

Income analysis

FORCES[®] analyses all customer related income of the bank and allocates the relevant portion to each portfolio.

Regular income

This is income that the bank charges at regular intervals, either monthly, quarterly, half-yearly or annually. It includes management fees, custodian account fees, etc.

This income depends on the pool of assets.

Transaction income

This is income associated directly with transactions, such as brokerage fees, fiduciary fees, transfer costs.

Margins

Spreads are items that are not entered in the general accounts, but they do exist.

Currency margins

These are made up of the difference between the exchange rate applied to the customer and the market rate at which the bank will cover its position.

Interest margins

FORCES[®] also takes account of the margin between the interest that customers pay or are charged and the base rate of the lending or borrowing bank.

Commission received

Commission received from issuers or promoters of investment funds (trailer fees) is generally paid to the bank as a whole.

To complete customer related income, the proportion relating to each portfolio must be calculated. This calculation is performed by the **FORCES FUNDS**[®] software.

Customer assets

The task required here is to analyse all personal assets of customers, compare their month-on-month changes and determine the reasons for them: amounts of capital paid in or withdrawn, increase or decrease in the value of investments, including exchange effects.

Investment turnover

Particularly in the trading of transferable securities, the turnover of investments (purchases / sales) is decisive for transaction income.

FORCES[®] can analyse and compare the turnover rate of different types of management, investment instruments, etc.

Gross profitability of customers

By comparing all income generated by customers with the average capital invested, **FORCES**[®] calculates the rate of return for each management type, investment type, etc.

Retrocessions paid

FORCES[®] can also calculate from gross income the amounts of commission paid to business introducers and independent managers.

This commission calculation is performed by the **KRISTAL RETROCESSIONS**[®] software.

Standard costs

Standard costs, usually calculated by the management control department, can be entered by type of bank transaction or service.

FORCES[®] then calculates the cost of transactions by multiplying the standard cost by the volume of transactions.

Net profitability of customers

After deducting commission paid and the standard cost of transactions, the net profitability rate is calculated by **FORCES**[®].

Analysis criteria

FORCES[®] can analyse the data using a range of criteria: by manager, by independent financial advisor, by portfolio, by instrument type, or by the various attributes of portfolios: country of residence, country of nationality, risk category, management method, reference currency, etc. All of these criteria are customised to the bank's requirements.

FORCES[®] also allows combinations of these criteria to be used to filter the data, for example to display the clients of a manager whose management method is represented by a given value.

Some criteria are only applied to income; these are type of income and type of transaction.

Other criteria can be applied equally to income, assets or asset rollovers.