

Risk Profile Set Up

[See previous W5 version guide](#)

PURPOSE

This document shows the detailed procedure of setting up risk profile.

WHY IS THIS IMPORTANT?

This allows risk profiles to be tagged to security or counterparty for investment compliance checking.

PROCEDURE

1. From the main menu, click Set Up > Risk > Risk Profile.

Risk Profile Maintenance

 Save

New Risk Profile



Profile Description	Type
Asset Class	Choice
Grouped by Ctpy	Choice
Grouped by Ctpy (excl. Cash Ctpy)	Choice
Grouped by Risk Profile	Choice
Maturity Ladder	Choice
Per Security	Choice
Per Security Group	Choice
Per Transaction	Choice
Risk Profile	Choice

2. There are 4 types of risk profiles:

- Tagged Item
- Choice
- Choice Subset
- Ranking

The following explains each risk profile type:


Tagged Item



Use tagged item if you wish to tag security or counterparty to an attribute such as “Singapore GLC” i.e. Singapore Government Linked Company.

Select New Risk Profile as Tagged Item. The following field display at the bottom of the risk profile listing.

Risk Profile Maintenance

 Save

New Risk Profile

Tagged Item



Profile Description	Type
<u>Asset Class</u>	Choice
<u>Grouped by Ctpy</u>	Choice
<u>Grouped by Ctpy (excl. Cash Ctpy)</u>	Choice
<u>Grouped by Risk Profile</u>	Choice
<u>Maturity Ladder</u>	Choice
<u>Per Security</u>	Choice
<u>Per Security Group</u>	Choice
<u>Per Transaction</u>	Choice
<u>Risk Profile</u>	Choice

Description

 Duplicate

Enter the tagged item description in the Description field.

Risk Profile Maintenance



Save

New Risk Profile

Tagged Item



Profile Description	Type
<u>Asset Class</u>	Choice
<u>Grouped by Ctpy</u>	Choice
<u>Grouped by Ctpy (excl. Cash Ctpy)</u>	Choice
<u>Grouped by Risk Profile</u>	Choice
<u>Maturity Ladder</u>	Choice
<u>Per Security</u>	Choice
<u>Per Security Group</u>	Choice
<u>Per Transaction</u>	Choice
<u>Risk Profile</u>	Choice

Description


Singapore GLC



Duplicate

Click Save. At the prompt, click Yes to confirm.

Risk Profile Maintenance

 Save

New Risk Profile



Profile Description	Type
Asset Class	Choice
Grouped by Ctpy	Choice
Grouped by Ctpy (excl. Cash Ctpy)	Choice
Grouped by Risk Profile	Choice
Maturity Ladder	Choice
Per Security	Choice
Per Security Group	Choice
Per Transaction	Choice
Risk Profile	Choice
Singapore GLC	Tagged Item

Below shows how SPH is tagged as “Singapore GLC”.

Navigate to Set Up > Static > Securities.

Click on SPH. Click Risk Profile.

Click on the “Singapore GLC” risk profile. The following field will be displayed at the bottom of the risk profile listing.

Security Risk Profile

Security

SPH

✕ Cancel

↓ Import

Risk Profile

Setting

Asset Class

Grouped by Ctpy

Grouped by Ctpy (excl. Cash Ctpy)

Grouped by Risk Profile

Maturity Ladder

Per Security

Per Security Group

Per Transaction

Risk Profile

Singapore GLC

📁 Update

Singapore GLC

Yes



Select "Yes" and click Update.

Security Risk Profile

Security

SPH

✕ Cancel

↓ Import

Risk Profile	Setting
Asset Class	
Grouped by Ctpy	
Grouped by Ctpy (excl. Cash Ctpy)	
Grouped by Risk Profile	
Maturity Ladder	
Per Security	
Per Security Group	
Per Transaction	
Risk Profile	
Singapore GLC	Y

Choice

It is possible to create different tagged items to tag to the securities. For example,


Issuer Group: Capitaland

Issuer Group: Sembcorp Industries

Another way is to use Choice. To do this, you first create a primary dimension of risk ("Issuer Group") with a secondary list of choices (Capitaland, Sembcorp Industries).

Select New Risk Profile as Choice. The following fields display at the bottom of the risk profile listing.

Risk Profile Maintenance

 Save


New Risk Profile

Choice



Profile Description	Type
Asset Class	Choice
Grouped by Ctpy	Choice
Grouped by Ctpy (excl. Cash Ctpy)	Choice
Grouped by Risk Profile	Choice
Maturity Ladder	Choice
Per Security	Choice
Per Security Group	Choice
Per Transaction	Choice
Risk Profile	Choice
Singapore GLC	Tagged Item

Description

 Duplicate

Selection/Choice



No records found.

Enter the description of the primary dimension, "Issuer Group".

Click Add Button to add the choices.

