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DekaBank Deutsche Girozentrale

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DekaBank Deutsche Girozentrale

SACP	bbb	
Anchor	a-	
Business Position	Moderate	-1
Capital and Earnings	Adequate	0
Risk Position	Moderate	-1
Funding	Average	0
Liquidity	Adequate	

+

Support	+4
ALAC Support	0
GRE Support	0
Group Support	+4
Sovereign Support	0

+

Additional Factors	0

Issuer Credit Rating
A+/Stable/A-1

Major Rating Factors

Strengths:	Weaknesses:
• Expected extraordinary group support from its German savings banks owners if needed. • One of the leading domestic asset managers, benefitting from integration into the German savings bank sector. • Adequate capital levels and liquidity compared with other German commercial banks.	• Potential earnings volatility due to sensitivity of revenues to capital markets conditions. • Lower level of risk diversification and higher operational and reputational risks than peers. • Reliance on wholesale funding.

Outlook: Stable

The stable outlook reflects our assumption that a material shift in DekaBank's strategy and integration with German savings banks is unlikely over the next 12-24 months. It also factors in our assumption that a significant change in Germany's banking economic risk is unlikely over this period, and our view that the network of German savings banks will to continue to adapt to retain a strong franchise and remain profitable.

We could lower our ratings on DekaBank if German savings banks' profitability were to erode materially in light of the low interest rate environment, such that it prevented the group from covering its normalized credit losses, or if payouts to the savings banks' public-sector backers were to increase substantially and weaken the group's aggregate capitalization. An unexpected and sustained slump in sales volumes of DekaBank products by the German savings banks could also lead to a negative rating action.

We consider an upgrade to be a remote possibility at this time. It would require German savings banks to have enhanced profitability and greater franchise breadth. These could be achieved by a stronger earnings contribution from fee-based businesses or by a more unified offering of the sector central banks and product providers.

Rationale

The ratings on DekaBank benefit from four notches of uplift from its 'bbb' stand-alone credit profile (SACP). This is based on its core group status to its 100% owners, the German savings banks. We consider it highly unlikely that DekaBank would require extraordinary support from the German savings banks, as we reflect in its SACP. Nevertheless, if it were required, we believe that Deutscher Sparkassen- und Giroverband (DSGV; the German Savings Banks Association), which holds the 100% stake in DekaBank on behalf of the savings banks, would serve as the principle source of support for DekaBank.

The group status is underpinned by DekaBank's highly strategic alignment and integration with the interests of the savings banks, and that DekaBank and the German savings banks rely on each other in the production and distribution of retail mutual funds. In light of pressure on interest income, the generation of commission income (for example, from securities and mutual funds) is becoming more important for savings banks to stabilize their earnings. Also, DekaBank's strategy is to support savings banks holistically around their entire securities investment and advisory production chain in the context of growing regulatory and customer requirements.

The 'bbb' SACP reflects our assumption that DekaBank will maintain its sound position as one of largest asset managers in Germany, as well as our projections that it will maintain adequate capitalization and will continue to prudently manage its funding and liquidity risk. This is partly offset by the bank's limited presence in asset management outside Germany; and its below-average market position in commercial banking activities, with concentration in commercial segments with generally higher risk. Furthermore, its capital ratios could underestimate its exposure to reputational and operational risks from asset management and its trading activities.

Anchor: 'a-', reflecting operations focused on Germany

Under our bank criteria, we use our Banking Industry Country Risk Assessment's economic risk and industry risk scores to determine a bank's anchor, the starting point in assigning an issuer credit rating. Our anchor for a commercial bank operating mainly in Germany is 'a-', based on an economic risk score of '1' and an industry risk score of '3'. We view the economic risk trend and the industry risk trend in the German banking industry as stable. We assign the economic risk score for Germany in determining the anchor on DekaBank, although the bank's regulatory exposures at default are spread across various countries. We consider that DekaBank is primarily an asset manager in contrast to other commercial banks. Consequently, lending activities are minor while counterparty exposures are frequently linked to its asset management activities and its role as one of the liquidity clearing banks for German savings banks. Therefore, we measure DekaBank's underlying exposure by considering that it is headquartered in Germany, that its asset management activities are focused on the domestic market, and that its key distribution channel and clientele are the domestically focused German savings banks.

