

# US Leads Oil & Gas Credit Recovery

February 2022

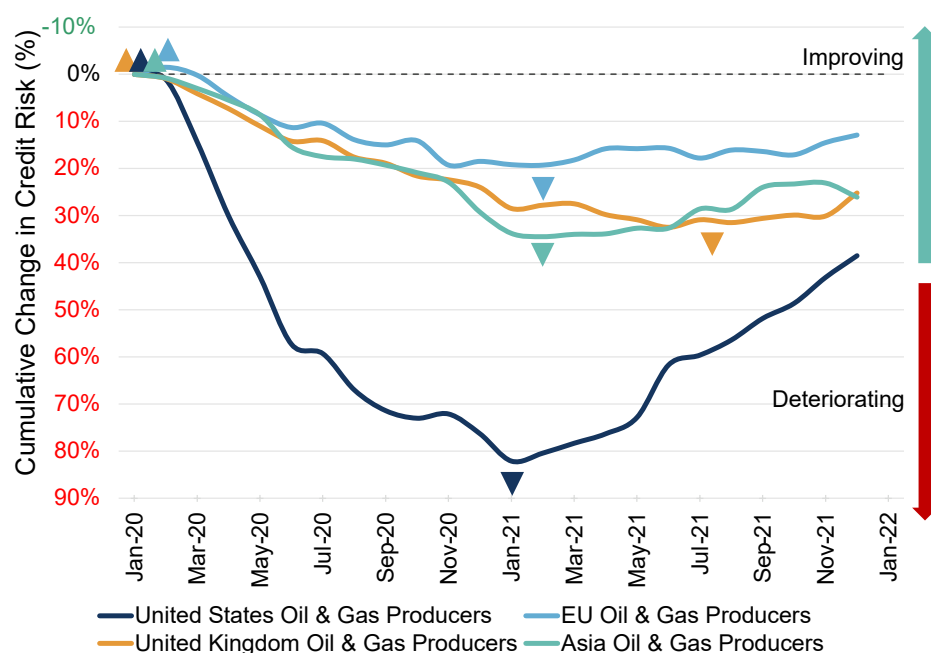
The energy sector had a difficult pandemic and Government attempts to pursue net zero carbon policies added further challenges. But with the UK oil giants announcing record profits, it is clear that their setbacks were short-lived.

The West Texas oil price is close to \$90, up about 50% from lows last year. European Natural Gas – a transition fuel to cleaner energy – saw prices almost triple in 2021, before dropping back. Despite tensions in Ukraine, gas prices are below the peaks of last year, but they remain volatile.

As economies reopen and travel bans lift, demand for fossil fuels is climbing. Ironically, climate change has hampered the yield from some green technologies – such as wind. The demand-supply imbalance may be only temporary, but fossil fuels are still the Plan B for most major economies and traditional energy companies know that they hold the balance of power.

Figure 1 shows regional credit trends for Oil & Gas.

**Figure 1: Oil & Gas Regional Trends, past 24 months**



Source: Credit Benchmark

The risk of default for US Oil & Gas producers almost doubled during the pandemic, but the turning point came early (January 2021) and it has been recovering sharply since then.

The other regions did not suffer nearly as much – risk was only up about 30% - and both the UK and EU are now showing a very modest recovery. With France having to put its nuclear supplies on hold for much-needed maintenance and with gas pipeline politics continuing to loom over Europe, it is likely that the recovery will continue.

Asia has tracked the UK although latest data shows a slight downturn, probably reflecting the recent economic and financial setbacks in China.

Detailed consensus credit data is available on Bloomberg, covering many otherwise unrated companies; it is now possible to credit screen portfolios, indices and bespoke watchlists across a broad range of criteria. [Contact Credit Benchmark](#) for a coverage check and consensus credit report.

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For regulatory and business reasons, these financial institutions have each created their own regulated internal credit rating agency to assess the creditworthiness of tens of thousands of obligors. Credit Benchmark collects, aggregates and anonymises this information to provide an independent, real-world perspective of risk, delivered twice monthly to our partners.

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Credit Consensus Ratings and Analytics are available on over 60,000 corporate, financial, fund and sovereign entities globally, most of which are unrated by credit rating agencies.

