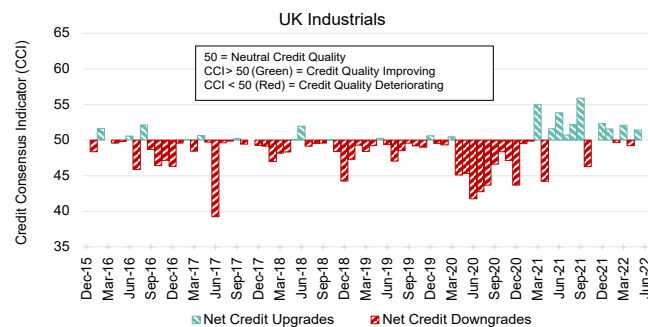


# Credit Consensus Indicator (CCI) UK, EU & US Industrials

July 2022

Credit Benchmark's monthly measure of credit risk sentiment and activity draws on the collective intelligence of over 20,000 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.

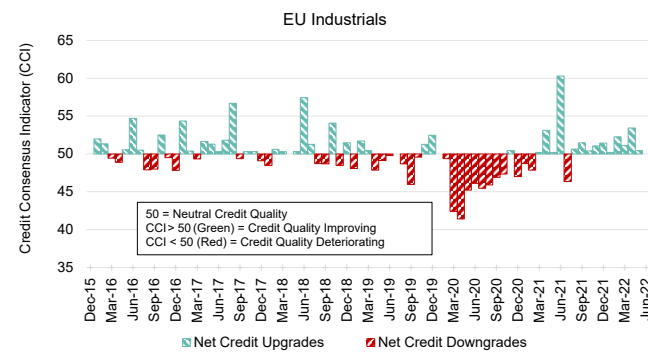


## UK Industrials: Ups and Downs

**UK Industrial firms** are in a positive position this month but have been unable to maintain a consistent trend since mid-2021.

The **UK CCI score is 51.4** this month; an improvement after another negative blip last month when the CCI registered at 49.2.

UK factory growth has [slowed to its weakest in 18 months](#), with business optimism following suit amidst cost pressures and supply bottlenecks. However, with evidence of an [increase in investment intentions](#) in the region, the CCI may yet see strengthening credit quality longer term.

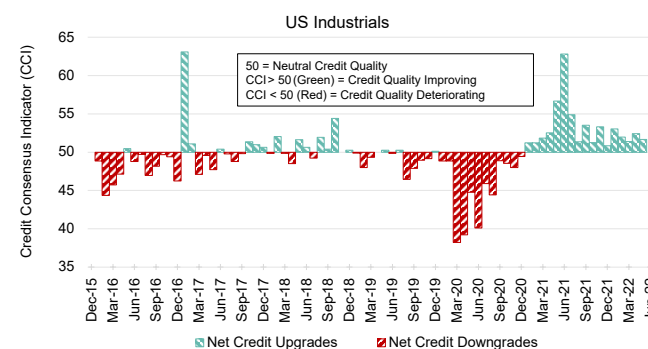


## EU Industrials: Hanging On

**EU Industrial firms** have registered another positive CCI for this month, which is the tenth consecutive instance of a positive score.

The **EU CCI score hovers above neutral at 50.5** this month, a decrease from last month's score of 53.4. While the ongoing run of net positive scores bodes well for the group, the trend remains modest and has dipped close to neutral on several occasions.

EU factories are currently [experiencing labour shortages](#) as a result of tens of thousands of Ukrainian workers returning home to fight against the Russian invasion of their country. For firms struggling to recover from COVID and rising costs, this worker shortage may begin to impact Industry credit quality.



## US Industrials: Level Trend

**US Industrial firms** show positive credit quality for another month, stretching the streak of good fortune to 17 consecutive months now.

The **US CCI score this month is 51.7**, registering slightly under last month's CCI of 52.4. Similarly to the EU CCI, the US trend has remained reasonably modest in recent months, though with a degree less fluctuation.

[Global chip shortages](#) continue to affect manufacturing output in the US, but an expansion of local production capacity should ease this while also providing a boost to the industry. Rising interest rates may also hurt demand for the production of new goods, with a [slight drop in output](#) already seen in recent months.

### About Credit Benchmark Credit Consensus Indicators (CCIs)

CCI data from Credit Benchmark is based on over 950,000 contributed credit observations from 40+ of the world's leading financial institutions. The credit observations, which represent the work of over 20,000 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.

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