Chorley
Council

Report of	Meeting	Date
Assistant Chief Executive (Business Transformation) Executive Member for Resources)	Executive Cabinet	8 January 2009

TREASURY MANAGEMENT STRATEGY 2009/10

PURPOSE OF REPORT

1. To outline for members the current position in relation to the global financial markets, and to suggest an investment strategy for 2009/10.

RECOMMENDATION(S)

2. That the Executive approve the report for consultation as part of the Council's budget setting process.

EXECUTIVE SUMMARY OF REPORT

3. The report summarises the background and issues surrounding the current global financial crisis. Council's are not immune as recent events have shown. In order for the Council to agree its future strategy, the report sets out some of the options for the Council in terms of balancing the risk versus reward debate on the use of Council cash assets. Whilst there are options available to the Council with regard to having a completely safe treasury management strategy, this needs to be viewed in terms of the impact that would have on the income generated from such strategy.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

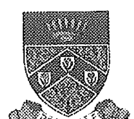
4. To allow for consultation regarding the development of the Council's treasury management strategy.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. None.

CORPORATE PRIORITIES

6. This report relates to the following Strategic Objectives:



Put Chorley at the heart of regional economic development in the Central Lancashire sub-region		Develop local solutions to climate change.	
Improving equality of opportunity and life chances		Develop the Character and feel of Chorley as a good place to live	
Involving people in their communities		Ensure Chorley Borough Council is a performing organization	✓

BACKGROUND

7. The global credit crunch we're now experiencing was caused when people with poor credit ratings (or subprime credit risks) were unable to meet higher debt repayments to US mortgage brokers due to rising interest rates brought on, in part, by rising global inflation. As more mortgages were foreclosed in America, the previously buoyant housing market nosedived. These subprime losses started in 2006, worsening throughout the year and into 2007 and 2008. With debts often sold on to other financial institutions around the world, both to raise funding and to help mitigate risk, the problem quickly became a global one.

8. Debt was packaged into complex financial products called collateralised debt obligations (CDOs) and sold on as AAA rated securities. These CDOs were insured by hedge funds and other financial institutions through the form of credit default swaps boosting their credit rating. With little debt being paid off in the underlying mortgages, and the assets these mortgages were secured on quickly dropping in value, the CDOs rapidly fell in value, eventually being worth less than the original purchase price.

9. As income from these increasingly worthless loans dried up, financial institutions such as mortgage providers and banks were unwilling to take on more debt, and had little money to lend. With less money to lend, interbank lending rates (the benchmark being LIBOR) soared to well above six percent, and with swap rates increasing at a similar rate, underlying costs to banks forced borrowing rates up for those lucky enough to be offered finance. This is the reason for the "credit crunch".

Banks:

10. Over the past months, banking stocks have reduced significantly in value due to speculators "short selling." Short selling is where an investor borrows stock, and then sells this stock in the market. Once the price falls the investor will buy the stock back at a lower price, thus making a profit equal to the difference between the price at which the stock was initially sold and the price at which the stock was re-bought, the stock is returned to the stock lender. The FSA placed a ban on the short selling of financial stocks in late September this year to try and curtail falls in the overall stock market. The ban is to last until January 2009 when it will be reviewed.

11. HBOS was caught in the middle of the short selling and its share price deteriorated markedly, despite the bank operating on a normal basis. Lloyds TSB agreed a buyout of HBOS with the help of the UK government, and a shareholder meeting called for January 2009 will give the shareholders of HBOS a chance to accept or decline the revised offer put forward by Lloyds TSB.

12. Lehman Brothers filed for Bankruptcy on Monday 15th September after a weekend of failed attempts to find a buyer. Merrill Lynch agreed to be bought out by the Bank of America, as they feared they could be next to face the wroth of the markets. Morgan Stanley and Goldman Sachs, Wall Street's last two "pure" investment banks, that week voluntarily changed their status to be able to operate in the retail markets, allowing them to access more funds. Goldman actually undertook a share placement that week in an attempt to raise c$7.5bn, $5bn of which came from Warren Buffet's (the wealthiest man in America)

Berkshire Hathaway (investment company). Buffet's investment is believed to also include the purchase of warrants entitling him to purchase $5bn of stock in the next five years with a strike price of $115. Morgan Stanley have since received a $12.7bn lifeline from the Mitsubishi financial group sending shares soaring by a colossal 87%.

