



## Northfield Has Completed an Important Milestone!

About twenty years ago we set out to create the **Everything, Everywhere** model of financial risk. The aims of this effort were incredibly expansive. We would model the risks of all asset classes and financial instruments, both publicly traded and private in a single holistic model. Coverage was intended to be truly global. No financial analytics firm of any size has ever undertaken such an ambitious effort. I am pleased to announce that we have achieved this extraordinary goal.

Multi-asset class coverage began in 2004 with traded equities and traditional fixed income (sovereign, corporate, municipal). More than a dozen research papers published in peer-reviewed journals underlie the progress in the EE analytical process, including recent papers on proprietary methods addressing higher moments in return distributions. Over the past year, we've built new analytical methods for risk and valuation of credit instruments including private loans. Among the new analyses is production of internally generated credit ratings for more than 70,000 global firms.

### **The EE model now encompasses millions of security level records (not indices) for every asset class:**

- Public Equities
- Traditional Fixed Income,
- Exotic fixed income (MBS, ABS, etc.)
- OTC and exchange traded derivatives
- Private equity, closely held, and nationalized companies
- Commercial real estate (nearly 10,000 exemplar properties)
- Residential housing markets
- Public infrastructure financing
- Private credit, commercial and real estate loans
- Cryptocurrencies inclusive of operational risk (e.g. FTX)
- Global Mutual Funds, ETFs, Select Hedge Funds

At the same time, geographic coverage of the EE model has been successfully extended to more than one hundred new countries for traded equities and fixed income. Data records can be created on request for real estate and other non-traded assets. As the potential for currency collapse due to geopolitical instability is a key source of risk in frontier markets, an entirely new method of quantifying such risks was developed (see <https://www.northinfo.com/Documents/1086.pdf>).

My sincere thanks go to our staff for twenty years of incredible diligence and expertise in realizing this extraordinary achievement. I also thank the many clients who have supported our efforts to achieve universal coverage of financial assets. While we will always be bringing forward new improvements and analytical innovations, I am very proud to say that we consider the original premise of the Everything, Everywhere approach to have been realized.

Our other equally broad efforts have been moving forward in parallel to EE. Additional important announcements will be coming in the fourth quarter of 2023 with respect to Nexus (our online application platform) and some major innovations in optimization. We have reserved the domain name, "northinfo.ai" since Northfield has long been a leader in use of text analytics driven by machine learning for analysis of financial assets. Our first paper in this area was published in Quantitative Finance in 2009, and our Risk Systems That Read Process® has been in daily client use since 2017.

I look forward to future announcements in this area.

With best regards,

**Dan diBartolomeo**  
**President**