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Ratings

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KommuneKredit

Primary Credit Analyst:
Andrea Croner, Stockholm (46) 8-440-5921; andrea.croner@spglobal.com

Secondary Contact:
Carina Johansson, Stockholm (46) 8-440-5918; carina.johansson@spglobal.com

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KommuneKredit

Major Rating Factors

Issuer Credit Rating
AAA/Stable/A-1+

Strengths:	Weaknesses:
• Very strong public policy role in terms of being the prime loan provider to Danish local and regional governments. • Joint and several liability by all Danish municipalities and regions. • Special status from government legislation that limits exposure to regulatory risks. • Excellent asset quality in the loan book and investments in highly rated securities. • Conservative asset-liability management. • Very strong capitalization.	• Dependence on wholesale funding and no access to central bank financing, which could potentially pose slight funding risk. • Satisfactory only liquidity position with a lack of explicit central bank access. • Some concentration risks in lending and derivative counterparty exposures.

Rationale

We use our Principles of Credit Ratings to assess KommuneKredit. We assess KommuneKredit's business risk profile as very strong, based on its business position, management, and governance. We base our very strong financial risk profile on our assessment of KommuneKredit's funding and liquidity and capital adequacy. We

then incorporate the extraordinary support provided by the joint and several liability from its members to KommuneKredit's stand-alone credit profile (SACP), which results in a 'AAA' rating. Our ratings on KommuneKredit are underpinned by its very strong public policy role and the credit strength of the Danish local

government sector through a solid joint and several liability structure.

The ratings also reflect our view of KommuneKredit's prudent risk management, excellent asset quality, and very strong capitalization. KommuneKredit's special status as a lending agency under government law limits its exposure to regulatory risks and is a rating strength. Conversely, we see funding risks from the agency's dependence on wholesale funding, its only satisfactory liquidity position with a lack of explicit central bank access, and some concentration risks from lending and derivative counterparty exposures.

Support stemming from Denmark's local and regional government (LRG) sector is a key rating strength. It takes the form of joint and several liability from all LRGs in Denmark, which constitute the membership of KommuneKredit. In practice, KommuneKredit and its investors may call on any member directly for support, if necessary, without the need for court proceedings.

KommuneKredit benefits from a supportive legal framework and a special status and operational mandate, formalized by law. KommuneKredit is exempted from several regulatory requirements, specifically the proposed Basel III regulations, which it could nevertheless currently accommodate, in our opinion.

KommuneKredit has a very strong capital base, in our view. The agency doesn't have to comply with regulatory capital ratios, but we note that our risk-adjusted capital (RAC) ratio was a very strong 32% on June 30, 2016. In addition, KommuneKredit's equity-to-assets ratio (leverage ratio) was a strong 3%, in line with the proposed Basel III requirement of 3%. Furthermore, the agency has stated in its financial policy that its internal goal is to maintain a ratio above 3% in the long term.

KommuneKredit grants loans only to Danish LRGs or public-sector companies backed by municipal guarantees. In our opinion, the Danish LRG sector has a very supportive grant and equalization system that ensures LRGs have sufficient financing and are largely unaffected by economic downturns. No Danish LRG has ever defaulted on a loan obligation. Consequently, we consider the asset quality of KommuneKredit's loan book to be excellent. Similarly, we note that KommuneKredit's leasing arrangements to its members are also covered by municipal guarantees.

In our opinion, KommuneKredit's asset-liability management is prudent, and we understand the agency strives to eliminate duration mismatches between assets and liabilities, even though it does not conduct loan-to-loan funding of its lending. Consequently, the agency hedges risk through derivatives, which, however, creates material counterparty exposures to financial institutions. Importantly, the agency follows prudent counterparty limitations and risk-reducing contracts--such as International Swaps and Derivatives Association master agreements and credit support annexes--to handle these exposures.

KommuneKredit has shown sound operations in 2016 with stable lending growth and comprehensive income amounting to Danish krone (DKK) 308 million (€40 million) in the first half, compared with DKK165 million in the first half of 2015. In 2015, KommuneKredit announced that its implementation of updated risk-management modules in its IT systems, with enhanced assessment of the liquidation value of cross-currency basis swaps, would result in a one-time DKK400 million downward adjustment to expected comprehensive income for 2015. The adjustment affected reported comprehensive income but did not impact liquidity or repayment ability. We expect profitability will return to normal levels in 2016, but we will monitor developments. We also note that core capitalization might be slightly below the internal goal of 3% over the next few years. We understand that the enhanced valuation tool could result in somewhat more volatile valuations, but, with continuous reporting, future swings should be considerably lower than the one-time adjustment in 2015. Considering the fact that the write-down was triggered by a onetime implementation of new risk-management modules compliant with International Financial Reporting Standards, we do not consider it a sign of weaker risk-management practices.

