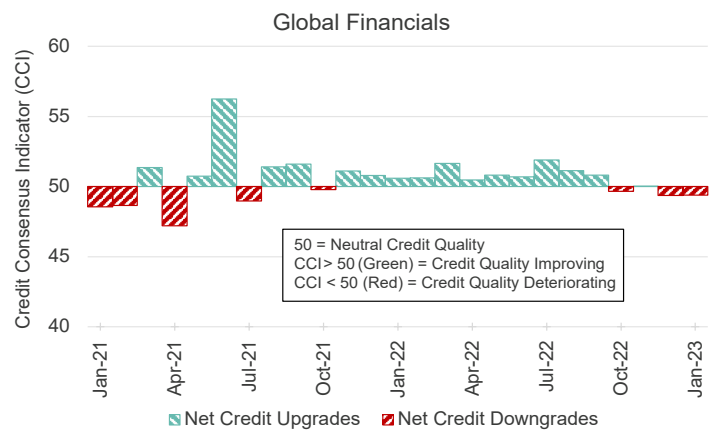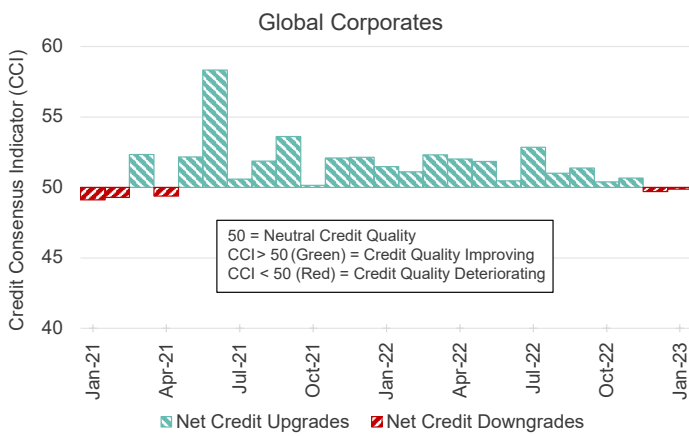# Credit Benchmark®

Global Corporates & Financials: In the Red

March 2023

Global Corporates have returned to a negative credit balance, ending their 19-month positive run. This month Global Corporates recorded their second consecutive negative Credit Consensus Indicator[1] (CCI).

Global Financials have now had four months without a positive credit balance.

This negative shift is being driven by a number of Global Sectors.

The charts below plot the latest CCI (Jan-23) for various Global Sectors.


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1 The CCI is an index of forward-looking credit opinions based on the consensus views of over 20,000 credit analysts at 40+ of the world's leading financial institutions.

Drawn from more than 950,000 contributed credit observations, the CCI tracks the total number of upgrades and downgrades made each month by credit analysts to chart the long-term trend in analyst sentiment. A monthly CCI score of 50 indicates neutral credit quality, with an equal number of upgrades and downgrades made over the course of a month. Scores above 50 indicate that credit quality is improving. Scores below 50 indicate that credit quality is deteriorating.

Soaring food and energy prices have hit consumer purchases of personal goods, personal products, and home furnishings; retailers are also suffering.

Delivery Services, Coal and Electronic Equipment are still strongly positive, but metal sectors are also turning negative.

The chart below shows details for various financial sectors.
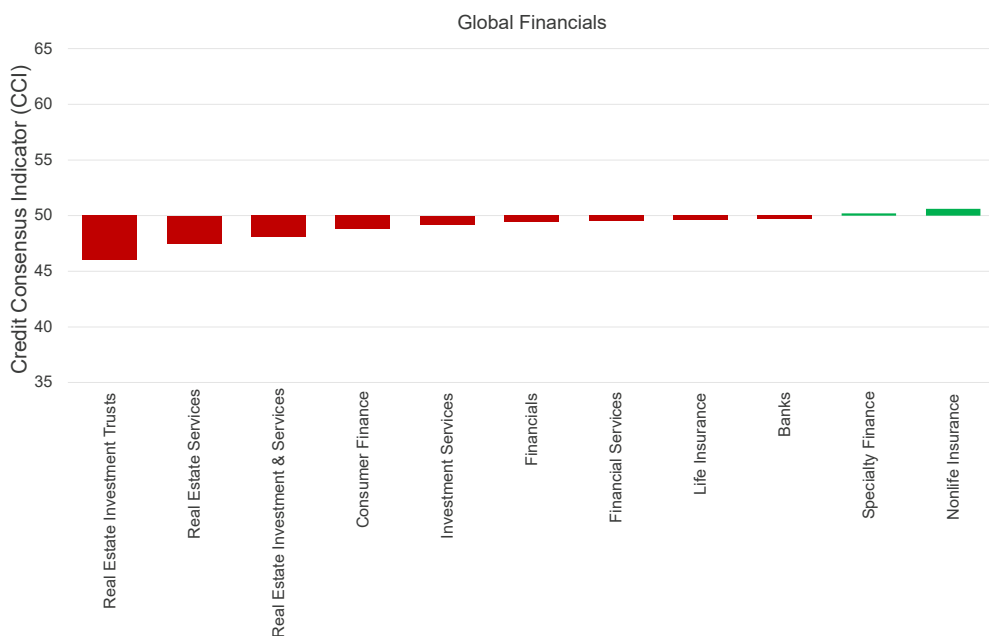
Real Estate is the major negative. Some REITs subsectors started to show negative trends a few months ago, but this has now spread to most REITs categories.

Speciality Finance and Nonlife Insurance are now the only financial sectors with a positive credit balance.

For more detail on recent credit trends and highlights seen in the consensus dataset please keep an eye out for our monthly outlook next week.

Credit Benchmark®

Credit Consensus Ratings and Analytics

Real-world risk views with unparalleled consensus coverage.

Credit Benchmark provides Credit Consensus Ratings and Analytics based on contributed risk views from 40+ of the world's leading financial institutions, almost half of which are GSIBs, domiciled in the US, Continental Europe, Switzerland, UK, Japan, Canada, Australia and South Africa.

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.

Credit Benchmark fills an information gap left open by traditional credit risk content providers by offering a timely, comprehensive view of credit risk which proves complementary to issuer-paid rating agencies and third party model vendors. The first of its kind "credit consensus" data reflects the expertise of more than 20,000 credit analysts across the contributing group – a powerful example of the wisdom of crowds.

Credit Consensus Ratings and Analytics are available on 75,000 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.

> **Contact us to learn more and request a demo of Credit Benchmark data by clicking here or email info@creditbenchmark.com**

Data Use Cases

- › **Counterparty Risk Management**
- › **Credit Risk Management**
- › **Systematic Credit Trading**
- › **Securities Finance**
- › **Supply Chain Risk**
- › **Trade Credit Insurance**
- › **Capital Relief Trades (CRT / SRT)**

- › **Fund Management**
- › **Regulation, RWA & Capital**
- › **Onboarding, KYC & Relationship Management**
- › **Point-in-Time (PIT) Impairments**
- › **Accounts Payable & Receivable**

10 Million
Contributed Credit Risk Estimates Per Year
44 Million+ Estimates Collected Since Launch

75,000
Entities Covered

2x
Twice Monthly Frequency

90%
Unrated by Major Credit Rating Agencies

1,200+
Aggregates

160+
Countries

90+
Months of Data

50+
Data Metrics

40+
Contributing Financial Institutions Representing a Pool of 20,000+ Credit Analysts