

VOR Scenario Builder

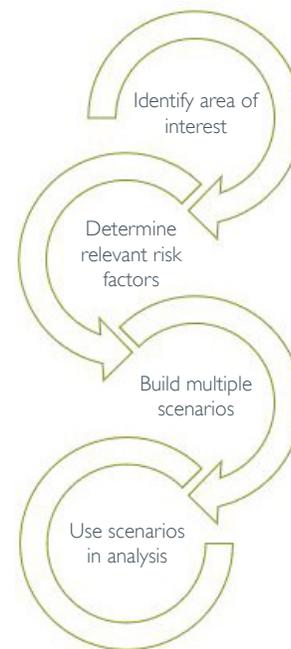
Improve corporate decision-making through scenario analysis.

Be prepared to take advantage of new opportunities—and equipped to handle economic events—with FRG's VOR Scenario Builder.

Smart companies make smart choices with the *scenario analysis* exercise. Scenario analysis provides insight into how political, economic, technological, or environmental changes can impact the performance of a company—information that is critical for revising corporate strategies and refining the decision-making process.

Building scenarios can be time consuming and challenging, requiring collaboration and out-of-the-box thinking. Your company needs to identify environments that can impact its performance, for better or worse. It needs to identify risk factors that best define those environments. And, most importantly, it needs to decide on the values the selected risk factors will take in the environments it outlined. **FRG's VOR Scenario Builder can help with the complex process of determining your company's exposure to economic events.**

High Level Steps for Scenario Analysis



VOR Scenario Builder—Scenario Building At Your Fingertips.

The VOR Scenario Builder allows users to generate any scenario they can imagine. The solution is web-based and provides functionality to streamline the scenario development process:

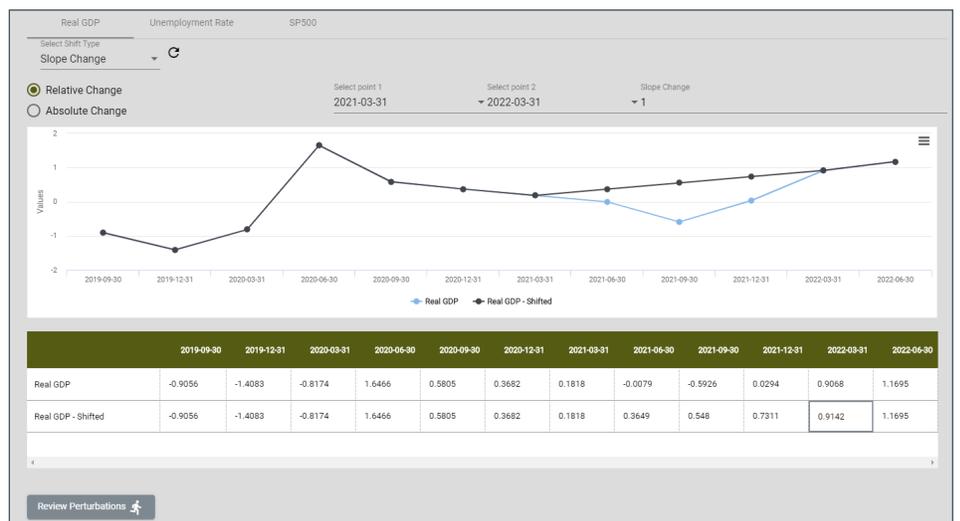
- Modify projected time series behavior via point-and-click functionality
- Review plots to assess the impact adjusted risk factors have on other risk factors in the scenario
- Have a custom-built algorithm for risk factors that are not present in one of the available risk factor collections but are pertinent to your business
- Load your own time series data to be used as baseline projections or incorporated into new scenarios
- Store and retrieve scenarios for reuse at a later date

How It Works:

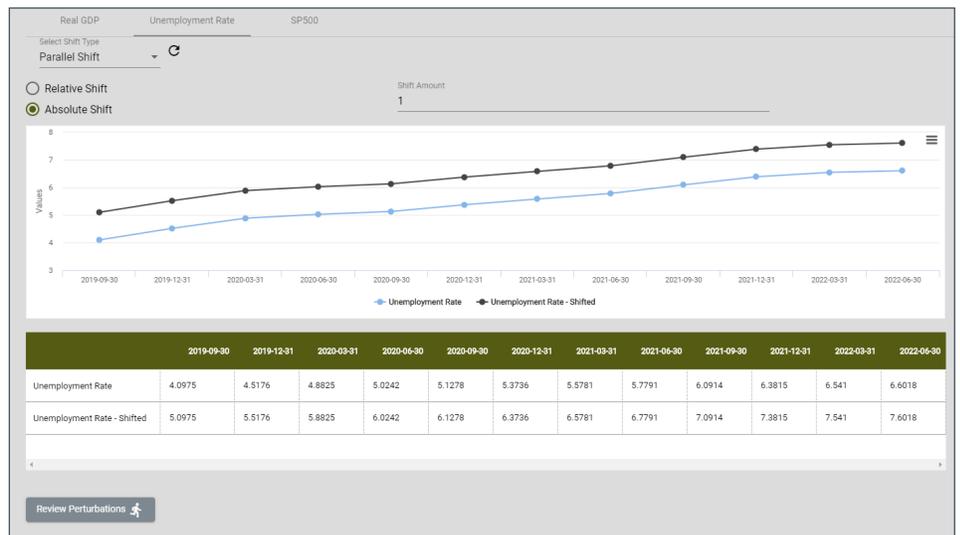
- Select a suite of risk factors to use for the scenario
- Create a baseline forecast of those risk factors
- Modify baseline values of one or more risk factors
- Pass the modified baseline forecast into the algorithm to update the behavior of non-modified risk factors
- Adjust the forecasted values of these risk factors
- Refine the scenario as needed
- Save and download the scenario for later use



VOR Scenario Builder allows the user to adjust multiple points on the graph to modify the time series (in a curvature change). Above, the user has made the S&P 500's second period decrease more severe. However, the user has also increased growth rates in subsequent periods so that by the fifth period the S&P 500 has nearly reached its first forecast period value.



Users can modify the slope between 2 points to adjust the time series. Above, the user modified the time series behavior between the 7th and 11th period. Instead of having Real GDP go negative for two quarters, the user imposed a constant increase in values between those periods.



Users can apply a parallel shift (either absolute or relative) to the time series. Above, the user has added a 1% absolute shift to the unemployment rate time series for the entire forecast horizon.

Ready to learn more
or see a demo of
VOR Scenario Builder?

Email info@frgrisk.com or
call today at 919.439.3819.