Liquidity

KommuneKredit has satisfactory liquidity, in our view. The agency uses only wholesale funding, so it is fully dependent on reliable access to capital markets. Unlike some of its peers, KommuneKredit does not have access to central bank funding, which adds potential funding risks should liquidity in the wholesale markets lessen. Although the agency is exposed to risks through its dependence on wholesale market funding, we consider this risk to be mitigated by its prudent liquidity policies, conservative asset-liability matching, diversified funding markets, and significant high-quality prefunding sources. Furthermore, KommuneKredit bonds are eligible as collateral in the central bank's monetary policy operations, where the bonds issued by KommuneKredit have been recategorized to category 3 from 4, resulting in substantially decreased haircuts.

By law, KommuneKredit can only hold prefunding within a limit set by the Danish Ministry of Social Affairs And The Interior. The maximum is 25% of lending, and, in June 2016, this amounted to 17% of lending, fairly close to previous years. KommuneKredit's treasury investments are highly liquid, typically bank deposits or investments in securities rated 'AA-' or higher. KommuneKredit monitors liquidity daily and carries out stress tests to verify that there is sufficient liquidity to sustain a prolonged funding interruption. Under a simulated worst-case scenario in September 2016, assuming all funding with call options was called simultaneous and no lending was called, KommuneKredit's liquidity buffers were sufficient to cover 364 days of operation before resorting to equity capital. We note that this is stronger than in our previous review.

Outlook

The stable outlook reflects our expectation that, over the coming two years, KommuneKredit's joint and several member liability structure will remain intact. It further reflects our expectation that the agency's management will continue to pursue prudent risk-management practices and excellent asset quality, and maintain or improve its liquidity policies and positions.

Pressure on the ratings could arise if KommuneKredit's liquidity position weakened significantly, if its funding capacity deteriorated, or if our view of its management and risk-management practices were to weaken. A substantial deterioration of the quality of loans or securities investments, or a downward revision of our assessment of the member liability structure, could also lead to a negative rating action.

Comparative Analysis

KommuneKredit is comparable with three other Nordic municipal funding agencies that we rate (Kommuninvest, Kommunalbanken, and Municipality Finance, see table 1). It is somewhat similar to two Dutch public-sector banks--Bank Nederlandse Gemeenten N.V. (BNG) and Nederlandse Waterschapsbank N.V. (NWB). These municipal funding agencies focus on supplying low-cost funding to the LRG sectors in their respective countries, which provide them with low-risk assets. At about 95% of total local government borrowing, KommuneKredit has the most dominant market share of all these municipal funding agencies, compared with a Nordic peer average of about 50% of total borrowing in the respective sectors.

Ownership and support structures, albeit different, are strong for all four Nordic agencies. The ownership of KommuneKredit and Sweden-based Kommuninvest i Sverige AB rests with their respective LRG members, and there is support stemming from those LRG members through joint and several liability. By comparison, the municipalities owning Finland-based Municipality Finance are jointly liable for its liabilities on a pro rata basis via the Municipal

Guarantee Board, which provides a last-resort guarantee. KommuneKredit's Norwegian peer--Kommunalbanken--receives support from its owner, the central government, as do its Dutch peers BNG and NWB.

The Nordic municipal funding agencies have very strong credit profiles, in our view, with similarly high asset quality and prudent asset-liability management. Unlike its peers, KommuneKredit is exempt from regulation, including future leverage ratio requirements under Basel III. Still, we view KommuneKredit's capitalization at par or stronger than that of its Nordic peers, and its capitalization ratio complies with 3% requirement proposed by Basel III.

However, unlike Kommuninvest, Municipality Finance, and the Dutch entities, KommuneKredit does not have access to central bank facilities. Nevertheless, this is to a large extent mitigated by prudent liquidity policies and broad access to domestic and international funding markets. In addition, KommuneKredit's close match of loan redemptions and lending mitigates liquidity risks and the need for extensive treasury activities.

