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Project overview

Set-up of market data provision in the fixed income area (incl. options) and connection to the risk management system

Client / sector	**Austrian bank**
Project description	**Set-up of market data provision in the fixed income area (incl. options) and connection to the risk management system** • Analysis of the existing system landscape • Analysis and selection of market data sources for yield curves and interest rate volatilities • Establishment of a prototype for the calibration of yield curves and interest rate volatilities against 1M, 3M, 6M and 12M tenors with particular focus on the development of a process for the consistent derivation of interest rate volatility surfaces from market data that is only partially available • Implementation into a process for use in production based on Excel/VBA • Creation of the interfaces to the risk management system (PMS from much-net) for the import of yield curves and interest rate volatilities
Service	• Creation of technical specifications for the calibration of yield curves and interest rate volatilities • Creation of Excel/VBA-based prototypes • Analysis of the existing market data workflows and integration into the new methodology • Specification und implementation of the interface to the existing risk management system
Technology	Excel/VBA
Professional input	Bootstrapping of yield curves and interest rate volatility surfaces, creation of a market data provision process for fixed income data
Scope	40 person days
Tags	yield curves, volatility, interest rate options, multi-curves, market data