



FIS' FastVal | OTC Derivatives Independent Valuations Service

Industry overview

Today's derivatives markets are shaped by demanding operational requirements and increasing scrutiny from regulators, auditors and investors. Transparency and third-party validation of valuations have become central to the reforms sweeping through the derivatives industry, from the standard OTC central clearing, the prospect of mandatory generalized collateralization of OTC derivatives, to regulations reporting such as EMIR, Dodd-Frank, PRIIPS, UCITS, FAS157 and IFRS9.

Independent valuations are now the foundation of effective, responsible portfolio and risk management, it is no longer adequate to rely solely on originating brokers or counterparties for valuations. Complementing own valuation systems, independent valuations also serve as early warnings, enabling institutions to cross check their position value, validate their profit and loss, accurately assess the risk of derivatives trades and take corrective action long before positions become problems.

Solution overview

FIS' FastVal enables OTC derivatives actors to gain a clearer, more accurate understanding of the value of their derivatives positions, whatever their investment strategy or the instruments complexity. Providing a comprehensive library of independent, standard of the market and state of the art models for OTC derivatives pricing, the service can help assess the pricing and the risks of derivatives trades and ensure that complex OTC derivatives are correctly collateralized.

Turn data into insights, enhance risk management and respond to market opportunity



Comprehensive coverage of products and asset classes

Access high-quality data and pricing models for a complete range of positions

Ensure the highest quality of data for pricing models without having to collect, cleanse and store data in-house. Value an **exhaustive** range of positions and holdings, from vanilla options to the most complex structured products. Upload automatically standard instrument types to the FastVal using templates through the API or define the more complex products through a intuitive language according to term and pricing structure.

Improved transparency

Gain confidence in derivatives valuations. Obtain a detailed understanding of the pricing models used for independent valuations and the market data used. View white papers on the models, the calibration figures involved, and the data series used, to the level of each individual data point. Access the expertise of a dedicated team of financial engineers and quantitative analysts for further explanation of models, mismatch analysis and how market data is incorporated and used to value your holdings and positions.

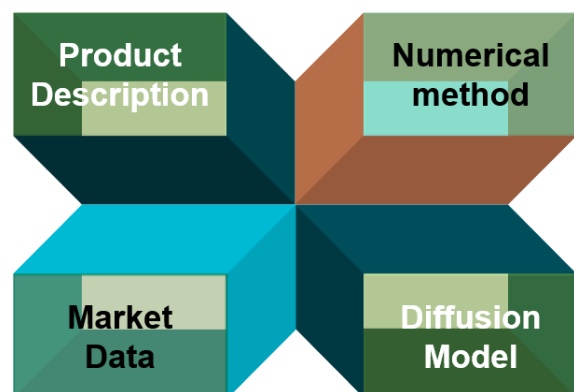
FastVal helps financial institutions comply with regulations including the EMIR regulation, the Dodd-Frank Act, Financial Accounting Standard, and International Financial Reporting Standards.

As well as validating internal or counterparty pricing, FIS' FastVal enables the structuring of new OTC products. By ensuring wholly independent valuations, it demonstrates a firm's commitment to transparency to investors and regulators.

Enhanced risk management

View a range of sensitivity measures. See clearly what drives the value of your portfolio by viewing a range of sensitivity measures (Greeks) for a multitude of assets classes and the portfolio as a whole. Measures available through FastVal include Deltas, Gammas, Vegas, Rhos and Thetas, percentiles, historical scenarios.

FIS FastVal's expertise covers all the pricing components, with standard of the market and state of the art models, language, numerical method and database.



Intraday Valuation

Price products up to four times a day. Produce valuations when your clients require them, with feeds taken round the clock from exchanges and other data providers. Obtain independent valuations of positions up to four times a day, taking less than a minute for simple portfolios. Preset valuations to run automatically or on demand, and export reports and valuations in CSV or PDF format for automatic downstream processing, further analysis or management and stakeholder reporting.

Increased efficiency, flexibility, scalability

Automate processes and control access.

Use predefined interfaces to easily upload portfolios and holdings from your own systems into FastVal and feed back the resulting valuations. Automate such valuation processes for increased efficiency and lower costs, while supporting scalability as volumes fluctuate. When different teams and individuals – including investors – need access to the system for different purposes, use flexible permissioning functionality to authorize and control usage.

