

Accelerated Connections to Data Partners

Fintech Sandbox Case Study on Prophis

Prophis Technologies enhances portfolio management and risk control capabilities for senior executives responsible for managing and monitoring large portfolios. Its software makes dependencies and relationships between large amounts of data quickly and visually identifiable, freeing users to spend time analyzing these dependencies rather than searching for them.

London-based Prophis was founded in 2013 by veterans of the investment management industry Charles Pardue and Rohit Aggarwal, who had created sophisticated risk and analytics systems for use by their own prior investment management firm. During the financial crisis of 2007 – 2008, portfolio managers, regulators, and others who found themselves unable to gauge the risks of structured finance securities turned to them for analysis and advice. Eight years later many institutions still struggle with the identification and impact assessment of indirect exposures.

That experience led to an understanding that investors need a visual representation of dynamically changing information to make some of the more difficult judgements in

portfolio management. More screens and more alerts alone were not the answer. Investors required more sophisticated ways to judge the impact of events on their portfolios and to anticipate transmission mechanisms of indirect risks.

Enabling leading-edge analysis and visualization of insights for financial portfolios requires the ability to quickly and easily ingest large amounts of data from disparate sources, both internal and external. Prior to joining FinTech Sandbox, Prophis worked with a single external data provider. Upon joining FinTech Sandbox, Prophis was able to greatly expand the number of data providers it worked with (including Thomson Reuters, Factset, Xignite and Quandl) as well as the types of data it used. This allowed Prophis to demonstrate the efficacy of its proprietary data integration tool.

Further, participation in FinTech Sandbox led to Prophis working with Factset and S&P Capital IQ to redistribute certain critical datasets to its customers. These partnerships would not have developed without FinTech Sandbox's introduction.

“Getting the right introduction to the right people within these institutions – the data partners – can be challenging for small firms. FinTech Sandbox makes that happen for its members. That is huge.”

– Charles Pardue, CEO of Prophis

Giving Back

FinTech Sandbox does not require equity from participating startups. Instead, it asks that they engage with the greater Sandbox community. Prophis met this commitment by contributing content to Project Sandcastle, and participating in two recent “sprints.”

Sandcastle is a GitHub repository for non-proprietary code and other resources developed by Sandbox participants to help subsequent participants more easily work with the available data. Building a knowledge repository in this way will save startups as well as data partners significant time. Sprints are community events at which we expand the repository and answer questions for new participants.

Prophis contributed an overview of the datasets available from each data partner, written in a text language called Markdown.

“A challenge facing new Sandbox participants is one of discovery: What are the Data Partners providing? How do I get at it? What do we know about it? Prophis jumpstarted this discovery process for them.”

– Jean Donnelly, Executive Director of FinTech Sandbox

Now moving to alumnus status, Prophis is very grateful for the experience and the contacts that resulted. Charles believes Prophis has gotten even more from FinTech Sandbox than they hoped to get when they applied. He is committed to helping the startups that follow Prophis into FinTech Sandbox enjoy a successful residency.

About Prophis

Prophis enables owners of financial portfolios to extract greater value and deeper insights from internal and external data. The platform captures complex linkages in a graph database and identifies hidden transmission mechanisms in financial data. Using proprietary data integration techniques, Prophis finds the key market, economic and risk developments that are likely to have the greatest impact on a particular portfolio and then facilitates further exploration, presenting results visually. Complementary to existing systems, the Prophis platform captures the complexity and richness of the real world.

Prophis was named Winner of the 2014 Dassault 3D FinTech Challenge and was the first European startup admitted to FinTech Sandbox.

Learn more at www.prophis.com.



About Fintech Sanbox

The financial services industry relies to a great extent on FinTech startups to tackle difficult technological challenges, create new paradigms, and drive innovation. But FinTech entrepreneurs have a unique problem, which is the high cost of data they need to build applications.

FinTech Sandbox is a Boston-based nonprofit that helps FinTech startups build great products by providing free, streamlined access to critical data and resources. Founding sponsors include Fidelity Investments, F-Prime Capital, Thomson Reuters, Silicon Valley Bank, Amazon Web Services, Intel, SIX Financial Information, Goodwin Procter, and .406 Ventures.