

# CMA Global Sovereign Credit Risk Report

Includes a special report on key states in the USA

3<sup>rd</sup> Quarter 2010

Weyerhaeuser Co. Sen USD 5Y	20-Jun-2012	100 / 100	2,000,000	1,000,000.00	CDSSN	USD	Weyerhaeuser Co. Sen USD 5Y	20-Jun-2012	100 / 100	2,000,000	1,000,000.00
CVS Caremark Sen USD 5Y	20-Jun-2012	100 / 100	2,000,000	1,000,000.00	CDSSN	USD	CVS Caremark Sen USD 5Y	20-Jun-2012	100 / 100	2,000,000	1,000,000.00
Xerox Corp. Sen USD 5Y	20-Jun-2012	100 / 100	2,000,000	1,000,000.00	CDSSN	USD	Xerox Corp. Sen USD 5Y	20-Jun-2012	100 / 100	2,000,000	1,000,000.00
3M Libor 4.65% Cap	20-Jun-2012	100 / 100	2,000,000	1,000,000.00	CDSSN	USD	3M Libor 4.65% Cap	20-Jun-2012	100 / 100	2,000,000	1,000,000.00
American International Sen USD 5Y	12-Jun-2013	19.5 / 21.5	4,500,000	1,924,480.00	CDSSN	USD	American International Sen USD 5Y	12-Jun-2013	19.5 / 21.5	4,500,000	1,924,480.00
Arrow Electronics Inc. Sen USD 5Y	20-Jun-2015	307.5 / 317.5	10,000,000	6,308,302.90	CDSSN	USD	Arrow Electronics Inc. Sen USD 5Y	20-Jun-2015	307.5 / 317.5	10,000,000	6,308,302.90
EUR/USD	20-Jun-2015	145 / 150	5,000,000	1,760,915.76	OISSWP	GBP	SONIA vs 6M Libor	20-Jun-2015	590 / 610	1,000,000	1,000,000.00
Nordstrom Inc. Sen USD 5Y	17-Jun-2015	-5.64 / -1.23	60,000,000	65,256,554.00	CDSSN	EUR	UPC Holding BV Sen USD 5Y	20-Dec-2013	127 / 132	1,000,000	1,000,000.00
3M Libor vs 3M Libor	20-Dec-2013	125.5 / 130.5	2,000,000	1,273,857.94	CDSSN	EUR	Whirlpool Corp. Sen USD 5Y	20-Dec-2011	43% / 45%	1,000,000	1,000,000.00
France Telecom Sen EUR 5Y	20-Jun-2015	63 / 64	35,000,000	35,896,741.00	CDSSN	EUR	BCM Ireland Finance Ltd Sen EUR 5Y	20-Jun-2012	63 / 68	1,000,000	1,000,000.00
GKN Holdings Plc Sen EUR 5Y	20-Jun-2015	227 / 237	2,000,000	848,979.21	CDSSN	EUR	American Electric Power Sen USD 5Y	20-Jun-2015	63 / 65	7,500,000	7,500,000.00
Capital One Bank Sen USD 5Y	20-Jun-2012	85 / 90	2,500,000	-2,194.79	CDSSN	USD	Cognis GmbH Sen EUR 5Y	20-Jun-2012	187 / 192.5	2,000,000	2,000,000.00
British Airways Plc Sen EUR 5Y	20-Dec-2013	518 / 538	1,000,000	111,849.03	CDSSN	USD	Weyerhaeuser Co Sen USD 5Y	20-Jun-2012	65 / 70	7,500,000	7,500,000.00
Kroger Co Sen USD 5Y	20-Jun-2015	85 / 90	2,000,000	316,731.22	IRCF	USD	CVS Caremark Sen USD 5Y	20-Jun-2012	144.25 / 149.25	4,500,000	4,500,000.00
USD GBP 1.5988	20-Nov-2010	2.147 / 2.358	8,000,000	703,895.00	CDSSN	USD	Xerox Corp. Sen USD 5Y	20-Jun-2013	19.5 / 21.5	4,500,000	4,500,000.00
Allstate Corp Sen USD 5Y	20-Jun-2015	110 / 120	2,000,000	1,154,913.80	CDSSN	USD	3M Libor 4.65% Cap	12-Jun-2013	145 / 150	2,000,000	2,000,000.00
International Finance Sen USD 5Y	20-Jun-2014	2 / 3	2,500,000	728,573.79	CDSSN	USD	Comcast Corp. Sen USD 5Y	20-Jun-2015	74 / 79	5,000,000	5,000,000.00
USD GBP 1.5721 European Call	18-Jun-2011	1.5878 / 1.5998	15,000,000	15,895,852.00	CDSSN	USD	Sonoco Energy Sen USD 5Y	20-Jun-2011	175 / 185	10,000,000	10,000,000.00
Metlife, Inc. Sen USD 5Y	20-Jun-2015	230 / 240	1,000,000	-194,444.81	CDSSN	EUR	XL Capital Limited Sen USD 5Y	20-Jun-2011	0.958 / 0.993	2,000,000	2,000,000.00
Wal-Mart Stores Inc. Sen USD 5Y	20-Jun-2015	43.5 / 48.5	2,500,000	838,190.78	CDSSN	EUR	12M Libor vs Fixed 2.25% Payer	12-Apr-2016	3.72% / 3.78%	44,500,000	44,500,000.00
USD EUR 1.2240 European Call	20-Sep-2017	2.325 / 2.375	10,000,000	8,855,422.56	IRS	USD	3M Penna. Corp. Sen USD 5Y	20-Jun-2015	203 / 213	5,000,000	5,000,000.00
CVS Caremark Sen USD 5Y	20-Jun-2015	205 / 215	7,500,000	980,840.07	CDSSN	EUR	Yield Acquisitions Corp.A. Sen EUR 5	20-Jun-2014	1.000 / 1.000	2,000,000	2,000,000.00
Renault SA Sen EUR 5Y	20-Jun-2011	275 / 285	2,500,000	4,025,000.00	CDSSN	USD	2M Libor vs Fixed	20-Jun-2013	0.958 / 0.993	2,000,000	2,000,000.00
General Electric Sen USD 5Y	20-Jun-2015	100 / 100	22,000,000	18,893,742.00	CDSSN	USD	Transocean Ltd. Sen USD 5Y	20-Dec-2014	200 / 200	2,000,000	2,000,000.00
3M Libor vs 6M Libor	20-Dec-2013	14.6 / 15.6	50,000,000	3,211,000.00	CDSSN	USD	RR Donnelley Sen USD 5Y	20-Jun-2015	246.25 / 253.75	1,000,000	1,000,000.00
HeidelbergCement AG Sen EUR 5Y	20-Dec-2013	405 / 415	2,500,000	-386,502.04	CDSSN	EUR	3M Libor vs Fixed 2.25% Payer	20-Jun-2015	2.34% / 2.34%	15,000,000	15,000,000.00
3M Libor vs 6M Libor	20-Dec-2013	14.6 / 15.6	50,000,000	3,211,000.00	CDSSN	USD	3M Libor 3.45% Floor	20-Jun-2014	8% / 9%	7,500,000	7,500,000.00
ACE Ltd. Sen USD 5Y	20-Jun-2012	150 / 160	10,000,000	690,696.99	CDSSN	EUR	6M Libor vs Fixed	14-Nov-2013	15.1 / 15.7	65,000,000	65,000,000.00
International Finance Sen EUR 5Y	20-Jun-2015	280 / 290	7,500,000	4,172,470.36	CDSSN	EUR	AT&T Inc. Sen EUR 5Y	16-Jul-2014	0.932 / 0.942	150,000,000	150,000,000.00
Stora Enso Oyj Sen EUR 5Y	28-Mar-2011	1.42% / 1.44%	42,000,000	37,527,913.00	CDSSN	USD	AT&T Inc. Sen USD 5Y	20-Jun-2014	243.75 / 261.25	7,500,000	7,500,000.00
3M Libor vs 6M Libor	20-Jun-2014	280 / 290	7,500,000	-940,992.71	XIRSSWP	CHF	CHF/EUR	20-Jun-2012	85 / 90	7,500,000	7,500,000.00
Peugeot SA Sen EUR 5Y	20-Dec-2011	490 / 510	5,000,000	-789,084.69	CDSSN	CHF	CHF/EUR	15-Jun-2013	-7.69 / -1.54	100,000,000	100,000,000.00
SS Holding A/S Sen EUR 5Y	20-Jun-2012	12% / 13%	1,000,000	798,366.84	CDSSN	EUR	Secura SA Sen EUR 5Y	20-Sep-2014	1.34% / 1.341%	4,000,000	4,000,000.00
3M Libor vs 6M Libor	20-Jun-2012	12% / 13%	1,000,000	798,366.84	CDSSN	EUR	Secura SA Sen EUR 5Y	20-Jun-2015	275 / 300	10,000,000	10,000,000.00

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## Data: Methodology and Definitions

This paper focuses on changes in the risk profile of sovereign debt issuers, with the intention to identify trends and drivers of change.