Our economic risk assessment reflects Germany's highly diversified and competitive economy, and we continue to expect that Germany's robust export-led economy will stay robust amidst a broader European recovery over our forecast horizon until 2020. We believe that the impact of the U.K.'s referendum decision to leave the EU (Brexit) is manageable and has only a limited negative effect for the German economy.

We believe that a nationwide credit-driven housing bubble is less likely in light of limited credit growth and historically favorable affordability ratios, which suggest a house price undervaluation in Germany until the end of our forecast horizon by the end of 2020. We forecast that the risk of elevated increases in inflation house price will soften below 2% in 2019 and 2020 on par with expected GDP growth. This is after elevated forecast levels of about 4.6% between 2017 and 2018 in the context of recent years' favorable economic conditions amid robust economic fundamentals, strong national and international demand, tight housing supply in Germany's economic centers, a buoyant labor market, high net immigration, and low interest rates.

We continue to regard industry risk for German banks as an intermediate risk in line with many European banking industries, which benefits from Germany's extensive funding market and banks' domestic funding surpluses, as well as from material improvements that have been made to strengthen banking regulation and supervision given ongoing EU-wide regulatory harmonization and convergence under Basel III. Returns in the German banking industry compared well with many European banking industries in recent years' due to ongoing historically low credit losses in Germany. However, we believe that low interest rate environment coupled with high competition remain a drag on profitability, which is partly compensated the German banking industries progress in counterbalancing measures to improve its lower cost efficiency and fee generation.

Table 1

DekaBank Deutsche Girozentrale: Key Figures

	Fiscal year end Dec. 31				
(€ mil.)	**2017***	**2016**	**2015**	**2014**	**2013**
Adjusted assets	95,990	85,757	107,790	112,971	115,984
Customer loans (gross)	18,581	18,048	16,761	16,370	17,389
Adjusted common equity	4,454	4,330	4,230	3,907	3,604
Operating revenues	793	1,654	1,581	1,787	1,605
Noninterest expenses	531	1,015	961	940	1,035
Core earnings	165	280	343	577	349

*As of June 30, 2017.

Business position: A leading domestic asset manager, with ancillary commercial banking activities

Our assessment of DekaBank's business position reflects the balance between its sound market position as one of the largest providers of asset management products in Germany, an earnings mix that is appropriately diversified but still sensitive to capital market conditions, and its below-average market position in commercial banking. Its business model benefits from, but also relies on, the continued strong integration between its asset management and banking operations.

DekaBank is one of the four leading providers of asset management products in Germany, with total assets under management, advice, or administration of €270 billion on June 30, 2017. Retail investment products, which are mainly mutual funds, account for 50% of assets (domestic market share 15.8% by assets under management at year-end 2016). The other 50% are institutional investment products, which are mainly specialized funds (6.1% market share). Accordingly, net commission income represents the bulk of its operating revenues. It caters predominantly to its owners, the German savings banks, and their clients. German savings banks are the exclusive third-party distributors of DekaBank's mutual fund products and conversely we understand that the vast majority of all retail mutual funds distributed by the German savings banks are DekaBank products. The German savings banks sector collectively is the largest German retail banking group, since it has a network of about 13,779 branches (including self-service centers) and had total assets of €1.17 trillion at year-end 2016. In 2016, net distribution of DekaBank products to retail clients mainly by savings banks was €7.7 billion, and net new money generated by institutional clients including the savings banks' own investments was €9.2 billion. Distribution has remained steady in the first six months of 2017, with €5.7 billion to retail and €6.9 billion to institutional customers.

