The resulted analysis is completed by running parallel, correlating and real time rebalancing the results obtained from *Macro – eXplorer™* and *HR - assessment*.

Advanced prognosis and forecasting reports can be issued on demand, employing state of the art techniques using statistic, fractal, neural and genetic algorithms.

b. Macro – eXplorer™: Countries

Macro - eXplorer™ offers an in-depth view of a country's financial position, scores and analysis not found from other sources, predicting future payment habits, financial stability and comparisons to other countries or group of countries considered as benchmark.

You can make credit and investment decisions with even greater confidence when disposing advanced tools for searching, analysing and diagnosing macroeconomic local, regional or global trends.

Macro - eXplorer™ is an informative, in-depth evaluation of a country's financial stability and other key qualitative factors. This easy-to-read report provides helpful data in predicting a country's potential financial stress and contains key information about a country, meant to help your organization:

- Identifies countries that have slow payment experiences or a country that may be undergoing financial stress.
- Uses Key Macroeconomic Ratios to help, make sure that a country has enough capacity to repay its debt and not to endanger investors business environment
- Compares a country to others in the same category (EU, OECD etc.), regionally or across the world
- Looks into qualitative background of a country's history
- Looks to assess the overall risk exposure of the country
- Looks to assess the long term debt, the interest rate value at which the country can borrow money and a crediting a S&P compliant rating note
- Looks to assess country's financial management of resources and their flexibility to markets changes

Macro - eXplorer™ toolbox includes following functionalities

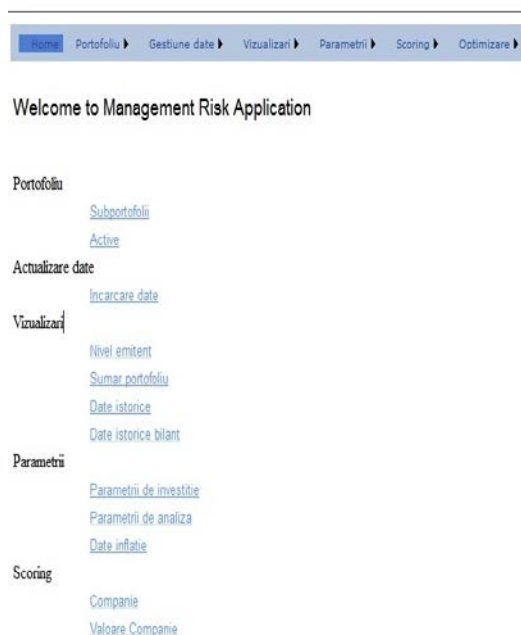
- Quantitative and Qualitative Analysis based on extensive macroeconomic data
- Rating Reports using 18 financial ratio analysis dealt on four different categories as:
 - Real Economy
 - External Finance
 - Spill – over
 - Country Risk Rating
- Five different analysis reports, based on up to six years historical data series
- Possibility of doing rating simulation - “auto-rating” with personalized and updated data sets
- Credit Risk Assessment compliant with S&P and Fitch standards
- Possibility to search after several types of financial key scoring indicators as:
 - Business Environmental Risk
 - Local Currency Risk
 - Credit Risk
 - Country Risk
 - Performance and Competitiveness
 - Vulnerability / Sensitivity
 - Heating / Cooling
 - Country's Financial Management and Governance
- Huge financial data base provided with all necessary accurate raw or ready to use data from IMF/WB, CMA, BIS, OECD and other reliable sources

- Graphics representation of the indicators and their dynamics
- User friendly access and navigation software system
- Industry standards and compliance fully implemented in *FincoRating*TM

A noteworthy fact is that *Macro -eXplorer*TM generates a comprehensive current analysis and diagnosis report, based on the current business environment conditions, macroeconomic indicators, other local, regional and global macroeconomic key factors, as well as the potential risk exposure that may have an impact on country's future development.

