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International

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S&P Takes Ratings Actions on Several U.K., German, Swiss, and Austrian Banks

- Standard & Poor's has announced a range of revisions to their credit rating of certain U.K., German, Austrian, and Swiss banks following a review of government support for the banking sector in each country.
- These actions reflect the agency's view that extraordinary government support is now unlikely in the case of U.K. and Swiss non-operating holding companies, and is likely to become less predictable for operating companies in the U.K., Germany, and Austria.
- The expectation of diminished support follows newly enacted legislation that fully implemented the rules contained in the EU's Bank Recovery and Resolution Directive (BRRD) with effect from Jan. 1, 2015.
- The exception appears to be the Swiss Banks, where government support for the operating subsidiaries still appears likely.

Key Companies Affected:

Bank	Credit Rating	Outlook
Barclays PLC	BBB	Stable
Credit Suisse Group AG	BBB+	Stable
HSBC Holdings PLC	A	Stable
HSBC USA Inc.	A	Stable
Lloyds Banking Group PLC	BBB	Positive
Royal Bank of Scotland Group PLC	BBB-	Stable
Standard Chartered PLC	A-	Stable

- In addition to the credit rating downgrades, the agency also indicated that several European banking institutions have been placed on CreditWatch (with negative implications) with the intention of resolving these placements by early May 2015.



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