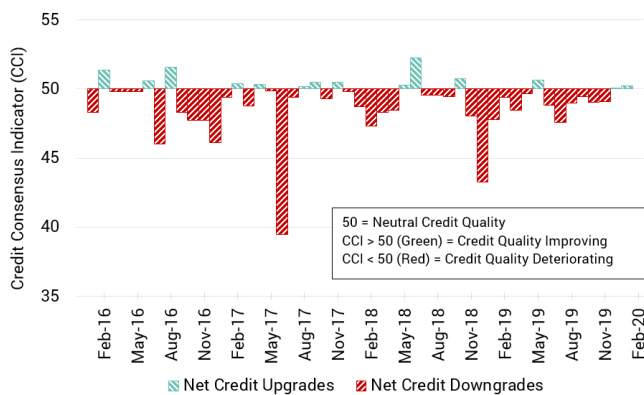


# Credit Consensus Indicator (CCI) UK, EU & US Industrials

March 2020

Credit Benchmark's monthly measure of credit risk sentiment and activity draws 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).

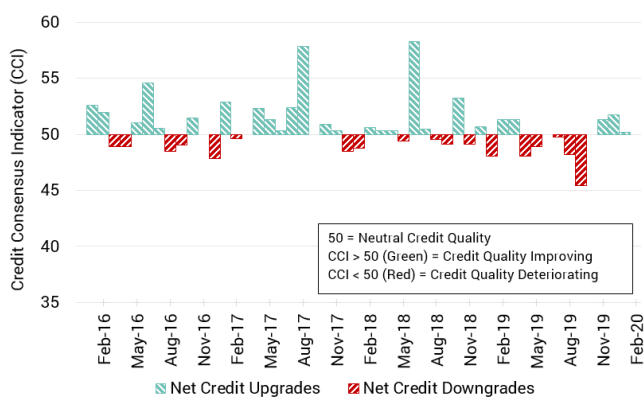


## UK Industrials: Minimal Net Upgrades Keeps CCI Hovering Above Neutral

UK Industrial companies have managed to stay out of the red for a second month, sitting slightly within positive territory.

The CCI sits at 50.2, only marginally higher than last month's near-neutral CCI of 50.1.

Amidst Brexit-related tensions, the overall trend across the last 12 months has been overwhelmingly negative, with nine of the 12 showing net downgrades.

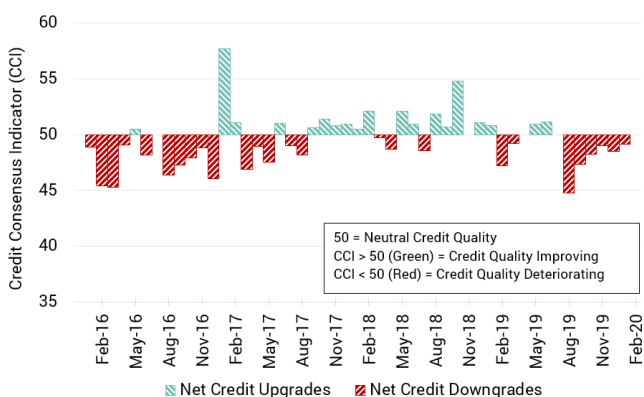


## EU Industrials: CCI Remains in Positive Territory by Small Margin

EU Industrials maintain a relative equilibrium, with a third consecutive month of net upgrades.

The gains this month are minimal however, with the CCI sitting at 50.2, down from last month's CCI of 51.7.

Across the past 12 months, there have been five months of net upgrades, five of net downgrades, and two months have sat at net zero. Manufacturing delays relating to COVID-19 may push the needle towards increased downgrades in the coming months.



## US Industrials: Sixth Consecutive Month of Net Downgrades

A negative trend persists for US Industrials, with downgrades dominating upgrades for a sixth month running.

The CCI for this month sits at 49.1, a marginally better position than last month's CCI of 48.5.

As for the UK and EU Industrial companies, US companies are under significant pressure from reduced manufacturing in China and the resulting disruption to global supply chains.

### 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.