



Risk Management
Commodities Trading
Physical Logistics
Regulatory Compliance

Position 8.0

Comprehensive Risk Position Analysis Across your Portfolio

Companies that buy and sell energy commodities in today's markets are faced with the significant challenge of effectively managing the complexities of trade strategies. The need for comprehensive risk management and the ability to access accurate and timely risk position data is key to a company's successful participation in the market.

Product Overview

Allegro's Positions 8.0 component provides companies with comprehensive risk position reporting and viewing capabilities and is an integral part of establishing and analyzing trading strategies. Multiple currency and commodity capabilities enable risk managers to analyze positions, including evaluation of position limit variances, trading strategy variances, market pricing exposure, trading proficiency (such as Mark-to-Market), position profit and loss, and option Greek positions.

Users may view risk position information for an entire portfolio, a partial portfolio or individual trades, providing a real-time view of the business and ensuring the accuracy of critical corporate information.

Features

Ability to establish and analyze position limits

Powerful tools for establishing and analyzing trading strategies

Comprehensive commodity coverage with flexible unit and time measurements

Hedge identification and effectiveness

Benefits

Users can specify position limit thresholds with which actual positions can be compared for variance items such as quantity, prevailing settlement value, Mark-to-Market and Greeks. This gives users valuable real-time information on their positional strategies, allowing them to quickly adjust.

Allow users to analyze market pricing risk, trading proficiency, position profit and loss, and option Greeks, all of which provide a powerful environment to create and analyze trading strategies.

Flexibility gives users the ability to manage all commodity positions in one common environment. Using a single system for multiple units of measure, time periods and commodities improves overall efficiency and accuracy.

Gives users accurate data for evaluating their hedge strategies as well as complying with hedge accounting requirements

Business Case

Comprehensive, flexible and timely transparency of position data is a key necessity for all portions of an enterprise's risk management process, along with tools that enable traders to develop and manage strategies appropriate for reaching company goals.

For risk managers throughout the enterprise, the Positions component provides powerful and flexible tools to view portfolio risk position information throughout a position's lifecycle using a highly configurable environment.

At the beginning of the position lifecycle in trading operations, the Positions component provides powerful tools for establishing and analyzing user-defined trading strategies. As the position moves through the business process lifecycle, critical information needed to analyze and modify these strategies, such as market pricing risk, trading proficiency, position profit and loss, and advanced financial analytics, can be derived with the component.

Finally, throughout the position lifecycle, real-time Mark-to-Market (MtM) valuation and exposure can be captured and analyzed simply by defining the calculation type, currency, unit of measurement, and time period. The flexible configuration allows exposure levels to be viewed by price, basis and foreign exchange, and supports the optionality of physical assets, such as oil and gas production, refining, power generation, and gas processing.

Ultimately, risk managers can provide grouping and risk reporting of groups of trades or strategies and allow comparison to defined strategy limits.

Process Flow



Allegro Positions 8.0 provides comprehensive risk analysis throughout the position lifecycle

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Allegro is a global leader in commodity trading and risk management solutions for power and gas utilities, refiners, producers, commodity traders, and commodity consumers. With more than 26 years of deep industry expertise, our enterprise platform drives profitability and efficiency across front, middle, and back offices, while managing the complex logistics associated with physical commodities. Allegro provides customers with agile solutions to manage risk across gas, power, coal, crude, petroleum, agricultural, emissions, and other commodity markets, allowing decision makers to hedge and execute with confidence. Allegro has recently been recognized as the Energy Risk Software House of the Year and received The Energy Business Awards Gold Award for Excellence. Headquartered in Dallas, Texas, Allegro has offices in Calgary, Houston, London, Singapore and Zurich, along with a global network of partners.