### Data that works for you

Credit Benchmark data is available via our Web App, Excel add-in, API, flat-file download, and third-party channels including Bloomberg.

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- Credit Risk Management
- Systematic Credit Trading
- Securities Finance
- Supply Chain Risk
- Trade Credit Insurance
- Fund Management
- Regulation, RWA & Capital
- Onboarding, KYC & Relationship Management
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- Accounts Payable & Receivable



**10 Million**

Contributed Credit Risk Estimates Per Year  
40 Million+ Estimates Collected Since Launch



**60,000+**

Entities Covered



**2x**

Twice Monthly Frequency



**75%**

Unrated by Major Credit Rating Agencies



**1,100+**

Aggregates



**100+**

Countries



**75+**

Months of Data



**50+**

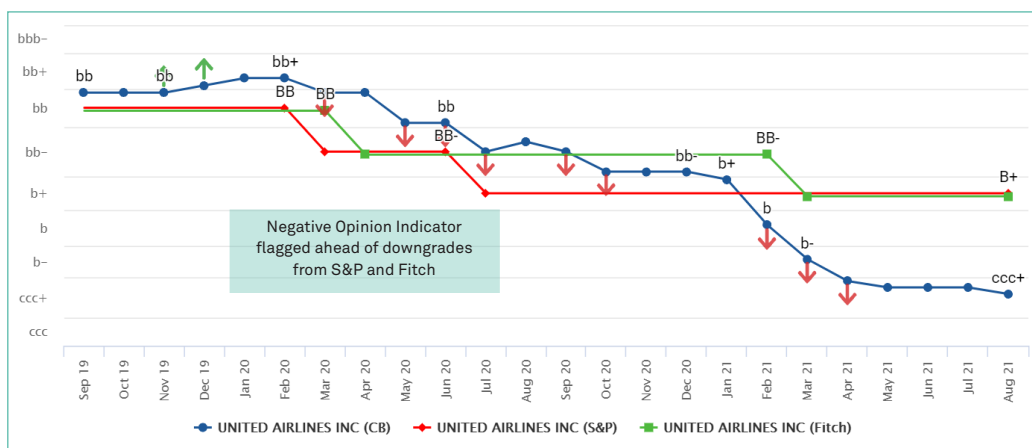
Data Metrics



**40+**

Contributing Financial Institutions Representing a Pool of 20,000+ Credit Analysts

# Real-world risk views with unparalleled consensus coverage



**Credit Consensus Rating:**  
Unique measure of creditworthiness based on the views of 40+ leading global financial institutions

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Credit Benchmark Web App: Entity-Level Data Sample

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Credit Strength Dampens Wildfire Risk  
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Trade Credit Risk and Supply Chains  
Credit Recovers as Lumber Prices Skyrocket  
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Quickly filter the database of 60,000+ legal entities

**My Screeners** Edit

Start creating your first screener

**Build screener with criteria below:**

Screener name: *Untitled*

☒ S&P Rating is Unrated

☒ Fitch Rating is Unrated

☒ CCR is aaa aa+ aa- aa- a+ a- bbb+ bbb bbb-

+ Add Criteria (3/15)

44,628 Entities found

Combine qualitative and quantitative fields to screen for entities that meet your criteria

Screen for public and non-publicly rated entities within specific geographies, industries, sectors and within your defined rating thresholds

Save Run Clear All Criteria

CBID	Entity Name	Credit Consensus Rating	S&P Rating	Fitch Rating
CB0000000009	IHS GLOBAL CANADA LTD	bbb-	Unrated	Unrated
CB0000000025	GYP HOLDINGS III CORP	bb	Unrated	Unrated
CB0000000080	GESTIELLE CEDOLA DUAL BRAND	a-	Unrated	Unrated
CB0000000087	TRANE TECHNOLOGIES LUXEMBOURG FINANCE SA	bbb+	Unrated	Unrated
CB0000000088	TECK HIGHLAND VALLEY COPPER PARTNERSHIP	bbb	Unrated	Unrated

Credit Benchmark Web App: Data Screen Sample

## Data that works for you:

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## Contact

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