The resulted analysis is completed by running parallel, correlating and real time rebalancing the results obtained from *Micro – eXplorer*TM industry analysis and diagnosis. Advanced prognosis and forecasting reports can be issued on demand, employing state of the art techniques using statistic, fractal, neural and genetic algorithms.

Asset And Portfolio Risk Management Based On Quantitative Analysis



The Application is a complete solution for managing, reviewing, creating and comparing portfolios, portfolio performances and risk indicators and offers the possibility to optimize specific portfolios by various methods.

Lista subportofolii

[Adauga](#)

ID	Descriere	Port. securizat	Modificare	Stergere	Detalii
1	ETF		Edit	Stergere	Active
2	Derivate		Edit	Stergere	Active
3	Obligatiuni		Edit	Stergere	Active
4	Unitati de fond		Edit	Stergere	Active
5	Actiuni Internationale		Edit	Stergere	Active
6	Actiuni cu Lichiditate peste Prag		Edit	Stergere	Active
7	Actiuni cu Lichiditate sub Prag		Edit	Stergere	Active

The application is user-oriented, thus providing each individual with the possibility to create, modify, and delete any number of sub-portfolios merging into one big portfolio, initially based on the SIF's real portfolio.

The above mentioned portfolio structures can be compared at any time with the Market portfolio, resulting in a quick and accurate comparison between the Market's trend and the user's sub portfolios trends.

Parametri analiza

- ☒ Optimizare portofoliu
- ☐ Criterii optimizare
- ☐ Constrangeri optimizare
- ☐ VaR-CVaR
- ☐ Frontiera Eficienta
- ☐ Scoring

Optimizare portofoliu

Data start

01.01.2010

Data end

28.03.2011

Model analitic

Parametru	Valoare
Interrupere vanzari short	1
Pondere zero a activelor fara risc	2
Pondere zero a factorilor de refozinta	3
Impunerea margine superioara/inferioara	4

Save

Model istoric:

☐ Simulare Random cu Rebalansare Continua

☐ Simulare Crestere Valoare Portofoliu

☐ Simulare Drawdowns Valoare Portofoliu

☐ Simulare Valoare Portofoliu

☐ Rebalansare continua

☐ Rebalansare continua cu asigurare de portofoliu

The analysis parameters are the most important way the user interacts with the application by means of restricting and guiding many watch and optimization parameters.

Guidance parameters, such as the start date and end date of the watch interval per portfolio can be edited and indicators and other interval-sensitive reports will be recalculated accordingly.

