Overview

This seminar provides delegates with an in-depth understanding of the rating practices employed by our sister company, Moody's Investors Services, for assessing corporate credit risk—from the fundamental credit analysis framework to rating methodologies, financial ratios and how Moody's rating committees operate. This is an intermediate level course which will improve delegates' use and interpretation of ratings in their day-to-day work. It is designed to be intensely practical, using up-to-date cases and examples across multiple sectors.

Who Should Attend?

This course is recommended for::

» 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 III project managers

Course Benefits

By the end of this course, you will be able to:

» Gain insight into the credit rating process of Moody's Investors Services

» 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 sectors

» Describe the concepts behind alternative measures of risk, such as market implied ratings, and their use in credit analysis

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PROGRAM LEVEL	PREREQUISITES	ADVANCED PREPARATION
Intermediate to Advanced	Two years experience in a credit-related function or attendance at the Fundamentals of Corporate Credit seminar or a CFA holder	None

Course Agenda

MODULES	TOPICS
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
2 **Industry Analysis & the Credit Rating Process**	Moody's pyramid for fundamental credit analysis
	Introduction to Moody's Investors Service rating methodology for selected industries
	The credit rating process
3 **Cash Flow & Financial Ratio Analysis**	Key cash flow concepts explained
	Key financial ratios used in the ratings process
	Financial statement adjustments
	Treatment of off-balance sheet items in the ratings process
	Adjustments for other debt-like obligations (i.E., Pensions, hybrid securities, etc.)
	Other adjustments (capitalized interest, unusual items, etc.)
4 **Assessing Liquidity & Alternative Liquidity**	Moody's approach to assessing liquidity
	Alternative sources of liquidity
	Evaluating liquidity for investment grade issuers
	Speculative grade liquidity ratings
5 **Analyzing Corporate Groups**	Consolidated statements and their pitfalls
	Group structures and support mechanisms
	Principles of Moody's Investors Service Joint Default Analysis
6 **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 new methodology for deriving LGD Assessments and instrument ratings
	Introduction to Moody's Investors Service Expected Loss Framework

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GROUP DISCOUNTS

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

FEES AND 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 canceled 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.

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