S&P Global Ratings

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Jyske Bank A/S

Primary Credit Analyst:
Antonio Rizzo, Madrid + 34 91 788 7205; Antonio.Rizzo@spglobal.com

Secondary Contacts:
Virginia Arenius, Stockholm; virginia.arenius@spglobal.com
Salla von Steinaecker, Frankfurt + 49 693 399 9164; salla.vonsteinaecker@spglobal.com

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Jyske Bank A/S

SACP	a-
Anchor	bbb+	
Business Position	Adequate	0
Capital and Earnings	Strong	+1
Risk Position	Adequate	0
Funding	Average	0
Liquidity	Adequate	

\+

Support	+1
ALAC Support	+1
GRE Support	0
Group Support	0
Sovereign Support	0

\+

Additional Factors	0

Issuer Credit Rating
A/Stable/A-1

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

Credit Highlights

Key strengths	Key risks
A solid domestic franchise in retail and commercial banking.	Profitability prospects that lag international peers'.
Strong risk-adjusted capitalization.	Limited geographic diversity.
Sizable buffer of loss-absorbing debt instruments.	Dependence on wholesale funding for mortgage loans.

Postpandemic recovery and prudent growth underpins the capitalization level. S&P Global Ratings expects Jyske Bank AS' risk-adjusted capital (RAC) ratio to grow further from 12.8% at end-2020 to about 14% by 2023. We expect that capitalization will remain a rating strength despite the bank's resumption of share repurchase program and margin pressures, based on sustained fee income, improved efficiency, low provisioning levels, and moderate growth in risk-weighted assets (RWAs).

The highly collateralized retail portfolio should sustain asset quality over the medium term. Jyske Realkredit's collateralized loan book (70% of the loan book are mortgages) increases the bank's resilience and provides regional and product diversification to Jyske Bank's historically SME-focused loan book. The cost of risk should remain negligible this year and about 5 basis points (bps) in 2022, showing a prudent approach in provisioning at the start of the pandemic. Gross nonperforming loans (NPLs) should be broadly stable in the next 12 months at about 1.8%.

We expect the bank to focus on strengthening its franchise and recurring profitability. Jyske Bank will continue to develop its sound domestic franchise as the fourth-largest domestic player by market share. Although its revenue streams are diversified, combining retail and corporate lending with fee and commission income, they remain geographically concentrated in Denmark.

The buffer of bail-inable debt should continue to support the long-term issuer credit rating. We expect Jyske Bank to continue building up its reserves of additional loss-absorbing liabilities from next year and that they will remain above 5% of S&P Global Ratings' RWA, adding further protection for senior creditors.

Outlook: Stable

The stable outlook reflects our expectation that Jyske Bank will maintain robust capitalization. Specifically, we anticipate the bank's RAC ratio and additional loss absorbing capacity (ALAC) buffer will remain sustainably above 10% and 5% of S&P Global Ratings' RWA. We also expect that the credit loss provisions will remain contained and show an asset quality broadly in line with that of domestic peers.

Downside scenario

We could lower the issuer credit rating if the bank's asset quality weakened materially more than we expect. We could also lower the rating if--contrary to our base-case expectations--bottom-line pressure and asset growth led capitalization and ALAC buffers to fall materially. Downward rating pressure would also build if long-term trends in lending growth and margin highlighted a weakened business franchise or if the bank's profitability--in the pandemic's aftermath--was materially underperforming peers'.

Upside scenario

We consider an upgrade unlikely during our outlook horizon.

Key Metrics

Jyske Bank A/S--Key Ratios And Forecasts

	--Fiscal year ended Dec. 31 --				
(%)	**2019a**	**2020a**	**2021f**	**2022f**	**2023f**
Growth in operating revenue	(3.3)	0.7	0.7-0.8	(3.0)-(3.6)	1.8-2.2
Growth in customer loans	0.6	0.0	1.3-1.6	1.8-2.2	1.6-2.0
Growth in total assets	8.3	3.5	1.4-1.7	1.7-2.0	1.5-1.9
Net interest income/average earning assets (NIM)	0.9	0.8	0.8-0.9	0.8-0.8	0.8-0.8
Cost to income ratio	65.1	62.9	60.3-63.4	62.6-65.8	62.0-65.2
Return on average common equity	7.6	4.9	7.0-7.7	5.8-6.4	5.8-6.4
Return on assets	0.4	0.2	0.3-0.4	0.3-0.3	0.3-0.4
New loan loss provisions/average customer loans	(0.0)	0.2	0.0-0.0	0.0-0.1	0.0-0.1
Gross nonperforming assets/customer loans	2.1	1.8	1.8-2.0	1.7-1.8	1.6-1.7
Net charge-offs/average customer loans	0.1	0.1	0.1-0.1	0.1-0.1	0.1-0.1
Risk-adjusted capital ratio	12.2	12.8	13.2-13.9	13.4-14.1	13.6-14.3

All figures are S&P Global Ratings-adjusted. a--Actual. f--Forecast.

