

Performance Optimization Program

Maximize your loan pricing returns



S&P Global

Market Intelligence

Uncertainty has no place in your next lending decision

Many banks sacrifice profitability due to lack of data or discipline around loan pricing. The Performance Optimization Program provides your team with deep account-level data and analytics to help them price new loans and renewals, while driving deposit and treasury service revenue.

We offer a data-driven solution that helps banks maximize risk-adjusted revenue, while also taking into account their broader total relationship profitability, volume, market share, and customer satisfaction objectives. We help lenders conduct in-depth market analysis, optimize their commercial loan pricing policies, and create effective fee structures, through:

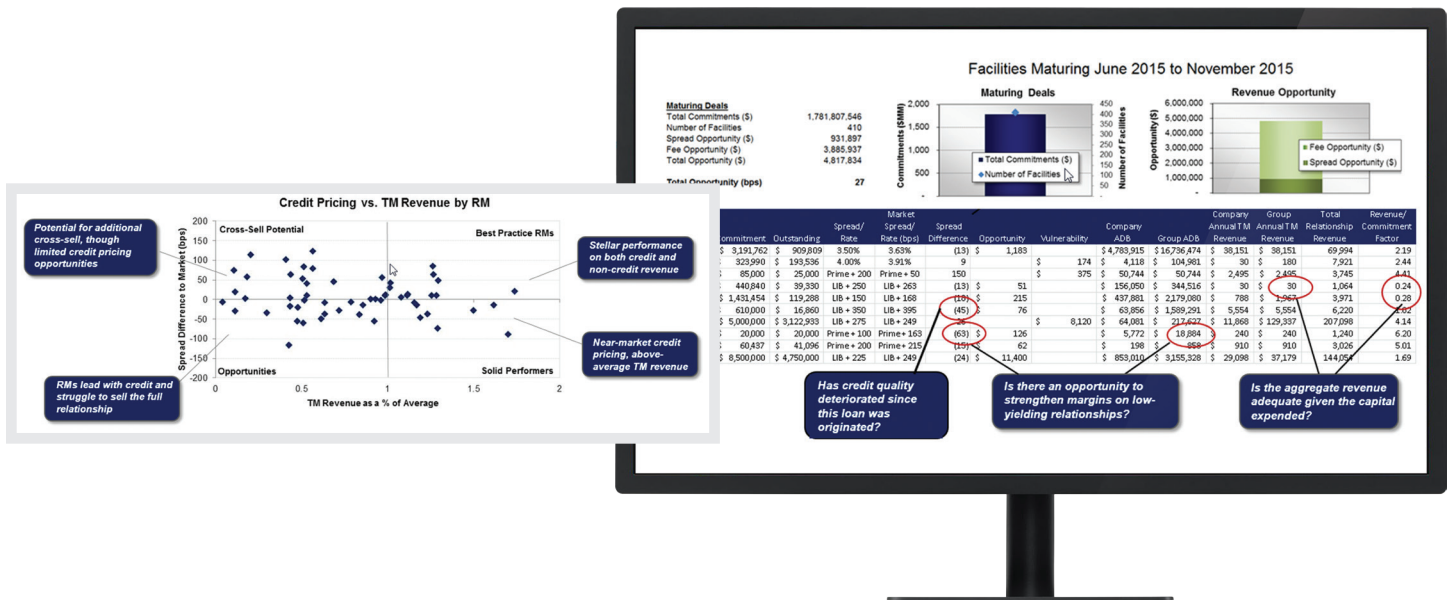
- Portfolio-level performance analysis for management to identify areas of strength or opportunity in the C&I and CRE portfolios
- Account-level data and analytics to effectively price new loans and renewals
- Performance calibration to help relationship managers optimize pricing and increase profitability

The guidance and training available as part of the Performance Optimization Program fosters a culture for making smarter lending decisions throughout your organization. Our clients typically experience an average revenue lift of 8-10 basis points across their commercial loan portfolios.

A relentless focus on revenue growth

We provide the vital intelligence you need to develop strategies to increase loan market share, build deposits, grow treasury service volume, and expand your margins. With a rigorous focus on market intelligence and internal best practices, we help you price your loans competitively, based on what's going on in your local market.

With a deep dive into your portfolio and the right tools, your bank can achieve goals and maximize risk-adjusted returns in the context of market realities.



Turn raw data into actionable insights

We provide relationship managers with actionable reporting that tells them how to price new loans and renewals from a spread and fee perspective. We build our pricing guidance across a number of dimensions, including risk rating, geographic region, industry, size, relationship profitability, and other factors that drive loan pricing.

