

## Worksheet

### Chapter 5: Banking

Now you'll review the Standard & Poor's Web pages that describe factors that affect issuer credit quality and ratings definitions for issuers. Follow your teacher's directions to either print out the activity, close this Web site, and go the S&P Web site; or click on Standard & Poor's now and go back and forth between Web pages.

**Step 1** Go to the Standard & Poor's Web site at <http://www.standardandpoors.com>.

**Step 2** Click on the link to the Resource Center.

**Step 3** Then click on Ratings Definitions.

**Step 4** Click on Issuer Credit Ratings and read the description provided to answer the following questions:

1. What is a Standard & Poor's Issuer Credit Rating?
2. Is a good credit rating a recommendation from Standard & Poor's?

**Step 5** Click on Short-Term below the text describing Issuer Credit Ratings. This will open a new page that provides definitions for different S&P issuer credit ratings. Use the information provided to answer the following questions:

3. What is the highest short-term issuer credit rating?
4. What are the risks associated with investments offered by an issuer that has a short-term credit rating of "B"?
5. What does an "R" designation mean?