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Sydbank among best rated banks in Europe

International ratings agency Moody's updated its rating of Sydbank in April 2020. Moody's has affirmed Sydbank's A1 long-term deposit rating, which is one of the top ratings in Europe.

- Moody's rating reflects the fact that Sydbank is considered to have a sound capital base. We are strongly capitalised with significant excess capital and we have ample liquidity. Both of these elements are extremely important in a crisis situation such as this, says Deputy Group Chief Executive Bjarne Larsen from Sydbank.

Commendable credit quality

Sydbank has reversed impairment charges for 11 consecutive quarters. A sign that credit quality is high. Moody's analysis highlights the fact that the newest loan facilities are also of a good quality.

- Our cautious approach in terms of our advice means especially in the current situation that there is a higher degree of security and quality in the facilities granted and Moody's acknowledges this, says Bjarne Larsen.

As to where the challenges will come from, Moody's points to market conditions caused by the coronavirus which, according to Moody's, could lead to some deterioration in credit quality in the coming quarters. Moody's also rates countries and Denmark's AAA rating puts it at the very top as an economically sound country. In addition Moody's announced in March 2020 that it had changed its overall outlook on the Danish banking sector and its expectations for the future were changed from stable to negative as a result of the coronavirus outbreak.

Outlook	Stable
Counterparty Risk Rating	A1/P-1
Bank Deposits	A1/P-1
Baseline Credit Assessment	baa1
Adjusted Baseline Credit Assessment	baa1
Counterparty Risk Assessment	A1(cr)/P-1(cr)
Senior Unsecured MTN	(P)A1
Junior Senior Unsecured	Baa1
Junior Senior Unsecured MTN	(P)Baa1
Subordinate	Baa2
Pref. Stock Non-cumulative	Ba1 (hyb)
Other Short Term	(P)P-1