

# Various Rating Actions On French Banks As Easing Macroeconomic Downside Risk Is Dampened By Structural Profit Pressure

June 24, 2021

- We now see reduced downside risks for French banks' asset quality and capitalization given unprecedented support to the local economy from domestic and European authorities, as well as COVID-19 vaccination progress.
- We therefore revised our outlooks on six French banks to stable from negative.
- However, we believe the industry continues to face unyielding challenges to profitability and efficiencies, exacerbated by prolonged low interest rates, intense competition, revenue erosion, and high costs.
- We downgraded BPCE due to what we see as more pronounced weaknesses in profitability and efficiency metrics compared to those of similar-rated domestic and international peers.
- We downgraded RCI Banque due to the lower anchor, which we see as only partially compensated by its stronger profitability and geographical diversification compared to those of domestic peers.
- We affirmed our ratings on Socram Banque and Carrefour Banque and maintained the negative outlooks, since the benefits of their respective restructuring plans are yet to be seen and execution uncertainties remain.

PARIS (S&P Global Ratings) June 24, 2021--S&P Global Ratings today took rating actions on 13 France-based banks as part of our review of several European banking systems and individual banks. This comes more than a year since our April 2020 review (see "Negative Rating Actions Taken On Various French Banks On Deepening COVID-19 Downside Risks," published April 23, 2020, on RatingsDirect). The ratings on five banks were affirmed and the outlooks unchanged, the outlooks on six banks were revised and the ratings were affirmed, and the ratings on two banks were lowered by one notch, with stable outlooks assigned.

## Webinar

S&P Global Ratings will be hosting a live webinar on June 29, 2021 (9:00 a.m. EDT; 2:00 p.m. BST; 3:00 p.m. CEST) to discuss our views on European Banks. For more details, please visit:

<https://event.on24.com/wcc/r/3252634/C509A2EA04B74CFC5B846E025A448F8D?partnerref=GMR>

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## Rationale

**Since April 2020, our negative outlooks on many French banks have reflected dual pressures.**

These included the COVID-19 pandemic's potential economic hit to banks' balance sheets and the sector's longer-term profitability challenges due to average cost efficiency, rising risks from technology disruption, and low interest rates

**Downside economic risks in France have eased.** We forecast France's GDP will rebound to 5.6% growth in 2021 after an 8% contraction in 2020, and unemployment will rise to close to 9%. French banks proved better prepared for the COVID-19 pandemic than the 2008-2009 financial crisis, buffered by domestic and European authorities' unprecedented support to the local economy. We now see easing downside risks, which give us more confidence in our base-case forecast that French banks, like European peers, will see improved profits in 2021 versus 2020, aided by reducing credit losses and a rebound in economic activity that could improve fee and commission income. As in other European countries, domestic nonperforming assets (NPAs) are set to increase in the coming months to reach 3.5% of domestic assets by year-end 2022 as fiscal stimulus is phased out, particularly in sectors most affected by lockdowns and changes in customer consumption patterns. Still, we now consider that banks have adequately provisioned for vulnerable exposures and expect domestic cost of risk will be lower than we initially anticipated. To reflect reducing downside risks for asset quality and bank capitalization, we now see the economic risk trend for the French banking system as stable rather than negative, under our Banking Industry and Country Risk Assessment (BICRA).

**French banks continue to benefit from their universal business models and high domestic market concentration.** Large French banks benefit from good business diversity beyond retail and commercial banking--whether in insurance, asset management, investment banking, or specialist finance. This typically yields relatively stable and recurring through-the-cycle earnings, and a significant base of fee income that somewhat mitigates pressures on net income. Furthermore, whereas we see scope for significant consolidation in other European banking markets, the French system is already relatively concentrated, with five groups (Credit Agricole, Group Credit Mutuel, BPCE, BNP Paribas, and Société Générale) accounting for about 80% of domestic assets.

**Nevertheless, longer-term profitability challenges cannot be overlooked.** Prepandemic challenges have not disappeared; in fact they have deepened. These arise from the flat interest-rate yield curve, negative policy rates that cannot be fully passed on to depositors, high competition that weakens risk-adjusted pricing, and digital disruption that gradually erodes revenue for profitable activities. Margins remain ultra-low in core products like mortgages and deposits and banks are pushed to reduce certain banking fees under pressure from consumers and French authorities, starting with their most vulnerable clients. The dominance of cooperative banking groups, which have fewer incentives to maximize profits, impedes efforts to widen margins. Taken together, these factors will constrain revenue growth despite likely credit expansion as the economy recovers. As a result, and despite high market concentration, we expect modest profitability for French banks' domestic activities. Although this may deflect some digital entrants toward more promising markets, like the U.K., it doesn't eliminate the risk that they could further commoditize more profitable, fee-driven products and erode domestic revenue.

**Most banks will find efficiencies hard to seize.** Bank management teams across many jurisdictions in Western Europe or Asia face a common challenge to implement lasting remedies to increase efficiency gains and reverse the downward-to-flat trend in topline revenue. When revenue growth stalls, the search for cost reductions is critical to avoid pronounced profitability erosion. It is even more important for French banks because their efficiency is already modest in a European context, and the closure of branches has been slower in France than in most European countries. However, reductions in reported operating expenses are hard to deliver amid digital transformation plans that require significant investments to improve profitability.

**Commercial and mutual banks feel these competitive dynamics differently.** Commercial banks need to cover their cost of capital and refine capital efficiency. Mutuals do not face this intense pressure, but also do not escape the need to deliver adequate profitability, and can undergo periods of instability and weaker performance as they refine their business models. They also face a battle to increase revenue and reduce costs amid a pressing need to digitalize.

**We therefore see rising risk for the industry amid structural profitability pressure.** We reflect these more challenging operating conditions through our revised industry risk assessment score for the French banking system. Lower profitability can lead to instability and leave the sector more vulnerable when risk costs rise if banks do not generate adequate pricing on lending.

**We took various rating actions following our review of these economic and industry risk trends.**

We also considered rating actions taken since April 2020 and individual banks' relative positioning versus that of similarly rated peers. The table below summarizes the rating actions taken under our review (see the Ratings List section for more details).

