

S&P Capital IQ Enhances Credit and Risk Professionals' Ability to Evaluate Corporate Credit Risk

CreditModel 2.5 provides actionable information to support risk management for banks, corporations and asset management firms globally

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NEW YORK, May 21, 2012 /PRNewswire/ -- In response to heightened market volatility and uncertainty requiring companies to more closely evaluate the creditworthiness of borrowers, counterparties, customers and suppliers, S&P Capital IQ, a business line of The McGraw-Hill Companies (NYSE: MHP) that offers global multi-asset class data solutions, market research and portfolio risk analytics to global investors, today announced significant upgrades to CreditModel. CreditModel is a widely used risk-evaluation tool that provides an easy, efficient and cost-effective method to help users evaluate an organization's credit quality by generating credit scores in lowercase letter grades for both public and private firms globally.

CreditModel 2.5, developed by S&P Capital IQ's Analytic Development Group (ADG), can quickly screen rated and unrated borrowers, counterparties, customers, suppliers in 227 countries across virtually all industrial and utility companies to determine the credit strength of a single company or portfolio of companies. With an enhanced statistical engine and added early warning signals, CreditModel 2.5 provides improved performance accuracy. New country risk scores developed by S&P Capital IQ in order to reflect the risk of doing business in a given country enabled the expansion of corporate credit scores from just developed countries to a larger universe of countries and economies globally. Additionally, CreditModel 2.5 now includes scoring models for commercial and savings banks as a first phase toward a scoring model with global coverage for all types of financial institutions.

"We have enhanced CreditModel to be a powerful and transparent globally applicable product for credit analysts capable of providing early warning signals that should help clients sleep better at night," said Marcel Heinrichs, head of the Analytic Development Group (ADG) at S&P Capital IQ. "With CreditModel 2.5 clients can do sensitivity analysis or genuine stress testing - including 'black swan' events - and generate stressed credit scores, both with and without the impact of a (stressed) sovereign rating."

CreditModel 2.5 also provides probability of default observations for each credit score, sensitivity ranks that show which financial has the largest impact on changes in a current credit score; and comprehensive financial reports with a credit risk assessment in a pdf format.

For additional information or to trial CreditModel 2.5, send an email to risk_marketing@spcapitaliq.com.

About S&P Capital IQ

S&P Capital IQ, a business line of The McGraw-Hill Companies (NYSE:MHP), is a leading provider of multi-asset class and real time data, research and analytics to institutional investors, investment and commercial banks, investment advisors and wealth managers, corporations and universities around the world. We provide a broad suite of capabilities designed to help track performance, generate alpha, identify new trading and investment ideas, and perform risk analysis and mitigation strategies. Through leading desktop solutions such as the S&P Capital IQ, Global Credit Portal and MarketScope Advisor desktops; enterprise solutions such as S&P Capital IQ Valuations, and Compustat; and research offerings, including Leveraged Commentary & Data, Global Market Intelligence, and company and funds research, S&P Capital IQ sharpens financial intelligence into the wisdom today's investors need. For more information visit www.spcapitaliq.com.

About the S&P Capital IQ Analytic Development Group (ADG)

ADG is a specialized department at S&P Capital IQ dedicated to innovative quantitative finance research and model development. As a globally operating team of quantitative professionals supporting a range of platforms and products, the group leverages a wide range of skills and experience to deliver leading research, model innovation and development, implementation and quantitative business support.

CreditModel is an analytical tool. CreditModel and the scores should not be used or taken as financial or investment advice for any specific purpose. CreditModel scores are based on, but differ significantly from, Standard & Poor's rating criteria, and do not include qualitative assessments or opinions. CreditModel and the scores are provided without any express or implied warranties whatsoever including without limitation, warranties of suitability for any particular purpose or use. S&P Capital IQ is analytically and editorially independent from any other analytical group at Standard & Poor's, including S&P Ratings Services.

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