We have divided world debt risk into eight regions: US & UK, Western Europe, Emerging Europe, Scandinavia, Latin & South America, Middle East & Africa, Australasia and Asia. In addition to identifying themes within each of these regions, macro trends across the sovereign debt sector are also discussed.

**CDS** values are calculated by CMA Datavision™ – an independent Credit Default Swap (CDS) pricing service based on data collected from CMA's consortium of over 35 CDS buy-side firms. CMA Datavision™ is the only CDS pricing service to provide independent, intraday price verification for single name CDS, indices and tranches. Unless otherwise stated, all CDS values will be the midpoint on the 5 year tenor and are based on London closing values from 30<sup>th</sup> September 2010. Record highs are determined by using closing values and do not factor in intraday highs.

**Cumulative Probability of Default (CPD)** quantifies the probability of a country being unable to honour its debt obligations over a given time period. For Sovereign CDS, this typically includes the probability of a restructuring of debt. Unless otherwise stated, all stated values are for the 5 year CPD. CPD is calculated using an industry standard model and proprietary credit data from CMA Datavision™. Reference to 'risky' is purely in terms of the probability of default derived from the price of the CDS.

**CMA Implied Ratings** are calculated using a proprietary model developed by CMA and input with CDS pricing data from CMA Datavision™.

**Data Access:** CMA provides independent, intra-day pricing on approximately 1,400 single name CDS and CDS Indices. Widely used by traders, risk managers, treasurers and researchers in financial institutions across the world, CDS data is available directly from CMA or via our strategic partners. For more information about how CMA can help you effectively monitor and manage your credit exposures please contact us via [info@cmavision.com](mailto:info@cmavision.com)

## Changes in CMA Sovereign Debt Coverage

### Deletions:

There were no deletions to our sovereign coverage this quarter, however, the following names remain very illiquid and the levels are predominantly based on CMA's proprietary sector based model.

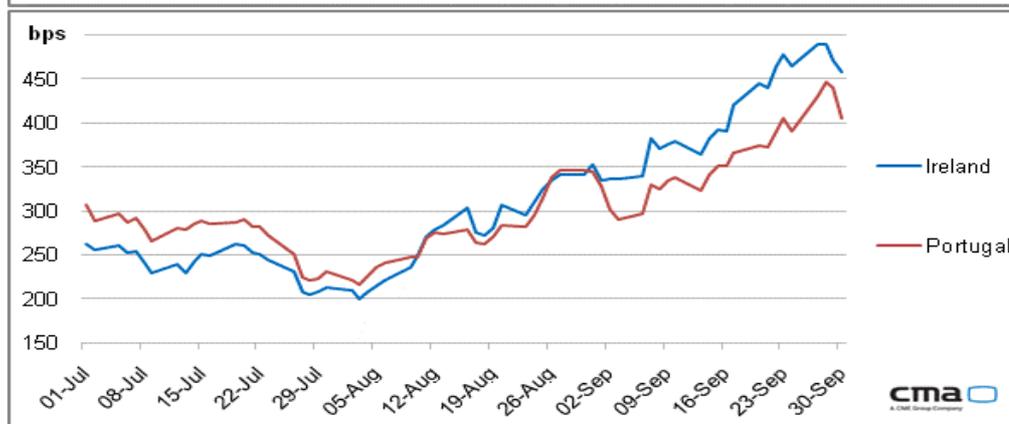
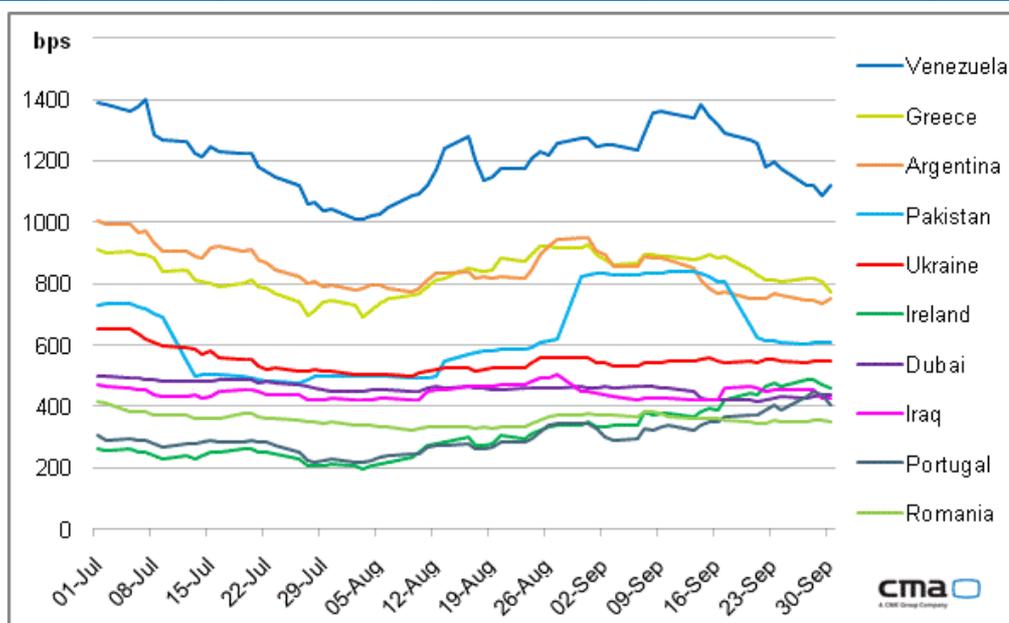
- Guatemala
- El Salvador
- Iraq
- Dominican Republic
- Pakistan
- Uruguay

### Additions:

This quarter we have included India - using State Bank of India as a proxy.

## World's Most Risky Sovereign Debt

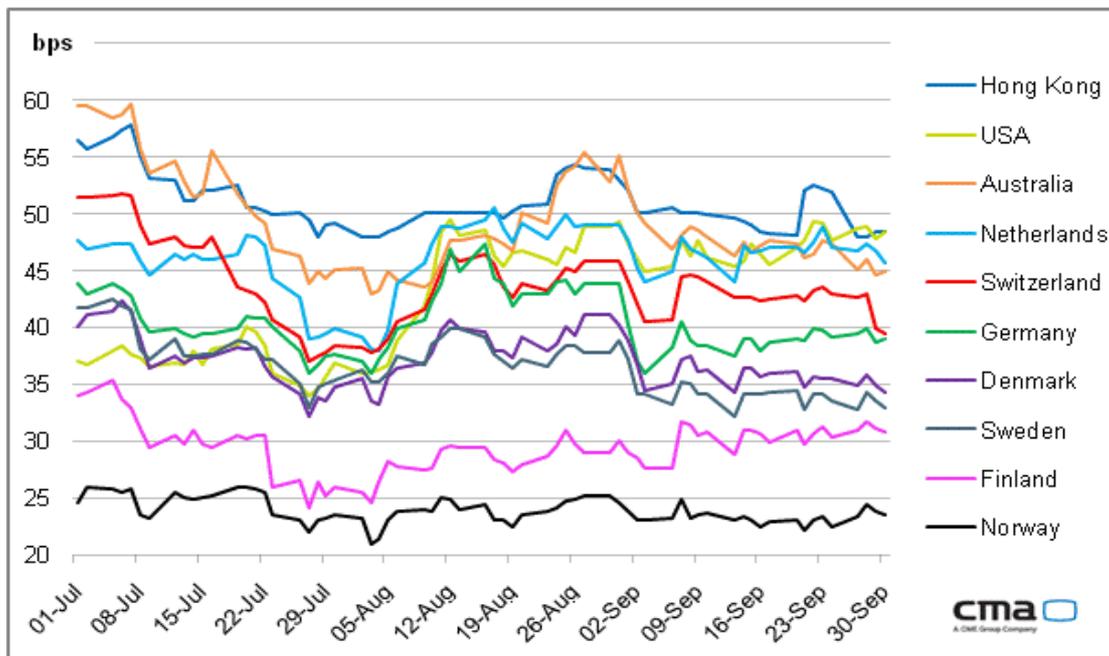
Position Q1	Country	5 Year CPD (%)	CMA Implied Rating	5 Year CDS Mid (bps)	Previous Ranking
1	<b>Venezuela</b>	54.2	CMA_ccc	1109.4 (21.7% U.F)	1 (No Change)
2	<b>Greece</b>	48.7	CMA_ccc	775.3	2 (No Change)
3	<b>Argentina</b>	40.4	CMA_b-	749.3 (10.3% U.F)	3 (No Change)
4	<b>Pakistan</b>	34.6	CMA_b	606.4	4 (No Change)
5	<b>Ukraine</b>	32.3	CMA_b	546.8	5 (No Change)
6	<b>Ireland</b>	33.0	CMA_b	458.3	New Entry
7	<b>Dubai</b>	26.5	CMA_b+	437.4	6 (Up 1)
8	<b>Iraq</b>	26.4	CMA_b+	427.1	7 (Up 1)
9	<b>Portugal</b>	30.2	CMA_b+	408.8	New Entry
10	<b>Romania</b>	22.1	CMA_bb-	350.9	8 (Up 2)



- No Change in the top 5 risky Sovereigns but all see a reduction in default probability of between 7% and 15%. Ireland and Portugal enter the top 10, 6th and 9th respectively.