13. AIG, the world's biggest insurer ran into difficulties and approached the Fed for a loan which in the end was approved for approximately $80bn. The interest payable on this loan is believed to be in the region of 10%.

14. Depfa and Dexia also fell foul of the markets in September, forcing some European governments to take drastic action to secure the future of the banks. Depfa's German parent, Hypo Real Estate bank, announced it had funding problems, causing panic in the German banking sector. The government, along with a consortium of financial institutions, agreed to offer a credit line to the struggling bank. Dexia on the other hand were part nationalised by the Benelux governments taking a 49% stake between them.

15. On Friday 12th September the US announced the first plans to try and offer a $700bn facility for banks to deposit toxic mortgages in order to shore-up the financial sector and help get things back on track. After a first failed attempt of trying to pass this through Congress, it was finally passed on 29th September.

16. This action was swiftly followed by financial aid across the world starting with Ireland. On 30th September the Irish Government offered a guarantee to six of its banks believed to cover the vast majority of deposits and debts of these institutions. This guarantee has since been extended to include foreign owned banks operating in Ireland. Greece and Germany were next to follow, with Greece offering a similar guarantee. The Germans initially provided credit lines to banks and then extended this to guarantees on retail deposits.

17. The UK were busy planning a suitably rescue package, and came up with a plan by which they would buy shares in leading banks, after banks had first helped themselves to build up their deposits and improve their tier 1 ratio.

18. On Wednesday 8th October, Central Banks across the world co-ordinated to jointly lower Bank Rates by 50 basis points and rates have continued to be reduced. The banks included were, the Bank of Canada, the Bank of England, the European Central Bank, the Federal Reserve, Sveriges Riksbank, and the Swiss National Bank.

19. In the midst of all this, markets reacted very badly as confidence in the global economy was lost, making a global recession more and more likely. The Dow Jones Industrial Average hit a 5 year low on Thursday 9th October, and posted the biggest percentage loss in one day since 1987. This was the seventh day in a row that the Dow Jones Industrial Average (DJIA) ended down. The FTSE100 also posted big losses during the week on expectations that it was even more likely that the UK economy was heading into a recession.

20. At the end of trading on 10th October, Alliance & Leicester shares ceased to trade after Banco Santander completed a takeover of the bank. This takeover is the latest acquisition by Santander of a British bank after already buying Abbey and taking over deposits from Bradford and Bingley after the mortgage book was nationalised with the view to combining it with that of Northern Rock.

21. On 8th October, the UK government announced a bail-out plan to support some of its biggest banks. The plan involves using £50bn of government money to buy major stakes in the country's eight major financial institutions, providing short-term loans and issuing a government guarantee on loans between banks. The Bank of England also said it will extend a credit line for Abbey, Barclays, HBOS, HSBC, Lloyds TSB, Nationwide Building Society, RBS, and Standard Chartered.

22. Then followed the announcement that all Icelandic banks and their UK subsidiaries were to go into receivership, thus suspending the repayment of maturing deposits and preventing depositors from accessing their funds. Further to this, the UK Prime Minister, Gordon Brown, used anti-terror laws to freeze Icelandic assets in Britain, causing a political stir.

23. News that the Swiss government was going to offer support to its two largest Banks, UBS and Credit Suisse, emerged on 16th October, after Credit Suisse announced it expected to make a loss of around £600m for the last three months.

24. Building societies have so far managed to remain out of the main line of fire during the crisis, although a number of mergers and acquisitions are being muted or worked through as we speak. The highest profile of these and most likely to succeed is the proposed takeover of Derbyshire and Cheshire building societies by Nationwide.

25. Nationwide have also been rumoured to be looking to take over West Bromwich building society after their chief exec resigned. A formal offer has not yet been made.

26. There is also speculation in the press about a merger between Britannia Building Society and the Co-Operative, in order to offer their products to a wider audience. With legislation in place preventing the merger of the two parties, the most likely outcome at the moment is that Britannia will simply promote Co-Op products through its branches nationwide.

27. Finally, Chelsea Building society has been reported in the press for two different reasons. The first being an exposure to Icelandic banks of approximately 2% of their assets, however, this is not expected to affect their customers of services. This view appears to be confirmed last week with the announcement of a takeover of the Catholic building society, to be completed on 31 December.

