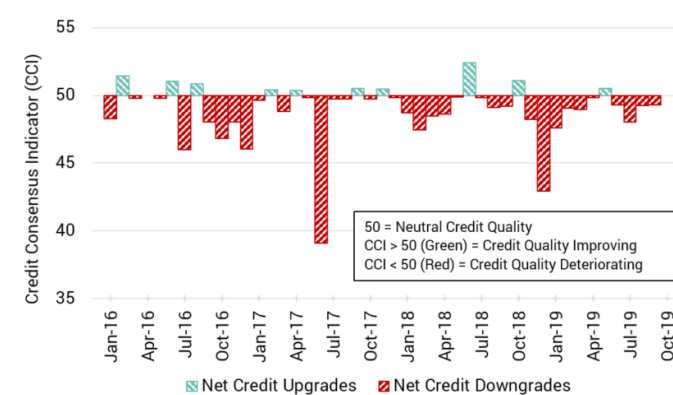


Credit Consensus Indicator (CCI) UK, EU & US Industrials

November 2019

Credit Benchmark has released a new monthly measure of credit risk sentiment and activity, drawing on the collective intelligence of over 30,000 analysts at 40+ of the world's leading financial institutions.

This measure, known as the **Credit Benchmark Credit Consensus Indicator (CCI)**, shows changes in forward looking credit opinion for aggregated Industrials across the US, UK, and EU (ex-UK).

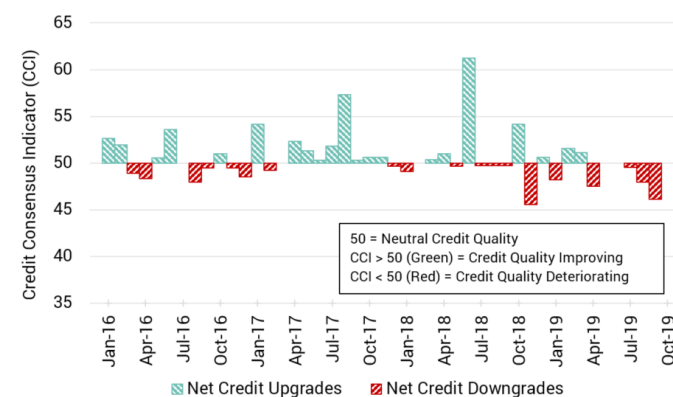


UK Industrials: CCI Deteriorates for Fourth Month Running

UK Industrials have shown net downgrades for the fourth month in a row. In the last 24 months, only four have demonstrated marginal net upgrades.

This month, downgrades outnumbered upgrades, resulting in a negative CCI of 49.3.

There has been a bias towards downgrades over the past 12 months, but most of these are small in magnitude.

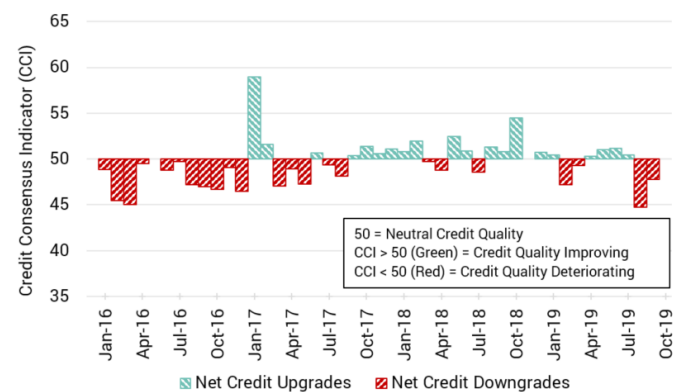


EU Industrials: Downgrades Escalating Month-by-Month

EU Industrials have shown net downgrades for the third month in a row, and have remained in either negative or neutral territory for the last six months.

The CCI for this month has dropped to 46.1.

With EU real GDP growth dropping to 1.1%, the Industrials sector is showing signs of the strain probably due to trade wars and Brexit.



US Industrials: CCI Remains in Negative Territory

Last month's swing towards deterioration for US Industrials has extended for a second month.

This month shows a CCI of 47.8; less severe than last month's drop but still within negative territory.

With the fiscal expansion of early 2018 having largely run its course, credit may be reaching a critical juncture. The trends for the next few months may be critical.

About Credit Benchmark Credit Consensus Indicators (CCIs)

CCI data from Credit Benchmark is based on over 800,000 contributed credit observations from 40+ of the world's leading financial institutions. The credit observations, which represent the work of over 30,000 analysts, are collected, anonymized and aggregated monthly by Credit Benchmark. CCIs provide forward-looking insights into credit risk sentiment and activity over time, leveraging overall credit distribution and trends.