

# Understand what you could recover with LossStats™ Model.

Having an exposure to a distressed firm, and a potential default is a real possibility. Your concern drives not only from the possibility of that default, but what you can expect to recover, or lose, if default occurs. Understanding potential recovery and a potential default can be hard to accomplish, with many approaches relying on standardized assumptions. Now, thanks to LossStats™ Model, a statistical model built upon world class default and recovery data, there is an alternative.

## Methodological Excellence

- Our powerful statistical models help you estimate the loss and recovery levels of US, and European fixed income and lending facilities, taking into account industry and instrument specific characteristics.
- Calculate losses across multiple exposures and seniorities with a full control over debt positioning.
- Broad coverage helps you better understand the impact of specific collateral types on recovery statistics from all assets, including Plant, Property & Equipment, Real Estate, Oil & Gas Reserves, Intellectual Property, and many more.
- Seamlessly integrate fundamental default risk models to understand expected loss on any given exposure amount.
- Understand the nuances in loss and recovery outputs in different regulatory, and legal frameworks with broad country coverage across the US and Europe.

## Flexible Delivery

- Access LossStats Model via across the US and Europe IQ platform, or embed the analytics into your internal platforms with our API solutions.

## Essential analytics

- Utilize probability distribution charting to understand the likelihood of ultimate recovery levels you define.
- Analyze minimum and maximum expected recovery and losses on any exposure size calculated at pre-defined confidence levels.
- Apply a rigorous analytical approach to loss and recovery analysis with our model methodology that incorporates both exposure-specific characteristics such as collateral type, debt structure/class or seniority, and certain macro-economic factors at the country, and industry level.

## Powerful data

- LossStats Model has been calibrated upon a proprietary database covering more than 4,000 US bond and loan recoveries spanning over 30 years and 1,000 European bond and loan recoveries spanning over 13 years.
- Evaluate the financial picture of public and private companies globally through one of the largest datasets of company financial information available, including standardized, transparent and analytically-enhanced data.

## Relevant insights to help you make critical decisions.

Financial Institutions	Corporations	Asset Managers and Hedge Funds
<ul style="list-style-type: none"> <li>- Estimate and understand loss given default and recovery across US and European exposures</li> <li>- Streamline and optimize provisioning requirements according to instrument type and country and macro-economic factors</li> <li>- Utilize alongside fundamental credit models to calculate expected loss and fully analyse the risk formula</li> <li>- Leverage loss given default (LGD) and probability of default (PD) models to address IFRS 9 accounting standard requirements for credit impairment</li> </ul>		
<ul style="list-style-type: none"> <li>- Benchmark internal models against a third parties with extensive recovery data and a robust statistical approach surpassing traditional loss assessment approaches</li> </ul>		<ul style="list-style-type: none"> <li>- Understand and manage credit risk at the instrument level</li> </ul>
<ul style="list-style-type: none"> <li>- Enhance risk surveillance frameworks, protect capital and optimize provisioning</li> </ul>	<ul style="list-style-type: none"> <li>- Understand the loss implications of captive financing</li> </ul>	<ul style="list-style-type: none"> <li>- Derive asset and collateral recovery values at the time of default</li> </ul>

## About S&P Global Market Intelligence

S&P Global Market Intelligence integrates financial and industry data, research, and news into tools that help track performance, generate alpha, identify investment ideas, understand competitive and industry dynamics, perform valuation, and assess risk.



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