Risk Profile Maintenance

 Save

New Risk Profile


Choice



Profile Description	Type
<u>Asset Class</u>	Choice
<u>Grouped by Ctpy</u>	Choice
<u>Grouped by Ctpy (excl. Cash Ctpy)</u>	Choice
<u>Grouped by Risk Profile</u>	Choice
<u>Maturity Ladder</u>	Choice
<u>Per Security</u>	Choice
<u>Per Security Group</u>	Choice
<u>Per Transaction</u>	Choice
<u>Risk Profile</u>	Choice
<u>Singapore GLC</u>	Tagged Item

Description

Issuer Group

 Duplicate

Selection/Choice



CAPITALAND

SEMBCORP

Click Save. At the prompt, click Yes to confirm.

Risk Profile Maintenance

 Save

New Risk Profile



Profile Description	Type
Asset Class	Choice
Grouped by Ctpy	Choice
Grouped by Ctpy (excl. Cash Ctpy)	Choice
Grouped by Risk Profile	Choice
Issuer Group	Choice
Maturity Ladder	Choice
Per Security	Choice
Per Security Group	Choice
Per Transaction	Choice
Risk Profile	Choice
Singapore GLC	Tagged Item

Below shows how SEMBCORP security (Sembcorp Industries) is tagged to the Sembcorp Issuer Group.

Navigate to Set Up > Static > Securities.

Click on SEMBCORP. Click Risk Profile.

Click on the “Issuer Group” risk profile. The following field will be displayed at the bottom of the risk profile listing.

Select SEMBCORP as the Issuer Group.

Security Risk Profile

Security

SEMBCORP

✕ Cancel

↓ Import

Risk Profile

Setting

Asset Class

Grouped by Ctpy

Grouped by Ctpy (excl. Cash Ctpy)

Grouped by Risk Profile

Issuer Group

Maturity Ladder

Per Security

Per Security Group

Per Transaction

Risk Profile

Singapore GLC

📁 Update

Issuer Group

SEMBCORP



Click Update.

Note that in the above, Sembcorp Industries can also be tagged as “Singapore GLC”.

Another example of choice is primary dimension of “MM Counterparty” with a secondary list of choices comprising “Local Bank” and “Foreign Bank”. Below is tagging of CITI-SG to a “Foreign Bank”.

Counterparty Risk Profile

Counterparty

CITI-SG

✕ Cancel

📄 Import

Risk Profile

Setting

[Asset Class](#)

[Grouped by Ctpy](#)

[Grouped by Ctpy \(excl. Cash Ctpy\)](#)

[Grouped by Risk Profile](#)

[Issuer Group](#)

[MM Counterparty](#)

Foreign Bank

[Maturity Ladder](#)

[Per Security](#)

[Per Security Group](#)

[Per Transaction](#)

[Risk Profile](#)

[Singapore GLC](#)

Choice Subset

The Choice Subset is an extension of the selection in a Choice Risk Profile to another level. For example, the following Sector and Group information may be tagged to a particular security.

Industry	
<u>Sector</u>	<u>Group</u>
IT	Hardware
	Software
Transport	Airline
	Land


Firstly, a Choice list for Industry Sector comprising the selection of IT and Transport is created.

Select the New Risk Profile as Choice and key in the following.

Risk Profile Maintenance

 Save


New Risk Profile

Choice 

Profile Description	Type
<u>Asset Class</u>	Choice
<u>Grouped by Ctpy</u>	Choice
<u>Grouped by Ctpy (excl. Cash Ctpy)</u>	Choice
<u>Grouped by Risk Profile</u>	Choice
<u>Issuer Group</u>	Choice
<u>MM Counterparty</u>	Choice
<u>Maturity Ladder</u>	Choice
<u>Per Security</u>	Choice
<u>Per Security Group</u>	Choice
<u>Per Transaction</u>	Choice
<u>Risk Profile</u>	Choice
<u>Singapore GLC</u>	Tagged Item

Description

Sector

 Duplicate

Selection/Choice

+

IT

Transport

Click Save. At the prompt, click Yes to confirm.

Then for the IT industry sector, the additional choice of Hardware and Software is defined as the Industry Group. And for the Transport Industry Sector, Airline and Land is defined as the Industry Group.

Select New Risk Profile as Choice Subset. Enter the description "Group". Select Parent as "Sector". Select the Choice as "IT" or "Transport" to maintain the list of choices.

The following is the result.

Risk Profile Maintenance

 Save

New Risk Profile


Choice Subset



Profile Description	Type
<u>Asset Class</u>	Choice
<u>Grouped by Ctpy</u>	Choice
<u>Grouped by Ctpy (excl. Cash Ctpy)</u>	Choice
<u>Grouped by Risk Profile</u>	Choice
<u>Issuer Group</u>	Choice
<u>MM Counterparty</u>	Choice
<u>Maturity Ladder</u>	Choice
<u>Per Security</u>	Choice
<u>Per Security Group</u>	Choice
<u>Per Transaction</u>	Choice
<u>Risk Profile</u>	Choice
<u>Sector</u>	Choice
<u>Singapore GLC</u>	Tagged Item

Description

Group

 Duplicate

Parent

Sector



Choice

IT



Selection/Choice



Hardware

Software

Risk Profile Maintenance

 Save

New Risk Profile

Sector

Profile Description	Type
Asset Class	Choice
Group	Choice Subset
Grouped by Ctpy	Choice
Grouped by Ctpy (excl. Cash Ctpy)	Choice
Grouped by Risk Profile	Choice
Issuer Group	Choice
MM Counterparty	Choice
Maturity Ladder	Choice
Per Security	Choice
Per Security Group	Choice
Per Transaction	Choice
Risk Profile	Choice
Sector	Choice
Singapore GLC	Tagged Item

Description

Group

 Duplicate

Parent

Sector

Choice

Transport

Selection/Choice



Airline

Land

Click Save.

