

Private Debt Valuations

The Private Debt market has experienced rapid growth in recent years and has become a mainstream form of financing. This sector has come under much regulatory scrutiny and also has an investor base that places a high emphasis on controls.

Debtval is designed to provide the accurate and comprehensive valuation process that is key to achieving proper governance.

Key Features

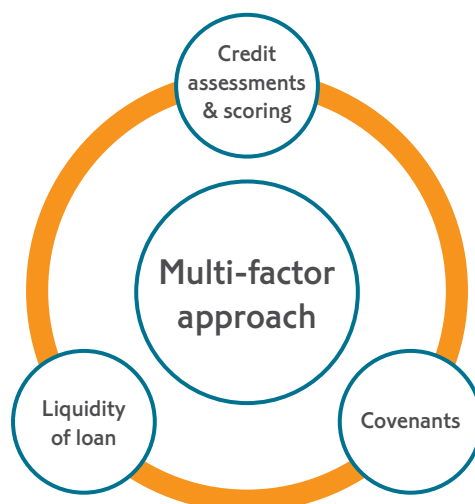
- Ability to handle different types of loans, bonds and other contracts
- Systematic approach using cutting-edge calibration and validation techniques
- Fully documented methodology
- Consistent with IPEV 2018 guidelines and following regulatory developments
- Service branded neutrally to aid client's governance position

Benefits

- Valuations and data breakdowns provided
- Robust approaches to allow for missing or incomplete data
- Publication of valuations to client by email and portal
- Full reconciliation and dedicated client support by our expert team on all aspects of the service
- Staying close to the sector and understanding evolving market practices and demand

We have **developed our own credit assessment algorithm** for calculating issuer credit spreads and have extended these techniques to private companies. There is a wealth of theory, applications and data on this subject however we prefer an **in-house solution** so that we can combine the analysis more readily with other components of the contract

The effect of the lack of **liquidity** on loan yields is subtle and we have **developed methodologies to account for the increase in yield** in a way that can be calibrated and used consistently



Covenants place restrictions on the company taking the loan. This can be modelled using **techniques from option pricing** and therefore draws on our **expertise and experience**

Using the Debtval System

Individual instruments are submitted to the portal and all documents and supporting information are fully analysed. The service then selects the most appropriate methodology and regular valuations are produced according to the client's requirements.

Valuation results are sent by email and are also available on the portal for download and future reference.

Valuation results for Fund Manager ABC for 31 Dec 2018

FVC ID	Client ref	Line name	Portfolio	Series	Valuation (%)	Currency	Notional
1	XS1221940510	Private Loan based on WARD'S FINANCE PLC...	Private	Private monthly	88.723	GBP	1,000,000
2	XS1112834608	Private Loan based on EROS INTERNATIONAL PLC EROS...	Private	Private monthly	95.115	GBP	2,000,000
3	XS0880578728	Private Loan based on ENQUEST PLC ENQ22 EPK...	Private	Private monthly	84.599	GBP	3,000,000
4	XS0187202303	Private Loan based on EASTERN POWER...	Private	Private monthly	109.073	GBP	1,000,000
5	XS0148889420	Private Loan based on LONDON POWER...	Private	Private monthly	106.503	GBP	2,000,000
6	XS0947705215	Private Loan based on BRUNTWOOD INVESTMENT...	Public	Public monthly	104.033	GBP	3,000,000
7	XS1379593566	Private Loan based on ALPHA PLUS HOLDINGS PLC ALPH...	Public	Public monthly	103.456	GBP	1,000,000
8	XS0094475802	Private Loan based on SEVERN TRENT UTILITIES...	Public	Public monthly	89.126	GBP	2,000,000
9	XS0987703250	Private Loan based on PREMIER OIL PLC PREMIER...	Public	Public monthly	93.616	GBP	3,000,000
10	XS0866594642	Private Loan based on LUNITE GROUP PLC LUNITE GRP 20	Public	Public monthly	103.146	GBP	1,000,000

Valuation Information

Company name: Premier Oil PLC
 Loan name: PREMIER OIL PLC PREMIER OIL21
 Maturity date: 11 Dec 2020
 Coupon: 5%
 Reporting date: 31 Dec 2018
 Units: GBP000s

Company Fundamentals

Total assets	5138.8	Book value of equity	
Current assets	823.8	Total liabilities	
Current liabilities	823.8	Debt	
Return on earnings	268.3	Z score	
ROE	824.8		

Line details

FVC line ID: 9
 Client line ref: XS0997703250
 Line name: Private Loan based on PREMIER OIL PLC PREMIER OIL21
 Portfolio: Public
 Series: Public monthly
 Start Date: 11 Dec 2013
 Maturity Date: 31 May 2021
 Company: Premier Oil PLC
 Currency: GBP
 Notional: 3,000,000.00

Valuation (as at 28 Feb 2019) - change valuation date

Valuation date: 28 Feb 2019
 Valuation (%): 95.358 %
 Valuation (GBP): 2,860,737.44

Chart and history

Yield and Valuation

Valuation (GBP) and Yield (%) over time.

Service Backed by FVC

Future Value Consultants is an independent research and analytics company specialising in structured products, private debt and index calculations in the UK, Europe and worldwide

- Recognised experts in structured products with innovative research and stress testing tools
- Long standing valuation service for structured products and OTC derivatives covering equities, fixed income and credit
- Private debt valuations and capabilities in other illiquid asset classes

For more information or to request a free trial please contact us

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