## Rating Actions

	To	From
<b>Ratings Affirmed</b>		
Carrefour Banque	BBB/Negative/A-2	BBB/Negative/A-2
Dexia Crédit Local S.A.	BBB/Stable/A-2	BBB/Stable/A-2
Opel Bank S.A. Niederlassung Deutschland	BBB+/Stable/A-2	BBB+/Stable/A-2
La Banque Postale	A/Stable/A-1	A/Stable/A-1
Socram Banque	BBB/Negative/A-2	BBB/Negative/A-2
<b>Ratings Affirmed; Outlook Revision</b>		
BNP Paribas	A+/Stable/A-1	A+/Negative/A-1
Caisse Centrale du Credit Mutuel (Groupe Credit Mutuel)	A/Stable/A-1	A/Negative/A-1
Credit Agricole	A+/Stable/A-1	A+/Negative/A-1
Oney Bank	BBB/Stable/A-2	BBB/Positive/A-2
PSA Banque France	BBB+/Stable/A-2	BBB+/Negative/A-2
Société Générale	A/Stable/A-1	A/Negative/A-1
<b>Downgraded</b>		
BPCE	A/Stable/A-1	A+/Negative/A-1
RCI Banque	BBB-/Stable/A-3	BBB/Negative/A-2

## BNP Paribas (BNPP)

Primary analyst: François Monéger

We affirmed our issuer credit ratings on BNPP, most of its branches and core banking subsidiaries, some highly strategic entities, and strategic U.S. subsidiary Bank of the West. We revised the outlooks to stable from negative on these entities. The outlook revision reflects our view of a reduced risk that the difficult COVID-19-related economic and operating environment could lead us to lower our ratings on the group. We believe that BNPP's good geographical and business diversity aids resilient revenue generation over the cycle and mitigates overall credit risk. Although we expect that revenue from BNPP's French and Belgian retail segments will remain constrained by low interest rates, and that overall cost of credit risk will remain above 2019 levels, we anticipate a 5% annual increase in the group's earnings over 2021-2022. This hinges on our expectation that our measure of new loan-loss provisions to average gross customer loans will be 50 basis points (bps)–60 bps, versus our calculation of 70 bps in 2020. We also forecast that our risk-adjusted capital (RAC) ratio will remain at 7%-8% over the next two years, from 7.4% estimated at year-end 2020. In addition, we believe the group will further build its bail-in-able buffer. We forecast that our measure of additional loss-absorbing capacity (ALAC) to S&P Global Ratings' risk-weighted assets (RWAs) will increase to 8.0% by year-end 2022 (from 6.6% estimated at year-end 2020). This is well above our 5.25% threshold for the one notch of ALAC uplift we already factor into our ratings on BNPP.

We revised to stable from negative our outlooks on BNPP's core insurance subsidiaries Cardif Assurance Vie and Cardif-Assurances Risques Divers(both A/Stable/--), as well as on the insurance holding company BNP Paribas Cardif (A-/Stable/--), which we all rate in reference to the group stand-alone credit profile (SACP). For the same reason, we also revised to stable from negative our outlooks on the highly strategic subsidiaries Arval Service Lease S.A. and BNP Paribas (China) Ltd. We affirmed our ratings on all these entities. Furthermore, we affirmed our resolution counterparty ratings on all BNPP's core banking entities and on Bank of the West.

### Outlook

Our stable outlook reflects our view that BNPP will demonstrate good resilience to the current difficult economic and risk environment, and sufficiently mitigate the negative effect of low interest rates on its revenue. We anticipate that the group will incrementally improve cost efficiency in the coming years, delivering profitability that covers its cost of capital. We also assume that BNPP will continue to increase its ALAC buffer through 2022, sustain its adequate capitalization, and focus on organic growth and small bolt-on acquisitions.

The stable outlooks on the Italian branches of BNPP and BNP Paribas Securities Services also reflect that our ratings on these entities depend on the rating on the Italian sovereign. The stable outlook on Banca Nazionale del Lavoro SpA (BNL) mirrors that on Italy.

**Downside scenario:** Downward rating pressure would most likely stem from weakening profitability, either due to the group's inability to largely offset the persistent negative effect of low interest rates on its retail banking revenue, or a less supportive environment for its capital market activities. In a less benign credit and market environment, BNPP's heavier cost base than large international peers could become a more pronounced rating weakness in the coming years. Any material expansion in geographies with higher economic risk on average than the rest of the group

could also weigh negatively. Under these scenarios, we could revise down BNPP's group SACP and in turn lower the issue ratings on its senior nonpreferred debt and other hybrids.

Whether we also downgrade BNPP's core banking subsidiaries (except BNL) and Bank of the West, would depend on its progress in building its ALAC buffer. With the group SACP at a lower 'a-', we could include an additional notch of ALAC if the buffer exceeds our threshold for a second ALAC notch on BNPP on a sustained basis.

**Upside scenario:** We currently consider an upgrade a remote prospect. Upward rating pressure would most likely only arise if BNPP undertakes a sizable increase in its capital ratios. We would also need to see material improvements in cost efficiency and returns, closing the gap with the strongest global peers, including Nordic and large U.S. banks.

## BPCE

Primary analyst: Nicolas Malaterre

The lowered 'A/A-1' issuer credit ratings and 'A+/A-1' resolution counterparty ratings, and downgraded debt instruments, reflect our view that BPCE's credit metrics, profitability, cost-to-income efficiency, and our solvency metric, are more in line with those of rated peers with lower SACPs than our previous assessment.

At the previous 'a' SACP, BPCE's business model and solvency (S&P Global Ratings' RAC ratio) position were weaker than relative peers. The revised 'a-' SACP also captures our view of tougher operating conditions and structural profitability--under our revised industry risk score for the French banking system--which will challenge BPCE's earnings. In our view, BPCE's business model and revenue structure are more sensitive than those of French peers to prolonged low interest rates, considering its past stable but modest profitability and weaker efficiencies.

Our assessment is also aligned with BPCE's continued objective to build capital strength, despite an erosion of the buffer in its RAC ratio before diversification to below 10% at year-end 2020. We project this will revert above 10% in the next two years.

Furthermore, since BPCE can maintain its S&P Global Ratings' ALAC buffer sustainably above 5% of our RWAs over the next two years, we continue to include one notch of ALAC support in our issuer credit rating.

## Outlook

The outlook on BPCE and its rated entities is now stable. This reflects our view that after today's action we will not change the ratings in the next two years. We take into account BPCE's good positioning in domestic activities, as the No. 2 player, and aligned segments such as insurance that should support earnings.

**Downside scenario:** The main downside risk we see for BPCE in the next 18-24 months is if the SACP further deteriorates. This could happen if the bank does not adjust its business, including in retail banking, to the evolving interest-rate environment, and our RAC trajectory fails to revert above 10%, for example, on the back of materially reduced earnings prospects or a material increase in risk exposure. We could also lower our issuer credit and resolution counterparty ratings if BPCE's ALAC buffer appears set to fall materially short of our above 5% expectation.

**Upside scenario:** Although unlikely in the next two years, upside could come from profitability, cost-to-income efficiency, and solvency sustainably in line with those of rated peers with an 'a' SACP. At the 'a-' SACP, our issuer credit and resolution counterparty ratings on the bank could also benefit from a second notch of ALAC support if its bail-in-able debt level is sustainably above 8%.