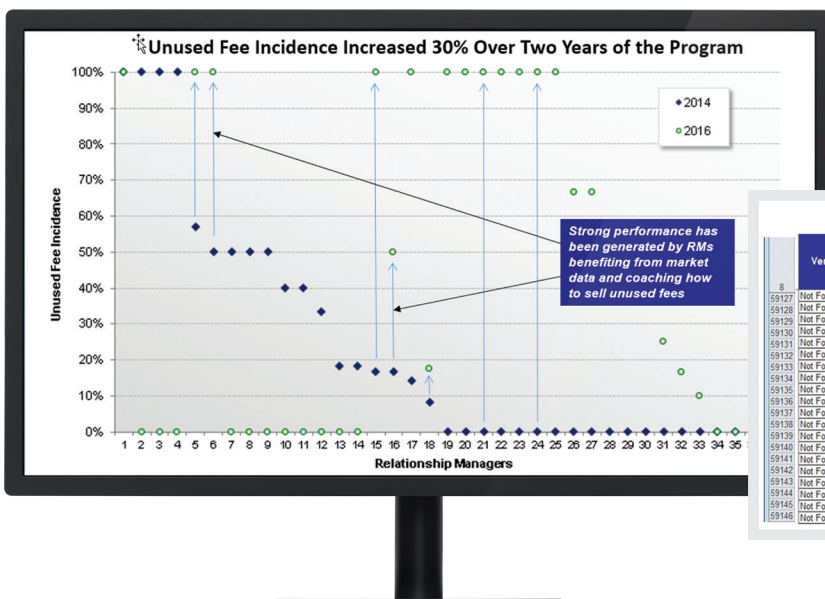
To do this, our clients partner with us to share detailed terms and conditions, at the transaction level, on more than 400,000 loans each month. Our expertise with cleansing and standardizing commercial loan data, combined with our strong business knowledge and analytic methods, enable us to understand detailed pricing levels and trends across the country.

As the market changes, our pricing guidance changes since we refresh our dataset on a monthly basis. Our customized training program led by experienced loan market practitioners helps to ensure that you capitalize on the opportunities identified through our data-driven loan pricing insights. By educating your lending teams on how to use our pricing guidelines, you can empower your salesforce to compete more effectively.

Management reporting helps the bank understand which parts of their organization are executing against identified revenue opportunities. This creates a virtuous feedback loop where senior leaders are able to monitor and reinforce pricing discipline regularly. Market briefings and analyses helps identify and focus resources on upcoming opportunities, and provide a retrospective look at successes and shortfalls.

Leverage tools and tactics to price smarter

The Performance Optimization Program positions you to realize unforeseen revenue potential. We start with a deep-dive portfolio analysis to understand your positioning relative to market and where best practices exist that can be leveraged throughout the organization. Our Execution Program is designed specifically for each bank to make use of existing workflows and to develop objectives that make sense for your organization. Our data-driven approach and customizable tool set can help you meet your revenue objectives to maximize the opportunities that exist in the market.



Multi-dimensional grids covering key drivers of pricing

	Vertical	Region	Loan Type	Term Min (months)	Term Max (months)	Commitment Size Min (\$)	Commitment Size Max (\$)	Bank Risk Rating	Variable (LIBOR)	Floating (Prime)	Fixed
8											
59127	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	5,000,000	14,999,999	11	272	47	4.89
59128	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	15,000,000	24,999,999	1	108	-5	1.65
59129	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	15,000,000	24,999,999	2	108	-5	1.65
59130	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	15,000,000	24,999,999	3	117	4	1.80
59131	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	15,000,000	24,999,999	4	167	20	1.92
59132	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	15,000,000	24,999,999	5	187	22	2.34
59133	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	15,000,000	24,999,999	6	197	26	3.23
59134	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	15,000,000	24,999,999	7	207	37	3.47
59135	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	15,000,000	24,999,999	8	228	39	4.07
59136	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	15,000,000	24,999,999	9	238	41	4.21
59137	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	15,000,000	24,999,999	10	255	43	4.49
59138	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	15,000,000	24,999,999	11	257	47	4.89
59139	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	25,000,000	34,999,999	1	99	-5	1.65
59140	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	25,000,000	34,999,999	2	99	-5	1.65
59141	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	25,000,000	34,999,999	3	108	4	1.80
59142	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	25,000,000	34,999,999	4	158	20	1.92
59143	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	25,000,000	34,999,999	5	178	22	2.34
59144	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	25,000,000	34,999,999	6	188	26	3.23
59145	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	25,000,000	34,999,999	7	198	37	3.47
59146	Not For Profit	Southern Ohio/Kentucky	C&I Loan	36	59	25,000,000	34,999,999	8	219	39	4.07

About S&P Global Market Intelligence

S&P Global Market Intelligence integrates financial and industry data, research, and news into tools that help track performance, generate alpha, identify investment ideas, understand competitive and industry dynamics, perform valuation, and assess risk.

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