



# THE FRISK® STRESS INDEX

## GET AN INSTANT SNAPSHOT OF RISK TRENDS— AND THE COMPANIES DRIVING THEM

A new free tool lets you assess the financial stress of a group of public companies—by industry, by country, or in your portfolio as a whole

Since the Great Recession started in December 2007, the global economy has been intensely volatile. Global debt, driven by historically low interest rates, is escalating dramatically—up more than \$50 trillion since 2007. Every day, risky industries, like oil and gas, make headlines. Those industries are even riskier now than they were at the start of the Great Recession.

In this turbulent environment, monitoring the business credit risk of public companies is more critical than ever. Credit and supply chain professionals must now pay even closer attention, not just to their own customers and suppliers,

but also to whole groups of companies, entire industries and even countries whose risk might adversely affect their businesses.

Looking at the risk trends of industries or countries over time—and at the specific companies driving it—is essential to identifying future risk.

Use the new FRISK® Stress Index to see the risk of public companies by industry or country since the start of the Great Recession, then drill down to see the specific companies driving the risk.



Global debt is **escalating sharply**—up more than \$50 trillion since 2007.

Source: Business Insider, *'The world is still in love with debt' and there's \$50 trillion more of it since the financial crisis*, Oct. 15, 2015

## WHAT THE INDEX MEANS TO YOU

The FRISK® Stress Index measures the probability of failure in a group of public companies, providing insight into the downward pressures and accelerating trends that might affect your dollar risk exposure. You can view the risk of an industry, a country, or, if you're a CreditRiskMonitor subscriber, your own customized portfolio of companies. CreditRiskMonitor subscribers can also view the specific companies driving the risk.

The FRISK® Stress Index can help you identify systemic problems, such as a global slump in demand, overcapacity, or lower prices within a sector or portfolio that can have a widespread negative impact on customers and

### The Index:

- Offers an immediate snapshot of the overall financial stress of a group of companies, and compares it to the start of the Great Recession.
- Highlights risk in major industries and countries around the world.
- Shows financial stress trends and levels from 2007 to today.
- Provides a reliable, fact-based assessment of financial risk, updated daily.

vendors. It can provide advance warning of such shifts, prompting deeper investigation and action, and helping you mitigate portfolio risk and avoid disruption.



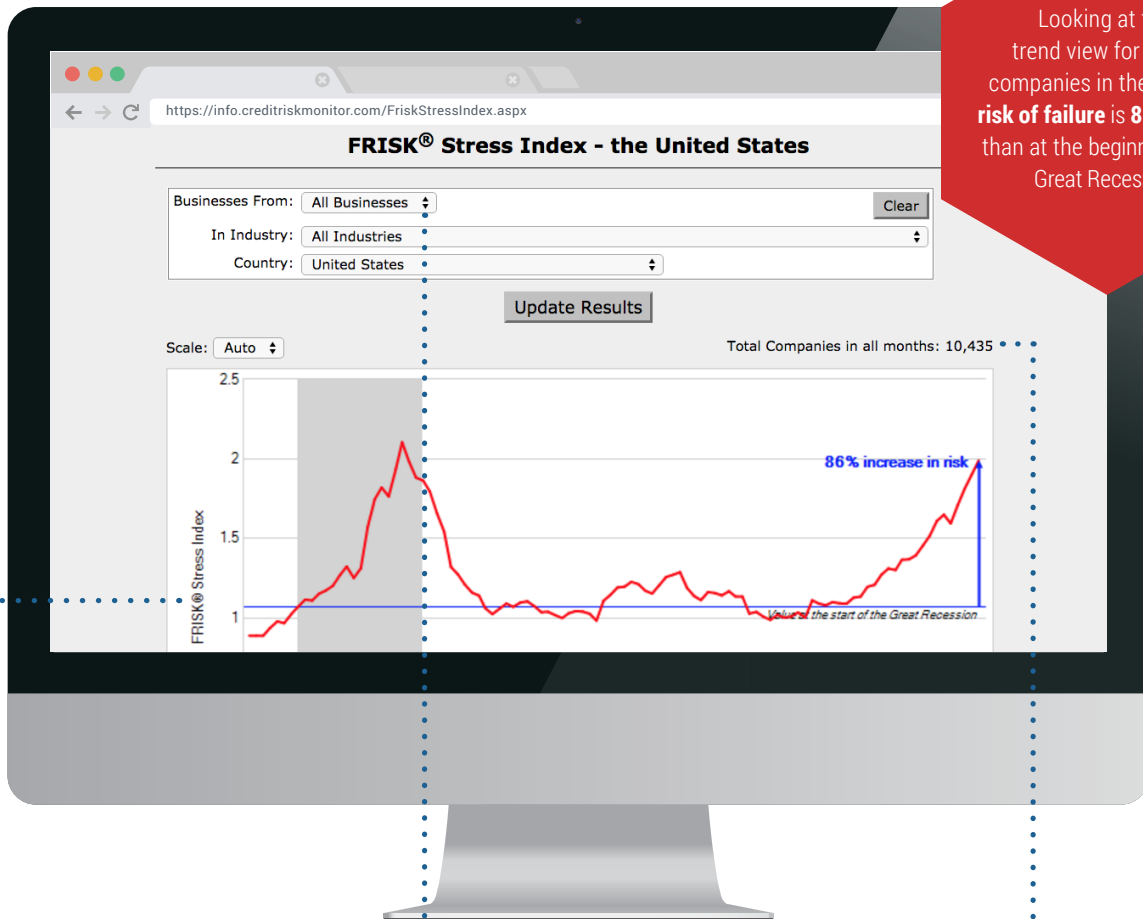
The **FRISK® Stress Index** provides advance warning, prompting deeper investigation and action, to help you mitigate portfolio risk and avoid disruption.