## Caisse Centrale de Credit Mutuel (Group Credit Mutuel; GCM)

Primary analyst: Nicolas Malaterre

We affirmed our ratings on GCM's rated entities and revised the outlook to stable from negative. The mutualist group entered the pandemic from a position of strength, given its strong bancassurance business model, solid capital position, good efficiency and profitability in a French system context (although weaker than that of European peers), and sound asset base. We now see a reduced risk that we could revise down our capital assessment. The small business/entrepreneurs and larger corporate (mostly operated by subsidiary CIC) portfolios may deteriorate moderately, along with some sectors more affected by COVID-19-related disruption.

Nevertheless, we see more stretched operating conditions in France that could result in a weaker assessment of the group SACP, currently 'a'. This could happen if, for example, GCM does not cope with the challenge of adjusting its retail banking and insurance business strategy to the evolving interest-rate environment, leading to rapidly declining margins or weaker efficiency.

GCM has so far issued proportionately less bail-in-able debt than other French globally systemically important banks (G-SIBs). Nevertheless, its buffer is gradually expanding and we think potential future uplift for ALAC support in our ratings might offset any group SACP weakening, providing a mitigant for senior preferred creditors to more adverse operating conditions.

### Outlook

The stable outlook balances a degree of pressure on the group SACP with the potential for future ALAC uplift. We also assume that existing challenges around group cohesion will not represent a structural weakness, but rather an area of relative uncertainty, as has been the case so far.

**Downside scenario:** We could take a negative action in the next 24 months if we observe the group engaging in more rapid growth in risky assets than we initially anticipate, organically or via acquisitions, or if GCM's ability to cover normalized credit losses weakens more abruptly than we currently expect.

This would lead us to revise the group SACP and so lower our ratings on the hybrid capital and senior nonpreferred notes. Whether we also lower the long-term issuer credit rating would depend on GCM's progress in building a sufficient cushion of bail-in-able debt.

**Upside scenario:** We could raise the long-term issuer credit rating if we expect GCM to build an ALAC buffer sustainably above 5% and we also consider the group SACP to remain robust. An upgrade would also depend on our view that the group's overall creditworthiness is comparable to that of 'A+' rated peers.

## Credit Agricole Group (GCA)

Primary analyst: François Monéger

We revised the outlooks on Crédit Agricole S.A. (CASA) and all its rated branches and core banking entities to stable from negative. We affirmed our 'A+' long-term and 'A-1' short-term issuer credit ratings, and 'AA-/A-1+' resolution counterparty ratings on all these entities. At the same time, we affirmed our debt ratings on their senior nonpreferred notes, subordinated debt, and hybrid capital instruments. We also affirmed our ratings on insurance subsidiaries Credit Agricole Assurances, Predica, and Pacifica IARD, in line with our SACP on GCA. These three entities were already on stable outlooks, reflecting our favorable view of their stand-alone credit qualities.

We use our BICRA economic risk and industry risk scores to determine a bank's anchor, the starting point in assigning an issuer credit rating under our bank criteria. The anchor for GCA is 'bbb+', with a weighted economic risk of '3' resulting from predominant exposure to France, despite some exposure to higher-risk countries like Italy.

This outlook revision reflects our view of a reduced risk that the difficult COVID-19-related economic and operating environment could lead us to lower our ratings on the group. Although we expect that revenue from retail activities will remain constrained by low interest rates, and that overall cost of credit risk will remain above 2019 levels, we expect profitability to return to 2019 levels in 2022.

This hinges on our expectation of annual new loan-loss provisions to average gross customer loans at 25 bps–30 bps, versus 38 bps in 2020. We forecast that our RAC ratio will increase to above 9.0% within the coming two years. Furthermore, we anticipate that the bank will continue building up its bail-in-able buffer and that our ALAC ratio will reach 7.0%-7.5%, well above our 4.75% threshold for the one notch of ALAC uplift we already factor into our ratings on CASA.

### Outlook

Our stable outlook on GCA and its core banking entities reflects our view that it will maintain the 'a' group SACP and continue to increase its ALAC buffer until 2022. This factors in our belief that the group will maintain a leading franchise in its key business segments, especially domestic retail, asset management and insurance. In the coming two years, we expect GCA will maintain disciplined underwriting standards and comparatively superior coverage of its impaired assets, reflecting its strong risk profile. The stable outlook also reflects our expectations that the group will sustain satisfactory cost efficiency and adequate capitalization. We believe that GCA will continue to demonstrate good resilience to the current COVID-19-related difficult economic and risk environment, and sufficiently mitigate the negative effects from persisting low interest rates on its retail revenue.

Our stable outlooks on the group's core insurance entities--Predica, Pacifica IARD, and the insurance holding company Credit Agricole Assurances (CAA)--all of which we rate in reference to GCA's group SACP, reflect that we see no particular upward nor downward pressure on this group SACP. The stable outlooks on these entities are also supported by our favorable view of their stand-alone credit qualities.

**Downside scenario:** We could lower our ratings on the bank if its asset quality deteriorates to the extent that it proves insufficient to maintain a low risk profile. Downward rating pressure could also stem from weakening profitability if GCA does not continue largely offsetting the negative

effect of low interest rates on its retail revenue, or on the back of a rapid increase in investments and operating costs in a context of accelerated digital transformation. In addition, although we do not consider this a likely scenario, any significant geographical expansion into areas with higher economic risks than the rest of the group could weigh on overall creditworthiness. Under all these scenarios, we could lower GCA's group SACP and our issue ratings on its senior nonpreferred debt and other hybrids.

**Upside scenario:** We consider an upgrade unlikely under a short- to medium-term horizon.

## Societe Generale (SG)

Primary analyst: Philippe Raposo

We revised the outlook on SG and its core entities to stable from negative to recognize the receding economic risks in France and in other countries in which SG operates. We acknowledge that the global economic recovery and continuous monetary and fiscal support policies are only postponing some small and midsize enterprise (SME) and corporate defaults and deterioration of SG's asset quality, but we consider the bank's portfolio to be in line with that of peers. Moreover, the bank already provisioned a first cushion for these future losses in 2020. We anticipate that cost of risk could remain higher than the through-the-cycle average, at about 35 bps by 2022.

We see industry pressure on profitability as already well captured in the rating after we lowered the group SACP to 'bbb+' last year (see "Societe Generale Outlook To Negative On Profitability Challenges; Ratings Affirmed; Hybrid And Sub Debt Downgraded," published May 15, 2020). Profitability and sustainability of the business model remain a key topic, particularly because it is a listed bank competing with large domestic cooperatives, which have only modest return targets. Therefore, we will follow how the ongoing corporate and investment bank (GBIS) optimization and the announced merger of French retail banks Société Générale and Crédit du Nord will improve SG's cost to income and returns compared to those of peers.

