Claude Financial Modeling — Cheat Sheet

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DARE FRAMEWORK — Prompt Engineering for Finance

D — Define	Set context, role, and scope. Include: industry, company type, analyst role, time horizon, currency.
A — Analyze	Specify what data to analyze: financial statements, KPIs, market conditions, assumptions, historical trends.
R — Request	State exact output format: tables, models, charts, ratios, sensitivity analysis, format (Excel-ready, JSON, etc.).
E — Evaluate	Instruct Claude to validate: sanity checks, cross-references, reasonableness tests, error flags, peer comparisons.

CORE PROMPTS — Essential Claude Prompts for Financial Modeling

Category	Prompt	Type
Financial Stmts	Build linked 3-statement model for [Company] with [X]% rev growth, [Y]% gross margin, [Z]% capex/rev. Project 5 years.	Chat
Financial Stmts	Ratio analysis on IS + BS: profitability, liquidity, leverage, efficiency ratios. Compare to benchmarks.	Chat
Financial Stmts	Common-size analysis (vertical + horizontal) for 3-year IS. Flag line items deviating >2% YoY.	Chat
Forecasting	Forecast revenue 5Y bottom-up: [X] stores × [Y] avg rev × [Z]% SSS growth. Base/Bull/Bear scenarios.	Chat
Forecasting	Project OpEx: COGS [X]% of rev, SG&A (fixed + variable), R&D, D&A. Apply [W]% inflation to fixed.	Chat
Forecasting	3-scenario analysis for RE project. Vary: occupancy ±10%, rental ±15%, exit cap ±50bps. Show IRR + EM.	Chat
Valuation	DCF: FCF Y1=$[X]M, growing [Y]% for 5Y, WACC=[Z]%, TGR=[W]%. EV bridge to equity per share.	Chat
Valuation	Comparable company analysis: [peers]. Compare EV/EBITDA, P/E, EV/Rev, P/B. Implied valuation range.	Chat
Valuation	WACC build-up: Equity=$[X]M, Debt=$[Y]M, Kd=[Z]%, Tax=[W]%, Rf=[R]%, ERP=[E]%, Beta=[B].	Chat
Working Capital	WC dynamics: DSO, DIO, DPO, CCC. Project working capital needs for 5Y at [X]% rev growth.	Chat
Working Capital	12-month cash flow forecast (direct method): collections, payments, payroll, rent, capex, debt service.	Chat
API — System	System: 'Senior GCC analyst. Output JSON: assumptions, model_output, sensitivity, validation. IFRS.'	API
API — Batch	Analyze 10 companies: Rev CAGR (3Y), EBITDA margin, Net Debt/EBITDA, ROE, FCF yield. Ranked table.	API
API — Sensitivity	2-way sensitivity: WACC (7–13%, 1%) × TGR (1–5%, 0.5%). Output as JSON matrix.	API
API — Validation	Validate model: BS balances, CF ties to ΔBS, circular interest, growth compounding, margin ranges.	API
Automation	Python: read Excel → Claude API → 3-statement model → 3 scenarios → export Excel + charts.	API
Automation	Monthly reporting: pull financials → actuals vs budget → variance analysis → flag >10% → exec summary.	API
Quick Analysis	[X] min before meeting. Analyze P&L: top 3 insights, biggest risk, 1 mgmt question, benchmarks.	Chat
Quick Analysis	Compare 2 investments side-by-side: IRR, payback, risk-adj return, capital needs, strategic fit.	Chat

