

CB-Risk (Corporate Bonds)

Organization
Entelligent

Summary

Entelligent's CB-Risk is a methodology that incorporates the Entelligent T-Risk score to gauge whether companies are on a path to meet Paris Agreement goals using statistical science and carbon data. The technology is adapted to specifically assess the transition alignment value of corporate bonds. This allows financial market participants to develop fixed income strategies that are in accord with their climate-related goals. The methodology accounts for the transition risk components inherent in the general market as well as those that are specific to particular assets.

Climate Focus

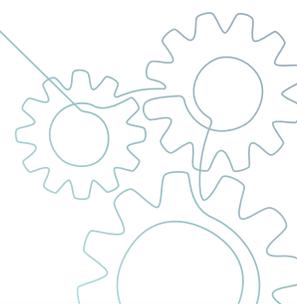


Resource Type



Intended Users





CB-Risk (Corporate Bonds)	
WHO	Any users interested in assessing the alignment of corporate bonds
WHAT	<ul style="list-style-type: none"> • Perform climate risk exposure tests by using climate scenario analysis to estimate the capability of a company to maintain and grow its revenue and profitability indicators • Adjust expected yields of bonds by analyzing companies whose climate transition risk revenue and profit potential are diminished vis-à-vis their competitors and that are less likely to be able to service their bonds • Assess the correct pricing of bonds by adjusting for the impact of climate transition risk (along with other traditional factors) on the default likelihood of issuers
WHEN	 When a user requires an assessment of the impact of the climate transition on corporate bonds or an assessment of the alignment of fixed income strategies with a user's climate targets or goals
WHERE	Corporate bond portfolios
WHY	<ul style="list-style-type: none"> • Scenario analysis-based methodologies can help users measure and track the climate-related exposure and resilience factors of corporate bonds • These methodologies allow for an integration with index and annuity development strategies, portfolio optimization strategies, and company fundamentals assessment strategies • The methodology is adaptable to allow the application of firm-specific bond assessment strategies to help clients develop unique financial products with a quantitative investment strategy
HOW	Interested users can learn more on Entelligent's website