We believe the announced GBIS plan to be challenging, since most large investment banks have similar growth targets, but view positively the derisking of the most market-sensitive activity (part of structured equities). We also view positively the digital path taken by the group, since this shields it from potential disruption. To digitize its processes, SG operates Boursorama--the digital-only bank leader in France. Boursorama has good prospects if it can increase its scale and lower client acquisition costs, which currently result in negative net income. Furthermore, SG's volumes of bail-in-able debt already issued this year and its policy to keep a high bail-in-able buffer support the current two notches of ALAC uplift. We estimate this buffer will remain at 9.0%-9.5% of our RWA in the coming two years.

## Outlook

The stable outlooks on SG and its core subsidiaries reflect the ongoing economic recovery in countries in which the group operates. We anticipate asset quality will deteriorate in the coming quarters as government support measures are gradually lifted but believe SG will maintain manageable credit costs of 30 bps-40 bps in next two years. We also incorporate in our projections that SG will maintain a buffer of bail-in-able securities in excess of 8% of S&P Global Ratings' RWAs, since this is the condition to maintain a two-notch ALAC uplift above the 'bbb+' group SACP.



**Downside scenario:** We could lower the ratings in the next two years if profitability does not recover in 2021 and beyond. This could happen if credit losses are far higher than our projections, or if the group cannot sustainably improve its efficiency ratio in line with at least historical standards. Although less likely, pressure on the long-term issuer credit rating could also come if the bank cannot maintain a sufficient ALAC buffer.

**Upside scenario:** An upgrade, although a limited prospect in the next 12 months, could come at a later stage if SG improves its efficiency and profitability and achieves a sustainable business model on par with 'A+' rated banks'. We would also expect better operating conditions in SG's retail markets, good results from the merger of its two French networks, and solid performance from investment banking activities.

## La Banque Postale (LBP)

Primary analyst: Mathieu Plait

We affirmed our 'A/A-1' long- and short-term issuer credit ratings on LBP and all our issue ratings, including those on its hybrids and senior nonpreferred debt that we notch from the 'bbb+' SACP.

The SACP on LBP is unchanged despite the more challenging operating conditions that we observe for the French banking system. This reflects LBP's good asset quality and small exposure to SMEs (about 5% of its total customer loans), which were the first hit by the pandemic. It also reflects LBP's prominent domestic franchise in low-risk residential housing, of which more than 95% is secured by a financial guarantee or a mortgage that we currently expect to continue to perform well. We note that LBP entered the pandemic right after its takeover of large French insurer CNP Assurance. The transaction, thanks to CNP's stronger earnings, positively affected LBP's efficiency metrics, with the cost-to-income ratio improving to 73% in 2020 from 80% in 2019. In turn, this should allow LBP to better withstand the hit from prolonged low interest rates on its overall profitability. In addition, LBP's strong liquidity and above-average funding, with minimal reliance on wholesale funding and low loan leverage, compare well to those of peers. The bank has a simple and low-risk retail banking model, which in our view should display resilience over the cycle.

## Outlook

The stable outlook on LBP mirrors that on La Poste. We continue to see LBP as a core subsidiary of the La Poste group, and any rating or outlook action on the parent would lead to a similar action on LBP. We expect the La Poste group will maintain a strong, lasting interest in LBP in the near future. LBP is an integral part of the group's strategy, and we see it as strongly integrated within the rest of group.

A change in our issuer credit ratings on LBP would not trigger a change in our ratings on its senior nonpreferred and hybrid instruments. The issue ratings on LBP's hybrids and senior nonpreferred debt are notched from the 'bbb+' SACP, and would only be affected if the SACP is revised. This is because we do not expect government support through La Poste would be available to hybrid debt holders. Only the senior unsecured debt ratings would be affected in the event of a change in the issuer credit rating.

**Downside scenario:** Given the long-lasting, strategic, and operational integration of LBP into La Poste, we see limited risk of weaker interest, and support, from La Poste in the next two years. However, such a scenario could emerge if LBP becomes a less profitable or riskier subsidiary. We could revise down the SACP if our combined view of capitalization and earnings, and the risk profile, weakens. This could happen if strong growth leads to rapid capital consumption and weaker asset-quality metrics. These factors could also result in a lower SACP if LBP's robust funding and liquidity weakens compared to that of other French banks.

**Upside scenario:** Although unlikely over our 18-24 month outlook horizon, we could revise upward our SACP if LBP's diversification toward lending to professionals, consumer finance activities, and local authorities contributes to a stronger overall risk-adjusted profitability, while maintaining higher funding and liquidity than domestic peers. Even though a negative action on France would not, by itself, result in immediate rating pressure on La Poste and therefore LBP, it would certainly limit upside potential.

## Dexia Credit Local (DCL)

Primary analyst: Mathieu Plait

We affirmed our 'BBB/A-2' long- and short-term issuer credit ratings on DCL with a stable outlook.

The more challenging operating conditions that led us to revise down our industry risk assessment for the French banking system had a negative impact on DCL's anchor. However, the SACP is unchanged at 'bb', where it is capped, reflecting our view that DCL remains vulnerable to confidence-sensitive market funding and dependent on investors' appetite for government guaranteed debt, which is its primary funding source.

### Outlook

The stable outlook reflects our expectation that the bank will implement an orderly wind-down of its operations and continue to benefit from the strong commitment of the Belgian and French governments in this process over the next two years. The ratings already factor in our expectation that, although DCL will be loss-making for several years, its capitalization will adequately cover risks, as deleveraging continues. A downgrade of Belgium or France would not in itself prompt us to lower the issuer credit ratings on DCL. However, it would affect the issue ratings assigned to DCL's debt that is guaranteed by these states.

**Downside scenario:** We might lower the ratings on DCL if, contrary to our expectations, the bank is unable to maintain sufficient access to market funding to implement its wind-down plan. We could also lower the ratings if the likelihood of government support diminishes, or if the pandemic induces material delays in the bank's deleveraging plan, or affects its results and solvency beyond our expectations.

**Upside scenario:** Ratings upside is remote, given the level of ongoing and extraordinary government support we factor into the ratings.

## RCI Banque

Primary analyst: Mathieu Plait

We lowered our long- and short-term issuer credit ratings on RCI Banque to 'BBB-/A-3' from 'BBB/A-2' due to the lower anchor, which combines the weighted economic risk in its operations with French banking industry risk. The 'bbb-' SACP is unchanged as we now incorporate the bank's superior underlying profitability and geographical diversity into its business position assessment.

The improvement also reflects RCI Banque's outperformance of similarly rated captive peers over a long cycle, particularly capital generation capabilities and risk-adjusted operating performance. It also has more balanced revenue, with a shift toward fee income, which we see as more stable than net interest income revenue. We note that RCI Banque entered the pandemic on a strong footing, with solid earnings capacity, a low cost-to-income ratio of about 30%, and strong capitalization. Overall, its 2020 performance showed strong resilience amid the COVID-19-induced downturn and despite the challenges faced by the auto sector.