## The World's Least Risky Sovereign Debt

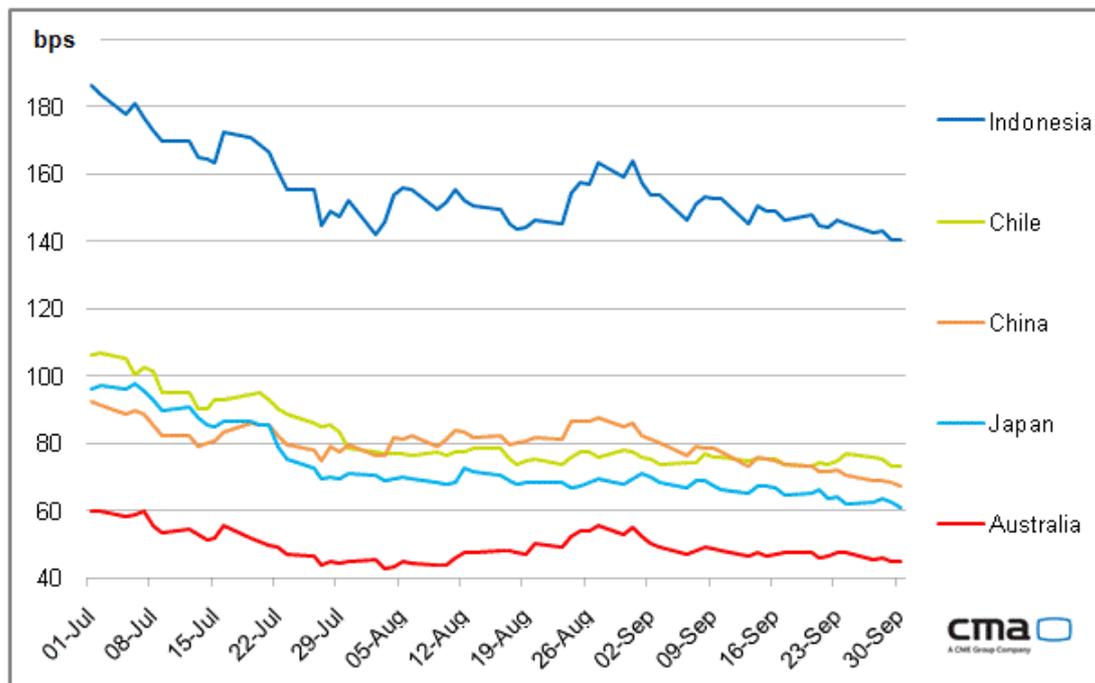
Position Q1	Country	5 Year CPD (%)	CMA Implied Rating	5 Year CDS Mid (bps)	Previous Ranking
1	<b>Norway</b>	2.1	CMA_aaa	23.5	1 (No Change)
2	<b>Finland</b>	2.7	CMA_aaa	30.8	2 (No Change)
3	<b>Sweden</b>	2.8	CMA_aaa	31.6	5 (Up 2)
4	<b>Denmark</b>	3.0	CMA_aaa	34.5	4 (No Change)
5	<b>Germany</b>	3.4	CMA_aaa	39.0	6 (Up 1)
6	<b>Switzerland</b>	3.5	CMA_aaa	39.7	7 (Up 1)
7	<b>Netherlands</b>	4.0	CMA_aaa	45.9	8 (Up 1)
8	<b>Australia</b>	4.0	CMA_aaa	46.0	10 (Up 2)
9	<b>USA</b>	4.2	CMA_aa+	48.4	3 (Down 6)
10	<b>Hong Kong</b>	4.2	CMA_aa+	48.4	9 (Down 1)



- No changes to the constituents of the top 10 safest sovereign debt issuers this quarter
- USA is the worst performer in the top 10 widening by 8bp as the world's largest economy fluctuates between growth and no growth scenarios, creating the 'double dip debate'.
- Australia is the best performer in the top 10 improving 14bp in a quarter which has seen a new coalition government come to power.

## Best Quarterly Performances – Percentage Change

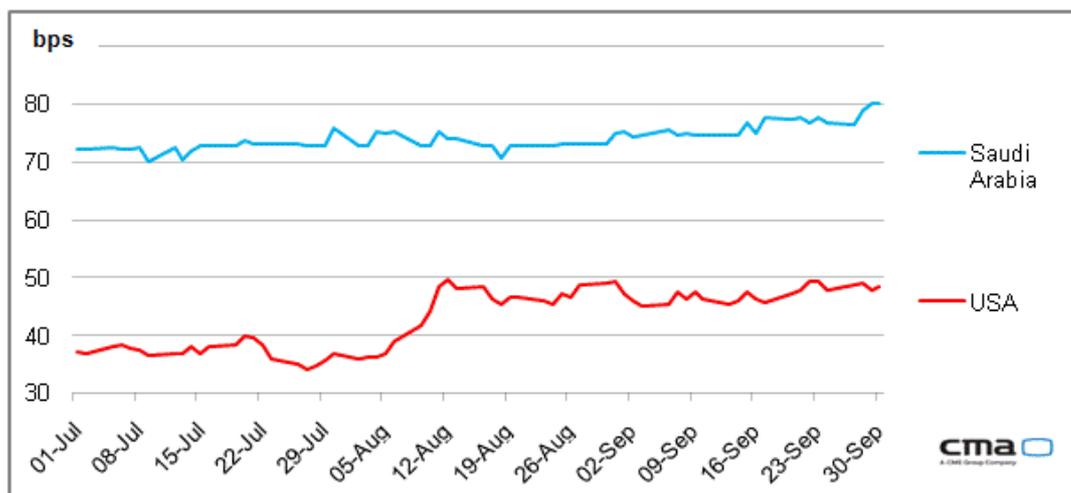
Country	5yr Mid 1 <sup>st</sup> July bps	5yr Mid Sept 30 <sup>th</sup> bps	Change %
<b>Japan</b>	94.9	61.0	-35.7
<b>Chile</b>	103.6	73.4	-29.2
<b>China</b>	94.0	67.3	-28.4
<b>Indonesia</b>	188.9	140.3	-25.8
<b>Australia</b>	59.9	44.9	-25.1



- 86% of the sovereign CDS that CMA tracks showed improvement this quarter.
- Japan's CDS was the best performer this quarter, despite the Yen hitting 5 year highs.
- Concerns over property prices in China did not prevent the CDS tightening 27bp this quarter.
- A 6.2% growth in Indonesia's economy in Q2 has helped the cost of debt protection rally 48bp this quarter.

## Worst Quarterly Performances – Percentage Change

Country	5yr Mid 1 <sup>st</sup> July bps	5yr Mid 30 <sup>th</sup> Sept bps	Change %
<b>Ireland</b>	266.0	458.3	72.3
<b>Portugal</b>	311.1	405.6	30.4
<b>USA</b>	38.0	48.4	27.5
<b>El Salvador</b>	228.5	267.8	17.2
<b>Saudi Arabia</b>	72.6	80.2	10.5



- Ireland was downgraded one notch by S&P at the end of August, on concerns of the cost of Bank guarantees. In the first week of September the Sovereign CDS widened 200bp; Anglo Irish Senior CDS by 200bps; Anglo Irish Sub debt [not part of the guarantee] by 1,000bp.

