

FINANCIALEDGE⁷

A  Wall Street Prep Company

AI-Powered Financial Modeling with Claude



What We'll Cover Today



Set Up the Workspace

Project and project instructions



Three-Statement Model

Prompt, iterate, build the skill



Cost of Capital

Run a pre-built skill

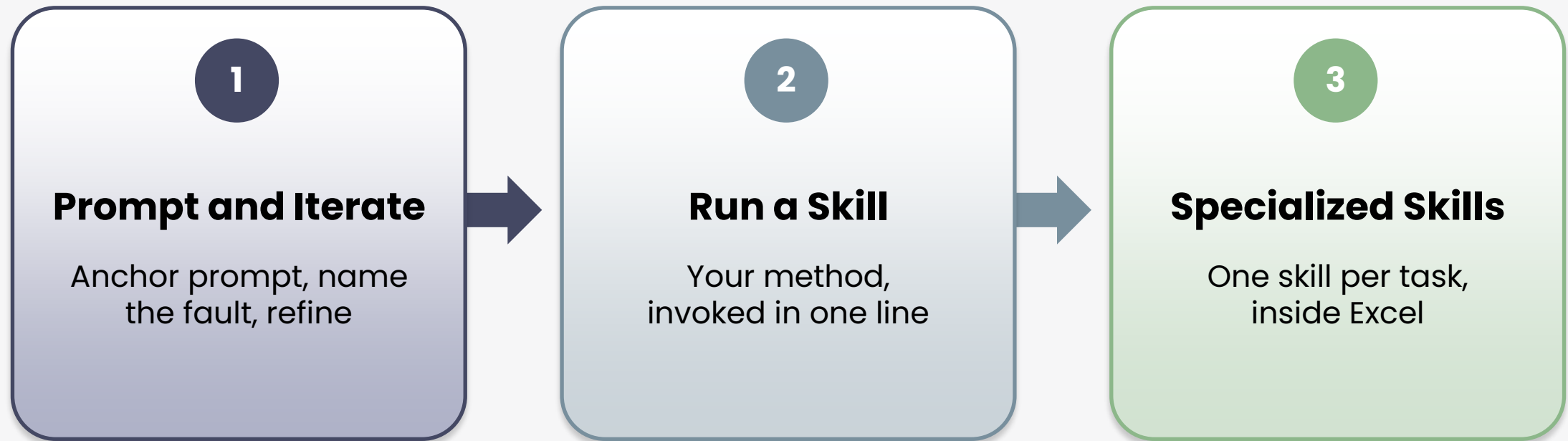


DCF Valuation

Specialized skills inside Excel

What AI-Assisted Modeling Looks Like

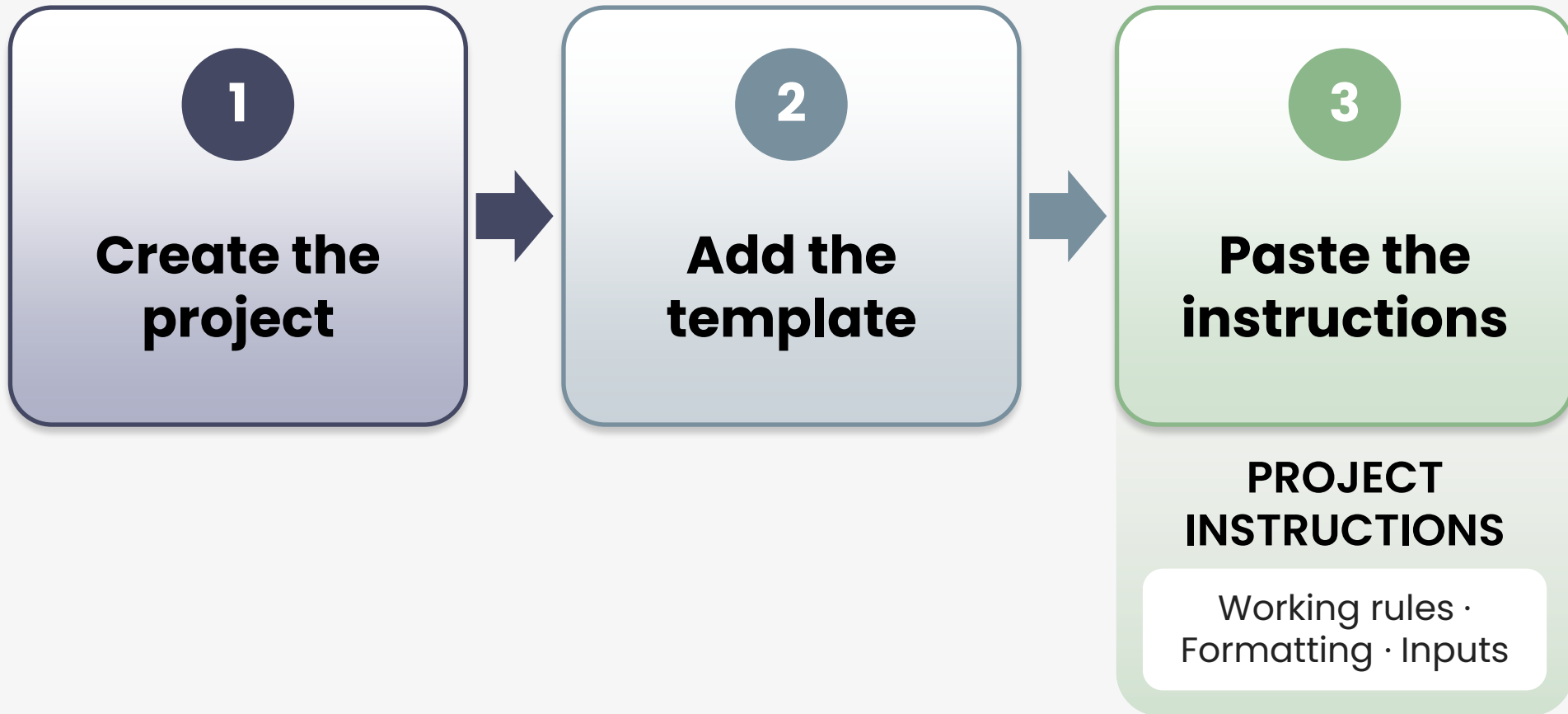
Three ways of working, one model.



Claude does the build. You make the calls.

WORKSPACE SETUP

Set Up the Workspace Once



THREE-STATEMENT MODEL – 1 OF 3

Build the Operating Model

Scenario

You're an analyst on a consumer and retail coverage team. Your MD wants a valuation of a global apparel brand for a client meeting. It starts with a linked operating model, built in the house template.