At the prompt, click Yes to confirm.

Below shows the tagging of SMRT to Transport Industry Sector and Land Industry Group (Set Up > Static > Securities > Click SMRT > Risk Profile).

Security

SMRT

✕ Cancel

⬇ Import

Risk Profile	Setting
<u>Asset Class</u>	
<u>Group</u>	Land
<u>Grouped by Ctpy</u>	
<u>Grouped by Ctpy (excl. Cash Ctpy)</u>	
<u>Grouped by Risk Profile</u>	
<u>Issuer Group</u>	
<u>MM Counterparty</u>	
<u>Maturity Ladder</u>	
<u>Per Security</u>	
<u>Per Security Group</u>	
<u>Per Transaction</u>	
<u>Risk Profile</u>	
<u>Sector</u>	Transport
<u>Singapore GLC</u>	

The system ensures that the tertiary selection (illustrated as “Land” for SMRT) is consistent with the secondary selection (“Transport”).

Ranking

Use Ranking if you wish to tag security or counterparty to an attribute such as rankings/ ratings. For example, "Moody's Rating", "S&P Rating", etc.

Select New Risk Profile as Ranking and enter the fields as displayed at the bottom of the Risk Profile listing. Add list of choices by clicking the Add button.

Risk Profile Maintenance

 Save

New Risk Profile

Ranking



Profile Description	Type
<u>Asset Class</u>	Choice
<u>Group</u>	Choice Subset
<u>Grouped by Ctpy.</u>	Choice
<u>Grouped by Ctpy (excl. Cash Ctpy).</u>	Choice
<u>Grouped by Risk Profile</u>	Choice
<u>Issuer Group</u>	Choice
<u>MM Counterparty</u>	Choice
<u>Maturity Ladder</u>	Choice
<u>Per Security</u>	Choice
<u>Per Security Group</u>	Choice
<u>Per Transaction</u>	Choice
<u>Risk Profile</u>	Choice
<u>Sector</u>	Choice
<u>Singapore GLC</u>	Tagged Item

Description

S&P Rating

 Duplicate

Selection/Choice



AAA



AA+



AA



AA-



Click Save. At the prompt, click Yes to confirm.

Below shows how SPH is tagged for S&P rating (Set Up > Static > Securities > SPH > Risk Profile).

At the Risk Profile screen, click S&P rating and set the rating in the fields displayed at the bottom of the risk profile listing.

Security Risk Profile

Security

SPH

✕ Cancel

📄 Import

Risk Profile	Setting
<u>Asset Class</u>	
<u>Group</u>	
<u>Grouped by Ctpy</u>	
<u>Grouped by Ctpy (excl. Cash Ctpy)</u>	
<u>Grouped by Risk Profile</u>	
<u>Issuer Group</u>	
<u>MM Counterparty</u>	
<u>Maturity Ladder</u>	
<u>Per Security</u>	
<u>Per Security Group</u>	
<u>Per Transaction</u>	
<u>Risk Profile</u>	
<u>S&P Rating</u>	
<u>Sector</u>	
<u>Singapore GLC</u>	Y

📄 Update

S&P Rating

AA+



Click Update.

Security Risk Profile

Security

SPH

✕ Cancel

⬇ Import

Risk Profile	Setting
<u>Asset Class</u>	
<u>Group</u>	
<u>Grouped by Ctpy</u>	
<u>Grouped by Ctpy (excl. Cash Ctpy)</u>	
<u>Grouped by Risk Profile</u>	
<u>Issuer Group</u>	
<u>MM Counterparty</u>	
<u>Maturity Ladder</u>	
<u>Per Security</u>	
<u>Per Security Group</u>	
<u>Per Transaction</u>	
<u>Risk Profile</u>	
<u>S&P Rating</u>	AA+
<u>Sector</u>	
<u>Singapore GLC</u>	Y

FREQUENTLY ASKED QUESTIONS

RELATED INFORMATION

[Compliance](#)

[Duplicating Risk Profile](#)

CHANGE HISTORY

Date	By	Changes
21-Dec-2016	TS	Created.
4-Jul-2017	TS	Added Duplicating Risk Profile in Related Information.
24-Aug-2018	Silpa	Updated 1, 2.
15-Nov-2019	Lyra	Updated screenshots.
9-Mar-2023	TS	Updated to W6 instructions and screenshots.