

Asset Liability Management

Connect financial strategy and risk management to drive informed decision-making



Changing market conditions make it difficult for financial institution leaders to see how today's decisions will affect tomorrow's performance. Asset liability management (ALM) can help leaders evaluate tradeoffs using financial models that provide a clear view of how different strategies may perform under varying conditions.

Our services and solutions equip your team with data-driven insights, tailored financial strategies, and ongoing guidance to help you move confidently toward your goals.

Future-focused ALM – More than a Regulatory Checkbox

ALM gives leadership teams a more complete view of how changes in interest rates, balance sheet structure, and other assumptions could impact earnings, capital, and risk. But what if it could also be leveraged as a strategic management tool? Leadership teams need to be able to understand their options as financial conditions and strategic priorities evolve.

We help teams model multiple scenarios and evaluate their impact on profitability, capital, and risk. We work alongside your team – drawing on years of experience working with hundreds of financial leaders – to help you align financial analysis with business-critical decisions.

Through simulations and scenario analysis, we help answer critical risk/return questions and explore what-if scenarios tailored to your organization. This empowers your organization to:

- Evaluate how different rate environments could affect earnings, capital, and ALM results, including EVE/NEV and NII volatility.
- See which asset and liability categories drive or drag performance as rates shift.
- Determine whether the risks in your business plan align with your organization's risk appetite.

Our models extend beyond numbers and complex financial models to provide clear, accessible stories that can help leadership teams communicate recommendations and tradeoffs to their boards and other stakeholders.

Liquidity analysis

Liquidity challenges can emerge from shifts in funding availability, deposit behavior, and market conditions. While you may not be able to predict every disruption, you can plan for them.

We help establish liquidity triggers and risk limits and evaluate your institution's position under both expected and stressed conditions. By modeling potential responses to those stressed scenarios, decision-makers can better understand what it takes to manage liquidity under less favorable conditions.

This provides a clearer framework for evaluating liquidity risk, identifying potential pressure points, and determining how to best protect your business model.

Capital planning and stress testing

Especially during periods of growth, increasing complexity and regulatory pressure can make capital planning more complex.

A stronger planning process starts with reliable data. We help you gather and validate your data and identify where there may be gaps that need to be addressed. With that foundation in place, we can model a range of interest rate environments and stress test scenarios to assess how different strategies could affect your organization, giving leadership insight to refine business models as needed.

The process also includes clear documentation of modeling assumptions, methodologies, and results ready for regulatory and board audiences, so you can demonstrate the integrity of your capital planning process.

Model validations

An ALM model's underlying assumptions and methodologies can influence decisions about risk, capital, liquidity, and strategy. With experience conducting thousands of ALM model simulations, we provide comprehensive reviews and validation of your model assumptions and results.

Our team offers practical suggestions for improving your modeling and reducing model risk. We provide fully customizable modeling based on your data and assumptions, along with a high-level written comparison highlighting key differences and explaining any material variances.

"Partnering with this team has been a game changer for us. They don't just deliver numbers, they bring clarity. In every strategy session, they help our leadership connect decisions to financial outcomes in real time. That kind of insight has transformed the way we communicate, especially with our Board. We stay focused on what matters most while they handle the complexity behind the scenes. It's like having a seasoned partner in the room who's always one step ahead." – CFO

Axiom ALM solutions combine financial technology, ALM expertise, and strategic advisory services to help institutions evaluate risk and connect financial decisions to long-term strategy. This enables financial institutions to:

- **Build the case for strategic moves:** Model the potential financial impact of different strategic options, so leadership teams can evaluate opportunities and make informed decisions.
- **Align financial plans with strategy:** Use multi-year, multi-scenario financial modeling to balance near-term decisions with future profitability, ALM profiles, and capital planning.
- **Plan for future capital needs:** Evaluate capital requirements of strategic initiatives to balance risk with opportunities for value generation and growth.

To learn more about Axiom Asset Liability Management solutions, request a [demo](#).