DRAWING UP A CREDIT POLICY

28. As with everything else, investment decisions should be based on a sound investment strategy but clearly with so much turbulence in the markets and amongst institution, this is becoming increasingly difficult. This part of the report covers recommendations on how to draw up and maintain a credit policy which is robust enough to deal with the current economic climate.

29. The main criteria in an investment strategy is the organisation's appetite for risk, which will be the main driving force. Local Authorities base their Investment Strategies on the Treasury Management Code of Practice and the Prudential Code. The key feature are:

- Security of Investments
- Liquidity
- Yield

30. The above factors are interlinked with security and liquidity typically having an inverse relationship to the yield. The next section will outline the meaning of security.

Security of investments:

31. When placing investments there are a number of interlinked risks that will need to be measured and where possible, reduced to a level the depositor is happy with. The main types of risk are:

- Credit Risk
- Counterparty Risk
- Duration risk
- Refinancing Risk

- Credit Risk:

32. Credit risk is all to do with the soundness and creditworthiness of counterparties. The best way to measure the credit risk of an institution is by using credit ratings as issued by the likes of Fitch, Moodys and Standard and Poors. These credit ratings outline how reliable an institution is likely to be given current circumstances across a number of fields. Sector prefer to use the ratings of Fitch as they are the most comprehensive, giving users four ratings to base their decision on. These ratings are:

- Long Term The likelihood of an institution meeting liabilities in 3-5 years
- Short Term The likelihood of an institution meeting liabilities within 1 year
- Individual The soundness of an institution's business model and performance
- Support The likelihood of external support should an institution require it

33. Whilst there is an ongoing review into the effectiveness of the rating agency data, they at this stage still represent the best way of forming a view on an institution financial strength.

Counterparty Risk:

34. There are three main types of counterparty risk, one of which has become increasingly relevant in the past weeks with the default of the Icelandic banks. The first type of risk is to individual counterparties. Diversification of investments through a number of counterparties reduces the risk of losing all investment balances in the event of one financial institution 'going under'. The Council's current policy allows for up to £2m to be deposited in only one institution. Pending this review I have reduced this to £1m with the ability to exceed this amount based as an individual institution circumstances. This is necessary as it is becoming increasingly difficult to place deposits.

34. This is true of exposure to groups of counterparties, for example Alliance and Leicester. Alliance and Leicester are now part of the Santander group along with Abbey and Cater Allen. By splitting investments between Abbey and Alliance and Leicester, there will still be a 100% exposure to the same group. An increased number of groups for investment purposes will dilute the counterparty risk even further.

35. The final element of counterparty risk is geographical risk. Although credit ratings incorporate this to a certain extent, it may also be important to look at sovereign ratings to help determine the actual value of a government guarantee. This is a relatively new development and has been introduced in response to in particular the problemswith the Icelandic government.

Duration Risk:

36. Duration risk relates to the maturity of the investment. The shorter time period you invest for, the lower the duration risk due to the fact that the near term is much easier to predict than the long term. Spreading investments over a range of maturities will significantly reduce the duration risk.

Refinancing Risk:

37. Refinancing risk arises when borrowing or investment facilities mature. At the time of maturity the price, term, conditions and availability have a risk of comparing unfavourably with the existing instrument. For example borrowing at a higher rate or investing at a lower rate.

Starting point:

38. Although no combinations of ratings can be viewed as completely fail-safe, a matrix approach has been developed to illustrate examples of the relative degrees of security afforded by the combinations of Fitch ratings.

Lending up to 1 year to banks and building societies

Short-term rating: *F1+*
Long-term rating: *AAA, AA+, AA, AA-*

Individual	Support			
	1	2	3	4
A	Red	Red	Red	
A/B	Red	Red	Green	
B	Red	Red	Green	
B/C	Red	Red	Green	
C	Red	Red	Green	
C/D				
D				

Short-term rating: *F1*
Long-term rating: *A+, A*

Individual	Support			
	1	2	3	4
A	Red	Red	Green	
A/B	Red	Red	Green	
B	Red	Red	Green	
B/C	Green	Green		
C	Green	Green		
C/D				
D				

Lending longer than 1 year (where permitted)

Short-term rating: *F1+*
Long-term rating: *AAA, AA+, AA*

Individual	Support			
	1	2	3	4
A	Purple	Purple		
A/B	Purple	Purple		
B	Purple	Purple		
B/C	Purple	Purple		
C				
C/D				
D				

Short-term rating: *F1+*
Long-term rating: *AA-*

Individual	Support			
	1	2	3	4
A	Gold	Gold		
A/B	Gold	Gold		
B	Gold	Gold		
B/C	Gold	Gold		
C				
C/D				
D				

39. Each colour has a suggested duration as follows:

Green up to 3 Months
Red up to 1 year
Gold Between 1and 2 Years
Purple Between 1 and 5 Years

This matrix is used to provide an overall rating for individual counterparties and suggested list of counterparties is attached at Appendix 1.

