

Risk Scenarios

PC-SPAN 4.01b

Risk Scenarios -- Scan Points and Delta Points

XML File: C:\TEMP\SPA2FF.tmp
 Business Date: 11/09/2001 - Settlement - final - -
 Exch. Complex: CME - Chicago Mercantile Exchange

Rate ID	Type	Scenario #	Price			Volatility			Weight	Paired Scenario #
			Mult	Num	Denom	Mult	Num	Denom		
1										
	Scan									
		1	0.0000	0.0000	3.0000	1.0000	1.0000	1.0000	1.0000	2
		2	0.0000	0.0000	3.0000	-1.0000	-1.0000	1.0000	1.0000	1
		3	0.3333	1.0000	3.0000	1.0000	1.0000	1.0000	1.0000	4
		4	0.3333	1.0000	3.0000	-1.0000	-1.0000	1.0000	1.0000	3
		5	-0.3333	-1.0000	3.0000	1.0000	1.0000	1.0000	1.0000	6
		6	-0.3333	-1.0000	3.0000	-1.0000	-1.0000	1.0000	1.0000	5
		7	0.6667	2.0000	3.0000	1.0000	1.0000	1.0000	1.0000	8
		8	0.6667	2.0000	3.0000	-1.0000	-1.0000	1.0000	1.0000	7
		9	-0.6667	-2.0000	3.0000	1.0000	1.0000	1.0000	1.0000	10
		10	-0.6667	-2.0000	3.0000	-1.0000	-1.0000	1.0000	1.0000	9
		11	1.0000	3.0000	3.0000	1.0000	1.0000	1.0000	1.0000	12
		12	1.0000	3.0000	3.0000	-1.0000	-1.0000	1.0000	1.0000	11
		13	-1.0000	-3.0000	3.0000	1.0000	1.0000	1.0000	1.0000	14
		14	-1.0000	-3.0000	3.0000	-1.0000	-1.0000	1.0000	1.0000	13
		15	3.0000	3.0000	1.0000	0.0000	0.0000	1.0000	0.3000	15
		16	-3.0000	-3.0000	1.0000	0.0000	0.0000	1.0000	0.3000	16
	Delta									
		1	-1.0000	-3.0000	3.0000	0.0000	0.0000	1.0000	0.0370	
		2	-0.6667	-2.0000	3.0000	0.0000	0.0000	1.0000	0.1110	
		3	-0.3333	-1.0000	3.0000	0.0000	0.0000	1.0000	0.2170	
		4	0.0000	0.0000	3.0000	0.0000	0.0000	1.0000	0.2700	
		5	0.3333	1.0000	3.0000	0.0000	0.0000	1.0000	0.2170	
		6	0.6667	2.0000	3.0000	0.0000	0.0000	1.0000	0.1110	
		7	1.0000	3.0000	3.0000	0.0000	0.0000	1.0000	0.0370	

Risk Scenarios Report

This report, under the Scan section, shows the different Risk Scenarios that comprise the risk array calculations, called scan points. Under the Delta section, the report shows the different Composite Delta scenarios. Additionally, it shows all of the elements that make up the Price and Volatility Scan Range definitions.

Rate ID: Span assigns an internal Scan Rate ID.

Type: Shows the scenarios as either Scanning or Composite Delta scenarios.

Scenario #: The Scenario #'s individually identify each one of the different scenarios.

Price: The Price Scan Definitions for the scenarios in the Risk Array. The price scan definition contains the following elements:

- Mult - The Price Scan Range multiplier
- Num - The numerator element of the Price Scan Range
- Denom - The denominator element of the Price Scan Range

Volatility: The Volatility Scan Definitions for the scenarios in the Risk Array. The volatility scan definition contains the following elements:

- Mult - The Volatility Scan Range multiplier
- Num - The numerator element of the Volatility Scan Range
- Denom - The denominator element of the Volatility Scan Range

Weight: The weighting factor - for a Scan point, the weighting factor is the percentage amount by which the scenario is multiplied to arrive at a result. For a Delta point, the factor is the probability weight given for that scenario.

Paired Scenario: With the exception of scenario #'s 15 and 16, each scenario has a paired scenario. In the paired scenarios, the underlying price moves are the same, but the volatility moves are opposites. For example, in paired scenarios 7 and 8, we see that in both scenarios, the underlying's price multiplier is .6667, or the price goes up 2/3 of the Price Scan Range. However, the volatilities for this pair move in opposite directions, up and down the Volatility Scan Range. The paired scenarios are grouped together for the Composite Delta scenarios.