SEE CLEARLY
A NEW STANDARD IN VALUATION THAT PROVIDES THE MOST RIGOROUS, TRANSPARENT, DEFENSIBLE PRICING AVAILABLE

BVAL. It’s a pricing service. It’s from the leader you trust. And now BVAL offers you benefits beyond traditional asset valuation services—with objective, independent valuation for fixed income securities, OTC derivatives and structured notes.

Perhaps most important—BVAL delivers extensive value across the enterprise—value beyond price. It not only provides the most rigorous, transparent, and defensible pricing available today—it also can help you better identify, measure, monitor and manage valuation uncertainties.

As financial markets and strategies continue to become more sophisticated and complex, we know you have pricing questions. Imagine not only seeing exactly how a specific security’s price was arrived at—instantly on your Bloomberg Terminal—but also receiving a unique numerical rating that shows the relative strength of the quantity and quality of market inputs used in calculating the BVAL price for fixed income securities at each snapshot. We call it the BVAL Score and it can help you determine your level of confidence in a given BVAL price.

It’s just one way we’re helping clients improve transparency, manage risk, adjust portfolio weightings, enhance pricing policies and streamline infrastructure.

Talk to us about how BVAL will benefit your organization—with higher-quality valuations for both traditional assets and derivatives, stronger risk management, greater transparency and confidence, better, more actionable reporting and improved efficiency and costs.

From the trading desk to the portfolio manager to the risk management team to the pricing committee, your organization will benefit from BVAL.
VALUE BEYOND PRICE

BVAL DELIVERS THE CRITICAL COMPONENTS FOR BEST-IN-CLASS PRICING

RIGOROUS
At the heart of BVAL is the rigorous process we apply to data. We know what’s at stake. When it comes to pricing, traders, portfolio managers, risk committees, boards, regulators, and ultimately, your investors—depend on the result.

BVAL starts with the highest quality data integrated across a wide cross section of market contributors—numbering in the thousands. The data are then scrubbed, cleansed and verified with every input and output tested for quality and consistency. Outliers, errors, and inconsistencies are scrutinized and resolved. We don’t stop until we’re sure you can count on the end result. The rigor we put into cleansing the data is why Bloomberg is viewed as a leader in providing data accuracy, reliability, uniformity, and speed.

And, when it comes to pricing derivatives, the highest quality data are essential. That’s why BVAL takes data quality assurance to the next level for derivatives, utilizing innovative data validation and cleansing techniques and ensuring the highest possible precision in the valuation of positions.

CREDIBLE
Compare two pricing services—a key criterion in the comparison will be the credibility of the models. In this regard, BVAL excels.

Because only a small percentage of securities have visible, liquid market activity, pricing services traditionally rely heavily upon two factors: market opinions and models that attempt to price comparable securities together. Opinions are hard to defend and not always free from bias. Models that place securities in overbroad groups can be deficient, resulting in pricing errors and challenges. Our derivatives pricing is powered by dealer-quality models used by the most sophisticated market participants.

BVAL, on the other hand, seeks to introduce both a higher level of objectivity and a guiding, analytical intelligence into our pricing model. Derived from sophisticated quantitative algorithms, our models make widespread use of the high-quality data at our disposal, producing a level of price calibration only Bloomberg can provide. This results in prices that more accurately reflect the unique characteristics of the particular instrument.
TRANSPARENT
Because the pricing of a security can lead to a natural conflict between portfolio managers and traders on the one hand, and risk managers or independent pricing verification teams, on the other, BVAL aims to provide you with the highest degree of transparency. In fact, we believe no service provides more transparency than BVAL.

With increasing regulatory scrutiny of accounting practices and more detailed disclosure requirements under ASC 820 and IFRS 13, which have superseded FAS 157 and IAS 39 respectively, the demand for pricing transparency is growing. Other newly introduced regulatory disclosure requirements, such as Form PF, also make pricing transparency, stress testing and access to trade quotation data an imperative. When a valuation question arises, BVAL is designed to show how a price was produced, detailing each step with unsurpassed insight into the market data used and the pricing algorithm itself.

With a Bloomberg Terminal or a Data License data feed, the answers to your questions, such as why the price of a particular security fluctuated or what major pricing assumptions produced a security’s price, are only a few seconds away. And, of course, BVAL clients always have direct access to our knowledgeable global team of evaluators and financial engineers, each focused on a sector where they have professional expertise.

CONFIDENT
Trust and confidence are precious commodities in financial markets. When it’s abundant, nobody thinks about it. But when it’s missing, everybody notices.

BVAL is designed to inspire trust—recognizing that our clients must be confident that a given price is a strong assessment of where a reasonable, reliable and informed market participant would expect it to be. The methodology used to arrive at those prices must be credible, defensible and transparent.

BVAL does all this and then takes it one step further by giving every fixed income security we price a proprietary BVAL Score, an index number that describes the relative strength of the quantity and quality of market inputs used in calculating the BVAL price at each snapshot. While the score does not assess the accuracy of a valuation, it does provide a window into the underlying pricing inputs used in the model.

ENABLED
BVAL enables your entire organization to better manage pricing issues. It starts with consistency. We deliver BVAL data through the Bloomberg Data License and the Bloomberg Professional® service. That way all market participants, from traders to portfolio managers and researchers, are using exactly the same valuations as their mid- and back offices, without discrepancies. That’s not only efficient, it’s smart. BVAL solves the problem of inconsistent pricing information. Now your entire organization has the knowledge and tools necessary to dive more deeply into pricing issues. The BVAL team stands ready to address your price queries, challenges or any other questions or concerns in real time.

Whether you’re talking about risk management, regulatory and accounting changes, cost efficiency or IT, price quality figures into a number of key operating challenges. So, shouldn’t your securities pricing service be providing you with value that goes beyond mere price? BVAL does.

Bloomberg clients use BVAL to improve pricing quality, lower pricing infrastructure costs, and monitor portfolio weightings. Innovative uses for BVAL’s unique set of competencies and tools are being developed every day.

Of course, the proof is in the results. Let us show you how BVAL can help you better address challenges you never considered possible with a pricing service.

We support the entire process with a team of seasoned financial engineers, capital markets professionals and experts in the specific instruments they cover.
Bloomberg is the world’s most trusted source of information for businesses and professionals. Bloomberg combines innovative technology with unmatched analytic, data, news, display and distribution capabilities, to deliver critical information via the Bloomberg Professional service and multimedia platforms. Bloomberg’s media services cover the world with more than 2,300 news professionals and the Bloomberg Television® 24-hour network delivers smart television to more than 240 million homes. Bloomberg Radio® services broadcast via SIRIUS XM Radio and 1worldspace™ satellite radio globally and on WBBR 1130AM in New York. The award-winning monthly Bloomberg Markets® magazine, Bloomberg Businessweek® magazine and the Bloomberg.com® financial news and information Web site provide news and insight to businesses and investors. For more information, please visit bloomberg.com.