

BASIN AÇIKLAMASI

İstanbul – 13 Ocak 2012

JCR-Japan Credit Rating Agency Ltd.'in Yönetim Kurulu Başkanı Sayın Makoto Utsumi'nin global rating sektörünün 2011 yılı faaliyetlerinin dünya ekonomilerine yansımalarını değerlendirdiği önemli açıklamaları ekteki linkte olup bir kopyası aşağıya çıkarılmıştır.

http://www.jcr.co.jp/english/top_cont/report_desc.php?no=2012010409&PHPSESSID=a6b7f499f977b4b13e4147f7e0b5f1ce

Kamuoyuyla paylaşıyoruz.

JCR EURASIA RATING

Yönetim Kurulu

"New Year's View"

Role of Credit Rating Agency,

Makoto Utsumi,

President of JCR

Jan 04, 2012

The year 2011 is considered the year where the credit ratings have steamed up the market and the media the most ever. This made me think the credit ratings from the root.

Standing at the forefront of it was the downgrade of the U.S. government's debt by a credit rating agency. It seems that the difficulties in the negotiations between the administration and Congress for reductions in the budget deficit produced recognition as dysfunctional policymaking in the U.S. and that this recognition led to the downgrade. However, if the U.S. economy fails, there will be no countries or multinational corporations which can get away from failures. In that context, rating on the U.S. government debt should be foundation in the world at this moment at least. Accordingly, it is considered that the rating downgrade of the U.S. government debt should be extremely careful.

Secondly, there were storms of rating downgrades that attacked the euro-zone countries. The downgrades began with Greece and have spread to Spain, Portugal, Ireland and Italy one after another. Eventually, even credit rating agency, which will downgrade the rating for these countries including Germany and France collectively, has appeared. Criticism and suspicion against Anglo-Saxon credit rating agencies are spread in the European countries. The Anglo-Saxon credit rating agencies race for the rating downgrades without slight consideration for policy efforts of euro-zone countries to overcome the crisis one way or another. Such efforts include creation of the European Financial Stability Facility or agreement on drawing up a fiscal compact at a summit meeting of European Union members held on December 9, 2011, along with the European Central Bank and IMF, although they are being pressed by the rapid movements by the market.

Under these circumstances, when I became painfully aware that role of credit rating agency should be reviewed fundamentally, I had a chance to read paper by MIT's Professor, Gustavo Manso.

The point in the paper is that "the rating agencies ought to accurately evaluate creditworthiness of the governments or corporations, to which they assign the ratings (this is a natural thing to do). However, at the same time, they should take into account that these governments or corporations continue to survive." He points out that if a climate where the rating agencies do not care about "survival" of the rated entities is spread, that will lead to a dangerous competition for rating downgrades and that it might lead to heap of corpses with failures of the government or corporations. What is happening now in the euro-zone countries is the exact situation he points out in the paper. We should straighten ourselves afresh.

In a sense that the credit rating agencies can make fundraising by the governments or corporations difficult by rating downgrades and that they can cut off lives of them, an extreme care should be exercised. At least, the credit rating agencies should not take advantage of the market movements or accelerate the market movements uselessly.

In that sense, the credit rating agencies are required to behave with recognition that they have an aspect of public goods, although they are private firms.

Taking a look at JCR's Code of Conduct shows that a difference between JCR and other rating agencies in the basic stance lies in that whether or not JCR and peer rating agencies take into consideration "survival of the rated entities" described by Professor Gustavo Manso as much as possible. In that sense, this paper encourages us largely. In the market where turmoil is expected to continue in the future, we strongly feel that it is important that we conform to this basic stance firmly as an only Japanese credit rating agency whose registration as a credit rating agency is approved by both the U.S. Securities and Exchange Commission and EU's rating regulatory authority and certified as an eligible credit rating agency by major European countries.