Overview

Moody’s Analytics Credit Masterclass provides a comprehensive seminar that takes participants through all stages of the credit process: from analyzing the single obligor to transaction analysis, credit decision, monitoring, early warning signs of deteriorating credit quality, to dealing with problem credits, debt restructurings and workouts. In doing so and where applicable, the course will draw on the insight, research, and rating methodologies of Moody’s Investors Service. Participants will be given practical “tools” which will serve as work aides when they are back in the field and apply the skills learned.

Designed as an intermediate level seminar, Moody’s Credit Masterclass offers a synopsis of best practices tools and techniques related to fundamental credit analysis and transaction structuring. It combines elements of some of our most popular seminars into a single class, and is instructed by several of our senior credit professionals.

Learning Objectives

Upon completion of this seminar, delegates will be able to:
- Apply a structured approach to corporate credit assessment
- Effectively understand and use Moody’s credit ratings
- Calculate and interpret key financial ratios used in the credit rating process
- Interpret financial statements for their effectiveness, relevance and vulnerability
- Apply effective tools for transaction analysis and structuring
- Understand alternative measures of credit risk, such as market implied signals, and their use in credit analysis
- Anticipate and detect deteriorating cash flow quality
- Assess problem credits and explore options for early actions and restructuring

Who Should Attend

- Relationship managers
- Credit risk managers
- Corporate lending officers
- Investment bankers
- Fixed-income professionals
- Bond researchers (both buy and sell sides)

Program Level

Program Level: Overview
Prerequisites: Two years experience in a bank or finance related function
Advanced Preparation: None. Case study material will be distributed one day prior to the respective session.
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.
Moody's Analytics Credit Masterclass – Agenda

DAY ONE – OBLIGOR ANALYSIS PART I

Session 1: Assessing & Measuring Credit Risk
- Credit risk, its components, and its drivers
- Different approaches to assessing single obligor credit risk
- Role of rating agencies, ratings, and how they work
- Comprehensive risk analysis framework

Session 2: Business Risk Assessment
- Defining the client and the credit base
- Business risk factors and drivers ("4Ms and 3Cs")
- Sovereign ratings and country ceilings
- Structured approach to industry risk analysis
- Assessing management

Session 3: Financial Risk Assessment
- Reliability of financial statement data
- Accounting policies
- The four key financial risk areas
- Financial ratios: use, mis-use, and interpretation
- Introduction to financial statement adjustments

DAY TWO – OBLIGOR ANALYSIS PART II

Session 4: Cash Flow Analysis
- Different cash flow statements and formats
- Asset Conversion Cycle
- Cash drivers: the PACED framework
- Linking cash flow and business risks

Session 5: Debt Capacity and Debt Service Analysis
- Why companies need external funding
- Capital structure, sources of debt, and repayment sources
- Debt capacity and debt service
- Assessing stability and sustainability of cash flow

Session 6: Cash Flow Forecasting & Sensitivity Analysis
- Structured approach to forecasting
- Linking business risk drivers to projections
- Assessing sensitivities and scenarios

Session 7: Structure Risks
- Elements of structure risks
- Group structure risks and structural subordination
- Mitigating group structure risks
- Considerations for anticipating parent/group support

DAY THREE – TRANSACTION ANALYSIS

Session 8: Framework for Transaction Structuring
- Step-by-step approach to deal structuring
- Structure, documentation, covenants, and collateral
- Natural mitigants, direct control, indirect control

Session 9: Types and Role of Collateral
- Types of collateral
- Issues in perfecting collateral
- Other structural enhancements, such as guarantees etc

Session 10: Types and Role of Documentation
- Key components of credit agreement
- Basic characteristics of loan and bond documentation
- Differences between investment grade and speculative grade
- Enforceability issues

DAY FOUR- DECISION, PUTTING IT TOGETHER, MONITORING

Session 11: Covenants and How to Set Them
- Overview and purpose of key covenants
- Financial covenants
- Setting effective levels for covenants
- Limitations of covenants

Session 12: Setting Internal Triggers for Monitoring
- Internal triggers for monitoring and how to set them

Session 13: Putting It Together: Comprehensive Case Study
- International corporate case study and debrief

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Moody's Credit Masterclass – Agenda (Cont…)

DAY FIVE – PROBLEM CREDITS, RESTRUCTURING, & WORKOUTS

Session 14: Causes and Signs of Company Distress
» Stages of a credit cycle
» Causes of company distress
» Early warning signs of credit deterioration

Session 15: Effects of Financial Distress and Potential Options
» Potential costs and effects of company distress
» Actions to protect the creditor’s position
» Potential options for restructuring

Session 16: Restructuring, Bankruptcy and Workout
» Options available
» Elements of a successful 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.

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