Fitch Solutions
CDS Implied Credit Scores

A CDS scoring system designed specifically for credit and unrivalled in the market

Simplify your use of the CDS market for credit analysis with a methodology that maps 5-year CDS spreads to the long-term ratings scale. This tool offers users a spot score or smoothed score for reduced volatility to support your portfolio analysis.

Mapping The CDS Market To The Ratings Scale
CDS Implied Credit Scores map CDS market pricing to long-term ratings produced by rating agencies so you can see the likely rating for a given CDS spread and recovery rate. The mapping is optimized and can be used for relative performance analysis against a peer group of a CDS Implied Credit Score or its agency rating on the current day or through history.

An Easier Way To Use CDS As A Credit Indicator
Deciding on whether a CDS spread move is material requires expert judgement. By converting the spread to a score, CDS Implied Credit Scores simplify the assessment of relative performance within a peer group or against an agency rating. Supplementary model data indicates how close an implied score is to crossing a score boundary.

The CDS Implied Credit Scores Model
The CDS Implied Credit Score Model’s comprehensive scope, data-intensive foundation, and exhaustive validation testing ensure robust out-of-sample predictive power.

A Unique And Powerful Model
The CDS Implied Credit Score Model is proprietary and a data-intensive model whose principal output is a forward-looking credit assessment expressed on the Fitch long term rating scale. It is designed to give the consensus marketplace view of obligor rating based on CDS probability of default derived from CDS spread and recovery rate using the IDSA standard CDS model.

Designed For The Credit Analysis Workflow
Fitch Solutions offers both a spot and smoothed CDS Implied Credit Score to support your workflow. Portfolio analysis is enhanced with smoothed implied credit scores. Smoothed scores reduce the impact of market volatility, stopping credit scores that are hovering on a boundary switching their score daily.

Extensive Coverage And Depth
The Fitch CDS Implied Credit Score Model covers about 1800 reference entities globally in all industry sectors including financial institutions, corporates and sovereigns going back to 2007. The model runs daily capturing the latest CDS market data.

Spot Scores
The Spot CDS Implied Credit Score is an unfiltered view of an entity’s CDS on a specific date.

Smoothed Scores
The Smoothed CDS Implied Credit Score is a smoothed view of the CDS market using historical data to partially smooth out CDS market volatility. The smoothed score is achieved by an exponentially weighted moving average over a 250-day period.

www.fitchsolutions.com
FitchConnect

Content Delivery
A cutting-edge, multi-channel technology platform that delivers our data, research and tools in a way that ideally matches your current systems and workflows.

Instantly get the information you need in a usable format. Reduce days of work to minutes and reduce the risks of manual data handling errors.

Web
Our web portal offers a user-friendly way to explore and work with our data and analytical tools. Search, review standardized entries for companies and countries, build portfolios, create alerts, use dashboards and create adjusted data fields.

Excel Add-In
Pull our data and handy analytical metrics such as CDS Implied Credit Scores and Financial Implied Credit Scores into Excel. Use pre-built templates, such as Bank Scorecard or custom-built templates that match your workflow to cut down the time you spend calculating and increase the time you dedicate to critical credit risk decisions.

API & Feeds
Our Feeds and API channels integrate seamlessly with any third party or proprietary systems, allowing you to bring our data into a familiar environment and work with it alongside information from other sources. Feeds offers fundamental financial data on banks, insurance and sovereigns and with API you can also add corporates, financial implied credit scores and bank rankings into the mix.

Client Services
A dedicated team of client service professionals based in New York, London, Hong Kong, Singapore and Tokyo provide ‘follow the sun’ support.
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Learn More
Take a tour of Fitch Connect – the powerful and intuitive platform that delivers credit ratings, credit research, Financial Implied Credit Scores, fundamental data, country and industry research, macroeconomic and industry data, and a curated news service.

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About Fitch Solutions
Fitch Solutions fuels better informed credit risk and strategy decisions with reliable data, insightful research and powerful analytics. Get the crucial intelligence and fresh perspectives you need, especially in markets where information is hard to find and difficult to interpret.

Our data and research are produced with accuracy, granularity and depth. Leverage workflow efficiencies, transparent methodologies, and accessible experts who add extra value to our products.