Function

Consumer & Retail Coverage



Source

Historical financials +
management forecast

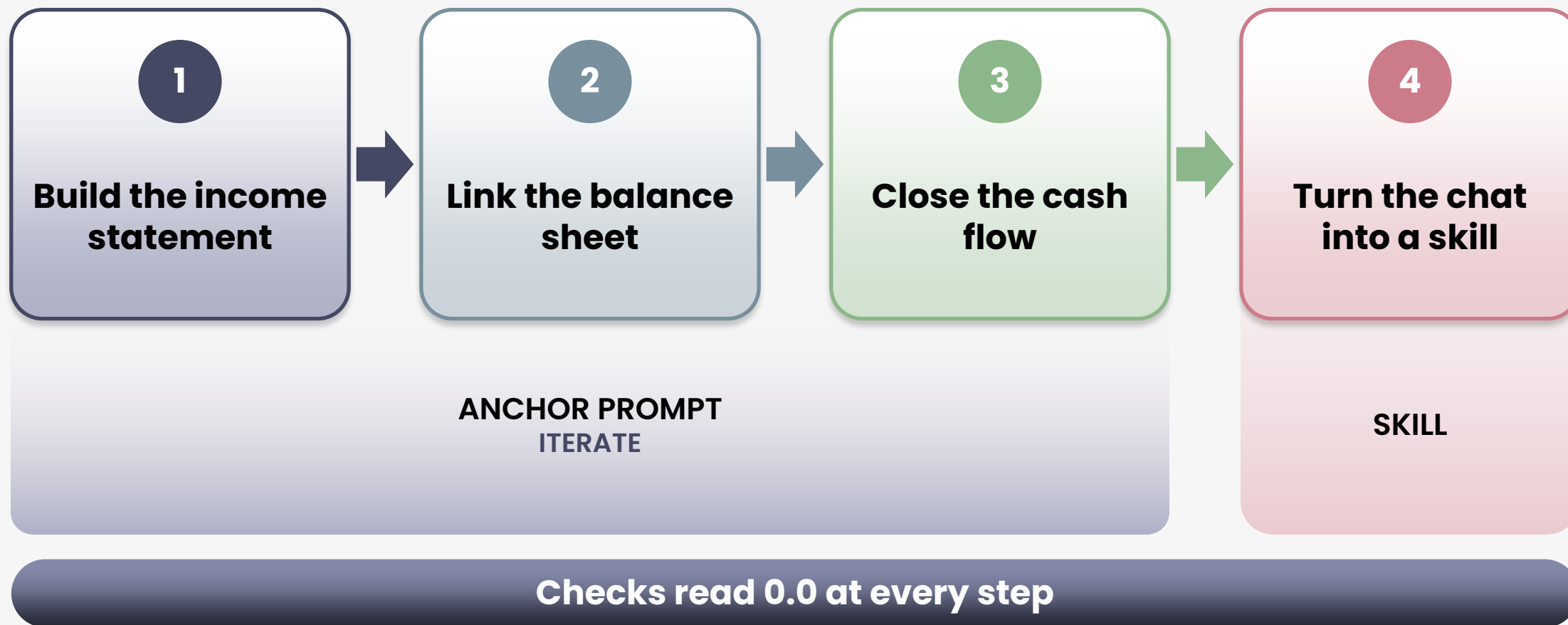


Deliverables

Linked three-statement
model + reusable skill

THREE-STATEMENT MODEL – 2 OF 3

The Three-Statement Workflow



What This Walkthrough Taught Us



A good first prompt wins

Name what's wrong in plain English. Iteration beats a prompt that tries to anticipate everything.



Checks prove the model

A balance check at 0.0, with the circularity switch on and off, is the evidence. Formatting is not.



The chat becomes the skill

Every correction becomes a rule. Next company, same method, one line to run it.

COST OF CAPITAL – 1 OF 3

Set the Discount Rate

Scenario

The model is built. Before you can value the business, the deal team needs a discount rate, built from inputs the desk has already signed off on.



