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Raiffeisen Schweiz Genossenschaft

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Raiffeisen Schweiz Genossenschaft

SACP	a+	
Anchor	a-	
Business Position	Adequate	0
Capital and Earnings	Very Strong	+2
Risk Position	Adequate	0
Funding	Average	0
Liquidity	Adequate	

+

Support	0
ALAC Support	0
GRE Support	0
Group Support	0
Sovereign Support	0

+

Additional Factors	0

Issuer Credit Rating
A+/Stable/A-1

Major Rating Factors

Strengths:	Weaknesses:
• The group's mutual solidarity support and joint risk management. • Solid No. 3 market position in Swiss retail markets with focus on residential mortgages. • Sound financial profile, supported by high collateralization and prudent underwriting standards. • Superior capitalization from high and stable earnings retention.	• Subpar returns on equity (ROE) by international standards, further pressured by COVID-19 and a lower-for-longer interest rate environment. • High cost base, partially attributable to a decentralized network, and further investment needs for digitalization. • Concentration risks from exposures in domestic residential real estate.

Outlook: Stable

S&P Global Ratings' stable outlook on the core group members of Swiss Cooperative Raiffeisen Group (Swiss Raiffeisen Group), including Raiffeisen Schweiz Genossenschaft (RCH), reflects our expectation that over a 24-month horizon, Swiss Raiffeisen Group's robust financial position will help it withstand the weakened operating conditions and Swiss recession amid the COVID-19 pandemic. We forecast that Swiss Raiffeisen -Group will remain sufficiently profitable, bolstering its superior capitalization as indicated by maintaining our 20%-21% risk-adjusted capital (RAC) ratio through 2022 and despite strong pressures on interest margins and manageable risk cost increases.

Downside scenario

We could lower our rating on RCH within the next 12-24 months if the operating environment, particularly the Swiss housing market, further deteriorates materially or the start of the expected market recovery is delayed beyond 2021, leading to a more pronounced setback to Swiss Raiffeisen Group's profitability and asset quality, including nonperforming loans. Similarly, we will continue to monitor further progress on Swiss Raiffeisen Group's targeted efficiency and digitalization improvements while pressures from low interest rates and high competition rise.

Upside scenario

An upgrade is unlikely, reflecting the high level of the current rating and the bank's material concentration in the housing market.

An upgrade would require sustainable and substantial improvements in addressing Swiss Raiffeisen Group's structural weaknesses, such as cost efficiency and earnings diversification compared with similarly rated Swiss or international peers.

We could review our assessment once regulatory authorities consider Swiss Raiffeisen Group's resolution plan effective. If we were to conclude that Swiss Raiffeisen Group had sufficient amounts of bail-in-able instruments, such as Tier 1, Tier 2, and subordinated instruments, the group could qualify for additional loss-absorbing capital (ALAC) uplift. At the same time, we would most likely offset such an uplift with a negative rating adjustment factor, given the stronger rating fundamentals of higher-rated peers.

Rationale

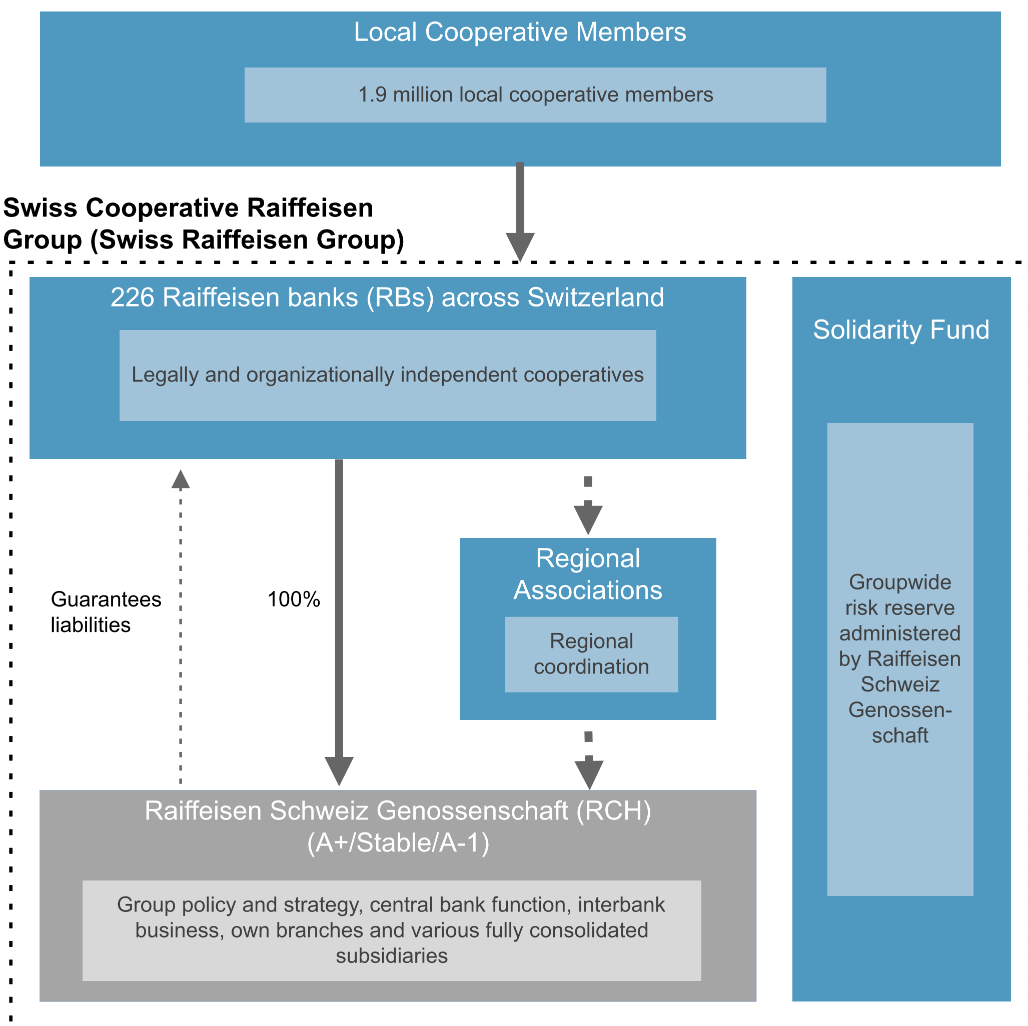
We derive our rating on RCH from our view of its core group status to the Swiss Raiffeisen Group and our assessment of the latter's leading retail market position--with a 17.6% market share in Swiss residential real estate financing and its derived business opportunities as the third-largest Swiss banking group, attracting 13.7% of Swiss retail deposits. We expect Swiss Raiffeisen Group to successfully defend its franchise long term against increasing competition, based on growth initiatives under its new "Raiffeisen 2025" strategy, and we consider its groupwide digitalization "follower" strategy as a positive factor.

