

## Wealth Scenario Generator

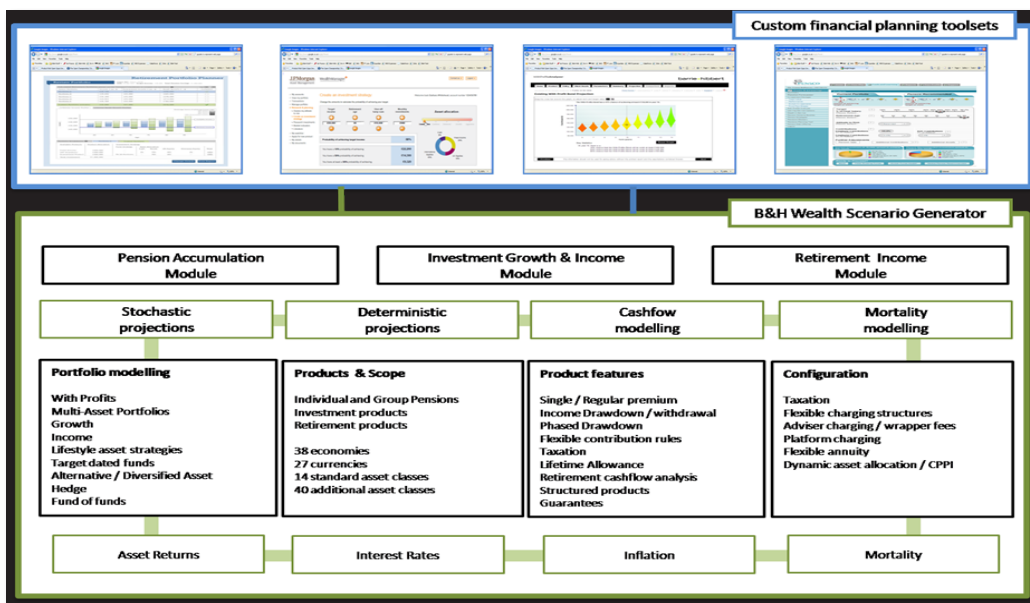
*The stochastic projection engine for financial planning applications*

The Wealth Scenario Generator (WSG) is Barrie & Hibbert's core stochastic projection engine for modelling investment products and cashflows, designed to enable solutions for the retail product manufacturing and advice market. The WSG is a comprehensive and flexible engine and will power any online toolset that requires stochastic analysis. It is currently used within client applications ranging from holistic financial planning services, DC pension planning portals, product comparisons, "what-if" toolsets, and direct to consumer wrap platforms. The economic data used within the WSG is created by Barrie & Hibbert's ESG, the market leading economic scenario generator.

### Features

- Barrie & Hibbert's core economic model covering a wide range of assets (including real estate, alternatives, commodities, infrastructure, etc.) across all major global economies.
- Underlying economic data updated quarterly according to changes in economic and market conditions.
- Flexible cashflow modelling: single, regular premium, withdrawals, retirement income.
- Distinct modules covering: Investment, Pension Accumulation and Retirement Income products.
- Ability to model wide range of sophisticated product features: asset allocation glide-paths, CPPI, guarantees, investment-linked and variable annuities, etc.
- Modelling functionality can be configured in line with your own investment proposition and product terms.
- Flexible, fully documented API.
- Consultancy services supporting our clients design and integration of bespoke planning applications.

### Illustrate the likely range of financial outcomes



The WSG powers many of the leading web-based financial planning and investment decision support tools.

# Supporting effective financial planning functionality

## Solution modules

Solution Modules of the WSG engine have been developed specifically to provide solutions for key product and advice issues:

### ■ Retirement Portfolio Planner: Identifying optimal retirement portfolios

A unique new projection engine to support the modelling of retirement income outcomes. The RPP will identify retirement products and multi-product portfolio solutions which best meet the customer's needs for income and capital preservation. The RPP can be configured to include a wide range of different retirement products including flexible annuities, guaranteed and 'third way' products.

### ■ DC Pension Planner: Member communication for DC schemes portfolios

Without appropriate financial planning tools, DC scheme members may be poorly informed to understand the risks inherent in the default investment option, or to understand how changes in their contribution level or investment strategy can impact their pension outcome.

Barrie & Hibbert has developed a configured version of the WSG for DC member communication and financial planning – DC Pension Planner. When customized and implemented for a scheme it enables members to better understand the value and risks in their pension savings, all within an easy to use graphical online environment.

### ■ With Profits Analyser: Transfer analysis for with-profits bond

The With Profits Analyser supports financial advisers or product providers deliver effective and compliant advice to clients considering the transfer of an existing WP bond policy. The WPA reviews the risk and return characteristics of a single With Profit Bond or across a book of With Profit Bonds and compares this with the available alternative investments. Its outputs and supporting documentation are aligned to the FSA's guidelines on the transfer of existing WP policies.

The WSG powers many of the leading web-based financial planning and investment decision support tools, enabling these tools to:

- Illustrate the likely range of financial outcomes, for a given investment strategy and cashflow profile.
- Compare risk and return outcomes of alternative investment products or portfolios.
- Identify an appropriate investment portfolio for a client's risk profile and financial objectives.
- Enable dynamic "what-if" analysis – to allow advisors and customer to understand the impact of financial-planning options: investment strategy, premiums or income level, investment term.
- Understand the impact and value of product features such as guarantees, CPPI, life-style or target date funds.
- Calculate the likely contribution rate required to meet a financial goal.
- Calculate a sustainable retirement income level, given a particular retirement investment strategy.
- Model and compare the retirement income generated by different retirement products: annuities, unsecured drawdown, bonds and guaranteed products.