Table 1

KommuneKredit Peer Comparison 2015

	KommuneKredit	Municipality Finance PLC	Kommuninvest i Sverige AB	KBN Kommunalbanken Norway
Issuer credit rating*	AAA/Stable/A-1+	AA+/Stable/A-1+	AAA/Stable/A-1+	AAA/Stable/A-1+
Country	Denmark (Kingdom of)	Finland (Republic of)	Sweden (Kingdom of)	Norway (Kingdom of)
Sovereign credit rating*	AAA/Stable/A-1+	AA+/Stable/A-1+	AAA/Stable/A-1+ (unsolicited)	AAA/Stable/A-1+
Establishment date	1899	1989/1993	1986	1926
Guarantee structure	Joint and several liability from local and regional governments	From the municipalities on a joint basis through the Municipal Guarantee Board	Joint and several guarantee from local and regional governments	100% owned by the Norwegian government. Letter of support from owner.
Market share (%)	About 95%	About 50%	About 45%	About 50%
S&P Global Ratings' view of competition	Very limited	Limited	Limited	Limited
Default	None	None	None	None

*As of Nov. 18, 2016.

Profile: Primary Credit Agency For The Danish Local Government Sector

KommuneKredit operates as a funding vehicle for Danish local governments and public enterprises fully guaranteed by such bodies. Although KommuneKredit is not obliged to lend to such entities, it has not yet declined an application. Furthermore, it does not adjust lending margins according to a borrower's individual credit standing.

KommuneKredit's strategic direction is limited by its articles of association, which restrict activities to the public sector. Consequently, it has the public policy role of providing cost-effective funding to the Danish LRG sector, rather than seeking profit maximization. We expect KommuneKredit to remain within its public-sector mandate and maintain low credit risk.

Although the mandate ensures that the agency's asset quality mirrors the overall credit quality of the Danish public sector, it also imposes certain constraints, primarily on concentration risk in the loan book. Still, we consider the overall stability and predictability of KommuneKredit's business position to be important mitigating factors that support the rating.

KommuneKredit has a very dominant market share of about 95% of outstanding loans to the Danish LRG sector and a similarly high share of new loans to the sector. We observe that KommuneKredit's significant funding edge over competitors continues to fuel its very strong market position, which we expect it will maintain in the coming years.

In our view, the prospects for public-sector lending in Denmark remain stable. Over the last few years lending growth has typically rested at levels between 3%-5%, and we estimate it will stand at about 4% annually over the coming years.

Profitability: A Low-Margin Business, But A Stable Earnings Base

Although KommuneKredit is not a profit-maximizing organization, its dominant market position and efficient organization have produced stable earnings in recent years leading to a strong and sustainable leverage position.

KommuneKredit's niche lending market is generally characterized by low margins. The agency bases its loan margins on all-in funding costs and does not differentiate by customer. Aside from its small mark-up on lending, KommuneKredit's earnings almost fully reflect gains from its bond portfolio. Because KommuneKredit is not required to pay dividends, it transfers its after-tax profits to capital and reserves.

In November 2015, KommuneKredit announced that implementation of updated risk-management modules in its IT systems, with enhanced assessment of the liquidation value of cross-currency basis swaps, would result in a onetime DKK400 million downward adjustment to 2015 expected comprehensive income. At the same time, the company raised its forecast profit for 2015 excluding value adjustments to DKK400 million (compared with DKK375 million forecast in interim reporting as of June 30, 2015). The adjustment affected reported comprehensive income but did not impact liquidity or repayment ability. We expect profitability will return to normal levels in 2016, but we will monitor developments and also note that core capitalization might be slightly below the internal goal of 3% over the next few years. We understand that the enhanced valuation tool can result in somewhat more volatile valuations, but, with continuous reporting, future swings should be considerably lower than the onetime adjustment in 2015. Considering the fact that the write-down was triggered by a onetime implementation of new IFRS-compliant risk-management modules, we do not consider it a sign of weakened risk-management practices.

Ownership And Legal Status: An Agency Regulated By Special Law That Benefits From A Joint And Several Liability

KommuneKredit does not have a banking license and is not allowed to take deposits. Its operations are restricted solely to lending to LRGs. It is legally organized as an association, in which members are jointly and severally liable for all of its obligations. All 98 Danish municipalities and five regions are members, as are two of the Faroe Island local governments. Under the joint and several liability that automatically follows membership of KommuneKredit, the member assumes responsibility for the agency's total outstanding obligations. Consequently, we believe that

KommuneKredit has a very strong joint and several liability structure, ultimately backed by the entire taxpaying population of Denmark.