Anchor: 'bbb+' Given That Jyske Bank Operates Predominantly In Denmark

We use our Banking Industry Country Risk Assessment (BICRA) economic risk and industry risk scores to determine a bank's anchor, the starting point in assigning an issuer credit rating. Our anchor for a commercial bank operating only in Denmark is 'bbb+', based on an economic risk score of '2' and an industry risk score of '4'.

Our assessment of low economic risks for Denmark reflects our view that Danish banks benefit from operating in a high-income, open economy with mature political and institutional settings that promote fiscal discipline and growth-stimulating policies. The economy is competitive and diverse, and the pandemic has hit the Danish economy less severely than that of many European peers. Following the real GDP contraction of 2.1% in 2020, we expect the Danish economy to pick up by 3.0% in 2021, then average 2.4% in 2022-2024. This, as well as the robustness of its welfare system and the government's policy response to the pandemic, are in our view efficient mitigating factors against the potential pressure that the situation creates for banks' asset quality. Overall, we expect bank provisioning needs to decrease in 2021 at 15 bps of the total sector loans, mostly driven by nonmortgage credit exposures toward small and midsize (SME) enterprises, a level that rated systemic Danish banks' can accommodate with their capital buffers. The robustness of the mortgage sector, representing two-thirds of total lending, is in our view further supported by a balanced housing market. After the sharp increase in house price growth in the past year, we expect the house price will grow further in real terms for next two years, albeit more slowly.

Our industry risk assessment incorporates our expectation that the Danish banks profitability will gradually improve post-COVID-19 while remaining below that of Nordic peers. This is despite the frontloading of bail-inable debt issuances, negative interest rates, significant investments in compliance, and competitive pressure in corporate lending which are still weighing on the sector's profitability. We now expect Danish banks' return on equity (ROE) to recover from current levels and remain in the 5%-6% range in 2021-2023, close to the average of Denmark's peer countries but still below other Nordic countries.

We note the sector's higher reliance than peers' on functioning wholesale markets but acknowledge the continuing stability of the Danish covered bond market. We view the regulatory environment in Denmark as in line with that of other EU countries overall. This balances a generally robust track record of macroprudential policies and conservative bank supervision with the national anti-money-laundering (AML) governance shortcomings highlighted in Danske Bank's Estonia case. However, local banks and regulators have progressed in strengthening the country's overall AML framework, and expect this focus to continue considering significant public attention and overall political consensus.

Our economic and industry risk trends for the Danish banking sector remain stable.

Business Position: Concentration In Denmark But Revenue Is Diversified

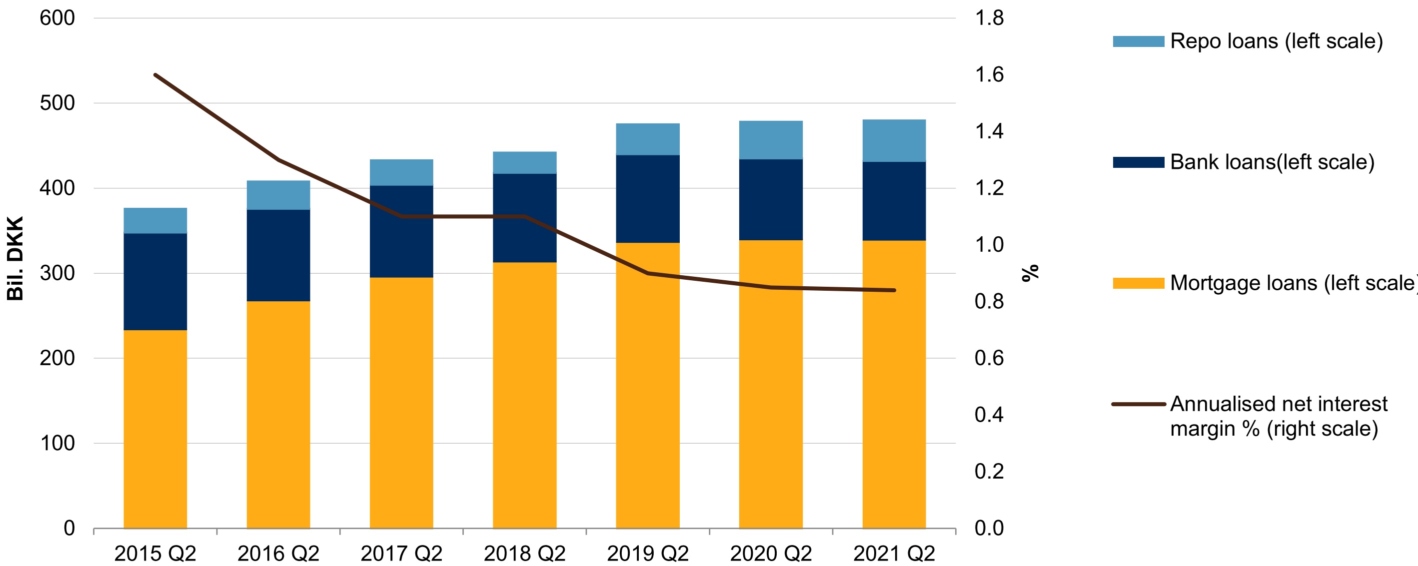
Our assessment of Jyske Bank's business position assumes the bank will maintain its position with a 11% market share and a diversified revenue profile.

