

THOMSON REUTERS DATASCOPE EVALUATED PRICING SERVICE

ACCURATE AND INDEPENDENT EVALUATED PRICING

Thomson Reuters DataScope Evaluated Pricing Service offers an independent, accurate, and timely professional pricing of instruments. The service covers 2.5 million fixed income, derivative instruments and loans priced daily. Prices are delivered throughout the day or at market closing times around the world depending on the asset class, with supporting commentary to give insight on the day's events. Of course, high levels of quality assurance and service along with a continuing investment in coverage enhancements to meet customers' evolving needs are part and parcel of our offering. The service is available through Thomson Reuters DataScope Select and Thomson Reuters DataScope Onsite.

FUNCTIONALITY AND FEATURES

UNRIVALLED DATA COVERAGE

Our pricing service covers a global universe of 2.5 million over-the-counter (OTC) fixed income and derivative instruments.

CONTENT COVERAGE

- Structured finance instruments, including asset-backed securities (ABS) and mortgage-backed securities (MBS)
- Structured products including equity linked notes, index linked notes, CD linked notes, etc.
- Corporate and Government securities, including all parts of capital structure from senior debt to preference shares, Islamic finance (sukuks), U.S. municipal bonds, convertible bonds, money market instruments
- Loans
- Derivative instruments

LEADING EVALUATORS

Professional, experienced evaluators apply consistent and transparent pricing methodologies, reflecting regulatory and accounting standards. With over 100 evaluators in New York, London, Tokyo, Singapore and Bangalore, Thomson Reuters brings clients global coverage with local knowledge.

ADVANTAGES

FOCUS ON CUSTOMER NEEDS

- The keystone for the Thomson Reuters DataScope Evaluated Pricing Service is the level of commitment to our clients
- Thomson Reuters is committed to improving the client workflow while never ceasing to increase the quality of the service offered
- Our staff work very closely with the clients in order to assure the highest level of services

FULL-SCALE PRICING SERVICE

- The evaluations process encompasses strict validation procedures, including checks that guarantee the absence of stale prices and/or outlying values, and a yield curve report that guarantees the accurate calculation and fitting of interest rates' term structures across all markets

DELIVERY

- Evaluated prices delivery is guaranteed within 45 minutes of the calculation cycle
- Thomson Reuters delivers prices at market closing times around the world, with supporting commentary to give insight on the day's events
- The service is available through Thomson Reuters DataScope Select and Thomson Reuters DataScope Onsite

TRANSPARENCY

- Clients can raise price challenges as soon as they receive their files, and they will be answered by an evaluator prior to the next pricing cycle

WHY THOMSON REUTERS?

Reliable and consistent – In the current volatile market, our evaluated prices offer a much needed dose of reliability and consistency.

Independent – Thomson Reuters is a completely independent third party pricing provider with no conflicts of interest as the company does not originate, issue, trade, buy, sell or position these instruments.

Responsive provider – Our focus is ensuring we are the most responsive provider to the growing demands of the market place.

Expert team – Thomson Reuters provides a transparent and accurate professional evaluated pricing service delivered by a team of more than 100 experts located around the globe, who are in constant contact with market participants.

For more information on Thomson Reuters DataScope Evaluated Pricing Service, please take a look at:

Thomson Reuters Solutions for Portfolio Valuations.



THOMSON REUTERS™

CONTENT COVERAGE DETAIL

ASSET CLASS	COVERAGE	METHODOLOGY
Global: Asia-Pacific, EMEA, Americas		
Investment Grade All	Australasian, EMEA and American markets	Evaluated on nominal spread, discount margin or OAS basis depending on how the market trades a security or sector
High Yield	Major issues priced. Other Markets covered on customer request	Individually evaluated, mostly on a price basis using the lead underwriter as primary source of information
Emerging markets	Benchmark issues priced. Others priced on customer request	Evaluated on spread or price basis
Money markets	T-Bills, Commercial Paper, CDs	Evaluated on spread or discount rate basis
Islamic	Sukuk	Priced on a dollar price basis using broker-derived data
Syndicated Loans	Syndicated bank loans	LSTA pricing methodology – average of bids and offers from the broker/dealer community
Derivatives	CDS (Credit Default Swaps), IRS (Interest Rate Swaps), TRS (Total Return Swaps), OTC Equity options and warrants, Bond Futures, Currency options, Swaps, Forwards, Caps and Floors, Swaptions, Structured products, Equity Derivatives	Extensive library of analytics and market data
Asset Backed Securities, Commercial MBS	ABS, RMBS, CMBS	Individually evaluated using historical and projected prepayment speeds and loss scenarios. Methodologies implemented using spreads obtained from market participants, trade prices and dealer quotes
Convertible Bonds	Convertible Bonds and Convertible Preferred Stocks	Thomson Reuters internal convertible pricing model uses dealer quotes and a delta model incorporating a real time equity feed
Americas		
Treasuries	Bills, Notes, Bonds, STRIPS	Thomson Reuters receives daily valuations on bills, notes, bonds and STRIPS from multiple contributors
Agencies	Discount Notes, Bonds, Medium Term Notes	Agencies individually evaluated on an OAS basis or nominal spread for non-callable issues
Fixed-Rate Mortgage Pools	GNMA, FNMA, FHLMC: TBA, Fixed Rate, Balloon and Graduated Payment	All seasoned pools are priced off MBS TBA prices. TBA prices are obtained from market makers and live trading systems. Seasoned quotes are obtained from dealer community and trade prices
Adjustable-Rate Mortgage Pools	GNMA, FNMA, FHLMC: COFI, CMT, LIBOR, MTA	Individually evaluated on an BEEM (Bond Equivalent Effective Margin) basis
Hybrid – Adjustable Rate Mortgage Pools	GNMA, FNMA, FHLMC: 3-1, 5-1, 7-1, 10-1	Priced by Z spread to balloon date
Agency CMO	GNMA, FNMA, FHLMC: Fixed Rate, IO/PO (Interest Only/Principal Only) Simple and Complex Floaters and Inverse Floaters	Individually evaluated using OAS and nominal spread. OAS valuations use the Andrew Davidson prepayment model and Thomson Reuters OAS calculator. Cashflows are calculated internally
Non Agency RMBS, Commercial MBS	Multiple Issuers: Prime, Alt A, Subprime; CMBS	Individually evaluated using historical and projected prepayment speeds and loss scenarios. Methodologies implemented using spreads obtained from market participants, trade prices and dealer quotes
Consumer ABS	Auto and Boat loans, Credit Card, Recreational Vehicle loans	Individually evaluated on a nominal spread basis. Spreads obtained from trade prices and dealer quotes
Municipals	All municipal investment grade and high yield debt, including general obligation, revenue and assessment bonds, distressed and defaulted debt, taxable municipals, and short term markets	All investment grade as well as certain non-rated categories are priced with a credit curve driven attribute model. High yield, distressed and defaulted debt are hand priced. In all cases sell side, buy side, underwriting and inter-dealer broker trading desks provide primary information and market color

FOR MORE INFORMATION:

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