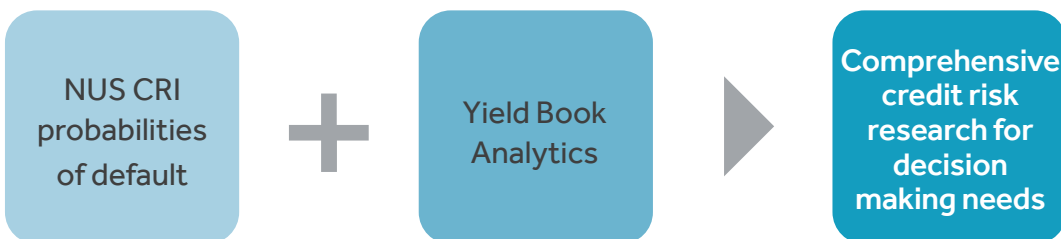


# Yield Book Credit default adjusted analytics

Yield Book has partnered with the **Credit Research Initiative (CRI)**, a non-profit organization under the National University of Singapore, to incorporate their probability of default dataset and create default adjusted analytical measures for the global corporate bond market to address increasing needs for default risk management.

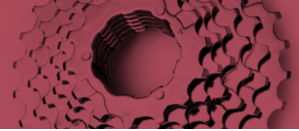
Our combined offering of default adjusted analytical measures for the global corporate bond market addresses increasing needs for default risk management.



- Transparent models aiming to provide an alternative to commercial credit rating. Produces default predictions for over 80,000 public firms in 133 economies
- Widely respected in academia and rapidly gaining traction in industry with flagship product, probabilities of default
- 30 years of experience serving clients worldwide across the financial industry. Provides a comprehensive, trusted and market-leading library of fixed income analytics
- Yield Book maps probabilities of default to corporate bonds, providing daily and reliable default probabilities and default adjusted analytics
- Providing solutions to clients to better manage and report the risk associated with investing in corporate bond instruments
- Default-adjusted metrics can be calculated and made available via Yield Book, Batch, Yield Book Add-In, and Yield Book API

Your requirement	Our solution
Access to a highly regarded and robust dataset	Incorporating default-adjusted tracking errors and probabilities of default in corporate bond portfolios.
Flexible portfolio analysis	Conduct analysis of fixed-income portfolios while incorporating the probability of default, using the new default adjusted analytics: default-adjusted spread, default-adjusted yield, PD implied theoretical price.
Incorporate probabilities of default into investment processes	Analyse fixed income portfolios against benchmarks, with a tracking error adjusted on probabilities of defaults. Default-adjusted analytics calibrate the return of return based on probabilities of default.
Easy access	Default-adjusted metrics are available through multiple delivery channels which enables easy and flexible incorporation of default risk into decision-making.

## Yield Book Credit default adjusted analytics



### Powerful analytics

#### Default-Adjusted Yield

Default-Adjusted Yield is calculated as the Yield to Maturity, while adjusting the future cashflows by the probability of default at that time. It will be typically lower than the market yield as the adjusted cashflows will be lower than nominal cashflows in common scenarios. **The adjusted yield could represent a more realistic yield in anticipation of potential bond default.**

#### Default-Adjusted Spread

Default-Adjusted Spread is calculated based on a given market price using default adjusted cashflows instead of nominal cashflows, therefore incorporating the fundamental probability of default at each point until maturity. Lower expected cashflows lead to a spread less than the standard OAS, **quantifying the lower spread advantage expected in case a bond defaults before maturity.**

### Integrated workflow processes with Yield Book API and Add-In

Seamlessly specify custom inputs and outputs for truly bespoke analytics such as risk, attribution, and stress testing. Clients can access probabilities of default data interactively using the Yield Book API, Microsoft Excel® Add-in, and Yield Book Classic.

For more information contact us at [sales@yieldbook.com](mailto:sales@yieldbook.com) or [click here to book a demo](#).

For more information contact us at [sales@yieldbook.com](mailto:sales@yieldbook.com) or visit our website: [www.yieldbook.com](http://www.yieldbook.com)

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