Date istorice

Adauga sau Lichiditate sub Prag

Symbol	ALR	ALU	AMO	ARCV	ARS	ART	ARTE	ATLK	AVZU	BCM	BRM	CEON	CERE	CGC	CMCM	CMF	CMP	CNFG	CNTE	COBJ	CO
Description	ALRO S.A.	ALUMIL ROM INDUSTRY S.A.	AMONIL	IMOTRUST	AEROSTAR	ARTROM	ARTEGO	ATLAS GALATI	AURCON S.A. BUZAU	CASA DE MUCOVINA CLUB DE MUNTE	BERMAS	CEMACON SA ZALAU	CERAMICA	CUNION GROUP	COMCM	COMELF	COMPA	CONECTIA TG JIU	CONTEO	CONSTRUCTI BIIHOR	CON
Currency	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON	RON
Dividend Yield	5.5647	4.9748	0	0	11.3588	0	0	0	0	23.2856	7.7648	0	0	0	0	0	0	0	12.1545	0	0
Lower Bound	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Upper Bound	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Margin Constraint																					
Transaction Cost																					
Asset Class	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Country	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM	ROM
Market Capitalization																					
Start Date	22.12.2009	22.12.2009	22.12.2009	25.03.2005	18.12.2009	22.12.2009	20.12.2005	09.03.2006	23.12.2005	22.12.2009	18.12.2009	17.11.2009	09.03.2006	17.12.2009	09.11.2005	08.12.2009	22.12.2009	14.12.2005	23.11.2009	12.12.2005	14.12.2005
End Date	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011	28.03.2011
Lower Bound \$	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Upper Bound \$	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
28.03.2011	3.8100	1.4190	0.0160	0.0821	1.1300	1.6700	2.7500	0.0560	0.0335	0.0902	0.7900	0.0999	0.6010	0.0590	0.3095	2.1800	0.5000	24.0000	17.3500	29.5000	/
25.03.2011	3.7500	1.4120	0.0160	0.0825	1.0900	1.7500	2.7500	0.0560	0.0335	0.0902	0.7815	0.0999	0.6010	0.0590	0.3095	2.1800	0.4990	24.0000	17.7500	29.5000	7
24.03.2011	3.7000	1.4000	0.0160	0.0830	1.0900	1.7500	2.7500	0.0560	0.0320	0.0870	0.7815	0.0985	0.6100	0.0590	0.3095	2.1800	0.4900	24.0000	17.6200	29.5000	7
23.03.2011	3.7600	1.4190	0.0161	0.0823	1.1000	1.7000	2.7400	0.0500	0.0317	0.0870	0.7800	0.0970	0.6100	0.0590	0.3095	2.1800	0.4950	3.0000	20.3500	29.5000	7
22.03.2011	3.7000	1.4220	0.0157	0.0815	1.0900	1.7500	2.6950	0.0500	0.0325	0.0870	0.7900	0.0970	0.6050	0.0552	0.3105	2.1800	0.4900	3.0000	19.0600	29.5000	7
21.03.2011	3.6400	1.4200	0.0153	0.0800	1.0800	1.7500	2.6950	0.0500	0.0291	0.0870	0.7795	0.0970	0.6050	0.0546	0.3105	2.1800	0.4850	3.0000	19.7000	29.5000	7
18.03.2011	3.7000	1.4290	0.0154	0.0819	1.0800	1.7000	2.7000	0.0500	0.0300	0.0900	0.7900	0.0995	0.6050	0.0500	0.2700	2.1800	0.4850	3.0000	20.8900	29.5000	7
17.03.2011	3.7500	1.4300	0.0151	0.0820	1.0800	1.7000	2.7000	0.0500	0.0306	0.0900	0.7900	0.0997	0.6050	0.0575	0.2700	2.1800	0.4710	3.0000	20.8900	29.5000	7
16.03.2011	3.6500	1.4010	0.0150	0.0790	1.0850	1.6900	2.5030	0.0500	0.0315	0.0900	0.7900	0.0995	0.6050	0.0580	0.2700	2.1800	0.4670	3.0000	20.9000	29.5000	/
15.03.2011	3.8450	1.4900	0.0153	0.0808	1.1100	1.7700	2.8890	0.0500	0.0315	0.0900	0.8000	0.0999	0.6100	0.0600	0.2680	2.1800	0.4840	3.0000	21.9300	29.5000	7

The user is provided with, on demand, with a complete history of the transactional data filling a certain interval given as an editable parameter in the setup modules of the application.

This helps the user keep a detailed and accurate record of every transaction made over a specific symbol from the portfolio(s).

