



Group IT Scope of Work

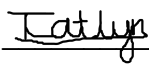
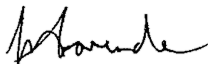
Financial Risk Management Analysis

1. Scope of work/Business requirements

- 3 x Licences
- Maintenance and Support to include:
 - Provision of latest updates (patches, fixes, corrections)
 - Provide the latest software version upgrades
- Portfolio Risk Management Instruments (see Addendum 1)
- The software provided must be able to integrate with Microsoft Excel (2016 or later)
- Vendor must assist with changing the current spreadsheets to support the new calculations – Eskom Treasury Department currently manages 30 Workbooks being used and 500 worksheets
- Training must be provided.

DOCUMENT ACKNOWLEDGEMENT

By signing this document, the people listed record their agreement on the contents of this document.

	Name:	Tshilidzi Catlyn
Information System Support Manager	Signature:	<u></u>
	Date:	<u>26/01/2022</u>
	Name:	Mugeshen Covenden
Solution Support Manager	Signature:	<u></u>
	Date:	<u>26/01/2022</u>
	Name:	Rebecca Shabalala
Senior Advisor Info Systems	Signature:	<u></u>
	Date:	<u>26/01/2022</u>



Group IT Scope of Work
Financial Risk Management Analysis

Instruments, Functions and Curves

<u>Commodity</u>	<u>Fixed Income</u>	<u>Credit</u>	<u>Foreign Exchange</u>	<u>VALUE-AT-RISK</u>
Options	Money market Instruments	Asset swaps	Options	Calculate VaR
Asian	FRA	Credit Default Swaps (CDS)	Asian	Calculate volatility and correlation matrices
Lookback	Discount Instruments	Loan Credit Default Swaps	Lookback	
Spread	Interest at Maturity	Credit linked notes	Spread	
Vanilla	Non-callable bond coverage (fixed rate)	Fixed or floating	Vanilla	
Swaps/Swaptions	Coupon step-up/down/rollercoaster	Par rates and spreads	Swaps/Swaptions	
Forwards	Amortising	User Defined Credit Structures	Variance	
User Defined Commodity Structures	Zero coupon	Market Related Credit Structures	Forwards	
Market Related Commodity Structures	Non-callable bond coverage (floating rate)		User Defined Foreign Exchange	
	Vanilla & user-defined		Market Related Foreign Exchange Structures	
	Amortising			
	Government and corporate bonds			
	amortizing FRNs			
	User Defined Fixed Income Structures			
	Market Related Fixed Income Structures			
Inflation	Interest Rate	Functions	Curve Building Methods	
		Date		
Generic inflation bond functions	Asset swaps—vanilla & crosscurrency	generation/adjustment/flexible	Swap curves	
Emerging market inflation curves	Swaps	weekend DEF	Bond	
Inflation swaps: year-on-year, zero coupon	Vanilla/amortizing swaps	Greeks & risk sensitivities		
Inflation indexed bonds (South African Convention)	Percentage of LIBOR swaps	Implied volatility	SIFMA	
Par Rates	Credit Value Adjustment (CVA)	DV01	OIS	
User Defined Inflation Structures	Swaptions	Implied calculations	Separate discount and forward curves	
Market Related Inflation Structures	Forward Rate Notes (FRNs)	Volatility, strike, rates, etc.	Basis Curves	
	Term structure models	Goal seek on any parameter	User Defined Curves	
	Par swap analysis	Risk measures: Greeks	Marker Related Curves	
	User Defined Interest Rate Structures		Transition from Libor to SOFR	
	Market Related Interest Rate Structures			
	SOFR rates			