Historically a regional bank with a stronger presence in SME lending in Jutland, Jyske Bank has since 2014 with the acquisition of a mortgage bank (today Jyske Realkredit) grown to become the fourth-largest banking group in Denmark, with a nationwide presence among households and SMEs.

Since the acquisition, Jyske Bank has increased its relative share of mortgage lending by repatriating loans previously financed via mortgage lender Totalkredit, while uncollateralized bank loans--mostly to corporates--were largely stable (see chart 1). This contributed to lowering the bank's overall risk profile while reducing topline margins.

Chart 1

Jyske Bank A/S' Changing Loan Book: Lower Risk, Lower Net Interest Margin

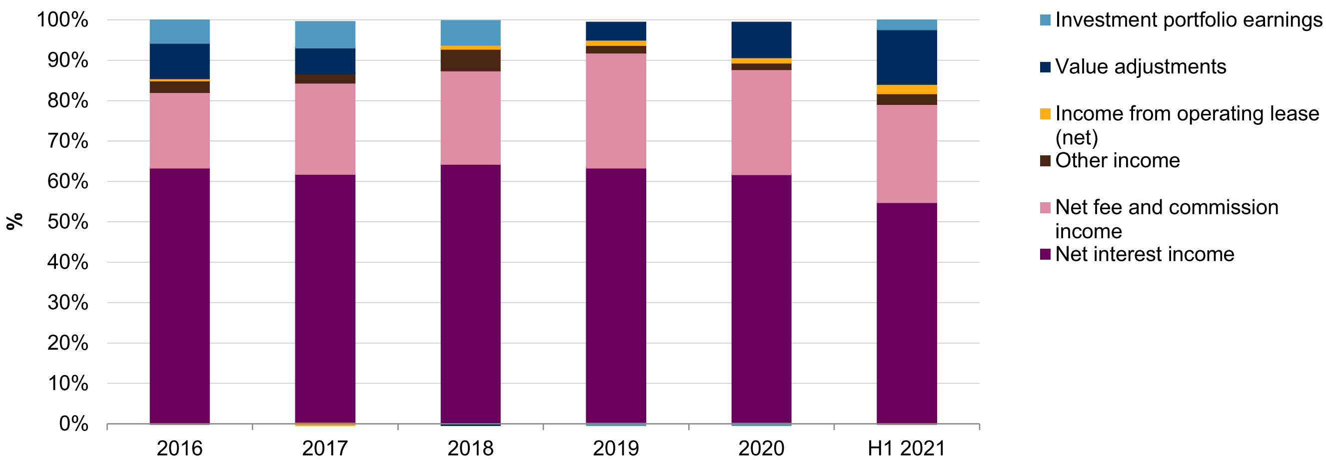


DKK--Danish krone. Source: S&P Global Ratings.

In addition to net interest income (56% of total income as of June 2021), Jyske Bank's revenue mix builds largely on generally stable net fees and commissions (see chart 2) composed mostly of securities trading, lending fees and payments. More volatile performance-related fees have accounted for less than 3% of net fees and commission income on a quarterly average since first-quarter 2016. The bank also provides value-added services such as asset management, mainly to retail clients and leasing to personal and corporate clients.

Chart 2

Jyske Bank's Revenue Mix Provides Diversification And Stability



Source: Jyske Bank A/S.

The pandemic impaired Jyske Bank's business prospects, with low credit demand among both private and corporate customers and pressure on margins. While we expect credit growth to resume gradually in line with increase in GDP and improvement in consumption, earnings will continue to be pressured due to sustained price competition in retail mortgages and corporate lending. We anticipate that the bank will maintain its strategy of focusing on relationship-based commercial banking for households and SMEs, while working on improving its digital offering and asset management footprint.