We also believe Swiss Raiffeisen Group entered the COVID-19-related recession from a position of strength after having strengthened its financial and liquidity profile with stable core business performance, improving risk metrics, and increased retail deposits. In particular, we consider it has made substantial improvements in corporate governance, joint risk management, and groupwide business initiatives in recent years.

RCH, as the group's central institution will remain core for Swiss Raiffeisen Group's strategy. The group's consolidated creditworthiness (group credit profile; GCP) draws on local Raiffeisen banks' (RB's) strong domestic retail positions. We regard the group as a cohesive economic entity and expect solidarity support among member banks--if needed. We take into account the regulator's group-based oversight, a groupwide mutual guarantee scheme, as well as a strong track record of more than a century of support for group members (chart 1).

Chart 1

Swiss Raiffeisen Group Structure



In our view, Swiss Raiffeisen Group's main weakness remains its subpar profitability and high cost base compared with international peer groups. For example, its 4.9% ROE at year-end 2019 is relatively low by international standards. In part this is attributable to Swiss Raiffeisen Group's key ratings strength of superior capitalization, indicated by our 20.6% RAC ratio. This is well above many international banks and facilitated by Swiss Raiffeisen Group's prudent policy of very high earnings retention into capital reserves.

The abruptly worsened economic environment across Europe in the wake of the pandemic have weakened medium-term forecasts for Swiss Raiffeisen Group. Relative to many international peers, however, we expect Swiss Raiffeisen Group's profitability to be more resilient and the potential rise in risk cost very much manageable. Our view is substantiated by Swiss Raiffeisen Group's solid Swiss franc (CHF)443 million pretax profits at mid-year 2020, which is only slightly below half-year 2019 results, and despite prudently allocating CHF75 million into capital reserves for pandemic-related potential risk cost increases for full-year 2020. Our view is also supported by the group's domicile and lending focus, Switzerland, and our forecast that Switzerland and its residential real estate markets will perform relatively well through the crisis (see "COVID-19: Swiss Banking Sector To Remain Resilient," published on June 17, 2020, on RatingsDirect).

Anchor: 'a-' for banks operating only in Switzerland

Our criteria use our Banking Industry Country Risk Assessment (BICRA) economic risk and industry risk scores to determine a bank's anchor stand-alone credit profile (SACP), the starting point in assigning an issuer credit rating (ICR). Our anchor for a bank operating mainly in Switzerland is 'a-'. We consider the trend for economic and industry risk in Switzerland as stable.

We expect Switzerland's economy to contract materially in 2020 due to the pandemic, but to fully recover over the coming two years. Under this base case, we think the Swiss banking sector will remain resilient, supported by the country's diversified and competitive economy, very high household income, and a proven stress-resilient corporate sector. We think Swiss authorities' material support measures for domestic firms and households should cushion the short-term effect on Swiss banks' loan books. Additionally, we view positively banks' prudent loan underwriting standards and high collateralization of residential mortgage loans, which dominate most banks' customer portfolios. Considering these factors, we expect only a limited increase in credit losses, from a historic low. We also expect that affordability risk in the housing market could slightly reduce over the coming years as price growth in the owner-occupied segment is likely to remain muted in the wake of the pandemic. However, we note that a particular, ongoing risk is the investment property segment (estimated at 30% of the market), where we had already observed signs of a price correction before the pandemic.

Our view of industry risk in Switzerland encompasses the stability of the domestic banking sector and our expectation that damage from the pandemic will remain contained. We view positively the limited presence of foreign players, banks' high capitalization in an international comparison, and their low reliance on capital markets for funding. In our view, the Swiss regulator's initiatives remain more stringent than those in other European banking sectors. We expect that banks' net interest margins will further decline gradually in a permanent low interest-rate environment, as higher-yield assets mature and retail deposit rates remain floored at zero. However, we expect that repricing of lending products, additional fee income from investment advisory-related activities, and ongoing cost management can offset some of the pressure. We consider risk for Swiss banks from tech disruption as limited, given the population's preference for cash payments, the small size of the market with high barriers to entry, and technologically well-equipped banks.

