

SAS Newsletter

Issue No.1650/IT - September 2014

“Risk is like fire: If controlled it will help you; if uncontrolled it will rise up and destroy you” Theodore Roosevelt

“Wise men say, and not without reason, that whoever wished to foresee the future might consult the past” Machiavelli



Agile SAS solution helps firms master model risk governance and strategic demand

Firms need an agile model risk management system in order to react swiftly to regulatory and businesses dictated changes and rapidly build and validate new models.

SAS provides complete documents and workflow management, regardless of model type or development technology. Additionally SAS could assess and formalize whether a candidate meets the qualifying model criteria while partitioning model validation responsibilities at any level.

Figure 1: Chartis RiskTech Quadrant® for model risk management systems





Regulatory Capital Management

One of the main benefits of SAS Risk Management is that it complies with Basel 2 and Basel 3, and accommodates varying interpretations of the guidelines across multiple jurisdictions.

Furthermore, demonstrating how economic cycle especially downturns will affect risk based capital requirements across multiple future time horizons throughout the life of each exposure. Additionally integrate credit scoring/internal rating system with credit portfolio risk assessment processes, including user defined pricing and valuation models.

Credit Risk (Basel III)

Increasing the compliance requirements banks are already facing, the new Basel 3 regulations imposes higher capital costs for credit risk.

What are the benefits?

- Reduce your credit risk capital requirements
- Make smarter lending decisions
- Monitor loan portfolios more effectively
- Track and aggregate portfolio performance
- Manage large number of calculations with ease
- Optimize credit portfolios

Basel III Compliance

Institutions are getting ready for Basel III, which must be processed by 2019. In addition Basel III requires a focus on effective risk management based on a companywide risk framework and stricter governance.

Basel III seeks to enforce a more reliable, standardize and securely operating, environment for the banking system. The accord advises how much capital banks must set aside to guard the bank against financial and operational risk and liabilities.

To unsubscribe from the mailing list, please [click here](#)

For more information, enquiries and events please do not hesitate to contact: **Ranjith Kumar** on ranjith.kumar@keypoint.me or **Chahira Ashcroft** on chahira.ashcroft@keypoint.me