

# Managing Mortgage Portfolios

Accurately hedge and manage exposure on mortgage and loan portfolios

## Powerful Portfolio and Risk Analytics

FINCAD F3 helps you make improved portfolio management and hedging decisions and can be used to:

- Manage long-dated asset and liability portfolios
- Accurately hedge your portfolio
- View risk on your portfolio of derivatives, liabilities and assets
- View analytics on all or part of your portfolio
- Optimise hedging strategies
- Easily model long-dated interest rate swaps
- Stress test a portfolio and perform scenario analysis
- Value assets and build curves with a flexible analytics framework

## The Challenge

Hedging long-dated assets such as mortgages or loans can be difficult to manage and optimise. Subsequently, once you have a portfolio of instruments, understanding where your risk lies and how this risk might change over time can be challenging. Many firms are not equipped to model key areas such as market stress and market shocks, which only increases risk.

Financial firms will often look in great detail at how their loan portfolio will behave should interest rates, pre-payment rates and default probabilities change, but often they lack the analytics on their hedge portfolio for pricing and managing risk on more complex assets. This presents problems, particularly as regulatory demands increase for firms to do independent valuations to check counterparty valuations, trading valuations and pricing.

## The Solution

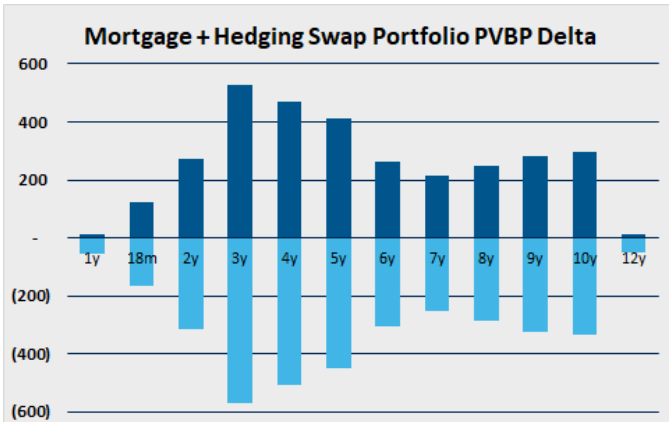
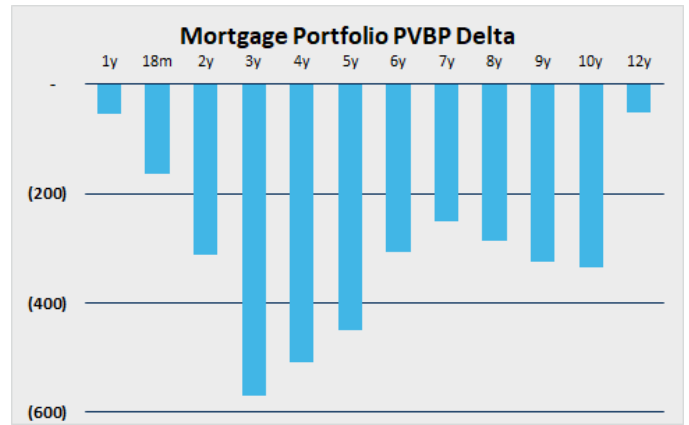
FINCAD F3 is a powerful portfolio and risk solution offering best-in-class analytics for multi-asset financial instruments across your entire portfolio, empowering you to better understand and manage risk on that portfolio. At FINCAD, we specialise in analytics for derivatives and fixed income and have extensive expertise in long-dated instruments; and optimising asset and liability portfolios.

## How You Benefit

- Be more proactive about portfolio management and hedging with fast, accurate pricing, valuation and risk calculations
- Improve trading and hedging decisions with best-in-class and more timely trade and portfolio analytics

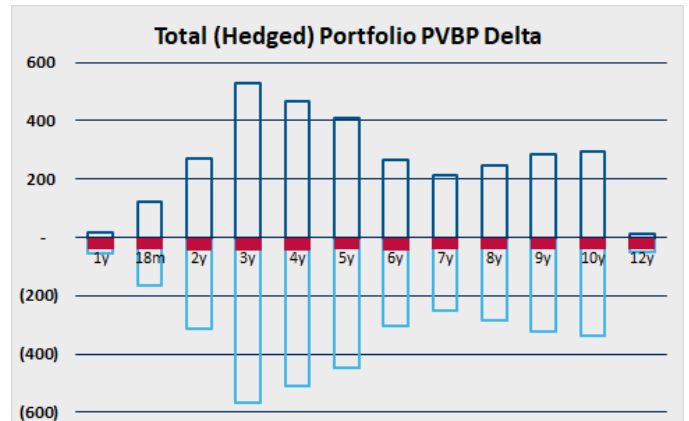
# Mortgage Portfolio Hedging Example

View the interest rate exposure of your mortgage portfolio by time period.



Calculate the offsetting hedges in the instrument, currency and time periods of your choosing.

View the net interest rate exposure of your mortgage and hedge portfolio by time period.



Vancouver  
New York  
London  
Dublin

[fincad.com](http://fincad.com)

in

**FINCAD**<sup>®</sup>

## Take the next step

FINCAD is the leading provider of enterprise portfolio and risk analytics for multi-asset derivatives and fixed income. An industry standard since 1990, our advanced analytics, flexible architecture and patented technology enable financial institutions to make better investment and risk decisions. Our goal is to provide our clients with solutions that help them achieve their goals, with no compromises. Clients include leading global asset managers, hedge funds, insurance companies, pension funds, banks and auditors. For more information, visit [www.fincad.com](http://www.fincad.com).

### Contact Sales :

USA/Canada 1 800 304 0702 Europe 00 800 4400 5060 Email [info@fincad.com](mailto:info@fincad.com)