### Outlook

The stable outlook on RCI Banque incorporates our view that its financial profile will remain strong, with steady risk-adjusted profitability and continued conservative capital management over the next two years. Furthermore, a downgrade of Renault would not automatically entail a similar rating action on RCI Banque.

**Downside scenario:** We could downgrade RCI Banque if Renault's creditworthiness comes under further material pressure and RCI Banque is unable to maintain its strong financial profile. In particular, we could consider a downgrade if the bank's capitalization is no longer a strength, with RAC falling sustainably below 10%, or if contagion risks from Renault start to crystallize and affect RCI Banque's access to debt markets, or cost of funding.

**Upside scenario:** An upgrade could happen only if Renault's creditworthiness doesn't further deteriorate. To raise our long-term rating on RCI Banque we would need to revise the SACP upward. A higher SACP would require RCI Banque's capital and funding strategy to fundamentally shift and strengthen. At this stage, we regard this as a remote scenario.

## PSA Banque France (PBF)

Primary analyst: Mathieu Plait

We revised the outlook on PBF to stable from negative and affirmed our 'BBB+/A-2' long- and short-term issuer credit ratings.

The outlook revision follows a similar action on its parent Santander Consumer Finance S.A. (SCF) and our view of PBF as a strategically important subsidiary of SCF. Consequently, the long-term issuer credit rating remains two notches higher than the 'bbb-' SACP on PBF. We take into account the creditworthiness of Stellantis N.V. (BBB-/Stable/A-3) and limit the rating difference to two notches, since we believe that severe difficulties at Stellantis would also harm PBF's stand-alone creditworthiness or SCF's willingness to support PBF.

## Outlook

Our stable outlook on PBF mirrors those on SCF and Stellantis. The outlook also reflects our view that PBF will maintain its sound financial position over the next two years and remain a strategically important subsidiary of SCF.

**Downside scenario:** We could lower our long-term rating on PBF following a similar rating action on SCF or Stellantis.

Although a remote scenario at this stage, we could also lower our long-term rating on PBF if financial or strategic developments at PBF lead us to question SCF's strategic interest in the joint venture.

**Upside scenario:** We could upgrade PBF if we take a similar rating action on both SCF and Stellantis. An upgrade of only one of the two parents will not trigger an upgrade of PBF.

## Oney Bank (OB)

Primary analyst: Mathieu Plait

We revised our outlook on OB to stable from positive and affirmed our 'BBB/A-2' long- and short-term issuer credit ratings.

We consider that the ongoing integration of OB within BPCE group will further strengthen OB's risk management framework, capabilities, and ultimately asset quality. Although the strengthening ongoing support from the parent to its strategically important subsidiary counters our view of a more challenging operating environment, we now see limited upside to the rating.

We expect OB's risk management will further strengthen and harmonize thanks to its affiliated status since BPCE's 50.1% acquisition in 2019 and related responsibilities for BPCE to guarantee OB's solvability, as well as the ongoing integration. We reflect this positive development with our revised up combined capital and risk position assessment for OB.

## Outlook

The stable outlook on OB reflects our view of the benefits of its ongoing integration within BPCE group, particularly in capital, risk, funding and liquidity management. The stable outlook also reflects our view that OB will remain a strategically important subsidiary of BPCE group over the next two years.

**Downside scenario:** We could consider a downgrade if BPCE group proves reluctant to provide funding and liquidity support, or if we see that the bank's importance within BPCE weakens markedly. We currently consider this scenario remote.

**Upside scenario:** We currently deem rating upside limited. However, we could consider a positive rating action if OB's business prospects materially improve stemming from its integration with BPCE. This could only happen if ongoing funding and liquidity support provided by BPCE doesn't weaken.

## Carrefour Banque (CB)

Primary analyst: Mathieu Plait

We affirmed our 'BBB/A-2' long- and short-term issuer credit ratings on CB. Although we now see that the risks in CB's operating environment in France have receded, the outlook remains negative. This reflects the uncertainties we see on the execution of its strategic transformation and related effects on its financial profile, particularly capitalization.

In recent years, the bank has undergone multiple restructuring projects targeting a profitable business model aligned with its retailer parent, Carrefour. However, these management measures have not revitalized its commercial activity and the bank is still failing to utilize cross-selling potential with its parent. We expect that CB's operating performance will continue to lag consumer finance peers' in 2021-2022 and high investments will drag on its profitability.

### Outlook

The negative outlook on CB indicates that we could lower the ratings in the coming two years if pressure on its financial profile, especially capitalization, intensifies and ceases to be a rating strength.

**Downside scenario:** We could lower our long-term issuer credit rating by one notch if we believe CB can't maintain its RAC ratio above 10% by year-end 2021. This could be caused by stronger RWA growth due to a higher share of problem loans, a higher dividend payout ratio, or weaker performance due to a lack of business prospects, among other deterring factors.

Although less likely, we could also lower our long-term rating by one notch if Carrefour or BNP Paribas group prove reluctant to provide funding and liquidity support, or if we see that the bank's importance within BNP Paribas group weakens markedly. This would include if BNP Paribas group's ownership of CB reduces.

**Upside scenario:** We could revise the outlook back to stable if CB's RAC increases in line with our expectations--with our ratio surpassing the 10% threshold, all else being equal--and the bank successfully implements its business transformation.

## Socram Banque (SB)

Primary analyst: Mathieu Plait

We affirmed our 'BBB/A-2' long- and short-term issuer credit ratings on SB. Although we now see that risks in SB's operating environment in France have receded, the outlook remains negative. This reflects our concerns regarding SB's ability to implement its strategic transformation as planned and reinforce its profitability and business prospects in the coming years.

Over the past four years, SB experienced a continuous erosion of its credit portfolio, which declined about 40%. The bank's ownership structure, involving multiple mutual shareholders, together with low traction in distributing its products among the shareholders' networks, and the lack of new growth drivers, make it difficult for SB to sell its products. The strategic plan, introduced by the new CEO in 2020, mainly focuses on digitalization, improved marketing, better

subscription processes, and a leasing product. However, it has yet to produce results and execution uncertainties remain.

## Outlook

The negative outlook on SB reflects our concerns about the execution risks for its transformation plan in a highly competitive consumer finance market. The outlook also reflects the uncertainties we see in SB's capacity to strengthen its distribution network and reinforce its business prospects and profitability over the coming 12-24 months.

**Downside scenario:** We could consider a downgrade if we think SB's low business volumes could last beyond 2021-2022, or if a lack of business prospects and transformational charges undermine its profitability. This could translate into an even weaker assessment of SC's business profile.

We could also lower the rating if, in the absence of offsetting factors, SC's overall importance to BPCE diminishes and leads to a potential weakening of extraordinary support from BPCE group, that we currently incorporate in the rating on SB.