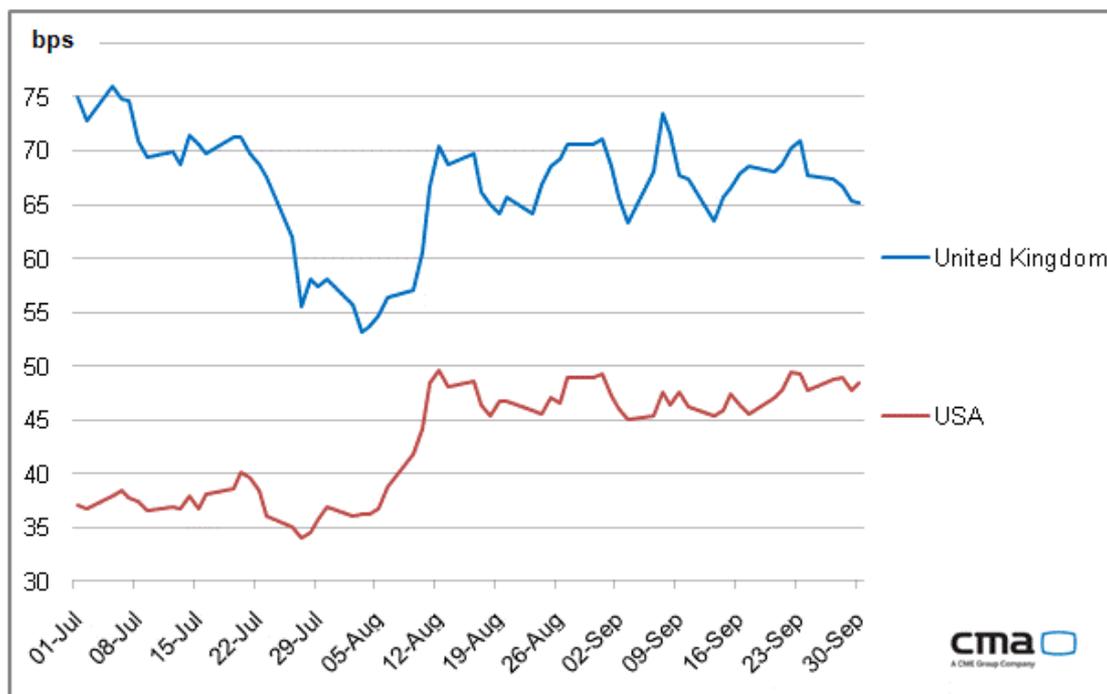
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Name	Senior Spread / CPD	Subordinated Spread / CPD
<b>Anglo Irish</b>	832.9 (12.0% U.F) / 52%	2604 (50.4% U.F) / 80%
<b>Allied Irish</b>	609 / 41%	994 (18.4% U.F) / 48%
<b>Bank of Ireland</b>	496 / 35%	791 / 40.6%

(Recovery assumption = 40% Senior, 20% Sub)

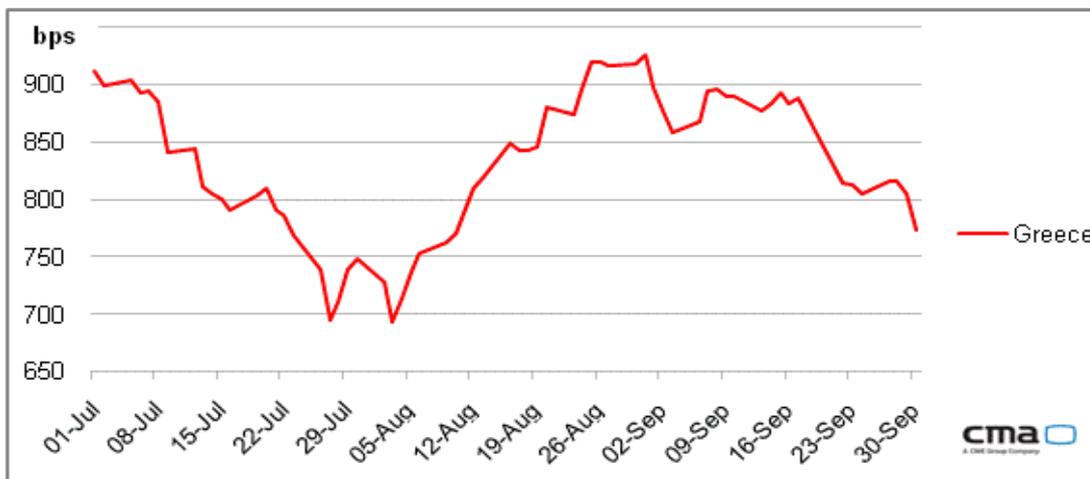
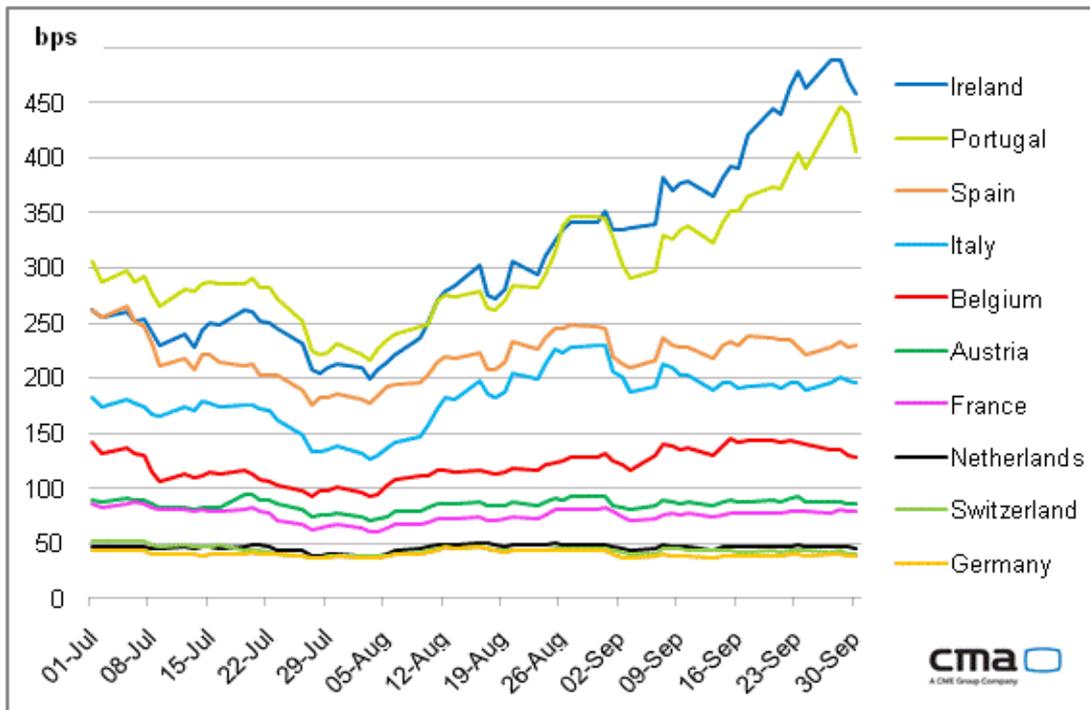
- For the second quarter running Portugal is in the top 5 worst performer table - it's austerity measures has yet to sway the market in the right direction.
- El Salvador is very illiquid and the level is based on CMA's sector rating based derivation model.

## Regional Focus: UK & USA



- The U.K. CDS showed a healthy rally in the early part of the quarter following aggressive government spending cuts announced by the new coalition government, but drifted back to only 10bp tighter on the quarter.

## Regional Focus: Western Europe



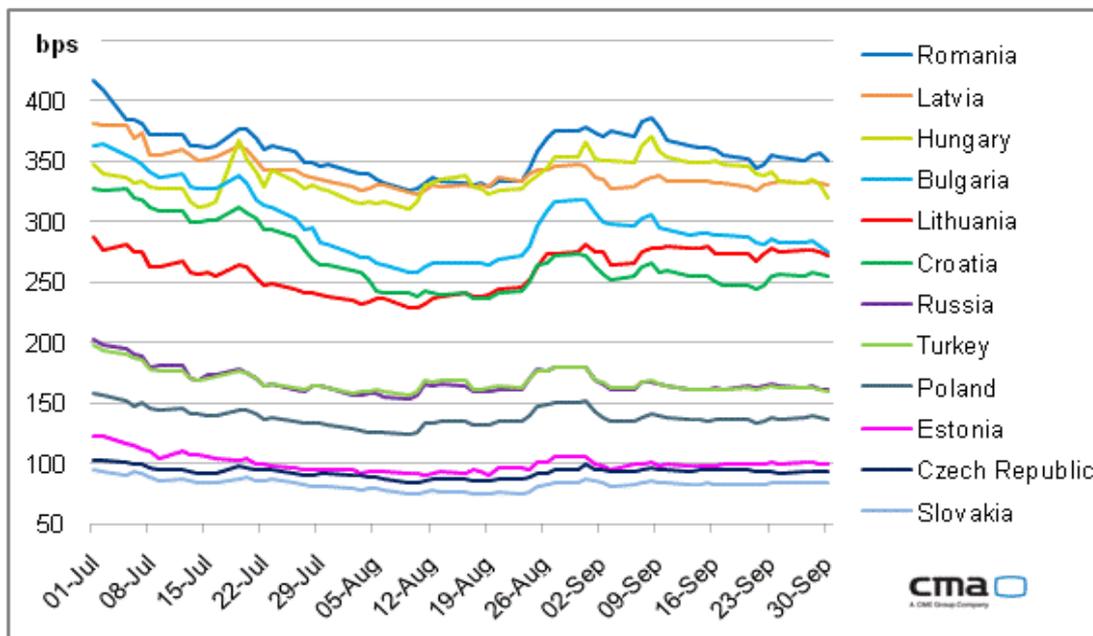
- Greece enjoyed a rally of 140bp to 775bp this quarter.
- Ireland reached an all time closing high over this quarter:

Country	Record Closing High bps	Date
Ireland	488.4	27 <sup>th</sup> September (Present)

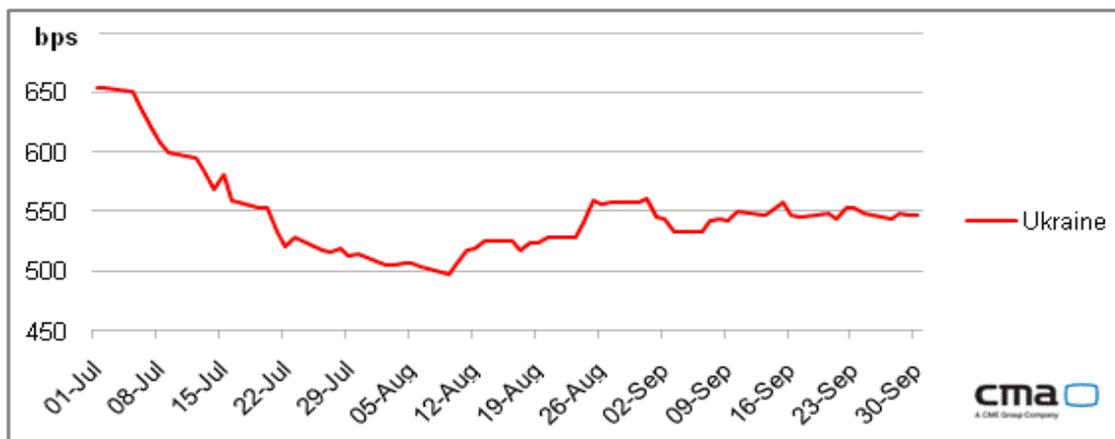
- The European Union's new austerity measures may require all European Countries to meet a maximum debt to GDP ratio of 60%.

- Spain ended the quarter 34bp tighter.
- The rest of Europe remained fairly flat this quarter. The Ireland/Portugal situation has not been contagious – the Euro strengthening from 1.22 to 1.37 in the quarter indicating the FX market also believe the issues may not be widespread.
- Germany remains a safe haven for Europe.

## Regional Focus: Emerging Europe

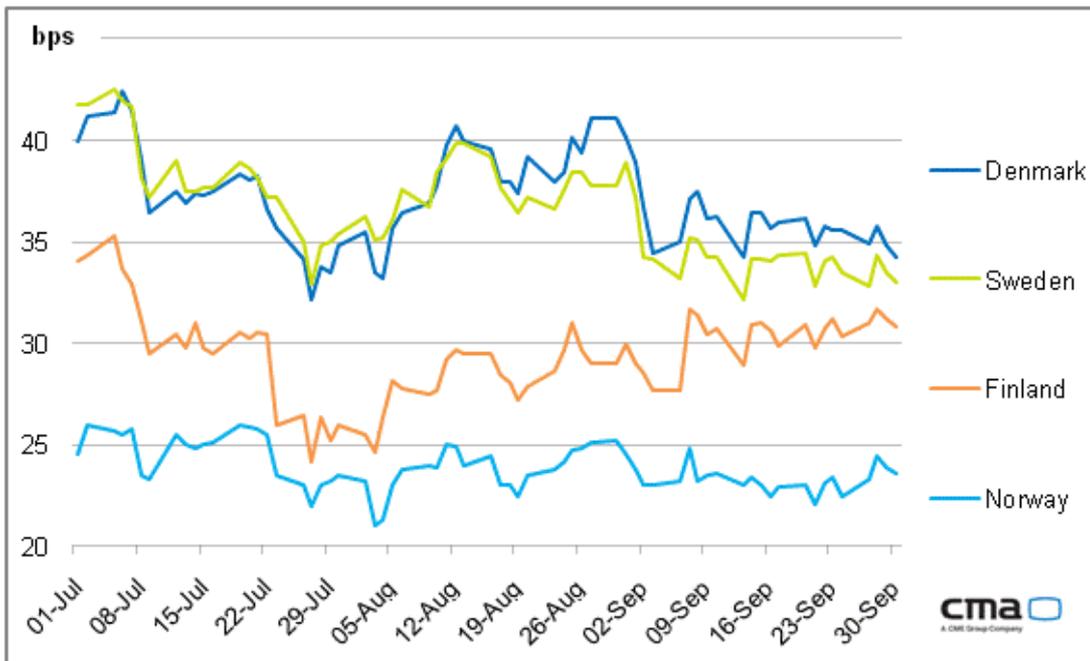


- A good quarter for Emerging Europe with all names finishing tighter on the quarter with Bulgaria being the best performer tightening 82bp to 275bp moving it out of the top 10 riskiest Sovereigns.
- The rally in Latvia (-49bp) has also seen it come out of the top 10 risky, but Romania (-60bp) stays in at 10<sup>th</sup>.
- Croatia was also a stellar performer - 67bp (21%) tighter on the quarter.

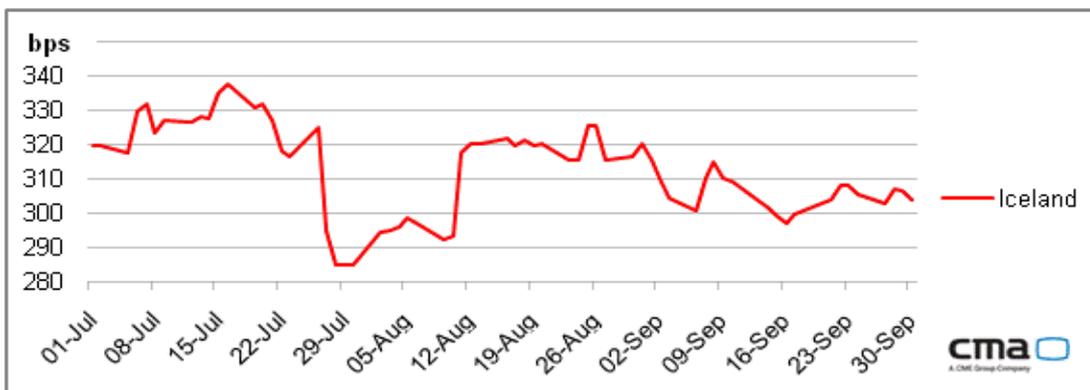


- Ukraine's rally also helped it catch up with its' peers, but still remains 5<sup>th</sup> in the top 10 riskiest.