Table 1

Swiss Raiffeisen Group Key Figures

		--Year-ended Dec. 31--			
(Mil. CHF)	**2020***	**2019**	**2018**	**2017**	**2016**
Adjusted assets	266,127.1	248,335.1	225,279.1	227,356.1	218,170.3
Customer loans (gross)	198,557.2	193,685.9	187,952.2	180,745.3	173,668.6
Adjusted common equity	17,838.4	17,343.4	16,366.0	15,276.2	13,926.9
Operating revenues	1,553.0	3,074.9	3,183.5	3,322.8	3,137.1
Noninterest expenses	1,038.4	2,108.1	2,297.9	2,212.5	2,266.0
Core earnings	416.7	818.6	646.7	898.6	694.3

*Data as of June 30.
CHF--CHF-Swiss Franc. N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

Business position: Leading retail franchise with a strong position in the domestic retail mortgage market

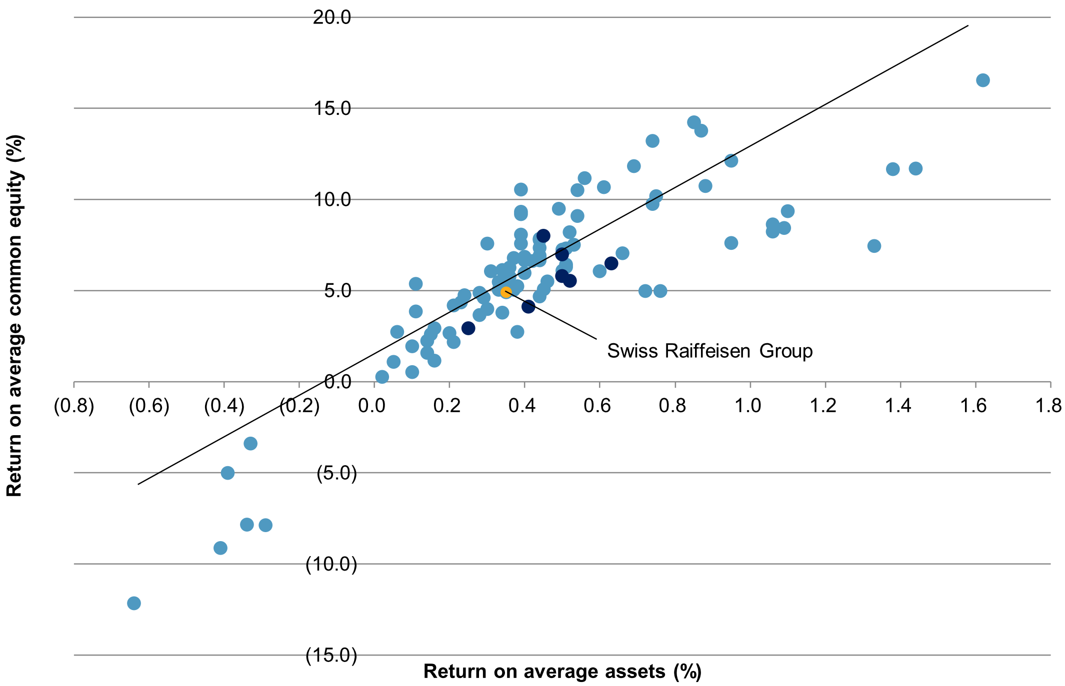
We expect Swiss Raiffeisen Group to maintain its solid position as the third-largest financial institution in Switzerland--after UBS and Credit Suisse--with a strong position in the domestic retail mortgage market complemented by nationwide corporate client activities. We anticipate the Swiss Raiffeisen Group's "Raiffeisen 2025" strategy leverages its franchise with stable and predictable revenue streams arising from its proximity to the customer, gradually diversifying fee-generating complementary services and products, and increased groupwide digitalization efforts to meet changing customer demand, improve efficiency, and avoid digital disruption. The group serves about 3.5 million private and investment clients--which represents more than 40% of the Swiss population--through its network of 226 independent RBs, which are the owners of RCH (chart 1). The relatively conservative socio-demographic structure of its customer base gives the group time to address digitalization issues. RCH's management is committed to speed up groupwide digitalization efforts, its mobile banking app is already first by number of downloads in Switzerland, and the bank is addressing related services such as digital client onboarding or open banking as part of its new "Raiffeisen 2025" strategy.

At the same time, we believe that Swiss Raiffeisen Group needs to translate its solid market position to sustainably improve profitability. Swiss Raiffeisen Group's ROE is relatively low by international standards, only partially because the sector is better capitalized than many international banks (chart 2). We expect further pressure from low interest rates until at least 2023 and the pandemic is likely to extend this period. This is further exacerbated by the high share of net interest income relative to revenue, which accounted for 75% at mid-year 2020 and which is more sensitive due to its low-margin, low-risk "bread and butter" residential real estate business with largely plain vanilla products. Accordingly, further progress in Swiss Raiffeisen Group's efficiency programs is pivotal to bring its relatively unfavorable 67% cost to income ratio (CIR) mid-year 2020 closer to its peers' (chart 3).

