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RISK MANAGEMENT | DERIVATIVES | STRUCTURED PRODUCTS

www.savvysoft.com
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Technology Rankings 2006

Savvysoft comes out as top analytics
supplier for the third year in a row





This year's Risk survey had a record number of respondents, and the competition was ferocious. But one thing remains the same – Savvysoft has come out as the top analytics supplier for the third year in a row

Race for the prize

OVERALL RESULTS

Top technology vendors

| Rank | Vendor | 1st places | 2nd places | 3rd places |
|----------|---------------------|------------|------------|------------|
| 1 | Murex | 7 | 11 | 5 |
| 2 | Algorithemics | 6 | 4 | |
| 3 | SunGard | 4 | 9 | 9 |
| 4 | Savvysoft | 3 | 1 | |
| 5 | Misys | 2 | 1 | 1 |
| 6 | Calypso | 2 | | 4 |
| 7 | Imagine | 2 | | 1 |
| 8 | Fermat | 1 | | 2 |
| 9= | CI3 | 1 | | 1 |
| 9= | Sophis | 1 | | 1 |
| 11= | Reuters | 1 | | |
| 11= | SuperDerivatives | 1 | | |
| 13 | Numerix | | 2 | 3 |
| 14= | Openlink | | 1 | 1 |
| 14= | SAS | | 1 | 1 |
| 14= | Wall Street Systems | | 1 | 1 |

How the survey was conducted

Risk polled thousands of banks, hedge funds, pension firms, insurance companies and corporate treasuries for this year's technology rankings, and received 1,160 valid responses. Respondents were asked to vote for the technology vendors that provide the best product offering across a number of categories, including market risk, credit risk, trading systems, analytics and front- to back-office systems.

Participants were asked to base their votes on functionality, usability, performance, return on investment and reliability. Nominated technology companies were awarded three points for a first-choice vote, two for a second-choice vote and one point for a third-choice vote. Only technology end-users were allowed to vote. *Risk* conducted a comprehensive due diligence process, and disqualified all votes deemed to be invalid.

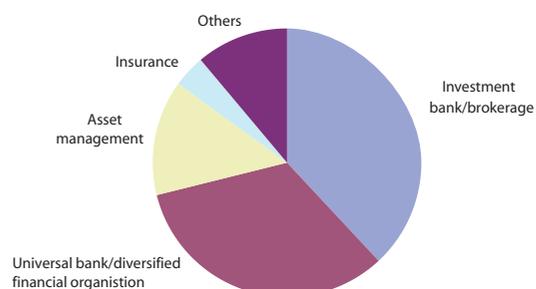
In the analytics categories, New York-based Savvysoft has performed strongly, topping the cross-asset, rates and structured product analytics categories, and finishing in the top five in credit, commodities and foreign exchange. The company also ranked fourth in market risk, giving it an overall position of fourth in the *Risk* rankings.

Rich Tanenbaum, Savvysoft president, says that while excellence in modelling is a critical factor for a vendor, the quality of support offered by a company is also crucial. Vendors need to develop a trading floor mentality to providing support – responding to queries and requests quickly and comprehensively, he says.

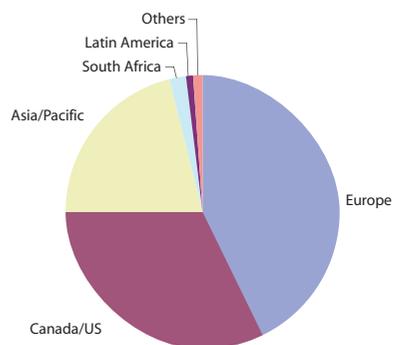
Savvysoft has been getting more requests for help with meeting accounting standards, such as Financial Accounting Standard 133 and International Accounting Standard 39. Although these rules have been in place for a few years, auditors are becoming more and more insistent on hedge effectiveness testing, says Tanenbaum. To reduce the effort of keeping track of derivatives that have been executed as hedges, organisations want to automate the process – hence the need for tools such as Savvysoft's Stars portfolio and risk management system. Savvysoft now has six users of Stars, and plans to offer the system as an ASP – a delivery mechanism that is becoming common despite initial resistance. "People begrudgingly accept ASP now," says Tanenbaum. Because ASP is a pay-per-use model, it has lower upfront costs. There are also lower maintenance costs as the vendor hosts the system. "It is hard to turn away from the economics of it," he adds. However, users sacrifice a degree of control, and often have less ability to customise the system. It is also not unusual for ASP offerings to be merely cut-down versions of installed systems, with less functionality and power. Savvysoft intends for the Stars ASP to offer the same capabilities as its installed version. ●



