

# January Credit Update: Consensus Upgrades Outweigh Downgrades for Financials

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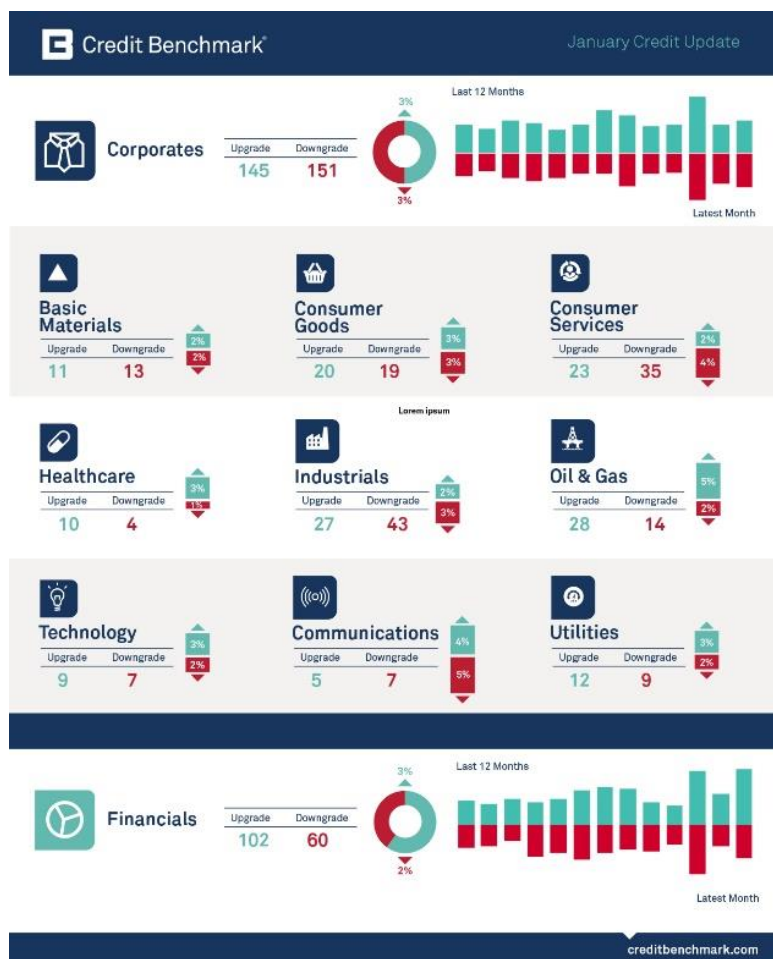
Credit Benchmark has published the latest monthly credit consensus data (from December 2018), with 30 contributor banks. The set of bank-sourced credit views (CBCs\*) now covers over 25,300 separate legal entities. The monthly upgrades and downgrades overview is now based on data adjusted for changes in contributor mix.

## Monthly consensus upgrades and downgrades:

- 346 obligors improved their credit standing by at least one notch.
- 312 obligors deteriorated.
- 38 moved more than one notch.
- The frequency of upgrades and downgrades is larger than usual.
- Last month showed improvements across 190 obligors and deterioration across 163, with 26 moving by more than one notch.

## Industries:

- Upgrades dominate downgrades in five out of ten reported industries.
- The industries showing an improvement in credit quality include:
  - Financials with 102 upgrades and 60 downgrades.
  - Health Care with 10 upgrades and four downgrades
  - Oil & Gas with 28 upgrades and 14 downgrades.
  - The industries showing deteriorations are:
    - Consumer Services with 23 upgrades and 35 downgrades.
    - Industrials with 27 upgrades and 43 downgrades.
    - Telecommunications with five upgrades and seven downgrades.



\* CBC = Credit Benchmark Consensus; a 21-category classification which is explicitly linked to probability of default estimates sourced from major banks. A CBC of bbb+ is broadly comparable with BBB+ from S&P and Fitch or Baa1 from Moody's.

For more information on this data, please contact [info@creditbenchmark.com](mailto:info@creditbenchmark.com).

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