

For Banks, Insurers & Asset Managers

Credit Portfolio Management

Analyze and act on credit portfolio risks.

- ✓ Quantify losses under scenarios
- ✓ Identify pockets of concentrations and risk
- ✓ Plan and allocate capital
- ✓ Set credit limits and risk appetite
- ✓ Forecast stress scenarios
- ✓ Build a risk infrastructure
- ✓ Steer portfolio



Moody's
Credit Portfolio
Management

THE NEW NORMAL – INTERCONNECTED AND COMPLEX RISK

Increasing risk complexity and evolving regulatory compliance require risk managers to stay agile and dynamic.

Ever-changing landscape, coupled with emerging challenges — such as climate risk and evolving frameworks like ICAAP and CECL — demand precise scenario generation, advanced modeling, real-world data and accurate future projections to be integrated into portfolio management.

As firms pursue growth or expand into new asset classes, the goal is to confidently manage risk while proactively acting on those strategic growth opportunities. And to do that, risk managers need a solution that not only keeps pace with change but also drives momentum forward.

#1

Credit portfolio management platform as ranked by Chartis

EMPOWERING RISK MANAGERS WITH THE CLARITY TO ACT

Moody’s cloud-native credit portfolio management solution, PortfolioStudio™, combines risk analytics and portfolio steering tools with high speed processing capabilities to help institutions analyze and act on credit portfolio risks. Financial institutions globally use PortfolioStudio™ to:

- Identify, measure, manage and mitigate credit and climate risk in portfolios
- Support business applications from economic, financial, regulatory perspectives
- Prepare for regulatory and business stress tests (*including climate and cyber*)
- Measure standalone risk as well as portfolio correlations and concentrations



FIGURE 1 PortfolioStudio™ Capabilities Matrix

[Learn more](#)

ONE SOLUTION, MULTIPLE PORTFOLIO MANAGEMENT CAPABILITIES

Moody's provides modular risk technology, delivering a range of portfolio management capabilities within a single solution designed specifically for banks, insurers, and asset managers.

