

# Large Corporate Report

## PD & Default Rate Report

November 2023

**Global Credit Data monitors on a quarterly basis more than 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

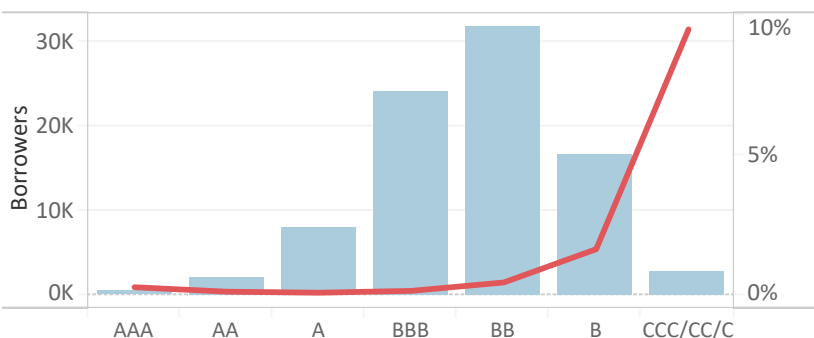
The Through-The-Cycle Probability of Default (TTC PD) is stable over time with a value around 0.2% on investment grades and 3% on speculative grades, overall at 1.94%. The PD is almost double the observed Default Rate due to regulatory buffer requirements.

86,829	0.85%	2008 - 2022
<b>Cohort Size</b>	<b>Default Rate</b>	<b>History Coverage</b>

Region	Cohort size
Africa & Middle East	4,200
Asia & Oceania	8,702
Europe	42,839
Latin America	2,982
North America	28,061
Other	45

Industry	Cohort size
Agriculture	1,731
Communications	3,892
Construction	4,790
Hotels and Restaurants	2,168
Manufacturing	20,585
Mining	3,541
Other services	7,015
Real Estate	7,695
Transportation	5,613
Utilities	3,767
Wholesale and Retail Trade	16,708
Other	9,324

### Rating Grade and Default Rate

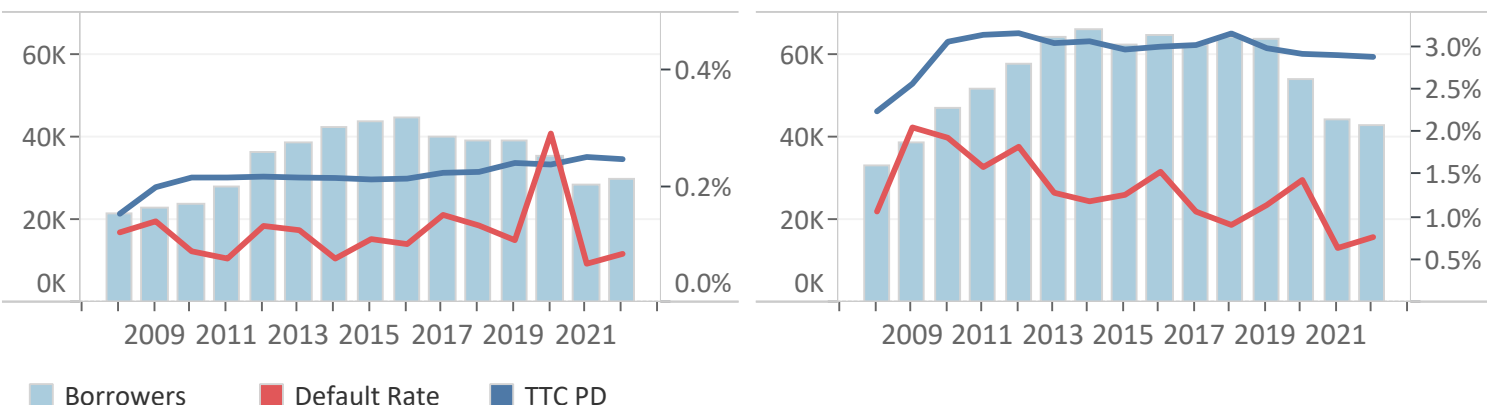


### Note on Terms Used (see Appendix for more details)

**Default Rate** is the observed proportion of performing borrowers at the beginning of the year that experience a default event within a one-year period.

**Cohort size** is the count of performing borrowers on January 1st of each year of the dataset. The overall **Cohort Size** is calculated by averaging the yearly cohort sizes.

### 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 86,000 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](http://www.globalcreditdata.org)

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