

South African National Scale Bank Ratings Raised After Criteria Review; Removed From Under Criteria Observation

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JOHANNESBURG (S&P Global Ratings) July 2, 2018--S&P Global Ratings today raised its national scale ratings on South Africa's financial institutions and removed them from under criteria observation (UCO). We had placed the ratings on UCO on June 25, 2018, pending our review following the revision of our criteria on national scale ratings and subsequent recalibration of the mapping table for South Africa. As a result of our review, we have raised our national scale ratings on the issuers, issues, and programs in the ratings list below.

For the new mapping, please see "S&P Global Ratings' National And Regional Scale Mapping Specifications," and "Guidance: S&P Global Ratings' Methodology For National And Regional Scale Mapping Specifications," both published June 25, 2018, on RatingsDirect.

These rating actions do not reflect any change in the fundamental credit quality of the issuers or issues. Our global scale issuer and issue credit ratings on the entities are not affected by today's rating actions. National scale ratings express our opinion of the creditworthiness of an issuer or a debt instrument relative to other issuers in a given country.

RELATED CRITERIA

South African National Scale Bank Ratings Raised After Criteria Review; Removed From Under Criteria Observation

- General Criteria: Methodology For National And Regional Scale Credit Ratings, June 25, 2018
- Criteria - Financial Institutions - General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- Methodology For Assigning Financial Institution Resolution Counterparty Ratings, April 19, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings , April 7, 2017
- General Criteria: Guarantee Criteria, Oct. 21, 2016
- 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: Principles For Rating Debt Issues Based On Imputed Promises, Dec. 19, 2014
- General Criteria: Group Rating Methodology, Nov. 19, 2013
- General Criteria: Ratings Above The Sovereign--Corporate And Government Ratings: Methodology And Assumptions, Nov. 19, 2013
- Criteria - Financial Institutions - Banks: Assessing Bank Branch Creditworthiness, Oct. 14, 2013
- Criteria - Financial Institutions - Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions, July 17, 2013
- Criteria - Financial Institutions - Banks: Banks: Rating Methodology And Assumptions, Nov. 9, 2011
- Criteria - Financial Institutions - Banks: Banking Industry Country Risk Assessment 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

- Some South Africa National Scale Ratings Under Criteria Observation On Revised National Scale Credit Rating Methodology, June 25, 2018
- Guidance: S&P Global Ratings' Methodology For National And Regional Scale Mapping Specifications, June 25, 2018
- South Africa Foreign And Local Currency Ratings Affirmed At 'BB' And 'BB+'; Outlook Stable, May 25, 2018

RATINGS LIST

* * * * * Absa Bank Ltd. * * * * *

Upgraded

	To	From
Absa Bank Ltd. Counterparty Credit Rating South Africa National Scale	zaAA+	zaAA-

South African National Scale Bank Ratings Raised After Criteria Review; Removed From Under Criteria Observation

* * * * * African Bank Ltd. * * * * *
Upgraded

To From

African Bank Ltd.
Counterparty Credit Rating
South Africa National Scale zaA- zaBBB

* * * * * BNP Paribas * * * * *
Upgraded

To From

BNP Paribas Personal Finance South Africa Ltd.
Counterparty Credit Rating
South Africa National Scale zaAA+ zaAA-

BNP Paribas South Africa Branch
Senior Unsecured zaAA+ zaAA-

* * * * * Capitec Bank Ltd. * * * * *
Upgraded

To From

Capitec Bank Ltd.
Counterparty Credit Rating
South Africa National Scale zaAA zaAA-

* * * * * FirstRand Ltd. * * * * *

Upgraded

To From

FirstRand Ltd.
Counterparty Credit Rating
South Africa National Scale zaA/--/zaA-1 zaBBB+/--/zaA-2

FirstRand Bank Ltd.
Counterparty Credit Rating
South Africa National Scale zaAA+ zaAA-
Subordinated zaAA- zaA
Junior Subordinated zaA zaBBB+

* * * * * Investec Bank Ltd. * * * * *
Upgraded

To From

Investec Bank Ltd.
Counterparty Credit Rating
South Africa National Scale zaAA+ zaAA-

* * * * * Nedbank Group Ltd. * * * * *

Upgraded

	To	From
Nedbank Ltd. Counterparty Credit Rating South Africa National Scale	zaAA+	zaAA-

REGULATORY DISCLOSURES

- Primary credit analyst: Samira Mensah, Director (Absa Bank Ltd., FirstRand Bank Ltd., FirstRand Ltd., Investec Bank Ltd., Nedbank Ltd.)
- Primary credit analyst: Kuziva Murigo, Rating Analyst (African Bank Ltd., BNP Paribas Personal Finance South Africa Ltd., Capitec Bank Ltd.)
- Chairperson: Mohamed Damak

Date initial rating assigned:

- Absa Bank Ltd.: Nov. 30, 2015
- African Bank Ltd.: April 5, 2016
- BNP Paribas Personal Finance South Africa Ltd.: Nov. 15, 2016
- Capitec Bank Ltd.: Oct. 13, 2015
- FirstRand Bank Ltd.: Oct. 29, 1999
- FirstRand Ltd.: April 14, 2011
- Investec Bank Ltd.: Feb. 19, 2014
- Nedbank Ltd.: Dec. 10, 2012

Date of previous review:

- Absa Bank Ltd.: June 22, 2018
- African Bank Ltd.: March 12, 2018
- BNP Paribas Personal Finance South Africa Ltd.: Nov. 29, 2017
- Capitec Bank Ltd.: Nov. 29, 2017
- FirstRand Bank Ltd.: Nov. 29, 2017
- FirstRand Ltd.: Nov. 29, 2017
- Investec Bank Ltd.: April 24, 2018
- Nedbank Ltd.: June 20, 2018

Disclaimers

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Glossary

- Counterparty credit rating: A form of issuer credit rating, which is a forward-looking opinion about an obligor's overall creditworthiness.
- Credit risk: Risk that a borrower will default on its payment obligations.
- Date initial rating assigned: The date S&P Global Ratings assigned the long-term foreign currency issuer credit rating on the entity.
- Date of previous review: The date S&P Global Ratings last reviewed the credit rating on the entity.
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- Issue credit rating: An S&P Global Ratings issue credit rating is a forward-looking opinion about the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial program (including ratings on medium-term note programs and commercial paper programs). It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. The opinion reflects S&P Global Ratings' view of the obligor's capacity and willingness to meet its financial commitments as they come due, and this opinion may assess terms, such as collateral security and subordination, which could affect ultimate payment in the event of default.
- National scale rating: An opinion of an obligor's creditworthiness or overall capacity to meet specific financial obligations, relative to other issuers and issues in a given country or region.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column. Alternatively, call one of the following S&P Global Ratings numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow 7 (495) 783-4009.

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