Sumar portofoliu

--Selectati--

Descriere generala	Nume indicator	Valoare	Descriere generala	Nume indicator	Valoare
Masurarea Randamentului Mediu	Rata de crestere in excess(%)	1,70	Masurarea Drawdown	Drawdown maxim relativ la portofoliu securizat (%)	43,83
	Rata de crestere in excess prognozata(%)	5,00		Drawdown mediu relativ la portofoliu securizat (%)	31,76
	Excess Mu(%)	1,76		Drawdown maxim cu rentabilitati cumulate(%)	0,00
Masurarea Riscului	Volatilitate(%)	2,71		Drawdown mediu cu rentabilitati cumulate(%)	0,00
	Value-at-Risk - Conditional(%)	20,48	Rata Dobanzii	Randamentul bancar al activului fara risc(%)	6,45
	Semi-volatilitatea (%)	2,90		Criterii de Parametrizare a Investitiei	Rata propusa a randamentului (%)
Value-at-Risk(%)	0,32	Prag lichiditate			50.000,00
Masurarea Performantei	Raportul STARR	-0,12			Deviatia standard minima (%)
	Raportul Sortino Ratio	-0,08	Configurare VaR-CVaR	Orizont timp (perioade)	5,00
	Raport de informatie instantaneu(%)	-3,20		Nivelul de Incredere(%)	95,00
	Alfa	-0,04		Portofoliu securizat	Valoarea de piata a portofoliului la data de sfarsit
	Skewness	-0,02	Portofoliu contabil ajustat		728.229.170,26
Indice de aplatizare excedentar (Kurtosis)	12,06	Valoare portofoliu securizat	1.013.394.988,55		
Risk Decomposition	Varianta sistematica(%)	0,00	Structura Portofoliului	Numarul Total de Instrumente Financiare	4
	Varianta nesistematica(%)	2,71		Numarul Total de Active	92
Sensibilitatea Portofoliului fata de Piata	Portofolio Beta (relativ la o singura referinta)	1,01		Numarul Factorilor de Referinta	
Volum&Cost (% din Capitalul Initial)	Costuri anuale		Intervalul de Timp Analizat	Marimea Esantionului de Test	443
	Volumul anual tranzactionat			Data Sfarsit	31/12/2010
				Data Inceput	01.01.2010

The portfolio summary shows a list of analytical indicators regarding fundamental information about a certain (sub) - portfolio over a specific time interval of user's choice and some of the application's working parameters which were initialized when the actual user was first created, to allow for further adjustment decision using the Analysis Parameters Setup Page.

The Black-Litterman Optimization Algorithm offers the possibility to optimize a certain sub portfolio or even the whole portfolio given as a standing basic objective the expected overall return which is user editable

The optimization can be done using the symbols' return calculated into RON or in their native currency.

The optimized structure can finally be saved for future use and reference.

Optimizare Risc-Performanta

Actiuni cu Lichiditate peste Preg ▾

☒ Preturi

☐ Rentabilitati

☒ Pret la nivel luna

☐ Pret la nivel zi

☐ Use Downside Risk Only

Numar iteratii: 10

Medie(%): 0.0231

Deviatie standard(%): 3.1968

Optimizare

Simbol	ALBZ	ARAX	ATB	AZO	BCC	BIO	BRD	BRK	COMI	DAFR	ELMA	IMP	INBO	OLT	PRSN	SNP	TEL	TGN	TLV	TRP
Limita inferioara	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Limita superioara	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Pondere	0.1500	0.3800	0.2200	0.1000	0.0400	4.4400	62.8200	0.3200	0.1000	0.0400	0.5400	0.0300	0.1800	0.0000	0.1000	6.2100	2.2600	5.2900	16.7600	0.0600

SIMBOL	PONDERE INAINTE OPTIMIZARE(%)	PONDERE DUPA OPTIMIZARE(%)
ALBZ	0.15	3.1596
ARAX	0.38	2.4405
ATB	0.22	0.5377
AZO	0.1	1.5164
BCC	0.04	3.2683
BIO	4.44	8.5204
BRD	62.82	9.1477
BRK	0.32	5.5823
COMI	0.1	1.6247
DAFR	0.04	2.884
ELMA	0.54	3.5755
IMP	0.03	2.1656
INBO	0.18	5.0261
OLT	0	7.7313
PRSN	0.1	8.835
SNP	6.21	8.1797
TEL	2.26	7.3053
TGN	5.29	8.8291
TLV	16.76	2.4674
TRP	0.06	7.2034

The Risk v Performance Optimization method takes into account the prices or the returns of the symbols in the portfolio calculated in daily or monthly time interval sequences. To optimize the portfolio the user has the option of using only the Downside Risk and must provide the number of iterations of portfolio structures combinations before judging the best one out of them.