# USING THE FRISK® STRESS INDEX

You can access the Stress Index by industry or by country, without a subscription, at no charge.

Subscribers have access to even deeper functionality, including the option to view the names of the individual companies actually driving the risk, and the ability to assess the risk of a custom portfolio.

To get started, [visit the FRISK® Stress Index on CreditRiskMonitor.com](https://info.creditriskmonitor.com/FriskStressIndex.aspx). Then select by industry, by country, or, if you're a subscriber, by "My Portfolio."



Looking at this trend view for public companies in the U.S. the **risk of failure is 86% higher** than at the beginning of the Great Recession



The FRISK® Stress Index value shows the overall average probability of bankruptcy within 12 months—between 1% and 50%.



All businesses in all industries in the United States are selected. Customize these selections for your needs.

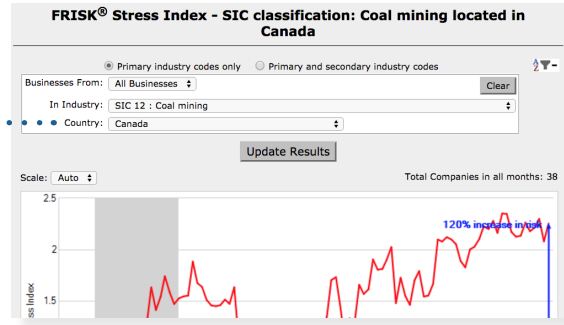


Subscribers can click the total number of companies to view the actual company names.

## Search by Country



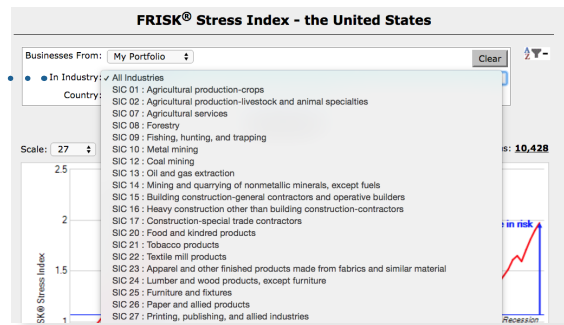
Select a country to view the overall risk level of its public companies, then drill down to the industries represented to see their risk levels.



## Search by Industry



To see the risk level of public companies in a specific industry sector, select from the menu of SIC (industry) codes.

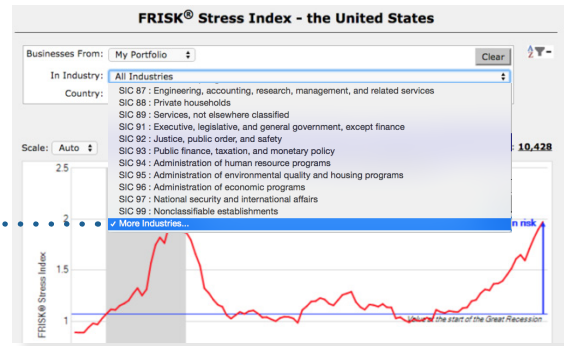


## View Risk by Subsector

You can also drill into more specific industry subsectors.



To investigate specific industry subsectors further, scroll down and select "More Industries."



Then select "All SIC Codes" to see subsectors at the 3- and 4-digit levels.