**Upside scenario:** We could revise the outlook on SB to stable if the bank strengthens its loan production while remaining profitable, demonstrating its ability to tap the large client base of its mutual shareholders while keeping very high capitalization levels and a low risk profile.

## Opel Bank Niederlassung Deutschland S.A (OBND)

Primary analyst: Emna Chahed

We affirmed our 'BBB+/A-2' long- and short-term issuer credit ratings on OBND with a stable outlook.

We derive our rating on OBND from our assessment of the creditworthiness of its French-based parent, Opel Bank S.A.

Although 50% owner BNP Paribas would likely provide extraordinary support to the bank if needed via its consumer finance arm, we believe Stellantis' creditworthiness also matters in assessing the credit quality of Opel Bank. OBND's financial performance was resilient in 2020, despite the effects of the pandemic on economic activity, and we expect similar resilience in 2021. We also continue to view capitalization as a rating strength but recognize that future capital levels depend on the magnitude of dividend payments.

## Outlook

The stable outlook on OBND reflects our view that its business and financial profiles should remain resilient over the next two years. It also reflects our assumption that Stellantis' credit quality will remain stable, and the likelihood of support from BNP Paribas group unchanged.

**Downside scenario:** We could lower our rating on OBND in case of pressure on Stellantis' creditworthiness. This could happen in the event of a lingering downturn in the European auto market, or if Stellantis specifically experiences any strategic or financial difficulties that would spill over to the bank.

A perceived weaker interest from the other partner, BNP Paribas group, in the joint venture, and therefore lower propensity to provide support if needed, could have implications for the rating. However, we currently consider this scenario remote.

**Upside scenario:** Upward rating pressure is remote, considering the still-challenging economic conditions that will likely continue in 2021.

## BICRA Score Snapshot

### France

	To	From
BICRA Group	3	3
Economic Risk	3	3
Economic Resilience	Low Risk	Low Risk
Economic Imbalances	Intermediate Risk	Intermediate Risk
Credit Risk In The Economy	Low Risk	Low Risk
Economic Risk Trend	Stable	Negative
Industry Risk	4	3
Institutional Framework	Intermediate Risk	Intermediate Risk
Competitive Dynamics	High Risk	Intermediate Risk
Systemwide Funding	Low Risk	Low Risk
Industry Risk Trend	Stable	Negative

Banking Industry Country Risk Assessment (BICRA) economic risk and industry risk scores are on a scale from 1 (lowest risk) to 10 (highest risk). For more details on our BICRA scores on banking industries across the globe, please see "Banking Industry Country Risk Assessment Update," published monthly on RatingsDirect.

## Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, July 1, 2019
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Methodology For National And Regional Scale Credit Ratings, June 25, 2018
- Criteria | Financial Institutions | General: Methodology For Assigning Financial Institution Resolution Counterparty Ratings, April 19, 2018
- 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
- General Criteria: Guarantee Criteria, Oct. 21, 2016
- Criteria | Financial Institutions | Banks: Bank Rating Methodology And Assumptions: Additional Loss-Absorbing Capacity, April 27, 2015
- General Criteria: Rating Government-Related Entities: Methodology And Assumptions, March 25, 2015

- 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: Principles Of Credit Ratings, Feb. 16, 2011
- Criteria | Financial Institutions | Banks: Commercial Paper I: Banks, March 23, 2004

### Related Research

- The European Speculative-Grade Corporate Default Rate Could Fall To 5.25% By March 2022, May 26, 2021
- BNP Paribas' Solid First-Quarter Results Reflect Resilient Activity And Diversification Benefits, April 30, 2021.
- France 'AA/A-1+' Ratings Affirmed; Outlook Stable, April, 2, 2021
- Diverse Rating Actions On European Banks Highlight The Importance Of Robust Business Models To Long-Term Resilience, Feb. 26, 2021
- BPCE Affirmed At 'A+/A-1' Despite Weaker Solvency On Planned Takeover Of Natixis; Outlook Still Negative, Feb. 16, 2021
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- Low-For-Even-Longer Interest Rates Maintain Margin Pressure On European Banks, Feb. 2, 2021
- Lower And Later: The Shifting Horizon For Bank Credit Losses, Feb. 2, 2021
- French Bank Outlook 2021: All About Efficiency And Asset Quality, Jan. 21, 2021
- BNP Paribas, Dec. 18, 2020.
- Credit Agricole's Tender Offer For Credito Valtellinese Could Consolidate Its Presence In Italy, Nov. 24, 2020.
- Credit Mutuel, Nov. 17, 2020
- Credit Agricole S.A., Oct. 16, 2020.

### Ratings List



\*\*\*\*\* BNP Paribas \*\*\*\*\*

Ratings Affirmed

**BNP Paribas**

BNP Paribas Securities Services (Madrid Branch)

BNP Paribas Securities Services (Luxembourg Branch)

BNP Paribas Securities Services (London Branch)

BNP Paribas Securities Services (Frankfurt Branch)

BNP Paribas Securities Services

BNP Paribas SA (Dublin Branch)

BNP Paribas Personal Finance

BNP Paribas Issuance B.V.

BNP Paribas Fortis SA/NV

BNP Paribas Fortis (New York Branch)

BNP Paribas (New York Branch)

BNP Paribas (London Branch)

BGL BNP Paribas S.A.

Resolution Counterparty Rating	AA--/A-1+
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**Carrefour Banque**

Issuer Credit Rating	BBB/Negative/A-2
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**Opel Bank S.A. Niederlassung Deutschland**

**Banca Nazionale del Lavoro SpA**

Issuer Credit Rating	BBB+/Stable/A-2
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**BNP Paribas SA (Milan Branch)**

**BNP Paribas Securities Services (Milan Branch)**

**BNP Paribas Securities Corp.**

Resolution Counterparty Rating	A+--/A-1
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**Banca Nazionale del Lavoro SpA**

Resolution Counterparty Rating	A--/A-2
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**Bank of the West**

Resolution Counterparty Rating	A--/A-1
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Various Rating Actions On French Banks As Easing Macroeconomic Downside Risk Is Dampened By Structural Profit Pressure

