

# Credit Analytics

*Delivering an Extensive View of Credit Risk across Rated and Unrated Private and Public Companies around the Globe*

## Ideal for:

Credit Analysts

Portfolio Managers

Commercial Lenders

Risk Managers

Insurance Underwriters

Regulatory Professionals



Get the full picture of your credit risk exposure with access to a powerful set of risk analysis capabilities on a single platform to help you thoroughly assess the creditworthiness of investments and counterparties. Credit Analytics on the S&P Capital IQ platform are designed to address the challenges you face when analyzing and monitoring credit risk by providing:

- Continually enhanced platform content combined with upload capabilities for proprietary data to deliver the coverage you need.
- Analytic models that deliver universally comparable credit benchmarks for comparison across rated and unrated public and private companies.
- Robust workflow solutions that offer speed and efficiency, enabling you to track a growing number of global exposures.

## The Data

### FUNDAMENTAL DATA FOR PUBLIC AND PRIVATE COMPANIES

Benefit from one of the largest data sets of company financial information available, including standardized and analytically-enhanced data, to evaluate the financial picture of more than 60,000 public companies and over 590,000 private companies globally with an extensive set of consistent and transparent data.

For public companies, we collect more than 5,000 unique financial data items and 2,500 industry-specific terms. All financials for private companies are standardized for full comparison against public company financials and market data. A “click-through” feature traces adjustments and line item level details back to source documents.

**Macroeconomic Data** provides extensive coverage of historical and forecast global economic indicators, integrated with our industry-leading fundamental transactions and pricing data.

In addition, S&P Capital IQ’s proprietary **Country Intelligence Framework** addresses credit risk-specific systemic factors that relate to country, sovereign, industry and economic risks.

**Key Developments** is a news analysis, filtering and alert service that provides categorized news and corporate event data that is aggregated continuously by our experienced data analysts from over 20,000 news sources.

**Estimates** allow you to easily view the mean and consensus breakdowns, and audit contributors with seamless links to source documents, for 55 financial data measures, such as EPS, Revenue, Net Income, EBITDA, and EBT.

**Market Data** consists of current stock prices plus pricing and corporate action-related data from 157 exchanges across 99 countries globally.

Find extensive information on **CDS spreads** at different tenures and benchmark **yield curves** for pricing purposes.

You can also integrate, in a completely secured way, your own **Proprietary Data** to combine seamlessly with S&P Capital IQ data.

## Workflows:

Business Origination  
and Ideation

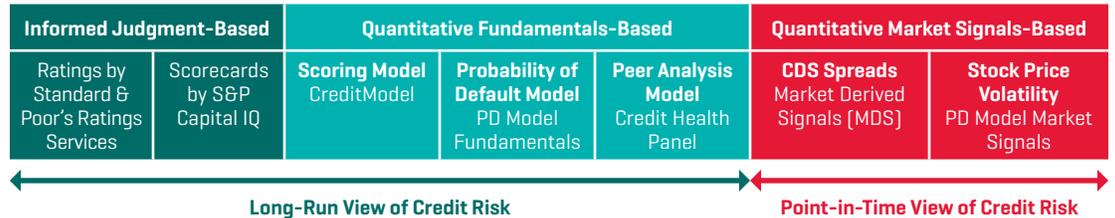
In-Depth Credit Risk  
Analysis

Ongoing Surveillance  
and Portfolio Monitoring



## Credit Risk Indicators

This set of quantitative tools provides timely information to help you identify weakening credits and fortify surveillance with a range of universally applicable quantitative short-, medium- and long-term indicators of credit risk for both rated and unrated entities. Fundamental data sets are incorporated in our analytical tools to achieve superior model performance.



### SHORT-TERM MEASURES

**PD Model Market Signals (PD Model MS)** provides a point-in-time view of credit risk for public corporations that acts as a potential early-warning signal of default between financial reporting periods. PDs are based on an enhanced Merton-type model that captures market signals reflecting the volatility of stock prices (market cap volatility). PDs are updated daily for over 31,000 listed corporates, covering more than 99% of global market capitalization.



