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Correction - Fitch Affirms Ratings of Covered Bonds Issued Under 40 Programmes

Ratings
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Fitch Ratings-London/Frankfurt-28 August 2009: This announcement corrects the version issued on 5 August 2009. The supporting Asset Percentage (AP) assigned to Unicredit S.p.A.'s mortgage covered bond rating in the table at the end of this comment is 82.0%, and not 78.0% as previously stated.

Fitch Ratings has today affirmed the ratings of the covered bonds issued under 40 programmes related to 39 issuers which had been under analysis since 7 July 2009 pending the implementation of Fitch's new refinancing cost assumptions. The ratings have been affirmed following the implementation of the agency's updated assumptions. A full rating breakdown is provided at the end of this comment.

Following the implementation of its revised modelling assumptions for covered bonds, Fitch calculated the levels of overcollateralisation (OC) in line with the relevant stress scenarios (the supporting OC) and compared this to the level of available OC. For issuers with a Short-term rating of at least 'F2', the agency considers the programme's available OC as the lowest level of OC recorded during the preceding 12 months or the level of OC the issuer publicly commits to maintain. For issuers with a Short-term rating of 'F3' or an equivalent Long-term rating or below, in the absence of valid contractual or otherwise public commitments, the cash flow analysis is run giving credit to the minimum level of OC, if any, required by the relevant covered bond legislation and/or regulations. The programmes related to the ratings affirmed by Fitch today either already had an available OC level that was higher than the supporting OC, or the issuers increased OC above the supporting OC.

Supporting OC levels have increased in the large majority of cases. Lower OC for certain programmes have resulted from significant structural changes, such as a transition to partial pass through covered bonds, or the current low interest rates, for unhedged portfolios, amongst others.

Fitch will release updated supporting OC or asset percentage (AP) levels when it publishes further comments or reports on the programmes. In the meantime, Fitch will notify issuers of any changes to their levels. Going forward, supporting OC and AP levels will be affected, amongst others factors, by the profile of the cover assets relative to outstanding covered bonds, which can change over time, even in the absence of new issuances. Therefore, it cannot be assumed that a given percentage of OC supporting the assigned rating will remain stable. Fitch monitors the key characteristics of cover assets and outstanding covered bonds on an ongoing basis, and checks whether the OC taken into account in its analysis provides protection commensurate with the rating. OC measures the difference between the cover assets and covered bonds as a percentage of the covered bonds, whilst AP measures the covered bonds as a percentage of cover assets.

The ratings for all covered bond programmes within Fitch's rating universe that were not affirmed by the agency today, or separately since the 7 July 2009 announcement, remain under analysis. These include ratings for issuers that are considering their plans regarding OC, are in the process of implementing higher OC levels or other enhancements, or have not yet received final feedback regarding their supporting OC levels. Fitch aims to communicate rating affirmations on a monthly basis and downgrades on an ad hoc basis during the three-month implementation timeframe for its updated criteria. For further information, please see the criteria report entitled "Assessment of Liquidity Risks in Covered Bonds" which is available at www.fitchratings.com.

For each programme listed below, the affirmed covered bonds rating is listed along with the rating of the covered bonds on a probability of default (PD) basis and the supporting OC or AP.

The covered bonds issued under the 40 programmes are affirmed as follows:

Banca Carige, mortgage covered bond rating 'AAA' (PD rating 'AA+'; supporting AP 82.8%)
 Banca Popolare di Milano, mortgage covered bond rating 'AAA' (PD rating 'AA+'; supporting AP 84.5%)
 Banco BPI, Mortgage: covered bond rating 'AAA' (PD rating 'AA+'; supporting OC 12.5%)
 Banco Comercial Portugues, mortgage covered bond rating 'AAA' (PD rating 'AA+'; supporting OC 9.1%)
 Banco de Andalucia, mortgage covered bond rating 'AAA' (PD rating 'AA+'; supporting OC 46.4%)
 Banco Espanol de Credito S.A. (Banesto), mortgage covered bond rating 'AAA' (PD rating 'AA+'; supporting OC 30.2%)
 Banco Guipuzcoano, mortgage covered bond rating 'AA+' (PD rating 'AA-'; supporting OC 73.4%)
 Banco Popular Espanol, mortgage covered bond rating 'AAA' (PD rating 'AA+'; supporting OC 65.5%)
 Banco Santander Totta SA, mortgage covered bond rating 'AAA' (PD rating 'AAA'; supporting OC 16.9%)