Access to the German savings banks provides DekaBank with a large and stable distribution platform. However, it also restricts its access to other third parties because DekaBank is not allowed to actively sell mutual funds to retail customers outside the savings bank universe. Moreover, compared with other asset managers, DekaBank has very limited franchise recognition abroad. Also, the savings banks' sales of DekaBank products appear to have room for improvement, partly a reflection of the savings banks' client base. DekaBank products suffered from mediocre investment performance over 2010-2013 and a resulting loss of market share. Since then, performance of key funds, equity funds in particular, has recovered, which should help stabilize DekaBank's business position. DekaBank's product suite is largely focused on actively managed funds--which generally tend to be subject to heightened cost-reward scrutiny--real estate funds, and certificates. It has a marginal position in the still-small but faster-growing market for exchange-traded funds.

Apart from fee income on asset management products, the largest profit contribution is from DekaBank's trading operations, mainly in money market and securities lending products, derivatives, and securities commission trading. We generally consider trading revenues to be less stable and more exposed to market confidence. However, at DekaBank they also include earnings on the bank's certificates business, which are essentially market-linked asset management products issued by DekaBank to clients and are therefore on the bank's balance sheet. German savings banks are the main trading partners. Stand-alone lending activities (excluding longer-term loans to savings banks) are minor, with a total gross credit volume of €7.3 billion only at year-end 2016. They are mainly opportunistic exposures in infrastructure, transportation, and export finance. In addition, however, the bank also has lending exposures that are related to its asset management activities, such as commercial real estate loans (about €7.1 billion at June 30, 2017) linked to its leading property fund management activities, and investments by its treasury department related to liquidity management.

Since 2011, when it was taken over fully by the German savings banks, DekaBank has consistently renewed its focus on the asset management business and reduced its risk appetite. Based on this strategy and savings banks ownership, we anticipate that the bank will continue to focus on transforming into a servicer for the savings banks in all asset management and securities-related issues, and continue its integration with the savings banks via its established liquidity exchange platform. We also anticipate that the share of its commercial banking exposures will remain minor and long-term growth will be linked mainly to its asset management activities. These strategic priorities should provide stability to DekaBank's market position although revenues will likely remain sensitive to capital market conditions.

Table 2

DekaBank Deutsche Girozentrale: Business Position

	Fiscal year end Dec. 31				
(€ mil.)	**2017***	**2016**	**2015**	**2014**	**2013**
Total revenues from business line (currency in millions)	793	1,654	1,588	1,787	1,605
Commercial banking/total revenues from business line	38.6	27.1	29.3	30.9	28.1
Asset management/total revenues from business line	67.9	69.8	67.7	57.7	59.4
Other revenues/total revenues from business line	(6.5)	3.1	3.1	11.3	12.5
Return on equity	7.0	5.8	7.7	14.0	8.1

*As of June 30, 2017.

Table 3

Divisional Economic Pretax Profit Composition DekaBank Deutsche Girozentrale (€ mil.)*

Business Division Name	Main Activities	2016	2015
Securities	Actively managed securities mutual funds, specialty funds	338.5	306.0
Real Estate	Open-ended mutual or closed property funds, commercial property finance	128.5	164.0
Capital Markets	Money market, foreign exchange, certificates, derivatives, commission trading	202.3	275.3
Financing	Corporate finance, transportation & export finance	(172.5)	(19.1)
Non-core	Legacy corporate finance, leveraged loans, securitizations	18.2	31.3
Other	Other/consolidation	(99.9)	(146.9)
Economic Pretax Profit		415.1	610.6

*Reflects business divisions split as of Dec. 31, 2016: New division as of Jan. 1, 2017: Asset Management Services.

