

# The Focus List

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## Fintech Analytics

### What We Believe

Point Focal believes fintech analytics should be held to a higher standard. We believe they must enable asset managers to make better investment decisions that generate growth and reduce risk.

Portfolio managers, traders and analysts have much more information than insight. Market, reference and alternative data sets are growing faster than most firms can access and interpret. The asset management analytics landscape is shaped like a barbell. At one end firms are overwhelmed with KPIs, charts and reports. At the other end firms are struggling to produce data-driven content. The congestion of firms on the ends of the barbell have opposite information profiles: a surplus on one side and a shortage on the other. However, they share common insight profiles: at both ends of the barbell insight is scarce.

Firms must navigate to the thin center of the barbell, where asset managers use statistics to put odds in their favor and succeed in today's markets. The ability to access and interpret data quickly to improve decision making is the difference between growth and failure.

The Focus List is our response to this environment. It captures and processes the highest quality fintech content and integrates it with your portfolios and stock lists to help you make better trading and risk management decisions. It is made for PMs, traders and analysts: its data operation and analytic reports are automated and easy-to-use while its workflow is balanced between a flexible design and a custom user experience.

### The Asset Management Information Problem

Both large and small asset management technology teams are challenged to produce information at scale with enterprise risk controls. Manual processes, death-by-spreadsheets and a lack of data operation capabilities limit the ability to achieve best-in-class analytics.

## Large Asset Management Firms

Enterprise asset management firms with significant technology resources have a strong internal bias: their information investments focus on internal systems and processes. As a result, production reporting and analytics lack context while internal performance, rather than real growth, is measured.

## Small Asset Management Firms

Asset managers with small technology teams are necessarily focused on the firm's core value proposition, which may be order routing, matching block liquidity or creating custom research content. Comprehensive analytics are often overlooked resulting in a lack of visibility into business risks and growth opportunities.

## The Focus List Solution

The Focus List was created to address this information challenge with a higher standard of fintech analytics. We believe large asset management firms should produce more insight internally and expect more from analytic vendors. We believe mid-tier and small institutions should have access to analytics at scale with enterprise risk controls.

Our belief is based on our buy-side and sell-side experience. It comes from having been market-risk and sales-traders at investment management firms. And it comes from implementing analytic solutions at one of the largest banks in the world.

Fintech analytics should be simple to implement and easy to use. And they must produce real insight that gives you an edge. The Focus List makes it easy to link your portfolios and stock lists with the market's best alternative data to generate growth and manage risk.

## Data & Technology

Analytics are only as valuable as their underlying data. Content from world-class fintech alternative data companies is required to produce the quality

of insight we deliver. And non-traditional data sources need to be accessed with enterprise analytic tools.

Identifying the highest-value content to integrate with traditional asset management data is critical to the Focus List experience. We are proud to be partnered with Estimize and PsychSignal, both leading innovators of alternative fintech data. We're thankful that IEX, the investor's exchange, has developed a market and reference data offering that enables fintech innovation. And we appreciate FINRA's efforts to increase transparency across dark pools of liquidity by making this information accessible.

Data is necessary, but not sufficient, to produce fintech analytics. Modern technology must be used to capture and process content before transforming it into meaningful information. Combining visual analysis with natural language to give portfolio managers, traders and analysts an edge completes the fintech analytic loop.

### Fintech Data Partners

#### IEX Market and Reference Data

Market and reference data sourced from IEX powers real-time performance attribution of your portfolios and lists against market benchmarks. Pricing history is integrated with Estimize and Psychsignal data to provide you with information about stock behavior during earnings events and sentiment scenarios.

#### Estimize Earnings and Revenue Estimates

Estimize crowdsources earnings estimates from over 90,000 hedge fund, brokerage, independent and amateur analysts. By collecting millions of estimates from a diverse community of individuals, Estimize has built a highly accurate and representative data set of true market expectations proven to be more accurate than Wall Street 74% of the time.

Understanding stock performance upon beating or missing Estimize earnings estimates and quantifying post-earnings drift after earnings

surprises helps inform market timing, asset allocation and risk management decisions.

You can learn more at [Estimize](#) where white papers from top quantitative asset management firms and academic researchers detailing alpha-generation and risk management strategies around earnings announcements are available.

### **PsychSignal Sentiment**

PsychSignal processes the Twitter and Stocktwits data firehoses using a natural language engine with a trading lexicon to produce bullish and bearish sentiment scores.

Coupling traditional market data with a modern lens into the wisdom of crowds creates new portfolio management insight. Identifying extreme sentiment during overbought and oversold conditions helps inform the investment management process. Quantifying historical stock, sector and portfolio performance of sentiment scenarios leads to more informed, data-driven, decision making.

You can learn more at [PsychSignal](#) where a selection of technical whitepapers focused on sentiment datamining and its use in modern trading is available.

### **FINRA Alternative Trading System (ATS) Activity**

ATS dark-pool activity sourced from FINRA leverages the Point Focal ATS data model to deliver an unprecedented level of dark-pool liquidity transparency. Over 30% of market volume is executed across more than 30 alternative trading systems. Knowing where historical liquidity for your names has resided and understanding ATS market share on a stock-by-stock basis can inform order-routing, algorithm construction and natural block discovery.

## Financial Technology Partners

### TIBCO & Automated Insights

Point Focal is official partners with TIBCO and Automated Insights. We use TIBCO Spotfire and Automated Insights NLG Wordsmith platforms to produce The Focus List experience.

### Experience the Focus List

We believe fintech analytics must enable portfolio managers, traders and analysts to improve decision making. Point Focal created the Focus List. Contact us for access.

Market and Reference Data from IEX  
 Earnings Estimates from Estimize  
 Sentiment Scores from PsychSignal  
 ATS Dark Pool Activity from FINRA

