



# Prescient Fund Services Offers Clients Accurate Valuations and Analytics Using FINCAD

## Highlights

### Client

Prescient Fund Services

### Business objectives

- Introduce an instrument valuation and trade solution capable of pricing complex instruments
- Access accurate and detailed analytics
- Improve automation in portfolio valuation services

### Requirements

- Easy-to-use software with comprehensive documentation
- Quick and accurate pricing of complex instruments
- Flexibility for modelling a diverse range of instrument types

### FINCAD solution

- FINCAD Analytics Suite for Excel

### FINCAD features

- User-friendly functionality
- Extensive cross-asset coverage of derivatives and fixed income instruments
- Pre-built models
- Knowledgeable and accessible support team

### Success factors

- Fast and accurate pricing of a range of complex instruments
- Time savings in eliminating the need to build models from scratch
- Scalability for supporting future expansion plans
- Improved automation with FINCAD's ease of integration with the firm's investment accounting system

## Situation

Prescient Fund Services (Prescient) offers specialist outsourced administration and platform services to asset managers, multi-managers and other institutional investment providers.

When Prescient began implementing a new third-party investment accounting system, Eagle Investment Systems (Eagle), in 2009, the firm identified a need for an instrument valuation and trade solution that could price fixed income and derivatives instruments.

Prescient required software that they could use to quickly and accurately model and price a range of instrument types necessary to its administration activities. Additional requirements were that the software be easy-to-use, offer comprehensive documentation, and provide the flexibility to create models for valuing a diverse range of instrument types.

## FINCAD's Solution

Following a thorough evaluation process, Prescient selected FINCAD Analytics Suite for Excel, a user-friendly derivatives valuation and risk management solution. Offering extensive cross-asset coverage of derivatives and fixed income instruments, FINCAD Analytics Suite is the industry's easiest to use valuation tool.

"FINCAD was an attractive option because of its extensive library of functions that cover the full instrument universe that we need to price for investment accounting purposes" commented Brett Kalil, valuation and risk specialist at Prescient. "Additionally, we could be sure that as new and more complex instrument types crossed our path, FINCAD would have all the functionality we need to value these instruments."

Prescient was also drawn to the Excel-based nature of the FINCAD solution, which provided the flexibility to create and adjust models as necessary. But the specific functionality that clinched Prescient's decision to go with FINCAD, was accurate valuation coverage for over-the-counter (OTC) instruments such as floating rate notes, short-term fixed rate bonds, interest rate swaps, South African bonds and options.

Prescient's initial goals for the FINCAD solution were that it cover the full gamut of instrument types found in their clients' portfolios, minimize time required to build models to value these instruments, as well as allow for the valuation of a growing breadth and complexity of instrument types.

## About FINCAD

An established leader with more than 20 years of experience, FINCAD provides innovative and trusted financial analytics software to organizations worldwide. With deep market understanding, a client-centered business approach, and unmatched quantitative and software engineering expertise, FINCAD is uniquely positioned to lead the market in enterprise valuation and risk technology. FINCAD serves more than 1,000 organizations across the globe. To learn more about FINCAD's award-winning solutions, please visit [fincad.com](http://fincad.com).

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## The Results

FINCAD Analytics Suite provides Prescient with an extensive library that the firm uses to build out the models required to value various instrument types. The firm has been pleased with the flexibility of the solution, which allows them to easily build customized models that deal with the nuances of different instruments. Prescient utilizes FINCAD models on a daily basis to price OTC instruments, which are ultimately used in overall portfolio valuations.

"FINCAD enables us to accurately price instruments held in portfolios managed by our clients, thereby helping us to produce accurate portfolio valuations. It also provides the full spectrum of instrument analytics assisting us in giving our clients a comprehensive view of their positions," said Kalil.

In terms of the software, Prescient is benefitting from a flexible, accurate and easy-to-use valuation and risk system offering a large library of useful functions. FINCAD software has enabled the firm to build all of their required instrument valuations models and integrate them with their processes in an efficient manner. Kalil described, "FINCAD offers pre-developed models for pricing a large range of instrument types. This enables us to implement new models quickly and without needing to build everything from first principles."

The relationship with FINCAD's support team is another bright spot in the partnership. "Having ongoing access to FINCAD's knowledgeable quants via the support portal has been invaluable. They provide us with exceptional service, including timely and effective feedback on any technical queries," commented Kalil.

## Forward-Looking Plans

Looking down the road, Prescient plans to continue growing their client base, as well as broadening their coverage in the alternative investments space. Alongside these goals, the organization is working towards expanding their service offerings to include performance attribution and ex-ante risk services.

"Our growing client base and additional service offering will require us to model a broader range of instruments with greater complexity. The FINCAD solution is well positioned to meet both our immediate and longer term needs," said Kalil.

The firm is currently in the process of implementing FINCAD within their accounting software. Once the implementation is complete, they expect to see a continued improvement in operational efficiency. "The fact that FINCAD has partnered with Eagle will enable us to value instruments directly within the system, further improving automation of our processes," concluded Kalil.