We think Jyske Bank has a strong and stable management team and a prudent corporate strategy that has previously helped it weather the Danish banking crisis without needing extraordinary capital or liquidity support from the state. Although the bank might seek inorganic expansion to weather domestic competition and strengthen its franchise, we do not expect this to be transformational because the focus remains on streamlining its distribution channels.

Capital And Earnings: Organic Capital Generation Prevails In The Pandemic's Wake

We base our assessment of Jyske Bank's capital and earnings on our expectation that the bank will maintain a solid capitalization and show some gradual improvement on higher retained earnings and manageable volume growth (about 2% average loan growth from 2021-2023). We expect our measure of RAC to reach 13.5%-14.0% by 2023 from 12.8% at end-2020.

As the COVID-19 impact eases, we expect profitability to benefit from lower provisioning and reversals in 2021, while it remains constrained in the medium term due to high competition and margin pressures:

- We expect annual gross loan growth of around 2% in 2021-2023 to benefit the top line growth. However, this will be offset by the contraction of the bank's net interest margin because of sustained competition on the corporate side and despite the broader negative rates for private depositors.
- The cost base should increase only slightly by 2023 compared with December 2020. In the first part of 2021, the company had reduced staff and branches by 5% and 22%, respectively, year-on-year.
- Furthermore, we foresee that new loan loss provisions on average will decrease to a mere 1 bp in 2021 from 22 bps in 2020, in line with the reversals reported during the first six months of 2021 and prepandemic average.
- As a result, we forecast yearly net profit of Danish krone (DKK) 2.0 billion-DKK2.5 billion in 2021-2023, from DKK1.6 billion in 2020, translating to ROE of about 6%. This is broadly in line with the domestic sector, while it lags that of most Nordic peers.

Given the improvement in operating conditions, in January 2021 Jyske Bank announced a first share repurchase program of up to DKK750 million, finalized Sept. 30, 2021. Then, the bank also announced the launch of a share repurchase program of up to DKK1 billion, running until March 2022. We expect the bank's management to continue to calibrate its dividend distribution in line with its long-term capital targets.

The capital remains of good quality because the three additional tier 1 instruments included in our assessment of the bank's capital base, amounting to about DKK3.3 billion, represent 9% of total adjusted capital.

Jyske Bank's regulatory common equity tier 1 (CET1) capital ratio and total capital ratio were 18.3% and 23% on June 30, 2021. These results were within the long-term goal of a total capital ratio of 20%-22% and CET1 ratio of 15%-17%, which will ensure meeting regulatory requirements.

Risk Position: Prudent Lending And Provisioning Results In Relatively Solid Asset Quality Metrics

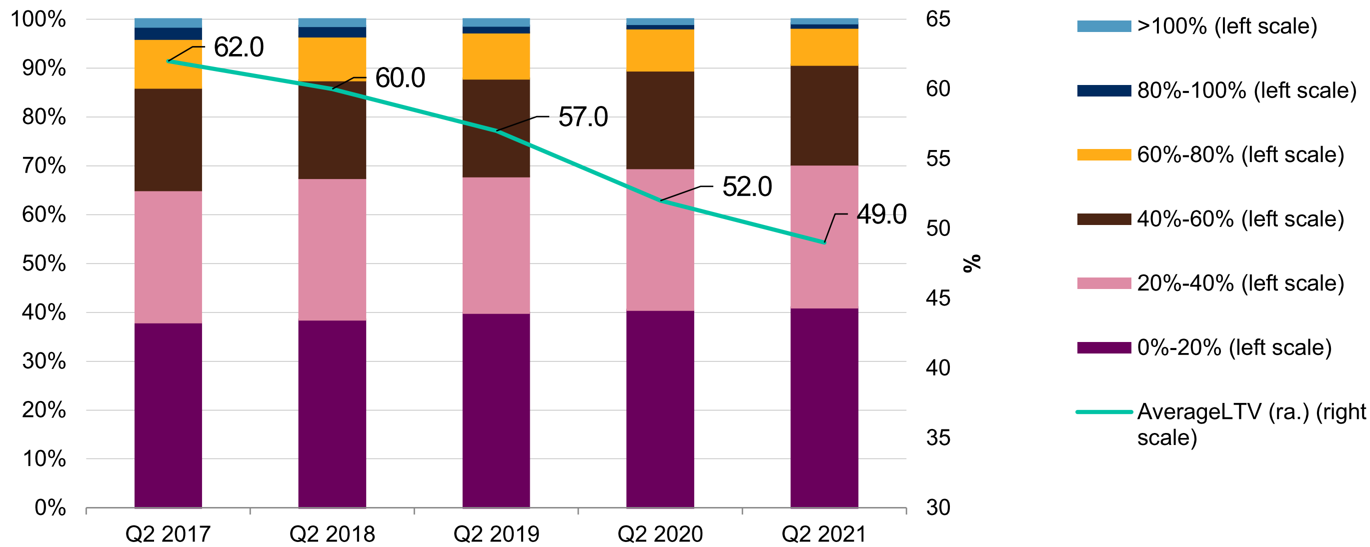
Jyske Bank's risk position is based on the sound asset quality of its domestic loan book, which we expect to remain broadly in line with our assessment of economic risk for the Danish banking system.