Function

Consumer & Retail Coverage



Source

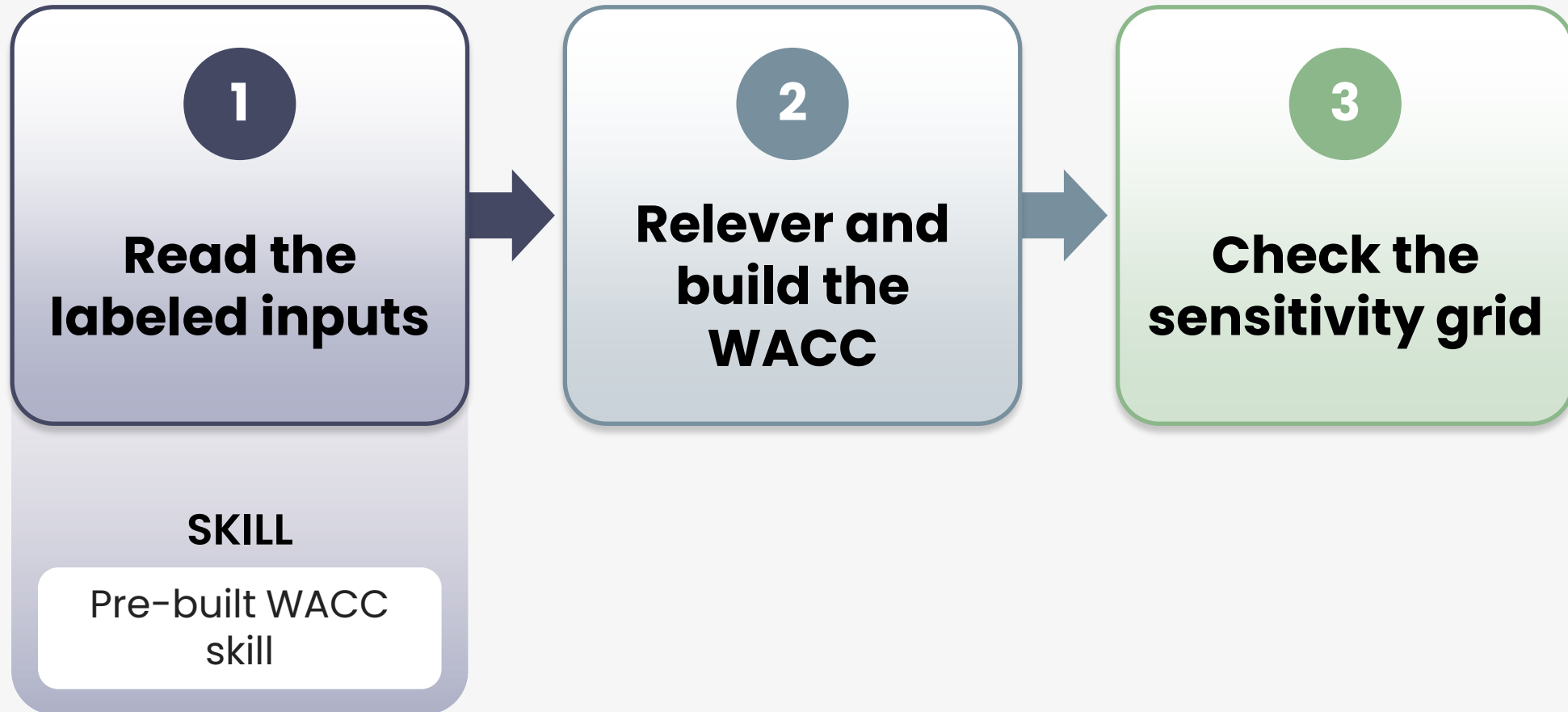
Desk-approved market inputs



Deliverables

WACC build + sensitivity grid

The Cost of Capital Workflow



What This Walkthrough Taught Us



Skills shorten the prompt

Four lines run a method that took a day to write. The prompt names the job; the skill holds the method.



Read, don't source

Observable inputs come from cells the desk chose. Judgment inputs stay with the analyst.



The grid shows the stakes

Debt weight and risk premium move the rate. Relevering runs in every cell.

DCF VALUATION – 1 OF 3