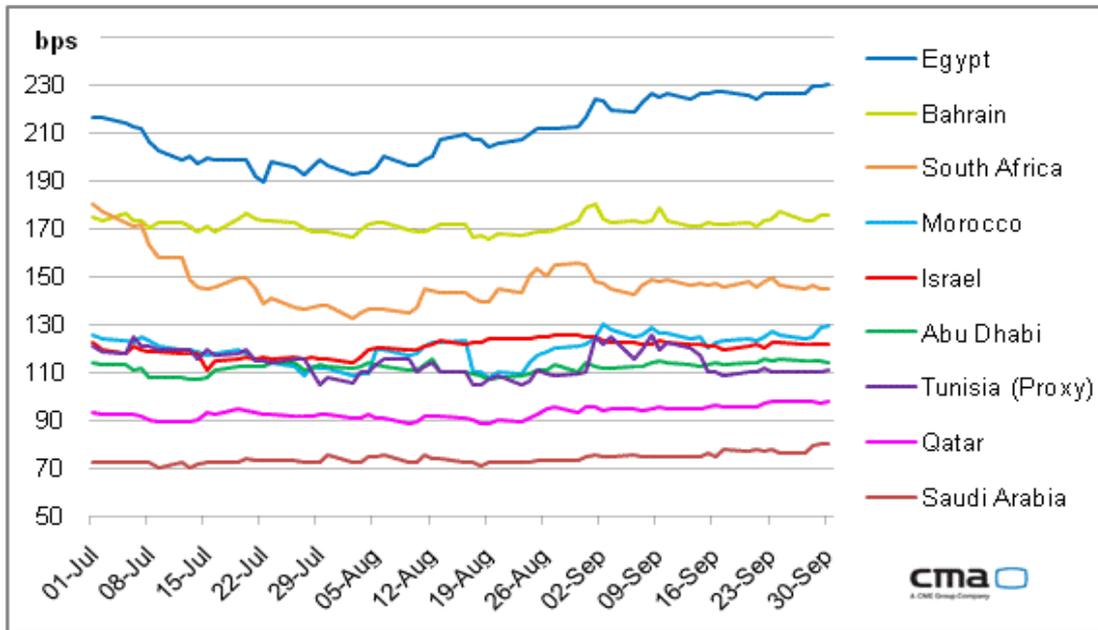
## Regional Focus: Scandinavia & Nordic Region



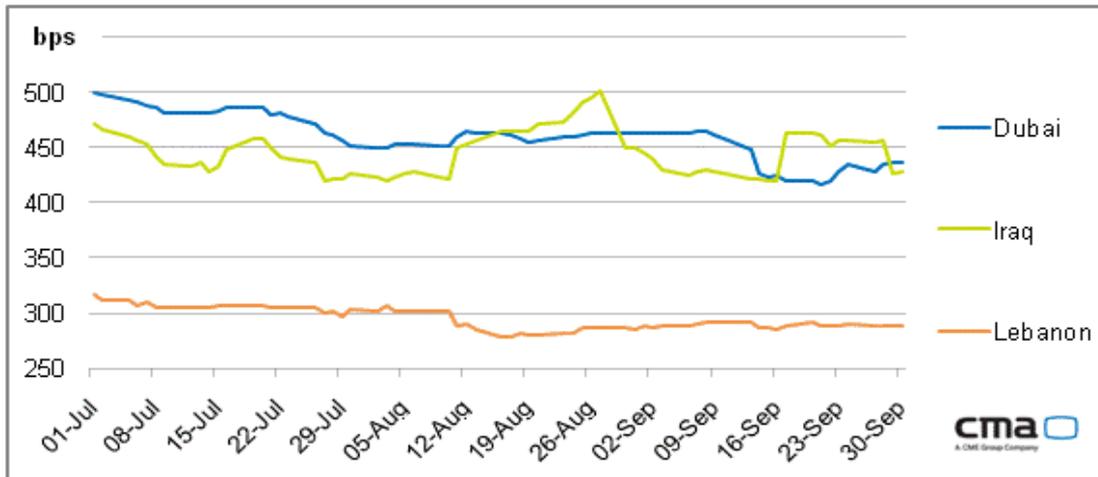
- The Nordic region has been fairly stable this quarter, with the above four Sovereigns remaining the least risky credits globally.
- Norway still has the lowest cost of sovereign debt insurance globally, tightening 2bp over the quarter.
- Iceland ended 27bp tighter at 303bp, trading in a 50bp range at the start of Q3, narrowing to 15bp range in September.



## Regional Focus: Middle East & North Africa

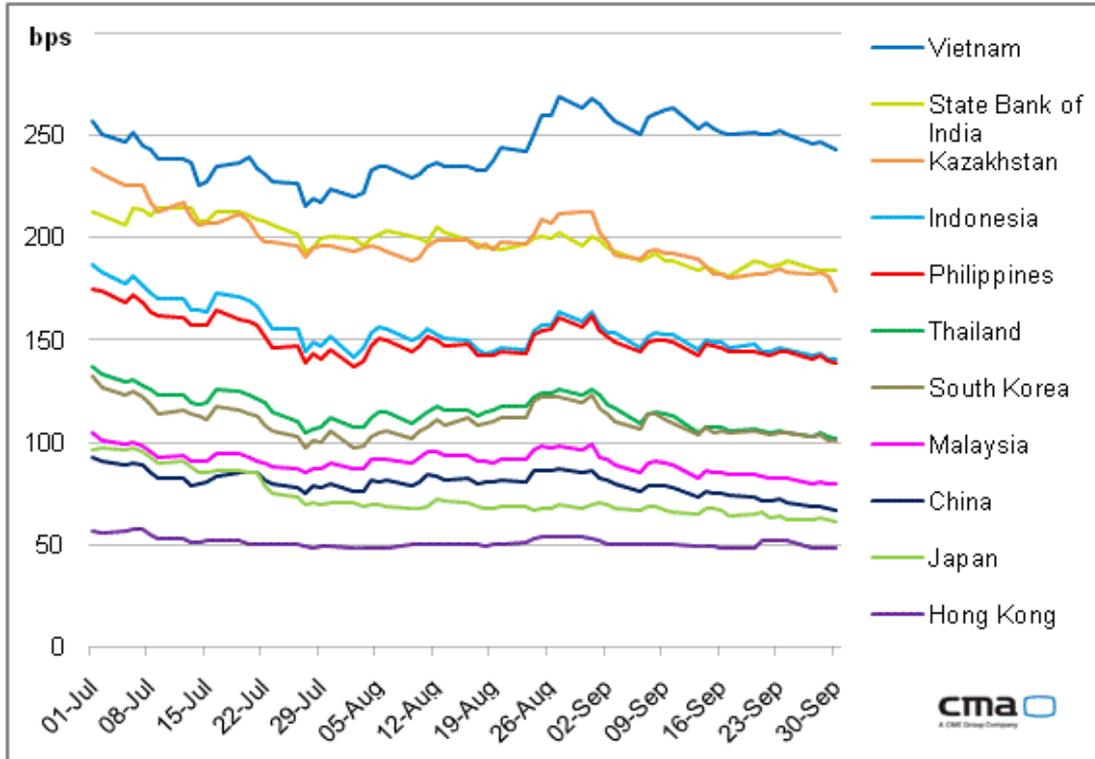


- A mixed profile for the Middle East & North Africa with 5 names widening, 6 names tightening and Israel remaining unchanged.
- The worst performer this quarter has been Saudi Arabia widening 11% to 80bp.
- Egypt continued to drift away from its' peers 14bp wider this quarter.

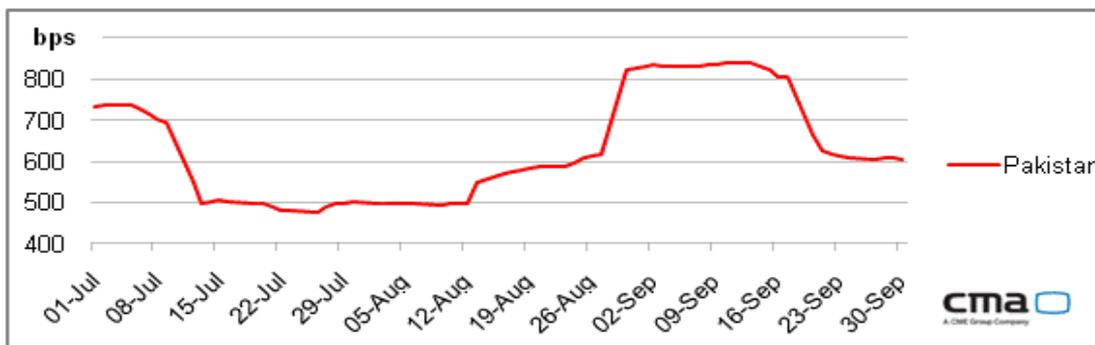


- Iraq, Dubai and Lebanon all rallied around 10% this quarter with Iraq and Dubai ending within 10bp of each other. Note: Iraq still remains very illiquid.

