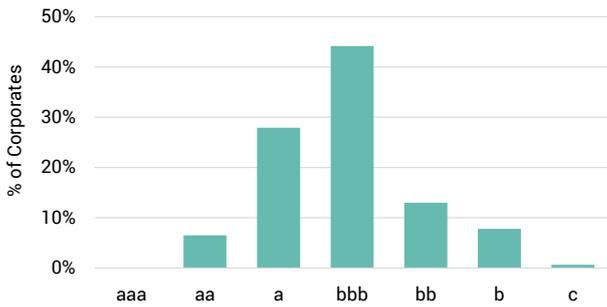


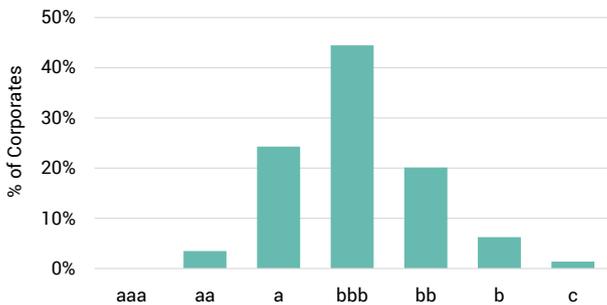
Sorted by % in category a, highest to lowest. Sample = 4820 Corporate (Non-financial) borrowers

France



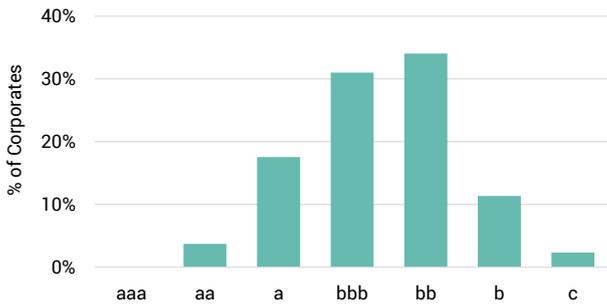
78% of French corporates in the consensus universe are investment grade, but their debt is equivalent to more than 140% of GDP. More than 150,000 companies have taken state-backed loans, but that may not be enough for those in the lower segment of the High Yield group - nearly 10% of the consensus sample are in credit categories **b** or **c**.

Germany



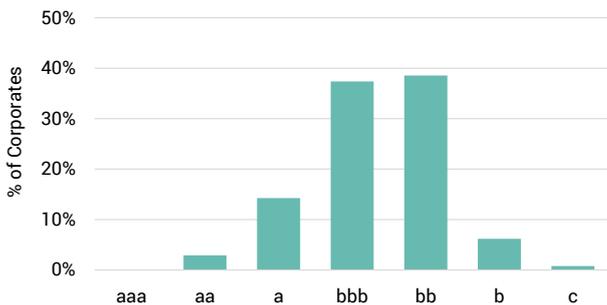
72% of German corporates in the consensus universe are investment grade, and their debt is a modest 57% of GDP. The German Government has relaxed its usual fiscal flexibility to address the COVID crisis, and some of that firepower will be needed to support other Eurozone members, especially Italy. A tail of about 7% of the consensus sample are in credit categories **b** and **c**; these will be vulnerable despite temporary Government support.

USA



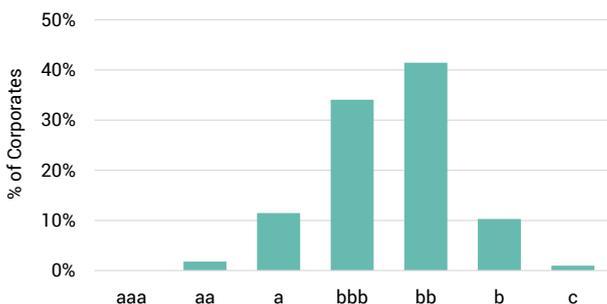
52% of USA corporates in the consensus universe are investment grade, with their borrowing equivalent to 74% of GDP. Markets have focused on the significant proportion of High Yield debt issued by US Corporates, as well as the sheer scale of US non-financial corporate debt which is now valued at more than \$10trn (out of a global total of \$13trn). More than 10% of the consensus sample are in credit categories **b** and **c**.

Canada



55% of Canadian corporates in the consensus universe are investment grade, and their debt stands at 120% of GDP. The recent oil price crash will have a significant negative impact on the Canadian corporate sector and the high level of debt in the Canadian provinces has raised concerns for Canada's AAA Sovereign rating. The medical impact of the COVID crisis has been limited, but the economic impact will be driven by the speed of any US recovery and the oil price trajectory in 2020. About 8% of the consensus sample are in credit categories **b** and **c**.

UK



47% of UK corporates in the consensus universe are investment grade and their debt is about 85% of GDP. Business support programs are making progress after a shaky start and the high level of High Yield companies has been a barrier to those. UK businesses are lobbying particularly hard for an easing of lockdown, with a sense of urgency as full-blown Brexit looms. Just over 10% of the consensus sample are in credit categories **b** and **c**.