What makes HOLT different?

- Corporate financial statements can be misleading. Companies typically employ highly subjective accounting methods such as depreciation and off-balance sheet items which distort the true profitability of the firm and make traditional accounting ratios suspect.

- The proprietary HOLT methodology eliminates subjectivity by converting income statement and balance sheet information into a CFROI® return, a measure that more closely approximates a company’s underlying economics. The resulting returns are objectively-based and can be viewed to assess the firm’s historical ability to create or destroy wealth over time.

What is HOLT?

HOLT is a team within Credit Suisse that helps investors make better decisions by using an objective framework for comparing and valuing stocks. This return on capital framework is proprietary to Credit Suisse.

HOLT’s flexible platform provides an objective view of over 20,000 companies worldwide. Our rigorous methodology examines accounting information, converts it to cash and then values that cash.

The HOLT Valuation Framework

The Credit Suisse HOLT valuation model is a discounted cash flow model. Forecasted cash flows are derived from inputs that generate cash flows – namely, economic returns (CFROI®), reinvestment rates (growth), and their expected patterns of change over time due to competition (fade).

HOLT’s default model assigns each company a warranted valuation based on the forecasted cash flows and the company specific discount rate.

The HOLT Platform

HOLT provides a full suite of interactive tools including:

Fundamental Analysis: Modeling that allows you to quickly quantify a company’s embedded market expectations and assess upside potential as well as downside risks.

Idea Generation: Hundreds of traditional and proprietary financial metrics you can employ to screen and rank companies according to specific investment criteria.

Portfolio Allocation and Benchmarking: Tools which facilitate the aggregation of markets, indices, sectors and industries, letting you confidently compare regions/countries, and investment styles. Conduct objective portfolio reviews to balance risks within your portfolio, and facilitate comparisons with the most relevant benchmark.

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