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Moody's Analytics Enhances Structured Finance Workstation Platform

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NEW YORK--(BUSINESS WIRE)-- Moody's Analytics announced today that it has enhanced its Structured Finance Workstation (SFW) platform by integrating macroeconomic forecast data from Moody's Economy.com and credit risk modeling from Moody's Mortgage Metrics with the platform's existing cash flow analytics tools. The enhanced platform is available to investors starting today.

"Investors can now access integrated economic forecasts, credit risk modeling and securities valuation through a single platform," said Jacob Grotta, Managing Director of Moody's Analytics. "The combination of these services gives investors a powerful and flexible tool with industry-leading analytical capabilities."

The enhanced SFW platform integrates macroeconomic forecasts from Moody's Economy.com within the Moody's Mortgage Metrics model to generate constant prepayment rates (CPR) and constant default rates (CDR) based on individual loan characteristics. The corresponding CPR curves and CDR curves feed directly into SFW, which combines the waterfall with loan-level data to generate cash flows and valuations for the entire capital structure or a single tranche.

"These enhancements are a direct response to our clients' desire to include macroeconomic forecasts when analyzing structured finance transactions," commented Mark McKenna, Director of Moody's Analytics. "The addition of economic and credit forecasts will allow for a more rigorous analysis of asset-backed securities."

SFW is a robust and flexible software platform for performing cash flow analytics on ABS, RMBS and CMBS transactions. In addition to a powerful analytic engine, SFW includes a waterfall editor, comprehensive deal library with loan-level data, extensive reporting tools and dedicated support from experienced financial engineers.

Moody's Mortgage Metrics analyzes residential loans to estimate default rates, loss given default rates, prepayment rates and other risk measures at the individual loan and portfolio level. Moody's Mortgage Metrics includes economic simulations (including MSA level analysis), explicit treatment of mortgage underwriting quality, transparent graphical analysis of the effects of economic and loan characteristics on losses, and the ability to analyze portfolio loss distributions.

Moody's Economy.com is a leading provider of economic, financial, country, and industry research to capital market participants. Its economic data and forecasts are used in a variety of disciplines, including strategic planning; product and sales forecasting; risk and sensitivity management; and as investment research.

About Moody's Analytics

Moody's Analytics is a leading provider of research, data, analytic tools and related services to debt capital markets and credit risk management professionals worldwide. The company's products and services provide the means to assess and manage the credit risk of individual exposures as well as portfolios; price and value holdings of debt instruments; analyze macroeconomic trends; and enhance customers' risk management skills and practices. Moody's Analytics is a subsidiary of Moody's Corporation (NYSE: MCO), which reported revenue of $1.8 billion in 2008, employs approximately 3,900 people worldwide and maintains a presence in 31 countries. Additional information about the company is available at www.moodys.com.

Source: Moody's Corporation

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