Ratings Affirmed; Outlook Action

	To	From
<b>BNP Paribas</b>		
<b>BNP Paribas Securities Services (Milan Branch)</b>		
<b>BNP Paribas Securities Services (Madrid Branch)</b>		
<b>BNP Paribas Securities Services (Luxembourg Branch)</b>		
<b>BNP Paribas Securities Services (London Branch)</b>		
<b>BNP Paribas Securities Services (Frankfurt Branch)</b>		
<b>BNP Paribas Securities Services</b>		
<b>BNP Paribas Securities Corp.</b>		
<b>BNP Paribas SA (Milan Branch)</b>		
<b>BNP Paribas SA (Dublin Branch)</b>		
<b>BNP Paribas Personal Finance</b>		
<b>BNP Paribas Issuance B.V.</b>		
<b>BNP Paribas Fortis SA/NV</b>		
<b>BNP Paribas Fortis (New York Branch)</b>		
<b>BNP Paribas (New York Branch)</b>		
<b>BNP Paribas (London Branch)</b>		
<b>BGL BNP Paribas S.A.</b>		
Issuer Credit Rating	A+/Stable/A-1	A+/Negative/A-1
<b>BNP Paribas Cardif</b>		
Issuer Credit Rating	A-/Stable/--	A-/Negative/--
<b>Arval Service Lease S.A.</b>		
<b>BNP Paribas (China) Ltd.</b>		
Issuer Credit Rating	A-/Stable/A-2	A-/Negative/A-2
<b>Bank of the West</b>		
Issuer Credit Rating	A/Stable/A-1	A/Negative/A-1
<b>Cardif Assurance Vie</b>		
<b>Cardif-Assurances Risques Divers</b>		
Issuer Credit Rating		
Local Currency	A/Stable/--	A/Negative/--
Financial Strength Rating		
Local Currency	A/Stable/--	A/Negative/--
***** BPCE *****		
<b>BPCE</b>		
Analytical Factors		
Local Currency	a-	a

## Various Rating Actions On French Banks As Easing Macroeconomic Downside Risk Is Dampened By Structural Profit Pressure

### Downgraded

	To	From
<b>BPCE</b>		
<b>Natixis S.A.</b>		
<b>Natixis (New York Branch)</b>		
<b>BRED - Banque Populaire</b>		
Resolution Counterparty Rating	A+/-/A-1	AA/-/A-1+

### Downgraded; Outlook Action

	To	From
<b>Compagnie Europeenne de Garanties et Cautions</b>		
Issuer Credit Rating		
Local Currency	A/Stable/--	A+/Negative/--
Financial Strength Rating		
Local Currency	A/Stable/--	A+/Negative/--

### Credit Foncier de France

Issuer Credit Rating	A-/Stable/A-2	A/Negative/A-1
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### Parnasse Garanties

Issuer Credit Rating	A/Stable/--	A+/Negative/--
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### Downgraded; Outlook Action; Ratings Affirmed

	To	From
<b>BPCE</b>		
<b>Natixis S.A.</b>		
<b>Natixis Financial Products LLC</b>		
<b>Natixis Australia Pty Ltd.</b>		
<b>Natixis (New York Branch)</b>		
<b>BRED - Banque Populaire</b>		
Issuer Credit Rating	A/Stable/A-1	A+/Negative/A-1

### Downgraded; Ratings Affirmed

	To	From
<b>Credit Foncier de France</b>		
Resolution Counterparty Rating	A/-/A-1	A+/-/A-1
<b>Ratings Affirmed</b>		
<b>Socram Banque</b>		
Issuer Credit Rating	BBB/Negative/A-2	

Various Rating Actions On French Banks As Easing Macroeconomic Downside Risk Is Dampened By Structural Profit Pressure

	To	From
***** PSA Banque France *****		

Ratings Affirmed; Outlook Action

	To	From
PSA Banque France		
Issuer Credit Rating	BBB+/Stable/A-2	BBB+/Negative/A-2

\*\*\*\*\* Caisse Centrale du Credit Mutuel \*\*\*\*\*

Ratings Affirmed

Caisse Centrale du Credit Mutuel		
Credit Industriel et Commercial		
Caisse Federale du Credit Mutuel de Maine-Anjou Basse Normandie		
Caisse Federale du Credit Mutuel Ocean		
Caisse Federale du Credit Mutuel Nord Europe		
Banque Federative du Credit Mutuel		
Resolution Counterparty Rating	A+/-/A-1	

Ratings Affirmed; Outlook Action

	To	From
Caisse Centrale du Credit Mutuel		
Credit Industriel et Commercial		
Caisse Federale du Credit Mutuel de Maine-Anjou Basse Normandie		
Caisse Federale du Credit Mutuel Ocean		
Caisse Federale du Credit Mutuel Nord Europe		
Banque Federative du Credit Mutuel		
Issuer Credit Rating	A/Stable/A-1	A/Negative/A-1

\*\*\*\*\* Credit Agricole S.A. \*\*\*\*\*

Ratings Affirmed

Credit Agricole Assurances		
Issuer Credit Rating	A-/Stable/--	

Credit Agricole S.A.

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Credit Lyonnais

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Credit Agricole Corporate and Investment Bank

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Credit Agricole Corporate And Investment Bank (New York Branch)

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Caisse Regionale de Credit Agricole Mutuel du Nord-Est

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Caisse Regionale de Credit Agricole Mutuel du Morbihan

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Caisse Regionale de Credit Agricole Mutuel du Languedoc

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Caisse Regionale de Credit Agricole Mutuel du Finistere

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Caisse Regionale de Credit Agricole Mutuel du Centre Ouest

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Caisse Regionale de Credit Agricole Mutuel des Savoie

---

Caisse Regionale de Credit Agricole Mutuel des Cotes D'Armor

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Caisse Regionale de Credit Agricole Mutuel de la Touraine et du Poitou

---

Caisse Regionale de Credit Agricole Mutuel de la Reunion

---

Caisse Regionale de Credit Agricole Mutuel de la Martinique-Guyane

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Caisse Regionale de Credit Agricole Mutuel de la Guadeloupe

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Caisse Regionale de Credit Agricole Mutuel de l'Anjou et du Maine

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Caisse Regionale de Credit Agricole Mutuel de Normandie-Seine

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Caisse Regionale de Credit Agricole Mutuel de Lorraine

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Caisse Regionale de Credit Agricole Mutuel de Loire-Haute Loire

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Caisse Regionale de Credit Agricole Mutuel de Franche-Comte

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Caisse Regionale de Credit Agricole Mutuel de Charente-Maritime Deux Sevres

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Caisse Regionale de Credit Agricole Mutuel de Champagne-Bourgogne

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Caisse Regionale de Credit Agricole Mutuel de Centre-France

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Caisse Regionale de Credit Agricole Mutuel de Centre Loire

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Caisse Regionale de Credit Agricole Mutuel d'Ille et Vilaine

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Caisse Regionale de Credit Agricole Mutuel d'Aquitaine

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Caisse Regionale de Credit Agricole Mutuel Val de France

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Caisse Regionale de Credit Agricole Mutuel Toulouse 31

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Caisse Regionale de Credit Agricole Mutuel Sud-Mediterranee

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Caisse Regionale de Credit Agricole Mutuel Sud Rhone-Alpes

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Caisse Regionale de Credit Agricole Mutuel Pyrenees-Gascogne

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Caisse Regionale de Credit Agricole Mutuel Provence Cote d'Azur

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Caisse Regionale de Credit Agricole Mutuel Paris Ile-de-France

