

Global

Region Analysis - April 2025

Credit Benchmark's Industry Reports provide unique insights into the credit quality and trends of geographies and industries that matter to you. Every month, Credit Benchmark publishes 9,000+ Industry Reports on various sectors.

To learn more about the Industry Reports and analyses Credit Benchmark can offer, please email info@creditbenchmark.com.

Credit Benchmark's Global Index tracks 45,000+ Credit Consensus Ratings (CCRs). These CCRs can be further divided by Region into the following segments: Africa, Asia, Europe, Latin America, Middle East, North America, and Pacific.

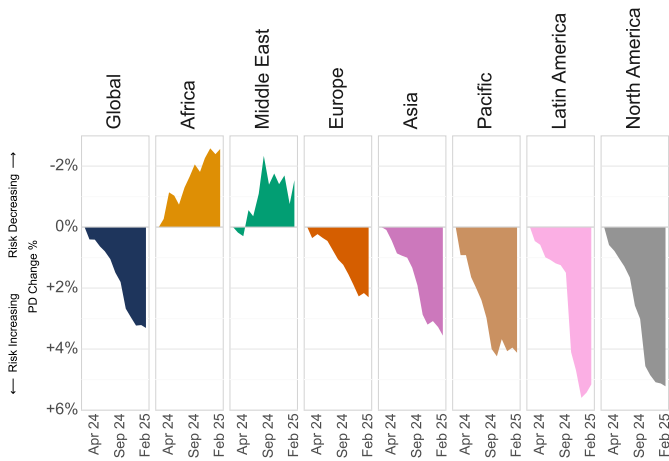
This Industry Report explores our Global Index through different analyses which you can find on pages 1 and 2. Please refer to page 3 for a breakdown of the entities which make up the index.

Analysis

Credit Indices: Trends

Latin America showed the biggest 6-month change within Global entities. Credit risk rose by 4% over the 6 months leading up to December 2024.

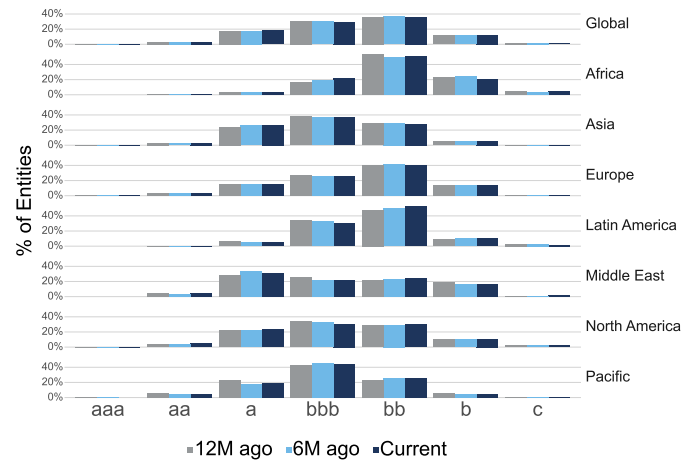
For Middle East, in comparison, credit risk dropped by 1% over the same period.



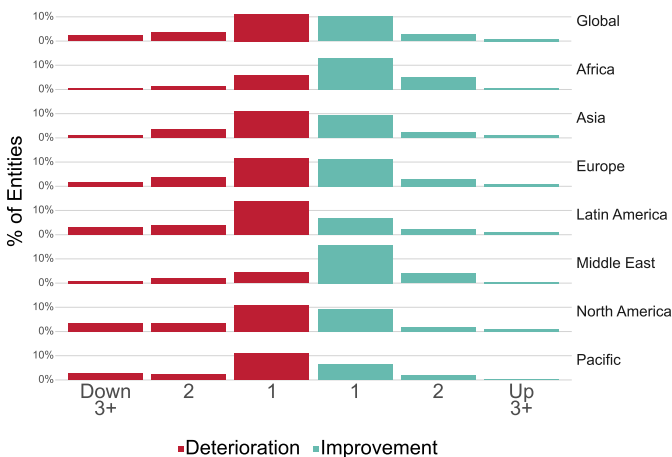
Credit Distribution

A majority of ratings within Global entities lies in the **bb** credit category. 53% of ratings within Africa lie in the **bb** credit category.

On average, within each segment, 49% of ratings are considered non-investment grade.



Notch Movements



31% of Global entities experienced a rating transition over the last 12 months. Of these entities, 17% were downgraded and 14% were upgraded.

Particularly, 11% of entities experienced a 1-notch downgrade and 10% underwent a 1-notch upgrade.

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Analysis (continued)

Transition Matrix

This credit transition matrix shows the movement of entities between 6 rating categories **over the last year**.