With about 70% of its total loans constituted of mortgages, the bank's balance sheet contains limited risk and translates into a relatively low level of NPLs and resilience in the pandemic. Specifically, Jyske Bank's exposure to sectors badly affected by COVID-19 and the resulting lockdowns--airlines, shipping, retail, hotels, restaurants, and leisure--were about 3% of lending, below the overall market average.

Jyske Realkredit's collateralized loan book also provides product diversification to Jyske Bank's historically SME-focused loan book. The average loan-to-value of the bank's mortgage portfolio fell to 49% at June 2021 (see chart 3) and limits risk from the housing market.

Chart 3

Jyske Bank A/S Is Derisking Its Mortgage Portfolio (Share Per LTV Category)



Source: Jyske Bank A/S, S&P Global Ratings. LTV--loan-to-value.

Accordingly, during the first six months of 2021, Jyske Bank reported net reversals of credit impairment charges, mainly driven by the mortgage portfolio, and we expect the cost of risk to remain low, below 5 bps in the next year. This also reflects the conservative provisioning policy in 2020, when provisioning increased but remained manageable at 22 bps in 2020, still lower than our initial expectations and well below the bank's peak losses of 233 bps in 2009 before it entered the mortgage market. As of June 2021, impairment charges based on management's estimates amounting to DKK1.4 billion, compared with DKK1.6 billion as of year-end 2020, remain on the books to offset the pandemic's potential economic consequences.

The stock of gross NPLs increased by 2.7% in the first six months of 2021 leading to a marginally higher ratio of 1.85% of loans at June 2021 from 1.81% at year-end 2020, while they are still below pre-pandemic level (2.15% at year-end 2019). However, the proportion of stage 2 loans remained high at 5.1% as of June 2021 (as compared with 3.7% as of year-end 2020) and we continue to expect transition of some stage 2 loans to stage 3, mostly driven by the SME portfolio as COVID-19 support measures come to an end. As have other Nordic banks, Jyske Bank has been ramping up its AML efforts, and we expect the bank to comply with relevant AML regulations.

Funding And Liquidity: Funding Profile Similar To Larger Danish Peers'

We consider Jyske Bank's funding average and liquidity adequate, and expect these factors to remain in line with peers'. In particular, the bank's funding profile consolidates bank and mortgage financing in the group's metrics and is similar to that of domestic peers. The group's stable funding ratio was stable in the past two years at 95.7% on June 30, 2021.

We note the importance of the supportive Danish covered bond market. The "balance principle" results in high duration and cash flow matching (in addition to interest rate and currency matching) and the industry and regulator have worked to significantly reduce the volume of one-year bond refinancings, resulting in longer and more balanced debt maturity profiles. In our view, this improved stability is complemented by the Danish covered bond legislation that extends bond maturities by 12 months in the event of a failed auction, effectively passing on refinancing risks to investors and repricing risks onto borrowers. The Danish covered bond market--a key investment target for Danish pension funds--has performed well in several crises over its 200-year history, including the pandemic.

Despite the substantial contribution of corporate deposits to Jyske Bank's deposit book, we think most deposits are granular and stable. This benefits the bank's SME lending profile and provides the bank with a steady source of funding for its nonmortgage lending. Core customer deposits formed 21% of the funding base on June 30, 2021.

We view Jyske Bank's liquidity as adequate, with our one-year liquidity ratio (broad liquid assets to short-term wholesale funding) at 0.96x on June 30, 2021. The bank's regulatory liquidity coverage ratio (LCR) was 197% on June 30, versus 339% at end-2020 and 253% at end-2019. Jyske Bank has an internal guideline setting the minimum LCR at 150%, compared with a minimum regulatory requirement of 100%.

Our ratio calculation does not factor in that some covered bonds maturing within a year--and therefore considered short-term funding--could already be pre-auctioned with a forward settlement, or could be linked to a planned installment on the borrower side.