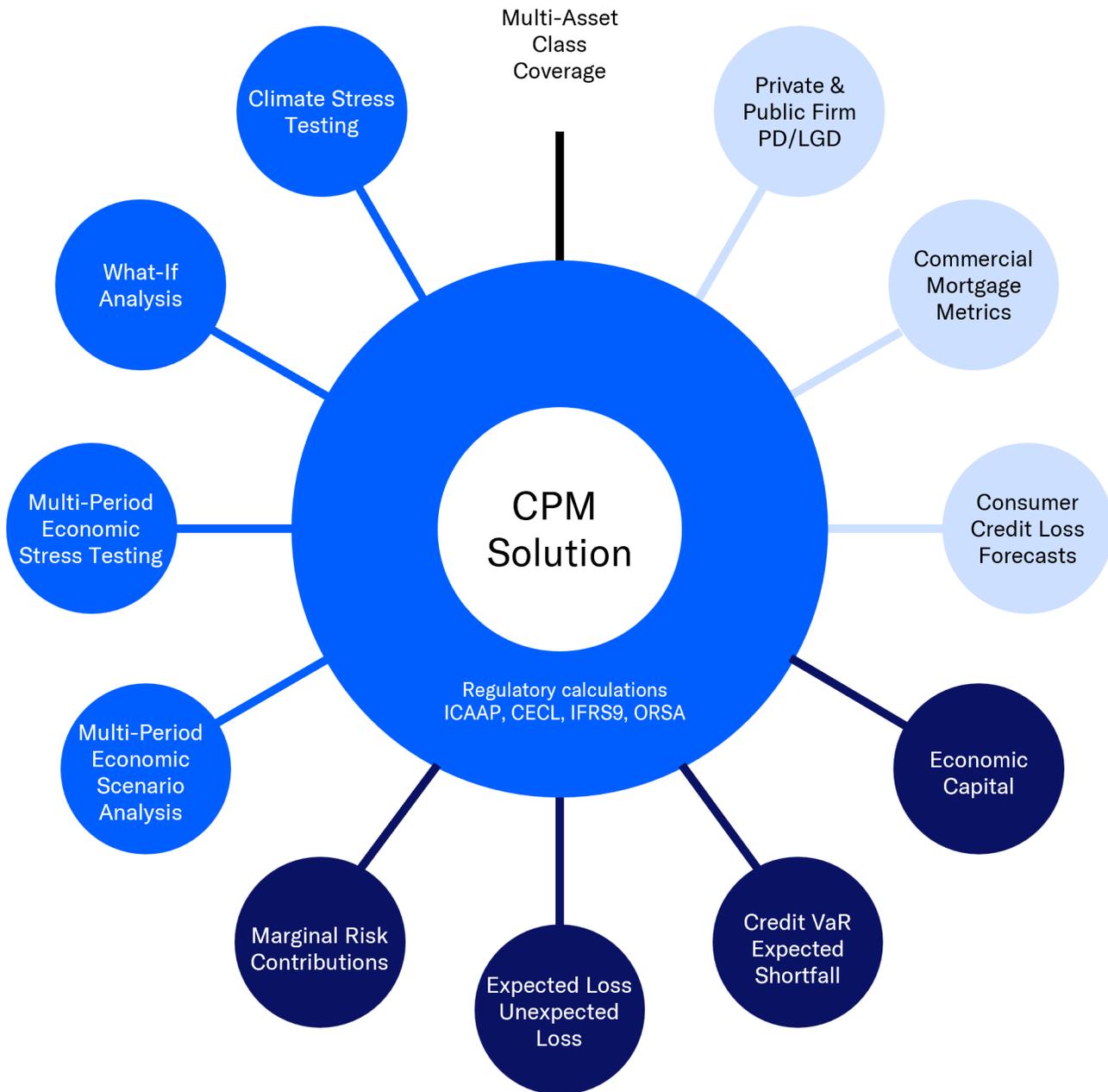


FIGURE 2 A single solution for effective portfolio management

Models	
Analytics	
Stress Testing	

[Learn more](#)

ANALYZE, ACT, REPORT ON CREDIT PORTFOLIO RISKS

PortfolioStudio™ simplifies credit portfolio management with an API-first architecture and decision-grade data. By integrating risk analysis, optimization, and reporting into a seamless workflow, PortfolioStudio™ empowers risk managers to systematically:

- **Analyze** short, medium, and long-term risks impacting the portfolio
- **Act** on strategic opportunities to optimize risk-adjusted performance
- **Report** historical trends and forward-looking insights to regulators and stakeholders

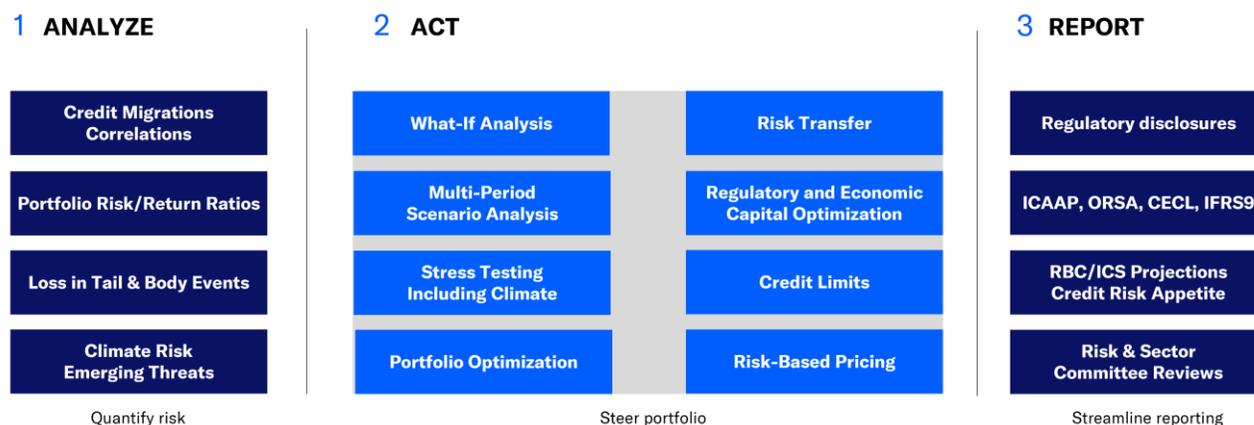


FIGURE 3 Portfolio Management Workflow – Analyze, Act, Report

- ✓ Create one single view of portfolio risk by estimating measures such as
 - Economic capital, expected shortfall, tail impairment loss, provision and more
- ✓ Support instrument-level analysis and action including
 - Concentration assessment, limit setting, pricing, hedging, selling, structuring

ANSWER KEY PORTFOLIO MANAGEMENT QUESTIONS

All credit portfolios face uncertainty in losses. Coupled with tight lending margins, even small miscalculations in risk and pricing can undermine profitability. The challenge for every risk or portfolio manager is to measure and understand the economic risks in a portfolio and ensure they are properly compensated.