## Deployment

The WSG is usually deployed in conjunction with proprietary data capture and presentation layers as part of an integrated solution. It is therefore the ideal solution where the client requires a bespoke user interface, or where some existing interface ('front-end') or platform ('back-end') architecture is in place.

Designed to be deployed on a wide variety of operating environments and infrastructures, each module has a fully documented API, minimizing time to market by reducing integration effort and testing. There are two main deployment options for the WSG:

Barrie & Hibbert supply and configure the calculation

engine only, leaving the client free to create the user interface to their own specification, brand and user experience – we can introduce suitable software organizations to support this development if required. To Support this type of deployment we can provide consultancy for the design and development of the interfaces.

Alternatively the WSG is already pre-integrated into a number of our partner's financial planning propositions, powering the stochastic analysis for their clients. Some of our partners are shown below:



## Benefit from Barrie & Hibbert's WSG

Comprehensive modelling capability	Barrie & Hibbert's core expertise	Ease of integration
Communicate risk and return consistently across your entire product range	Access to Barrie & Hibbert's market leading institutional quality economic scenario modelling capability	Unbundled offer – clients can build own data capture/presentation layer and integrate WSG
Can be applied to wide range of different advice and financial planning problems	Multi product, multi currency and multi-region	Easy integration to existing services, platforms and toolsets
Easily extended to cover bespoke investment products	Rigorously tested and validated by Barrie & Hibbert and thousands of users	Simple deployment and quarterly update process

# Client case studies

## AVIVA

AVIVA use the Barrie & Hibbert WSG to power their Pension Tracker Service



[www.aviva.co.uk/pensions-and-retirement/pension-tracker.html](http://www.aviva.co.uk/pensions-and-retirement/pension-tracker.html)

"This approach was created following extensive customer testing and was only achievable because of the stochastic analysis from Barrie & Hibbert. Their team shared their expertise with us throughout the development process and helped us to fully understand the benefits of their analysis."

—*Iain Oliver*  
Head of Pension, AVIVA

## JP Morgan

JP Morgan use the Barrie & Hibbert WSG to power the financial planning functionality within their Wealth Manager+ investor platform.



<https://public.jpmorganwealthmanagerplus.co.uk/>

This 'D2C' platform enables investment and SIPP customers to model the range of investment outcomes under their current portfolio, compare these against JP Morgan's risk graded model portfolios, and understand the impact of changing investment term or cash flow profile.

## IFG Group

IFG Group use the Barrie & Hibbert WSG to to deliver financial planning tools as part of their Pensions Portal



[www.ifg.ie/Content/our-services/corporate-services/ifg-pension-portal.aspx](http://www.ifg.ie/Content/our-services/corporate-services/ifg-pension-portal.aspx)

This gives the employee a simple 'health check' to show whether they are or track to meet their pension income objectives and to run basic what if scenarios to understand the impact of changing investment or contribution levels.

IFG Pensco has created an investment approach that allows us to provide each member of a Defined Contribution pension scheme with an investment strategy that meets their individual risk profile and time to retirement.

## Rely on our knowledge and experience

Barrie & Hibbert was established in 1995 by John Hibbert and Andrew Barrie. We provide a range of software modelling tools, research and consulting services to a wide range of financial institutions and strategic partners.

Our primary focus is the identification, quantification and management of financial risk in savings and investment products, institutional portfolios and life and pensions balance sheets. We have developed a powerful library of financial models that can be used to understand the complicated joint financial relationships that drive uncertainty in long-term financial plans.

### Our people

The world-class reputation of our products and services is testament to the outstanding quality of our people. Barrie & Hibbert has one of the largest teams in the world committed to the commercial development and delivery of stochastic models – a team that includes financial experts and academics, economists, mathematicians and actuaries, all working together to bridge the gap between financial market theory and practice.

As well as those who build, develop, deliver and support our models, we employ experienced market practitioners who know how to integrate and align our products to specific clients' needs. This close engagement with our clients helps us to stay ahead in our ever-evolving marketplace and ensures that our clients reap maximum benefit from our products and services.

The outstanding level of our people's expertise has established Barrie & Hibbert as the world's leading provider of stochastic modelling tools.

### We never stand still

Because the needs of our clients are constantly changing, we never stand still. Our dedicated research team is always at the leading edge, constantly working to enhance our products. This future-proofing, which is the cornerstone of our business, is also supported by strong links to practitioners, regulators and academia.

### Our clients speak volumes

Over the years we have built up an impressive client base and over 65% of major global insurers now use Barrie & Hibbert models to support the measurement and management of economic risk capital. Many of the global actuarial and accountancy consultancies use our models as part of their service offerings.

For more information on our financial planning products, go to:

[www.barrhibb.com/challenges/detail/financial\\_planning](http://www.barrhibb.com/challenges/detail/financial_planning)

See how Barrie & Hibbert can help your business manage risk more effectively.

Contact: [info@barrhibb.com](mailto:info@barrhibb.com) or visit our website.

[www.barrhibb.com](http://www.barrhibb.com)

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