

Preissuance deal support for an institutional investment bank

Pre-issuance

modeling & structuring support

20%

more client-facing time for senior bankers

15-20%

reduction in time to close deals

\$300K+

savings through our support

CLIENT CHALLENGES

- The client was engaged as an underwriter for several new asset types for the first time in APAC
- [Acuity Knowledge Partners](#) was approached to develop models/ tools for such transactions that could project cash flows under different sets of credit assumptions
- The first transaction Acuity Knowledge Partners worked on was a CLO deal
- The initial capital structure, collateral, and rating agency criteria were provided to develop a flexible model/tool to handle both asset and replinelevel credit modeling

OUR APPROACH

- Acuity Knowledge Partners assigned an expert Excel VBA modeler to the project, who worked under the guidance of [structured finance](#) subject matter experts
- In the preliminary stage, a typical CLO waterfall and [capital structure](#) were modeled, supported by a dummy asset pool
- Functionalities were added next to dynamically change the assets, payment waterfall, capital structure, and credit assumptions
- Finally, transaction actuals (different proposals) were incorporated and [rating agency](#) stresses were run to optimize the final capital structure and terms

IMPACT DELIVERED

- As the client was working on multiple transactions, it benefited from Acuity Knowledge Partners expertise in deal modeling/structuring
- The [model/tool](#) provided flexibility to dynamically change transaction terms, credit assumptions, asset characteristics, liability structure, etc., which helped in finalizing the capital structure
- With Acuity Knowledge Partners performing the required modeling tasks and analytics, the client could focus more on increasing the deal flow, market developments, and other clientfacing activities
- This partnership proved to be a scalable model for the client, compared with hiring and training employees when deal volumes increase

About Acuity Knowledge Partners

Acuity Knowledge Partners is a leading provider of high-value research, analytics and business intelligence to the financial services sector. The company supports over 350+ financial institutions and consulting companies through a team of over 3,000+ subject matter experts who work as an extension of the clients' teams based out of various global delivery centres.

We empower our clients to drive revenues higher. We innovate using our proprietary technology and automation solutions. We enable our clients to transform their operating model and cost base.

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