

Algorithmica and FCG Fonder implement best-of-breed market data and risk system

Algorithmica has signed an agreement with FCG Fonder to implement both its vendor independent market data hub as well as its proven risk platform ARMS.

In order to achieve operational excellence and cater for future demands in pricing illiquid instruments and sourcing market data from many different sources, FCG Fonder will integrate the AHS market data platform to its current portfolio system.

Benefits to FCG Fonder of using the AHS will be; added control and quality assurance automation of pricing used to set NAV on all of FCG Fund's Fonder, as well as decoupling of specific vendor dependencies. Having a proven market data solution is also a necessity to handle the creation of risk factor timeseries specifically used for value-at-risk calculations and model pricing.

By using Algorithmica's ARMS risk management system, FCG Fonder's customers can measure risk using a wide variety of value-at-risk models and complementary stress-testing. FCG Fund's portfolio system will be tightly integrated with ARMS portfolio model to ensure fast and accurate representation of fund holdings and open for more advanced instrument types as FCG Fonder's customer base grows and uses more advanced portfolio strategies.

In order to streamline the entire process of monitoring and reporting compliance- and risk limits, ARMS Compliance and Limit module will also be installed, making full use of integrated risk calculations and limit monitoring in the same system.

"We are very happy to bring such a best-of-breed system to the benefit of our customers as well as creating internal efficiencies." Johan Schagerström, CEO of FCG Fonder comments.

FCG Fonder is a Swedish fund company (UCITS) and AIF Manager (known as Super ManCo) with authorization from the Swedish Financial Supervisory Authority, founded in 2014. FCG Fonder offers a comprehensive fund management offering aimed at the Nordic market. FCG Fonder currently manages about SEK 25 billion distributed over 40 funds. FCG Fonder's enabling customers to focus on their core business activities by offering a business model including fund management, administration, asset management and outsourcing of risk control functions.

Algorithmica is a software company with head-office and development in Stockholm, Sweden. It focuses on providing efficient tools for real-time quantitative analysis, thus enabling its customers to better price, trade, promote and risk manage financial transactions. Algorithmica Research's customers include a number of well-known financial institutions mainly in Stockholm and London.