As an organization regulated by a specific law, KommuneKredit is not subject to general banking laws and is therefore isolated from regulatory risks. It is not regulated by the Danish Financial Supervisory Authority (FSA), but supervised by the Ministry of Social Affairs and the Interior.

Danish LRGs: Close Central Government Oversight And Extensive Equalization Provide For Robust LRG Creditworthiness

The Danish LRGs are based on a solid institutional framework that regulates local government borrowing. Moreover, the LRGs have close ties to the central government through the latter's close supervision and support and an extensive equalization system.

Danish LRGs' financial activities, including what constitutes eligible borrowing, are subject to extensive regulation and supervision by the central government. This includes the right to raise loans, which is restricted to specific investment purposes, including housing for the elderly and energy-saving measures. In addition, municipalities can guarantee loans to most utility and public housing companies. Loans for other investments require approval from the central government.

Importantly, the Danish municipal sector is not affected by economic declines because the central government bears the risk of a downturn. A special government grant compensates LRGs for declining tax revenue through an automatic stabilization formula. This grant also offsets increasing social transfers resulting from a downturn. We believe these systemic features underpin the overall creditworthiness of the Danish LRGs.

We note that Danish LRGs have exercised tight control over expenditures for the past three years to balance their accounts without resorting to tax increases. This is in line with agreements between Local Government Denmark (an umbrella group for the sector) and the Danish central government.

We believe expenditure control and efficiency gains will remain a top priority and expect the sector's overall creditworthiness to remain robust.

The sector has only moderate leverage and low financial costs (interest payments and installments of about 1.6% of expenditures in 2015).

Risk Profile And Management: Strong, Reflected In Excellent Asset Quality And Prudent Risk Management

We consider KommuneKredit to have a strong risk profile, based on its focus on low-risk lending to, or guaranteed by, Danish LRGs. In addition, KommuneKredit shows conservative asset-liability management, as funds raised are onlent to members or invested in securities on matching terms. Moreover, KommuneKredit has a simple business model, undertakes no trading activities, and interest rate risk is controlled within a framework of limits approved by the board.

Although KommuneKredit is not bound by regulations such as those related to Basel III or CRR/CRD IV (Capital Requirement Regulation and Directives IV), these frameworks have, to a large extent, imposed internal policy limits complying with such requirements. Examples of such areas are internal requirements for liquidity coverage ratio, net stable funding ratio and leverage ratio.

Credit risk: Lending

KommuneKredit's credit portfolio is concentrated in the LRG sector, but we believe this is mitigated by Danish LRGs' very strong credit quality. All loans carry a zero risk weight according to the Bank for International Settlement's guidelines. KommuneKredit has never recorded loan losses or nonperforming loans from the Danish LRG sector. Consequently, the joint and several liability has never been called.

KommuneKredit carries material exposures to individual borrowers. The largest, to Århus municipality, represented a high 95% of the agency's adjusted common equity (ACE) in August 2016. However, single-loan exposures are smaller. We consider KommuneKredit's material exposure to individual borrowers to be acceptable, given the low-risk nature of its loan book.

Credit risk: Investments

KommuneKredit has a conservative approach to treasury investments (prefunding), in our view. The assets comprise short-term deposits and highly rated liquid senior securities, such as money market instruments and liquid bonds. In June 2016, KommuneKredit's prefunding amounted to 17.2% of lending, slightly down from 17.5% at year-end 2015. The agency's investment policy permits only new investments in bonds and money market instruments rated at least 'AA-'. As of August 2016, 61% of the securities were rated 'AAA' (versus 59% one year earlier), 26% rated 'AA+', 14% rated 'AA-', and 5% rated 'A'. At the same date, KommuneKredit's current liquidity portfolio comprises investments in governments and supranational bodies (20%), covered bonds (34%), agencies (33%), and financial institutions (13%).

To control credit risk, KommuneKredit assigns internal credit lines to all of its financial counterparties in derivatives, investments, and deposits.

Counterparty credit risk

In 2016, structured funding represented 12% of KommuneKredit's total funding (33% in 2015). The agency accepts no residual structured risk, which provides for extensive use of financial derivatives that create significant counterparty exposure to banks compared with KommuneKredit's size. Consequently, KommuneKredit only deals with new derivatives under full bilateral CSAs.

