

Case Study: AI Solution for Automating Financial Analysis and Due Diligence

About the Client

Investment Banking Firm

Challenges

An Investment Banking firm faces a significant challenge in the manual generation of credit rating sheets for companies of interest. The current process is labor-intensive, time-consuming, and prone to human error, leading to inefficiencies and inconsistencies in reporting. The lack of automation limits the bank's ability to scale this process effectively and hinders their capacity to respond rapidly to market opportunities.

Advancing the Accuracy and Speed of Credit Rating with Machine Learning & LLM

Our innovative approach leverages Machine Learning (ML) and Large Language Models (LLMs) in automating and enhancing complex financial processes, to ensure accuracy, efficiency, and speed, setting new standards in the operations domain. TeraCrunch utilized its proven methodology to develop a ML and LLM driven pipeline that ingests data from the client and outputs complete rating sheets. Here is the process outline:

- **Data Ingestion:** ML algorithms, capable of accurately extracting financial data from various file formats like Excel, PDF and websites, extract necessary information, significantly reducing manual intervention.
- **Rating Sheet Generation:** LLMs are utilized to interpret complex financial narratives, ensuring nuanced and accurate completion of rating sheets, far beyond basic data analysis
- **Chart and Graph Creation:** Utilizing neural network (ML) models we create visual representations of financial data per client's chart template
- **Testing and Debugging:** The initial phase included rigorous testing against past manual sheets from the client to ensure accuracy and consistency. Our ML models continuously learn from previous outputs, progressively enhancing the accuracy and reliability of the credit rating process.

Impacting Business Decisions with TeraCrunch Solutions

The solution resulted in an operational pipeline that automates the initial stages of rating sheet creation, including data extraction, preliminary filling, and chart generation. It successfully replicated the manual process, reducing the time and effort required. This AI driven automation initiative by TeraCrunch for the Investment Bank represents a significant enhancement in efficiency and consistency for the credit rating process. It lays the groundwork for a fully automated system that will offer fast, error-free rating sheets, providing the client with a robust tool for their investment analysis and decision-making.

About TeraCrunch

In today's fast-paced business landscape, finding Artificial Intelligence solutions tailored to your unique needs is a challenge. Off-the-shelf solutions fall short, in-house development is often cumbersome, and most custom providers can break the bank.

TeraCrunch is the Midwest's premier AI specialist. 10 years, 150+ solutions and 5-40x ROI. That's our track record! We eliminate unnecessary complexity and costs, offering turnkey custom solutions in fastest time. Whether it's finance, operations, or sales & marketing, we've got you covered. Our team of top-tier data scientists, with PhDs from esteemed institutions like Harvard and NASA, leverages our proven tools & methodology. Our approach is fast, flexible and collaborative. We work as an extension of your team. No long-term contracts, disruption to your IT infrastructure, or need to invest in expensive talent and software.

Contact us for a demo at advancedanalytics@teracrunch.com

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*TeraCrunch™

Key Benefits



Efficiency Improvement:

Reduction in time to generate a preliminary rating sheet by 50%, decreasing the process from 4 hours to 2 hours per company.



Accuracy Enhancement:

Decrease in human error by 40%, as measured by a reduction in data discrepancies found in quarterly audits.



Productivity Increase: Free up approximately 70% of the financial analysts' time, allowing them to focus on more strategic tasks.



Faster turn-around time: Ability to process and analyze data for dozens of companies simultaneously improvement in overall turnaround time for a completed rating sheet from 1 week to a few minutes

Conclusion

Following the successful implementation of our AI-driven credit rating solution, we have continued our partnership with the client, embarking on a series of innovative projects. These include AI applications in Risk Assessment, where we utilize advanced analytics to identify and mitigate potential risks, and Deal Analysis, employing AI to evaluate and optimize investment opportunities. Our journey with this client has evolved into a comprehensive AI integration across various facets of their operations, demonstrating our commitment to driving business growth through cutting-edge AI solutions

TeraCrunch Looking Forward

TeraCrunch stands as a beacon of excellence and innovation in AI, backed by 10 years of experience and over 150 custom AI solutions resulting 5-40x ROI. Our proprietary methodologies reflect our commitment to being an established leader, not just another participant in the AI industry.

Looking forward, ML and LLMs represent not just a current solution but an evolving technological frontier for TeraCrunch. We are committed to continually harnessing these advancements to refine the automation and analytics processes, staying ahead in the financial technology landscape.

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