Chart 2

Swiss Raiffeisen Group's Low Profitability Is Only Partly Explained By High Capitalization

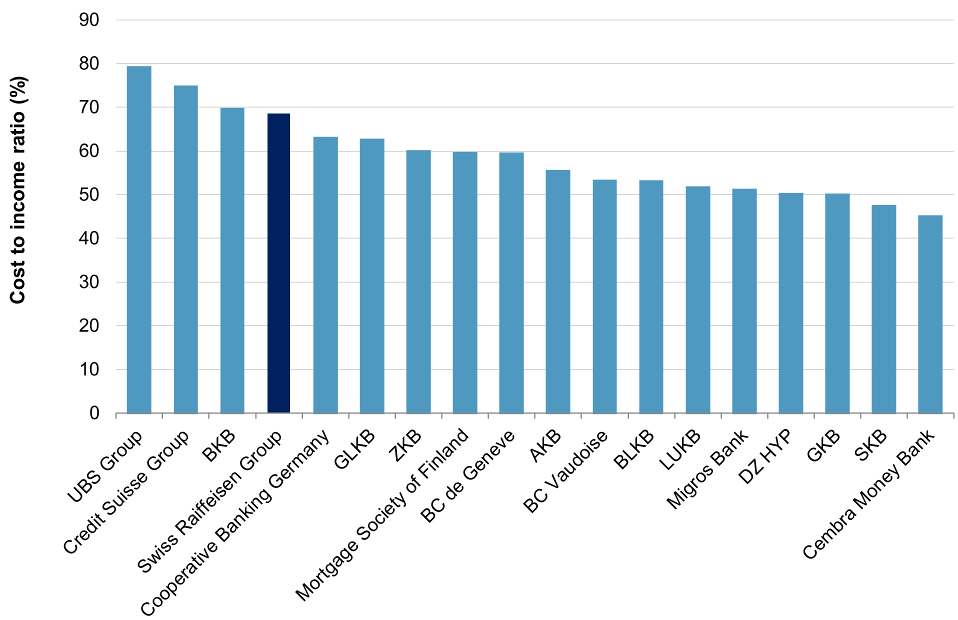
Profitability relative to European top 100 banks and Swiss peers



At year-end 2019. Source: S&P Global Ratings.

Chart 3

Swiss Raiffeisen Group Has A High Cost Base
Compared with both domestic and international peers



As of year-end 2019. Source: S&P Global Ratings.

Table 2

Swiss Raiffeisen Group Business Position					
		--Year-ended Dec. 31--			
(%)	**2020***	**2019**	**2018**	**2017**	**2016**
Loan market share in country of domicile	15.8	15.7	15.8	15.7	15.4
Deposit market share in country of domicile	13.7	13.4	13.0	13.1	13.2
Return on average common equity	3.9	4.9	3.4	6.1	N/A

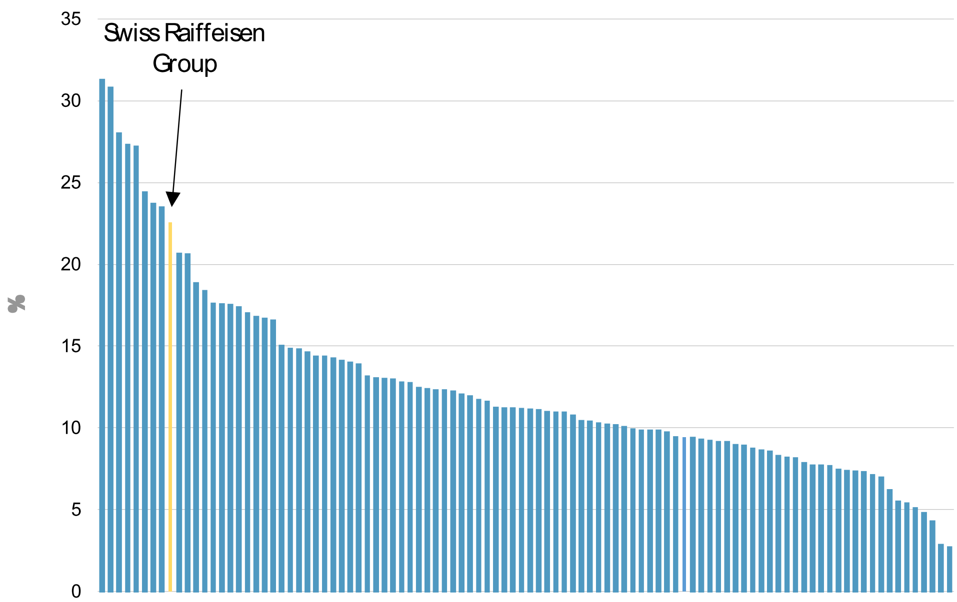
*Data as of June 30.
N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

Capital and earnings: Superior capitalization compared with global peers comfortably cushions pandemic-related risks

We anticipate that Swiss Raiffeisen Group will maintain its particular rating strength--superior capitalization--despite significantly worsened global economic conditions in 2020. We anticipate relative earnings stability due to prudent underwriting standards and resilient Swiss real estate markets, and we believe that capitalization benefits from a very high share of earnings retention into capital reserves. As a result, we expect that our main capital indicator, our RAC ratio, will hover around 21% over the next 24 months, which puts Swiss Raiffeisen Group's capitalization among the world's strongest, together with some cantonal bank peers (chart 4).