Importantly, KommuneKredit uses what we regard as prudent counterparty limitations and risk-reducing contracts, such as ISDA master agreements and CSAs, to address these exposures. The majority of ISDA agreements contain rating triggers if the rating on a specific counterparty goes below 'A-'. In addition, it does not enter into any new ISDA agreements without a collateral agreement.

Until recently KommuneKredit only accepted unilateral CSA agreements. However, in 2014 the organization changed this policy and decided to enter into bilateral collateral agreements instead of unilateral collateral agreements so that, going forward, apart from receiving collateral, KommuneKredit also posts collateral in cases where derivative counterparts have assumed a risk in respect of KommuneKredit. This change was because KommuneKredit considered this move would lead to more favorable derivative conditions. In addition, by having this setup KommuneKredit has better possibilities to expand the number of counterparts, which will increase competition and spur diversification among counterparties.

Valuation of derivative exposure is performed daily according to risk models, and collateral is exchanged daily. Furthermore, regarding derivatives management, we observe that forthcoming legislation for European Market Infrastructure Regulations could affect KommuneKredit's settling of derivatives exposures. However, due to KommuneKredit's regulatory status and because its derivatives are for hedging purposes, it is not obliged to clear its derivatives through the central counterparty.

Funding and liquidity risk

KommuneKredit does not take deposits and is consequently wholly dependent on international and domestic capital markets for wholesale funding. Its funding is primarily from a €25 billion euro medium-term note program and €5 billion in commercial paper. Unlike some of its peers, KommuneKredit does not have access to central bank funding, which we think increases funding risk if liquidity in the capital markets were to dry up. However, we consider these risks to be mitigated by KommuneKredit's access to several funding markets, very strong name recognition, and significant prefunding. Importantly, we observe that investors tend to clearly differentiate KommuneKredit from commercial lenders in Denmark and in times of severe market stress KommuneKredit has so far benefitted from investors' "flight to quality."

KommuneKredit conducts daily monitoring and stress tests on its liquidity position. In September 2016, a worst-case simulation, in which all of KommuneKredit's funding was called but no lending was called, suggested that the agency could sustain a 364-day capital market shutdown by using its prefunding portfolio alone. This simulation did not include KommuneKredit's equity capital, in which an equity-to-liabilities ratio exceeding 1% provides a liquidity buffer. Furthermore, KommuneKredit has a legal right to terminate a portion of its lending (DKK73 billion or 46% of the total loan portfolio in 2015) after 14 days' notice if, for reasons beyond its control, it is unable to raise funding on the international capital markets.

Overall, we assess KommuneKredit's liquidity position as satisfactory.

Market risk

KommuneKredit changed its strict loan-to-loan concept to a portfolio approach in 2007, although some funding is still matched by a loan-to-loan approach. Lending to members funded on the domestic bond market remains almost perfectly matched with the terms of the underlying bond issue, including matching embedded options. Other funding from domestic or international markets is directly onlent, either at terms identical to those granted to KommuneKredit or through swaps into the currency or interest rates the borrower prefers.

Overall KommuneKredit has limited exposure to market risks. Currency risk is minimal because all lending is typically in Danish krone and all funding in other currencies is swapped into Danish krone. Similarly, the agency reduces virtually all interest rate risk through extensive use of derivatives, whereby all fixed-rate funding of a certain size is swapped into floating rates as of the agreement date. KommuneKredit has a fixed exposure limit for interest-rate risk (4.5% of equity).

Capital: Very Strong, Consisting Exclusively Of Retained Earnings

KommuneKredit's capital is of high quality, in our view, consisting exclusively of retained earnings, invested in Danish government bonds and covered bonds issued on the Danish market. The agency has no hybrid capital securities on its balance sheet. Our RAC ratio for KommuneKredit at year-end 2015 stood at 32%, which in our view, indicates very strong capitalization.

KommuneKredit is not subject to the Basel regulatory framework. Nevertheless, we note management's strategy to still comply with Basel III, and it has set an equity-to-assets target of 3%, although the agency is only legally required to keep its equity capital at more than 1% of total liabilities. In June 2016, KommuneKredit's equity-to-assets ratio stood at 3%.

Given KommuneKredit's regulatory exemption, Basel II's capital requirements regarding large exposures did not affect KommuneKredit. Even so, the agency remains fully compliant with the stipulated maximum levels.