Investment Instruments to consider:

Fixed term deposits: (Security – Variable, Liquidity – Highly Illiquid, Yield – dependant on security)

40. Fixed term deposits placed with a bank or building society, as the name suggests, for a fixed period of time. These investments are the most commonly used with our clients as they are easiest to understand and place.

Call accounts: (Security – Generally high, Liquidity – Highly Liquid, Yield – Typically poor)

41. Call accounts are standard bank account with a notice period that is normally either instant access or 7 days notice. Call accounts tend to have a high security level due to the very low duration risk involved due to the ability to access cash normally at will.

Structured products: (Security – Variable, Liquidity – Highly Illiquid, Yield – higher than market rates)

42. Structured products vary in their overall structure but they generally offer rates above the current market rates and are linked to the LIBOR. The most common investments used are callable deposits, callable range accruals and flippable deposits.

Forward Deposits: (Security – Variable, Liquidity – Highly Liquid, Yield – dependant on security)

43. Forward deposits are the same as fixed term deposits (see above) except the rate, principal and start date are agreed a period of time before the money is deposited.

Certificate of Deposit: (Security – Variable, Liquidity – Highly Liquid, Yield – dependant on security)

44. Certificates of deposit (CDs) are virtually the same as fixed term deposits apart from the fact you can trade a CD in the market, making them a much more liquid asset. Due to the changing price of a CD it is possible for investors to trade CDs. In order to buy CDs an investor will require a custodian facility where the security is held.

45. Secondly, Government backed investments all carry an AAA rating, meaning they are of the highest credit quality. As compensation for the excellent security, the yield is typically lower. As the instruments are highly liquid, it is possible to enhance returns by trading. As for certificates of deposit, a custodian facility will be required to hold these securities:

Gilts:

46. Gilts are government debt issued periodically to help fund the country's borrowing requirement. They are issued for periods of up to 50 years and are issued at par (£100). The gilt pays a fixed annual return as a percentage of the £100. As interest rates fluctuate along with inflation expectations, the price of the gilt changes as future cash flow expectations change. By taking advantage of these fluctuations, it is possible to trade and make a return.

Treasury Bills:

47. Treasury bills are broadly the same as gilts except in two key areas. Firstly, they are issued for a much shorter period, typically 91 days. Secondly, they do not pay a fixed interest rate due to the short life. Instead the bill is issued below par (less than £100) and at maturity the bill holder will receive £100.

48. The final class of investments are managed funds, where an external manager takes a fee for investing your money and (hopefully) making a profit. Both of the options below provide a variable yield and are very liquid unless there is a "run" on the fund, whereby the fund will be shut and assets liquidated strategically to preserve the capital value.

Fund Manager:

49. Fund managers typically invest in gilts, CDs or both and aim to trade them in order to make a profit. Recently, due to volatility in the market, fund managers investing in gilts haven't performed very well. Those fund managers investing in CDs have done better due to the increased yields available after a freezing of interbank lending. A typical cost for this service would be 15-20bp.

Money Market Funds:

50. Money Market Funds (MMF) carry a credit rating, and depending on this rating, they have to comply with strict investment guidelines. MMFs tend to perform well in a falling interest rate environment due to the lag in receiving returns from interests made. AAA MMFs must comply with the following:

- Credit quality - A1+ (min 50%) or A1
- WAM of no more than 60 days
- Single counterparty exposure 10% max
- Illiquid holdings <10% max
- Final maturity of all assets 397 days max except FRN
- Floating Rate Notes (FRN) maturity 2 years max
- FRN's maturing beyond 397 must be A1+ and limited
- exposure in aggregate to 5% of assets
- Share values may be stable NAV (Net Asset Value) (1.00) or accumulating NAV

Summary of investments to consider:

Investment Instrument	Security	Liquidity	Yield
Fixed Term Deposit	Variable	Highly Illiquid	Dependant on security
Call Account	Generally High	Highly Illiquid	Typically Poor
Structured Products	Variable	Highly Illiquid	Higher than market
Forward Deposits	Variable	Highly Illiquid	Dependant on security
Certificates of Deposit	Variable	Highly Liquid	Dependant on security
Gilts	Very High	Highly Liquid	Low
Treasury Bills	Very High	Highly Liquid	Low
Fund Manager	High	Highly Liquid	Variable
Money Market Fund	High	Highly Liquid	Variable

CHORLEY'S APPROACH

51. The legislative and regulatory background to Treasury Management activities require the County Council to set out its proposed use of specified and non specified investments. Broadly speaking specified investment are sterling cash deposits for periods up to 364 and non specified investments fall outside this definition and can relate to investments over 1 year or involve an element of market risk such as certificates of deposits, gilts or any other securities. Currently all of the Council's investments are specified, the Council does not currently use market instruments.

52. In drawing up the Council's lending policy there needs to be an assessment of the authority's appetite for risk, which in turn requires a view on security of investments, the liquidity of investments and the yield from the investments. The recent events have been exceptional. Government action should reduce the risk of further bank failures, but there are no guarantees. The current investment policy spreads risk amongst many counterparties and is a well diversified low risk lending policy. It is not proposed to materially amend the current lending policy, however, it is recommended that some institutions that are currently excluded from the lending list are included because they have been "nationalised" by the UK Government, subject to any time limitations on the

guarantee. (It is recommended that there is a maximum duration of 3 months for these institutions).

53. The investment criteria already in place recognises the likely level of government support. These are strengthened by the guarantees made by the various Governments, which may only be short term, however, consideration should be given to the strength of the country giving the support. Fitch produce sovereign ratings which are linked to the long term foreign currency rating. There are currently 16 countries that have the highest (AAA) sovereign ratings and are:

Austria
Canada
Denmark
Finland
France
Germany
Ireland
Luxembourg
Netherlands
Norway
Singapore
Spain
Sweden
Switzerland
UK
USA

However despite these ratings, the market can change very quickly. Current market advice is not to have significant exposure in Ireland, as there is a sense that the Government is now over exposed, due to the amounts now deposited in Irish institutions. This demonstrates the difficulties currently being encountered.

54. If a negative rating watch is received from the rating agency, even though the institution is still rated highly enough to meet the Council's lending criteria, it is recommended that the Council will review very carefully each negative rating watch on its own merit and will not place any new investments with the institution concerned if it feels there are potentially material concerns with the institution concerned. There are many rating watches appearing each month and include such things as potential mergers/takeovers, changes in management or potential concerns over results. Currently, there are a number of negative rating watches, even in respect of very healthy banks and this could significantly reduce the number of acceptable names on the lending list at any point and may cause difficulty in placing the large cash balances to be invested at the time.

55. There have been a number of mergers/takeovers amongst financial institutions and this has quite significantly reduced the number of quality names on the lending list. Fewer names will ultimately mean t hat there may be a need to increase the limit for quality names.

56. The County Council has an account with its bankers, National Westminster (part of Royal Bank of Scotland), who are often used for residual overnight and weekend deposits. National Westminster is currently included as part of the limit with RBS. However, to enhance the flexibility of the investments with the banks, it is proposed that this overnight deposit account is not considered as part of the group's limit.

57. Investment in gilts or treasury bills are generally safe investments but offer a low yield and are subject to market movements in price. Certificates of deposit are also relatively safe instruments, but again are subject to market pricing movements. It is not recommended that these form part of the investment portfolio, unless the portfolio is ever managed

externally by an investment manager. In the current climate, the return from these vehicles is seen to be very low.

58. The size of cash balances available for investment has grown significantly over the last few years and hence the interest earned on those investments has been an important element in limiting any increase in Council taxes. The Council invests cash balances not immediately required to meet expenditure needs. In the current markets, investment of large cash balances amongst a wide spread of counterparties is often difficult due to the frequent movements in ratings and therefore it may be necessary to maintain smaller investments with good names, but not of the highest rating eg green coded institutions (which include many building societies). Although this is set to reduce as both the cash balances and returns on deposits reduces.

