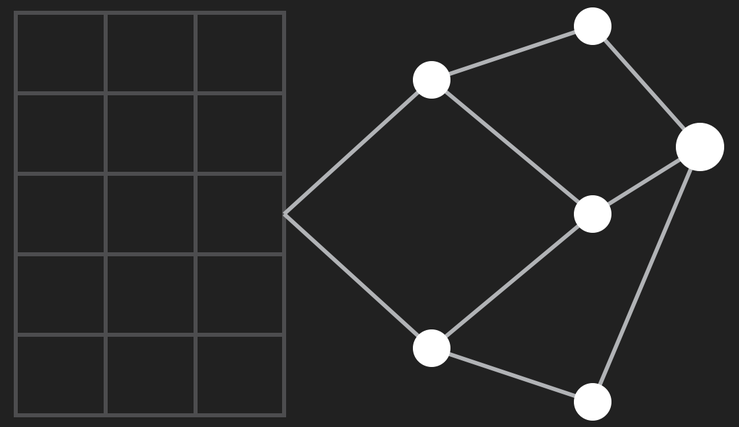
MARKET INSIGHTS

From Spreadsheets to Models



AI’s growing role in institutional finance

NESTPOINT

AI use in finance is climbing fast

+41%

increase in AI use among finance professionals in 2025, compared with 2024

55%

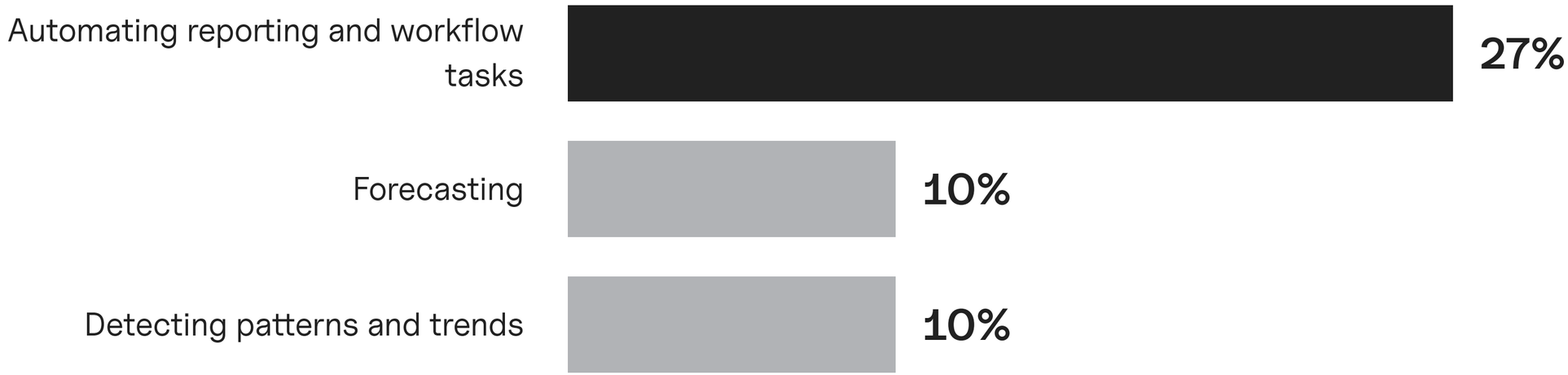
of asset managers have integrated AI into at least one investment process

18%

of asset managers report no use of AI at all

Sources: FP&A Group; Mercer, 2026 AI in Asset Management Survey

Finance teams use AI mostly for routine work



Three uses lead: productivity, insight generation, and modeling and forecasting.

Share of finance professionals using AI for each task. Source: FP&A Group

Operations lead adoption while decisions stay human

6%

of asset managers use AI in investment decision-making

11% → 6%

Use of AI for forecasting among FP&A teams, 2021 to 2024

Portfolio construction and trade execution remain largely human decisions.

Sources: Mercer, 2026 AI in Asset Management Survey; FP&A Group

FROM THE CFO’S DESK

“In one afternoon, I whipped up the most powerful financial model I’ve ever built to analyze a manufacturing opportunity.”

Andrew Herzfeld, Chief Financial Officer, Nestpoint

Data distrust is the bottleneck



Mercer warns that relying on vendors for data creates concentration risk.

Share of asset managers. Source: Mercer, 2026 AI in Asset Management Survey

What investors should check in a manager's AI

Rigorous methods

Controls for common pitfalls such as overfitting and look-ahead bias

Proven reliability

Evidence the models keep performing over time

A durable operating model

Clear accountability and adequate staffing

Risk controls

Third-party risk management and resilience controls

"Investors should assess whether the manager uses rigorous methods, controls for common pitfalls, and can demonstrate ongoing reliability."

Source: Beverley Sharp, Mercer

Garbage in, garbage out

Most asset managers build proprietary models, and Nestpoint is one of them. The team starts with human-led analysis, because the quality of the input decides the quality of the output.

Clean, organized data, built up before AI matured, is the foundation that makes the tools valuable.

> “Our data was very clean and organized, which also happens to be the necessary foundation to extract value by using AI.”
>
> Andrew Herzfeld, CFO

The finance team is changing

25%

of AI-using teams achieve higher forecast accuracy than non-AI teams

18%

feel better optimized to perform their role

5%

now spend more time on high-value tasks

“In an AI-enabled environment, the traditional analyst role is no longer sufficient.”

Source: FP&A Group

THE TAKEAWAY

“One person can now be as effective, or even more effective, than a whole team.”

Enthusiasm is high. Once data quality and trust catch up, adoption will follow.