

Interview with Mark D'Arcy, New President and Chief Executive Officer at FINCAD

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In this exclusive interview with TechBullion, Mark D'Arcy will be giving us more insights into FINCAD and his vision for the company. Former systems engineer, Mark has over 20 years of experience within financial institutions. Mark is a graduate from the University of California, San Diego, and holds an MBA from New York University's Leonard N. Stern School of Business.

Could you please give us a brief summary of your professional experience?

Currently President and CEO of **FINCAD**; more than 20 years of international experience building and leading global risk functions within financial institutions such as Goldman Sachs, State Street and Wells Fargo, driving change in complex and ambiguous situations, and spearheading innovation. Previously was a systems engineer and developer at Electronic Data systems focusing on technology solutions for financial institutions.

What is FINCAD's mission and impact in the FinTech marketplace?

Our mission is to create confidence in risk, through simplicity and control. Financial services is about taking risk or helping others take risk. We provide powerful risk analytics to the Fintech community that has historically been reserved for tier 1 sell-side institutions. Our

risk analytics as a service instils confidence for our customers so they may achieve their financial goals and operate on equal terms with Wall Street, simply and efficiently.

You are now the new President and Chief Executive Officer, what makes you the right person to lead FINCAD, and what is your vision for the company?

Time will tell if I am in fact the right person, but what I bring is practical industry knowledge of the capital markets, a track record of delivering change, risk management, modeling and a passion for innovation. I am a strong believer if our customers are successful, ours will follow.

Our vision is to make risk management analytics available to those that traditionally did not have access and become the industry utility in providing risk analytics as a service not only to the fintech community but also the conventional financial markets.

How is the market demand for FINCAD Solution and who are your customers?

The market demand for our solutions remains very high. The capital markets data analytics space has seen a great deal of consolidation, forcing customers to seek out sophisticated data and analytics that are more tailored or cost-efficient. Whether it be LIBOR transition, backtesting trading strategies, ALM, and more recently with inflation fears FVA, we are experiencing strong demand. Small, regional or challenger banks have been drawn to derivatives to achieve greater yield, but many do not have the sophisticated analytics necessary so they come to us.

Our customers span a very wide spectrum. They can be individuals in treasury functions at corporate entities to tier 1 global financial firms and hedge funds. Within that range, we also work with fintech companies, including challenger banks, who recognize the importance of managing risk and come to us to achieve a competitive advantage.

Tell us more about your Python toolkit for derivatives and risk analytics for financial institutions, why Python, and how does this work?

At the core of our offering is a very sophisticated object-oriented analytics library. With it one can value, model and get sensitivities on most any structured product or derivative, from vanilla swaps to exotics like FX Tarfs. We have wrapped this library within Python enabling a simple and efficient way to value instruments in three lines of code.

At the center of our native cloud offering is this Python toolkit. The native cloud offering enables us to provide customers with an API endpoint from which they can access horizontally scalable risk analytics as a service. By offering risk analytics as a service, we can provide access to sophisticated analytics such as CVA, FVA that historically required complicated infrastructures.

FINCAD provides on-site or online skills training for teams, what are the benefits of this training?

Our goal is to ensure our customers are solving their business problems. We provide robust capabilities for them through email, online, or detailed documentation, so they are ensured to be successful. Equally, we recognize when it comes to modeling and valuation, transparency is critical. If you are a regulator, regulated entity, audited, have model governance, or model validation functions, they all want to see what's under the hood. We have very detailed documentation and are very transparent with how our models function so that a) transparency is there, so it's not a black box. b) Customers can go into the depth they want to control their modeling and evaluations in their environment. We have a very skilled and dedicated professional services team who can provide bespoke support for our customers.

Could you tell us more about the FINCAD team of quantitative and software implementation experts, what makes you special?

FINCAD always receives high marks on its people from our customers. We have very smart talented people who came from the industry or came to us with deep engineering or mathematics background. What makes us special is we have a condray of individuals that are both savvy software developers and sophisticated financial engineers. While we are Canadian company, we have offices in the US and EMEA bringing diversity of cultures and experience which makes us even stronger as a company.

Our customers have a support portal to access documentation and answers to common issues. We really believe if our customers are successful then ours will follow.

Do you have any current opportunities for investment And partnerships at FINCAD?

We are always scanning the landscape for opportunities to partner with innovative companies that can extend our reach and broaden our technology offerings. Techmatrix in Japan has been a key partner in our delivering a cloud-based CVA utility in that market and more recently we have partnered with FiteAnalytics who likely have one of the largest Bond Analytics cloud services in the marketplace.

Having partnered with many of the software solutions, we are embedded in many front-to-back software systems in the market place as well.

Any other information you would like to share with our readers today?

Fintech is a wonderful place to be these days given the level of innovation, enthusiasm, and excitement with regards to disruptive technologies. But, there isn't enough significant innovation being directed towards risk management. There is a huge opportunity for

companies like FINCAD to play a valuable role in instilling confidence in this domain. This would bring about greater confidence in fintech and its ability to supersede the conventional ways of how we conduct finance.

For more information, please visit the website: fincad.com

Comments