Support: One Notch Of ALAC Support

We include one notch of support above Jyske Bank's 'a-' stand-alone credit profile because we expect the bank will continue to build a material ALAC buffer through 2023 that will protect its senior bondholders. Specifically, we foresee that the bank's ALAC ratio will remain above 5% of S&P Global Ratings-adjusted risk-weighted assets.

We view Denmark's resolution regime as effective under our ALAC criteria because, among other factors, we think it contains a well-defined bail-in process under which authorities would permit nonviable systemically important banks to continue critical functions as going concerns, following a bail-in of eligible liabilities.

Although Jyske Bank's resources should already exceed the expected 2022 MREL requirements of DKK52.5 billion--representing 8% of group's liabilities and own funds--we expect the bank to increase the stock of bail-inable instruments of about DKK5 billion in the next two years.

Environmental, Social, And Governance

We consider ESG credit factors for Jyske Bank broadly in line with industry and country peers.

The bank, as part of its ESG program, launched initiatives to increase transparency of the sustainability objectives for the clients, while simplifying the access to sustainable advice and products. Jyske Bank aims to increase its share of lending to sustainable areas such as green buildings, clean transport, and renewable energy. For the latter, it targets the financing of renewable energy in 2025 equivalent to about 15% of what Denmark generated in electricity in 2018.

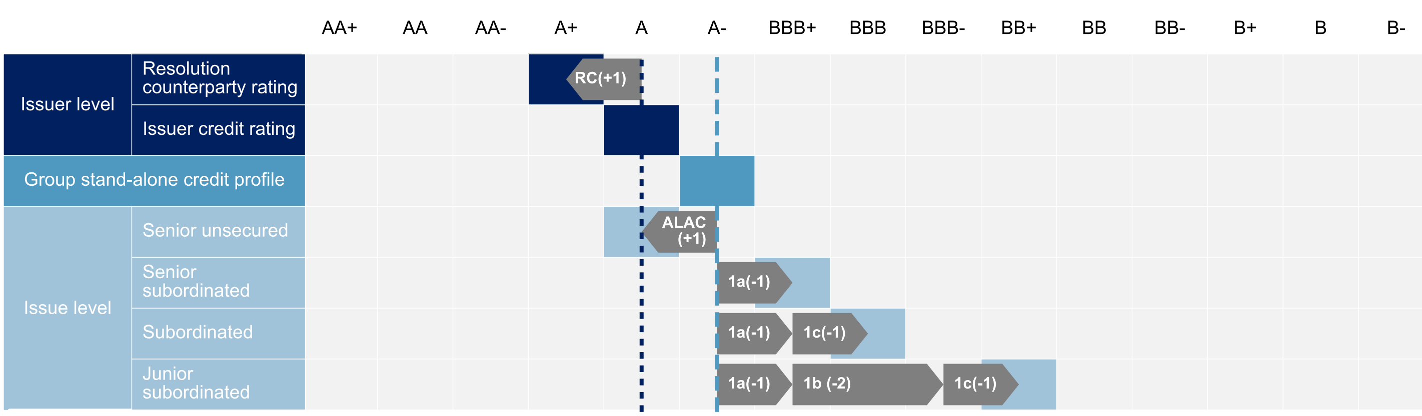
Key Subsidiary: Jyske Realkredit

We view Jyske Realkredit as a core subsidiary and align our long-term issuer credit rating and outlook on it with those on Jyske Bank. We think it is highly unlikely that the relevance of Realkredit will diminish within the group given its vital role in the enlarged bank's funding strategy for Danish residential and commercial mortgages. This is in line with how we see other banking group structures and covered bond-issuing subsidiaries in Denmark and the Nordics.

Issue Ratings

We rate Jyske Bank's hybrid debt instruments according to their respective features.

Jyske Bank A/S: Notching



Key to notching

- - - - - Group stand-alone credit profile
- - - - - Issuer credit rating

RC	Resolution counterpartyliabilities (senior secured debt)
ALAC	Additional loss-absorbing capacity buffer
1a	Contractual subordination
1b	Discretionary or mandatory nonpayment clause and whether the regulator classifies it as regulatory capital
1c	Mandatory contingent capital clause or equivalent

Note: The number-letter labels in the table above are in reference to the notching steps we apply to hybrid capital instruments, as detailed in table 3 of our “Hybrid Capital: Methodology And Assumptions” criteria, published on July 1, 2019.

Resolution Counterparty Ratings (RCRs)

We have assigned our 'A+/A-1' RCRs to Jyske Bank because we assess Denmark's resolution to be effective, and the bank is likely to be subject to a bail-in-led resolution if it reaches nonviability.