PORTOFOLIU											
Indicator	Valoare	Indicator	Calcul la nivel de ZI		Calcul la nivel de LUNA		Calcul la nivel de TRIMESTRU		Calcul la nivel de AN		
			Portofoliu	Piata	Portofoliu	Piata	Portofoliu	Piata	Portofoliu	Piata	
Crestere economica	0,80	Randament VUAN			100,68		103,01		96,71		
Infatie	0,00	VaR	0,32	-0,10	-0,08	-0,22	-0,08	-0,46			
Cresterea industriei	-999,00	CVaR	20,48	17,82	14,34	14,68	19,19	10,90			
Volatilitate piata	0,00	Alpha	-0,04	0,00	-0,05	0,01	0,22	0,09			
Crestere potentiala piata	5,00	Excess Mu	1,76	0,00	1,75	0,01	2,02	0,09			
		Beta	1,01	1,03	0,95	1,03	0,49	1,03			
		Sortino	-0,08	-0,06	0,09	0,18	3,56	2,63			
		Rap. Info. Instantaneu	-3,20	0,59	-7,12	-1,50	54,69	37,71			

Unitati de fond											
Indicator	Valoare	Indicator	Calcul la nivel de ZI		Calcul la nivel de LUNA		Calcul la nivel de TRIMESTRU		Calcul la nivel de AN		
			Portofoliu	Piata	Portofoliu	Piata	Portofoliu	Piata	Portofoliu	Piata	
Crestere economica	0,80	Randament VUAN			100,68		103,01		96,71		
Infatie	0,00	VaR	-0,02	-0,10	-0,03	-0,22	0,11	-0,46			
Cresterea industriei	-999,00	CVaR	10,04	17,82	8,35	14,68	4,81	10,90			
Volatilitate piata	0,00	Alpha	0,00	0,00	0,15	0,01	-0,05	0,09			
Crestere potentiala piata	5,00	Excess Mu	0,00	0,00	0,15	0,01	-0,05	0,09			
		Beta	0,23	1,03	0,36	1,03	0,02	1,03			
		Sortino	-0,12	-0,06	0,45	0,18	-1,95	2,63			
		Rap. Info. Instantaneu	-0,20	0,59	23,68	-1,50	5,92	37,71			

Actiuni Internationale											
Indicator	Valoare	Indicator	Calcul la nivel de ZI		Calcul la nivel de LUNA		Calcul la nivel de TRIMESTRU		Calcul la nivel de AN		
			Portofoliu	Piata	Portofoliu	Piata	Portofoliu	Piata	Portofoliu	Piata	
Crestere economica	0,80	Randament VUAN			100,68		103,01		96,71		
Infatie	0,00	VaR	-0,07	-0,10	-1,05	-0,22	-0,25	-0,46			
Cresterea industriei	-999,00	CVaR	13,60	17,82	10,71	14,68	5,76	10,90			
Volatilitate piata	0,00	Alpha	-0,01	0,00	0,30	0,01	0,19	0,09			
Crestere potentiala piata	5,00	Excess Mu	0,85	0,00	1,17	0,01	1,05	0,09			
		Beta	0,83	1,03	0,71	1,03	0,78	1,03			
		Sortino	-0,13	-0,06	1,35	0,18	13,53	2,63			
		Rap. Info. Instantaneu	-1,36	0,59	28,31	-1,50	-8,41	37,71			

The Blue Diagram is an optimization surveying method that compares several indicators taken at day, month, trimester and year terms between the user's portfolios and the Market Portfolio.

Amongst the indicators that are compared, is The Market Volatility, VaR etc.

