

## Global Exposures Monitoring (GEM)

Enforce your risk practices with an efficient, real-time system that allows you to monitor and manage limits of your global exposures across all your business units and activities worldwide.

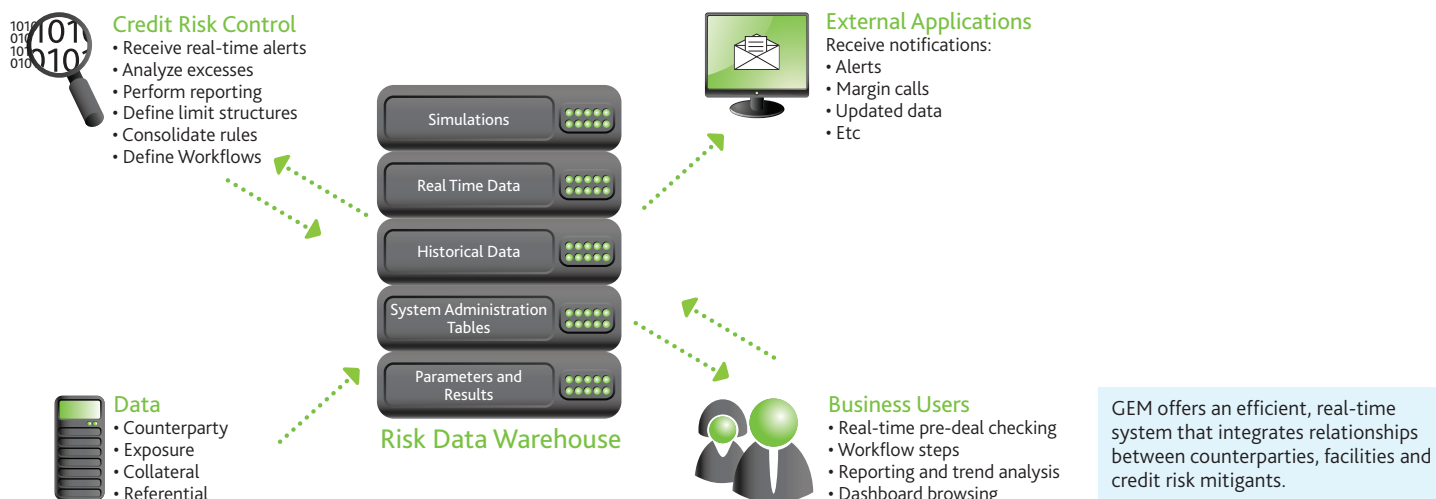
### The Challenge: Managing exposures and limits across your institution's overall portfolio

Management needs a global, accurate and comprehensive view of its exposures in order to improve and strengthen its businesses. This information is often challenging to obtain because exposures and limits are often gathered in separate systems throughout the organization. The process of exposure aggregation and limit checking is usually manual, and inefficient, and incomplete due to additional complexities.

For example, an institution may be exposed to a specific counterparty (or its subsidiaries) directly through loans or over-the-counter (OTC) derivatives in any part of the world or indirectly via guarantee protections or credit default swaps (CDS) issued by the counterparty. On top of that, concentration risk has to be monitored not only for counterparty but also for other relevant business dimensions such as geography, industry, rating classes or types of products.

### Flexible Risk Policy Monitoring and Management

Fermat GEM provides a wide range of services required to enforce a risk policy such as exposure monitoring, limit setting, alert detection, pre-deal checking and automated reports production. It enables you to implement your own risk practice across your organization, providing all the relevant indicators, alerts, limit sharing or overriding capacities and reports to the relevant stakeholders depending on their profiles. The solution allows exposures and limits to be shared in one single system and automates the limit checking/monitoring process. Bundled with Moody's Analytics Workflow or your own, GEM is also a solid foundation for your internal credit approval or loan origination processes.



## Effective Portfolio Analysis and Control

GEM offers an integrated system and the capability to effectively link relationships between counterparties, facilities and credit risk mitigants. Features include:

- » Enterprise-wide calculations of direct and indirect consolidated exposures across banking, insurance and trading books
- » Support of credit risk mitigation techniques
- » An efficient, flexible, scalable risk framework to implement a wide range of risk policies
- » A powerful embedded rules engine to set automatic limits and detect alerts, such as an automated notification when a new exposure is booked on a defaulted customer or when a limit is breached
- » Different types of metrics and exposure profiles (point in time or amortization profiles over time) can be used to estimate exposure and set limits
- » Reports and the ability to chart business activity over any dimension

## The Difference: Highly Adaptable with 24/7 Availability

GEM is highly flexible and allows easy implementation of the most complex business rules due to its robust customization framework. It can handle massive volumes – over five million risk points and 50 million individual impacts. The solution is built to provide support in multiple time zones and to be available 24/7 on a real time basis. It can be interfaced easily with your internal back or front office systems and become the foundation of your internal processes, such as credit approval, loan origination and limit allocation by your credit committee. Fermat GEM calculates exposures and limit usage at every level of granularity making drilling down to detailed information easy.

## The Product Family

Moody's Analytics offers the following products that can be integrated with GEM to form a comprehensive enterprise risk management (ERM) solution.

- » **Moody's Analytics Workflow Solution:** Combine with GEM for standardization of risk management processes such as underwriting, risk rating, credit approvals and portfolio monitoring
- » **RiskAnalyst:** Measures counterparty risk by combining financial spreading, comprehensive credit analysis and robust data storage using one flexible, secure enterprise platform. Combine with GEM and Workflow to manage your loan origination processes.
- » **CAD:** Calculates Basel regulatory capital over your entire portfolio
- » **RAPM:** Calculates risk adjusted profitability across business units, products, industry sectors or customers
- » **RiskFrontier:** Portfolio management tool used to analyze credit risk and calculate economic capital across diverse asset classes

## About Moody's Analytics

Moody's Analytics provides strategic solutions for measuring and managing risk. We put the best practices of the entire world of credit, economics and financial risk management at your fingertips, helping you compete in an evolving marketplace. In addition to distributing the credit ratings and proprietary research of Moody's Investors Service, we offer training and risk management support services as well as leading-edge software that is tuned to your business challenges and powered by sophisticated models.

We encourage you to try Fermat GEM for yourself. Please contact Moody's Analytics to learn more, arrange a trial or schedule a personal demonstration. E-mail us at [clientservices@moody.com](mailto:clientservices@moody.com) or use one of the numbers below:

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