Capital and earnings: Capital ratios benefit from amendments to DekaBank's market risk models, but will be partly offset by expected loan growth

Our assessment of DekaBank's capital and earnings reflects our view that our risk-adjusted capital (RAC) ratio before diversification for the bank will trend toward 9.5%-10.0% over the next 12-18 months. This is near our threshold for a higher capital and earnings score. However, we would need to be convinced that the ratio will remain sustainably above 10% before we assign a higher score. We consider that there are difficulties in predicting DekaBank's earnings and its likely higher growth in lending exposures.

The RAC ratio was 10.3% at year-end 2016, based on our "Risk-Adjusted Capital Framework Methodology," published July 20, 2017. This is a strong improvement from 2015. The improvement reflects regulators' approval allowing DekaBank to apply its internal value-at-risk models for measuring generic interest rate risk and equity exposures. It measured these risks based on a regulatory standardized approach previously, which resulted in much higher reported exposures. We use regulatory exposure data as an input factor in our RAC model.

However, we project that some of the benefits of its more-sensitive market risk reporting will be offset by accelerated loan growth in areas such as commercial real estate and asset finance. In our projection, this leads DekaBank's RAC ratio to decline because risk exposure growth is likely to outpace earnings retention. Underlying this is our assumption of an economic pretax profit ("economic results") of €400 million-€500 million in 2017 and 2018. The economic results are DekaBank's management earnings metric and are broadly equivalent to total comprehensive income under International Financial Reporting Standards, but on a pretax basis and with a few add-ons and forward-looking management adjustments. It is appropriate to consider this metric in addition to reported net income, given that roughly half of DekaBank's total balance sheet assets are held at fair value (including derivatives' credit amount) and that often the bank doesn't apply hedge accounting even though economic hedges exist.

Our RAC ratio for DekaBank is materially lower than the regulatory fully-loaded Core Equity Tier 1 ratio of 16.7% at year-end 2016 (18% at June 30, 2017). This primarily indicates our more conservative approach to its loan and securities portfolio as well as higher charges for credit valuation adjustment, which require a higher buffer under our RAC framework. Overall, regulatory capitalization is well positioned to meet current and future minimum requirements, given DekaBank's high starting point and high share of capital-light income from asset management.

Table 4

DekaBank Deutsche Girozentrale: Capital And Earnings

	Fiscal year end Dec. 31				
(€ mil.)	**2017***	**2016**	**2015**	**2014**	**2013**
Tier 1 capital ratio	20.3	19.2	14.4	14.1	15.6
S&P RAC ratio before diversification	N.M.	10.3	8.8	8.9	8.7
S&P RAC ratio after diversification	N.M.	9.5	8.7	9.0	9.0
Adjusted common equity/total adjusted capital	90.4	90.1	89.9	88.7	90.0
Net interest income/operating revenues	5.3	4.4	8.4	13.5	15.8
Fee income/operating revenues	72.3	66.9	70.2	56.4	58.3
Market-sensitive income/operating revenues	20.5	23.3	15.0	28.2	24.9
Noninterest expenses/operating revenues	67.0	61.4	60.8	52.6	64.5
Preprovision operating income/average assets	0.6	0.7	0.6	0.7	0.5
Core earnings/average managed assets	0.4	0.3	0.3	0.5	0.3

*As of June 30, 2017. N.M.--Not meaningful.