Banco Santander, mortgage covered bond rating 'AAA' (PD rating 'AA+'; supporting OC 39.1%)
 Bank of Montreal, Mortgage: covered bond rating 'AAA' (PD rating 'AAA'; supporting AP 93.0%)
 Bankinter, mortgage covered bond rating 'AAA' (PD rating 'AA'; supporting OC 71.5%)
 Bayerische Landesbank, public sector covered bond rating 'AAA' (PD rating 'AAA'; supporting OC 6.4%)
 BNP Paribas Covered Bonds, mortgage covered bond rating 'AAA' (PD rating 'AAA'; supporting AP 90.0%)
 BNP Paribas Public Sector SCF, public sector covered bond rating 'AAA' (PD rating 'AAA'; supporting OC 6.4%)
 Caixa de Aforros de Vigo, Ourense e Pontevedra (Caixanova), mortgage covered bond rating 'AA+' (PD rating 'AA-'; supporting OC 69.8%)
 Caixa Geral de Depositos, mortgage covered bond rating 'AAA' (PD rating 'AAA'; supporting OC 11.5%)
 Caja de Ahorros de Murcia, mortgage covered bond rating 'AAA' (PD rating 'AA'; supporting OC 44.4%)
 Cajamar Caja Rural, Sociedad Cooperativa de Credito (Cajamar), expected mortgage covered bond rating 'AA+' (expected PD rating 'AA-'; supporting OC 73.4%)
 Canadian Imperial Bank of Commerce, mortgage covered bond rating 'AAA' (PD rating 'AAA'; supporting AP 95%)
 CM-CIC Covered Bonds, mortgage covered bond rating 'AAA' (PD rating 'AAA'; supporting AP 88.7%)
 COREALCREDIT BANK AG, public sector covered bond rating 'AAA' (PD rating 'AA'; supporting OC 4.7%)
 Coventry Building Society, mortgage covered bond rating 'AAA' (PD rating 'AAA'; supporting AP 92.5%)
 Credit Agricole Covered Bonds, mortgage covered bond rating 'AAA' (PD rating 'AAA'; supporting AP 90.2%)
 Dexia Municipal Agency (DMA), public sector covered bond rating 'AAA' (PD rating 'AA+'; supporting OC 4.8%)
 Duesseldorfer Hypothekenbank AG, public sector covered bond rating 'AAA' (PD rating 'AAA'; supporting OC 7.3%)
 EUROHYPO Europaeische Hypothekenbank SA, public sector covered bond rating 'AAA' (PD rating 'AA'; supporting OC 12.0%)
 Landesbank Baden-Wuerttemberg, public sector covered bond rating 'AAA' (PD rating 'AAA'; supporting OC 10.1%)
 Landesbank Berlin AG, public sector covered bond rating 'AAA' (PD rating 'AAA'; supporting OC 9.2%)
 Landesbank Hessen-Thueringen Girozentrale, mortgage covered bond rating 'AAA' (PD rating 'AA+'; supporting OC 18.5%)
 Landesbank Hessen-Thueringen Girozentrale, public sector covered bond rating 'AAA' (PD rating 'AAA'; supporting OC 11.9%)
 Nationwide Building Society, mortgage covered bond rating 'AAA' (PD rating 'AAA'; supporting AP 85.1%)
 Newcastle Building Society, mortgage covered bond rating 'AAA' (PD rating 'AA'; supporting AP 89.0%)*
 Royal Bank of Canada, mortgage covered bond rating 'AAA' (PD rating 'AAA'; supporting AP 93.0%)
 Skipton Building Society, mortgage covered bond rating 'AAA' (PD rating 'AAA'; supporting AP 94.5%)
 SNS Bank N.V., mortgage covered bond rating 'AAA' (PD rating 'AA+'; supporting AP 76.4%)
 Societe Generale SCF, public sector covered bond rating 'AAA' (PD rating 'AA+'; supporting OC 7.0%)
 Unicredit S.p.A., mortgage covered bond rating 'AAA' (PD rating 'AA+'; supporting AP 82.0%)
 Unione di Banche Italiane Scpa - UBI Banca, expected mortgage covered bond rating 'AAA' (expected PD rating 'AA+'; supporting AP 82.4%)
 Yorkshire Building Society, mortgage covered bond rating 'AAA' (PD rating 'AA+'; supporting AP 82.3%)

*The Discontinuity Factor of 6.5% has been affirmed for the Newcastle Building Society's mortgage covered bond programme following the implementation of planned programme enhancements in July.

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