Value the Business

Scenario

Your MD wants an enterprise value range, not a point estimate, with every formula visible in the workbook the team will keep using.



Function

Consumer & Retail Coverage



Source

Operating model + cost of capital

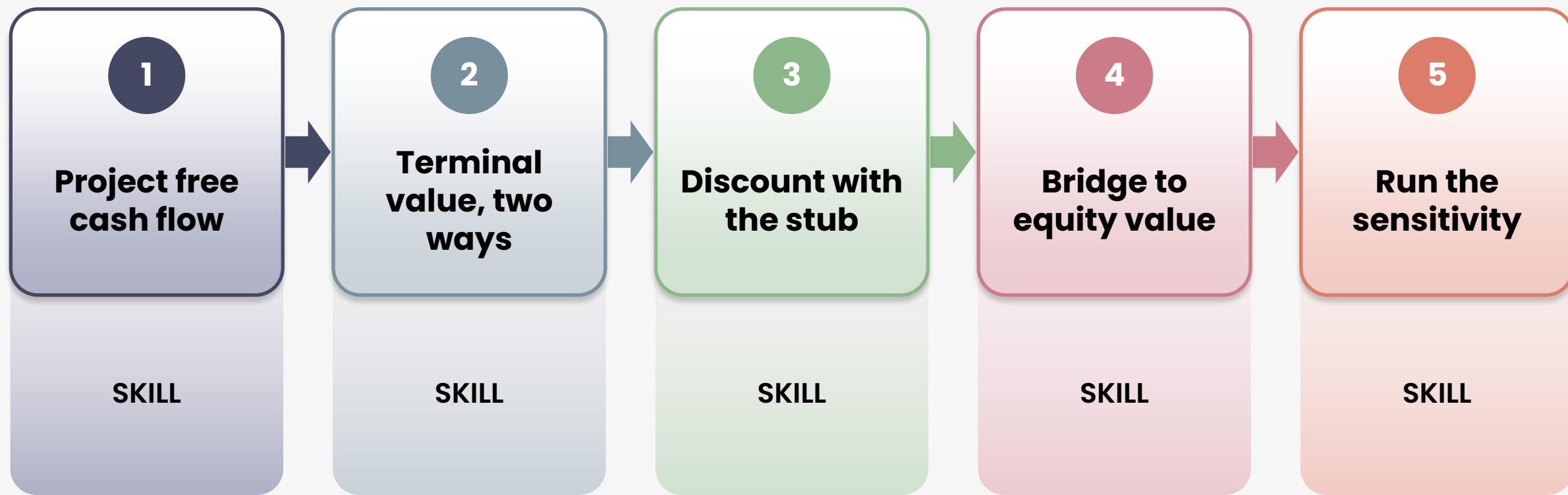


Deliverables

EV range + sensitivity tables

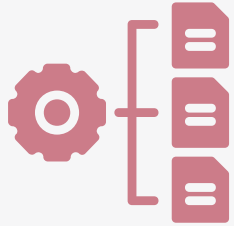
DCF VALUATION – 2 OF 3

The DCF Workflow



One skill per task, inside Excel

What This Walkthrough Taught Us



One skill, one job

Small skills are easy to check, fix and reuse. Chain them in a fixed order.



