

Structured Securities Quotation System

FMR STRUCT

FMR STRUCT is software that allows pricing a large variety of structured securities as well as doing wider analyses. It is an advanced and powerful system, but above all it is flexible and concise.

Concise because it is able to clearly underline and summarise the value of the different securities' components, obtained from the large amount of information used during the calculation.

Flexible and **easy** to use because it is based on an Excel interface like FMR Consulting's best products.

The Functionalities

The application is composed of two components; a database and an Excel worksheet. The database allows storing the planned, built and produced securities.

For the evaluation, the system is based on different mathematical models and on a set of financial libraries that focus on an Excel interface. The whole system may be linked in real time with any platform and therefore with the related data contributors.

With FMR STRUCT, is possible to analyse structured securities based both on basic rate derivatives, such as cap and floor, swaptions, bermuda option, and on equity derivatives.

FMR STRUCT is the perfect system to evaluate Reverse Floaters, Constant Maturity Swaps and Reverse Swaps as well as Index Linked securities using an evaluation model for Asian options and Reverse Convertibles.

Architecture

FMR STRUCT is a powerful, reliable and easy to use system thanks to an Excel interface which allows utilising all the functionality immediately.

Moreover, the product's general architecture make it easily customisable, in order to always satisfy the different operators' requirements.

Security assembly: data input

In order to assemble the security, one must be used the specific data input worksheet that allows defining the security's different features, rebuild the cash flows and establish what implicit options influence the security. Once a name or a code has been assigned to the security, it may be saved and then recalled from the database.

In order to rebuild a security's coupons it is possible to use money market and swap rates.

Security assembly: options

During assembly time the following models are available: Caps Floor, Bermuda Swaptions, Asian Options and Barrier Options.

Security evaluation: evaluation sheet

In the evaluation worksheet, all the values related to each security's components and, consequently, the prices are summarised. The indicators are calculated with reference to market rates at evaluation time and considering the volatility of caps, floors and swaptions quoted on the market.

In order to recall the securities in the database they are selected by a menu option that performs a quick search and an efficient visualisation.

Support Sheets: volatility

The volatility worksheet uses volatility quoted on the market to evaluate the security.

It is possible to work with bid or ask volatility for cap and floor or, for all supported options, to insert manually customised volatility.