## Regional Focus: Asia

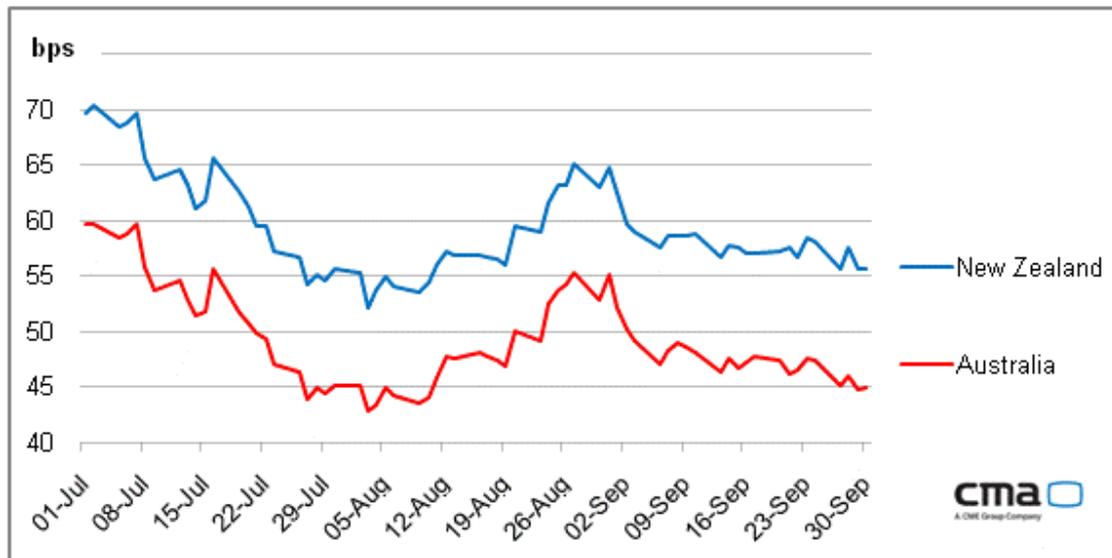


- Asia experienced significant improvements across all countries in its credit risk this quarter with Japan and China the best performers globally. The remaining names improved more than 15%, except for Vietnam which improved 6%.
- South Korea recovers from last quarter’s widening finishing the quarter 28bp tighter.



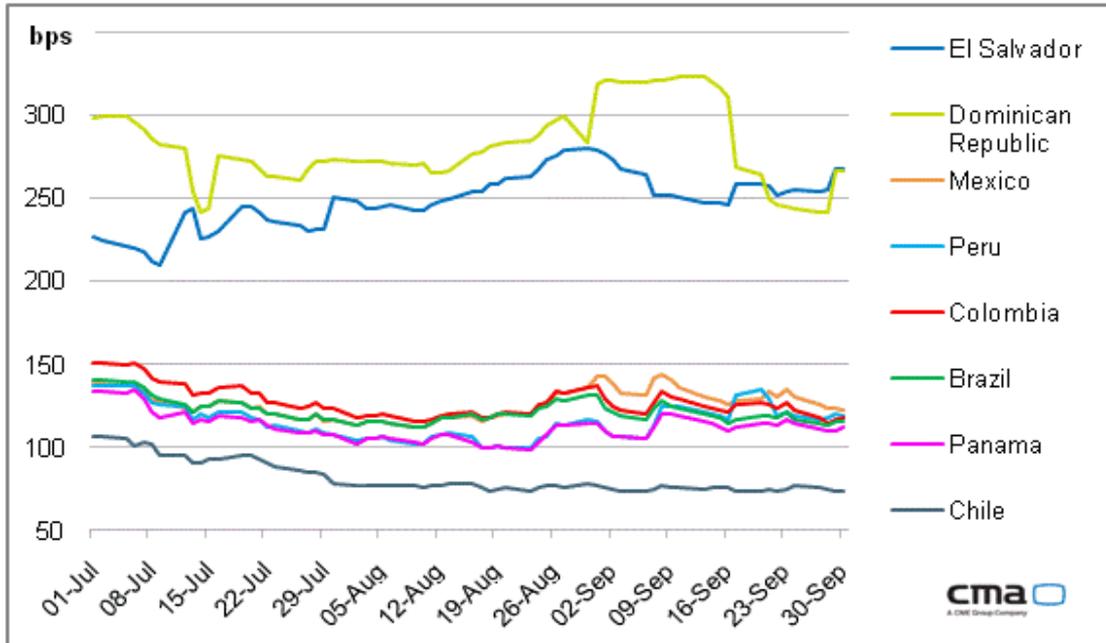
- Pakistan CDS recovered following one of the worst floods in its history. However, CDS pricing liquidity remains extremely thin.

## Regional Focus: Australia and New Zealand

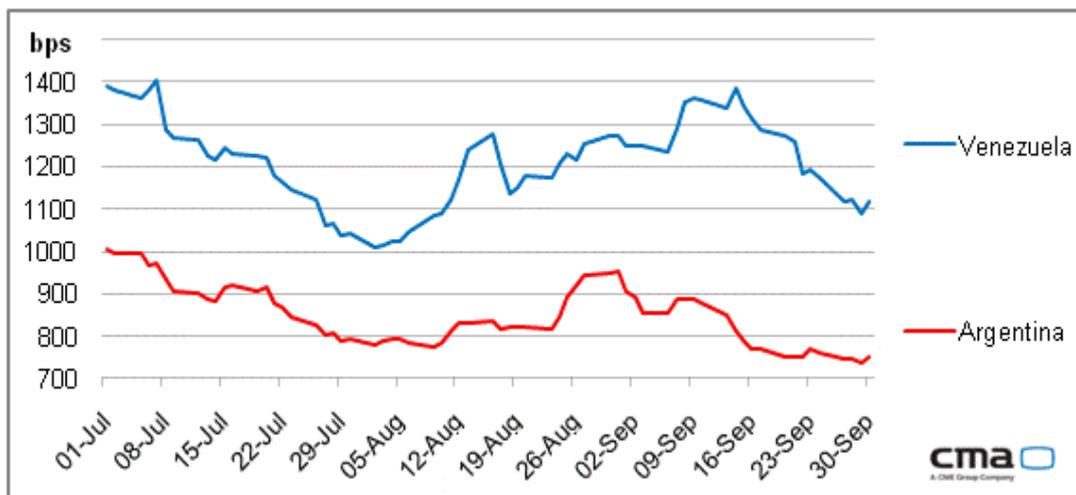


- Australia and New Zealand finish the quarter stronger - both ending approximately 21% tighter.

## Regional Focus: Central and South America



- A good quarter for South America – Chile continues to remain the tightest in the region coming in 31bp (30%) this quarter, the second best performer globally.
- Brazil’s CDS approaches 2 year low levels of 110bp (April 2010) to finish the quarter at 115bp, 23bp tighter on the quarter following Lula Da Silva’s amazing GDP growth era. The strong currency and the prospects of a new government are perhaps keeping investors a little cautious.
- Mexico tightens 10% to 121bp even though the fight against drugs goes beyond Mexico City.
- New entries in Q2 - Dominican Republic, Uruguay and Guatemala CDS remain extremely illiquid.



- Argentina finished 218bp tighter (22%) trading at 750bp, but is still trading upfront. The curve returning to a more normal shape, from a flattish curve at the beginning of the quarter, is a positive sign for second largest country in the region.