PortfolioStudio™ helps answers key questions such as:

- **What** industries show stronger or weaker correlations within my portfolio?
- **How** can I identify the riskiest segments in my portfolio?
- **Where** do growth opportunities lie across products and geographies

[Learn more](#)

QUANTIFY UNEXPECTED LOSSES WITH A FORWARD-LOOKING LENS

Portfolio risk is primarily driven by correlated **credit migrations** and **defaults**. These systemic risks are key drivers of unexpected losses and must be properly quantified. PortfolioStudio™ incorporates valuation, credit migration, and correlation into Monte Carlo simulations to generate portfolio value distributions and instrument-level risk measures. This enables informed capital allocation, robust stress testing, and better risk-adjusted performance assessments.

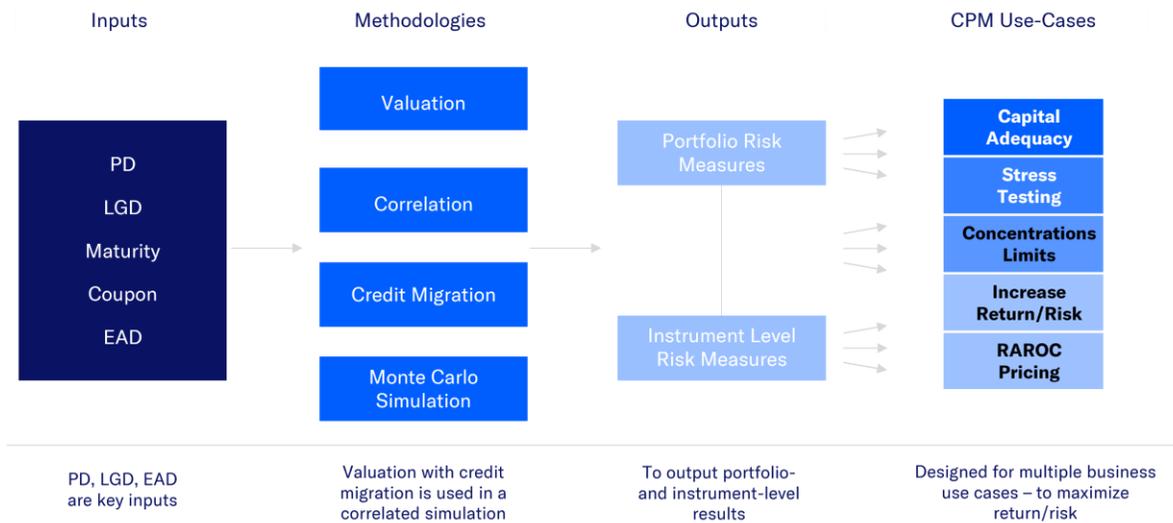


FIGURE 4 PortfolioStudio™ Economic Capital Workflow

PROJECT ECONOMIC CAPITAL BASED ON MACRO SCENARIOS

PortfolioStudio™ contains a multi-period macroeconomic scenario-based projection engine. This makes it possible to expand the economic capital analysis along macroeconomic scenarios.



FIGURE 5 PortfolioStudio™ Risk Calculation Engines

[Learn more](#)

HOW MOODY'S CAN HELP BEYOND CREDIT PORTFOLIO MANAGEMENT

Moody's credit portfolio management software is connected to the SaaS banking platform. This helps create an integrated ecosystem as lending, risk, and finance solutions work together to share inputs and outputs.

PortfolioStudio™ integrates with Moody's Banking Platform

Early Warnings

Watch worry list to receive early warning alerts of threats and opportunities

Lending Origination

Feed portfolio limits and risk-based pricing into lending models to steer origination process

Impairments Accounting

Analysis of provision volatility to identify portfolio concentrations that drive volatility

Forecasting Planning

Feed portfolio steering strategy into balance sheet and financial statement forecasting

Predictive Analytics

Incorporate detailed default probability measures into portfolio management workflow to enrich data and analytics

Advisory Services

When you need an extra level of insight, we can provide a tailored response to help you make better credit decisions

