

credit technology innovation awards 2010 winner

Principia Partners

Intex/Lewtan data tie-in

STRUCTURED FINANCE VENDOR Principia has enhanced its software through the integration of performance and issuance figures from data companies Intex and Lewtan. With each vendor covering over 20,000 structured finance deals, users of Principia's platform can perform their own analysis via the most extensive repository in the market.

"The platform takes this data from multiple sources and standardises it," says Douglas Long, vice-president of business strategy at Principia. "Then you can drill into deals or make comparisons across portfolios to proactively manage investments. Compliance rules can be easily layered on to monitor performance against any limit or trigger you set."

Lewtan ABSNet data was added to the platform in May, while adaptors for Intex Historical Collateral Performance Data were added in October.



Delinquency, loss, default and prepayment rates, as well as other measures, can now be accessed for residential mortgage-backed securities, asset-backed securities, commercial mortgage-backed securities, and collateralised debt obligations.

Investors can load the Lewtan and Intex data alongside their own, or third party, collateral analysis. They can model their

portfolio of structured finance and fixed income assets in one place, alongside any associated hedging and funding products.

Forecasting assumptions regarding deal, tranche and collateral performance can be stress tested, helping portfolio managers monitor the performance of securities over time.

Client consultations by Principia suggested investors viewed this as one of the most vital aspects of risk analysis. "We surveyed over 500 market participants and accessing performance data came around as the most important thing," says Long. "A lot of the work we do is driven by client requests, prospects and by the direction we see the regulators taking."

Principia is headquartered in New York, with a European office in London, and a technology centre in Conshohocken, Pennsylvania. Its platform has been in use for 15 years.