Table 2

KommuneKredit Risk-Adjusted Capital Framework Data			
(Mil. DKK)	**Exposure as default**	**S&P Global Ratings' RWA**	**Average S&P Global Ratings' RW (%)**
Credit risk			
Government and central banks	172,964	5,235	3
Institutions	36,355	4,947	14
Corporate	0	0	0
Retail	0	0	0
Of which mortgage	0	0	0
Securitization*	0	0	0
Other assets	0	0	0
Total credit risk	209,318	10,182	5
Market risk			
Equity in the banking book§	0	0	0
Trading book market risk	--	3,231	--
Total market risk	--	3,231	--
Insurance risk			
Total insurance risk	--	0	--
Operational risk			
Total operational risk	--	7,134	--
		S&P Global Ratings' RWA	**% of S&P Global Ratings' RWA**
Diversification adjustments			
RWA before diversification	--	20,548	100
Total Diversification/Concentration Adjustments	--	2,878	14
RWA after diversification	--	23,426	114

Table 2

KommuneKredit Risk-Adjusted Capital Framework Data (cont.)

		Total adjusted capital	S&P Global Ratings' RAC ratio (%)
Capital ratio			
Capital ratio before adjustments	--	6,655	32.4
Capital ratio after adjustments†	--	6,655	28.4

*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. DKK--Danish krone. Sources: Company data as of Dec. 31, 2015, Standard & Poor's.

Table 3

Kommunekredit Key Figures

	--Year end Dec. 31--			
(Mil. €)	**2015**	**2014**	**2013**	**2012**
Adjusted assets	213,199	201,413	184,239	181,885
Customer loans (gross)	157,693	152,085	142,711	136,296
Adjusted common equity	6,347	6,244	5,595	5,716
Operating revenues	223	433	428	794
Noninterest expenses	96	95	96	100
Core earnings	104	254	279	516

Table 4

Kommunekredit Capital And Earnings

	--Year end Dec. 31--			
(%)	**2015**	**2014**	**2013**	**2012**
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0
Net interest income/operating revenues	302.2	103.9	117.5	75.9
Market-sensitive income/operating revenues	(202.2)	(3.9)	(17.5)	24.1
Noninterest expenses/operating revenues	43.0	21.9	22.4	11.7
Preprovision operating income/average assets	0.06	0.18	0.18	0.39
Core earnings/average managed assets	0.05	0.13	0.15	0.29

Table 5

Kommunekredit Risk Position

	--Year end Dec. 31--			
(%)	**2015**	**2014**	**2013**	**2012**
Growth in customer loans	3.7	6.6	4.7	5.7
Total managed assets/adjusted common equity (x)	33.6	32.3	30.7	31.8

Table 6

Kommunekredit Funding And Liquidity

	--Year end Dec. 31--			
(%)	**2015**	**2014**	**2013**	**2012**
Core deposits/funding base	0.0	0.0	0.0	0.0
Long-term funding ratio	69.2	59.9	70.9	71.9
Stable funding ratio	83.6	71.1	82.4	N/A
Short-term wholesale funding/funding base	31.8	41.4	30.1	29.0
Broad liquid assets/short-term wholesale funding (x)	0.4	0.3	0.5	0.5
Short-term wholesale funding/total wholesale funding	31.8	41.4	30.1	29.0
Narrow liquid assets/3-month wholesale funding (x)	0.9	0.8	1.5	N/A

N/A--Not available.

Related Criteria And Research

Related Criteria

- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011
- Bank Capital Methodology And Assumptions, Dec. 6, 2010

Related Research

- Research Update: Kingdom of Denmark 'AAA/A-1+' Ratings Affirmed On Strong Balance Sheet; Outlook Stable - September 16, 2016

Ratings Detail (As Of November 18, 2016)

KommuneKredit		
Issuer Credit Rating		AAA/Stable/A-1+
Commercial Paper		
Foreign Currency		A-1+
Senior Unsecured		AAA
Short-Term Debt		A-1+
Issuer Credit Ratings History		
27-Feb-2001	*Foreign Currency*	AAA/Stable/A-1+
25-Jan-1999		AA+/Positive/A-1+
24-Mar-1997		AA+/Stable/A-1+
24-Mar-1997	*Local Currency*	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.

Additional Contact:

International Public Finance Ratings Europe; PublicFinanceEurope@spglobal.com