An RCR is a forward-looking opinion of the relative default risk of certain senior liabilities that may be protected from default with an effective bail-in resolution process for the issuing financial institution.

Additional Rating Factors: None

No additional factors affect the ratings.

Key Statistics

Table 1

Jyske Bank A/S--Key Figures

	--Year-ended Dec. 31--				
(Mil. DKK)	**2021***	**2020**	**2019**	**2018**	**2017**
Adjusted assets	656,500.0	672,648.0	649,737.0	599,942.0	597,427.0
Customer loans (gross)	439,908.0	444,613.0	444,491.0	441,928.0	425,069.0
Adjusted common equity	33,865.0	32,375.0	31,761.0	29,416.0	28,012.0
Operating revenues	4,700.0	8,500.0	8,438.0	8,724.0	9,787.0
Noninterest expenses	2,607.0	5,349.0	5,495.0	5,415.0	6,027.0
Core earnings	1,659.3	1,664.7	2,412.3	2,261.9	3,093.5

* Data as of June 30. DKK--Danish krone.

Table 2

Jyske Bank A/S--Business Position

		--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Loan market share in country of domicile	11.0	11.0	12.0	12.0	12.0
Total revenues from business line (currency in millions)	4,733.0	8,502.0	8,473.0	9,023.0	9,850.0
Commercial & retail banking/total revenues from business line	84.9	86.5	88.5	82.5	80.9
Other revenues/total revenues from business line	15.1	13.5	11.5	17.5	19.1
Return on average common equity	9.9	4.9	7.6	7.8	10.0

* Data as of June 30.

Table 3

Jyske Bank A/S--Capital And Earnings

		--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Tier 1 capital ratio	20.1	19.9	19.4	18.0	18.0
S&P Global Ratings' RAC ratio before diversification	N/A	12.8	12.2	10.3	10.3
S&P Global Ratings' RAC ratio after diversification	N/A	10.8	10.2	8.8	8.6
Adjusted common equity/total adjusted capital	87.6	90.7	90.7	92.0	91.6
Net interest income/operating revenues	53.0	59.4	62.9	65.5	64.2
Fee income/operating revenues	23.1	24.6	27.4	21.3	20.0
Market-sensitive income/operating revenues	14.6	6.8	1.9	4.2	8.8

Table 3

Jyske Bank A/S--Capital And Earnings (cont.)

		--Year-ended Dec. 31--			
(%)	2021*	2020	2019	2018	2017
Cost to income ratio	55.5	62.9	65.1	62.1	61.6
Preprovision operating income/average assets	0.6	0.5	0.5	0.6	0.6
Core earnings/average managed assets	0.5	0.3	0.4	0.4	0.5

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

Table 4

Jyske Bank A/S--Risk-Adjusted Capital Framework Data

	EAD(1)	Basel III RWA (2)	Average Basel III RW (%)	S&P Global Ratings RWA	Average S&P Global Ratings RW (%)
Government and central banks	75,108.5	32.6	0.0	1,707.6	2.3
Of which regional governments and local authorities	15,249.4	29.7	0.2	287.2	1.9
Institutions and CCPs	88,405.9	8,015.5	9.1	10,816.8	12.2
Corporate	233,802.0	88,084.4	37.7	131,219.9	56.1
Retail	294,365.9	47,217.9	16.0	79,012.8	26.8
Of which mortgage	247,822.2	36,437.2	14.7	50,340.1	20.3
Securitization (3)	6,551.9	1,353.2	20.7	1,328.9	20.3
Other assets(4)	6,198.9	6,202.9	100.1	6,134.0	99.0
Of which deferred tax assets	0.0	--	--	0.0	0.0
Of which amount of over (-) or under (+) capitalization of insurance subsidiaries	0.0	--	--	0.0	0.0
Total credit risk	704,433.1	150,906.5	21.4	230,220.0	32.7
Total credit valuation adjustment	--	925.0	--	3,612.8	--
Equity in the banking book	1,155.7	2,012.1	174.1	9,859.9	853.2
Trading book market risk	--	10,294.2	--	15,441.2	--
Total market risk	--	12,306.3	--	25,301.1	--
Total operational risk	--	14,680.0	--	19,320.2	--
RWA before diversification	--	179,597.7	--	278,454.1	100.0
Single name(On Corporate Portfolio) (5)	--	--	--	10,290.0	7.8
Sector(On Corporate Portfolio)	--	--	--	(3,567.6)	(2.5)
Geographic	--	--	--	39,506.3	16.0
Business and Risk Type	--	--	--	10,795.0	3.3
Total Diversification/ Concentration Adjustments	--	--	--	57,023.7	20.5
RWA after diversification	--	179,597.7	--	335,477.7	120.5
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**Standard & Poor's RAC ratio (%)**
Capital ratio before adjustments		35,733.0	19.9	35,682.0	12.8
Capital ratio after adjustments (6)		35,733.0	19.9	35,682.0	10.6

