



GCD | 2022

Dear GCD Members,

GCD is at the forefront of many initiatives, including climate risk webinars, a new CCF survey, a paper published with the ICC on Performance Guarantees, continuous data collection cycles and evident continuous data improvement. The GCD recovery rate dashboards and PD dashboard have also just been published - read all about it!

GCD's LGD data pool, has reached a monumental milestone of over 300,000 defaulted facilities. GCD's [interactive dashboard](#) provides more insight.

Regards,
Richard Crecel

GCD Updates

GCD Recovery Rates dashboards - Hot off the press

Did you know: Banks recover 76% from Corporate defaults?

Global Credit Data's Recovery Rate Dashboards provide an instant insight into observed recovery levels and other key benchmarks for various exposure classes, industry sectors and collateral types.

The Dashboards inform business and risk managers trying to assess the impact of crisis stress tests and recalibration of models while major industries (aviation, oil & gas, transportation, retail, hospitality etc.) are severely affected by the crisis.

GCD's data is strong - collected from more than 50 banks globally, covering over 20 years of history and key industry sectors. Visit our [website](#) more detail.

[Get the latest dashboards now!](#)

Data Quality Metrics Show Continuous Improvement

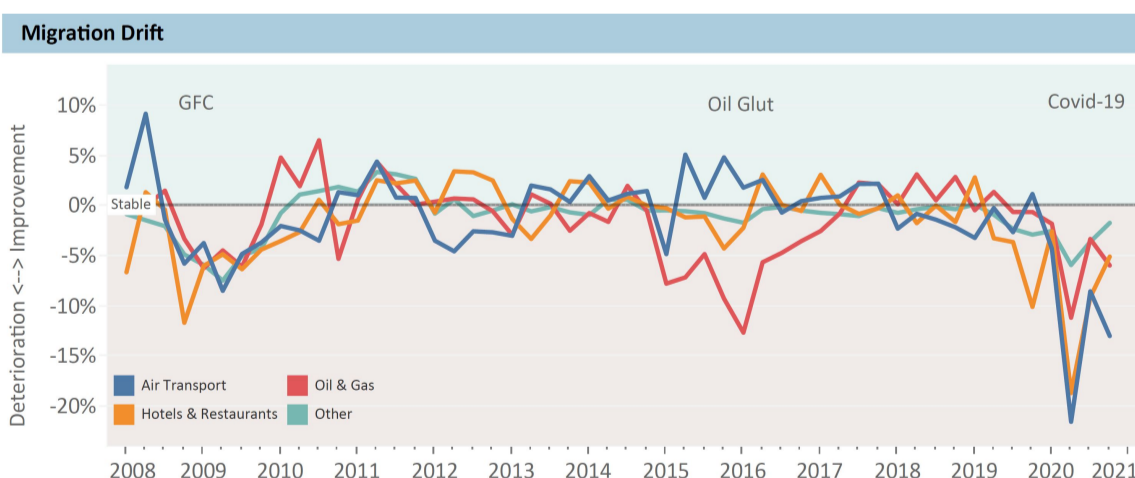


GCD monitors global DQ variations by calculating a synthetic LGD distribution indicator based on the Inverted Coefficient of Variation. The metrics (averages and standard deviations) in the chart are calculated at loan level. The data for each submission semester is cumulative.

The chart clearly shows three distinct phases. There is strong volatility of the DQ indicator during the first years of GCD concepts/process alignment between contributing banks up until 2011, followed by the DQ stabilizing at its first plateau through 2016. Finally, the DQ moves into a third period with reinforced DQ management requirements. This shows a new higher, yet still stable, plateau.

[Get the latest DQ dashboard now!](#)

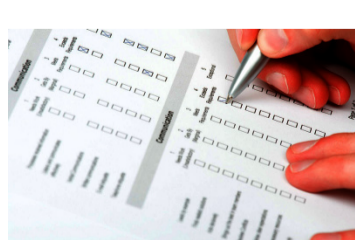
Latest Dashboard: PD Large Corporate



Macroeconomic trends in 2022 initially marked by expectations of reduced government support for the pandemic, progressive tightening of monetary policies by central banks and rising inflation rates must now consider market stress, energy cost surge and negative fallouts from the war in Ukraine. Concerns about new Covid-19 variants cannot be ignored neither.

[Get the latest PD dashboard now!](#)

CCF Survey



The European Commission recently published the proposed amendments to the Capital Requirements Regulation. The set of guidelines for CCF are still to be published.

Help your peers to understand the practices. The survey can be accessed [here](#)

LGD Submission

The annual LGD submission is underway, and many banks see the value in participation.

Ensure that your bank gets the benefit of participating in this platform.

Although GCD is already in the audit phase - it is still possible to submit your latest defaults.

Climate Risk



The GCD Climate risk initiative is in full swing.

On 22 April, GCD hosted a webinar dedicated to climate risk. Some of the speakers included:
- [Green RWA](#)
- [4-pi](#)
and GCD member banks!

We kindly ask you for your feedback before :
Friday, 31 May 2022

For more information, visit the GCD [website](#).

To connect with GCD on this topic, please contact us [directly](#).

This survey takes 15min to complete.

ICC/GCD 2022 Performance Guarantees study

Jointly published by ICC and Global Credit Data (GCD), the ICC/GCD 2022 Performance Guarantees Paper is an updated revision of a 2019 study on Performance Guarantees.



ICC/GCD 2022 PERFORMANCE GUARANTEES PAPER



Context

This paper assesses the empirical level of Credit Conversion Factors (CCF²) for Performance Guarantees or Technical Guarantees as referred in CRR3³.

Based on a data set collected by GCD from 55 member banks, covering an historical period of 20 years, this paper assesses the empirical level of Credit Conversion Factors (CCF²) for Performance Guarantees or Technical Guarantees as referred in CRR3. The study confirms the average credit conversion factor (CCF) of 10% +/- MOC for defaulted customers which validates the case for applying a 20 % CCF in determining exposure at default (EAD), for performance guarantees when calculating Risk Weighted Assets (RWA) for capital purposes.

[Read more](#)

Would your bank like to host a GCD Conference?

With the world opening up, there is the opportunity to travel and connect with peers and again.

Get in touch if your bank is interested in this opportunity.

Visit the Website | Update your Profile Today

Updating your profile will assist connecting with peers in the industry.

**Check your spam / junk folder for password resets.

[GCD WEBSITE](#)