Chart 4

Swiss Raiffeisen Group Is Among Europe's Best Capitalized Banks
S&P Global Ratings' RAC ratio before diversification against European top 100 banks



As of year-end 2019. Source: Statistical Office of Switzerland, company reporting, S&P Global Ratings.

Our stable RAC ratio projection amid uncertainties from the pandemic reflects our current base-case assumptions of only moderately lower earnings and contained increases in risk cost and nonperforming loans, due to the group's very granular and well-collateralized loan portfolio. We also expect ongoing very low dividend payout ratios of about 9%.

Key elements of our base-case RAC projection for 2020-2023 include the following factors:

- We expect somewhat lower customer loan growth of 2% from Swiss Raiffeisen Group's tightened underwriting standards in 2020, before returning to a budgeted 3% growth trajectory from 2021.
- Credit loss provisions to roughly double to CHF80 million-CHF100 million in 2020, which we consider a conservative base-case scenario considering Swiss Raiffeisen Group posted much better mid-year 2020 results. From 2021, we expect credit loss provisions to gradually return to favorable pre-COVID-19 levels.

We consider the quality of capital as high with adjusted common equity consisting of almost 95% of S&P Global Ratings total adjusted capital (TAC).

Table 3

Swiss Raiffeisen Group Capital And Earnings

		--Year-ended Dec. 31--			
(%)	**2020***	**2019**	**2018**	**2017**	**2016**
Tier 1 capital ratio	N/A	18.1	17.5	17.0	16.5
S&P Global Ratings' RAC ratio before diversification	N/A	20.6	N/A	N/A	N/A
S&P Global Ratings' RAC ratio after diversification	N/A	17.4	N/A	N/A	N/A
Adjusted common equity/total adjusted capital	94.9	94.7	94.4	93.1	92.4
Net interest income/operating revenues	75.0	73.7	72.0	67.7	71.1
Fee income/operating revenues	14.9	13.5	14.2	14.9	14.9
Market-sensitive income/operating revenues	7.4	8.6	7.4	8.4	8.1
Cost to income ratio	66.9	68.6	72.2	66.6	72.2
Preprovision operating income/average assets	0.4	0.4	0.4	0.5	N/A
Core earnings/average managed assets	0.3	0.3	0.3	0.4	N/A

*Data as of June 30.
N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

Table 4

Swiss Raiffeisen Group--Risk-Adjusted Capital Framework Data

(Mil. CHF)	**Exposure***	**Basel III RWA**	**Average Basel III RW(%)**	**S&P Global Ratings RWA**	**Average S&P Global Ratings RW (%)**
Credit risk					
Government & central banks	28,855.1	0.0	0.0	33.7	0.1
Of which regional governments and local authorities	0.0	0.0	0.0	0.0	0.0
Institutions and CCPs	12,773.1	2,308.4	18.1	2,647.0	20.7
Corporate	29,178.5	26,242.3	89.9	21,104.5	72.3
Retail	170,857.9	42,512.5	24.9	40,819.8	23.9
Of which mortgage	167,136.8	39,829.7	23.8	38,755.7	23.2
Securitization§	5,681.7	1,118.4	19.7	1,118.4	19.7
Other assets†	5,828.2	3,689.3	63.3	5,795.2	99.4
Total credit risk	253,174.6	75,870.8	30.0	71,518.7	28.2
Credit valuation adjustment					
Total credit valuation adjustment	--	125.0	--	162.5	--
Market Risk					
Equity in the banking book	725.8	2,045.7	281.9	5,432.4	748.5
Trading book market risk	--	3,895.4	--	5,843.2	--
Total market risk	--	5,941.2	--	11,275.6	--
Operational risk					
Total operational risk	--	5,706.7	--	5,783.6	--
	Exposure	**Basel III RWA**	**Average Basel II RW (%)**	**S&P Global Ratings RWA**	**% of S&P Global Ratings RWA**
Diversification adjustments					
RWA before diversification	--	98,298.1	--	88,740.4	100.0