Sector and Industry Classifications		
<input type="radio"/> Sectors only	<input type="radio"/> Primary SIC codes only	<input type="radio"/> Worldwide
<input type="radio"/> Sectors and Industries	<input type="radio"/> Primary and secondary SIC codes	<input type="radio"/> Domestic only
<input checked="" type="radio"/> All SIC Codes		
SIC Code	Description	Business Count
01	Agricultural production-crops	593
010	Agricultural production-crops	5
011	Cash grains	212
013	Field crops, except cash grains	160
016	Vegetables and melons	41
017	Fruits and tree nuts	83
018	Horticultural specialties	57
019	General farms, primarily crop	35
02	Agricultural production-livestock and animal specialties	288
020	Agricultural production-livestock and animal specialties	3
021	Livestock, except dairy and poultry	65
024	Dairy farms	44
025	Poultry and eggs	99
027	Animal specialties	74
029	General farms, primarily livestock and animal specialties	3
07	Agricultural services	210

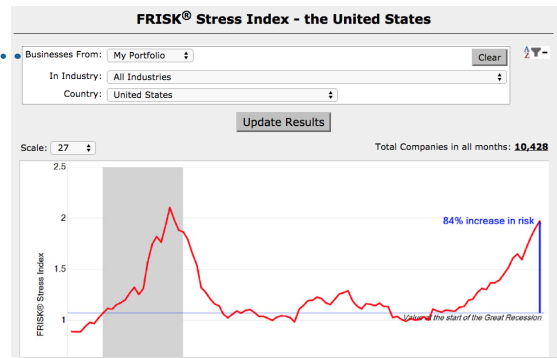
# SUBSCRIBER-ONLY FEATURES

## View Risk Levels in Your Portfolio

For subscribers, a more personalized look is available.



Select "My Portfolio" from the drop-down menu at the top.



## View Risk by Company

Subscribers can also drill down to see the specific companies within an industry, subsector, or portfolio. This can reveal key insights into risk spread or whether high risk companies are disproportionately affecting risk within the sector or portfolio.

Businesses from SIC classification: Oil and gas extraction located in the United States

#	Business Name	Country	FRISK® Score	📄	🔍
1	Approach Resources Inc.	United States	1	📄	🔍
2	Atlas Energy Group LLC	United States	1	📄	🔍
3	Atlas Resource Partners, L.P.	United States	1	📄	🔍
4	Atwood Oceanics, Inc.	United States	1	📄	🔍
5	Basic Energy Services, Inc.	United States	1	📄	🔍
6	Berry Petroleum Company LLC	United States	1	📄	🔍
7	Bill Barrett Corporation	United States	1	📄	🔍
8	Black Ridge Oil & Gas Inc	United States	1	📄	🔍
9	Boart Longyear Ltd.	United States	1	📄	🔍
10	Bonanza Creek Energy Inc	United States	1	📄	🔍
11	Breitburn Energy Partners LP	United States	1	📄	🔍
12	California Resources Corp	United States	1	📄	🔍
13	Chaparral Energy Inc	United States	1	📄	🔍
14	Chesapeake Energy Corporation	United States	1	📄	🔍
15	Clayton Williams Energy, Inc.	United States	1	📄	🔍
16	Cobalt International Energy, Inc.	United States	1	📄	🔍
17	Comstock Resources Inc	United States	1	📄	🔍
18	Denbury Resources Inc.	United States	1	📄	🔍
19	Eclipse Resources Corp	United States	1	📄	🔍
20	Emerald Oil Inc	United States	1	📄	🔍
21	EPL Oil & Gas Inc	United States	1	📄	🔍
22	EV Energy Partners, L.P.	United States	1	📄	🔍

## The View from a Higher Level

It's one thing to read about risky debt in emerging markets, but it's quite another to see the specific financial stresses that can affect your customers and vendors.

There is an enormous amount of systemic financial stress in the global economy, much of it driven by large public companies.

For credit managers, procurement officers, and CFOs, this is a time for caution. All business relationships—whether with customers or vendors—must be scrutinized as never before.

The FRISK® Stress Index provides an important leading indicator of potential future risk specific to your business in time to take meaningful action.

## How the Index is Calculated

### Our Methodology:

- We calculate FRISK® scores nightly.
- We add the probabilities of bankruptcy for all the companies in a specified group, then divide by the number of companies to create the index.
- We take the resulting “simple average” percentage probability of bankruptcy and

show it as a number—e.g., a value of 10 means an average 10% probability of bankruptcy.

CreditRiskMonitor subscribers have access to an expanded version of the index, and can see even more detail, including the names of the companies contributing most to the increased risks in any major industry or country.



## Try the FRISK® Stress Index today

Meet the challenges ahead. Learn which companies present your largest portfolio risks. Visit [creditriskmonitor.com](http://creditriskmonitor.com) today for a free portfolio risk assessment.

### About CreditRiskMonitor:

CreditRiskMonitor (OTCQX:CRMZ, <http://www.creditriskmonitor.com>) is a financial risk analysis and news service that helps corporate credit, procurement and finance professionals stay ahead of financial risk, quickly, accurately and cost-effectively. The service covers more than 57,000 public companies worldwide.

Over 35% of the Fortune 1000 rely on CreditRiskMonitor's timely news alerts and reports featuring detailed analyses of financial statements, ratio analysis and trend reports, peer analyses and bond agency ratings, as well as the company's proprietary FRISK® scores, proven 96% predictive in anticipating corporate financial stress, including bankruptcy.



Try the index for yourself today at  
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