KEY FORMULAS & RATIOS

Category	Name	Formula	What It Measures
Profitability			
	Gross Margin	`(Revenue – COGS) / Revenue`	Revenue retained after direct costs
	EBITDA Margin	`EBITDA / Revenue`	Operating profit excl. non-cash & financing
	Net Margin	`Net Income / Revenue`	Bottom-line profitability
	ROE / ROA	`NI / Equity or NI / Assets`	Return on equity or asset efficiency
	ROIC	`NOPAT / Invested Capital`	Return on all capital vs. WACC
Liquidity & Leverage			
	Current Ratio	`Current Assets / Current Liab`	Short-term obligation coverage (≥1.5x)
	Quick Ratio	`(CA – Inventory) / CL`	Liquid assets excl. slow inventory
	D/E Ratio	`Total Debt / Total Equity`	Capital structure risk
	Interest Coverage	`EBIT / Interest Expense`	Debt serviceability (≥3x)
	DSCR	`NOI / Total Debt Service`	CF available for debt payments
Valuation			
	EV/EBITDA	`Enterprise Value / EBITDA`	Capital-neutral relative valuation
	P/E Ratio	`Share Price / EPS`	Price per dollar of earnings
	DCF	`Σ[FCF/(1+WACC)^t]+TV/(1+WACC)^n`	Intrinsic value from future cash flows
	WACC	`E/(D+E)×Ke+D/(D+E)×Kd×(1–T)`	Blended cost of capital
	Terminal Value	`FCFn×(1+g)/(WACC–g)`	Value beyond projection period
Efficiency			
	Asset Turnover	`Revenue / Total Assets`	Revenue per dollar of assets
	Inv. Turnover	`COGS / Average Inventory`	Times inventory sold/replaced per year
	DSO / DPO	`(AR/Rev)×365 or (AP/COGS)×365`	Days to collect / days to pay
	Cash Conv. Cycle	`DSO + DIO – DPO`	Days between cash out and cash in

INDUSTRY KPIs — 7 Sectors (Chapters 6–12)

Industry	KPI	Definition	Formula
Retail (Ch 6)			
	SSS	Revenue growth, stores open >12 months	`(Curr SSS Rev – Prior) / Prior`
	GMROI	Gross margin return on inventory	`GM$ / Avg Inventory Cost`
	Inventory Turnover	Times inventory sold/replaced per yr	`COGS / Avg Inventory`
	Conversion Rate	% of visitors who purchase	`Transactions / Foot Traffic`
Services (Ch 7)			
	Revenue / FTE	Revenue per full-time employee	`Revenue / Number of FTEs`
	Utilization Rate	% hours on billable work	`Billable Hrs / Available Hrs`
	Client Churn	% clients lost per period	`Lost Clients / Total at Start`
	Project Margin	Profitability per engagement	`(Proj Rev – Cost) / Proj Rev`
Real Estate (Ch 8)			
	NOI	Net Operating Income	`Gross Rental Income – OpEx`
	Cap Rate	Return based on property income	`NOI / Property Value`
	DSCR	CF coverage of debt payments	`NOI / Annual Debt Service`
	IRR	Annualized time-value return	`NPV of all CFs = 0`
	Equity Multiple	Total return on equity	`Total Distributions / Equity`
Oil & Gas (Ch 9)			
	Netback	Rev/bbl minus operating costs	`Price – Royalties – Costs – Transport`
	F&D Cost	Cost to find/develop 1 bbl reserves	`(Expl + Dev) / Reserves Added`
	Reserve Repl.	Reserves added vs depleted	`Reserves Added / Production`
	Break-even	Oil price to cover all costs	`Total Costs / Production`
Telecom (Ch 10)			
	ARPU	Avg Revenue Per User / month	`Revenue / Avg Subscribers`
	Churn	% subscribers lost per month	`Lost / Total at Start`
	EBITDA Margin	Operating profitability	`EBITDA / Revenue`
	LTV / CAC	Customer value vs acq cost	`LTV / CAC`
Manufacturing (Ch 11)			
	OEE	Overall Equipment Effectiveness	`Availability × Perf × Quality`
	Contrib. Margin	Rev minus variable cost per unit	`(Price – Var Cost) / Price`
	Break-even Vol	Units to cover fixed costs	`Fixed Costs / Contrib Margin`
	COGS/Revenue	Production cost intensity	`COGS / Revenue`
Airlines (Ch 12)			
	RASM	Revenue per Avail Seat Mile	`Revenue / ASM`
	CASM	Cost per Avail Seat Mile	`Costs / ASM`
	Load Factor	% seats filled with passengers	`RPM / ASM`
	BE Load Factor	Load factor to cover costs	`CASM / RASM`