

# Express delivery



Continuing his exclusive series for *Professional Adviser*, Mark Loosmore from technology consultancy AT8 Group analyses product and fund tools for advisers. This week: **Financial Express Analytics**

This week we continue our reviews of the research tools, moving on from those that covered both product and funds, to a specialist fund research tool – Financial Express Analytics.

Financial Express is the largest distributor of fund data in the UK, and is the main or sole supplier of data to many of the leading data vendors, including Bloomberg, Thomson Reuters and Telekurs.

Financial Express also provides data and web-based fund analysis products to the UK's leading fund supermarkets, the vast majority of life and wrap platforms, product providers, financial advisers and networks, software houses, financial portals and private investors. Financial Express is also the owner of [www.trustnet.com](http://www.trustnet.com) for which it may be better known to our readers.

One noticeable difference when comparing Financial Express with the systems that have a product research legacy is that its focus is less about creating an auditable filtering process of products or funds and more about access to the wealth

of the most presentable tools we have reviewed. It goes beyond the user interface to the software itself, which is easy to use and clearly laid out, to include the relevant documentation and supporting marketing material. Indeed the fund factsheets by Analytics are extremely presentable and most certainly customer facing. The material has a stylish marketing sheen that gives them a substantive quality.

## Interactive

What I really like about the fund factsheets and portfolio reports is that when they appear on screen, they are not static PDF documents but interactive reports. Not only can new sections and areas of analysis be added or deleted at the touch of a button, but you can interact with the individual graphs to get a better understanding of the data. For example, by clicking on a different point in the graph, the data labels or the legend will change, alternatively, if you have a time-based graph and you want to know what happened between two points in time, click on those points and the graphs will dynamically change to explain events in this time period.

It is worth spending a bit more time explaining the content of the factsheets as the information they contain is very rich. Each document includes four pages or sections which are:

- Summary information
- Performance
- Holdings and
- Historic holdings

Each section is interactive as described above and contains a wealth of data from charges and sector information to top ten holdings and historical fund sizes. The factsheets also contain fund rating information including Financial Express' own 'Crown' rating, which is a quant-based ratings' system designed to highlight funds that have had superior, consistent performance in relation to risk, relative to their peer groups. Importantly, these aren't the only ratings they provide as they also include the S&P ratings and the OBSR ratings. OBSR factsheets are also available at no extra cost. As mentioned last week, OBSR have a qualitative approach to research and as such, it supplements Financial Express' quantitative approach nicely to give



the user both perspectives from a single system.

If this level of data is not required, then a 'Quick Stats' facility is also available to provide a fast-track route to key data.

The factsheets are not just available on the individual funds but can also be created on the fund managers themselves.

Once the content of the report has been analysed a physical report can be produced as a PDF document for print and presentation to the customer as you would expect. However, Analytics goes one step further than this and each graph / table has an export button that will allow you to put the graph or data into either Word or Excel, where the data can be added to and manipulated further to fully understand the funds being investigated. The ability to move data and images to be used elsewhere was executed brilliantly and having talked to many IFAs frustrated at how difficult it is to extract data from some systems, I believe this is a real value add.

Another nice feature is that if multiple fund factsheets are reviewed, they can be merged into a single client facing document rather than having to be printed out separately.

## Portfolio builder

As well as the fund research, Analytics is a valuable tool for reviewing portfolios. Analytics contains a nice portfolio builder tool where you can enter, then analyse and report on the

performance of a client's portfolio. The portfolio reports are available in both detailed and summary form and contain a wealth of information including: performance and contribution data for the portfolio and benchmark as well as the underlying funds, additional risk and return analysis using ratios and scatter charts as well as performance tables and graphs. Again, these reports are interactive and the data they contain can be easily extracted to put into other applications.

Financial Express has recently added a Dynamic Portfolio Tool to demonstrate the impact of changes to portfolios over time. It provides advisers with the opportunity to show their clients the true value of the investment advice that they are giving. Also, the tool gives advisers the capacity to show the effect of single fund switches and/or changes to the portfolio asset allocation. IFAs that use Model Portfolios may particularly like this to illustrate the value of their model portfolio/ advice and compare and contrast performance with other portfolios or indices.

My second concern is that the tool is very 'report centric' and not 'client centric'. Whilst this may not be an issue when used for pure research, it does limit its use in providing an audit trail of activity performed for a client (useful for fee justification as well as compliance) and means client specific reports need to be produced in another system (which some may consider to be the right and proper approach in any case).

Finally, when recommending new systems to clients we always suggest that they check out how easy it is to do business with the supplier. Clearly their staff have a passion and a belief in their products and an understanding of an IFAs business needs.

## Integration

Regular readers will be aware of my normal gripe about the lack of integration between different systems in the market place. Financial Express seems to have gone some way towards addressing this. Not only are the reports themselves easy to get data out of and into other

applications, but data can be imported into Analytics from a number of back-office solutions such as Quay, 1st, and True Potential. Interestingly, Analytics is also integrated to a couple of platforms including Skandia and Ascentric. The integration is particularly useful as these imports can take data directly into the portfolio builder, so enabling portfolio reports to be created quickly and easily. If the imports come from multiple sources then the portfolios can be easily merged for analysis. In a world where IFAs may in the future be forced or encouraged to use multiple wrap platforms this feature could become increasingly important.

Financial Express is available at a price of £5,000 per annum plus VAT for a three-user licence.

"One noticeable difference when comparing Financial Express with the systems that have a product research legacy is that its focus is less about creating an auditable filtering process of products or funds and more about access to the wealth of fund related data they have within their organisation"

of fund related data they have within their organisation. That is not to say they can't effectively filter funds but it isn't their *raison d'être*; instead we found Financial Express Analytics was about accessing and exploring their information quickly, how and when you wanted it.

Financial Express has a massive database of fund information. The information is made available to users in the form of fund factsheets and portfolio reports.

The wealth of information and ease of accessing it made this

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