**Market Derived Signals**, developed by Standard & Poor's Ratings Services, are based on a statistical model that evaluates five-year credit default swap (CDS) spreads for approximately 1,300 entities with a liquid CDS market to capture the market's daily market view of issuer risk.

### MEDIUM-TERM MEASURES

#### Peer Comparison and Industry Benchmark Capabilities

Through **Credit Health Panel**, quickly monitor and analyze the relative credit quality of your counterparties, competitors, and other groups of companies with a comparison of 24 financial metrics per company. Operational, solvency and liquidity scores are provided for over 210,000 rated and unrated public and private corporate entities globally, plus an overall company score. You can screen by geography, sector, credit score and PDs from our range of quantitative models or Standard & Poor's Ratings Services credit rating.



Snapshot of Credit Health Panel Company Page

Quantitative credit risk indicators available even if a company has no public rating

Company Name	Overall <sup>1</sup>	Operational	Solvency	Liquidity	LTM Period Ended	Financials Updated	S&P Foreign Currency LT	CreditModel Score	Market Signal Probability of Default	Fundamental Probability of Default	Country	Primary Industry Classification
Lululemon Athletica Inc.	1	2	2	1	Nov-09-2013	Jan-11-2014	-	-	0.0044%	0.0044%	Canada	Apparel, Accessories and Luxu...
Nike, Inc.	2	1	1	2	Aug-31-2013	Jan-11-2014	-	a+	0.0049%	0.0049%	United States	Footwear
Bauer Performance Sports Ltd.	4	4	4	3	Sep-30-2013	Jan-11-2014	-	a	0.0037%	0.0037%	Germany	Apparel, Accessories and Luxu...
Bauer Performance Sports Ltd.	4	4	4	3	Aug-31-2013	Jan-11-2014	-	b+	0.0105%	0.0105%	United States	Leisure Products

There are 4 CHP eligible companies in this list

Quartile position of a selected company against its peers

Snapshot of Credit Health Panel Dashboard & Watchlist Widget

Absolute short-term [Market Signals-based PD], medium-term [Fundamentals-based PD] and long-term [CreditModel score] credit risk assessments

Relative peer group assessment highlighted in intuitive traffic light color codes to easily identify best and worst performers

Company Name	Market Signal Sovereign Capped 1 Year PD	% Change	% YTD	Fundamental Sovereign Capped 1 Year PD	% Change	% YTD	Credit Model Sovereign Capped Score	CHP Overall Score	Country	Primary Industry Classification <sup>1</sup>
Inigma Technology Co., Ltd.	1.3218%	-0.0557%	-0.5862%	12.6318%	0.5719%	-1.1984%	b-	Bottom	China	Communications Equipment
Acer Inc.	0.4368%	0.0000%	-0.0580%	7.534%	-4.7672%	5.1983%	bb-	Bottom	Taiwan	Computer Hardware
Advantech Co. Ltd.	0.0114%	-0.0027%	0.0031%	0.615%	0.0280%	0.0547%	bb	Top	Taiwan	Computer Hardware
Apple Inc.	0.0052%						aa+	Top	United States	Computer Hardware
ASUSTek Computer, Inc.	0.0143%						bbb+	Top	Taiwan	Computer Hardware
China Great Wall Computer S...	0.9938%						b	Bottom	China	Computer Hardware
Compal Electronics, Inc.	0.4200%						bb-	Below Average	Taiwan	Computer Hardware
Dell Inc.	0.0048%						bbb+	Above Average	United States	Computer Hardware
Diebold, Incorporated	0.0699%	-0.0059%	0.0457%	1.0557%	0.3266%	0.5000%	bb-	Above average	United States	Computer Hardware
Founder Technology Group Cor...	1.1394%	-0.0005%	-0.2182%	5.9018%	-	-2.6431%	b+	Above average	China	Computer Hardware
Foxconn Technology Co., Ltd.	0.0240%	-0.0020%	0.0049%	0.2828%	0.1092%	-0.0411%	bbb-			
Great Wall Technology Co. Ltd.	0.7256%	0.0000%	-0.0749%	12.3786%	-3.1225%	-2.8079%	b+			
Hewlett-Packard Company	0.0669%	0.0018%	0.0379%	0.1239%	-0.0010%	-0.0350%	a-			

