

Case study

Timely large-scale coverage of high-yield and distressed credits helps client identify investment opportunities

Background



- A European bank wanted to expand its coverage on 60 new HY and distressed credits within 4 weeks
- However, given their limited bandwidth, they partnered with Crisil Integral IQ

Crisil Integral IQ solution



- We set up an 8-member team experienced in credit research
- The team undertook research on the identified companies and developed a deep understanding of the business and industry dynamics
- Thereafter, we built end-to-end credit models to assess the investment rationale and risks of each company
- The team also performed sensitivity analysis on stressed companies and ascertained headroom on the financial covenants under various scenarios
- The team then benchmarked the companies' bonds vs other similarly rated bonds to arrive at an appropriate relative valuation view
- Finally, the team prepared credit tear sheets, covering the credit summary, investment rationale and risks, relative valuation view, capital structure analysis, and recovery commentary

Client impact



- The client was able to identify lucrative investment opportunities
- They also noted that the research was thorough and the valuation argument was well-balanced

About Crisil Integral IQ (formerly Global Research & Risk Solutions)

Crisil Integral IQ delivers solutions and actionable intelligence to top financial institutions, driving strategic transformation, risk optimization, and operational excellence. Our offerings across research, risk, lending, analytics and operations have empowered clients to navigate complex markets, mitigate risks and unlock new opportunities. Our domain expertise, innovative solutions, future-ready technologies such as AI and data science give clients the confidence to accelerate growth and achieve sustainable competitive advantage. Our globally diverse workforce operates in the Americas, Asia-Pacific, Europe, Australia and the Middle East.

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About Crisil

Crisil is a global, insights-driven analytics company. Our extraordinary domain expertise and analytical rigour help clients make mission-critical decisions with confidence.

Large and highly respected firms partner with us for the most reliable opinions on risk in India, and for uncovering powerful insights and turning risks into opportunities globally. We are integral to multiplying their opportunities and success.

Headquartered in India, Crisil is majority owned by S&P Global.

Founded in 1987 as India's first credit rating agency, our expertise today extends across businesses: Crisil Ratings, Crisil Intelligence, Crisil Coalition Greenwich and Crisil Integral IQ.

Our globally diverse workforce operates in the Americas, Asia-Pacific, Europe, Australia and the Middle East, setting the standards by which industries are measured.

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