Table 5

DekaBank Deutsche Girozentrale RACF [Risk-Adjusted Capital Framework] Data

(Mil. €)	Exposure*	Basel III RWA	Average Basel III RW (%)	S&P Global Ratings RWA	Average S&P Global Ratings RW (%)
Credit risk					
Government and central banks	18,656	67	0	581	3
Institutions and CCPs	28,982	3,807	13	5,845	20
Corporate	22,488	9,028	40	17,432	78
Retail	92	52	57	56	60
Of which mortgage	0	0	0	0	0
Securitization§	348	270	78	281	81
Other assets†	578	510	88	705	122
Total credit risk	71,144	13,734	19	24,899	35
Credit valuation adjustment					
Total credit valuation adjustment	--	1,411	--	6,332	--
Market risk					
Equity in the banking book	654	1,304	199	4,684	716
Trading book market risk	--	4,478	--	7,393	--
Total market risk	--	5,782	--	12,077	--
Operational risk					
Total operational risk	--	2,887	--	3,364	--
		Basel III RWA		**S&P Global Ratings RWA**	**% of S&P Global Ratings RWA**
Diversification adjustments					
RWA before diversification		23,813		46,673	100
Total Diversification/Concentration Adjustments		--		3,964	8
RWA after diversification		23,813		50,637	108
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**S&P Global Ratings RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		4,564	19.2	4,804	10.3
Capital ratio after adjustments‡		4,564	19.2	4,804	9.5

*Exposure at default. §Securitisation Exposure includes the securitisation tranches deducted from capital in the regulatory framework. †Other assets includes Deferred Tax Assets (DTAs) not deducted from ACE. ‡Adjustments to Tier 1 ratio are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. Sources: Company data as of Dec. 31, 2016, S&P Global Ratings.

Risk position: Lower level of diversification and higher potential operational and reputational risks than peers

Our risk position assessment for DekaBank reflects the bank's lower-than-peers risk diversification and focus on wholesale-oriented portfolios with higher single-name concentrations. In addition, we believe that our RAC ratio could understate certain risks, such as operational and reputational risks intrinsic to DekaBank's asset-management and trading businesses, given its strong focus on these activities. The recent emergence of certain tax-related risks stemming from DekaBank's historic securities lending activities ('cum-cum' transactions) are an example of these risks.

Moreover, we consider that DekaBank's still high usage of derivatives indicates a greater complexity of operations compared with domestic banks with a similar economic risk exposure. Furthermore, credit spread risks from its securities holdings could contribute to earnings volatility.

In general, we regard DekaBank's commercial banking business as riskier than its core asset-management activities. In particular, it is focused on segments that we consider to be potentially cyclical such as commercial real estate and transportation finance (including shipping, with €1.2 billion gross credit volume at June 30, 2017). This is mitigated by the relatively small size of DekaBank's loan book compared with its equity base. New provisions for shipping loans are behind the negative earnings in DekaBank's Financing segment (see table 3) in 2016, which however is no longer large enough to pose a major risk for DekaBank. The bank cut the remaining exposure by about 25% in the first six months of 2017. DekaBank's large share of securities investments, amounting to €28.8 billion on June 30, 2017, is mainly driven by liquidity placed by German savings banks, which has been reinvested, and because of its own treasury and capital markets business.

Table 6

DekaBank Deutsche Girozentrale: Risk Position

	Fiscal year end Dec. 31				
(€ mil.)	**2017***	**2016**	**2015**	**2014**	**2013**
Growth in customer loans	5.9	7.7	2.4	(5.9)	(17.1)
Total diversification adjustment / S&P RWA before diversification	N.M.	N.M.	0.6	(0.8)	(2.7)
Total managed assets/adjusted common equity (x)	21.6	19.9	25.5	29.0	32.2
New loan loss provisions/average customer loans	(0.0)	1.1	0.4	0.0	0.1
Net charge-offs/average customer loans	1.8	0.6	0.2	0.3	2.6
Gross nonperforming assets/customer loans + other real estate owned	2.8	4.7	4.4	4.8	3.9
Loan loss reserves/gross nonperforming assets	29.6	39.1	30.2	22.8	31.4

*As of June 30, 2017.

Funding and liquidity: Broadly matched funding and liquidity access through the savings banks mitigates the high share of short-term wholesale funding

Our overall assessment of both funding and liquidity clearly benefits from expected sustainable access to the savings banks and the liquidity DekaBank can raise through its asset-management business. It also benefits from a sizable portfolio of broad liquid assets representing about 50% of the bank's balance sheet. These factors mitigate the bank's strong reliance on short-term wholesale funding, a weakness compared with the average funding profile of banks in Germany.

