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Moody's Analytics Enhances CECL Solution to Assess COVID-19 Impact

NEW YORK, June 29, 2020 – Moody's Analytics has added new capabilities to the ImpairmentStudio™ platform, our Current Expected Credit Losses (CECL) solution, to help financial institutions address the implications of COVID-19 for their loan portfolios.

Community and regional banks, credit unions, and corporations using the cloud-based ImpairmentStudio solution will now be provided with a measure of COVID-19 exposure on their loan books, which takes into account demographic and epidemiological factors associated with COVID-19 as well as the efficacy of government relief programs. Adjusting Your Allowance Framework for COVID-19 and Related Stimulus Programs, a new Moody's Analytics whitepaper, provides more information.

Through the ImpairmentStudio platform, customers can also access award-winning Moody's Analytics economic forecast scenarios. These scenarios are driven by different assumptions regarding the epidemiology of COVID-19, demand-side factors including monetary and fiscal policies, and longer-run structural forces like sovereign debt loads and globalization.

"Assessing and publicly reporting an estimate of loan losses over the life of their loan portfolio is a challenge for many financial institutions, and particularly so in this rapidly changing environment," said Eric Ebel, Managing Director at Moody's Analytics. "Our goal is for our customers to have confidence in applying the factors that are impacting the world today as part of their transition from an incurred loss framework to CECL."

The ImpairmentStudio platform combines Moody's Analytics credit risk data, best-in-class analytics, and impairment accounting experience to automate and simplify the complex processes required to meet the new standard. With the ImpairmentStudio solution, institutions are able to attribute potential losses to potential loss drivers that include macroeconomic factors, changes in underlying credit quality, and COVID-19 linked repayment challenges.

Learn more about how Moody's Analytics can help you navigate the impact of COVID-19 on CECL estimates.

About Moody's Analytics

Moody's Analytics provides financial intelligence and analytical tools to help business leaders make better, faster decisions. Our deep risk expertise, expansive information resources, and innovative application of technology help our clients confidently navigate an evolving marketplace. We are known for our industry-leading and award-winning solutions, made up of research, data, software, and professional services, assembled to deliver a seamless customer experience. We create confidence in thousands of organizations worldwide, with our commitment to excellence, open mindset approach, and focus on meeting customer needs. For more information about Moody's Analytics, visit our [website](#) or connect with us on [Twitter](#) or [LinkedIn](#).

Moody's Analytics, Inc. is a subsidiary of Moody's Corporation (NYSE: MCO). Moody's Corporation reported revenue of $4.8 billion in 2019, employs approximately 11,300 people worldwide and maintains a presence in 40 countries.

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