59. Although security of the investments is paramount, we should not lose sight of the impact on the revenue budget of adopting an over cautious approach. One of the most secure investments is with the Debt Management Office (ie the Public Works Loan Board – a part of government). They only borrow for comparatively short periods, but will stretch to six months at very uncompetitive rates but, for comparison, their current rates in comparison to a typical Red 1 Bank are as follows:

Current investment rates:		Interest earned per £1m investment	Cost of investing £1m with DMADF
3 month cash	2.75%	6,875	4,625
BOS Guaranteed Fixed Deposit Account	3.15%	7,875	5,625
DMADF	0.90%	2,250	0
6 month cash	2.95%	14,750	10,750
BOS Guaranteed Fixed Deposit Account	3.37%	16,850	12,850
DMADF	0.8%	4,000	0
12 month cash	3.05%	30,500	30,500
BOS Guaranteed Fixed Deposit Account	3.58%	35,800	35,800
DMADF	n/a		0

60. Therefore, if the Council's cash balances of £18m were invested for six months with the DMO, the Council would receive circa £22k less interest in the six month's period than if placed with a Red 1 Bank, which is a very significant difference and would have a material impact on the budget for the year. On this basis I would recommend the following:

  (a) The Council continues to invest as it does now in institutions with strong financial strength.

  (b) We only use counterparties where there is either a government back guarantee and the government has the strongest rated sovereign strengths.

  (c) Where counterparties are placed on negative rating watch upon investment decisions are based upon the counterparties individual circumstances.

  (d) A DMAF account is opened with the government as an option for depositing cash.

IMPLICATIONS OF REPORT

61. This report has implications in the following areas and the relevant Corporate Directors' comments are included:

Finance	√	Customer Services	
Human Resources		Equality and Diversity	
Legal		No significant implications in this area	

GARY HALL
ASSISTANT CHIEF EXECUTIVE
(BUSINESS TRANSFORMATION)

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Gary Hall	5480	22 December 2009	Exec Cabinet/Treasury Management Strategy 09-10

Bank		Sovereign Rating	LT	LT Watch	ST	ST Watch	Individual	Indiv Watch	Support	Government
Lloyds TSB Bank	GBR	AAA	AA+	NW	F1+		A	NW	1	UK
Bank of Scotland Plc	GBR	AAA	AA	NW	F1+	NW	B	NW	1	UK
Banco Santander Central Hispano	ESP	AAA	AA	NW	F1+		A/B	NW	1	
Abbey plc	GBR	AAA	AA-		F1+		B		1	
Alliance and Leicester	GBR	AAA	AA-	NW	F1+	NW	B/C		1	
National Australia Bank	AUS	AA+	AA		F1+		B		1	Australia
Clydesdale Bank	GBR	AAA	AA-		F1+		B/C		1	
Royal Bank of Scotland	GBR	AAA	AA-		F1+		B/C		1	UK
National Westminster	GBR	AAA	AA-		F1+		B/C		1	UK
Allied Irish Banks plc	IRL	AAA	AA-	NW	F1+		B	NW	1	Ireland
AIB Group (UK) Plc	GBR	AAA	AA-	NW	F1+		B	NW	1	Ireland
Rabobank International	NLD	AAA	AA+		F1+		A		1	
HSBC Bank plc	GBR	AAA	AA		F1+		A/B		1	UK
Commonwealth Bank of Australia	AUS	AA+	AA		F1+		A/B		1	Australia
Royal Bank of Canada	CAN	AAA	AA		F1+		A/B		1	
Barclays Bank plc	GBR	AAA	AA	NO	F1+		B		1	UK
Deutsche Bank AG	DEU	AAA	AA-		F1+		B		1	
Societe Generale (SG)	FRA	AAA	AA-		F1+		B		1	
Svenska Handelsbanken	SWE	AAA	AA-		F1+		B		1	
Nationwide Building Society	GBR	AAA	AA-		F1+		B		1	
Credit Agricole	FRA	AAA	AA-		F1+		B		1	
Nordea Bank Finland plc	FIN	AAA	AA-		F1+		B		1	
Australia & New Zealand Banking Group	AUS	AA+	AA-		F1+		B		1	
Bank of Ireland	IRL	AAA	AA-	NW	F1+		B	NW	1	Ireland
Oversea-Chinese Banking Corp	SGP	AAA	AA-		F1+		B		2	Singapore
Development Bank of Singapore (DBS)	SGP	AAA	AA-		F1+		B		2	Singapore

Banks rarely in the market or generally in £5m+ tickets.

N
W Neagtive Watch
NO Negative Outlook
PW Positive Watch
PO Positive Outlook