Table 4

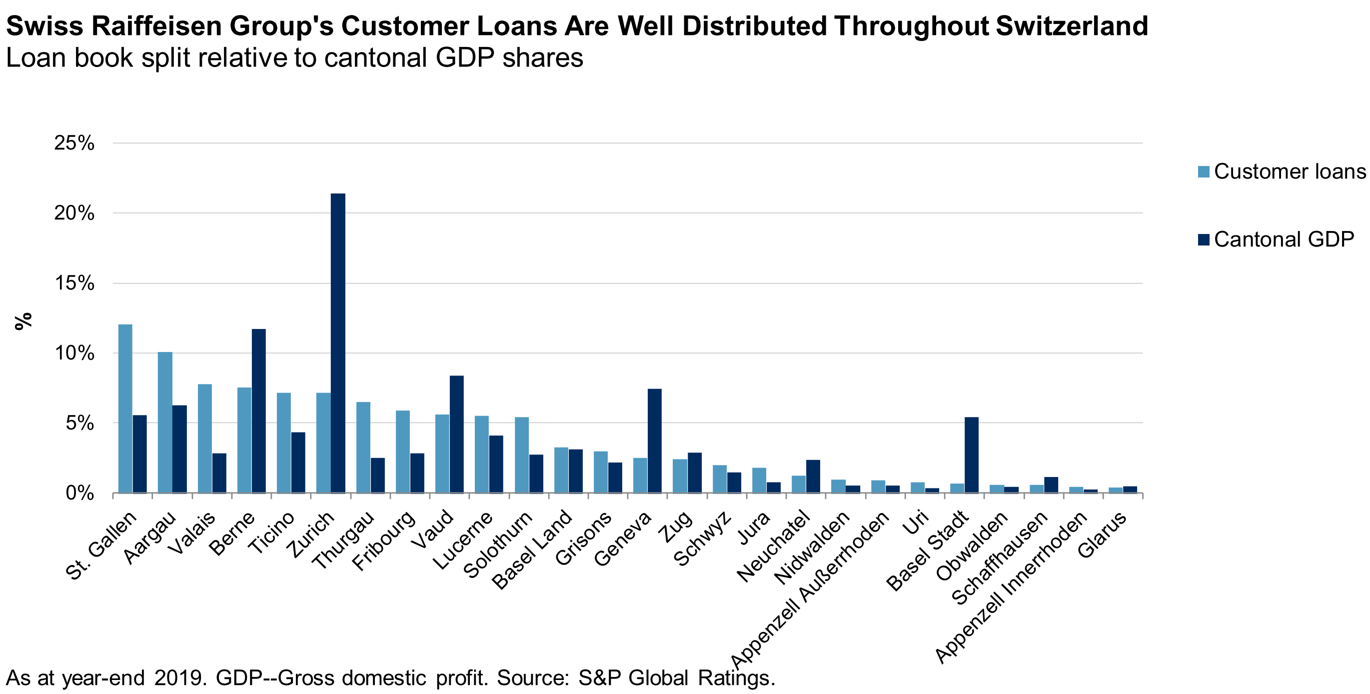
Swiss Raiffeisen Group--Risk-Adjusted Capital Framework Data (cont.)					
Total diversification/ concentration adjustments	--	--	--	16,438.0	18.5
RWA after diversification	--	98,298.1	--	105,178.4	118.5
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**S&P Global Ratings RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		17,836.0	18.1	18,311.8	20.6
Capital ratio after adjustments‡		17,836.0	18.1	18,311.8	17.4

*Exposure at default. §Securitization Exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡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. CHF--Swiss franc. Sources: Company data as of Dec. 31 2019, S&P Global Ratings.

Risk position: High underwriting standards and relative resilience of Swiss markets keep risk at bay

We expect Swiss Raiffeisen Group's risk profile will remain a neutral rating factor because we consider it comparable with that of peers with a strong focus on Swiss retail banking, or on markets that have similar industry risk to the Swiss banking industry. Compared with most domestic cantonal banks, Swiss Raiffeisen Group benefits from better nationwide diversification in granular residential real estate business (chart 5). Swiss Raiffeisen Group's credit losses on domestic exposures have been at historic lows in light of favorable economic conditions in Switzerland until 2020.

Chart 5



As at year-end 2019. GDP--Gross domestic profit. Source: S&P Global Ratings.

Amid COVID-19 and the Swiss recession in 2020, we believe that Swiss Raiffeisen Group remains relatively resilient, considering its prudent underwriting standards and its very high collateralization in granular residential mortgage lending, as well as low initial levels of nonperforming loans. This view is backed by our forecast that Swiss residential real estate markets will perform relatively well through the pandemic. We see no particular single-name concentration, reflecting RB's focus on granular retail lending.

We expect that Swiss Raiffeisen Group's risk management will remain prudent, and we take comfort from groupwide risk policies and monitoring, and a system of solidarity support and measures to contain potential performance issues at member banks. This also creates discipline and incentives to contain individual risk appetites, in our view.

Table 5

Swiss Raiffeisen Group Risk Position

		--Year-ended Dec. 31--			
(%)	**2020***	**2019**	**2018**	**2017**	**2016**
Growth in customer loans	2.6	3.1	4.0	4.1	N.M.
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	18.5	N/A	N/A	N/A
Total managed assets/adjusted common equity (x)	14.9	14.3	13.8	14.9	15.7
New loan loss provisions/average customer loans	0.0	0.0	0.0	0.0	N/A
Net charge-offs/average customer loans	N.M.	0.0	0.1	0.0	N/A
Gross nonperforming assets/customer loans + other real estate owned	0.0	0.5	0.5	0.4	0.5
Loan loss reserves/gross nonperforming assets	N/A	26.6	29.9	25.8	24.7