Given its lack of retail deposit franchise, DekaBank is likely to remain purely wholesale funded. In particular, short-term wholesale funding accounted for 51% of the funding base on June 30, 2017. This is significantly higher than other German banks. However, DekaBank largely applies a matched funding policy and maintains a large pool of liquid assets. Therefore, we consider that its funding profile is appropriate for its assets. This is further underpinned by its stable funding ratio (SFR), which we anticipate to be sustainably around 100% (indicating that long-term funding needs are fully covered by available stable funding), and broad liquid assets-to-wholesale funding ratio (BLAST) of about 1.0x (indicating its ability to meet short-term liabilities under stressed wholesale funding conditions). DekaBank's regulatory liquidity coverage ratio (group level) stood at 159% on June 30, 2017, higher than normal given that over the reporting date DekaBank temporarily parked bond repayments in liquid assets.

Qualitatively, the institutional character of DekaBank's customer depositors is not fully reflected in DekaBank's SFR and BLAST ratios. Institutional customer deposits are less granular and more confidence sensitive than retail deposits and therefore exposed to higher outflow risk than assumed in our ratios. This is mitigated by our understanding that about €20 billion of its money market funding is sourced from either investment funds, partly those managed by DekaBank, which need to hold minimum amounts of statutory liquidity, or from the German savings banks sector, which should exhibit stronger permanence than other bank deposits.

Table 7

DekaBank Deutsche Girozentrale: Funding And Liquidity					
	Fiscal year end Dec. 31				
(€ mil.)	**2017***	**2016**	**2015**	**2014**	**2013**
Core deposits/funding base	32.0	29.5	27.3	24.5	20.5
Customer loans (net)/customer deposits	69.6	84.7	67.1	71.2	87.2
Long term funding ratio	51.7	49.8	41.0	36.9	44.0
Stable funding ratio	119.2	105.1	96.0	84.8	90.5
Short-term wholesale funding/funding base	51.2	53.7	62.1	66.2	58.4
Broad liquid assets/short-term wholesale funding (x)	1.2	1.1	1.0	0.9	1.0
Net broad liquid assets/short-term customer deposits	38.1	21.4	2.7	(17.7)	(8.5)
Short-term wholesale funding/total wholesale funding	74.7	75.4	84.9	87.1	73.0
Narrow liquid assets/3-month wholesale funding (x)	1.3	1.1	1.2	1.4	0.9

*As of June 30, 2017.

Support: Four notches of uplift for potential group support by German savings banks

We consider DekaBank as a core subsidiary of its sole owner, the network of German savings banks, whose group credit profile we assess at 'a+' (see "Credit FAQ: How We Rate German Savings Banks," published Aug. 19, 2016, on RatingsDirect). We believe that the savings banks through the DSGV would support DekaBank under any circumstances. As a result, the long-term issuer credit rating on DekaBank is four notches higher than its SACP.

We believe that the savings banks would also seek to prevent a regulatory resolution scenario at DekaBank because of its important role for the sector. Therefore, we take the ICR as the starting point to derive the ratings on DekaBank's senior subordinated debt. We deduct one notch for subordination from the ICR, resulting in 'A' ratings on these debt obligations. A resolution scenario and therefore a potential bail-in of DekaBank's senior subordinated debt instruments might occur in the unlikely event that it were to reach a point of non-viability and not be supported by its owners. DekaBank has been classified as an "other systemically important institution" by the German Federal Financial Supervisory Authority (BaFin). However, we classify the likelihood of the German government providing extraordinary support to systemic domestic banks as uncertain, as is the case for most other European banks. This is because, following the full implementation of the EU's enhanced bank resolution framework in 2015, governments such as Germany that wish to provide support to stressed banks are constrained from directly bailing them out.

