COGNITY® ADAPTIVE ANALYTICS

〉 Gain unique, comprehensive, multi-asset class solutions for market risk, portfolio construction, and investment decision analytics, designed specifically for the buy side.

SOLUTIONS FOR EVERY USER	
Institutional Asset Managers	Insurance Companies
Hedge Funds	Private Wealth
Pensions, Endowments, Sovereign Wealth	Funds-of-Funds

BROAD SET OF DATA INPUTS

Data Analysis	Factor Analysis	Risk Management	Decision Support
• Screening and ranking	• Factor models	• Risk measurement	• What-if analysis
• Returns analysis	• Exposure analysis	• Risk budgeting	• Portfolio construction
• Correlation	• Rolling betas	• Risk backtesting	• Portfolio optimization
• Distributions	• Risk model construction and backtesting	• Historical and custom stress testing	• Asset allocation

COMPLETE REPORTING COVERAGE

FX and Commodities	Money Markets	Fixed Income	
Equity	Alternative Products	RE, PE, Timber	Derivatives

THE NEW NORMAL

Underpinned by award-winning research, Cognity delivers powerful insight whether in calm or turbulent markets. In today's world, where spikes in volatility are the new normal, Cognity empowers portfolio and risk managers with the confidence they need to make better decisions.

INTEGRATED AND FLEXIBLE

Cognity covers all asset classes from equities, fixed income, FX, commodities, to the most illiquid alternatives. The Cognity modeling approach remains reliable and accurate, no matter how diverse the liquidity across different asset classes.

GLOBAL STANDARDS AND REGULATIONS

Many of the market risk guidelines outlined in today's expanding regulatory environment can be supported by Cognity's capabilities, including:

- AIFMD: Supports guidelines for exposures, scenario analysis, and VaR/stress test reporting
- Solvency II: Supports guidelines for multi-factor stress testing and scenario analysis, aggregated risk, and look-through reporting
- UCITS: Supports guidelines for VaR and ETL measurement and reporting, stress testing, and backtesting

MULTI-ASSET CLASS PORTFOLIO RISK ANALYTICS AT ALL LEVELS OF TRANSPARENCY

Gain an enterprise view of risk and allocation across any asset class, any currency, and at any level of portfolio transparency.

- Reliable risk assessment to deliver advance warning indicators across all markets, asset classes, and market regimes, rally, crisis or calm
- Risk decomposition into systematic and specific components with drill-down to multi-level exposures across asset classes and positions
- Global, multi-asset class factor models with unique transparency and customization options
- Multi-factor stress testing to accurately assess impact of crisis scenarios on VaR, ETL, and portfolio value
- Multiple levels of transparency, including holdings- and returns-based risk analytics

PORTFOLIO CONSTRUCTION AND ASSET ALLOCATION

Build forward-looking portfolios with superior levels of upside potential via a transparent, real-world quantitative framework.

- Fat-tailed what-if trade analysis for an accurate view throughout portfolio positions
- Multi-factor scenarios to estimate likely portfolio performance, provide a starting point for construction of complex custom macro-market views, and highlight portfolio weak spots
- Comprehensive risk and performance attribution on a unified factors scale
- Tactical asset selection eased by exposing risk asymmetry and investment ranking to deliver risk-adjusted candidate investment lists
- Tail risk budgeting to clearly identify tactical rebalancing opportunities in a common portfolio construction view
- Asset allocation to produce diversified strategic tail-adjusted allocation guidelines across asset class, sector, and geography

FACTOR MODELING

Identify systematic risk factor drivers with automated factor selection over a database of branded market indices and custom factors.

- Single and multi-factor regression analytics
- Linear and non-linear options

COMPREHENSIVE STRESS-TESTING

Leverage a powerful engine for stress testing and scenario analysis for instant insight into vulnerability, with drill-down into any client-defined breakdown up to a single position level.

- Historical, user-defined, and predictive stress tests
- Advanced risk factor hierarchies to define the stress-values impact
- Views with detailed look-through for each portfolio, fund, and manager
- Model stress testing — correlations, betas, and expected returns

ENTERPRISE RISK REPORTING

Access enterprise risk roll-ups with drill-down into any client-defined breakdown through simultaneous Monte Carlo analysis.

- Enterprise risk and stress testing based on a multi-asset class risk model
- Views with detailed look-through for each portfolio, fund, and manager
- Flexible enterprise portfolio hierarchies and ownership structures
- Factor-model based
- Monte Carlo approach with full repricing of securities
- Complete risk backtesting (clean and dirty) for any portfolio, fund, or view