

Piraeus Bank became the first bank in Greece with an integrated financial analysis system for ALM, liquidity and exposure management.

The Challenge

Due to major changes in the organization, Piraeus Bank required an integrated financial analysis system that could:

- comply with the regulatory requirements
- provide top management with reports that are easy to review
- implement common practices in understanding and measuring risk across the whole organisation

The tool had to be compatible with the MiSys Equation back-office system being used in the bank. The evaluation process started in 2000.



The Results

After a detailed analysis of the offering at conceptual and technical level, Piraeus Bank selected **riskpro™**. The main arguments as put forward by Mr. Anthony Dragiotis, Risk Manager, were: “**riskpro™** answered our needs successfully since it is designed according to common risk management practice. Through a relatively easy to implement process, it delivers early results and fast coverage of business needs at reasonable costs.”

The implementation of the first phase lasted 6 months. **riskpro™** is used today by Piraeus Bank on a daily base for ALM, Market Risk, liquidity and exposure management. The major benefits as quoted by the bank are: “Monitoring business development on a consistent basis, integrating risk related data into a common data model, providing standard analysis reports for market and liquidity risk.”

Piraeus Bank Profile

Piraeus Bank is the parent company of Piraeus Group. It was founded in 1916 and it is the fourth largest bank in Greece.

Group figures in June 2007.

Total Assets: € 37,276 mn.

Staff: approx. 10'200

Branches: 304 in Greece and 270 abroad.

Head Office: Athens

Start of production with riskpro™: July 2001

About the riskpro™ implementation

The implementation started in July 2001, after a thorough technical analysis information engineering team. The implementation for Athens and London was managed by the Head of Risk Management out of Athens. It started with the implementation of ALM static reports, followed by the value at risk methods, the dynamic simulation and finally the credit risk exposure. Thanks to the good technical documentation and the availability of an in-house risk data model, the implementation of ALM static analysis was a matter of a few months. The required support from IRIS consultants for this phase was practically limited to 10 days of training and modeling support. The remaining support from IRIS was covered by the IRIS support and maintenance agreement. The fast first results and the respect of the budgeted time and cost frame made it a successful project.

riskpro™ Configuration at Piraeus Bank

Analysis Methods

- Exposure Analysis (Sensitivity and Advanced Gap)
- Value Exposure
- Dynamic Simulation
- Historisation
- Credit Exposure (current, advanced, potential)
- CAD Credit Risk
- CAD Market Risk

Covered Instruments

- Undefined maturities (savings, deposits)
- Defined maturities (mortgages, annuities)
- Stocks, commodities, indices
- Symmetric derivatives
- Options (FX-, IR, put/calls, swap)

Utilities

- Global Analysis Database
- Selection/Aggregation
- Contract and Event Viewer

Architecture / Number Of Users

- Client/Server
- 3 concurrent users
- 6 registered users

Contact

IRIS integrated risk management ag
Bederstrasse 1
P.O.Box 8027
CH-8002 Zurich
T +41 (0)44 388 59 59
F +41(0)44 388 59 00
www.irisunified.com
info@irisunified.com