

Large Corporate Report

PD & Default Rate Report

September 2024

Global Credit Data monitors on a quarterly basis close to 85,000 Large Corporates provided by 28 banks.

Region

The data represents borrowers worldwide dominated by Europe and North America, where most of GCD member banks reside. Members receive granular data, including country level, for deeper analyses.

Industry

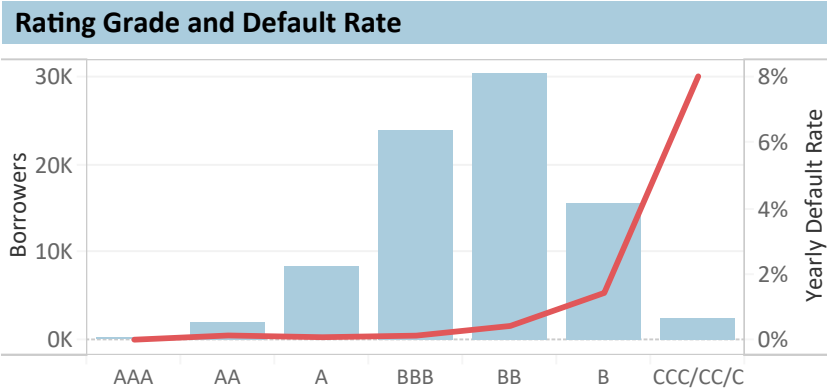
This database is typical of bank lending portfolios with many borrowers in manufacturing and commercials areas. Granular industry groups are available to GCD member banks and are condensed here into key industry groupings.

Rating Grade and Default Rate

This analysis is by borrower numbers, which means that smaller borrowers with typically non-investment grade ratings make up most of the data. This reflect the portfolio of the participating banks. The default rate by rating grade reflects the typical exponential curve.

PD and Default Rate over time

The Through-The-Cycle Probability of Default (TTC PD) is stable over time with a value above 0.2% on investment grades and 3% on speculative grades, overall at 1.78%. The PD is higher than the observed Default Rate due to regulatory buffer requirements.



84,091	0.72%	2008 - 2023
Average Annual Borrower Base	Annual Default Rate	History Coverage

Region

Region	Average Annual Borrower Base
Africa & Middle East	4,210
Asia & Oceania	11,815
Europe	35,718
Latin America	2,923
North America	29,383
Other	42

Industry

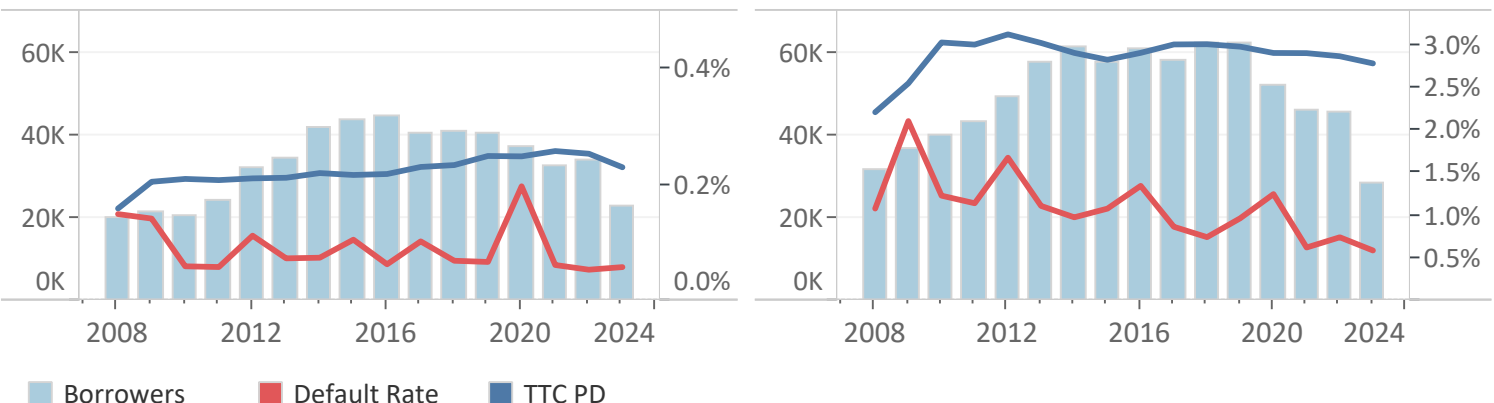
Agriculture	1,627
Communications	3,797
Construction	4,727
Hotels and Restaurants	2,078
Manufacturing	21,123
Mining	3,539
Other services	6,789
Real Estate	5,925
Transportation	5,676
Utilities	3,642
Wholesale and Retail Trade	16,630
Other	8,539

Note on Terms Used (see [Appendix](#) for more details)

Default Rate is the observed percentage of performing borrowers that experience a default event within 1 year.

Annual Borrower Base is the count of performing borrowers on January 1st of the year.

PD and Default Rate over time (left: investment grade, right: speculative grade)



Global Credit Data maintains the world's highest quality, most exhaustive member-bank contributed data source for credit risk.



More from Global Credit Data

Based on internal ratings from 30 member banks, Global Credit Data monitors the rating migrations on a basis of 85,000 Large Corporate borrowers over the last +15 years.

This dashboard is based on the platform PD&Rating, find [more information](#) on our website.

[Explore our other dashboards](#). They provide an instant insight into observed Recovery Rates and other key benchmarks for various exposure classes, industry sectors and collateral types:

Corporates, Banks and Financial Institutions, Sovereigns, Real Estate Finance, Shipping Finance, Aircraft Finance.

To meet the standards set by global regulations like BCBS239, GCD has established a robust framework to measure, monitor and improve [data quality](#).

About

At GCD, our mission since 2004 has been to empower banks and the financial industry with a deep understanding of credit risk through a unique data source. As a non-profit organisation owned by 50+ member banks, we collect valuable data directly from banks' books.

GCD's activities revolve around pooling credit data, particularly from low default portfolios. Beyond data pooling we foster knowledge exchange, facilitate research and information sharing services, creating a dynamic environment for insights and collaboration.

Join our community to access exclusive data insights, gain market understanding, and benchmark your performance against industry peers.

www.globalcreditdata.org

Contact

Olivier Plaetevoet
PD&Rating Executive
olivier.plaetevoet@globalcreditdata.org

Nina Brumma
Head of Analytics and Research
nina.brumma@globalcreditdata.org

Membership Inquiries

secretary@globalcreditdata.org