(1) EAD--Exposure At Default. (2) RWA: Risk-Weighted Assets. (3) Securitisation exposure includes the securitisation tranches deducted from capital in the regulatory framework. (4) Other assets inlcudes Deferred Tax Assets (DTAs) not deducted from ACE. (5) For Public-Sector Funding Agencies, the single name adjustment is calculated on the regional government and local authorities portfolio. (6) For Tier 1 ratio, adjustments are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons).

Table 5

Jyske Bank A/S--Risk Position

		--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Growth in customer loans	(2.12)	0.03	0.58	3.97	7.86
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	18.69	19.47	17.99	18.87
Total managed assets/adjusted common equity (x)	19.39	20.78	20.46	20.40	21.33
New loan loss provisions/average customer loans	(0.01)	0.22	(0.02)	0.11	(0.04)
Net charge-offs/average customer loans	0.01	0.12	0.10	0.20	0.17
Gross nonperforming assets/customer loans + other real estate owned	1.85	1.81	2.15	2.45	4.00
Loan loss reserves/gross nonperforming assets	62.62	64.41	50.83	48.47	28.35

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

Table 6

Jyske Bank A/S Funding And Liquidity

		--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Core deposits/funding base	21.0	21.5	22.1	25.5	26.5
Customer loans (net)/customer deposits	355.7	344.7	346.3	321.7	300.2
Long-term funding ratio	74.2	74.2	76.4	83.1	83.2
Stable funding ratio	95.7	95.5	95.8	98.6	102.7
Short-term wholesale funding/funding base	27.5	27.4	25.1	18.0	17.9
Broad liquid assets/short-term wholesale funding (x)	1.0	1.0	1.0	1.1	1.3
Net broad liquid assets/short-term customer deposits	(5.3)	(5.9)	(2.9)	4.3	18.6
Short-term wholesale funding/total wholesale funding	34.4	34.6	32.0	24.0	24.2
Narrow liquid assets/3-month wholesale funding (x)	2.0	1.9	1.9	2.6	2.0

* Data as of June 30.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, July 1, 2019
- General Criteria: Group Rating Methodology, July 1, 2019
- 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
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Anchor Matrix

Industry Risk	Economic Risk									
	1	**2**	3	4	5	6	7	8	9	10
1	a	a	a-	bbb+	bbb+	bbb	-	-	-	-
2	a	a-	a-	bbb+	bbb	bbb	bbb-	-	-	-
3	a-	a-	bbb+	bbb+	bbb	bbb-	bbb-	bb+	-	-
4	bbb+	**bbb+**	bbb+	bbb	bbb	bbb-	bb+	bb	bb	-
5	bbb+	bbb	bbb	bbb	bbb-	bbb-	bb+	bb	bb-	b+
6	bbb	bbb	bbb-	bbb-	bbb-	bb+	bb	bb	bb-	b+
7	-	bbb-	bbb-	bb+	bb+	bb	bb	bb-	b+	b+
8	-	-	bb+	bb	bb	bb	bb-	bb-	b+	b
9	-	-	-	bb	bb-	bb-	b+	b+	b+	b
10	-	-	-	-	b+	b+	b+	b	b	b-

Ratings Detail (As Of October 25, 2021)*	
Jyske Bank A/S	
Issuer Credit Rating	A/Stable/A-1
Nordic Regional Scale	--/--/K-1
Resolution Counterparty Rating	A+/--/A-1
Commercial Paper	
Foreign Currency	A-1
Junior Subordinated	BB+
Senior Subordinated	BBB+

Ratings Detail (As Of October 25, 2021)*(cont.)		
Senior Unsecured		A
Short-Term Debt		A-1
Subordinated		BBB
Issuer Credit Ratings History		
23-Oct-2019		A/Stable/A-1
05-Apr-2018		A-/Positive/A-2
01-Dec-2011		A-/Stable/A-2
10-Feb-2012	*Nordic Regional Scale*	--/--/K-1
Sovereign Rating		
Denmark		AAA/Stable/A-1+
Related Entities		
Jyske Realkredit A/S		
Issuer Credit Rating		A/Stable/A-1
Resolution Counterparty Rating		A+/--/A-1
Senior Secured		AAA/Stable
Short-Term Secured Debt		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.