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Caisse Regionale de Credit Agricole Mutuel Normandie

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Caisse Regionale de Credit Agricole Mutuel Nord de France

---

Caisse Regionale de Credit Agricole Mutuel Nord Midi-Pyrenees

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Caisse Regionale de Credit Agricole Mutuel Charente Perigord

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Caisse Regionale de Credit Agricole Mutuel Centre-Est

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Caisse Regionale de Credit Agricole Mutuel Brie Picardie

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Caisse Regionale de Credit Agricole Mutuel Atlantique Vendee

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Caisse Regionale de Credit Agricole Mutuel Alsace-Vosges

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Caisse Regionale de Credit Agricole Mutuel Alpes Provence

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**CACEIS**

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**CA Consumer Finance**

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Resolution Counterparty Rating                      AA-/--/A-1+

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**Pacifica IARD**

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**Predica**

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Issuer Credit Rating

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Local Currency    A/Stable/--

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Financial Strength Rating

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Local Currency    A/Stable/--

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## Various Rating Actions On French Banks As Easing Macroeconomic Downside Risk Is Dampened By Structural Profit Pressure

### Ratings Affirmed; Outlook Action

	To	From
Credit Agricole S.A.		
Credit Lyonnais		
Credit Agricole Corporate and Investment Bank		
Credit Agricole Corporate And Investment Bank (New York Branch)		
Caisse Regionale de Credit Agricole Mutuel du Nord-Est		
Caisse Regionale de Credit Agricole Mutuel du Morbihan		
Caisse Regionale de Credit Agricole Mutuel du Languedoc		
Caisse Regionale de Credit Agricole Mutuel du Finistere		
Caisse Regionale de Credit Agricole Mutuel du Centre Ouest		
Caisse Regionale de Credit Agricole Mutuel des Savoie		
Caisse Regionale de Credit Agricole Mutuel des Cotes D'Armor		
Caisse Regionale de Credit Agricole Mutuel de la Touraine et du Poitou		
Caisse Regionale de Credit Agricole Mutuel de la Reunion		
Caisse Regionale de Credit Agricole Mutuel de la Martinique-Guyane		
Caisse Regionale de Credit Agricole Mutuel de la Guadeloupe		
Caisse Regionale de Credit Agricole Mutuel de l'Anjou et du Maine		
Caisse Regionale de Credit Agricole Mutuel de Normandie-Seine		
Caisse Regionale de Credit Agricole Mutuel de Lorraine		
Caisse Regionale de Credit Agricole Mutuel de Loire-Haute Loire		
Caisse Regionale de Credit Agricole Mutuel de Franche-Comte		
Caisse Regionale de Credit Agricole Mutuel de Charente-Maritime Deux Sevres		
Caisse Regionale de Credit Agricole Mutuel de Champagne-Bourgogne		
Caisse Regionale de Credit Agricole Mutuel de Centre-France		
Caisse Regionale de Credit Agricole Mutuel de Centre Loire		
Caisse Regionale de Credit Agricole Mutuel d'Ille et Vilaine		
Caisse Regionale de Credit Agricole Mutuel d'Aquitaine		
Caisse Regionale de Credit Agricole Mutuel Val de France		
Caisse Regionale de Credit Agricole Mutuel Toulouse 31		
Caisse Regionale de Credit Agricole Mutuel Sud-Mediterranee		
Caisse Regionale de Credit Agricole Mutuel Sud Rhone-Alpes		
Caisse Regionale de Credit Agricole Mutuel Pyrenees-Gascogne		
Caisse Regionale de Credit Agricole Mutuel Provence Cote d'Azur		
Caisse Regionale de Credit Agricole Mutuel Paris Ile-de-France		
Caisse Regionale de Credit Agricole Mutuel Normandie		
Caisse Regionale de Credit Agricole Mutuel Nord de France		
Caisse Regionale de Credit Agricole Mutuel Nord Midi-Pyrenees		

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Caisse Regionale de Credit Agricole Mutuel Charente Perigord

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Caisse Regionale de Credit Agricole Mutuel Centre-Est

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Caisse Regionale de Credit Agricole Mutuel Brie Picardie

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Caisse Regionale de Credit Agricole Mutuel Atlantique Vendee

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Caisse Regionale de Credit Agricole Mutuel Alsace-Vosges

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Caisse Regionale de Credit Agricole Mutuel Alpes Provence

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CACEIS

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CA Consumer Finance

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Issuer Credit Rating	A+/Stable/A-1	A+/Negative/A-1
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\*\*\*\*\* Dexia S.A. \*\*\*\*\*

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Ratings Affirmed

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Dexia Credit Local

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Issuer Credit Rating	BBB/Stable/A-2
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Dexia Crediop SpA

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Issuer Credit Rating	BBB/Negative/A-2
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\*\*\*\*\* Oney Bank \*\*\*\*\*

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Ratings Affirmed; Outlook Action

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To	From
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Oney Bank

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Issuer Credit Rating	BBB/Stable/A-2	BBB/Positive/A-2
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\*\*\*\*\* La Poste \*\*\*\*\*

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Ratings Affirmed

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La Banque Postale

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Issuer Credit Rating	A/Stable/A-1
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\*\*\*\*\* Renault S.A. \*\*\*\*\*

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Downgraded; Outlook Action

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To	From
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RCI Banque

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DIAC S.A.

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Issuer Credit Rating	BBB-/Stable/A-3	BBB/Negative/A-2
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\*\*\*\*\* Societe Generale \*\*\*\*\*

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Ratings Affirmed

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Societe Generale

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Societe Generale Bank & Trust

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Societe Generale (New York Branch)

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Komerčni Banka A.S.

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Resolution Counterparty Rating	A+/-/A-1
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## Various Rating Actions On French Banks As Easing Macroeconomic Downside Risk Is Dampened By Structural Profit Pressure

### SG Americas Securities LLC

Resolution Counterparty Rating	A/--/A-1
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### Ratings Affirmed; Outlook Action

	To	From
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### Societe Generale

#### Societe Generale Bank & Trust

#### Societe Generale (New York Branch)

### SG Americas Securities LLC

### Komerčni Banka A.S.

Issuer Credit Rating	A/Stable/A-1	A/Negative/A-1
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### Sogecap S.A.

Issuer Credit Rating		
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Local Currency	BBB+/Stable/--	BBB+/Negative/--
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Financial Strength Rating		
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Local Currency	BBB+/Stable/--	BBB+/Negative/--
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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](http://www.standardandpoors.com) for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at [https://www.standardandpoors.com/en\\_US/web/guest/article/-/view/sourceId/504352](https://www.standardandpoors.com/en_US/web/guest/article/-/view/sourceId/504352) Complete ratings information is available to subscribers of RatingsDirect at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found on S&P Global Ratings' public website at [www.standardandpoors.com](http://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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