FastVal handles positions from vanilla to highly complex derivatives on all asset types:

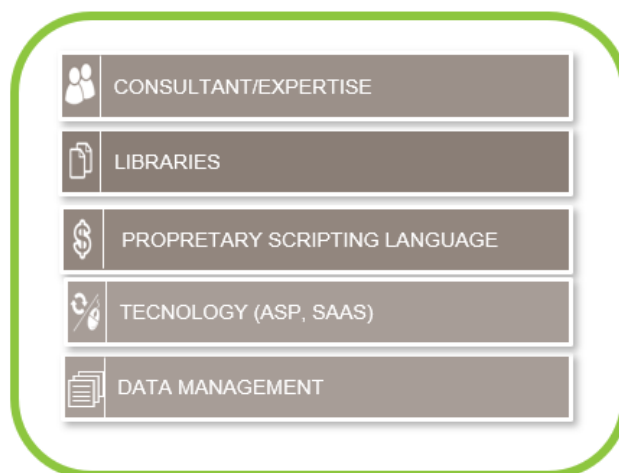
- Interest rate
- Inflation
- Cross-currency and FX
- Commodity
- Equity and Indices
- Hybrid
- Complex structured products
- Credit CDS, CDS tranch, CDO

Achieve timely, cost-effective independent valuations with FastVal.

- SOC1 Type 2 certified
- SaaS solution
 - Maintenance
 - Data complimentary
 - Full transparency
- Onboarding mechanism (in 24h)
- Dedicated derivatives expert team
- Highly integrated (API, customizable)
- Outsourced or owned by client
- Flexible Payment model following consumption.

Hosted, continuous service and seamless upgrades

Reduce upfront costs, disruptions and dependency on internal resources. Deploy FastVal on a software as a service (SaaS) basis, fully hosted by FIS and accessed via a web browser, to reduce infrastructure costs, time to market and dependency on your own resources. Benefit from seamless upgrades, with refinements and additions to models following regulatory and market change, taking place with no disruption – ensuring service continuity.



CDS example

CDS Result	
	Value
Dirty Value (Cash)	-0.332
Dirty Value (bps)	-33.150
Clean Value (Cash)	-0.332
Clean Value (Bps)	-33.150
Premium Leg PV (Cash)	-5.840
Premium Leg PV (bps)	-584.032
Floating Leg PV (Cash)	5.509
Floating Leg PV (bps)	550.882
Accrued Premium (bps)	-0.000
Implied Spread (bps)	112.254
Fair Premium (bps)	113.189

Full information transparency, displaying:

- Trade parameters
- Market data used,
- Calibration method
- Modelling
- Model Documentation
- Payoff
- Past fixings used
- Cash flow schedule
- Intrinsic value
- Valuation results
- Price components

The screenshot displays the FIS FastVal interface for a CDS valuation. The top section shows 'Product Editor' with fields for Name (CDS DB), Client Reference, Nationality (100), Effective Date (26-Sep-2018), and Maturity Date (26-Sep-2023). It also includes 'Portfolio Dates' (Valid From: 26-Sep-2018, Valid Until: 26-Sep-2023) and 'Reference Entity' (Deutsche Bank AG). The 'Basis' is set to ACT/360, 'Frequency' to QUARTERLY, and 'Premium Rate' to 120. The 'Main Variable' is 'dirty value (cash)'. Below this, the 'Product Valuation' tab is active, showing a tree view of 'Valuation' components: Deposits, Deutsche Bank AG, EUR, Futures, Swaps, and YieldCurves. To the right, the 'CreditCurveData' table shows tenors (3Y, 4Y, 5Y) and premiums (84.020, 99.110, 113.105). A 'Deutsche Bank AG' section shows a 'RecoveryRate' of 0.400.

FIS FastVal can help

Founded 20 years ago in London, FIS FastVal is specialized in providing risk management and OTC derivative valuation solutions. Throughout the years, FastVal has acquired expertise and now serves more than 100 clients worldwide including banks, insurance, asset managers, regulatory bodies and audit firms.

Thanks to its financial engineer specialists, its sophisticated financial models and its flexible proprietary pricing language, FastVal can respond rapidly to new local and international regulations both in terms of independent valuations, sensitivities, scenarios, market and credit risk, Initial Margin, Best Execution, mismatching Disputes, CVA, XVA.

Contact FIS' FastVal on email getinfo@fisglobal.com.

About FIS

FIS is a global leader in financial services technology, with a focus on retail and institutional banking, payments, asset and wealth management, risk and compliance, consulting and outsourcing solutions. Through the depth and breadth of our solutions portfolio, global capabilities and domain expertise, FIS serves more than 20,000 clients in over 130 countries. Headquartered in Jacksonville, Florida, FIS employs more than 47,000 people worldwide and holds leadership positions in payment processing, financial software and banking solutions. Providing software, services and outsourcing of the technology that empowers the financial world, FIS is a Fortune 500 company and is a member of Standard & Poor's 500® Index. For more information about FIS, visit www.fisglobal.com.

