

Steven McCarthy, CFA

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PROFESSIONAL EXPERIENCE

Co-Founder – Elicient, Inc.

January 2018-Present

Built a credit analytics platform to help ABS investors and researchers work with large loan level datasets to better understand the credit risk in their portfolios and glean new macro-level insights. Developed algorithms to standardize data reported by 21 different auto ABS issuers, assisted clients with developing and validating analysis, and discovered and published new research using the dataset.

- Brought on clients including Kroll Bond Rating Agency, the second largest global asset manager, a hedge fund with \$50B+ AUM, and the largest US used car retailer. The platform was also used by investment banks including Barclays to develop and publish research for their clients.
- Developed and published research pieces on the Auto ABS market, several of which received coverage from industry press outlets including Auto Finance News.
- Developed the market's first system to track liquidation timelines and used it to be the first to correctly forecast a post-pandemic decline in recovery rates for our clients.
- Identified errors in Wall Street auto loan performance research and alerted our clients to allow them to capitalize on the incorrect information in the market. Additionally discovered errors in a major US bank's servicer reports resulting in multimillion-dollar discrepancies being reported to investors and worked with the bank to help them correct their reporting.

Senior Director – Kroll Bond Rating Agency

March 2011-January 2018

One of the first analysts hired at the firm prior to its first public rating. Instrumental in the development of all quantitative models that were employed in the ratings process in the early years of the firm, spanning the RMBS, CMBS, ABS and monoline insurance sectors.

- Coded the RMBS default and loss model used by the agency in all RMBS rating assignments to date, and developed the first loan-level transition model among any of the rating agencies.
- Developed an RMBS surveillance report with novel visualizations that allowed investors to monitor how external factors were driving the performance of their deals. Automated the process to allow it to scale to cover deals outside of the KBRA rated universe in addition. The process also led to the discovery of an ongoing waterfall misinterpretation by the trustee on a deal that was being surveilled by another rating agency.
- Wrote KBRA's first presale for a Freddie Mac STACR transaction in 2014. The template was popular with investors and helped KBRA become the leader in rating Fannie Mae CAS transactions.
- Was the primary author on several research pieces that detailed our findings from analyzing large and untapped data sources such as McDash and the Freddie Mac and Fannie Mae loan level datasets.

Structured Finance Analyst – New England Asset Management (GR-NEAM)

March 2006-March 2011

Researched and identified trends within the Structured Finance industry (particularly in Residential Mortgage Backed Securities), and built technology platforms to give the trading team a competitive edge in security analysis and valuation.

- Built an Asset Backed Security Inventory System that parsed broker inventory Excel files and compiled them into a database accessible to structured traders through an interface which allowed for searching across multiple dimensions. System provided firm substantial competitive edge over other buy-side firms that continued to scan through Excel files in email inboxes to find securities.
- Built a CDO Portfolio Optimizer that was used to guide asset selection on two \$500 million Asset Backed CDOs that were issued and managed by GR-NEAM. System was hooked into the daily ABS inventory system which allowed for the optimization of a feasible reinvestment set in real time, as opposed to using generics like most other optimizers.

EDUCATION

University of Connecticut

Bachelor of Science, Finance; Minor: Mathematics
Activities: Student Managed Fund

Storrs, CT
Class of 2006

CFA Charterholder

TECHNICAL & SOFTWARE PROFICIENCY

Loan Level Databases: LoanPerformance, Freddie Mac and Fannie Mae Single Family, McDash Servicing, Trepp, ABS-EE
Programming Languages: C#, Python, SQL