



# *Asset/Liability Management*

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Asset/Liability Management professionals demand solutions that enable sophisticated dynamic modeling and financial statement simulation using the latest financial techniques. To manage risk effectively you need to look beyond the interest rate risk accounting perspective of the balance sheet to incorporate all relevant risks. You need to model customer behavior, bank strategy, interest rate scenarios and a wide range of other economic variables.

CBB brings customers the power of Ambit Bancware ALM<sup>4</sup> through its partnership with FNBB Capital Markets. This system provides complete multidimensional analysis of the balance sheet, incorporating interest rate risk, income simulation and market valuation using deterministic modeling.

***Ambit Bancware ALM<sup>4</sup> includes:***

- Flexible, scalable component-based architecture and object-oriented modeling environment.
- Unlimited modeling capabilities and unlimited flexibility in the definition of business assumptions.
- Tight integration with Microsoft Excel to provide flexible and powerful reporting.

***Benefits:***

- Measures risk from both the accounting and economic perspectives to see the possible effects to net interest income, net income, and market value of portfolio equity under a variety of interest rate environments.

- Projects cash flows, earnings, projected reinvestment, and projected present values as they would develop over time based on assumptions you provide. The process is repeated for other interest rate scenarios to measure differences.
- Provides a more accurate assessment of risk to earnings at a given time vs. GAP analysis because of the ability to measure fluctuations in earnings for given rate scenarios over given time periods.

***A Certified ALM Program***

The Ambit Bancware ALM<sup>4</sup> model was independently certified by McGuire Performance Solutions (MPS). This independent program verification is viewed as meeting suggested decision risk assessment processes described in regulator model-related governance. The certification earned a grade equivalent to an "A." According to the MPS Executive Summary report, the FNBB program is acceptable by both business and regulatory standards. Processes, report content, and user controls are well defined and expertly executed in the program.

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