Survey respondents by type of institution (%)



Survey respondents by location (%)



MARKET RISK

Market risk

Number of companies cited: 39

| 2006 | 2005 | Company | % |
|----------|----------|------------------|------------|
| 1 | 1 | Algorithmics | 13.8 |
| 2 | 7 | SunGard | 13.7 |
| 3 | 3 | Murex | 12.0 |
| 4 | 2 | Savvysoft | 8.1 |
| 5 | 6 | Misys | 6.2 |
| 6 | 5 | Imagine | 5.4 |
| 7= | | Calypso | 4.5 |
| 7= | | Sophis | 4.5 |
| 9 | 9 | RiskMetrics | 3.8 |
| 10 | 8 | Reuters | 3.4 |

TRADING ANALYTICS

Cross-asset

Number of companies cited: 23

| 2006 | 2005 | Company | % |
|----------|----------|------------------|-------------|
| 1 | 1 | Savvysoft | 19.3 |
| 2 | | Numerix | 17.4 |
| 3 | 2 | Murex | 13.2 |
| 4 | 5 | SunGard | 12.4 |
| 5 | 3 | Imagine | 7.9 |

Forex

Number of companies cited: 20

| 2006 | 2005 | Company | % |
|----------|----------|------------------|------------|
| 1 | 1 | SuperDerivatives | 14.8 |
| 2 | 2 | Murex | 12.7 |
| 3 | | Numerix | 12.0 |
| 4 | | SunGard | 9.3 |
| 5 | 3 | Savvysoft | 8.2 |

Credit

Number of companies cited: 22

| 2006 | 2005 | Company | % |
|----------|----------|------------------|-------------|
| 1 | 5 | SunGard | 18.6 |
| 2 | 2 | Murex | 16.2 |
| 3 | | Numerix | 12.1 |
| 4 | 1 | Savvysoft | 10.0 |
| 5 | | Calypso | 8.5 |

Commodities

Number of companies cited: 19

| 2006 | 2005 | Company | % |
|----------|----------|------------------|-------------|
| 1 | 1 | Murex | 15.3 |
| 2 | 3 | Savvysoft | 15.1 |
| 3 | | SunGard | 10.6 |
| 4 | 2 | SuperDerivatives | 9.5 |
| 5 | | OpenLink | 9.0 |

Rates

Number of companies cited: 19

| 2006 | 2005 | Company | % |
|----------|----------|------------------|-------------|
| 1 | 1 | Savvysoft | 16.2 |
| 2 | 5 | Numerix | 16.1 |
| 3 | 2 | Murex | 11.9 |
| 4 | | SunGard | 11.7 |
| 5 | | Calypso | 8.0 |

Structured products

Number of companies cited: 20

| 2006 | 2005 | Company | % |
|----------|----------|------------------|-------------|
| 1 | 1 | Savvysoft | 14.4 |
| 2 | 2 | Murex | 14.3 |
| 3 | | SunGard | 13.3 |
| 4 | | Numerix | 13.0 |
| 5 | 3 | Misys | 9.1 |

#1 Derivatives Analytics Provider 3 Years In A Row.

Did somebody say dynasty?



Year in, year out, survey after survey (from Euromoney to Risk magazine), Savvysoft has won more #1 rankings than any other analytics provider in the world. In the latest Risk survey, we've done it again: #1 in Interest Rates, #1 in Cross Asset, and #1 in Structured Products. And in nearly every other category, we again finished in the top 5. So if you're looking for analytics, trading and risk management systems, an ASP, implied default rates, pricing services, or FAS 133/IAS 39 reporting software, give us a call at 1-212-742-8677 and become an exceptionally satisfied customer.