

THE WORLD'S SAFEST BANKS 2008

Global Finance selects the world's safest banks, the 50 institutions with the highest ratings from the leading international credit ratings agencies.



After a year in which many of the world's banking titans have shown themselves to be apt to making some very, very expensive mistakes, the concept of the world's "safest" banks might seem overly relative. Is that safe relative to Britain's Northern Rock, which only remained in business after a government-sponsored rescue, or safe relative to Bear Stearns and Lehman Brothers, both of which bit the dust this year—or safe relative to the US Federal Reserve?

In compiling this year's list during the most volatile month in recent his-

tory, we are aiming at a moving target. Questions have emerged over the credit ratings of many of the world's banks—some of which appear on this list. Bank of America, for example, which had already tumbled to 44th on the list from last year's 24th, suffered another ratings downgrade after announcing it would buy Merrill Lynch. That will almost certainly see it tumble off the list next year. In contrast, Britain's HBOS has been clawing its way up the table to reach 21st place this year. Then, as *Global Finance* was going to press, it endured a run on its shares and leapt into the welcoming arms of fellow UK banking giant, Lloyds TSB—ranked at number six—in a merger that many have described as a shotgun wedding.

While most of the banks at the top of the table remain the same, perhaps the worst casualty has been UBS, which plummeted from number six last year to 43rd this year. It is a sign of the seriousness of the banking crisis that the quintessential Swiss bank has fallen so far, so fast.

As always, we have constructed our ranking based on size and credit quality. We began with a pool of 500 of the world's largest banks by asset size to which we applied the most recent available ratings from Fitch Ratings, Moody's Investors Service and Standard & Poor's, with appropriate weightings. Where banks were rated equally by all three ratings agencies, the largest of the banks was awarded the highest ranking.

HOW WE MEASURE THE SAFETY OF BANKS

The safest banks chart compares the ratings for the world's 50 safest banks, based on long-term foreign currency ratings from Fitch Ratings and Standard & Poor's and the long-term bank deposit ratings from Moody's Investors Service. Where possible, holding companies have been rated rather than subsidiary banks, and government import-export finance institutions have been omitted. Within each rank set, banks are rated according to asset size. Ratings are reproduced with permission from the three ratings agencies, with all rights reserved. A rating is not a recommendation to purchase, sell or hold a security, and it does not comment on market price or suitability for a particular investor. Because Moody's uses different ratings from the other agencies, equivalents are shown in the table on the right.

FITCH RATINGS/ STANDARD & POOR'S	MOODY'S
AAA	Aaa
AA+	Aa1
AA	Aa2
AA-	Aa3
A+	A1
A	A2
A-	A3
BBB+	Baa1
BBB	Baa2
BBB-	Baa3
BB+	Ba1
BB	Ba2
BB-	Ba3
B/B+	B1
CCC	B2

THE WORLD'S SAFEST BANKS 2008

Rank	Bank Name	Country	Standard & Poor's	Moody's	Fitch	Total Assets (\$ billion)
1	Caisse des Dépôts et Consignations (CDC)	France	AAA	Aaa	AAA	264
2	Bank Nederlandse Gemeenten	Netherlands	AAA	Aaa	AAA	136
3	Landwirtschaftliche Rentenbank	Germany	AAA	Aaa	AAA	131
4	Rabobank	Netherlands	AAA	Aaa	AA+	840
5	Landeskreditbank Baden-Wuerttemberg - Foerderbank	Germany	AA+	Aaa	AAA	87
6	Lloyds TSB	United Kingdom	AA	Aaa	AA+	708
7	BNP Paribas	France	AA+	Aa1	AA	2,494
8	Dexia	Belgium	AA	Aa1	AA+	890
9	Wells Fargo	United States	AA+	Aa1	AA	575
10	NRW Bank	Germany	AA-	Aa1	AAA	219
11	HSBC	United Kingdom	AA	Aa1	AA	2,354
12	ING Bank	Netherlands	AA	Aa1	AA	1,463
13	Banco Santander	Spain	AA	Aa1	AA	1,344
14	Royal Bank of Canada	Canada	AA-	Aaa	AA	620
15	National Australia Bank	Australia	AA	Aa1	AA	498
16	Commonwealth Bank Of Australia	Australia	AA	Aa1	AA	469
17	Banco Popular Español	Spain	AA	Aa1	AA	158
18	Hang Seng Bank	Hong Kong	AA	Aa1	N/R	96
19	Royal Bank of Scotland	United Kingdom	AA-	Aa1	AA	3,808
20	Barclays	United Kingdom	AA	Aa2	AA	2,459
21	HBOS	United Kingdom	AA-	Aa2	AA+	1,336
22	Banco Bilbao Vizcaya Argentaria (BBVA)	Spain	AA	Aa1	AA-	739
23	Toronto-Dominion Bank	Canada	AA-	Aaa	AA-	435
24	Australia & New Zealand Banking Group	Australia	AA	Aa1	AA-	347
25	Westpac	Australia	AA	Aa1	AA-	331
26	The Bank of New York Mellon	United States	AA-	Aaa	AA-	198
27	Banco Español de Crédito (Banesto)	Spain	AA	Aa2	AA	165
28	ASB Bank	New Zealand	AA	Aa2	AA	41
29	Deutsche Bank	Germany	AA-	Aa1	AA-	2,974
30	Crédit Agricole	France	AA-	Aa1	AA-	2,268
31	Citi	United States	AA-	Aa1	AA-	2,188
32	Calyon	France	AA-	Aa1	AA-	945
33	Nordea Bank	Sweden	N/R	Aa1	AA-	573
34	Scotiabank	Canada	AA-	Aa1	AA-	421
35	Caja de Ahorros y Pensiones de Barcelona	Spain	AA-	Aa1	AA-	366
36	Svenska Handelsbanken	Sweden	AA-	Aa1	AA-	290
37	US Bancorp	United States	AA	Aa2	AA-	238
38	Caja de Ahorros y Monte de Piedad de Madrid	Spain	AA-	Aa1	AA-	234
39	State Street	United States	AA-	Aa1	AA-	143
40	Crédit Lyonnais	France	AA-	Aa1	AA-	135
41	DBS Bank	Singapore	AA-	Aa1	AA-	132
42	Ulster Bank	Ireland	AA	Aa2	AA-	117
43	UBS	Switzerland	AA-	Aa2	AA-	2,019
44	Bank of America	United States	AA	Aa2	A+	1,716
45	Société Générale	France	AA-	Aa2	AA-	1,578
46	JPMorgan Chase	United States	AA-	Aa2	AA-	1,562
47	Crédit Suisse	Switzerland	A+	Aa1	AA-	1,209
48	Intesa Sanpaolo	Italy	AA-	Aa2	AA-	843
49	Bank of Montreal	Canada	A+	Aa1	AA-	373
50	DnB NOR Bank	Norway	AA-	Aa1	A+	231