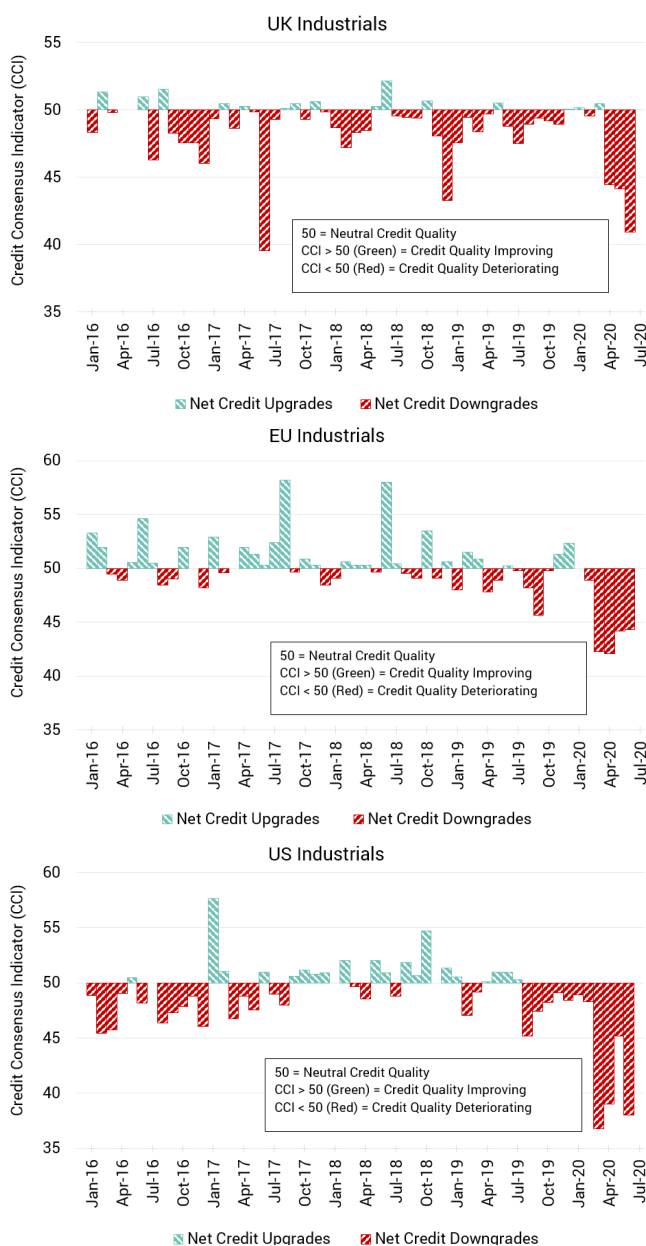


# Credit Consensus Indicator (CCI) UK, EU & US Industrials

August 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.



## UK Industrials: CCI Shows Deeper Drop This Month

Credit quality continues to worsen month-on-month for UK Industrial companies, with a third consecutive month of decline.

The CCI jumped down several points to register at 40.9 this month, down from 44.2 last month.

The deterioration coincides with the recent announcement that [the UK entered its first recession since 2009](#) amidst a 20.4% fall in output and plummeting productivity and consumer spending levels.

## EU Industrials: Credit Trend Remains in the Red

EU Industrial companies continue their strongly negative credit run, with a fifth consecutive month of net downgrades and little sign of improvement.

The CCI for this month is 44.3, following last month's CCI of 44.2.

The region has shown less dramatic decline than for US and UK companies, with [Germany leading the group's recovery](#). Weak international trade with the US and UK remains a barrier to healthier trade volumes.

## US Industrials: CCI Plunges Once More

The mild easing of downgrades observed for US Industrial companies last month has reverted to parallel previous lows.

The CCI has dropped back down to 38, after last month's less severe 45.2.

Industrial production in the US [rose by 3% in July](#); a strong sign of progress after serious declines in March and April. However weak global growth and the threat of a resurgence of COVID-19 are continuing to weigh negatively on the credit outlook.

### 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.