Banking SaaS Platform

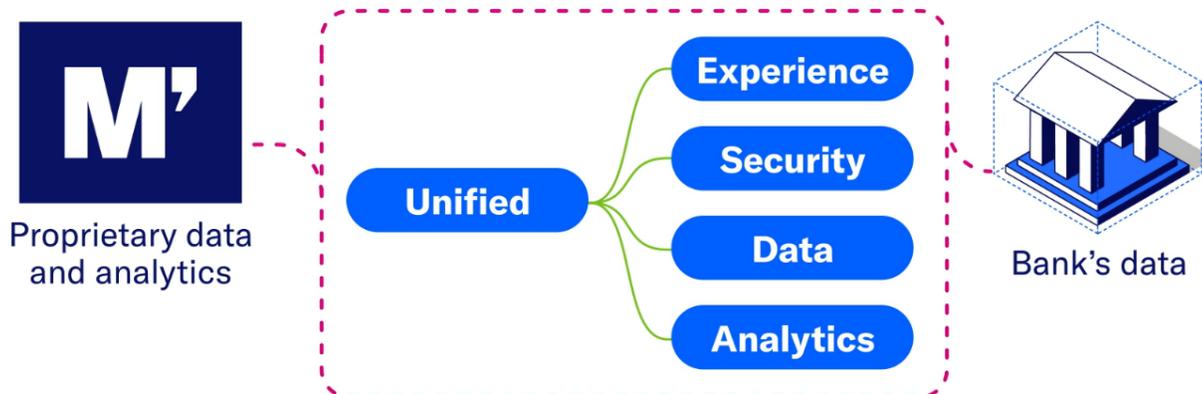


FIGURE 6 Banking SaaS Platform

[Learn more](#)

HOW MOODY'S HAS PARTNERED WITH PORTFOLIO AND RISK MANAGERS

Canadian Financial Institution

- **Requirement:** Development of a unified risk metric to compare and contrast performance of varying asset types and lines of business.

International Development Bank

- **Requirement:** Replacement of manual economic capital measurement with a more robust, enterprise-ready solution.

European Commercial Bank

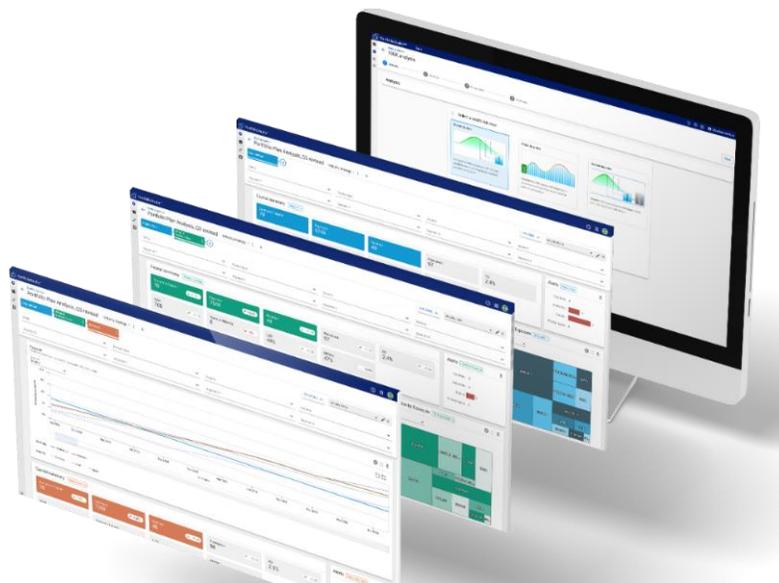
- **Requirement:** Development of an enhanced ICAAP framework incorporating scenario-based capital adequacy assessments.

APAC Commercial Bank

- **Requirement:** Development of a climate risk management framework including risk identification, quantification, integration into existing ICAAP & stress testing processes.

TAKE CONTROL OF CREDIT PORTFOLIO MANAGEMENT

The PortfolioStudio tool is part of Moody's cloud-native, integrated Risk and Finance platform. This suite of award-winning solutions combines leading risk analytics and highly scalable processing capabilities that enable you to address risks with speed and precision and drive growth. [Connect with our solution specialists to learn more.](#)



CONTACT US

[Moody's Credit Portfolio Management Solutions and Services](#)

AMERICAS

+1.212.123.4567

clientservices@moodys.com

EMEA

+44.20.1234.5678

clientservices.emea@moodys.com

ASIA (Excluding Japan)

+852.1234.5678

clientservices.asia@moodys.com

JAPAN

+81.1234.5678

clientservices.japan@moodys.com



Moody's
Credit Portfolio
Management

[Learn more](#)

© 2025 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Materials.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at ir.moody's.com under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V. I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., and Moody's Local PA Clasificadora de Riesgo S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.