Home Portofoliu Gestiune date Visualizari Parametrii Scoring Optimizare																			
Date istorice bilant																			
Actiuni cu Lichiditate 2009 - T4																			
SIMBOL	ALR	ALU/AMO	ARCV	ARS	ART	ARTE	ATLK	AVZU	BCM	BRM	CEON	CERE	CGC	CMCM	CMF	CMP	CNFG	CNTE	C
Active imobilizate	1529251060	24087063	173229768	37192819	423412346	56283588	21632543	80177219	33960900	17690195	176372183	157555382	58190217	274255415	30455128	354928584	591964	4572219	1706
Active Circulante	727051212	68151573	64169636	66508478	389858380	80198277	7313623	33365014	6614999	11839525	6498723	12712807	66153875	20836808	40176471	97037622	2078973	6201409	2543
Furnizori		217149			5351748		0		0			8012355				6078999	33605	0	
Creante	122411666	27123670	9340484	25695909	104270198	31651400	5808512	13937797	1308464	3017064	2672585	804812	32901920	11771686	15407816	58442101	699093	2344088	984
Datorii>1an	90974280	119274	47534775	0	301045384	380884	2664655	6265424	0	1548439	98314840	41222334	2061894	10212988	0	120836313	0	0	26
Datorii<1an	68446068	28121160	83694986	18096309	199749785	61655136	3539688	39804738	382258	7066247	17081990	26307083	55804029	6256734	38770921	65765413	549931	1175007	1279
Capital subscris	356889568	6250000	30882651	29284133	291790748	24873443	5011627	42760627	16733960	15087134	24438965	57124984	15506333	23631688	13579505	21882104	600600	2284360	311
Total Vanzari	33647863	42622270			25497323	6394257	22187	1698368	2163449		222257	372144	4651965	7499416	261854	93401	212015	35245	29
Datorii Totale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Profit net	78216767	8353842	-11741470	10209987	-33336468	1915769	46177	3467421	1448950	1520488	1836684	4479591	1101124	200873	332356	543622	15416	1537570	152
Stocuri	309255042	20590484	51637270	16603505	285029727	46591854	1038616	19093978	120743	8787982	3223504	11593250	32613739	8725339	19031269	38307127	1078500	1532671	154
Cifa afaceri	1410481647	94289943	7980065	156808447	441696576	146705621	18916271	112951850	4568438	23456618	29019564	53078010	43873077	38568451	71056874	253632827	5063935	14497698	5433
Numar mediu salariatii	2825	283	20		1085		303	697	74			376				1543	344	501	

For every Symbol in the portfolio, the application stores important entries from the balance sheet data on which it calculates balance and company rating indicators.

Actiuni cu Lichiditate sub Prag ▼

ARCV ▼

Nume	BOOK	K Values	K Coeff	Marketing Value	Year terms
Active Imobilizate	121.549.203,4792	0,9000	K1	97.239.362,7834	2011
Creante	20.461.974,8018	1,0000	K2	20.461.974,8018	2011
Stocuri	128.303.815,2505	1,0000	K3	128.303.815,2505	2011
Capital subscris	32.893.111,5801			32.893.111,5801	2011
Cash si Conturi Bancare					2011
Datorii < 1 an	53.261.132,8458			53.261.132,8458	2011
Datorii > 1 an	97.977.440,2309			97.977.440,2309	2011
Furnizori					2011
BOOK VALUE	152.385.887,3049			128.076.046,6091	2011
Profit Net (an curent)	824.886,9319			878.587,0712	2011
Unlevered BETA		1,3018			2011
Rezultatul Asteptat al Investitiei		3,0000 %			2011
Profit Mediu	824.886,9319			51.967,8767	2011
Inflatie Medie		0,0653			2011
Profit Net Previzionat an_curent+1				55.363,0940	2011
Profit Net Previzionat an_curent+2				58.980,1310	2011
Profit Net Previzionat an_curent+3				62.833,4799	2011
Crestere Medie Anuala				0,0000	2011
Crestere An Curent - Medie Anuala				0,0000	2011
Valoarea Prezenta a Castigurilor Viitoare				12.573,8961	2011
Valoare Estimata a Companiei				128.088.620,5052	2011
Valoare de Piata Tranzactionabila	3,0000				2011
FINAL			BUY		2011
(Euro)				17.193.103,4235	2011

The Corporate Evaluation Module is using the above mentioned data, macro indicators and inflation data to compute a corporate evaluation sheet providing information about the company's evolutionary trend, the predicted profit of the future years and in the end the overall investment decision aid.

