FactSet Tutorial

Hughey Center for Financial Services
FactSet Research Systems provides computer-based financial data and analysis for financial professionals. It consolidates data on global markets, public and private companies, and equity and fixed-income portfolios.

The company seeks to do this by providing investors and other professionals with the tools needed to convert this data into information that can be used in financial analysis and financial reporting.

FactSet's system provides market analytics, financial content, stock screening, customized data, and other features.

Source: FactSet definition retrieved from https://www.investopedia.com/terms/f/factset.asp
Getting Started – Account Creation

➢ Bentley Students can have personal accounts for online access to FactSet browser

➢ Request your own FactSet ID here: https://advantage.factset.com/academic_idrequest (or)

➢ Fill this form: https://bentley.co1.qualtrics.com/jfe/form/SV_d51IgfHUjoHKSoZ (temporary)

(FactSet ID process could take as long as 7 business day)
Understanding Your Workspace

➢ All views based on browser view. Minor difference exist between Application & browser view.

➢ **Fact Search** allows you to quickly search for and navigate to securities, indices, people, and FactSet components/reports.

➢ **FactSet Main Tab** provides access to different functionality. Some commonly used ones are:
  - Today’s Top News
  - Markets
  - Quotes
  - Company/Security
  - Filings
  - Research
  - Charting
  - Screening
  - Industry

➢ **FactSet Sub Tabs** provides additional functionality within a selected tab

➢ Workspace can be customized as per business needs (For IB, Trader or Wealth manager)
Searching in FactSet

- FactSearch allows you to quickly search for and navigate to securities, indices, people, and FactSet components/reports.

- Enter keywords into the FactSearch box. As you type, the FactSearch drop-down menu will populate with results related to the search keywords.

- Suggestions are based on top results, but can be filtered using the dropdown menu highlighted.

- Classifications are shown beside the security. FactSearch are broadly classified into four categories:
  - Entities
  - Series & Reports
  - Components
  - Search Online Assistant

Source:
Country Economic Analysis

➢ Under tab “Economics” →
➢ Main Categories:

➢ Calendar – Date wise Key Economic data releases

<table>
<thead>
<tr>
<th>Date</th>
<th>Time (UTC: 04:00)</th>
<th>Country</th>
<th>Event</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 Mar '20</td>
<td>2:00 PM</td>
<td>United States</td>
<td>Fed Funds Target Upper Bound</td>
<td></td>
</tr>
<tr>
<td>15 Mar '20</td>
<td>7:59 PM</td>
<td>Japan</td>
<td>Core Machinery Orders on Electric Power Companies &amp; Ships SA MM</td>
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</tr>
<tr>
<td>15 Mar '20</td>
<td>11:00 PM</td>
<td>Japan</td>
<td>Japan Policy Rate</td>
<td></td>
</tr>
<tr>
<td>15 Mar '20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16 Mar '20</td>
<td>12:30 AM</td>
<td>Czech Republic</td>
<td>Retail Sales NSA Y/Y (Final)</td>
<td></td>
</tr>
<tr>
<td>16 Mar '20</td>
<td>6:00 AM</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28 Mar '20</td>
<td>6:00 AM</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

➢ Country/Region – Country’s Key Economic data snapshot like:
❖ Macroeconomic summary
❖ Economic Outlook
❖ Treasury Yield Curve
❖ Key Commodities Summary

➢ Comparison – Compare key data points across countries
➢ Available Data Items:

➢ Estimates – Projections of key parameters
❖ Click on country for more data points & summary
❖ Inflation
❖ Real GDP rate
❖ Interest rates
❖ Unemployment rate & many other points

➢ Policy Rates – Current policy rate & next MPC meeting dates

Source:
Industry Analysis

➢ Under tab “Industry” ➔

➢ Select the required industry in search tab

➢ Gives a broad snapshot of the industry
  ❖ Key Ratios
  ❖ Top Industry players
  ❖ Sales & Earnings Outlook
  ❖ Analyst Estimates
  ❖ Recent M&A activities
  ❖ Industry credit & debt levels

Source:
“Company/Security” → “Ticker” → “Snapshot”

- Broad details about the company
- Each tab can be downloaded to excel
- View can be customized depending on the requirements.
Financial Analysis – Downloading Financials

➢ All financial details can be accessed from the sub tabs

➢ Period, Frequency, Currency can be changed in the tab as required

➢ All data are downloadable to excel or pdf

Commonly Used Functions

➢ Price

❖ “Company/Security” → “Ticker” → “Price” → “Price History”

➢ Financials/Ratios/Segment Analysis


(Contd.)
Financial Analysis – Downloading Financials

- **Comparable Companies**
  - “Company/Security” → “Ticker” → “Comps”

- **Dividend data / Share buy back / M&A action**
  - “Company/Security” → “Ticker” → “Prices” → “Corporate Actions”

- **Earnings data / Recent Fillings / Top News**

- **ESG Overview – Precalculated ESG score**
  - “Company/Security” → “Ticker” → “ESG”

- **Capital Structure / CDS Spread / Ratings**
  - “Company/Security” → “Ticker” → “Credit Analysis”
Security Screening

➢ Under tab “Screening” →

➢ Screening allows you to test and confirm investment strategies across all databases simultaneously

➢ Enables to collect data for different securities based on preset filter

➢ FactSet offers a vast library of predefined items, plus you can also develop your own proprietary screening criteria using any data available

➢ Select the security type and select existing screen or select Starter Screen to start afresh

Source:
1. “Select Criteria” → Type keywords in search bar for suggestions or click criteria link for complete list

**Few Criteria:**
- S&P Stocks
- US Listed Stocks
- PE ratio > 10
- Profit Margin > 10%

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P Stocks</td>
<td>Source: Standard &amp; Poor's</td>
</tr>
<tr>
<td>US Listed Stocks</td>
<td>Source: US Securities</td>
</tr>
<tr>
<td>PE ratio &gt; 10</td>
<td>Source: Stock screener</td>
</tr>
<tr>
<td>Profit Margin &gt; 10%</td>
<td>Source: Financial ratios</td>
</tr>
</tbody>
</table>
2. “Select Columns/Data points” → Type keywords in search bar for suggestions or click criteria link for complete list

Few Data points:
- Recent Annual Revenue
- Country of Incorporation
- Dividend yield
Under tab “Charting” →

Chart security, portfolio and benchmark values to give a graphical snapshot of performance

Use “Compare” to add multiple companies/indices & graphically compare

Change D(A) for data frequency in the top tab and change period in the bottom tab

Select “Series” to add multiple parameters like cumulative returns etc.

Select “Display” for other chart type like candlestick charts

Select “Events” to add dividends, stock split, earnings etc.
Charting – Contd.

➢ 5 year returns chart: Alphabet Inc. vs. S&P500

Source:
FactSet offers 4 certifications that allow you to take a deeper dive into FactSet:

- FactSet Core
- Productivity Suite
- Portfolio Analysis
- Universal Screening

For details visit: https://www.bentley.edu/centers/trading-room/certification-programs

FactSet User guide

FactSet Online Assistant:

- FactSet offers online training for all functions
- Some useful functionalities to explore
  - Portfolio Analysis
  - Portfolio Optimizer – Axioma & Barra Optimize
  - M&A deal analysis
  - Private company analysis
  - Investment idea Screening