Snapshot of peer group

Snapshot of Credit Analytics Dashboard Widget

**PD Model Fundamentals** provides an innovative approach to assessing potential default that separates credit risk into two components – financial risk and business risk. The PDs are applicable for any public or private company and provide a [short- to] medium-term view of credit risk. They are based purely on fundamental data: financial ratios and systemic macro factors.

**LONG-TERM MEASURES**

**CreditModel**, a proprietary suite of statistical models, uses financial statement information to create credit scores, which enable you to quickly evaluate the long-term creditworthiness of public and private mid-cap and large firms. CreditModel calculations are based on, yet differ from S&P Ratings credit ratings criteria. Over 100 industry models are available, covering nearly 250 countries and regions, and the pre-scored database captures over 65,000 corporations globally.

**Standard & Poor's Credit Ratings and Research** provides a direct view of the credit markets that spans industries, companies and securities, with the opportunity to evaluate CreditWatch® lists.

**Tools for Efficiency**

Our datasets and credit indicators integrate through robust functionality available on the S&P Capital IQ platform to help you with quick and efficient idea generation, credit analysis and surveillance.

- Leverage advanced multi-point screening capabilities of credit indicators and other financial metrics for efficient idea generation.
- Utilize robust charting capabilities in conjunction with credit indicators and company key developments to establish a credit perspective on a single entity, perform peer analysis, and run a multitude of simulations for in-depth analysis
- Gain a holistic view of credit risk with Excel-based Credit Surveillance Templates for effective monitoring and surveillance of your portfolio exposures in a single application
- Integrate credit scoring into your workflow with templates allowing you to lookup or generate CreditModel credit scores and Fundamental Probabilities of Default for a single company or portfolio of companies
- Run multi-company scenario analysis, plus sensitivity analysis for two financial inputs on a single entity
- Create and store your own proprietary data items within the platform for easy comparison and analysis alongside S&P Capital IQ data and credit indicators

## Credit Analytic Templates and Credit Surveillance Templates

The templates offer a holistic view of risk by using an Excel Plug-in to combine fundamental data and quantitative measures of credit risk [e.g., credit scores and PDs] into a single application. The templates are ideal to set alerts to identify potentially troublesome companies via continuous monitoring. These templates seamlessly combine content on S&P Capital IQ with proprietary data.

## Delivery Channels

Credit Analytics are available via desktop and enterprise delivery channels, including data feed and web services API, and are customizable to suit your workflow and business needs.

## Related Offerings

Several other data sets are available to further support your analysis:

With **RatingsDirect®**, you will gain access to Standard & Poor's Ratings Services historical credit ratings, in-depth research and commentary. Also, tap into CreditStats Direct™ for credit-adjusted financial statement information for corporates and financial institutions.

**Default and Recovery Data** allows for the assessment of probabilities of default and recovery rates by asset class, industry, region, time period or facility-specific terms and track credit assessments in transition matrices.

# Measure, Monitor and Manage Your Credit Risk Exposures with S&P Capital IQ

S&P Capital IQ is analytically and editorially independent from S&P Ratings Services. CreditModel and PD Market Signals (and various Market Derived Signals) are analytical tools but are not credit ratings. Neither CreditModel, PD Market Signals nor credit ratings should be considered to be investment advice. A credit rating from Standard & Poor's Ratings Services is an opinion of the rated organization's creditworthiness and involves both qualitative and quantitative characteristics. CreditModel and PD Scores are based on but differ significantly from Standard & Poor's Ratings Services criteria and do not include a qualitative assessment or opinion. CreditModel and PD Market Signal scores are represented by lowercase nomenclature to differentiate them from S&P Ratings Services credit ratings.

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