*Data as of June 30.
N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

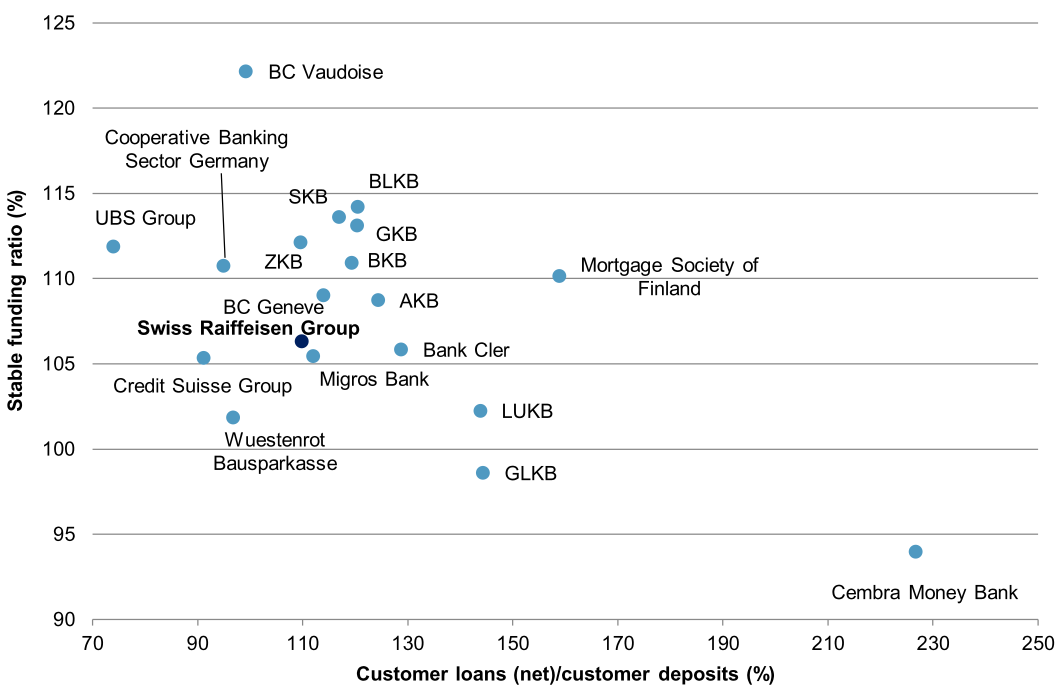
Funding and liquidity: Sound funding and liquidity thanks to a dominant share of granular retail deposits

We expect Swiss Raiffeisen Group's funding and its liquidity profile will remain sound, materially benefitting from the RB's dominant share of granular retail deposits generated under the group's robust, well-established franchise and network.

We anticipate Swiss Raiffeisen Group will maintain its robust funding metrics, as indicated by its 110% loan-to-deposit ratio, close to Swiss banks' median of 113%, or its sound 106% stable funding ratio at year-end 2019 (chart 6). Core customer deposits grew by 6% in first six months of 2020, indicating high investor confidence in difficult COVID environments. Swiss Raiffeisen Group's wholesale market funding constituted around one-fifth of the total funding base at year-end 2019, half of which was due within one year, and despite its large equity base.

Chart 6

Swiss Raiffeisen Group's Strong Funding Metrics
On par with strong domestic and international peer group



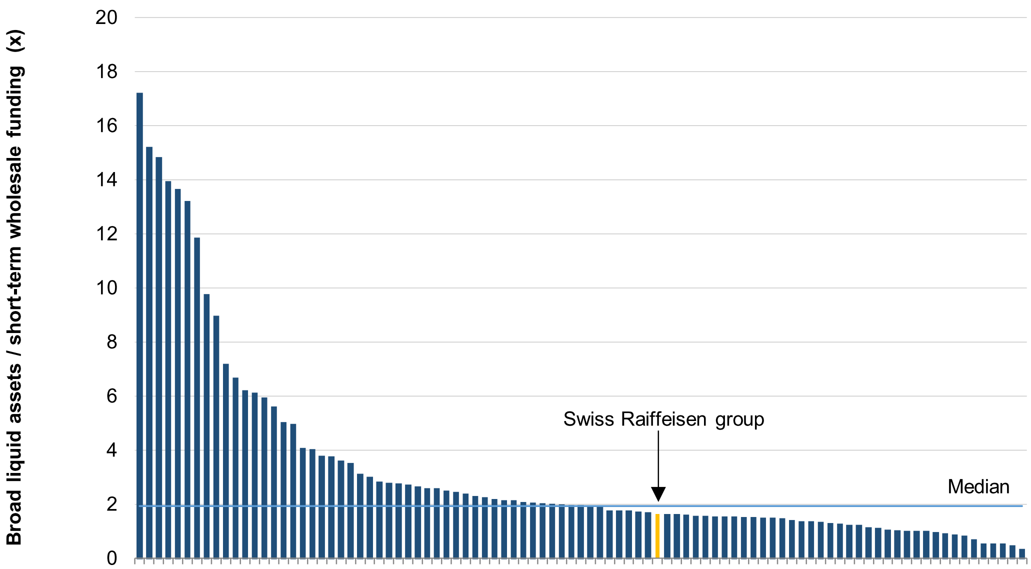
As of year-end 2019. Source: S&P Global Ratings.

Similarly, we expect Swiss Raiffeisen Group to maintain its prudent liquidity management represented by its 1.7x ratio of broad liquid assets to short-term wholesale funding (BLAST) that has been robust for years. We also expect that the group's mortgage loan book in particular should offer substantial secured liquidity from the Swiss National Bank in case of need. However, although such a strong liquidity ratio can be indicative of superior strength, we think that Swiss Raiffeisen Group's low diversification of funding sources with very high reliance on customer deposits, most of which are short term, prevents a better assessment of liquidity for the group. Although we acknowledge that customers have historically maintained their deposits in the bank, a potential outflow could quickly deplete the group's superior buffer, given relatively low coverage of short-term customer deposits by liquid assets, as indicated by our net broad liquid assets-to-short-term customer deposits ratio of just 12% at year-end 2019.

Chart 7

Swiss Raiffeisen Group's Liquidity Is Close To The Median Of Europe's Largest Banks

Broad liquid assets/short-term wholesale funding (BLAST) for Europe's top 100 banks and median



Excluding outliers. As per year-end 2019. Source: S&P Global Ratings.