Actiuni cu Lichiditate peste Prag

ALBZ

Categorie	Denumire	AN	Valoare curenta	Valoare dinamica	Scor valoare curenta	Scor valoare dinamica	Industry Benchmarks
Financial Condition and Risk	11 - Quick Ratio (%)	2010-T2	0.6194	0.5840	0	0	>1
	12 - Current Ratio (%)		0.9043	0.9527	0	0	>2
	13 - Current liabilities to Net Worth (%)		0.5625	0.5771	0	0	<0.8
	14 - Total liabilities to Net Worth (%)		0.9156	0.9550	0	0	<0.8
	15 - Fixed Assets to Net Worth (%)		1.4070	1.4086	1	1	<0.75
	114 - Working Capital to Sales Ratio (%)		-0.0404	-0.0177	0	0	<0.16
	116 - Debt Ratio (%)		0.1844	0.1933	0	0	<1
TOTAL					1	1	
Personnel Efficiency and Risks	16 - Collection Period (days)	2010-T2	86.9927	60.3477	1	1	<30
	17 - Inventory Turnover (days)		43.8647	40.2175	1	1	<60
	113 - Industrial Productivity (x1000 currency/employee)		215639.6052		1		>0.15
TOTAL					3	2	
Management Efficiency	110 - Profit Margin (%)	2010-T2	0.0193	0.0113	0	0	>6000
	111 - Return on Assets (%)		0.0135	0.0103	0	0	>0.045
	112 - Return on NetWorth - Return on Equity (%)		0.0258	0.0203	0	0	>0.08
TOTAL					0	0	

Categorie	Denumire	Valoare curenta	Valoare dinamica	Scoring individual curent	Scoring individual dinamic
Risk Scoring (RS)	Credit	1		BB	
	Market / Operational	2	2	BBB	BBB
TOTAL		3			
Financial Condition Scoring (FCS)	Current Financial Condition	0	0	CD	CD
	Current Solvency	0	0	CD	CD
	Recommended Maximum Current Credit Limit	2873150			
TOTAL		0	0		
HR Performance Scoring (HRPS)	Management Efficiency	1	1	BB	BB
	Personnel Efficiency	1		BB	
TOTAL		2			
Results		1			
General_scoring_results		BB			

Rating Grades
(RS,FCS,HRPS)

ID	Nume	Descriere
0	CD	(RS): All Risks High Exposure Degree, (FCS): Critical Solvency / Liquidity, (HRPS): Poor management of existing HR
1	BB	(RS): All Risks Significant Exposure Degree, (FCS): Poor Solvency / Liquidity, (HRPS): Deficient management of existing HR
2	BBB	(RS): All Risks Average Exposure Degree, (FCS): Average Solvency / Liquidity, (HRPS): Average management of existing HR
3	AA	(RS): All Risks Low Exposure Degree, (FCS): Good Solvency / Liquidity, (HRPS): Good management of existing HR
4	AAA	(RS): All Risks Very Low Exposure, (FCS): Very Good Solvency / Liquidity, (HRPS): Very Performing management of existing HR

This is another type of evaluation of a specific company based also on the balance sheet data and indicators that resume in the commonly used Rating Grades (RS, FCS, HRPS). The rating grades provide instantaneous overall synthetic information on the company's past evolution, actions and/or gains, making use of a simple codification listed below the rating table.

Conclusions

The described software application is taking the user through a path of challenges when aiming to assess different kind of risks encountered in his/ her day-by-day business activity.

Here the user is facing a new way to evaluate its company business environment getting all necessary tools to make better decision that are leading to an improved financial performance and enhanced competitiveness among company peers.

The software solutions are using state of the art clearly defined and large scale recognized algorithms and computational methods for risk scoring, rating and the usual quantitative

methods as well as in house developed algorithms used to report, compare and benchmark the resulted data.

One of the most important of all functionalities is the way the modules and functions of the application can be combined to generate complex risk assessment solution on different business or investment environments.

Here the application is not only quantifying and assessing different kind of risks generating diagnosis but also is coming with solutions of what can be done to minimize, convert or divert the given risk.

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