

Modernizing Risk Management Technology: Has the Game Changed?

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Executive Summary:



Market complexity is off the charts. While market risk hasn't fundamentally changed, the factors that are feeding into it have. This paper focuses on the recent macroeconomic alphabet soup of happenings and how sell-side risk is being impacted under the new regime.

In a series of qualitative interviews, Coalition Greenwich spoke with global risk professionals at banks and other sell-side institutions. Discussions were designed to achieve a better understanding of how they are thinking about the challenges tied to volatility, geopolitical conflict, the COVID aftermath, a changing rates and inflation regime, and other factors through the lens of market-risk and credit-risk tools.

Methodology:

Between April and June 2022, Coalition Greenwich spoke to risk management professionals of 20 sell-side firms globally in a series of qualitative interviews to explore how sell-side risk is being impacted by current geopolitical and macroeconomic factors.

Our suite of analytics and insights encompass all key performance metrics and drivers: market share, revenue performance, client relationship share and quality, operational excellence, return on equity, behavioral drivers, and industry evolution.

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greenwich.com

ContactUs@greenwich.com

Ph +1203.625.5038