For example, over this period, 11.2% of **bbb** entities transitioned to **bb**.

	aaa/aa	a	bbb	bb	b	c	No. of entities
aaa/aa	86.5%	13%	0.4%	0.1%	0%	0%	939
a	1.3%	90%	8.4%	0.2%	0%	0%	5,648
bbb	0%	4.5%	83.8%	11.2%	0.4%	0%	9,352
bb	0%	0.1%	7.3%	85.8%	6.4%	0.3%	9,989
b	0%	0%	0.1%	14.7%	82.2%	3%	3,187
c	0%	0%	0%	1.9%	20.9%	77.3%	321

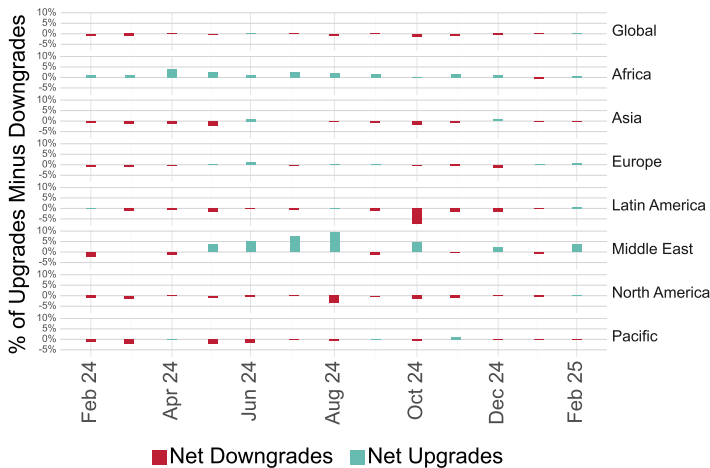
Correlation Matrix

This matrix presents the correlations of month-on-month PD changes between **Global** entities and several subsegments spanning from **February 2024 to February 2025**.

The least **correlated** pair is between **Europe** and **Middle East**, with a value of **-0.36**.

	Global	Africa	Asia	Europe	Latin America	Middle East	North America	Pacific
Global		23%	58%	68%	85%	-28%	95%	28%
Africa	23%		20%	-7%	29%	4%	21%	5%
Asia	58%	20%		-6%	60%	1%	67%	2%
Europe	68%	-7%	-6%		45%	-36%	48%	27%
Latin America	85%	29%	60%	45%		-8%	79%	-2%
Middle East	-28%	4%	1%	-36%	-8%		-30%	-16%
North America	95%	21%	67%	48%	79%	-30%		23%
Pacific	28%	5%	2%	27%	-2%	-16%	23%	

Credit Indices: Upgrades vs. Downgrades



Latin America had a big net move in October 2024, with 7% more entities **downgraded** than upgraded.

Middle East also saw a large net change in August 2024, where 9% more entities were **upgraded** than downgraded.

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Credit Benchmark has a **Credit Consensus Rating (CCR)** and accompanying detailed analytics for **110,000+** legal entities globally. CCRs are based on the contributed credit risk estimates from **40+** of the world's leading financial institutions.

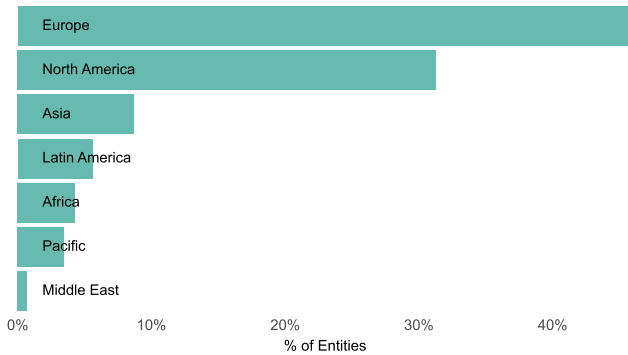
To understand the creditworthiness of the geographies, industries, and entities that matter to you and to be alerted to their changing CCRs, please email info@creditbenchmark.com.

Credit Benchmark's **Global Index** tracks **45,000+** CCRs. These CCRs can be broken down by **Region, Entity Type, Rated/Unrated, and Private/Public**.

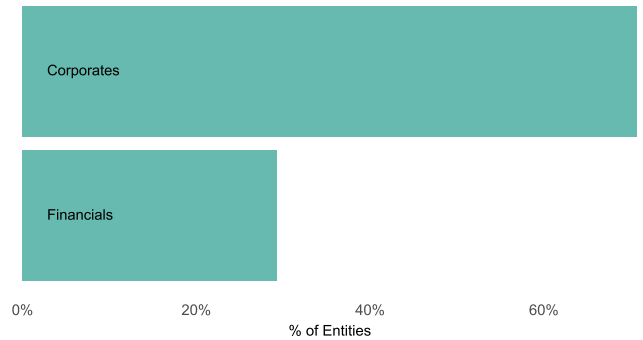
Credit Benchmark can provide additional types of CCR breakdown and levels of granularity.

Breakdown

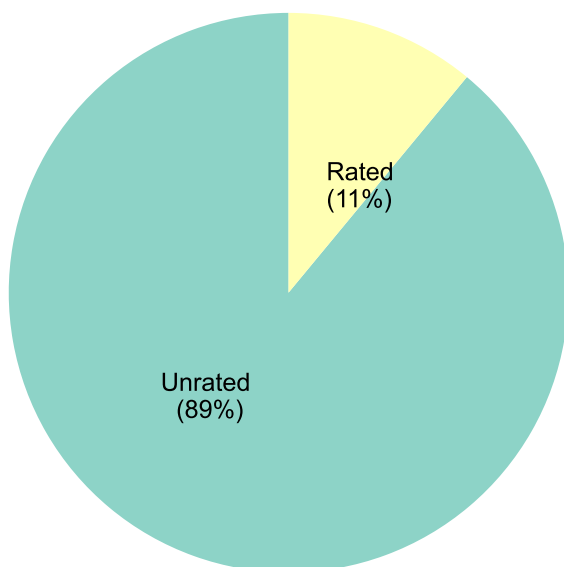
Region



Entity Type



Rated/Unrated



Private/Public

