

management system built around the bank's proprietary VAR research and development work.

ISI-Dentsu is supplying its object-oriented risk management class library to the project. An Oracle version 7.0 database will act as the global risk management data warehouse.

This software will run on HP 9000 model T500 multi-processor servers and 735CL cluster workstations under the HP-UX Unix variant.

The project team expects to have its initial program executables and the data warehouse installed by early next year, Minato says.

• Oracle warehouse

Sakura's Oracle risk management data warehouse will reside on one of the two HP 9000 servers, while the parallel-processing 735CL cluster workstations will function as calculation and development servers, respectively.

H-P's Openview network management software will look

after network traffic and maintain the security of Sakura's global risk management network.

This task involves managing incoming data from a variety of networking systems and protocols including fibre distributed data interface (FDDI) and TCP/IP Ethernet networks, says Minato.

ISI-Dentsu's application development effort at Sakura will also use C-coded risk management analytics modules developed by California-based Financial Engineering Associates (FEA).

This system - dubbed VARworks - covers around 20 different financial instrument types and an average of seven or eight variations within each type, according to an FEA official.

These include foreign exchange and money market instruments, bonds, bond futures, commodity futures, equities, FRAs, and interest rate swaps and options.

While VARworks currently enables users to implement VAR methodologies based on JP Morgan's RiskMetrics variance and co-variance matrices, addi-

tional modules supporting alternative VAR techniques including Monte Carlo simulation analysis are forthcoming, says the official.

ISI-Dentsu is also making use of Next Computer's Nextstep object-oriented development environment to create the graphical user interfaces (GUIs) via which users will navigate through the risk management system.

ISI-Dentsu has installed trading systems at the Industrial Bank of Japan and the Long-Term Credit Bank

Developing risk management and trading support systems for banks is one of ISI-Dentsu's chief activities, according to sources at the integrator.

In addition to its work with Sakura, the company has installed trading support systems at the Industrial Bank of Japan and the Long-Term Credit Bank, these sources add. ■

Vendors & Services

Reuters swallows Sailfish Systems

REUTERS has bought the remaining two-thirds stake in risk management software specialist Sailfish Systems that it did not already own.

The information vendor has paid \$2 million for the outstanding shares to Peter

Davies, the founder and chief executive officer of the New York-based software house.

The acquisition won't immediately affect the company's staff, however: Davies and 23 other Sailfish staff will remain in place, says a Reuters spokesperson.

Reuters originally bought a one-third stake in Sailfish 18 months ago (*Derivatives Engineering & Technology*, March 7, 1994). At that time, the Sailfish software was in use by three clients. According to Reuters, that has now increased to eight clients, six of them banks.

Sailfish was formed in 1990 by Davies, a former trader and financial technologist. It initially concentrated on risk management consultancy work, but branched into software at the request of two of its early clients.

The company markets four risk