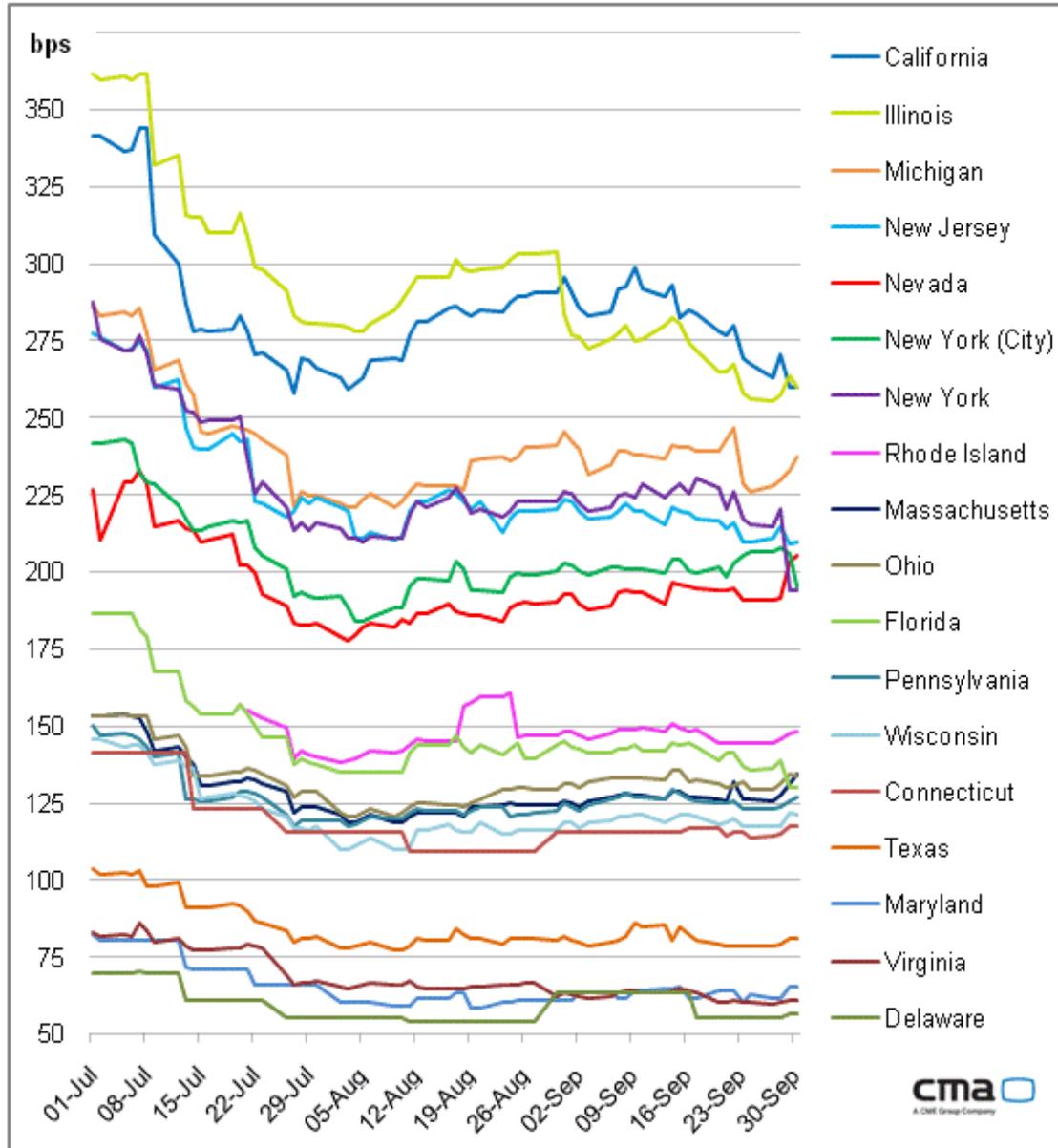
## Global Ranking by CPD

Country	CPD (%)	5yr Mid (bps)	CMA Implied Rating 30 <sup>th</sup> Sept	CMA Implied Rating Q2
Venezuela	54.2%	1109.4	CMA_ccc	CMA_ccc-
Greece	48.7%	775.3	CMA_ccc	CMA_ccc
Argentina	40.4%	749.3	CMA_b-	CMA_ccc+
Pakistan	34.6%	606.4	CMA_b	CMA_b
Ukraine	32.3%	546.8	CMA_b	CMA_b
Ireland	33.0%	458.3	CMA_b	CMA_bb
Dubai	26.5%	437.4	CMA_b+	CMA_b+
Iraq	26.4%	427.1	CMA_b+	CMA_b+
Portugal	30.2%	408.8	CMA_b+	CMA_bb-
Romania	22.1%	350.9	CMA_bb-	CMA_bb-
Latvia	20.8%	329.7	CMA_bb-	CMA_bb-
Hungary	20.4%	320.6	CMA_bb-	CMA_bb
Iceland	21.7%	303.0	CMA_bb-	CMA_bb-
Lebanon	18.7%	287.8	CMA_bb	CMA_bb
Bulgaria	17.8%	275.4	CMA_bb	CMA_bb-
Lithuania	17.5%	271.3	CMA_bb	CMA_bb+
El Salvador	17.5%	267.7	CMA_bb	CMA_bbb+
Dominican Republic	17.6%	266.3	CMA_bb	CMA_bb
Croatia	16.6%	254.7	CMA_bb+	CMA_bb
Vietnam	15.9%	241.7	CMA_bb+	CMA_bbb-
Spain	18.4%	230.7	CMA_bb	CMA_bb
Egypt	15.2%	230.4	CMA_bbb-	CMA_a-
Italy	16.1%	196.7	CMA_bb+	CMA_bbb
State Bank of India	15.3%	183.5	CMA_bbb	CMA_bbb
Bahrain	11.8%	175.7	CMA_a	CMA_aa-
Kazakhstan	11.8%	174.2	CMA_a	CMA_bbb+
Costa Rica	11.7%	172.4	CMA_a	CMA_a+
Russia	10.9%	160.5	CMA_aa-	CMA_a+
Turkey	10.8%	159.6	CMA_aa-	CMA_a+
Uruguay	10.1%	149.6	CMA_aa	CMA_aa-
Guatemala	10.0%	146.9	CMA_aa	CMA_a+
South Africa	9.8%	144.3	CMA_aa	CMA_aa-
Indonesia	9.7%	140.5	CMA_aa	CMA_a+
Philippines	9.5%	138.8	CMA_aa	CMA_aa-
Poland	9.3%	136.2	CMA_aa	CMA_aa
Morocco	8.8%	129.5	CMA_aa	CMA_aa
Belgium	10.9%	129.4	CMA_aa-	CMA_aa-
Israel	8.4%	121.7	CMA_aa	CMA_aa
Mexico	8.3%	120.8	CMA_aa	CMA_aa

Peru	8.2%	118.7	CMA_aa	CMA_aa
Colombia	8.0%	116.4	CMA_aa	CMA_aa
Brazil	7.9%	114.8	CMA_aa	CMA_aa
Abu Dhabi	7.8%	114.3	CMA_aa	CMA_aa
Panama	7.6%	110.8	CMA_aa	CMA_aa
Tunisia (Proxy)	7.6%	110.6	CMA_aa	CMA_aa
Thailand	8.8%	102.2	CMA_aa	CMA_aa
South Korea	8.6%	101.0	CMA_aa	CMA_aa
Estonia	6.9%	99.8	CMA_aa+	CMA_aa
Qatar	6.7%	97.6	CMA_aa+	CMA_aa+
Czech Republic	6.5%	93.4	CMA_aa+	CMA_aa
Austria	7.3%	84.8	CMA_aa	CMA_aa
Slovakia	7.3%	84.3	CMA_aa	CMA_aa
Malaysia	7.0%	80.4	CMA_aa+	CMA_aa
Saudi Arabia	5.6%	80.2	CMA_aa+	CMA_aa+
France	6.8%	78.7	CMA_aa+	CMA_aa
Slovenia	6.7%	77.0	CMA_aa+	CMA_aa
Chile	5.2%	73.5	CMA_aa+	CMA_aa
China	5.9%	67.4	CMA_aa+	CMA_aa
United Kingdom	5.7%	65.0	CMA_aa+	CMA_aa+
Japan	5.4%	61.0	CMA_aa+	CMA_aa
New Zealand	4.8%	55.7	CMA_aa+	CMA_aa+
Hong Kong	4.2%	48.4	CMA_aa+	CMA_aa+
USA	4.2%	48.4	CMA_aa+	CMA_aaa
Australia	4.0%	46.0	CMA_aaa	CMA_aa+
Netherlands	4.0%	45.9	CMA_aaa	CMA_aa+
Switzerland	3.5%	39.7	CMA_aaa	CMA_aa+
Germany	3.4%	39.0	CMA_aaa	CMA_aaa
Denmark	3.0%	34.5	CMA_aaa	CMA_aaa
Sweden	2.8%	31.6	CMA_aaa	CMA_aaa
Finland	2.7%	30.8	CMA_aaa	CMA_aaa
Norway	2.1%	23.5	CMA_aaa	CMA_aaa

## Special Report: Key states in the USA

- All states tracked by CMA trended lower this quarter.
- Illinois and California jostle for the position as the most risky domestic state economy ending the quarter at same the level.
- Delaware is very illiquid and is shown on the chart for trend purposes.



Country	CPD (%)	5yr Mid (bps)	Implied
<b>Illinois</b>	21.0%	260.0	CMA_bb-
<b>California</b>	20.9%	260.0	CMA_bb-
<b>Michigan</b>	18.8%	237.0	CMA_bb
<b>New Jersey</b>	17.1%	210.0	CMA_bb+
<b>Nevada</b>	16.7%	205.0	CMA_bb+
<b>New York</b>	15.9%	194.0	CMA_bb+
<b>New York (City)</b>	15.8%	195.0	CMA_bb+
<b>Rhode Island</b>	12.4%	148.5	CMA_bb+
<b>Massachusetts</b>	11.2%	134.5	CMA_a+
<b>Ohio</b>	11.2%	134.0	CMA_a+
<b>Florida</b>	10.8%	130.0	CMA_aa-
<b>Pennsylvania</b>	10.7%	126.8	CMA_aa-
<b>Wisconsin</b>	10.2%	121.0	CMA_aa
<b>Connecticut</b>	9.9%	117.7	CMA_aa
<b>Texas</b>	7.0%	81.1	CMA_aa+
<b>Maryland</b>	5.6%	65.4	CMA_aa+
<b>Virginia</b>	5.2%	61.0	CMA_aa+

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## About CMA & Contact Details

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