

COURSE OUTLINE:

Corporate Credit Rating Analysis for Energy Companies

3 days
24 CPE Credits

Overview

This seminar provides delegates with an in depth understanding of the rating practices employed by our sister company, Moody's Investors Service for assessing corporate credit risk - from the fundamental credit analysis framework to rating methodologies, financial ratios and how Moody's rating committees operate. It focuses specifically on energy companies and uses examples from a number of different parts of the energy sector. This is an intermediate level course which will enhance the delegate's overall credit skills, provide a clear understanding of how to use and interpret Moody's credit ratings and allow delegates to apply similar methodologies to unrated energy companies.

Learning Objectives

Upon completion of this seminar delegates will be able to:

- » gain insight into the credit rating process of Moody's Investors Service
- » apply a structured approach to corporate credit assessment
- » calculate and interpret key financial ratios used in the credit rating process
- » understand why and how Moody's adjusts reported numbers
- » discuss the different qualitative and quantitative measures Moody's uses across different parts of the energy sector
- » describe the concepts behind alternative measures of risk, such as market implied signals, and their use in credit analysis

Who Should Attend

- » Credit analysts
- » Ratings advisors
- » Investment and commercial bankers
- » Fixed income professionals (both buy and sell sides)
- » Portfolio/asset/fund managers
- » Equity analysts
- » M&A professionals
- » Banking supervisors
- » Credit risk professionals
- » Basel II project managers

Program Level

Program Level: Introductory to Advanced

Prerequisites: Two years of experience in a credit-related function or attendance at the Fundamentals of Corporate Credit seminar

Advanced Preparation: None

Delivery Method: Group-Live

Accreditation

Moody's Analytics is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

WHY MOODY'S ANALYTICS?

Current and Consultative

Our seminars are created and updated utilizing the extensive experience, skills and research of Moody's Analytics. For in-house training, we work with you to understand the distinct needs of your organization and design, implement, and track the performance of your learning programs from end-to-end, including skills assessment, program design, implementation, evaluation, and enhancement.

Comprehensive Coverage

We offer a broad set of technical and soft skills programs that can be combined and adapted to the needs of your staff. Our areas of expertise include banking, finance, sales negotiation and leadership development:

Unparalleled Expertise

Our training solutions leverage over a century of experience in risk assessment and the comprehensive tools, data, and analysis of Moody's Analytics to deliver timely, in-depth, and comprehensive knowledge. In delivery, our people make the difference – they combine deep experiences as financial practitioners, intellectual passion for the content, and superior academic credentials with a commitment to delivering outstanding quality.

Corporate Credit Rating Analysis for Energy Companies – Agenda

DAY ONE

Session 1: Understanding & Using Credit Ratings

- » Concepts of probability of default, loss given default, and expected loss
- » Default and recovery statistics
- » Overview of Moody's Analytics Market Implied Ratings
- » Overview of structural versus statistical models

Session 2: Industry Analysis & the Credit Rating Process

- » Moody's pyramid for fundamental credit analysis
- » Introduction to Moody's Investors Service rating methodology for energy companies
- » The credit rating process

DAY TWO

Session 3: Cash Flow & Financial Ratio Analysis

- » Financial statement adjustments
- » Key cash flow concepts explained
- » Key financial ratios used in the ratings process
- » Energy-related measurements e.g. reserves
- » Treatment of off-balance sheet items
- » Discussion of hybrids, their characteristics and how they fit in a capital structure
- » Moody's Investors Service's tool kit for assessing and rating hybrid financial instruments

Session 4: Deriving a Credit Rating

- » Sovereign ratings and how they are factored into corporate ratings
- » Using a Moody's Rating Methodology to rate a corporate
- » Peer analysis

Session 5: Analyzing Corporate Groups

- » Consolidated statements and their pitfalls
- » Group structures and support mechanisms
- » Principles of Moody's Investors Service's Joint Default Analysis

DAY THREE

Session 6: Assessing Liquidity & Alternate Liquidity

- » Liquidity risk and alternate liquidity
- » Rating triggers

Session 7: Introduction to Moody's Investors Service Notching Principles for Corporates

- » Moody's Investors Service Expected Loss Framework explained
- » Notching Principles for investment grade rated corporates
- » Overview of Moody's Investors Service's methodology for deriving LGD Assessments and instrument ratings
- » Introduction to Moody's Investors Service's Expected Loss Framework

RELATED COURSES

Corporate Credit

- » Credit Masterclass
- » Fundamentals of Corporate Credit
- » Corporate Credit Rating Analysis
- » Advanced Financial Risk Analysis
- » Credit Analysis for RiskAnalyst Users

Troubled Credits

- » Problem Credits
- » Covenants & Documentation
- » Liquidity Analysis & Refinancing Risk for Corporates
- » Corporate Debt Restructuring

Tailor Any Seminar for Your Organization

Moody's Analytics offers customized training and eLearning solutions to help you maximize your training investment. Our hands-on approach benefits companies of all sizes and requirements – from those with just a few local employees to those with staff dispersed around the globe. Contact us to learn more and to work with one of our training consultants to design the right program for your organization.

Multiple Bookings

Special rates may be available for multiple seminar or group bookings. Please contact us for details.

Fees & Cancellations

The fee listed is per participant and includes refreshments, lunches and seminar materials. Seminar fees do not include tax, transportation or hotel accommodations. Payment must be received in full prior to the start of the seminar. Registrations may be cancelled in writing via letter or email at least 30 days before the first date of the training for a full refund. Cancellations received less than 30 days in advance are eligible for substitution with another seminar, but fees will not be refunded. We reserve the right to cancel or reschedule seminars at any time. For further information on our refund and complaint policy, please contact us.

CONTACT US

AMERICAS

TrainingAmericas@moodys.com
+1.212.553.4387

EMEA

TrainingEMEA@moodys.com
+44.207.772.1569

ASIA

TrainingAsiaPac@moodys.com
+852.3551.3131

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