Table 6

Swiss Raiffeisen Group Funding And Liquidity

		--Year-ended Dec. 31--			
(%)	**2020***	**2019**	**2018**	**2017**	**2016**
Core deposits/funding base	76.5	78.1	81.2	79.2	79.5
Customer loans (net)/customer deposits	106.6	109.8	113.3	110.0	109.6
Long-term funding ratio	87.9	89.7	94.0	90.9	91.7
Stable funding ratio	108.6	106.3	104.3	105.3	106.0
Short-term wholesale funding/funding base	13.1	11.2	6.5	9.8	8.9
Broad liquid assets/short-term wholesale funding (x)	1.6	1.6	1.9	1.6	1.8
Net broad liquid assets/short-term customer deposits	11.6	9.5	7.4	8.2	9.1
Short-term wholesale funding/total wholesale funding	54.7	49.9	33.8	46.1	42.4
Narrow liquid assets/3-month wholesale funding (x)	3.1	2.1	2.8	2.0	2.1

*Data as of June 30.
N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

Support: Group support drives the ratings on RCH

RCH is the group's central institution. We view its role as core for the group's strategy, under which in all foreseeable circumstances RCH will benefit from the group's joint support mechanisms. The robust group relationship underpins our approach of equalizing our ratings on RCH with our 'a+' GCP on Swiss Raiffeisen Group. We anticipate that this approach will continue to lead to a higher rating outcome than our stand-alone assessment of RCH, even if RCH is supported by material bail-in buffer accumulation in the next four years.

Our ratings on RCH are based on the group's aggregate creditworthiness, since we consider member banks to be a group of integrated institutions, although they are legally independent. Our view primarily reflects the groupwide solidarity support scheme in line with group-based regulatory oversight.

We believe that the prospect for extraordinary support by the Swiss government for commercial banks, such as Swiss Raiffeisen Group is uncertain in view of the country's enhanced and effective resolution regime. For that reason, Swiss Raiffeisen Group might be eligible for ratings uplift from the unsupported GCP under our criteria for ALAC. We will monitor whether an uplift to the issuer credit rating and related preferred senior obligations is merited, provided regulatory authorities consider Swiss Raiffeisen Group's resolution plan effective and we believe Swiss Raiffeisen Group generates sustainably high amounts of bail-in instruments, such as Tier 1, Tier 2, and subordinated instruments, beyond our minimum threshold for ALAC. At the same time, this uplift would most likely not result in an upgrade of the rating (see "Outlook" section).

Additional rating factors: None

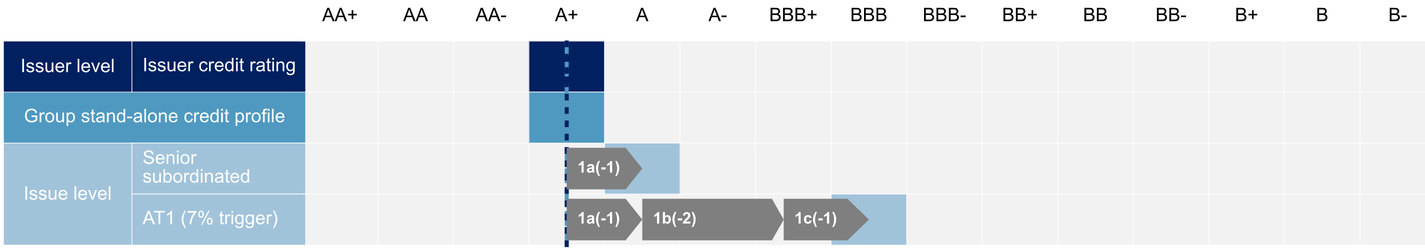
No additional factors affect the ratings.

Environmental, social, and governance

We believe ESG credit factors influence Swiss Raiffeisen Group's credit quality the same way they influence its industry and Swiss peers. With regard to social and environmental factors, we view positively the decentralized organization, local entrenchment, and continued application of the cooperative principles. This, in our view, supports stronger alignment of interests of local communities, customers, employees and owners and thus reduces the incentives for myopic business behavior at the expense of any stakeholder. At the same time, however, we consider that governance and speed of related actions is hampered by complexities from the decentralized group structure, albeit soundly managed in our view.

Group structure, rated subsidiaries, and hybrids

Raiffeisen Schweiz Genossenschaft: Notching



Key to notching

Group stand-alone credit profile
Issuer credit rating

1a	Contractual subordination
1b	Discretionary or mandatory nonpayment clause and whether the regulator classifies it as regulatory capital
1c	Mandatory contingent capital clause or equivalent

Note: The number-letter labels in the table above are in reference to the notching steps we apply to hybrid capital instruments, as detailed in table 3 of our "Hybrid Capital: Methodology And Assumptions" criteria, published on July 1, 2019.
AT1--Additional Tier 1. ICR--Issuer credit rating.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, July 1, 2019
- General Criteria: Group Rating Methodology, July 1, 2019
- 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: 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
- Principles of Credit Ratings, Feb. 16, 2011

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 January 29, 2021)*

Raiffeisen Schweiz Genossenschaft	
Issuer Credit Rating	A+/Stable/A-1
Junior Subordinated	BBB
Subordinated	A
Issuer Credit Ratings History	
21-Sep-2020	A+/Stable/A-1
Sovereign Rating	
Switzerland	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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