Conventions decide value

Stub and mid-year timing move value more than most assumptions do.



A range you can tie out

The center cell equals enterprise value, or nothing else on the tab counts.

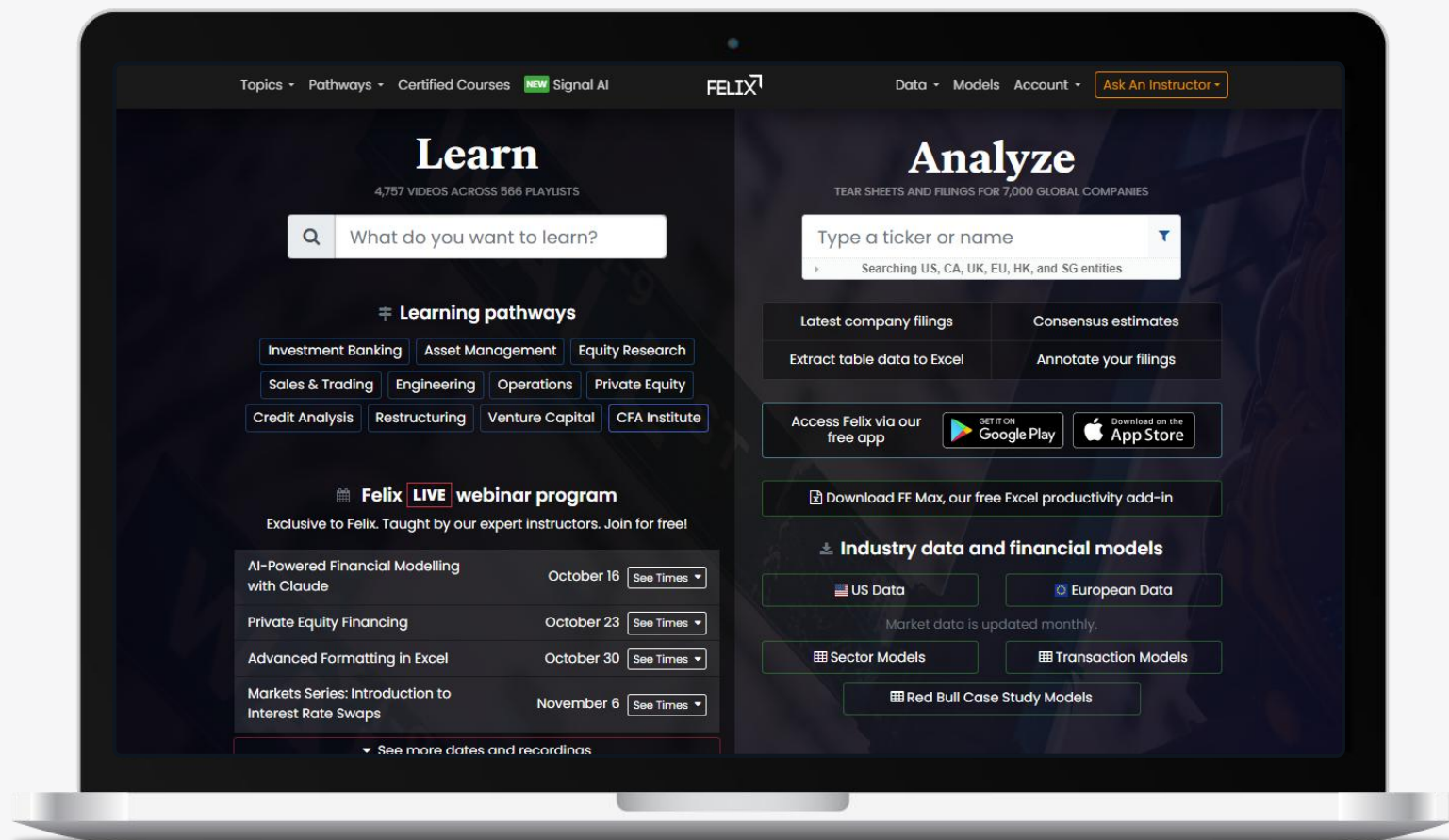
Get Ahead of the Curve



The analysts who master AI for deal work today will be the ones others come to tomorrow.

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