The German savings banks hold 100% in DekaBank via their central association Deutscher Sparkassen- und Giroverband. In our view, the savings banks are unlikely to surrender control of DekaBank given the track record of increased strategic alignment since the complete takeover in 2011. Also, the savings banks and DekaBank largely rely on each other in the production and distribution of retail mutual fund products. We understand that expanding investment advisory activities including sales of mutual funds are integral to the savings banks' strategy in light of shrinking net interest margins due to the low interest rate environment and competition. Moreover, the supervisory board of DekaBank comprises representatives of German savings banks and their regional associations, who are ultimately in charge of deciding on behalf of the German savings banks' institutional protection scheme whether support should be granted to DekaBank. Therefore, we believe that the German savings banks are able to detect problems early and organize support, as appropriate, in a timely fashion.

We consider DekaBank's strategy of deeper integration with the savings banks as a positive, pursued since the 2011 takeover by the savings banks. On top of expanding its existing asset management service, DekaBank provides holistic support to savings banks in their investment advisory and securities processing operations. We understand that DekaBank tools are firmly integrated into the savings banks' central IT system and standard process design.

Additional rating factors: None

No additional factors affect this rating.

Related Criteria

- Criteria - Financial Institutions - General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria - Financial Institutions - Banks: Bank Rating Methodology And Assumptions: Additional Loss-Absorbing Capacity, April 27, 2015
- Criteria - Financial Institutions - Banks: Bank Hybrid Capital And Nondeferrable Subordinated Debt Methodology And Assumptions, Jan. 29, 2015
- General Criteria: Group Rating Methodology, Nov. 19, 2013
- Criteria - Financial Institutions - Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions, July 17, 2013
- Criteria - Financial Institutions - Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
- Criteria - Financial Institutions - Banks: Banks: Rating Methodology And Assumptions, Nov. 9, 2011
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Criteria - Financial Institutions - Banks: Commercial Paper I: Banks, March 23, 2004

Related Research

- Credit FAQ: How We Rate German Savings Banks, Aug. 19, 2016
- Banking Industry Country Risk Assessment: Germany, Oct. 11, 2017
- Various German Banks' Snr Unsecured Debt Lowered/Affirmed After Notes Review; Off Watch; Four Banks Remain On Watch, Feb. 9, 2017

Anchor Matrix

Industry Risk	Economic Risk									
	1	2	3	4	5	6	7	8	9	10
1	a	a	a-	bbb+	bbb+	bbb	-	-	-	-
2	a	a-	a-	bbb+	bbb	bbb	bbb-	-	-	-
3	**a-**	a-	bbb+	bbb+	bbb	bbb-	bbb-	bb+	-	-
4	bbb+	bbb+	bbb+	bbb	bbb	bbb-	bb+	bb	bb	-
5	bbb+	bbb	bbb	bbb	bbb-	bbb-	bb+	bb	bb-	b+
6	bbb	bbb	bbb-	bbb-	bbb-	bb+	bb	bb	bb-	b+
7	-	bbb-	bbb-	bb+	bb+	bb	bb	bb-	b+	b+
8	-	-	bb+	bb	bb	bb	bb-	bb-	b+	b
9	-	-	-	bb	bb-	bb-	b+	b+	b+	b
10	-	-	-	-	b+	b+	b+	b	b	b-

Ratings Detail (As Of October 16, 2017)

DekaBank Deutsche Girozentrale	
Counterparty Credit Rating	A+/Stable/A-1
Commercial Paper	
Local Currency	A-1
Senior Unsecured	A+
Short-Term Debt	A-1
Counterparty Credit Ratings History	
09-Feb-2017	A+/Stable/A-1
14-Aug-2015	A/Positive/A-1
08-Dec-2011	A/Stable/A-1
Sovereign Rating	
Germany (Federal Republic of)	AAA/Stable/A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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