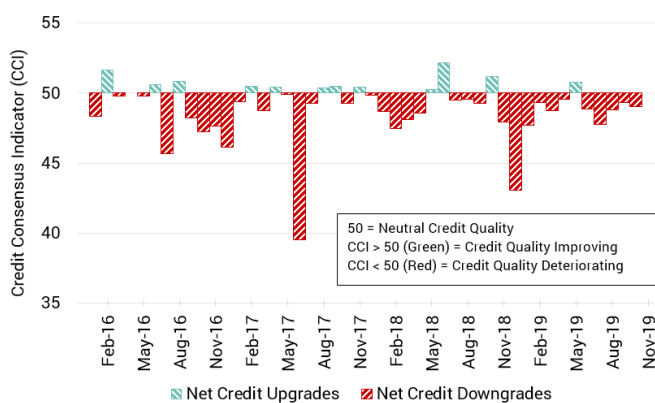


# Credit Consensus Indicator (CCI) UK, EU & US Industrials

December 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).

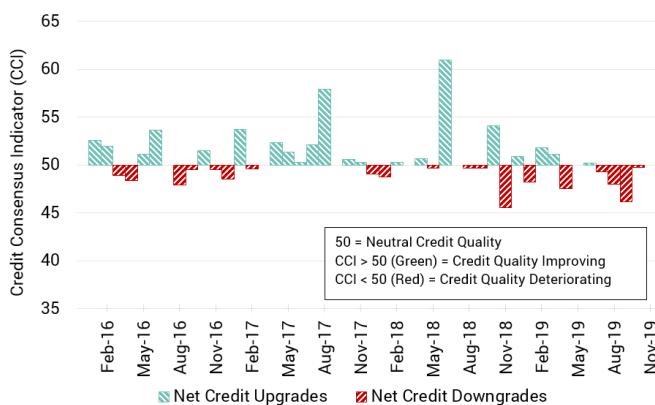


## UK Industrials: Downgrades Persist for Fifth Consecutive Month

The moderately negative trend in UK Industrials across the past year shows no signs of abating, with a fifth consecutive month of net downgrades.

Once again downgrades have outnumbered upgrades, resulting in a negative CCI of 49.

The CCI has seen little variation in recent months, possibly due to the current Brexit stalemate leading up to the general election.

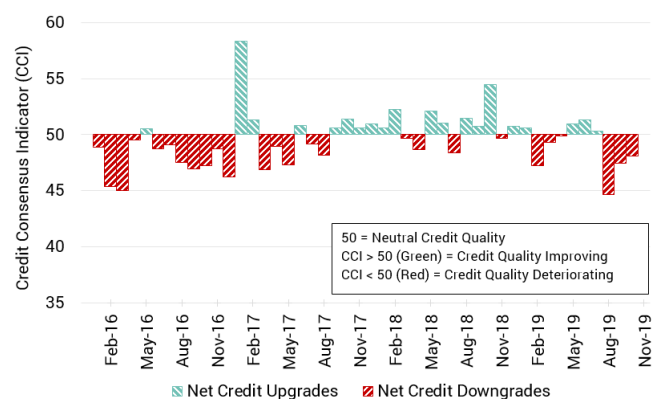


## EU Industrials: CCI Remains Negative But Deterioration Is Modest

The recent trend of downgrades for EU Industrials has shown signs of easing, with this month showing only a marginal net deterioration.

The CCI for this month hovers near neutrality, sitting at 49.8.

The CCI still sits within negative territory however, and the cohort has not experienced net upgrades since June this year.



## US: CCI Shows Continued Deterioration – Has a Trend Emerged?

US Industrials have displayed deterioration for a third month in a row, although the magnitude is decreasing.

This month, the CCI sits in negative territory at 48.1.

Trade negotiations between the US and China are still highly uncertain; lenders are likely to remain cautious until a realistic deal is struck.

### 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.